

**NJ TRANSIT BOARD MINUTES
OPEN SESSION
10/14/09**

Jon S. Corzine
Governor

Stephen Dilts
Board Chairman

Richard R. Sarles
Executive Director

NJ TRANSIT
One Penn Plaza East
Newark, New Jersey 07105-2248
973-481-7000



October 16, 2009

Dear Governor Corzine:

Pursuant to Chapter 150, Laws of 1979, I herein transmit the minutes of actions taken at the open session of the regularly scheduled meetings of the New Jersey Transit Corporation, NJ Transit Rail Operations, Inc., NJ Transit Bus Operations, Inc., and NJ Transit Mercer, Inc., Board of Directors held on Wednesday, October 14, 2009.

Sincerely,

Gwen A. Watson
Board Secretary

Enclosures

Honorable Jon S. Corzine
Governor, State of New Jersey
State House
Trenton, NJ 08625

October 16, 2009

Dear Governor Corzine:

Pursuant to Chapter 150, Laws of 1979, I herein transmit the minutes of actions taken at the open session of the regularly scheduled meetings of the New Jersey Transit Corporation, NJ Transit Rail Operations, Inc., NJ Transit Bus Operations, Inc., and NJ Transit Mercer, Inc., Board of Directors held on Wednesday, October 14, 2009.

Sincerely,

A handwritten signature in black ink, appearing to read "Gwen Watson". The signature is fluid and cursive, with the first name "Gwen" being more prominent than the last name "Watson".

Gwen A. Watson
Board Secretary

Enclosures

Honorable Jon S. Corzine
Governor, State of New Jersey
State House
Trenton, NJ 08625

Minutes of the actions taken at the Open Session of the regularly scheduled Board of Directors' meetings of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc. and NJ TRANSIT Mercer, Inc. held at the Delaware River Port Authority (DRPA), Board Room, 11th Floor, One Port Center, 2 Riverside Drive, Camden, New Jersey on Wednesday, October 14, 2009.

Present:

Myron P. Shevell, Acting Chairman
James A. Carey, Jr., Governor's Representative
James Vari, Treasurer's Representative
Flora Castillo
Kenneth E. Pringle

Richard R. Sarles, Executive Director
Gwen A. Watson, Board Secretary
Lynn Bowersox, Assistant Executive Director, Communications & Customer Service
James Gigantino, Vice President & General Manager, Bus Operations
Sal Conte, Acting Vice President & General Manager, Rail Operations
Kim Vaccari, Chief Financial Officer & Treasurer
Steve Santoro, Assistant Executive Director, Capital Planning and Programs
Alma Scott-Buczak, Assistant Executive Director, Human Resources
Leotis Sanders, Vice President, Diversity
Warren A. Hersh, Auditor General
Kenneth Worton, Deputy Attorney General

Acting Chairman Myron P. Shevell convened the Open Session at 9:10 a.m. in accordance with the Open Public Meetings Act and asked for a motion to enter Executive Session to discuss contract negotiations and attorney-client, litigation and personnel matters. A motion was made by James A. Carey, Jr., seconded by Flora Castillo and unanimously adopted.

Acting Chairman Shevell welcomed everyone to the City of Camden and said the City has been rejuvenated by transit projects.

Acting Chairman Shevell reconvened the Open Session at 10:10 a.m. and asked for a motion to adopt the minutes of the September 16, 2009 meeting. A motion was made by Flora Castillo and seconded by James A. Carey, Jr. and adopted.

Executive Director Richard R. Sarles highlighted the following from his monthly business report.

Executive Director Sarles thanked everyone for joining the Board of Directors in Camden and said it is important as a statewide transit agency to meet away from Newark, particularly to give the public/customers in other areas an opportunity to comment in person. He said those who have never been to an NJ TRANSIT Board Meeting will have an opportunity to speak during the meeting.

Executive Director Sarles welcomed John Matheussen, Chief Executive Officer, Delaware River Port Authority, to the Board Meeting and introduced him to say a few words.

Mr. Matheussen welcomed everyone to beautiful downtown South Jersey and said he is very proud of all of the projects going on in the South Jersey region. He said the Delaware River Port Authority is working with NJ TRANSIT on several major projects. He thanked Executive Director Sarles and staff for their assistance on the extension of light rail into Gloucester County, as well as the companion projects such as the study of bus rapid transit and the 30th Street extension from Philadelphia to Atlantic City. Mr. Matheussen said these are very important projects in South Jersey and thanked NJ TRANSIT for recognizing and assisting in this initiative. Mr. Matheussen said the Delaware River Port Authority is also working on an expansion of PATCO where transit will be a key element. Mr. Matheussen said he looks forward to the continuing partnership with NJ TRANSIT on these projects that will have an impact that extends across the state

Executive Director Sarles said the Delaware River Port Authority has been a great partner and NJ TRANSIT looks forward to moving ahead with the South Jersey projects.

Executive Director Sarles started his remarks on topics of local and South Jersey interest. The Federal Transit Administration approved the environmental study for the new Pennsauken Transit Center allowing NJ TRANSIT to move into construction. On Monday, NJ TRANSIT will be back in South Jersey to break ground on this important project. This \$40 million stimulus-funded project is expected to create or sustain several hundred jobs and will provide the first direct link between the Atlantic City Rail Line and the light rail River LINE. When completed at the end of 2012, the transit center will open new travel options to customers on both lines, as well as convenient connections for passengers on bus lines that will serve the center.

Executive Director Sarles recalled that Governor Corzine announced a three-point plan earlier this year for South Jersey transit initiatives involving all three NJ TRANSIT modes. NJ TRANSIT is taking the lead on the Camden area bus rapid transit study as well as a study to expand Atlantic City airport connections. NJ TRANSIT is working with the Delaware River Port Authority on the study of the proposed extension of light rail to Glassboro. Requests for proposals are out on the street for a Bus Rapid Transit study along the congested corridor southeast of Camden, along routes 55, 42 and 676. The Bus Rapid Transit Service relies on combinations of strategies to allow buses to cut through traffic, including dedicated lanes and traffic signal prioritization technology. The proposals are due late this month, with work on the study scheduled to start early next year.

The Atlantic City Rail Line Operations Study will evaluate current service and ridership and looks toward building ridership in the future. As part of the study, service frequency, trip times, and additional stations will be considered. NJ TRANSIT will evaluate the projected ridership impact of the Pennsauken Transit Center and a proposal for a new station in Woodcrest, providing another Atlantic City Rail Line/PATCO connection. The study will also explore some type of direct or intermodal connection between the Atlantic City Rail Line and the Atlantic City International Airport. Proposals for this study are also due later this month.

River LINE

Executive Director Sarles said NJ TRANSIT has received stimulus funds through the American Recovery and Reinvestment Act to upgrade the passenger signal system on the River LINE to Automatic Train Control (ATC). This project will bring the line up to a cab signal standard compatible with NJ TRANSIT commuter rail lines. Also on the River LINE, there has been higher than anticipated ridership over the last six years that has resulted in worn out seats. The existing cloth fabric is being replaced with the same high grade vinyl seats used on the NJ TRANSIT rail multilevel vehicles. The River LINE ridership was actually up 10 percent in the last full fiscal year (Fiscal Year 2009) compared to the previous fiscal year (Fiscal Year 2008), bucking the flatter ridership trend experienced on other services.

Rail Timetable Change

Executive Director Sarles said that every fall NJ TRANSIT makes adjustments to the rail service systemwide. The changes will take effect on November 8, 2009 and include introducing weekend service on the Montclair-Boonton Line by extending the existing trains without impacting other services and without any significant costs.

He said reverse peak trains will be added to the North Jersey Coast Line, Northeast Corridor, Raritan Valley Line and Morris & Essex Line to help customers traveling to jobs in New Jersey. NJ TRANSIT was able to do this at no additional cost using existing crews and equipment more effectively. Executive Director Sarles encouraged customers to pick up new timetables.

River LINE Safety

Executive Director Sarles spoke about safety education and said NJ TRANSIT takes safety very seriously. He said there was an unfortunate incident this summer on the River LINE involving a person who was walking along tracks and struck by a train. Through the investigation of the incident, NJ TRANSIT learned some residents and workers were in the habit of walking along the tracks, apparently not understanding the danger. NJ TRANSIT worked with a large employer in the area, Ready Pac Produce, and made safety presentations to every employee in the plant, almost 600 workers. NJ TRANSIT printed simple safety reminders in four languages, English, Spanish, Turkish and Hindi, and distributed them to customers at stations from Florence to Riverside. NJ TRANSIT will continue to work with community groups, employers and schools to prevent these types of incidents and to promote safe behavior. Next week is National Teen Driver Safety Awareness Week and high schools are encouraged to get the Driver Education Program package which helps teach young drivers the do's and don'ts of operating cars around railroad tracks and on roadways shared with buses. Developed with Operation Life Saver and the New Jersey Division of Highway safety, NJ TRANSIT reached out to nearly 700 schools to encourage them to take advantage of the program which is getting high marks from educators.

Board Items

Executive Director Sarles said the Board agenda includes several projects to expand and upgrade systems and facilities. One item that continues to be a vital part of the transportation network is the federal Community Mobility and Local Programs Vehicle Purchase contracts, which NJ TRANSIT manages for the state. Approval is requested to purchase 65 vehicles, including minibuses and heavy-duty buses that will provide critical transportation to senior citizens and residents with disabilities in rural and small urban areas. More than half of the vehicles are being purchased through American Recovery and Reinvestment Act funding. There are several recipients in this region including the Senior Citizens United Community Services in Camden, the counties of Atlantic, Burlington and Salem, and the South Jersey Transportation Authority.

NJ TRANSIT Website

Executive Director Sarles was pleased to announce the re-designed and re-launched NJ TRANSIT website at NJ TRANSIT.com. The site features a new streamlined look with improved functionality that makes it easier than ever for customers to get information. Expanding the roll-out of the Departure-Vision program allows customers to view train departure screens including arrival times, track assignments and train status, on their mobile devices, like blackberries and iPhones. NJ TRANSIT began testing the program this summer using the train departure boards at the Frank R. Lautenberg Station at Secaucus Junction and received very positive feedback. Executive Director Sarles invited everyone to visit NJ TRANSIT.com to see all the new features it has to offer.

Advisory Committee

Anna Marie Gonnella Rosato presented the Advisory Committee report. On behalf of the South Jersey Transportation Advisory Committee, Ms. Gonnella Rosato welcomed everyone to South Jersey and suggested that the Board may consider telecommunications by having the Board meetings televised live so South Jersey commuters can view and communicate at Board Meetings. Ms. Gonnella Rosato appreciates the Pennsauken Transit Center which will benefit bus riders by getting them to and from jobs in South Jersey. Ms. Gonnella Rosato will participate in the Pennsauken ground breaking ceremony next Monday. She is also pleased with the partnership with the Delaware River Port Authority on all of the initiatives that John Matheussen mentioned to improve transportation in South Jersey.

Board Member Kenneth E. Pringle presented the Capital Planning, Policy and Privatization Committee report to the Board. The Committee reviewed the very complex modifications to the 69th Street freight grade crossings in North Bergen, reviewed the plans for the first contract for the Lackawanna Cutoff between Andover and Port Morris through a grant secured by Congressman Frelinghuysen and discussed the construction contract for rehabilitation of historic Morristown Station.

Board Member Flora Castillo presented the Administration Committee report to the Board. At the September committee meeting, the insurance program for THE Tunnel project was reviewed. The Committee also discussed vehicle purchase contracts for

(NJT Board – 10/14/2009)

community mobility and local programs. The buses and minibuses will be used by private non-profit organizations and designated public bodies to provide transit services to senior citizens and persons with disabilities.

Acting Chairman Shevell said NJ TRANSIT lost a great asset with the passing of Robert E. Cuje, Jr. this past week. Mr. Cuje was a Structural Foreman for NJ TRANSIT for 33 years. Mr. Cuje was honored by NJ TRANSIT several years ago for saving the lives of people injured in a car accident. He was a fine gentleman and dedicated employee. Acting Chairman Shevell expressed his condolences to family and friends and said Mr. Cuje will be greatly missed.

There were no public comments on agenda items.

Executive Director Sarles presented the following Action Items for approval:

0910-71: 69th STREET GRADE SEPARATION PROJECT: CONSTRUCTION CONTRACT AWARD, CONSTRUCTION MANAGEMENT CONTRACT AWARD, CONTRACT AMENDMENT FOR CONSTRUCTION ASSISTANCE AND AMENDMENT OF OWNER CONTROLLED INSURANCE PROGRAM (OCIP)

At the northern end of the North Bergen Yard, 69th Street crosses six freight railroad tracks at-grade, causing considerable delays for vehicular traffic. In an effort to relieve this congestion and also to accommodate future Northern Branch light rail passenger service, authorization is requested for the construction of an elevated span over 69th Street by Tarheel Enterprises Inc. at a cost not to exceed \$22,027,109 plus five percent for contingencies. Authorization is also requested to approve a contract with STV Incorporated for construction management services at a cost not to exceed \$3.5 million plus five percent for contingencies and to amend an existing contract with PB Americas Inc. to include construction assistance with no additional funding required. Authorization is also requested to include this construction project in an existing Owner Controlled Insurance Program, known as OCIP, which allows NJ TRANSIT to secure insurance directly rather than paying for insurance through the contractors' bids, resulting in significant savings for the agency. The cost of the coverage for this project, administered by Marsh USA, will not exceed \$1,350,867 plus five percent for contingencies.

Kenneth E. Pringle moved the resolution, Flora Castillo seconded it and it was unanimously adopted.

0910-72: LACKAWANNA CUT-OFF PASSENGER RESTORATION PROJECT: CONSTRUCTION CONTRACT AWARD FOR TRACK BED RESTORATION

The Lackawanna Cutoff project entails complete reconstruction of the rail line between Port Morris in New Jersey and Scranton, Pennsylvania, a distance of 88 miles. A federal earmark was secured by Congressman

Rodney Frelinghuysen and funding is available for a first phase of this project which will include track bed restoration for a 4.25 mile segment between Port Morris and Lake Lackawanna. Authorization is requested to approve a contract to the lowest responsive, responsible bidder for the Track Bed Restoration construction contract for the Lackawanna Cut-off at a cost not to exceed the budgeted amount, subject to the availability of funds.

James A. Carey, Jr. moved the resolution, Kenneth E. Pringle seconded it and it was unanimously adopted.

0910-73: UNDERGRADE RAILROAD BRIDGES: ENGINEERING SERVICES TO PERFORM IN-DEPTH INSPECTIONS, EVALUATIONS, AND RATINGS

The NJ TRANSIT rail system maintains 658 rail carrying bridges which are inspected annually by in house staff and on a periodic basis by contractors with specialized knowledge of structure, evaluations and load ratings and underwater conditions monitoring. Authorization is requested to approve three contracts for in-depth inspections of 156 bridges. The contracts are with KS Engineers for \$946,281, Hardesty & Hanover LLP for \$736,300 and with Michael Baker, Jr. Inc. for \$651,722, all with a five percent contingency.

Flora Castillo moved the resolution, Kenneth E. Pringle seconded it and it was unanimously adopted.

0910-74: WEST WHARTON: PURCHASE AND INSTALLATION OF ONE NEW GAS INSULATED ENTRANCE CIRCUIT BREAKER

NJ TRANSIT owns and operates 177 miles of electrified track on the Morris & Essex Lines. Over time, mechanical and electrical components of the systems become worn from use and exposure to the elements. Such is the case at the West Wharton Substation, where a new gas insulated entrance circuit breaker must be installed to ensure continuing reliable electric train service. Authorization is requested to approve a contract with ABB Inc. to design, supply, deliver, install, test and commission this new circuit breaker at a cost not to exceed \$1,213,330 plus five percent for contingencies.

James Vari moved the resolution, James A. Carey, Jr. seconded it and it was unanimously adopted.

0910-75: MORRISTOWN STATION HISTORIC RESTORATION: CONSTRUCTION CONTRACT AWARD

At Morristown Station on the Morris & Essex Lines, NJ TRANSIT completed accessibility improvements as well as new lighting, elevators, restrooms in the main building and the roof on both the inbound and outbound buildings. Authorization is requested to approve a contract to

continue the rehabilitation of this historic station to restore all interior surfaces, wood windows, doors, interior seating, floors and wall tiles, upgraded vendor and ticket office space, drainage systems and tunnel work. The construction is proposed with John O'Hara Company, Inc. at a cost not to exceed \$2,478,800 plus five percent for contingencies.

James A. Carey, Jr. moved the resolution, Kenneth E. Pringle seconded it and it was unanimously adopted.

0910-76: OWNER CONTROLLED INSURANCE PROGRAM (OCIP) – THE TUNNEL PROJECT

Construction of the \$8.7 billion Tunnel project will require significant insurance coverage for primary and excess general liability, workers' compensation, builder's risk, contractor's pollution liability, railroad protective liability, project-specific professional liability and terrorism insurance. In this case also, use of an Owner Controlled Insurance Program, or OCIP, will result in considerable savings through reductions in premiums and greater participation of DBE firms, an efficient administrative control over claims and a coordinated approach to loss control and safety. The previous OCIP program has reached capacity, and authorization is requested to establish a new OCIP program for THE Tunnel project to be administered by Willis HRS as broker of record, previously approved by the Board. The cost of the insurance will not exceed \$225,000,000 plus five percent for contingencies and will continue until completion of construction.

Flora Castillo moved the resolution, James A. Carey, Jr. seconded it and it was unanimously adopted.

0910-77: COMMUNITY MOBILITY AND LOCAL PROGRAMS: VEHICLE PURCHASE CONTRACTS

Although Federal Transit Administration funding for transportation services in small urban and rural areas in the state has been reduced, the passage of the American Recovery and Reinvestment Act of 2009, as well as a reallocation of other grant programs for elderly and disabled persons, NJ TRANSIT was able to purchase a total of 65 buses to be used by private, non-profit organizations and some public bodies to provide transit for senior citizens and persons with disabilities. Authorization is requested to approve two contracts, one with Starcraft Division of Forest River/Jersey Shore Bus Sales for 26 minibuses at a cost not to exceed \$1,521,838 and with American Bus for 10 hybrid minibuses and 22 heavy duty buses, with an option for seven heavy duty buses in an amount not to exceed \$4,335,126, both with a five percent contingency.

Flora Castillo moved the resolution, Kenneth E. Pringle seconded it and it was unanimously adopted.

Executive Director Sarles presented the following Consent Calendar for approval:

0910-78: APPOINTMENT OF TREASURER AND DEPUTY TREASURER

Authorization to appoint Kimberley Vaccari as Treasurer of NJ TRANSIT and its subsidiaries to perform the functions of the Office of the Treasurer in accordance with the NJ TRANSIT By-Laws, Article IV, Section 5 and also appoints Celeste M. Drisgula, Deputy Treasurer to perform the functions of the Treasurer in her absence and who shall have such powers and shall perform such duties as may be assigned by the Treasurer in accordance with the NJ TRANSIT By-Laws, Article IV, Section 6.

The Consent Calendar was moved in its entirety by Flora Castillo, seconded by Kenneth E. Pringle and unanimously adopted.

There were two public comments on non-agenda items. Board Secretary Watson announced a three minute time limit for speakers.

Therese Donlan, Gloucester County, Principal Planner Transportation, requested NJ TRANSIT implement urgent improvements to the facilities in Gloucester County. NJ TRANSIT ticket vending machines are direly needed at various convenient locations throughout the County in order that County residents who are NJ TRANSIT bus riders can take advantage of the monthly pass and ten trip ticket discounted fares. Presently, there are no ticket vending machines in Gloucester County. Vending machines should be located in the City of Woodbury. Six NJ TRANSIT routes operate in Woodbury. It is also the location of frequent transfer activity. They should also be located in area supermarkets to provide easy access to all Gloucester County bus riders.

Ms. Donlan said there is also a great need for park and ride facilities and express bus service to relieve the increasing traffic congestion. The Gloucester County Planning and Social Service Departments have been advocating these improvements since Gloucester County initiated the first State Work Pass program in 1997. Ms. Donlan asked if these requests would be seriously considered for immediate implementation.

Tony DeSantis, Representative of the Delaware Valley Association of Railroad Passengers, welcomed the Board of Directors to South Jersey. He welcomed the decision to move forward with the Pennsauken Transfer Station. It will increase the connectivity of the passenger rail network in South Jersey and encourage more people to take the train instead of driving. In order to maximize the benefits of this investment, a fare system is needed that will provide for seamless transfers between the light rail and commuter rail services that NJ TRANSIT operates.

Closer integration of fares and services between NJ TRANSIT and PATCO is equally important, and even timelier now that NJ TRANSIT has cut back the Route 403 bus and forced passengers to transfer in Camden for travel to Philadelphia. Accepting the Freedom Card on South Jersey buses and offering a reasonably priced transfer fare will encourage more South Jersey residents to take transit instead of driving. It will also

lead the way towards more convenient intermodal connections with SEPTA, which is finalizing plans for its new fare collection system.

Most importantly, Mr. DeSantis voiced strong support for the restored passenger service to and from Gloucester County, via the NJ-3 route recently recommended by the Delaware River Port Authority. He urged NJ TRANSIT to work with the Delaware River Port Authority on planning this line, providing funding and support and integrating it with the regional rail network once it is complete.

Good passenger rail service for Gloucester County will promote sustainable growth, improve property values and make South Jersey a more attractive place to live and work. NJ-3 is the right choice for that service because it will revitalize existing communities instead of supporting sprawl. It will bring workers and customers to local businesses in Gloucester County and support pedestrian and bicycle access as well as park and ride. It is a big step forward towards a balanced transportation system for the region and he asked that planning and construction proceed as soon as possible.

Since there were no further comments or business, Acting Chairman Shevell called for adjournment and a motion to adjourn was made by James Vari seconded by James A. Carey, Jr. and unanimously adopted. The meeting was adjourned at approximately 10:40 a.m.

NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS, INC.
NJ TRANSIT RAIL OPERATIONS, INC.
NJ TRANSIT MERCER, INC.
REGULARLY SCHEDULED BOARD OF DIRECTORS MEETING

OCTOBER 14, 2009

MINUTES

	<u>PAGE</u>
➤ EXECUTIVE SESSION AUTHORIZATION	41556
➤ APPROVAL OF MINUTES OF PREVIOUS MEETINGS	41557
➤ EXECUTIVE DIRECTOR'S MONTHLY REPORT	41558
➤ ADVISORY COMMITTEE REPORTS	-
➤ BOARD COMMITTEE REPORTS	
*Capital Planning, Policy & Privatization Committee	
*Administration Committee	
➤ PUBLIC COMMENTS ON AGENDA ITEMS	

ACTION ITEMS

0910-71: **69TH STREET GRADE SEPARATION PROJECT: CONSTRUCTION CONTRACT AWARD, CONSTRUCTION MANAGEMENT CONTRACT AWARD, CONTRACT AMENDMENT FOR CONSTRUCTION ASSISTANCE AND AMENDMENT OF OWNER CONTROLLED INSURANCE PROGRAM (OCIP)** 41584

Authorization to contract (No. 09-131X) with Tarheel Enterprises, Inc. of Morgan, New Jersey for the construction of the 69th Street Grade Separation project, at a cost not to exceed \$22,027,109, subject to the availability of funds.

Authorization to contract (No. 09-130) with STV Incorporated of Newark, New Jersey, for construction management services in the amount of \$3,500,000, plus five percent for contingencies, subject to the availability of funds.

Authorization to amend the professional services contract (No. 93CJ001) with PB Americas, Inc. of Newark, New Jersey, to include construction assistance for the 69th Street Grade Separation project – no additional contract authorization is requested.

Authorization to amend the Owner Controlled Insurance Program administered by Marsh USA, Inc. to provide coverage for the 69th Street Grade Separation project at a cost not to exceed \$1,530,867, which includes \$111,000 for Marsh USA, Inc.'s brokerage fee, plus five percent for contingencies, for a total authorization of \$3,077,410, subject to the availability of funds.

NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS, INC.
NJ TRANSIT RAIL OPERATIONS, INC.
NJ TRANSIT MERCER, INC.
REGULARLY SCHEDULED BOARD OF DIRECTORS MEETING
OCTOBER 14, 2009
MINUTES
PAGE 2

0910-72: LACKAWANNA CUT-OFF PASSENGER RESTORATION PROJECT: 41589
CONSTRUCTION CONTRACT AWARD FOR TRACK BED
RESTORATION

Authorization to enter into contract (No. 10-014X) with the lowest responsive, responsible bidder for the Track Bed Restoration construction contract for the Lackawanna Cut-Off at a cost not to exceed the budgeted amount, subject to the availability of funds.

0910-73: UNDERGRADE RAILROAD BRIDGES: ENGINEERING SERVICES 41592
TO PERFORM IN-DEPTH INSPECTIONS, EVALUATIONS, AND
RATINGS

Authorization to enter into three separate contracts with KS Engineers, P.C. of Newark, NJ (09 -108A); Hardesty & Hanover, L.L.P. of West Trenton, NJ (09 -108B); and Michael Baker, Jr., Inc. of Hamilton, NJ (09 -108C) to perform in-depth structural inspections, evaluations, and load ratings of 148' undergrade bridges and underwater diving inspections of eight (8) undergrade bridges, at costs not to exceed \$946,281, \$736,300 and \$651,722 respectively, for a total cost of \$2,334,303 plus five percent for contingencies, subject to the availability of funds.

0910-74: WEST WHARTON: PURCHASE AND INSTALLATION OF ONE NEW 41595
GAS INSULATED ENTRANCE CIRCUIT BREAKER

Authorization to enter into a contract with ABB Inc. of Zurich, Switzerland, to design, supply, deliver, install, test, and commission one new 230kV entrance circuit breaker at West Wharton Substation at a cost not to exceed \$1,213,330, plus five percent for contingencies, subject to the availability of funds.

0910-75: MORRISTOWN STATION HISTORIC RESTORATION: 41598
CONSTRUCTION CONTRACT AWARD

Authorization to contract (No. 10-016X) with John O'Hara Company, Inc. of East Orange, New Jersey, for the Morristown Station historic restoration in an amount not to exceed \$2,478,800, plus five percent for contingencies, subject to the availability of funds.

NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS, INC.
NJ TRANSIT RAIL OPERATIONS, INC.
NJ TRANSIT MERCER, INC.
REGULARLY SCHEDULED BOARD OF DIRECTORS MEETING
OCTOBER 14, 2009
MINUTES
PAGE 3

0910-76: OWNER CONTROLLED INSURANCE PROGRAM (OCIP) – THE TUNNEL PROJECT 41601

Authorization to establish an Owner Controlled Insurance Program to provide coverage for THE Tunnel Project. The program will be administered by Willis HRH pursuant to the contract approved by the Board and awarded in May 2009 (Board Item #0905-30), at a cost not to exceed \$225,000,000, plus five percent for contingencies until completion of construction.

0910-77: COMMUNITY MOBILITY AND LOCAL PROGRAMS: VEHICLE PURCHASE CONTRACTS 41604

Authorization to contract (No. 09-127A) with Starcraft Division of Forest River/Jersey Shore Bus Sales of Toms River, New Jersey, for the purchase of 26 minibuses in an amount not to exceed \$1,521,838, plus five percent for contingencies, subject to the availability of funds.

Authorization to contract (No. 09-127B) with American Bus of Trenton, New Jersey, for the purchase of 10 hybrid minibuses and 22 heavy-duty cutaway buses with an option for an additional seven heavy-duty cutaway buses vehicles in an amount not to exceed \$4,335,126, plus five percent for contingencies, subject to the availability of funds.

CONSENT CALENDAR

0910-78: APPOINTMENT OF TREASURER AND DEPUTY TREASURER 41608

Authorization to appoint Kimberley Vaccari as Treasurer of NJ TRANSIT and its subsidiaries to perform the functions of the Office of the Treasurer in accordance with the NJ TRANSIT By-Laws, Article IV, Section 5 and also appoints Celeste M. Drisgula, Deputy Treasurer to perform the functions of the Treasurer in her absence and who shall have such powers and shall perform such duties as may be assigned by the Treasurer in accordance with the NJ TRANSIT By-Laws, Article IV, Section 6.

PUBLIC COMMENTS ON NON-AGENDA ITEMS

EXECUTIVE SESSION AUTHORIZATION

BE IT HEREBY RESOLVED pursuant to N.J.S.A. 10:4-12 and N.J.S.A. 10:4-13 that the Board of Directors of the New Jersey Transit Corporation hold an executive session to discuss contract negotiations and attorney-client, litigation and personnel matters; and

BE IT FURTHER RESOLVED that it is expected that discussions undertaken at this executive session could be made public at the conclusion of these matters as appropriate.

APPROVAL OF MINUTES

WHEREAS, the By-Laws provide that the minutes of actions taken at meetings of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc. and NJ TRANSIT Mercer, Inc. Board of Directors be approved by the Board; and

WHEREAS, pursuant to Section 4(f) of the New Jersey Public Transportation Act of 1979, the minutes of actions taken at the September 16, 2009, Board meetings of the New Jersey Transit Corporation, NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Rail Operations, Inc. and NJ TRANSIT Mercer, Inc. were forwarded to the Governor on September 18, 2009;

NOW, THEREFORE, BE IT RESOLVED that the minutes of actions taken at the September 16, 2009 New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc. and NJ TRANSIT Mercer, Inc. Board of Directors' meetings are hereby approved.


Jon S. Corzine
Governor

Stephen Dilts
Board Chairman

Richard R. Sarles
Executive Director

NJ TRANSIT
One Penn Plaza East
Newark, New Jersey 07105-2248
973-491-7000

41558

TO: BOARD OF DIRECTORS
FROM: RICHARD R. SARLES 
DATE: OCTOBER 14, 2009
SUBJECT: EXECUTIVE DIRECTOR'S REPORT – OCTOBER 2009

This month, I am pleased to report the Federal Transit Administration's approval of the environmental study for the new Pennsauken Transit Center, which allows us to advance into construction. On Monday, October 19, we will break ground on the \$40 million stimulus-funded project that will provide the first direct link between the Atlantic City Rail Line and River Line and is expected to create or sustain several hundred jobs. When completed at the end of 2012, the transit center will open up new travel options to customers on both lines.

Also in South Jersey, we are executing Governor Corzine's plan for transit initiatives involving all three NJ TRANSIT modes. We are working with the Delaware River Port Authority on a study of the proposed extension of light rail to Glassboro. In addition, we are taking the lead on a Camden-area Bus Rapid Transit (BRT) study to examine the congested corridor southeast of Camden along routes 55, 42 and 676. BRT service relies on a combination of strategies to allow buses to cut through traffic, including use of dedicated bus lanes and traffic signal prioritization technology. Requests for proposals have gone out and are due later this month, with study work scheduled to start early next year.

Proposals for the Atlantic City Rail Line (ACRL) Operations Study, which will evaluate current service and ridership and look toward building future ridership, are also due later this month. As part of the study, service frequency, trip times and additional stations will be considered. We will evaluate the projected ridership impact of the Pennsauken Transit Center and a proposal for a new station in Woodcrest, which would provide another Atlantic City Rail Line/PATCO connection. The study will also explore a direct or intermodal connection between the ACRL and Atlantic City International Airport.

Next month, rail service changes take effect systemwide starting November 8, including the introduction of weekend service on the Montclair-Boonton Line, which we are able to provide by extending existing trains without impacting other services—and without any additional costs. We are also adding reverse peak trains on the Northeast Corridor, North Jersey Coast, Raritan Valley and Morris & Essex lines to benefit customers traveling to jobs in New Jersey. This was also achieved at no additional cost, by using existing crews and equipment more effectively. As always, we encourage customers to review new timetables to see if their train times have been adjusted.

Today the Board will consider several projects to expand and upgrade our system and facilities. One item that continues to be a vital part of our transportation network is the federal Community Mobility and Local Programs Vehicle Purchase contracts, which we manage for the state. We are seeking the Board's approval on the purchase of 65 vehicles—including minibuses and heavy-duty buses—that will be used to provide critical transportation to seniors and residents with disabilities in rural and small urban areas. More than half of the vehicles are being purchased through ARRA funding. Recipients include the Senior Citizens United Community Services in Camden, the counties of Atlantic, Burlington and Salem, and the South Jersey Transportation Authority.

Finally, I am pleased to announce the launch of our redesigned website, which features a new streamlined look and improved functionality that makes it easier than ever for customers to get information. As part of the new njtransit.com, we have expanded the roll-out of DepartureVision to include most rail stations, allowing customers to view train departure screens—including arrival times, track assignments and train status—on their mobile devices and on the standard version of the website. We began testing the program this summer using the train departure boards at the Frank R. Lautenberg Station at Secaucus Junction and have received very positive feedback. We invite you to visit njtransit.com to see all the new features we have to offer.

EXECUTIVE DIRECTOR'S MONTHLY REPORT OCTOBER 2009

- 1. HIGHLIGHTS**
- 2. CUSTOMER AND COMMUNITY INITIATIVES**
- 3. EMPLOYEE RECOGNITION**
- 4. DBE/MBE PROGRAM**
- 5. PERFORMANCE MEASURES**

HIGHLIGHTS

Governor Corzine hails opening of new pedestrian link between Hoboken and Jersey City

Governor Jon S. Corzine officially opened a critical segment of the Hudson River Waterfront Walkway September 21, providing a new pedestrian link between Jersey City and Hoboken. Made possible through a public private partnership between the LeFrak Organization—the developers of Newport—and NJ TRANSIT, the new pedestrian bridge spans the Long Slip Canal, connecting with a new 750-foot section of walkway built by Newport in Jersey City.

Joined by U.S. Senator Robert Menendez, Jamie LeFrak and other state and local officials, Governor Corzine formally opened the walkway which provides pedestrian access to NJ TRANSIT, PATH and ferry services at Hoboken Terminal, as well as local businesses and recreation sites, while allowing Hoboken residents and commuters direct access to Newport and Jersey City.

The Hudson River Waterfront Walkway currently extends along nearly 15 miles in Hudson County and encompasses state, county and municipal parks. Once complete, it will provide a contiguous 18.5-mile linear walkway system of parks, piers and open space along the Hudson River and Upper New York Bay waterfront, extending from the George Washington Bridge to the Bayonne Bridge. Newport has constructed 1.2 miles of this walkway.

Most of Newport's new section was constructed in advance of the development of the community's Northeast Quadrant in a collaborative effort with NJ TRANSIT.

NJ TRANSIT commuters and Hoboken residents will easily be able to walk to the Newport Centre Mall, Newport's eight office towers, restaurants, shops and a wide array of other on-site amenities.

During construction, the NJ TRANSIT portion of the walkway project created or sustained approximately 75 jobs.

About the Project

In September 2007, the NJ TRANSIT Board of Directors awarded a \$6.4 million contract to Simpson & Brown, Inc., of Cranford, NJ, for the construction of a pedestrian bridge spanning the east end of the Long Slip Canal adjacent to the Hudson-Bergen Light Rail station at Hoboken Terminal. Construction of the Long Slip pedestrian bridge began in February 2008. The 175-

foot-long, 30-foot-wide bridge over the Canal features lighting, railings and signage, as well as a surface of brick pavers to match the existing Waterfront Walkway that it connects to at the Hoboken Terminal light rail station.

NJ TRANSIT's portion of the Waterfront Walkway links to a new 1200-foot section of walkway constructed by Newport at a cost of \$2 million featuring brick pavers, white pipe rail fence, benches, and a row of mature trees. A special feature installed by Newport is a series of 13 Interpretive signs developed in conjunction with New Jersey Audubon highlighting the natural and human history of the Newport area.

Pennsauken Transit Center advances toward construction

NJ TRANSIT's two South Jersey rail services will be directly linked for the first time under a contract authorized September 26 to launch construction of the new Pennsauken Transit Center. The project will create an estimated 300 jobs during both phases of construction.

The transit center will provide River LINE light rail customers and Atlantic City Rail Line customers with direct access to both services, as well as access to NJ TRANSIT bus lines that will serve the new facility. The project includes approximately 280 parking spaces.

The transit center will be built in two phases on vacant land on Derosse Avenue where the two grade-separated rail lines cross.

The \$2.1 million Phase I contract approved for award by the Board of Directors covers River LINE elements of the project, including construction of a 200-foot platform with 60-foot canopy for customers boarding River LINE trains. The contract also includes installation of infrastructure and conduit for communications, security and ticket vending machines, grading, drainage, lighting and federally mandated public art.

The design/build contract for Phase I, which was procured through a competitive bid process, will be awarded to Northeast Remsco Coast, Inc., of Farmingdale NJ (builder) and ARORA and Associates, PC, of Lawrenceville, NJ (designer) pending the completion of environmental reviews. Work is expected to begin this fall.

In Phase II, two 300-foot-long, high-level platforms will be built on either side of the Atlantic City Rail Line tracks, which cross above the River LINE along a viaduct. Stairs and two elevators will

be constructed to provide customers with access in compliance with the American with Disabilities Act.

The second phase also includes construction of the parking lot, installation of all passenger communication and CCTV equipment and ticket vending machines, as well as resurfacing, curbing and lighting improvements to Derausse Avenue.

The transit center will be operational upon completion of Phase II, which will be built under a construction contract that has not yet been advertised. The total project is estimated to cost approximately \$40 million and will be ARRA-funded. Project completion is expected around the end of 2012.

NJ TRANSIT approves study of light rail extension

On September 16, the NJ TRANSIT Board of Directors approved a study that explores the feasibility of extending Hudson-Bergen Light Rail service farther west in Jersey City.

The Board approved a \$251,000 contract with AKRF, Inc., for consultant services in support of the first phase of an alternatives analysis for the extension of the light rail line. The line would extend from its current western terminus at West Side Avenue Station across Route 440 to a redevelopment zone along the Hackensack Riverfront.

A new station would link the Jersey City waterfront and North Hudson to new residential, commercial and retail development the municipality is planning approximately one-half mile west of West Side Avenue Station.

The alternatives analysis will mark the first step in the federal environmental process for an extension. Among the specific items that will be evaluated are potential alignments, station planning, park and ride locations, operational needs, cost estimates and integration with redevelopment.

Hudson-Bergen Light Rail opened in April 2000, connecting 12 stations along the first seven miles of the system—from 34th Street in Bayonne and West Side Avenue to Exchange Place. Later that year, additional stations were opened at Pavonia/Newport, Harborside Financial Center and Harsimus Cove.

In September 2002, NJ TRANSIT opened the Hoboken Terminal light rail station, providing intermodal connections to commuter rail, trans-Hudson ferry, PATH and bus service. The 22nd Street Station in Bayonne opened in November 2003, followed by the expansion of service north to 2nd Street and 9th Street in Hoboken and Lincoln Harbor in Weehawken in September 2004.

NJ TRANSIT opened its newest stations—Tonnelle Avenue in North Bergen and Bergenline Avenue in Union City—in February 2006, which also marked the start of full service to Port Imperial Station in Weehawken.

In October 2008, construction began on a one-mile extension from the current southern terminus at 22nd Street to a new 8th Street Station in Bayonne.

Hoboken Ferry Terminal restoration enters final phase

Restoration of permanent ferry service to Hoboken Terminal advanced toward completion September 16, as the NJ TRANSIT Board of Directors approved construction of the third and final phase of a project that will return a portion of the historic building to its original function. The project is estimated to create or retain approximately 300 jobs.

The Board awarded a \$29.5 million contract to Hall Construction Company, Inc., of Farmingdale, NJ, for work associated with phase three of the Hoboken Ferry Terminal Rehabilitation project. In this final phase, construction of the ferry boarding area will be completed, including work on the ferry service ticket offices and waiting area, passenger amenities, utilities and gangways.

The terminal and its ferry slips were originally built by the Delaware, Lackawanna and Western Railroad in 1907. Hoboken ferry service was discontinued in 1967 due to declining demand, but was reintroduced in 1989 at a temporary facility at the southern end of the terminal building.

In early 2003, NJ TRANSIT and the Port Authority entered into an agreement to allow for the restoration of the Hoboken Terminal ferry slips and supporting infrastructure, with the goal of returning ferry service to its original location, while protecting and enhancing the historic elements of the terminal.

The project was divided into three phases. The first phase, which began in April 2004 and was completed in September 2005, included repairs to the terminal's substructure and superstructure.

Work on the second phase began in December 2005 and was completed in April 2008, including construction of a 230-foot tall clock tower replica modeled after the original 1907 design by architect Kenneth Murchison. The second phase also included marine construction of five of the original six ferry slips, as well as restoration of the exterior copper facade and lighting on the river side of the terminal, structural repairs, roof repairs and demolition of the finger piers and wooden fenders.

Construction of the ferry boarding area will be completed in the third and final phase, along with all remaining work necessary to restore ferry service to the original slips.

The overall project is expected to be completed in 2011.

At the project's completion, the restoration of ferry service into the original slips will allow for expansion of ferry service and greater flexibility in providing commuter service to Manhattan, as well as improved customer convenience and operational reliability.

Hoboken Terminal currently provides travelers multiple transit options including commuter rail, light rail, PATH and bus service. More than 50,000 people use the terminal daily.

Train riders to get improved Newark Penn Station plaza

Also on September 16, the NJ TRANSIT Board of Directors authorized a major pedestrian and traffic circulation improvement project at Newark Penn Station that will enhance safety, reduce vehicular congestion, strengthen the historic facility's connection to an increasingly vibrant downtown business and entertainment district and create an estimated 125 jobs.

The American Recovery and Reinvestment Act-funded improvements are planned for Alling Street and Raymond Plaza West, which extends along the station's main entrance from Market Street to Raymond Boulevard. The project area serves pedestrian, taxi, bus and private vehicle traffic generated by the more than 50,000 transit customers who use the station each day.

Project elements include a new roundabout on Raymond Plaza West midway between Market Street and Raymond Boulevard, realigning Alling Street near the Market Street intersection and an upgraded plaza at the corner of Market Street and Raymond Plaza West.

Other features include traffic-calming speed tables, in-crosswalk warning lights and increased drop-off and pick-up spaces. New street lighting, benches, plantings and way-finding signs also are among the improvements, along with integrated traffic signals, a taxi-queuing area and a Greyhound Bus pick-up and drop-off area.

The project will be built in phases to minimize inconvenience to pedestrians and motor vehicle traffic, with portions of existing pedestrian and roadway pathways open at all times during the construction phase. A contract is expected to be awarded during the next month. The project is expected to be completed in mid-2011.

CUSTOMER AND COMMUNITY INITIATIVES

NJ TRANSIT announces start of Montclair weekend service

On September 30, NJ TRANSIT Executive Director Richard Sarles joined Essex County Executive Joseph N. DiVincenzo and the mayors of Montclair, Glen Ridge and Bloomfield today to announce the start of weekend rail service on a portion of the Montclair-Boonton Line from Bay Street Station in Montclair to Newark and Hoboken Terminal.

Starting Sunday, November 8, NJ TRANSIT will begin weekend trains with a demonstration rail service by extending existing train shuttles west to Bay Street Station in Montclair, that today operate only between Hoboken Terminal and Newark Broad Street on weekends.

Trains will operate approximately every two hours to and from Hoboken with stops at Bay Street, Glen Ridge, Bloomfield, Watsessing Avenue and Newark Broad Street stations, and will give customers the opportunity to connect at Newark Broad Street to Midtown Direct service to New York or to points west on the Morris & Essex Lines.

NJ TRANSIT is able to extend existing trains west at virtually no cost, and without impacting existing train schedules or putting more strain on limited capacity at the Hudson River tunnels, which are under construction on weekends.

NJ TRANSIT introduces new procedure to speed boarding at Port Authority Bus Terminal

NJ TRANSIT is introducing a new procedure at the Port Authority Bus Terminal that will improve the commute by speeding the boarding process, enabling the agency's buses to get customers home faster.

Beginning Monday, October 19, cash will no longer be accepted on buses departing the Port Authority Bus Terminal. All customers will be asked to "Buy Before Boarding" and have their tickets or passes ready before boarding the bus.

By reducing cash transactions on buses, NJ TRANSIT can reduce delays associated with slow boarding and improve on-time performance.

NJ TRANSIT bus on-time performance for August was 94.4 percent—a 0.9 percent improvement over the same month last year. Of the nearly 34,000 bus trips scheduled to

operate, 1,890 experienced delays. On-time performance for buses serving the Port Authority Bus Terminal was 92.8 percent for the same month.

Most other bus carriers at the Port Authority Bus Terminal have already implemented the "Buy Before Boarding" procedure and have benefitted from improved on-time departures.

To get ready for the new boarding procedure, NJ TRANSIT is upgrading 14 Ticket Vending Machines to make them faster, and installing eight new machines to make buying a ticket even easier. Tickets and passes can also be purchased at any NJ TRANSIT ticket window on the main concourse. For maximum convenience and savings, customers may wish to consider buying a monthly bus pass.

Located in midtown Manhattan, the Port Authority Bus Terminal is the world's busiest bus terminal and the largest bus terminal in the United States, serving approximately 200,000 passenger trips and 7,000 buses on a typical weekday.

EMPLOYEE RECOGNITION

NJ TRANSIT employees bid farewell after outstanding careers

Twelve NJ TRANSIT employees retired in September with careers ranging from 6 to 31 years of service:

1. Zeola Marshall (Irvington) Bookkeeper, Penn Plaza – 31 years
2. Ronald Tyminski (Flanders) Mechanic "A," Hilton Garage – 30 years
3. Mario Silva, Jr. (North Arlington) Bus Operator, Oradell Garage – 29 years
4. Harry J. Butler, Jr. (East Strousburg, PA) Sr. Investigator, GOB – 28 years
5. John J. Strang (Brick) Sr. Claims Investigator, GOB – 28 years
6. Stephen R. Lax (Middlesex) Director Bus Service Planning, Penn Plaza – 26 years
7. Donald Murphy (Langhorne, PA) Sr. Director Contracts, Penn Plaza – 23 years
8. Helen Parsons (Jersey City) Regional Supervisor, GOB – 21 years
9. Alvaro Candelario (Jersey City) Bus Operator, Fairview Garage – 19 years
10. Berthony Louissaint (Newark) Bus Operator, Hilton Garage – 14 years
11. Steven Bullock (Pennsauken) Mechanic "A," Washington Township Garage – 11 years
12. Patricia Connelly (Burlington) Director of Operation Training, Ferry Street – 6 years

DBE/MBE PROGRAM

NJ TRANSIT – Office of Business Diversity DBE/SBE Participation

Federally Funded Contracts

\$68,933,958 in federal funds were awarded during October through September of FY 09.* Disadvantaged Business Enterprises (DBEs) were awarded \$14,077,568 or 20.4 percent, which includes both race conscious and race neutral awards.

State Funded Contracts

\$12,594,218 in state-funded contract dollars were awarded during July through September FY 10. ** Of that total, Small Business Enterprises (SBEs) received \$4,495,135 or 35.7 percent. Category 1 SBEs received \$703,750 or 5.6 percent. Category 2 SBEs received \$261,250 or 2.1 percent. Category 3 SBEs received \$0 or 0 percent. Category 4 SBEs received \$0 or 0 percent. Category 5 SBEs received \$3,530,135 or 28 percent.***

Federal & State Contracts Total

\$81,528,176 in federal and state contract dollars were awarded by NJ TRANSIT during this reporting period. Of that total, \$18,572,703 or 22.8 percent of federal and state contract dollars was won by DBEs and SBEs.

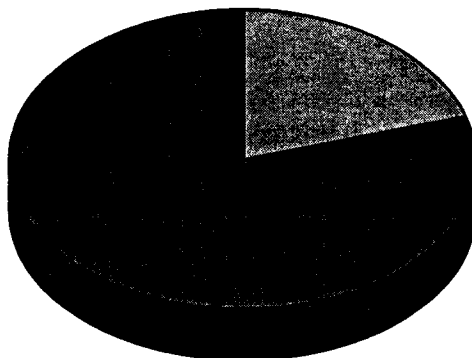
*Fiscal year beginning October 1, 2008

**Fiscal year beginning July 1, 2009

***Cat 1-Less than \$500,000 gross revenues, Cat 2-Less than \$5 million, Cat 3-Less than \$12 million, Cat 4 (construction)-Less than \$1 million, Cat 5 (construction)-Less than \$17,420,000, Cat 6 (construction)-Up to \$33.5 million

**DBE PARTICIPATION
FEDERAL CONTRACTS
FEDERAL FYTD (THROUGH SEPTEMBER 09)***

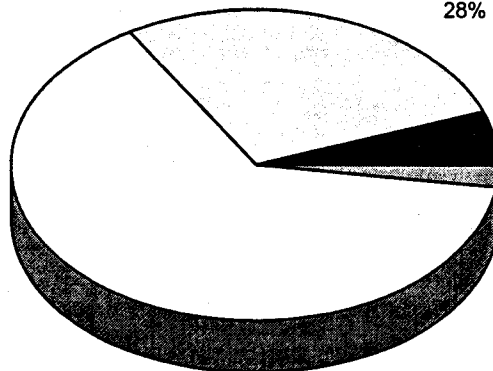
NON-DBE
FEDERAL
\$54,856,390
79.6%



DBE RACE
NEUTRAL & RACE
CONSCIOUS
\$14,077,568
20.4%

**SBE PARTICIPATION
STATE CONTRACTS
STATE FYTD (THROUGH SEPTEMBER 09)****

NON-SBE STATE
\$8,099,083
64.3%



SBE-5
\$3,530,135
28%

SBE-1
\$703,750
5.6%

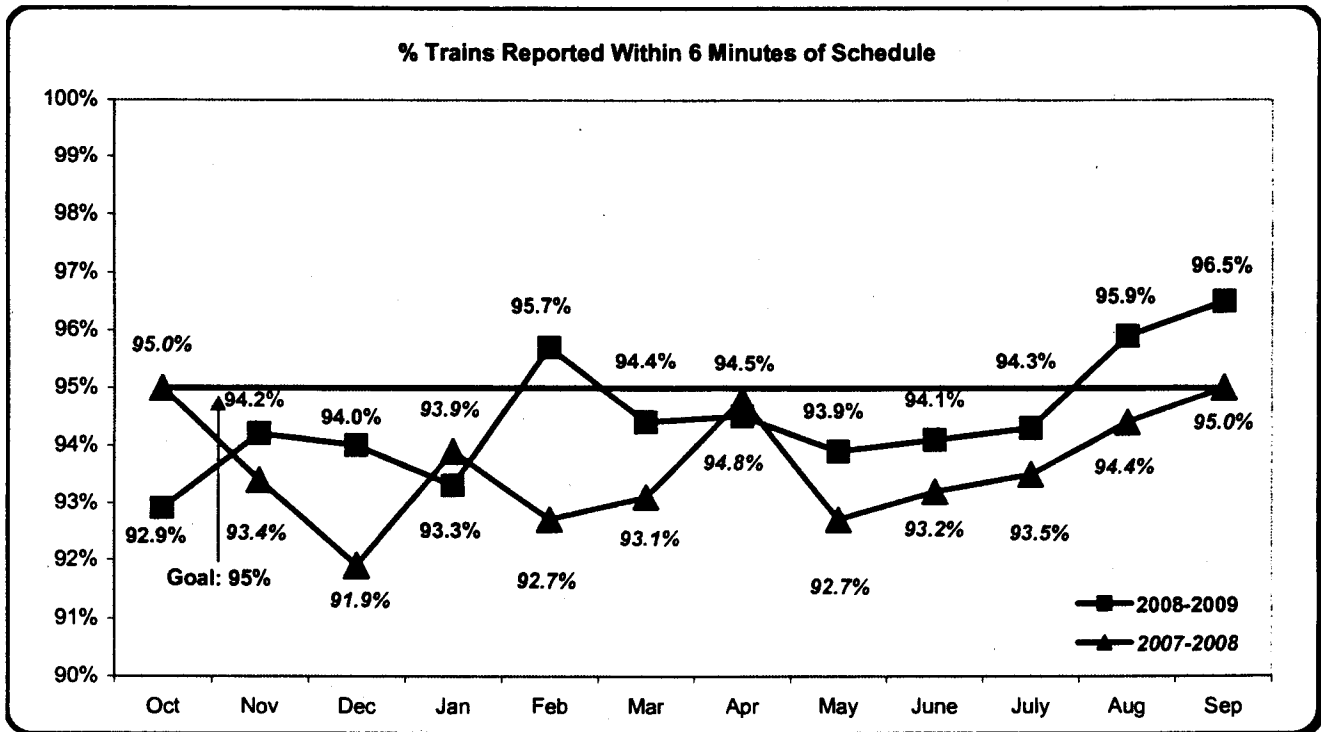
SBE-2
\$261,250
2.1%

Fiscal Year Beginning October 1, 2008*
Fiscal Year Beginning July 1, 2009**
(This report covers contracts above \$29,000)

PERFORMANCE MEASURES

(NJT Board-10/14/09)

NJ TRANSIT ON-TIME PERFORMANCE RAIL OCTOBER 2007 - SEPTEMBER 2009



	2008	2009	# Change
September Comparison	95.0%	96.5%	1.5%

	2007-2008	2008-2009	# Change
12-Month Average October - September	93.6%	94.5%	0.8%

Analysis:

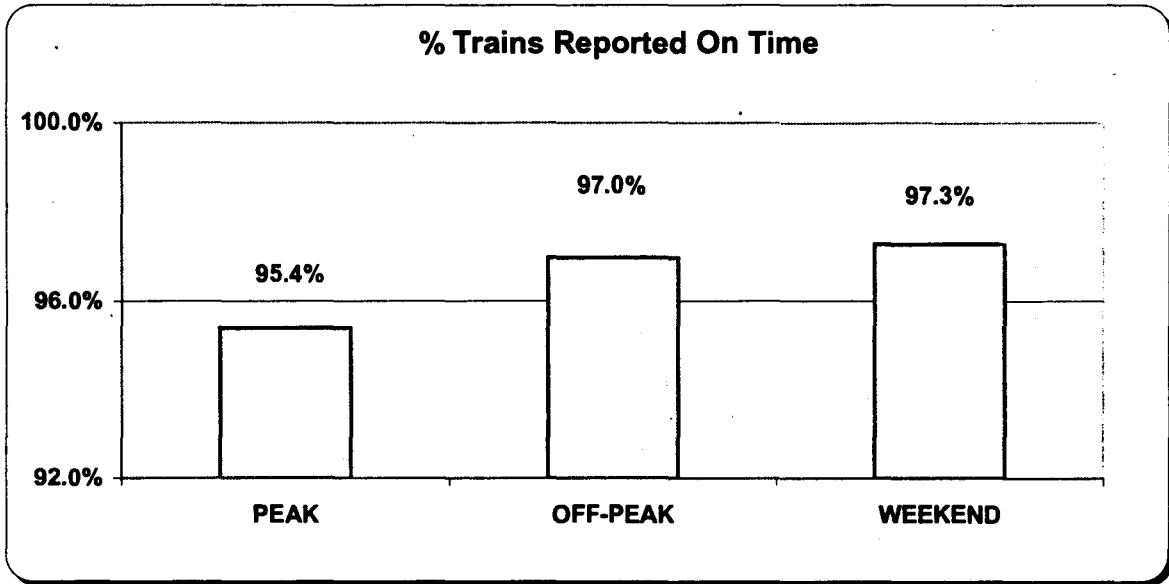
Rail On-Time Performance was 96.5% for September 2009. Of the 18,550 trains that were scheduled to operate, 17,907 were on time, while 643 trains (or 3.5%) were delayed. Key causes included:

- A catenary failure on the Northeast Corridor on September 3.
- A disabled Amtrak train at Newark Penn Station on September 11.
- Heavy passenger travel at Secaucus on Main/Bergen/Pascack Valley trains due to Meadowlands concert on September 24.

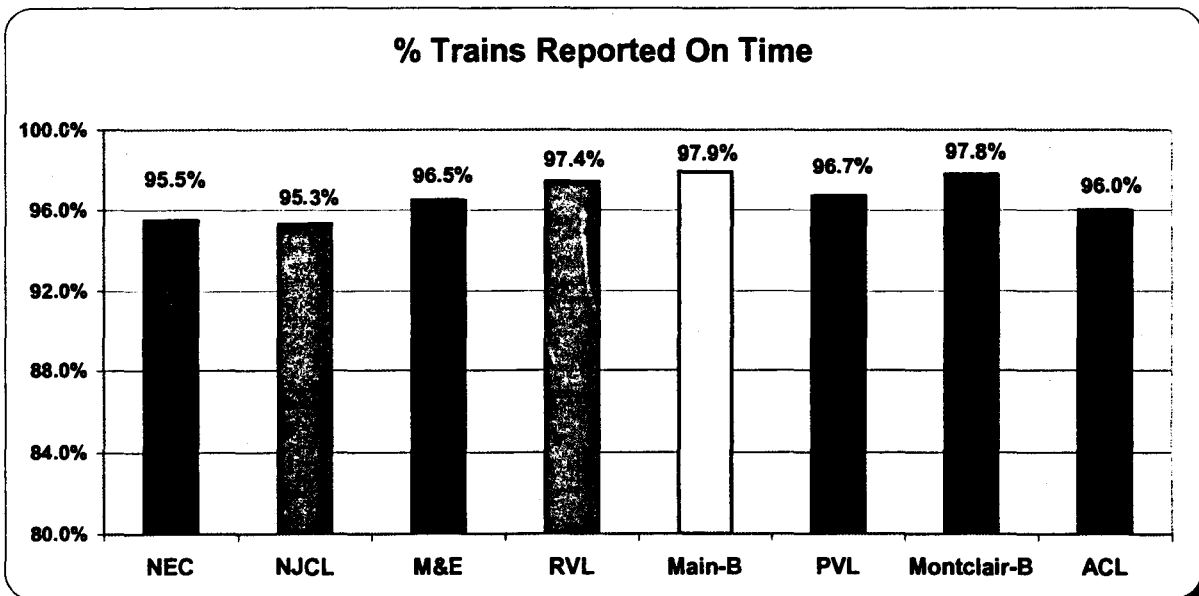
The 12-month average for Rail On-Time Performance for October 2008 - September 2009 was 94.5%.

ON-TIME PERFORMANCE RAIL

SUMMARY BY TIME PERIOD SEPTEMBER 2009

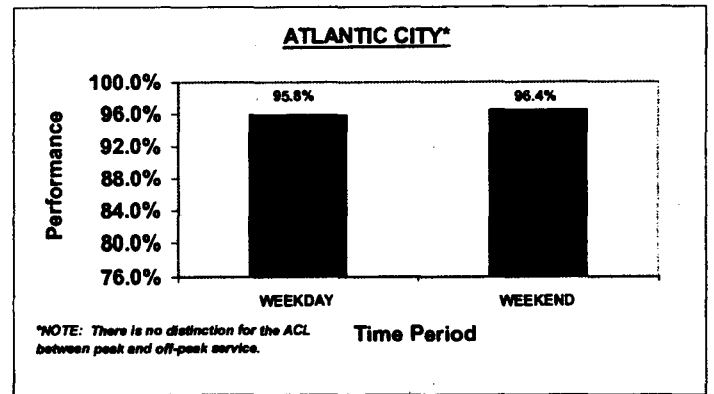
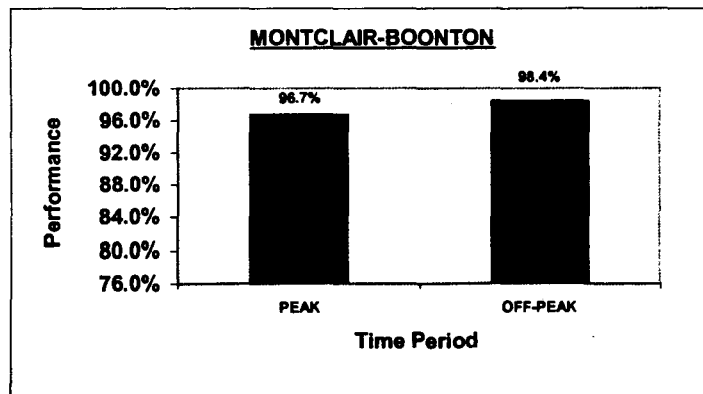
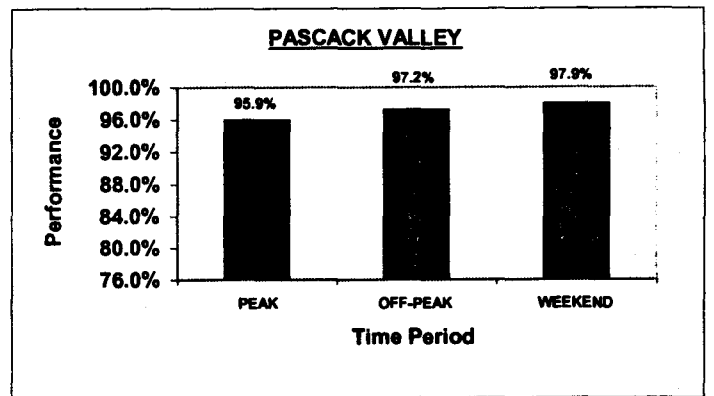
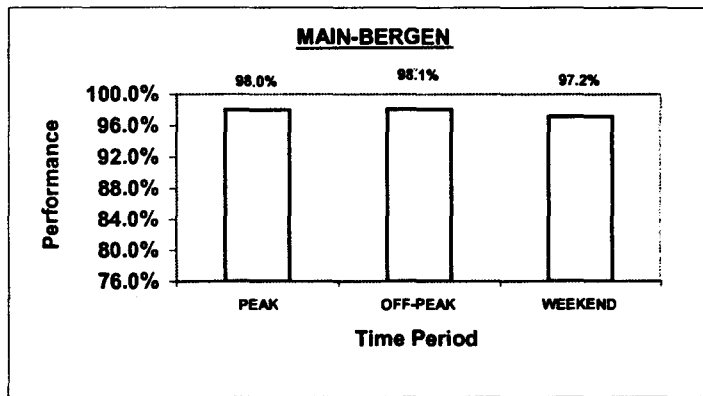
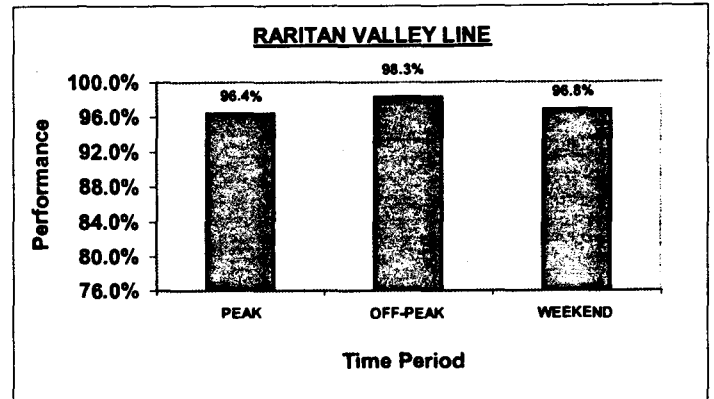
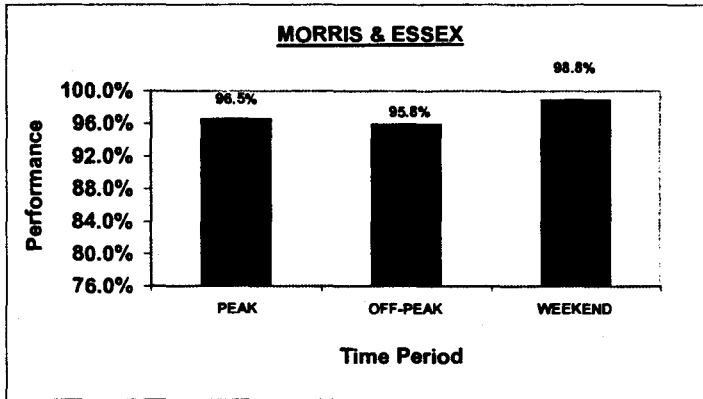
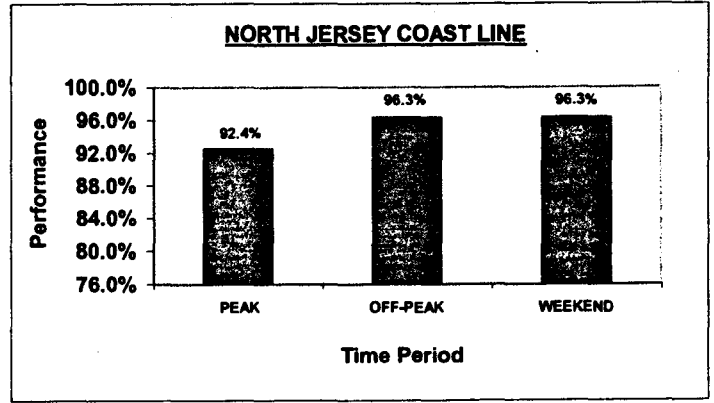
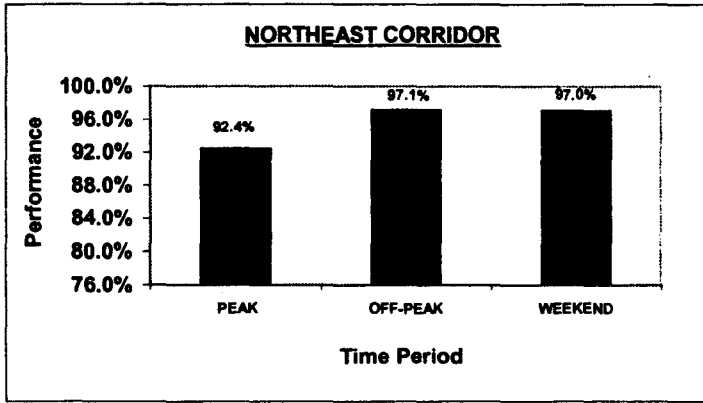


SUMMARY BY LINE SEPTEMBER 2009



(NJT Board-10/14/09)

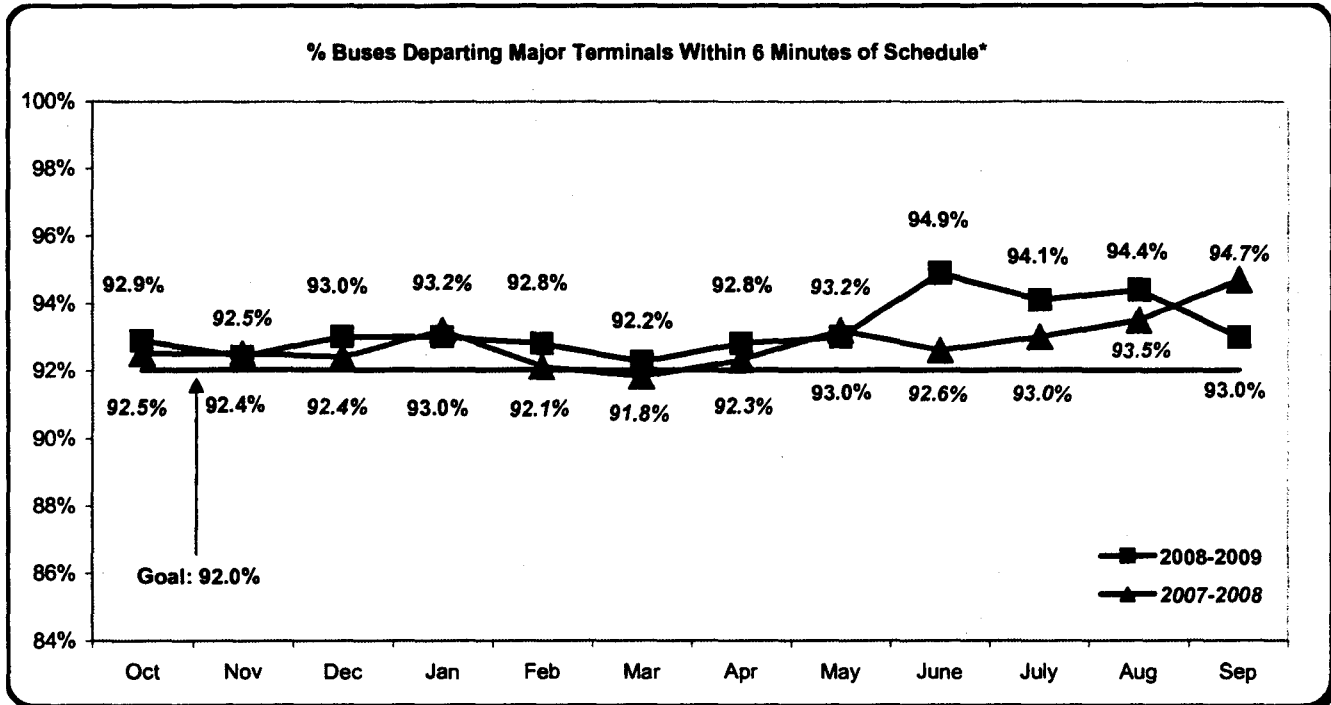
ON-TIME PERFORMANCE BY RAIL LINE & TIME PERIOD SEPTEMBER 2009



*NOTE: There is no distinction for the ACL between peak and off-peak service.

(NJT Board-10/14/09)

NJ TRANSIT ON-TIME PERFORMANCE BUS OCTOBER 2007 - SEPTEMBER 2009



*Note: Includes the Walter Rand Transportation Center, Atlantic City Bus Terminal, Port Authority Bus Terminal, Newark Penn Station, and, as of July, 2008, Hoboken Terminal.

	2008	2009	% Change
September Comparison	94.7%	93.0%	-1.7%

	2007-2008	2008-2009	% Change
12-Month Average October - September	92.8%	93.2%	0.4%

Analysis:

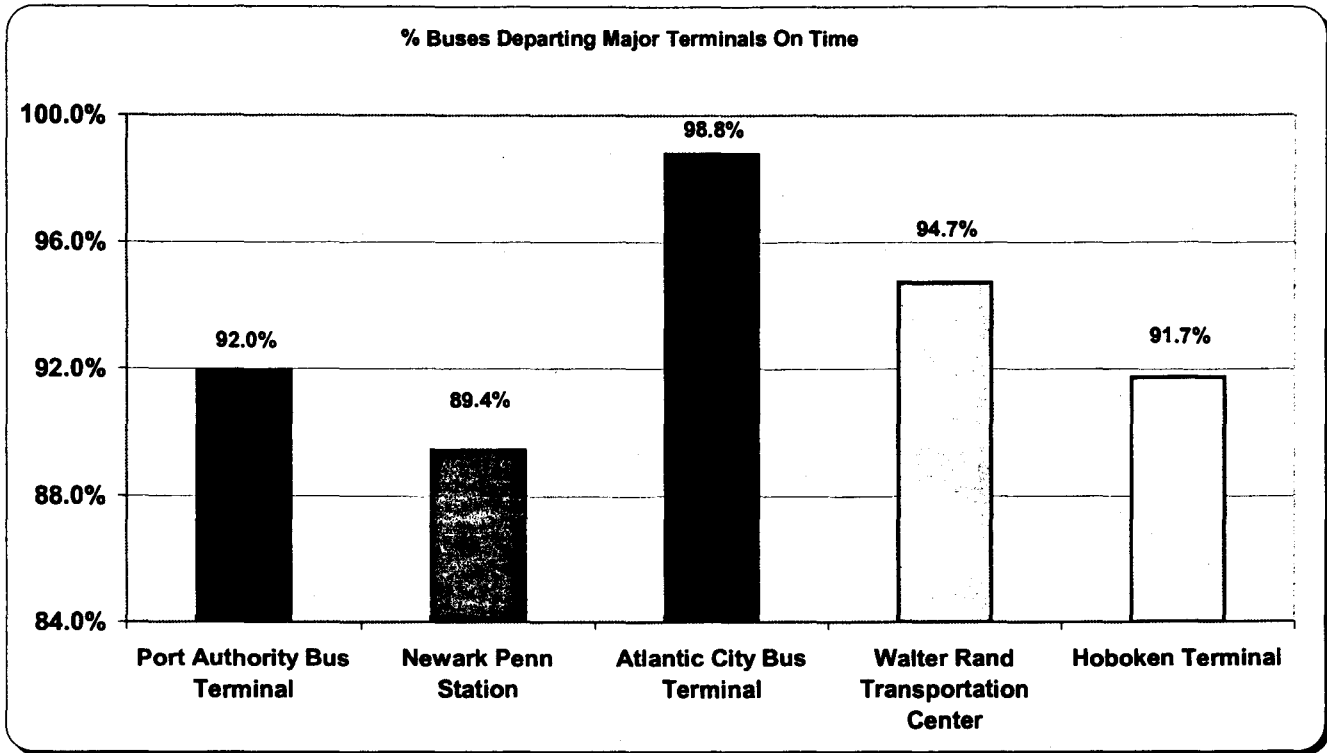
Bus On-Time Performance was 93% for September 2009. Of the 34,198 monitored departures, 2,398 (or 7%) experienced delays. Key causes included:

- Hoboken Terminal buses were impacted by road closures and construction in Jersey City on September 3.
- An oversized tractor trailer closed the Lincoln Tunnel for 45 minutes during heavy holiday traffic on September 4.
- Heavy rain and flooding conditions affected Atlantic City buses on September 11.
- Traffic congestion on Route 46 in Deptford, the Whitehorse Pike and Route 298 in Lawnside, and on Market and Broad Streets in Philadelphia delayed Walter Rand Transportation Center buses on September 16.

The 12-month average for Bus On-Time Performance for October 2008 - September 2009 was 93.2%.

ON-TIME PERFORMANCE BUS

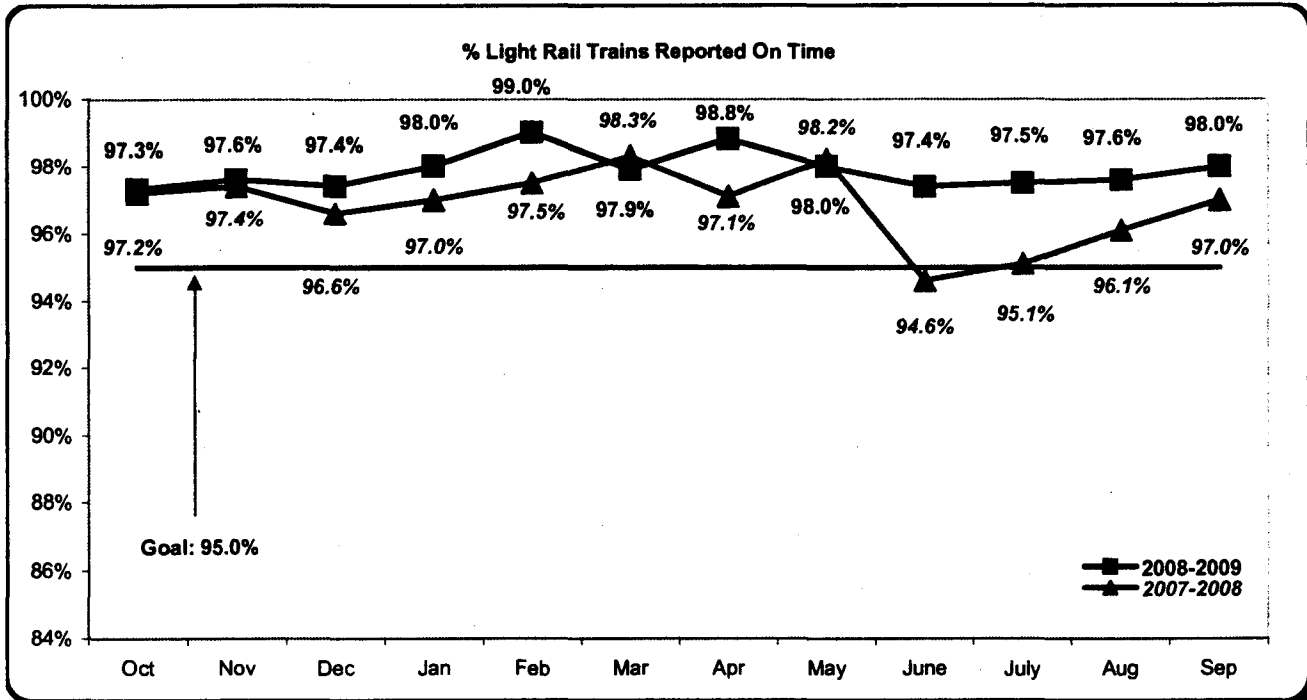
SUMMARY BY TERMINAL SEPTEMBER 2009



(NJT Board-10/14/09)

NJ TRANSIT

ON-TIME PERFORMANCE LIGHT RAIL - SYSTEMWIDE OCTOBER 2007- SEPTEMBER 2009



*Note: Starting May 2007

	2008	2009	# Change
September Comparison	97.0%	98.0%	1.0%

	2007-2008	2008-2009	# Change
12-Month Average October - September	96.8%	97.9%	1.1%

Analysis:

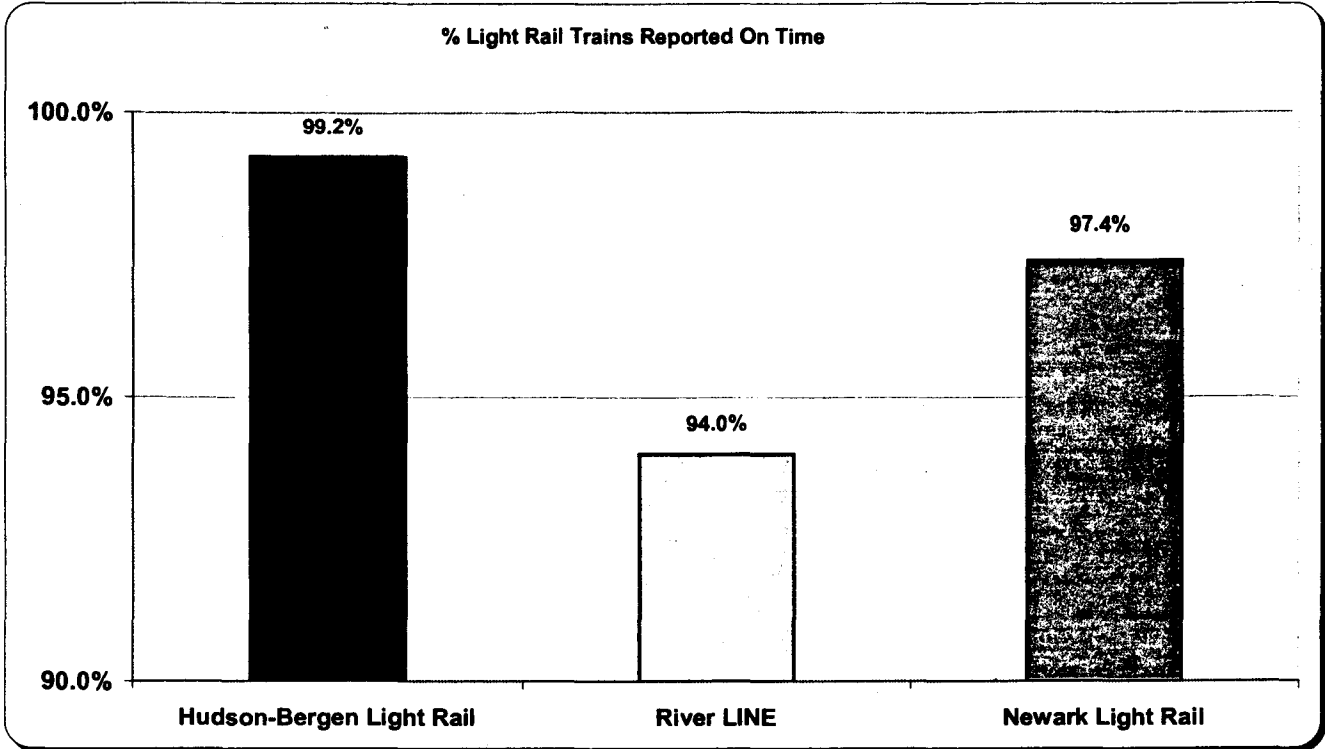
Light Rail On-Time Performance systemwide was 98% for the month of September 2009. Of the 30,527 scheduled trains, 613 (or 2%) experienced delays. Key causes included:

- HBLR trains delayed by police activity at Jersey Avenue on September 20.
- River LINE service was affected by concert traffic in Camden on September 19.
- Loss of catenary power at Newark Penn Station impacted Newark Light Rail on September 28.

The 12-month average for Light Rail On-Time Performance for October 2008 - September 2009 was 97.9%.

ON-TIME PERFORMANCE LIGHT RAIL

SUMMARY BY LINE SEPTEMBER 2009



ACTION ITEM

**ITEM 0910-71: 69th STREET GRADE SEPARATION PROJECT:
CONSTRUCTION CONTRACT AWARD, CONSTRUCTION
MANAGEMENT CONTRACT AWARD, CONTRACT
AMENDMENT FOR CONSTRUCTION ASSISTANCE AND
AMENDMENT OF OWNER CONTROLLED INSURANCE
PROGRAM**

BENEFITS

Sixty-ninth Street in the Township of North Bergen currently crosses at-grade five freight railroad tracks owned and operated by CSX Transportation (CSXT) and one freight track owned and operated by the New York Susquehanna and Western Railway (NYS&W) at the north end of the North Bergen Yard. Freight traffic in this area is considerable and delays to vehicular traffic can be extensive.

Elevating 69th Street in this area will eliminate the interactions between the rail movements and vehicular traffic. In addition to a new roadway bridge, this grade separation project includes related roadway improvements on portions of West Side Avenue and Anpesil Avenue, as well as area storm water drainage. The project has also been designed to accommodate future Northern Branch passenger rail service.

NJ TRANSIT has been utilizing an Owner Controlled Insurance Program ("OCIP") since 1994 to provide insurance coverage and claims administration for several major construction projects, including the Frank R. Lautenberg Rail Station at Secaucus Junction, the Hudson-Bergen Light Rail, the River LINE, and the Hoboken Ferry Terminal Rehabilitation – Phases 1 and 2. A new OCIP was created for the Hoboken Ferry Terminal Rehabilitation – Phase 3 project due to size and capacity constraints of the existing program, which will be expanded to include the 69th Street Separation project. The OCIP will provide uniform coverage, an enhanced safety program, larger and broader limits of coverage, a reduction in premium costs, and better administrative control over claims. The OCIP will provide insurance coverages including, but not limited to: Workers' Compensation & Employers' Liability; USL&H/Maritime: General and Excess Liability; FELA; Environmental Liability; Builder's Risk; and Railroad Protective Liability

PURPOSE

Authorization of this construction contract will allow for the construction of the 69th Street Grade Separation project which includes the elevation of 69th Street over the freight tracks, related roadway improvements to West Side Avenue and Anpesil Avenue, and storm water drainage improvements.

Authorization of an amendment to the general design contract with PB Americas, Inc. will allow for construction assistance services for the 69th Street Grade Separation project. No additional funding is requested for these additional services. This will be the last authorization under this contract.

Authorization of a construction management contract with STV Incorporated will allow for construction management services for the 69th Street Grade Separation Project.

Authorization of the addition of the 69th Street Grade Separation Project to the OCIP will provide insurance coverage, claims administration and loss control, and safety services for the this project.

ACTION (Capital Program Justification: New System Expansion)

Staff seeks authorization to contract (No. 09-131X) with Tarheel Enterprises, Inc. of Morgan, New Jersey, for the construction of the 69th Street Grade Separation project, at a cost not to exceed \$22,027,109, plus five percent for contingencies, subject to the availability of funds.

Staff also seeks authorization to contract (No. 09-130) with STV Incorporated of Newark, New Jersey, for construction management services in the amount of \$3,500,000, plus five percent for contingencies, subject to the availability of funds.

Staff also seeks authorization to amend the professional services contract (No. 93CJ001) with PB Americas, Inc. of Newark, New Jersey, to include construction assistance for the 69th Street Grade Separation project – no additional contract authorization is requested.

Staff also seeks authorization to amend the Owner Controlled Insurance Program administered by Marsh USA, Inc. to provide coverage for the 69th Street Grade Separation project at a cost not to exceed \$1,530,867, which includes \$111,000 for Marsh USA, Inc.'s brokerage fee, plus five percent for contingencies, for a total contract authorization of \$3,077,410, subject to the availability of funds. The total contract authorization includes the OCIP for Hoboken Ferry Terminal Rehabilitation – Phase 3 previously authorized by the Board.

This has been reviewed and recommended by the Board Capital Planning Policy and Privatization Committee.

FISCAL IMPACT

Requested Authorization:

Tarheel Enterprises, Inc.	This Authorization	\$ 22,027,109	+ 5% contingency
STV Incorporated	This Authorization	\$ 3,500,000	+ 5% contingency
OCIP	This Authorization	\$ 1,530,856	+ 5% contingency
	Total Authorization	\$ 3,077,410	

Total Project Cost: \$ 61,000,000

Projected Date of Completion: December 2012

Anticipated Source of Funds: Transportation Trust Fund (by agreement with NJDOT)

Diversity Goal:

Construction	21% SBE
Construction Management	25% SBE
Construction Assistance	30% SBE
OCIP	15% SBE

NJ Build Amount: \$ 110,136

Future Related Authorizations: None

Impact on Future Operating Budgets: Township of North Bergen will own and maintain the grade separation structure and drainage

RESOLUTION

WHEREAS, the 69th Street Grade Separation project will eliminate the at-grade crossing of 69th Street with the existing freight railroad corridor and the future NJ TRANSIT Northern Branch passenger rail system; and

WHEREAS, upon completion of a competitive procurement process it was determined that Tarheel Enterprises, Inc. was the lowest responsive, responsible bidder; and

WHEREAS, NJ TRANSIT previously selected PB Americas, Inc. through a competitive procurement process for general design services for the 69th Street Grade Separation project; and

WHEREAS, upon completion of a competitive procurement process it was determined that STV Incorporated submitted the proposal for construction management services for the 69th Street Grade Separation project that provides the best value and is in the best interest of NJ TRANSIT; and

WHEREAS, NJ TRANSIT previously selected Marsh USA, Inc. through a competitive procurement process as its Corporate Insurance Broker;

NOW, THEREFORE, BE IT RESOLVED, that the Chairman or Executive Director is authorized to contract (No. 09-131X) with Tarheel Enterprises, Inc. of Morgan, New Jersey, for the construction of the 69th Street Grade Separation project, at a cost not to exceed \$22,027,109, plus five percent for contingencies, subject to the availability of funds; and

BE IT FURTHER RESOLVED, that the Chairman or Executive Director is authorized to amend the professional services contract (No. 93CJ001) with PB Americas, Inc. of Newark, New Jersey, to include construction assistance services – no additional contract authorization is requested; and

BE IT FURTHER RESOLVED, that the Chairman or Executive Director is authorized to contract (No. 09-130) with STV Incorporated of Newark, New Jersey, for construction management services in the amount of \$3,500,000, plus five percent for contingencies, subject to the availability of funds; and

BE IT FURTHER RESOLVED, that the Chairman or Executive Director is authorized to amend the Owner Controlled Insurance Program administered by Marsh USA, Inc. to provide coverage for the 69th Street Grade Separation project at a cost not to exceed \$1,530,867, which includes \$111,000 for Marsh USA, Inc.'s brokerage fee, plus five percent for contingencies, for a total contract authorization of \$3,077,410, subject to the availability of funds. The total contract authorization includes the OCIP for Hoboken Ferry Terminal Rehabilitation – Phase 3 previously authorized by the Board.

ITEM 0910-72: LACKAWANNA CUT-OFF PASSENGER RESTORATION PROJECT: CONSTRUCTION CONTRACT AWARD FOR TRACK BED RESTORATION

BENEFITS

NJ TRANSIT is working to provide travelers with transit alternatives to congested roads and support the goals of clean air legislation. One of the rail system extension projects that support these goals is the restoration of the Lackawanna Cut-Off in western New Jersey. This project seeks to provide improved public transportation for New Jersey commuters who use the congested I-80 corridor, particularly in Morris County.

PURPOSE

Authorization of this construction contract will allow for the clearing of trees and vegetation, site grading, reconstruction of track drainage ditches, and installation of track sub-ballast for the future track installation along a portion of the Lackawanna Cut-Off between Port Morris in Roxbury Township and Andover Township.

ACTION (Capital Program Justification: New System Expansion)

Staff seeks authorization to enter into contract (No. 10-014X) with the lowest responsive, responsible bidder for the Track Bed Restoration construction contract for the Lackawanna Cut-Off at a cost not to exceed the budgeted amount, subject to the availability of funds.

This item has been reviewed and recommended by the Board Capital Planning Policy and Privatization Committee.

FISCAL IMPACTS

Requested Authorization: Budgeted amount

Total Project Cost: \$ 36,620,000

Projected Date of Completion: June 2010 (Track Bed Restoration)

Anticipated Source of Funds: Federal Transit Administration
Transportation Trust Fund

Diversity Goal: 21% DBE

NJ Build Amount: NA

Future Related Authorizations: Construction – station, tunnel rehabilitation, site work
Track material purchase
Construction assistance

**Impacts on Subsequent
Operating Budgets:** NA

RESOLUTION

WHEREAS, NJ TRANSIT is working to increase the availability of New Jersey's public transportation, provide transit alternatives to congested roads and support the goals of clean air legislation; and

WHEREAS, one of the projects that supports these goals is the restoration of passenger rail service on the Lackawanna Cut-Off in western New Jersey between Port Morris in Roxbury Township and Andover Township; and

WHEREAS, the project will serve New Jersey commuters traveling to destinations in New Jersey and Manhattan;

NOW, THEREFORE, BE IT RESOLVED, that the Chairman or Executive Director is authorized to contract (No. 10-014X) with the lowest responsive, responsible bidder for the restoration of the track bed for the Lackawanna Cut-Off at a cost not to exceed the budgeted amount, subject to the availability of funds.

ITEM 0910-73: UNDERGRADE RAILROAD BRIDGES: ENGINEERING SERVICES TO PERFORM IN-DEPTH INSPECTIONS, EVALUATIONS AND RATINGS

BENEFITS

Inspections, evaluations, and ratings of our undergrade railroad bridges provide crucial information to the Capital Bridge Repair and Painting Programs. Maintaining our bridge infrastructure in a state-of-good repair is a key component to service reliability and ensuring the safety of our passengers and the general public. NJ TRANSIT is responsible for maintaining 658 rail-carrying (undergrade) bridges.

PURPOSE

NJ TRANSIT is responsible for maintaining a safe and reliable bridge infrastructure throughout its rail system. Bridges are inspected annually by in-house staff; however, periodic in-depth structural inspections, evaluations and load-ratings are critical elements of the infrastructure maintenance program. The results of the inspections provide NJ TRANSIT with information used in developing a repair and replacement program. These contracts will provide in-depth structural inspections, evaluations, and load-ratings for 148 undergrade railroad bridges as well as underwater diving inspections of eight (8) undergrade railroad bridges included in NJ TRANSIT's Bridge Scour Monitoring Program. Detailed inspections of this sort permit periodic condition assessment, monitoring degrees of deterioration, optimization of maintenance effort, and prioritization for capital improvements. These inspections are a necessary step in our maintenance program and will allow NJ TRANSIT to achieve maximum return on its investments.

ACTION (Capital Program Justification: State of Good Repair)

Staff seeks authorization to enter into three separate contracts with KS Engineers, P.C. of Newark, NJ (09 -108A); Hardesty & Hanover, L.L.P. of West Trenton, NJ (09 -108B); and Michael Baker, Jr., Inc. of Hamilton, NJ (09 -108C) to perform in-depth structural inspections, evaluations, and load ratings of 148 undergrade bridges and underwater diving inspections of eight (8) undergrade bridges, at costs not to exceed \$946,281, \$736,300 and \$651,722 respectively, for a total cost of \$2,334,303, plus five percent for contingencies, subject to the availability of funds.

This item has been reviewed and recommended by the Board Capital Planning Policy and Privatization Committee.

FISCAL IMPACTS

Requested Authorization:	\$2,334,303	plus 5% contingencies
	\$ 946,281	(Contract No. 09 -108A)
	\$ 736,300	(Contract No. 09 -108B)
	\$ 651,722	(Contract No. 09 -108C)

Total Project Cost:	(continuing project)
Projected Date of Completion:	Sept. 2010
Anticipated Source of Funds:	TTF-08/09
SBE Goal:	1 of 3 contracts is a SBE Set Aside
Future/Related Authorizations:	None

RESOLUTION

WHEREAS, NJ TRANSIT is responsible for maintaining 658 rail-carrying (undergrade) bridges; and

WHEREAS, periodic evaluation of all undergrade bridges is necessary to ensure service reliability and safe train operations; and

WHEREAS, the results of these bridge inspections provide the basis for developing capital bridge repair and painting programs; and

WHEREAS, upon completion of a competitive procurement process, it was determined that KS Engineers P.C., Hardesty & Hanover, L.L.P. and Michael Baker, Jr., Inc. submitted the most advantageous proposal that provided the best value and were in the best interest of NJ TRANSIT;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to award separate contracts to KS Engineers, P.C. of Newark, NJ (09 -108A); Hardesty & Hanover, L.L.P. of West Trenton, NJ (09 -108B); and Michael Baker, Jr., Inc. of Hamilton, NJ (09 -108C) to perform in-depth structural inspections, evaluations, and load ratings of 148 undergrade bridges and underwater diving inspections of eight (8) undergrade bridges, at costs not to exceed \$946,281, \$736,300 and \$651,722 respectively, for a total cost of \$2,334,303 plus five percent for contingencies, subject to the availability of funds.

ITEM 0910-74: WEST WHARTON: PURCHASE AND INSTALLATION OF ONE NEW GAS INSULATED ENTRANCE CIRCUIT BREAKER

BENEFITS

NJ TRANSIT owns and maintains 177 miles of electrified railroad on the Morris and Essex Line. Maintaining electrical infrastructure power distribution system is essential to Rail Operations infrastructure. The replacement of one SF6 Gas Insulated 230kV Entrance Circuit Breaker at West Wharton is necessary to ensure reliable electric train service.

PURPOSE

Electric Traction power for the Morristown and Montclair lines is provided through three electric supply substations located at Kearny, Summit, and West Wharton. These substations receive 230kV electricity from utility companies, transform it to the 27.6kV electricity used by trains, and distribute it along various circuits that supply the different sections of the catenary system. Commissioned in 1984 as part of the Morristown Line re-electrification project, several components are nearing the end of their useful life. Authorization is requested to purchase one high-voltage entrance circuit breaker for West Wharton Substation.

The high voltage entrance circuit breaker is a primary circuit breaker in the substation and protects the substation equipment from damage caused by an electrical fault similar to the main circuit breaker of a residential electric service. Replacement of these components is part of maintaining a state of good repair and is necessary to ensure the continued reliability of the electric traction system.

Five of the seven 230kV entrance circuit breakers on the Morris and Essex Line have been replaced. Utility Line East (ULE) and Utility Line West (ULW) circuit breakers located in West Wharton Substation are the last two scheduled for replacement. ULE is the only circuit breaker in service at West Wharton substation and is scheduled for replacement in 2012. The ULE and ULW circuit breakers provide redundant coverage in the event one fails. At this time the ULW is not functioning and authorization is sought to replace it under this board item. Various parts from ULW have been used to keep ULE and other circuit breakers in service.

ACTION

Staff seeks authorization to enter into a contract with ABB Inc. of Zurich, Switzerland. to design, supply, deliver, install, test, and commission one new 230kV entrance circuit breaker at West Wharton Substation at a cost not to exceed \$1,213,330, plus five percent for contingencies, subject to the availability of funds.

This item has been reviewed and recommended by the Board Capital Planning Policy and Privatization Committee.

FISCAL IMPACTS

Requested Contract Authorization:	\$1,213,330, + 5% contingency
Total Project Cost:	\$1,620,497 (Includes \$346,500 Force Acct & JCPL Work)
Anticipated Contract Start:	November 1, 2009
Projected Date of Completion:	December 1, 2010
Anticipated Source of Funds:	TTF
Diversity Goal:	0%
Future/Related Authorization:	None

RESOLUTION

WHEREAS, NJ TRANSIT owns and maintains over 177 miles of electrified railroad on our Morris and Essex Line; and

WHEREAS, maintaining and upgrading of this electric traction system requires investment in replacement equipment; and

WHEREAS, the replacement of one SF6 Gas Insulated 230kV Entrance Circuit Breaker at West Wharton is necessary to ensure reliable electric train service; and

WHEREAS, upon completion of a competitive procurement process, it was determined that ABB Inc. was the lowest responsive, responsible bidder;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to enter into a contract with ABB Inc. of Zurich, Switzerland to design, supply, deliver, install, test, and commission one new 230kV entrance circuit breaker for West Wharton substation at a cost not to exceed \$1,213,330, plus five percent for contingencies, subject to the availability of funds.

ITEM 0910-75: MORRISTOWN STATION HISTORIC RESTORATION: CONSTRUCTION CONTRACT AWARD

BENEFITS

Morristown Station is located on NJ TRANSIT's Morris-Essex Line in the Town of Morristown and serves approximately 4,436 average weekday passenger trips. The station complex was constructed in 1914 and consists of a one-story main station building on the inbound platform, a one-story shelter building on the outbound platform, and a pedestrian tunnel connecting eastbound and westbound facilities. This station is listed on both the State and the National Registers of Historic Places.

The historic restoration of the buildings and the surrounding station areas will preserve the integrity of these historic buildings, extend the useful life of the station, and provide improved facilities for our customers.

PURPOSE

Authorization of this contract will allow for the continued restoration of the Morristown Station complex. This construction contract will include restoration of interior plaster surfaces, wood windows, doors, and benches; repair and replacement of floor and wall tiles in the main waiting room; upgrading of the vendor spaces and the interior ticket office; and restoration of the outside brick surfaces and entrance canopy at the main station building. At the outbound shelter building, exterior windows and doors frames will be restored. At the platform level, the drainage system will be upgraded, all concrete surfaces will be repaired, steel canopies will be repainted and new historically-compatible light fixtures will be installed. At the pedestrian tunnel, a new drainage system will be installed and the tunnel ceiling and concrete slab will be repaired.

ACTION (Justification – State of Good Repair)

Staff seeks authorization to contract (No. 10-016X) with John O'Hara Company, Inc. of East Orange, New Jersey, for the Morristown Station historic restoration in an amount not to exceed \$2,478,800, plus five percent for contingencies, subject to the availability of funds.

This item has been reviewed and recommended by the Board Capital Planning Policy and Privatization Committee.

FISCAL IMPACTS:

Requested Amount: \$ 2,478,800 + 5% contingency

Total Project Cost: \$ 5,095,000

Projected Date of Completion: March 2011

Anticipated Source of Funds: Federal Transit Administration
Transportation Trust Fund

Diversity Goal: 21% DBE

***NJ Build* Amount:** NA

Future/Related Authorizations: None

**Impact on Subsequent
Operating Budgets:** None

RESOLUTION

WHEREAS, Morristown Station is located in the Town of Morristown and serves approximately 4,436 average weekday passenger trips; and

WHEREAS, the historic restoration of the buildings and the surrounding station areas will preserve the integrity of this historic station, extend the useful life of the station and provide improved facilities for our customers; and

WHEREAS, the rehabilitation contract will include interior and exterior rehabilitation of the main station building, restoration of exterior windows and door frames of the shelter house, repair of concrete surfaces at the platforms and pedestrian tunnel, painting of steel canopies, installation of historically compatible platform light fixtures, upgrading of the drainage system; and

WHEREAS, after completion of a competitive procurement process it was determined that John O'Hara Company, Inc. was the lowest responsive, responsible bidder for the Morristown Station historic restoration;

NOW, THEREFORE, BE IT RESOLVED, that the Chairman or Executive Director is authorized to contract (No. 10-016X) with John O'Hara Company, Inc. of East Orange, New Jersey, for the Morristown Station historic restoration in an amount not to exceed \$2,478,800, plus five percent for contingencies, subject to the availability of funds.

ITEM 0910-76: OWNER CONTROLLED INSURANCE PROGRAM (OCIP) – THE TUNNEL PROJECT

BENEFITS

THE Tunnel Project, sponsored by NJ TRANSIT in partnership with The Port Authority of New York and New Jersey ("PANYNJ") and the Federal Transit Administration ("FTA"), includes construction of a two-track tunnel under the Hudson River, a connection allowing for a one-seat ride to New York City for passengers on the Main, Bergen County and Pascack Valley lines and additional improvements that will allow NJ TRANSIT to double its rail capacity into New York City during peak hours and improve service. The project extends from Frank R. Lautenberg Station in Secaucus, New Jersey to Sixth Avenue and West 34th Street in Manhattan. It also involves the construction of a new rail yard in Kearny, New Jersey and a new passenger rail station underneath 34th Street with passenger connections to existing Penn Station ("PSNY") and New York City Transit. The new rail station would be an expansion of existing PSNY and is referred to as New York Penn Station Expansion (NYPSE). The estimated cost of the project is \$8,700,000,000 and will consist of approximately twenty-six (26) separate construction contracts.

NJ TRANSIT has been utilizing an Owner Controlled Insurance Program ("OCIP") since 1994 to provide insurance coverage and claims administration for several major construction projects, including the Frank R. Lautenberg Rail Station at Secaucus Junction, the Hudson-Bergen Light Rail, the River LINE, and the Hoboken Ferry Terminal Rehabilitation – Phases 1, 2 and 3. THE Tunnel Project will benefit from the implementation of an OCIP because the OCIP will provide uniform coverage, an enhanced safety program, larger and broader limits of coverage for all contractors and subcontractors, including all DBE firm participation, a reduction in premium costs, and better administrative control over claims. In addition, the project specific coverage will satisfy the insurance requirements of third parties including Amtrak. The OCIP will provide insurance coverages including, but not limited to:

- Workers' Compensation & Employers' Liability
- USL&H/Maritime
- General and Excess Liability
- FELA
- Environmental Liability
- Builder's Risk
- Railroad Protective Liability
- Professional Liability
- Terrorism Coverage

PURPOSE

NJ TRANSIT has provided insurance for the construction phase of several capital projects including Hoboken Ferry Terminal Phases 1 and 2, the Frank R. Lautenberg Rail Station at Secaucus Junction, the Hudson-Bergen Light Rail, the River LINE, Port Imperial Intermodal Ferry Terminal Construction and Morris & Essex Lines (M&E) Station Repairs and Viaduct Waterproofing Construction. Due to the size and duration of THE Tunnel Project, it is necessary to provide the insurance coverages for NJ TRANSIT, The Port Authority of NY & NJ, THE Partnership, The CM Consortium and all contractors and subcontractors through an Owner Controlled Insurance Program. This program will reduce the overall cost of insurance for the project, create greater efficiencies in claims administration and loss control and will afford broader limits of coverage to all contractors and subcontractors than they would be able to purchase individually.

ACTION (Justification: Capacity)

Staff seeks authorization to establish an Owner Controlled Insurance Program to provide coverage for THE Tunnel Project. The program will be administered by Willis HRH pursuant to the contract approved by the Board and awarded in May 2009 (Board Item #0905-30), at a cost not to exceed \$225,000,000, plus five percent for contingencies until completion of construction.

This item has been reviewed and recommended by the Board Administration Committee.

FISCAL IMPACTS

Requested Authorization: \$225,000,000

Total Project Cost: \$225,000,000

Projected Date of Completion: December 31, 2017

Anticipated Source of Funds: Federal Transit Administration
Transportation Trust Fund, State of New Jersey,
The Port Authority of New York and New Jersey

Diversity Goal:
Broker Services 20%
Insurance N/A

Future/Related Authorizations: None

RESOLUTION

WHEREAS, due to the magnitude and complexity of the project, it is in the best interest of NJ TRANSIT to create an Owner Controlled Insurance Program ("OCIP") which will provide for uniformity of coverage, reduced administrative costs, an enhanced safety program, and better control over claims and premiums; and

WHEREAS, NJ TRANSIT previously selected Willis HRH through a competitive procurement process as the insurance broker for THE Tunnel Project;

NOW, THEREFORE, BE IT RESOLVED, that the Chairman or Executive Director is authorized to contract for an Owner-Controlled Insurance Program administered by Willis HRH, Inc. to provide coverage for THE Tunnel Project at a cost not to exceed \$225,000,000, plus five percent for contingencies until completion of construction.

ITEM 0910-77: COMMUNITY MOBILITY AND LOCAL PROGRAMS: VEHICLE PURCHASE CONTRACTS

BENEFITS

The Federal Transit Administration (FTA) Section 5311 Rural and Small Urban Area Program provides operating, administrative and capital assistance for public transportation services in small urban and rural areas in New Jersey pursuant to a population-based formula. While funding for this program has increased nationally, the 2000 census reduced the eligible rural area in New Jersey and the allocation to the State was reduced.

The passage of the American Recovery and Reinvestment Act of 2009 (ARRA) has provided the opportunity to increase Section 5311 Rural and Small Urban Area Program funds in New Jersey to purchase capital equipment.

Additional funding has been allocated through other grant programs, including the FTA Section 5310 Transportation for Elderly Persons and Persons with Disabilities Program, CMAQ, and the FTA Section 5309 Bus Program.

Funding for 37 vehicles under this contract is being provided as part of the American Recovery and Reinvestment Act of 2009 (ARRA) economic stimulus program.

PURPOSE

Board approval of these contracts will provide a total of 65 buses to be used by private non-profit organizations and designated public bodies to provide transit services to senior citizens and persons with disabilities.

ACTION (Justification: Mandate)

Staff seeks authorization to contract (No. 09-127A) with Starcraft Division of Forest River/Jersey Shore Bus Sales of Toms River, New Jersey, for the purchase of 26 minibuses in an amount not to exceed \$1,521,838, plus five percent for contingencies, subject to the availability of funds.

Staff also seeks authorization to contract (No. 09-127B) with American Bus of Trenton, New Jersey, for the purchase of 10 hybrid minibuses and 22 heavy-duty cutaway buses with an option for an additional seven heavy-duty cutaway buses vehicles in an amount not to exceed \$4,335,126, plus five percent for contingencies, subject to the availability of funds.

This item has been reviewed and recommended by the Board Administration Committee.

FISCAL IMPACTS

Requested Authorization:

Starcraft Division of Forest River/Jersey Shore Bus Sales \$ 1,521,838 + 5% contingency

American Bus of Trenton \$ 4,335,126 + 5% contingency

Total Project Cost: \$ 6,149,815

Projected Date of Completion: September 2010

Anticipated Source of Funds: Federal Transit Administration (ARRA)
Section 5310
Section 5309 (earmark)
CMAQ

Diversity Goal: Transit Vehicle Manufacturer

NJ Build Amount: NA

Related Future Authorization: Exercise options for additional vehicles
Annual Community Mobility and Local Programs
authorization

**Impacts on Subsequent
Operating Budgets:** None

RESOLUTION

WHEREAS, the State of New Jersey has applied for and funded local non-urbanized (rural) services throughout the state through the annual Federal Transit Administration (FTA) Section 5311 Rural and Small Urban Area Program; and

WHEREAS, the American Recovery and Reinvestment Act of 2009 (ARRA) has made capital funding available under the FTA Section 5311 Rural and Small Urban Area Program; and

WHEREAS, funding is also available to purchase vehicles for local transportation programs under FTA Section 5310, CMAQ, and a designated earmark under FTA Section 5309; and

WHEREAS, upon completion of a competitive procurement process, Starcraft Division of Forest River/Jersey Shore Bus Sales was determined to be the lowest responsive, responsible bidder for the minibuses; and

WHEREAS, upon completion of a competitive procurement process, American Bus was determined to be the lowest responsive, responsible bidder for the hybrid minibuses and the heavy-duty cutaway buses;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to contract (No. 09-127A) with Starcraft Division of Forest River/Jersey Shore Bus Sales of Toms River, New Jersey, for the purchase of 26 minibuses in an amount not to exceed \$1,521,838, plus five percent for contingencies, subject to the availability of funds; and

BE IT FURTHER RESOLVED that the Chairman or Executive Director is authorized to contract (No. 09-127B) with American Bus of Trenton, New Jersey, for the purchase of 10 hybrid minibuses and 22 heavy-duty cutaway buses with an option for an additional seven heavy-duty cutaway buses vehicles in an amount not to exceed \$4,335,126, plus five percent for contingencies, subject to the availability of funds.

CONSENT CALENDAR

ITEM 0910-78: APPOINTMENT OF TREASURER AND DEPUTY TREASURER

BENEFITS

Appoint a Treasurer and a Deputy Treasurer of NJ TRANSIT and its subsidiaries in order to ensure adequate administrative ability for NJ TRANSIT to manage its finances.

PURPOSE

The By-Laws provide that both a Treasurer and Deputy Treasurer be appointed to serve as officers of NJ TRANSIT. Compliance with the By-Laws allows for the Treasurer to have custody of all funds of NJ TRANSIT and its subsidiaries and to perform the duties as detailed in Article IV, Section 5 of the By-Laws and a Deputy Treasurer who shall perform the duties as detailed in Article IV, Section 6. On October 1, 2009, the Executive Director appointed Kimberley Vaccari as Chief Financial Officer.

ACTION

Staff seeks authorization to appoint Kimberley Vaccari as Treasurer of NJ TRANSIT and its subsidiaries to perform the functions of the Office of the Treasurer in accordance with the NJ TRANSIT By-Laws, Article IV, Section 5 and also appoints Celeste M. Drisgula, Deputy Treasurer to perform the functions of the Treasurer in her absence and who shall have such powers and shall perform such duties as may be assigned by the Treasurer in accordance with the NJ TRANSIT By-Laws, Article IV, Section 6.

FISCAL IMPACTS

Requested Authorization: Appointment of Treasurer and Deputy Treasurer

Anticipated Source of Funds: N/A

RESOLUTION

WHEREAS, Article III, Section 1 of the By-Laws provides that there shall be a Treasurer and Deputy Treasurer who shall serve as officers of NJ TRANSIT and its subsidiaries; and

WHEREAS, it is necessary for the Board to appoint a Treasurer and a Deputy Treasurer in order to ensure adequate administrative ability for NJ TRANSIT to manage its finances; and

WHEREAS, on October 1, 2009, the Executive Director appointed Kimberly Vaccari as Chief Financial Officer;

NOW, THEREFORE, BE IT RESOLVED that Kimberley Vaccari is hereby appointed Treasurer of NJ TRANSIT and its subsidiaries and to perform the functions of the Office of the Treasurer in accordance with the NJ TRANSIT By-Laws, Article IV, Section 5; and

BE IT FURTHER RESOLVED that Celeste M. Drisgula is hereby appointed Deputy Treasurer of NJ TRANSIT and its subsidiaries to perform the functions of the Treasurer in her absence and who shall have such powers and shall perform such duties as may be assigned by the Treasurer in accordance with the NJ TRANSIT By-Laws, Article IV, Section 6.