

**NJ TRANSIT BOARD MEETING
MINUTES
OPEN SESSION
6/8/2011**

Chris Christie, Governor
Kim Guadagno, Lieutenant Governor
James S. Simpson, Board Chairman
James Weinstein, Executive Director

N TRANSIT

One Penn Plaza East
Newark, NJ 07105-2246
973-491-7000

June 10, 2011

Dear Governor Christie:

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., NJ Transit Mercer, Inc., and NJ Transit Morris, Inc., Board of Directors held on Wednesday, June 8, 2011.

Sincerely,



Joyce J. Zuczek
Acting Board Secretary

Enclosures

Honorable Chris Christie
Governor, State of New Jersey
State House
Trenton, NJ 08625

June 10, 2011

Dear Governor Christie:

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., NJ Transit Mercer, Inc., and NJ Transit Morris, Inc., Board of Directors held on Wednesday, June 8, 2011.

Sincerely,

A handwritten signature in cursive script that reads "Joyce J. Zuczek".

Joyce J. Zuczek
Acting Board Secretary

Enclosures

Honorable Chris Christie
Governor, State of New Jersey
State House
Trenton, NJ 08625

(NJT Board – 06/08/2011)

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., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. held at NJ TRANSIT Headquarters, One Penn Plaza East, Newark, New Jersey on Wednesday, June 8, 2011.

Present:

James S. Simpson, Chairman
 Myron P. Shevell, Vice Chairman
 Johanna Jones, Governor's Representative
 James C. Finkle, Jr
 Flora Castillo (By Telephone)

James Weinstein, Executive Director
 Joyce J. Zuczek, Acting Board Secretary
 Penny Bassett-Hackett, Acting Assistant Executive Director, Communications & Customer Service
 James Gigantino, Vice President & General Manager, Bus Operations
 Kevin O'Connor, Vice President & General Manager, Rail Operations
 Christopher Trucillo, Chief of Police
 Kim Vaccari, Chief Financial Officer & Treasurer
 Steve Santoro, Assistant Executive Director, Capital Planning & Programs
 Terri Silverman, Director, Compensation
 Carlos Ramirez, Assistant Executive Director, Corporate Affairs
 Leotis Sanders, Vice President, Office of Civil Rights and Diversity Programs
 Warren Hersh, Auditor General
 Kenneth Worton, Deputy Attorney General

Chairman Simpson convened the Open Session at 9:05 a.m. in accordance with the Open Public Meetings Act and asked for a motion to enter Executive Session to discuss contract negotiations, attorney-client, litigation and personnel matters. A motion was made by Myron P. Shevell, seconded by Johanna Jones and unanimously adopted.

Chairman Simpson reconvened the Open Session at 9:40 a.m. and asked for a motion to adopt the minutes of the May 11, 2011 meetings. A motion was made by Flora Castillo, seconded by Myron P. Shevell and adopted.

Executive Director James Weinstein highlighted the following from his monthly business report.

NEW BOARD MEMBER

Executive Director Weinstein welcomed the newest Board member, James (Jamie) C. Finkle and said he is very pleased to have him join the NJ TRANSIT Board, and looks forward to the insights and feedback he will bring to the table.

QUIET COMMUTE HOBOKEN

On June 1st, NJ TRANSIT expanded the Quiet Commute program to include rail lines serving Hoboken Terminal. NJ TRANSIT first launched the Quiet Commute initiative last fall, with the roll-out taking place in phases.

(NJT Board – 06/08/2011)

The Quiet Commute amenity is now available on all peak period, peak direction trains that begin or end their trips at Hoboken Terminal, Newark Penn Station or New York Penn Station. Quiet Commute is now offered on all of the rail lines, except the Atlantic City Rail Line, which does not have a defined peak period.

Quiet Commute is an effort to balance the needs of those passengers who wish to stay connected while en route with those who want to relax or work in a quiet atmosphere without distractions. A Quiet Car offering has consistently ranked high among customer suggestions, and positive feedback was received from the customers with the roll-out of each phase.

After the launch of Quiet Commute on trains serving Newark and New York Penn Station, the question most often heard from customers on the lines serving Hoboken was, "When will Quiet Commute be offered on my train?" As with any new policy, there is an adjustment period as customers and train crews get accustomed to the change. With the Quiet Commute program on the Hoboken Division lines only in its first week, NJ TRANSIT looks forward to hearing from customers and employees about their experiences.

MY LIGHT RAIL

In keeping with improving the customer experience, Executive Director Weinstein was pleased to announce the launch of "My Light Rail", the latest in a series of initiatives to put technology to work for customers.

Last fall, NJ TRANSIT introduced the "My Bus" system to enable customers who have cell phones with SMS (text messaging) capabilities to receive bus schedule information for a specific stop directly on their phones.

My Light Rail will offer River Line, Newark Light Rail and Hudson-Bergen Light Rail customers this same kind of access to light rail schedule information while on the go. The system is based on light rail station ID numbers, a unique five-digit number assigned to each of the 61 light rail stations across the NJ TRANSIT system. Customers will be able to text their five-digit light rail station ID to 69287 and My Light Rail will respond with the times for the next scheduled trips that serve that light rail station. As part of the program, My Light Rail signs will be posted at stations statewide, displaying the station ID and instructions for how to use the My Light Rail system. Customers can also obtain their station IDs online at njtransit.com/mylightrail.

My Light Rail provides customers with another trip-planning tool, one that does not require a web-enabled device to access schedule information. Any customer who can send a text message now has access to light rail schedule information, literally at their fingertips.

TEXT TIPS

Executive Director Weinstein said NJ TRANSIT is launching another initiative that will harness the prevalence of text-messaging to help enhance the security of the system.

(NJT Board – 06/08/2011)

Through this initiative, called “Text Tips” or “Text Against Terror,” customers will be able to report suspicious activity, packages or vehicles around NJ TRANSIT facilities or onboard the system by sending a text message to NJTPD (65873).

Text Tips will complement the existing security hotline, 1-888-TIPS-NJT, which was established in 2003 so customers could readily and anonymously serve as the “eyes and ears” of the NJ TRANSIT system. Through the TIPS hotline, NJ TRANSIT Police field an average of 30 to 40 calls a year, all of which are investigated thoroughly.

With Text Tips, a customer who observes suspicious activity in their immediate vicinity can more immediately report that activity, since sending a text message allows them to do so without being noticed. And it goes without saying that more immediate reporting leads to a more immediate response.

This is just another tool in ensuring the safety and security of trains, buses and light rail lines.

Text Tips will be supported by an awareness campaign funded by the U.S. Department of Homeland Security, including radio and television ads, posters, seat drops and other awareness tactics to get the word out to customers.

Customers and employees are the first line of defense in the war against terror, and it is important that everyone remain vigilant and aware of their surroundings.

Executive Director Weinstein asked NJ TRANSIT Police Chief Christopher Trucillo to provide an overview of safety and security across the state’s public transportation network.

ADVERTISING CONTRACTS

Executive Director Weinstein said the Board will consider approval of an advertising contract that could generate more than \$16 million for the Corporation over the next five years. NJ TRANSIT continually looks at ways to maximize its non-farebox revenue, including advertising opportunities that include billboards and advertising structures located within the rights-of-way, facilities and properties. A contract with Allvision for billboard management would offer \$16.3 million in guaranteed revenues over five years. Allvision brought in \$14.9 million under their previous contract.

Allvision will also manage the outdoor advertising companies who will bear all costs to design, install, maintain and repair the billboards. This contract would offer a potential for additional revenues through long-term leasing, inventory upgrades and other creative management strategies.

This is a good business opportunity for NJ TRANSIT and ultimately the customers, as the contract enables NJ TRANSIT to leverage the real estate assets to increase non-farebox revenues that support the core business of providing safe, affordable public transportation.

(NJT Board – 06/08/2011)

PUBLIC BOARD AGENDA

In response to requests from customer advocates, Executive Director Weinstein was pleased to announce that starting next month, the Board agenda items will be released 24 hours in advance of the scheduled Board meeting. By providing access to the agenda items sooner, members of the public will have more time to review the items and make informed public comments for consideration.

SUMMER SERVICES

As the temperatures heat up, NJ TRANSIT is preparing for the summer season with a slate of discounted transportation packages to destinations around the state, including Great Adventure, Monmouth Park, and several beaches along the North Jersey Coast Line. Sales of the special “Beach Packages”, which offer round-trip train fare and beach admission for one price, kicked off on Memorial Day weekend, with customers purchasing more than 200 beach packages.

The Summer Services packages offer customers a way to get to summer time travel destinations while avoiding traffic, tolls, and the high price of gas. In addition, they benefit from the convenience and additional savings of purchasing transportation and admissions all at one price. NJ TRANSIT customers can take advantage of the Beach Package and other discounted travel packages all summer long, with details available at njtransit.com/summer.

EMPLOYEE RECOGNITION

Executive Director Weinstein recognized a number of NJ TRANSIT employees who are retiring this month.

Al Dominguez

Mr. Dominguez joined NJ TRANSIT in 1983 and began his career in Customer Service before joining the Access Link Department in 1990, where he implemented and managed the paratransit services around the state. On behalf of the Board, Executive Director Weinstein thanked Mr. Dominguez for his dedication to customers, particularly those who solely rely on transit for their day-to-day activities.

Ron McKoy

Executive Director Weinstein recognized Ron McKoy who is leaving NJ TRANSIT after 25 years of service. Mr. McKoy is Deputy General Manager of Rail Finance overseeing a budget of more than \$700 million dollars annually. He also was instrumental in the re-establishment of New Jersey's chapter of COMTO (Conference of Minority Transit Officials) and served as its first Vice President. Executive Director Weinstein thanked Mr. McKoy for his dedication to public service.

(NJT Board – 06/08/2011)

Joan Pierson

Executive Director Weinstein thanked Joan Pierson who has been a key player in the Corporation's budget process for the last 26 years. Mrs. Pierson began her career at NJ TRANSIT in 1984 as the manager of Rail Operating Budgets and rose through the ranks to become a key player in the day-to-day management of finances. Mrs. Pierson's contributions to the growth and success of this organization will be missed. Executive Director Weinstein was personally grateful for Mrs. Pierson's wise business counsel and said she took on more than the normal work of a Senior Budget Director, tackling tough business issues. Executive Director Weinstein expressed congratulations and best wishes.

Executive Director Weinstein thanked each and every one of them for all the work they have done for this organization.

ADVISORY COMMITTEE

Suzanne Mack presented the Advisory Committee report. Ms. Mack thanked Chief Trucillo for a comprehensive and informative safety and security presentation. Ms. Mack welcomed Board Member Finkle on his appointment to the Board. She also recognized the employees who are retiring and congratulated Al Dominguez for the work he has done in Access Link. Ms. Mack also recognized and congratulated Joan Pierson for her work in Finance, specifically working on the budget, and wished her well as she retires to Arizona.

Ms. Mack said she looks forward to the assignment of a Board Liaison to the Advisory Committees.

Ms. Mack said the North and South Jersey Advisory Committees do not have approved By-laws. She will work with the Committees and the Administration to adopt By-laws that will include a public component.

BOARD COMMITTEE REPORTS

Board Member Myron P. Shevell presented the Capital Planning, Policy & Privatization report to the Board. The Committee discussed the purchase of up to 158 additional 40-foot buses to replace the aging buses in the fleet. The new buses are equipped with on-board equipment, including a camera system, with improved back-up cameras, and LED interior lighting. These new buses will comply with the new diesel emission regulations. The Committee was also briefed on a number of new opportunities to use the Train Management and Control system for additional purposes and potential cost savings.

Board Member Flora Castillo presented the Administration Committee report to the Board. The Committee discussed the management of outdoor advertising displays on billboards. This advertising provides for a minimum annual guarantee of over \$16 million for five years or 80 percent of net revenue, whichever is greater. This advertising provides significant non-farebox revenue to NJ TRANSIT.

(NJT Board – 06/08/2011)

PUBLIC COMMENTS ON AGENDA ITEMS

There were four public comments on agenda items. Acting Board Secretary Zuczek announced a three minute time limit for speakers.

Orrin Getz stated that he is a Pascack Valley Line rider. He supports Item 1106-28 (Train Management and Control System: Professional Services for Manpower Review and System Development). He believes that this system will provide better, more reliable service.

Mr. Getz stated that recently trackwork began on the Pascack Valley Line and that as a result there have been rail service suspensions. The substitute bus service experienced some problems initially, but it now appears to be resolved. Mr. Getz further stated that MetroNorth should have coordinated closely with NJ TRANSIT as they are doing work at the Clarkstown Road (Nanuet, New York) grade crossing.

He also said that he attended the April Board meeting of MetroNorth/Long Island Rail Road. An issue with Amtrak was discussed at the meeting and it was obvious that the senior staff was lacking in knowledge about how Amtrak operates in Penn Station New York. NJ TRANSIT staff should give MetroNorth/Long Island Railroad staff a crash course in dealing with Amtrak.

Mr. Getz is also a member of the Cross-Rockland Transit Study task force which recently met. He mentioned that there is a lack of understanding regarding the regional system. He will continue to apprise both the task force and NJ TRANSIT regarding issues of mutual interest.

Mr. Getz closed by stating that he was glad to see the extension of the Quiet Car to the Hoboken Division lines.

David Peter Allen said that he and other members of Senior Citizen and Transportation Assistance Program Committee are sorry to see Al Dominguez retire.

He then discussed the pending purchase of 158 transit buses, stating that the purchase should be tabled until an evaluation of the low-floor buses scheduled for Morris County and Atlantic City is completed. Mr. Allen stated that the trend is away from conventional diesel high-floor buses toward low-floor and hybrids.

Mr. Allen closed by complimenting two Bus Operations employees, a driver and a dispatcher, who helped him recently on getting connections between buses so that he could catch the last Morris & Essex train to his destination.

James Raleigh stated that he is gratified to hear that next month's agenda will be posted in advance of the actual Board meeting so that the public has more time to review specific items. He questioned the procedures for Executive Session and the Consent Calendar.

Joseph Clift commented that the proposed purchase of additional buses still did not have enough information to make an informed decision. He questioned the cost of

(NJT Board – 06/08/2011)

\$435,000 per bus for the proposed purchase vs. \$406,000 per bus for the initial order. Mr. Clift stated that based on the information provided there is no way to know if the price could have been renegotiated.

He also stated that in Manhattan most buses are low-floor. He also asked whether a rebuild would have been cheaper, thus more beneficial for customers and taxpayers.

Mr. Clift closed by commenting that the item indicates that it had been reviewed and recommended by the Board Capital Planning Policy and Privatization Committee. Mr. Clift restated his prior position that the Committee meetings should be noticed and open to the public.

Executive Director Weinstein presented the following Action Items for approval:

Since there were public comments on agenda Item 1106-27: Transit Buses: Purchase of Up to 158 Additional 40-Foot Buses, Executive Director Weinstein presented this item first.

1106-27: TRANSIT BUSES: PURCHASE OF UP TO 158 ADDITIONAL 40-FOOT BUSES

Approval is requested to purchase 1,145 transit and suburban buses to replace the aging non-articulated city and suburban buses in the fleet. These buses will be compliant with the Americans with Disabilities Act and will incorporate technologies to reduce exhaust emissions. In addition, these buses will have a camera system with GPS and LED interior lighting. Authorization is requested to amend the existing contract with North American Bus Industries to purchase up to 158 additional 40-foot transit buses at a cost not to exceed \$68,659,532.

Before the Board voted, Executive Director Weinstein asked Jim Gigantino, Vice President & General Manager, Bus Operations to address the public comments on this item.

Mr. Gigantino said the industry trends towards low floor buses. While they are popular, certain parameters in service areas differ from other transit agencies. In typical transit operations, buses will have standing loads for short distances through a central business district. Seats are then available for people traveling long distances. At NJ TRANSIT, there are long transit routes with travel times longer than an hour. Since low floor buses have fewer seats, people getting on a low floor bus mid-route would not get a seat. In fact, they would never get a seat. To maintain the same seat availability, NJ TRANSIT would need to buy and operate more low floor buses than high floor buses. NJ TRANSIT does not have the funds to do so or the garage capacity to store them. Relative to hybrid buses, they are more expensive to buy and operate. The reason for the large price increase from the base order is the fact that these buses must comply with 2010 Environmental Protection Agency requirements for which the engine is more expensive.

(NJT Board – 06/08/2011)

Board Member Shevell said he spent considerable time reviewing this board item. He said there is only one bus engine manufacturer and no competition and it costs more to operate buses. There are new diesel emission regulations to reduce diesel exhaust emissions from the bus engine so it is better for the environment, but that also comes with a higher price.

Executive Director Weinstein asked Steve Santoro, Assistant Executive Director, Capital Planning & Programs, to discuss the fleet plan. Mr. Santoro said the purchase of 158 buses will complete the aging city and suburban buses in the NJ TRANSIT fleet. He said the goal of the Capital Program is to maintain an average fleet age of six years.

At this point, Chairman Simpson asked for a motion and second to approve Item 1106-27, Transit Buses: Purchase of Up to 158 Additional 40-Foot Buses.

Flora Castillo moved the resolution, Myron P. Shevell seconded it and it was unanimously adopted.

1106-26: OUTDOOR ADVERTISING MANAGEMENT SERVICES

Outdoor advertising displays on billboards and structures located within the right-of-way generates significant revenue and decreases reliance on subsidies and fares. The advertising revenue contractor will maximize the value of existing inventory and enhance the value of new inventory. Authorization is requested to contract with Allvision, LLC to provide management of outdoor advertising displays on billboards for a minimum annual guarantee of \$16,300,000 over five years or 80 percent of net revenue, whichever is greater with an option to extend the contract for two additional one-year periods.

Myron P. Shevell moved the resolution, Flora Castillo seconded it and it was unanimously adopted.

1106-28: TRAIN MANAGEMENT AND CONTROL SYSTEM: PROFESSIONAL SERVICES FOR MANPOWER REVIEW AND SYSTEM DEVELOPMENT

All of NJ TRANSIT's train movements system wide are monitored and controlled by the Train Management and Control System, known as TMAC which was first deployed in 2002. Dispatchers use TMAC to align switches and display signals, for real-time control of the high voltage overhead wire system, for remote control of moveable bridges and for passenger announcements on the status of train service. This technology is the backbone of the rail system. While the reliability of TMAC has been excellent, there are some functions which remain manpower intensive. Authorization is requested to enter into a competitively-procured contract with MACRO Corporation to provide a comprehensive review of ongoing operation and maintenance protocols for TMAC and make

(NJT Board – 06/08/2011)

recommendations for staffing and technology upgrades at a cost not to exceed \$329,154 plus five percent for contingencies.

Myron P. Shevell moved the resolution, James C. Finkle, Jr. seconded it and it was unanimously adopted.

Public Comments on Non-Agenda Items

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

Steve Lanset stated that he is a Sierra Club volunteer who lives in Jersey City and travels by mass transit. He appreciates the hard work by NJ TRANSIT staff to provide safe, reliable public transportation and the effort to do more with less. Unfortunately, last year, Governor Christie raised transit fares by an average of 25 percent and reduced services. Although some members of the Board represent the public, he did not recall that any Board Member dissented on that decision. Mr. Lanset said that decision reflected misplaced economic and environmental priorities by punishing riders of mass transit and rewarding the motor vehicle drivers and subsidizing continued suburban sprawl. Widen the Turnpike, splurge on the Xanadu shopping mall but don't touch the gas tax which has been unchanged since 1988. He said the State Energy Master Plan has been watered-down and the Regional Green House Gas Initiative has been cancelled.

Mr. Lanset said the Sierra Club has an alternative vision for New Jersey's future. They believe the state can be cleaner, greener and more economically secure. They have enormous potential for the further development of alternative, locally-produced energy, especially wind power. They can also do more to conserve energy in both the residential and industrial sectors. Some of it will come from technological innovation, but an important part of the conservation has to come from making public transit available and useful to more riders and encouraging people to live and work near mass transit.

Mr. Lanset said there is yet another reason to expand NJ TRANSIT services. Someday there may be interruptions in the supplies of imported petroleum or prices may spike in the international energy markets and everyone will be unprepared if they are still locked into the mass private motoring suburban sprawl paradigm.

Mr. Lanset said the efforts to improve public information about transit schedules and impending train arrivals and departures are to be commended. They benefit both the public and NJ TRANSIT. There are a few shortcomings since there is no bus schedule information at the Edgewater Commons and River Road bus stop and he has to consult his smartphone for the next 158 bus to Port Imperial. He said at the Hoboken Hudson-Bergen Light Rail station, there are no visual signs to indicate which of the two southbound 8th Street Bayonne trains sitting at the platform will be the next to leave the station.

(NJT Board – 06/08/2011)

Murray Bodin commended Executive Director Jim Weinstein on his leadership in the information age. He stated that NJ TRANSIT is ahead of the curve and that the world is changing rapidly.

David Peter Allen commented that he was speaking for the Lackawanna Coalition. They understand the Governor's decision to terminate the flawed Access to the Region's Core project. The Coalition is deeply concerned about improving rail service between New Jersey and New York City. In order to accomplish needed improvements in capacity and operational reliability, while keeping cost at a realistic level, they propose an incremental approach to upgrading the railroad between Swift Interlocking and Penn Station and he and his colleagues are leading the campaign for this plan.

To get the maximum benefit from any new project on the New Jersey side, certain improvements need to be made at Penn Station. These improvements are relatively inexpensive and can be built quickly so riders will benefit. Some of the improvements can and should be built in connection with the Moynihan Station Phase I Project.

The Coalition proposes an incremental approach to improving New York connections, including lengthening Platforms 1 and 2 at New York Penn Station to accommodate any NJ TRANSIT train; connecting the West End Concourse to the extended Platforms 1 and 2; and extending the Central Corridor to reach all tracks.. He stated that these improvements can deliver significant capacity improvements.

Joseph Clift requested a meeting with NJ TRANSIT staff to discuss the proposed capital program. He is concerned that the details released to date are not indicative of planning for the future. He further stated that Amtrak, which has problems with its 1934 catenary, needs support from NJ TRANSIT. He questioned the plans for the Northeast Corridor in a post-Access to the Region's Core world, and stated that plans are needed.

James Raleigh stated that he had referred to the minutes of the July 2010 Board meeting and noted that then-Board member Pringle stated that the budgets should be available to the public in advance of the meeting so that sufficient time was provided for review.

Mr. Raleigh questioned what should be the first priority and stated that the replacement of Portal Bridge should be deferred until such time as more funding was available. He added that the report from Police Chief Trucillo was informative and questioned whether customers could text pictures of unsafe conditions.

Leonard Nix stated that the NJ TRANSIT billboard on Route 4 is placed too low and that the trees are in the way. He requested that someone review the location.

Mr. Nix then discussed the tree-cutting in the NJ TRANSIT Right-of-Way in Hackensack. He stated that the procedure should be reviewed as the work does not seem to be coordinated.

(NJT Board – 06/08/2011)

Adjournment

Since there were no further comments or business, Chairman Simpson called for adjournment and a motion to adjourn was made by Myron P. Shevell, seconded by Flora Castillo and unanimously adopted. The meeting was adjourned at approximately 11:05 a.m.

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

JUNE 8, 2011

MINUTES

PAGE

- **EXECUTIVE SESSION AUTHORIZATION** **43280**
- **APPROVAL OF MINUTES OF PREVIOUS MEETINGS** **43281**
- **EXECUTIVE DIRECTOR'S MONTHLY REPORT** **43282**
- **ADVISORY COMMITTEE REPORTS** -
- **BOARD COMMITTEE REPORTS** -
 - *Capital Planning, Policy & Privatization Committee
 - *Administration Committee
- **PUBLIC COMMENTS ON AGENDA ITEMS**

ACTION ITEMS

43298

1106-26 OUTDOOR ADVERTISING MANAGEMENT SERVICES

Authorization to contract for five years with Allvision, LLC of New York, New York, to provide management of outdoor advertising displays on billboards located within NJ TRANSIT's right of way, facilities, structures and properties for a minimum annual guarantee totaling \$16,300,000 over five years or 80 percent of net revenue, whichever is greater. NJ TRANSIT will have the option, subject to negotiation, to extend the contract for two additional one-year periods.

1106-27 TRANSIT BUSES: PURCHASE OF UP TO 158 ADDITIONAL 40-FOOT BUSES

43301

Authorization to amend the existing contract (No. 06-085) with North American Bus Industries of Anniston, Alabama, to purchase up to 158 additional 40-foot transit buses at a cost not to exceed \$68,659,532 for a new total contract authorization of \$533,065,966, subject to the availability of funds.

NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS, INC.
NJ TRANSIT RAIL OPERATIONS, INC.
NJ TRANSIT MERCER, INC.
NJ TRANSIT MORRIS, INC.
REGULARLY SCHEDULED BOARD OF DIRECTORS' MEETINGS
JUNE 8, 2011
MINUTES
PAGE 2

1106-28 TRAIN MANAGEMENT AND CONTROL SYSTEM: PROFESSIONAL SERVICES FOR MANPOWER REVIEW AND SYSTEM DEVELOPMENT

43304

Authorization to enter into a competitively-procured contract with MACRO Corporation of Chalfont, Pennsylvania to provide a comprehensive review of ongoing operation and maintenance protocols for the Train Management and Control System (TMAC) and make recommendations for staffing and technology upgrades at a cost not to exceed \$329,154, plus five percent for contingences, for a total cost of \$345,450, subject to the availability of funds.

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., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, 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 May 11, 2011, Board meetings of the New Jersey Transit Corporation, NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. were forwarded to the Governor on May 13, 2011;

NOW, THEREFORE, BE IT RESOLVED that the minutes of actions taken at the May 11, 2011 New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. Board of Directors' meetings are hereby approved.

Chris Christie, Governor
 Kim Guadagno, Lieutenant Governor
 James S. Simpson, Board Chairman
 James Weinstein, Executive Director

NJ TRANSIT
 One Penn Plaza East
 Newark, NJ 07105-2246
 973-491-7000

TO: BOARD OF DIRECTORS
 FROM: JAMES W. WEINSTEIN 
 DATE: JUNE 8, 2011
 SUBJECT: EXECUTIVE DIRECTOR'S REPORT – JUNE 2011

On June 1, we expanded our Quiet Commute program to include rail lines serving Hoboken Terminal, which means the amenity is now available on all peak period, peak direction trains that begin or end their trips at Hoboken, Newark Penn or New York Penn Station. Quiet Commute, which first launched last fall and was rolled-out in phases, is an effort to balance the needs of those passengers who wish to stay connected while en route with those who want to relax or work in a quiet atmosphere without distractions. A Quiet Car offering has consistently ranked high among customer suggestions. As with any new policy, there is an adjustment period as customers and train crews get accustomed to the change. With the latest phase of Quiet Commute only in its first week, we look forward to hearing from our customers and employees about their experiences.

Today I'm pleased to announce the launch of "My Light Rail," the latest in a series of initiatives to put technology to work for our customers. Last fall, we introduced our "My Bus" system to enable customers who have cell phones with SMS (text messaging) capabilities to receive bus schedule information for a specific stop directly on their phones. My Light Rail will offer River Line, Newark Light Rail and Hudson-Bergen Light Rail customers this same kind of access to light rail schedule information while on the go. The system is based on light rail station ID numbers—a unique five-digit number we've assigned to each of 61 light rail stations across the NJ TRANSIT system. Starting today, customers will be able to text their five-digit light rail station ID to 69287, and My Light Rail will respond with the times for the next scheduled trips that serve that light rail station. Customers can obtain their station IDs online at njtransit.com/mylightrail.

Also launching today is another initiative that will harness the prevalence of text-messaging to help enhance the security of our system. Through this initiative, called "Text Tips" or "Text Against Terror," customers will be able to report suspicious activity, packages or vehicles around NJ TRANSIT facilities or onboard the system by sending a text message to NJTPD (65873). Text Tips will complement our existing security hotline (1-888-TIPS-NJT), which was established in 2003 so customers could readily serve as the "eyes and ears" of the NJ TRANSIT system. This initiative will be supported by an awareness campaign funded by the U.S. Department of Homeland Security, including radio and television ads, posters, seat drops and other awareness tactics to get the word out to our customers. Our customers and employees are our first line of defense in the war against terror, and it is important that we all remain vigilant and aware of our surroundings.

Turning to today's agenda, the Board will consider approval of an advertising contract with Allvision for billboard management that would offer \$16.3 million in guaranteed revenues for the Corporation over the next five years. NJ TRANSIT continually looks at ways to maximize its non-farebox revenue, including advertising opportunities such as billboards and advertising structures located within our rights-of-way, facilities and properties. Allvision, which brought in \$14.9 under their previous contract, will manage the outdoor advertising companies who will bear all costs to design, install, maintain and repair the billboards. This is a good business opportunity for NJ TRANSIT and ultimately our customers, as the contract enables us to leverage our real estate assets to increase non-farebox revenues that support our core business of providing safe, affordable public transportation.

Finally, we are preparing for the summer season with a slate of discounted transportation packages to destinations around the state, including Great Adventure, Monmouth Park, and several beaches along the North Jersey Coast Line. Our Summer Services packages offer customers a way to get to summer travel destinations while avoiding traffic, tolls, and the high price of gas, while benefitting from the convenience and additional savings of purchasing transportation and admissions all at one price. NJ TRANSIT customers can take advantage of the Beach Package and other discounted travel packages all summer long, with details available at njtransit.com/summer.

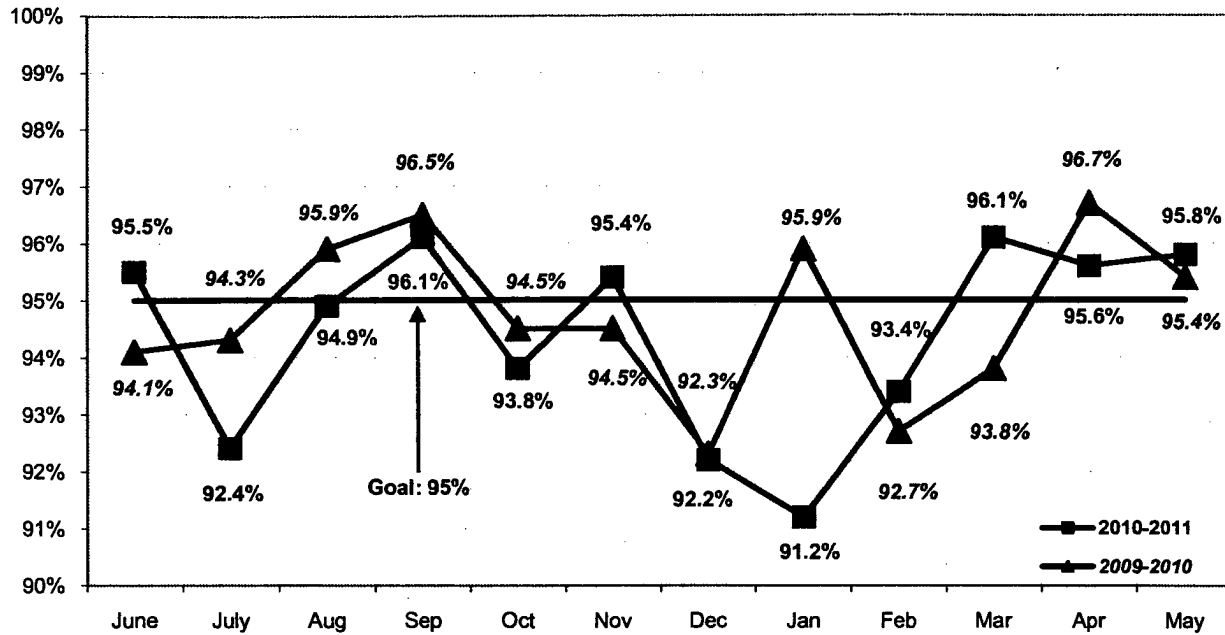
EXECUTIVE DIRECTOR'S MONTHLY REPORT JUNE 2011

- 1. PERFORMANCE MEASURES**
- 2. DBE/MBE PROGRAM**
- 3. EMPLOYEE RECOGNITION**

PERFORMANCE MEASURES

NJ TRANSIT ON-TIME PERFORMANCE RAIL JUNE 2009 - MAY 2011

% Trains Reported Within 6 Minutes of Schedule



| May Comparison | 2010 | 2011 | # Change |
|----------------|-------|-------|----------|
| | 95.4% | 95.8% | 0.4% |

| 12-Month Average June - May | 2009-2010 | 2010-2011 | # Change |
|-----------------------------|-----------|-----------|----------|
| | 94.7% | 94.4% | -0.3% |

Analysis:

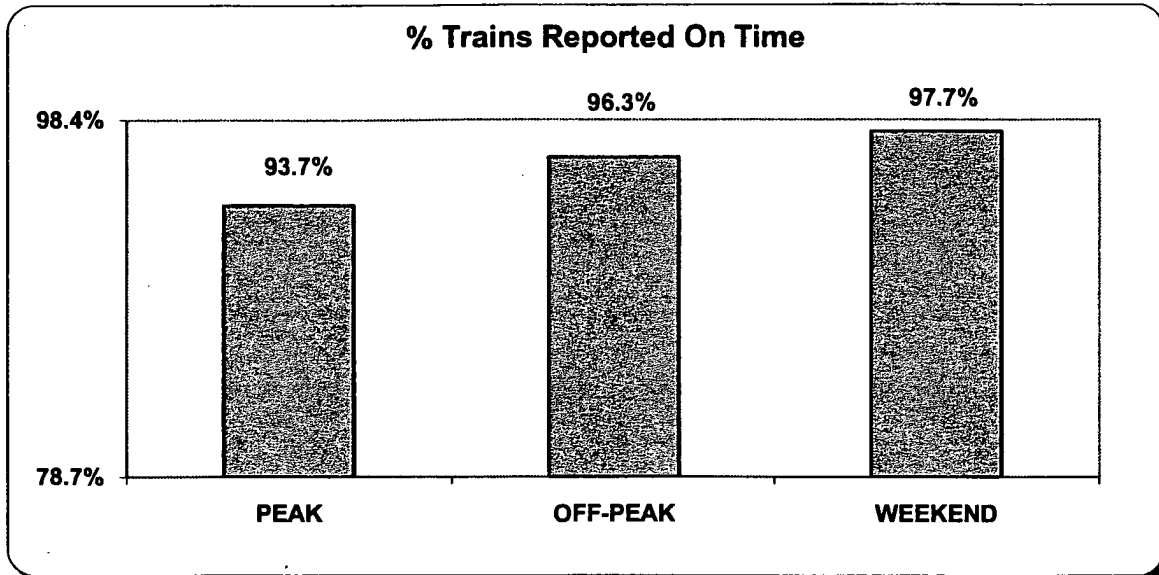
Rail On-Time Performance was 95.8% for May 2011. Of the 18,321 trains scheduled to operate, 17,557 were on time, while 764 trains (or 4.2%) were delayed. Key causes included:

- Amtrak overhead wire problem on May 10.
- NJ TRANSIT equipment problems and Amtrak delays on May 25.
- Amtrak overhead wire problem and Portal Bridge opening on May 26.

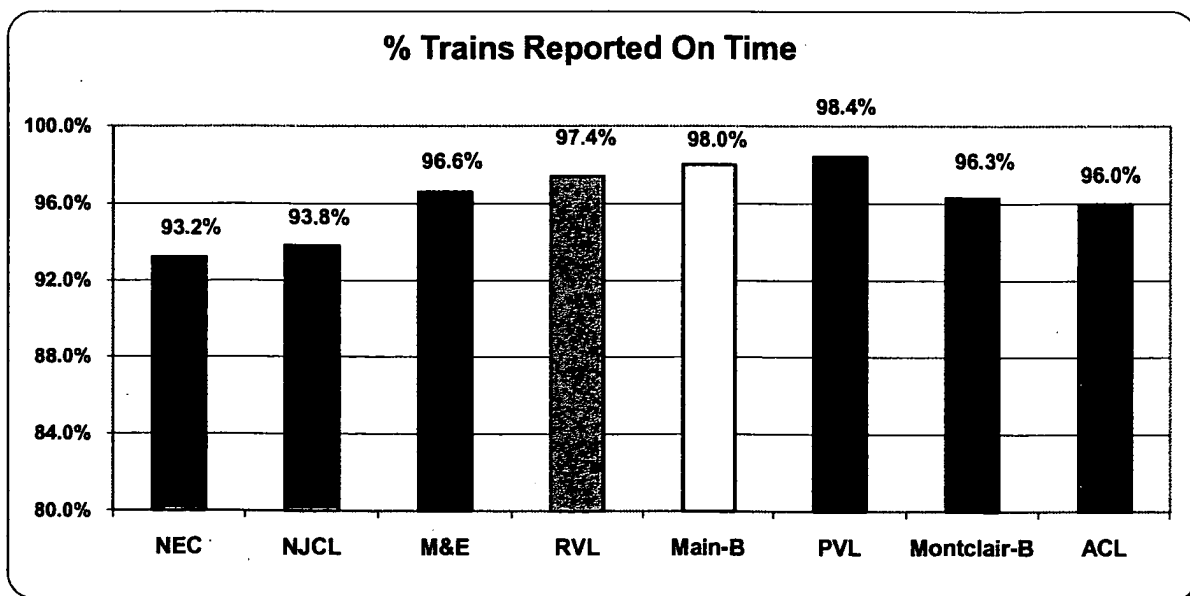
The 12-month average for Rail On-Time Performance for June 2010 - May 2011 was 94.4%.

ON-TIME PERFORMANCE RAIL

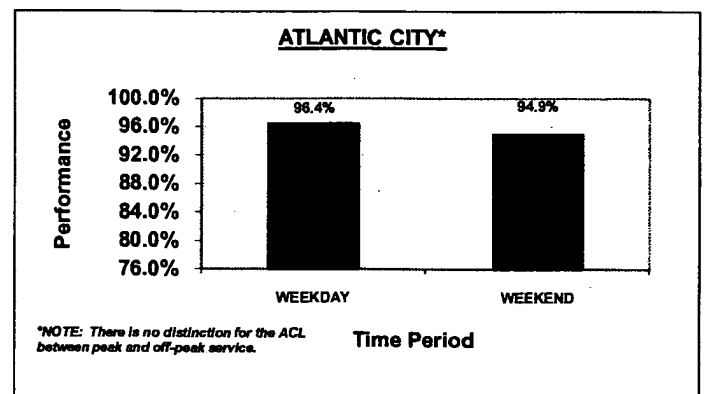
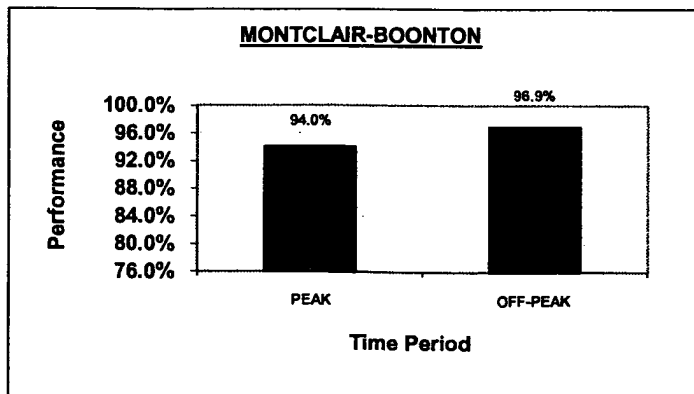
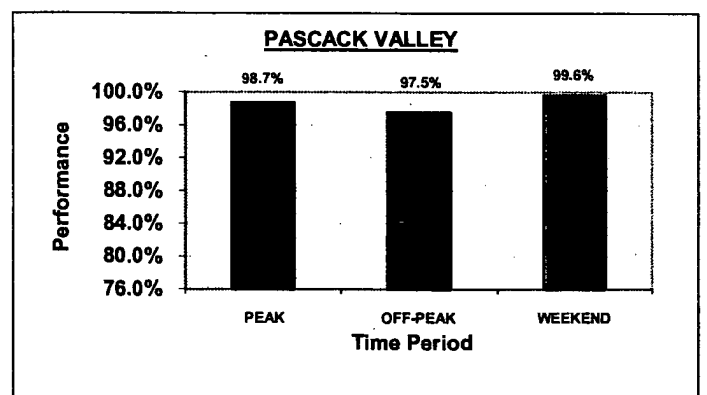
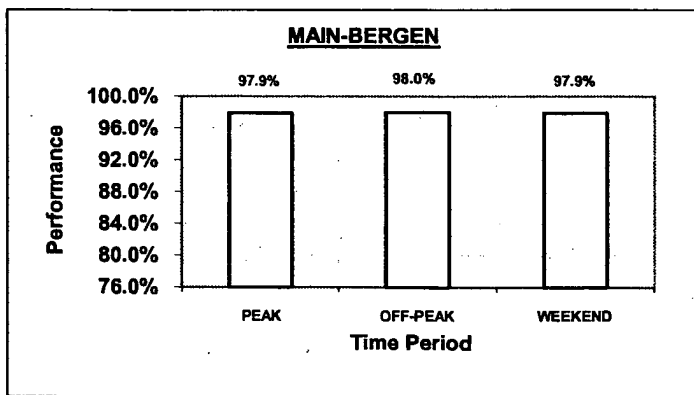
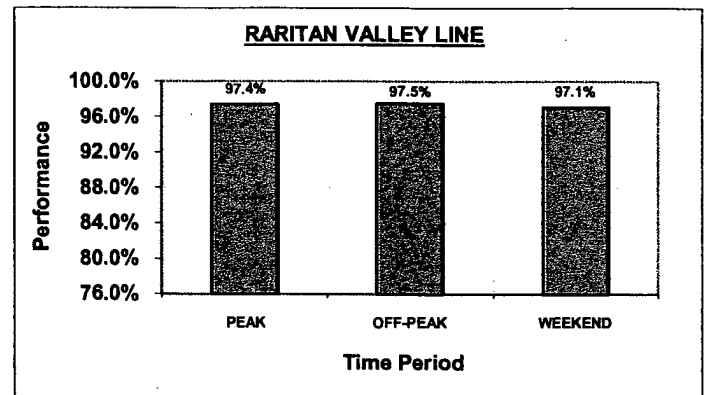
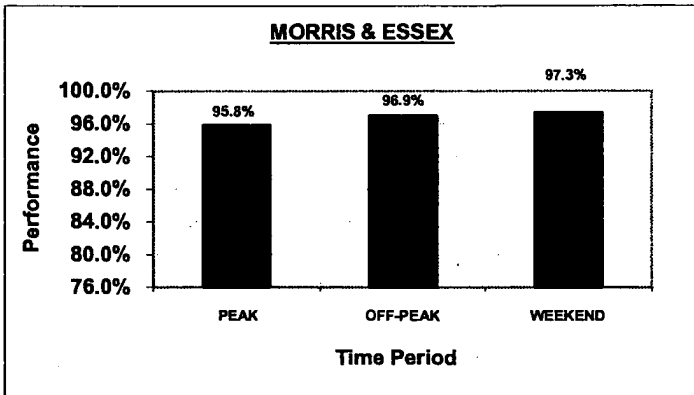
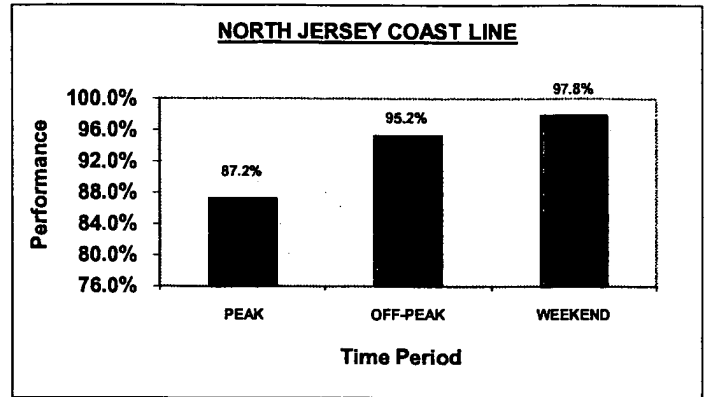
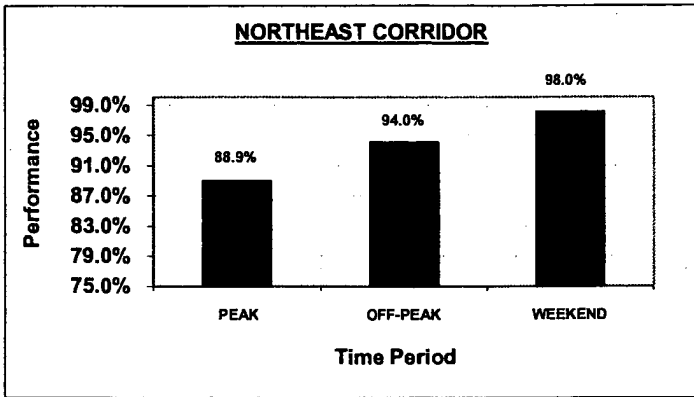
SUMMARY BY TIME PERIOD MAY 2011



SUMMARY BY LINE MAY 2011

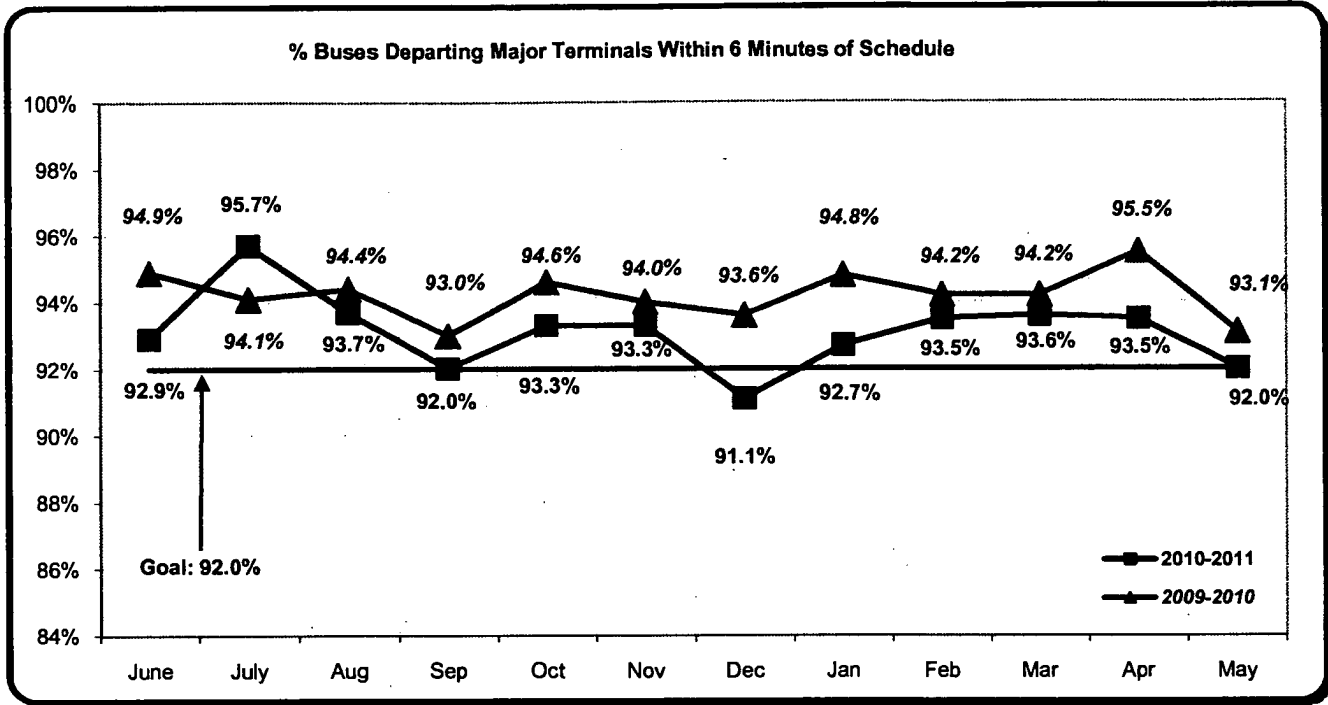


ON-TIME PERFORMANCE BY RAIL LINE & TIME PERIOD MAY 2011



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

NJ TRANSIT ON-TIME PERFORMANCE BUS JUNE 2009 - MAY 2011



| | 2010 | 2011 | % Change |
|-----------------------|-------|-------|----------|
| May Comparison | 93.1% | 92.0% | -1.1% |

| | 2009-2010 | 2010-2011 | % Change |
|------------------------------------|-----------|-----------|----------|
| 12-Month Average June - May | 94.2% | 93.1% | -1.1% |

Analysis:

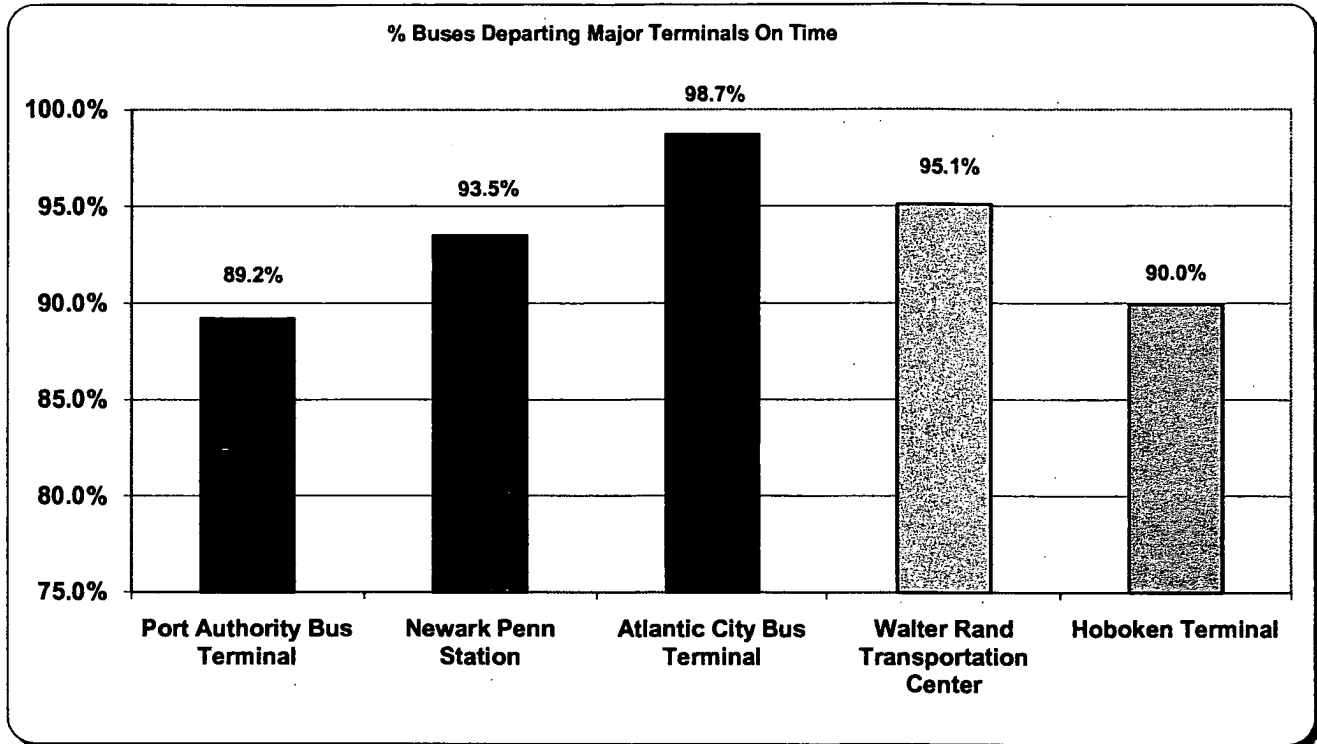
Bus On-Time Performance was 92.0% for May 2011. Of the 37,994 monitored departures, 3,039 (or 8.0%) experienced delays. Key causes included:

- Motor vehicle accidents and disabled vehicles at the Lincoln Tunnel throughout the month affecting Port Authority buses.

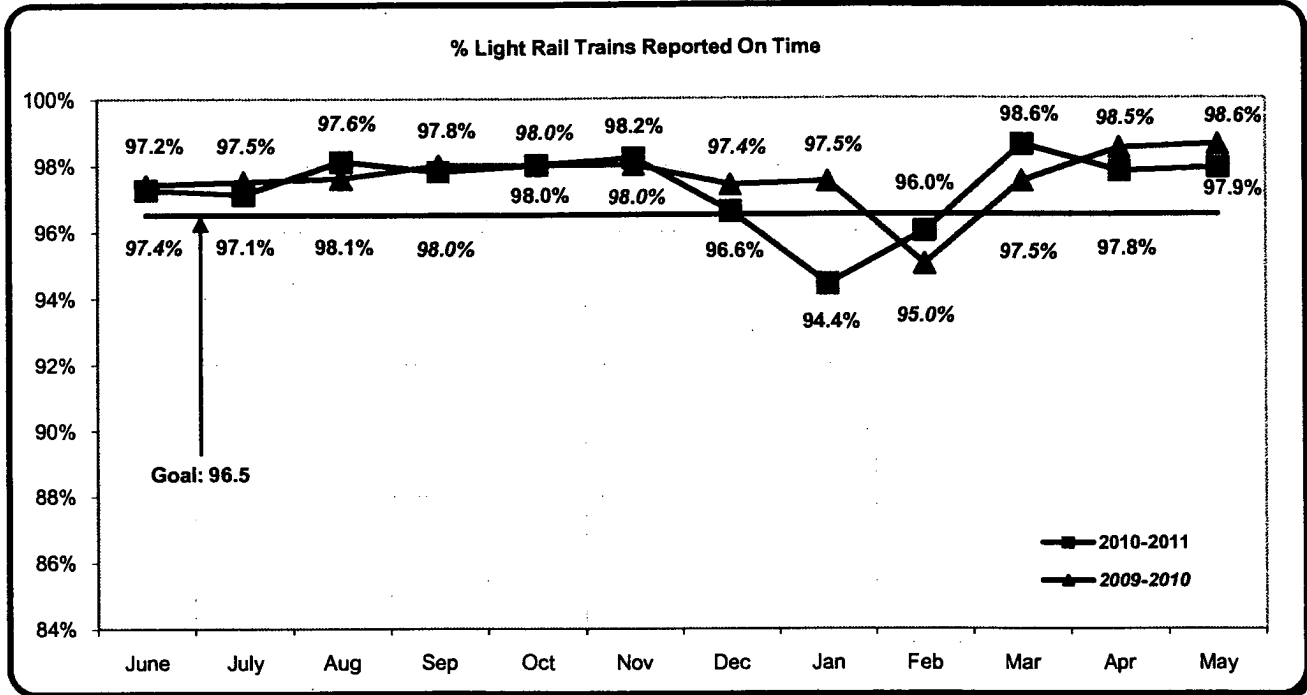
The 12-month average for Bus On-Time Performance for June 2010 - May 2011 was 93.1%.

ON-TIME PERFORMANCE BUS

SUMMARY BY TERMINAL MAY 2011



NJ TRANSIT ON-TIME PERFORMANCE LIGHT RAIL - SYSTEMWIDE JUNE 2009 - MAY 2011



*Note: Starting May 2007

| | 2010 | 2011 | # Change |
|----------------|-------|-------|----------|
| May Comparison | 98.6% | 97.9% | -0.7% |

| | 2009-2010 | 2010-2011 | # Change |
|-----------------------------|-----------|-----------|----------|
| 12-Month Average June - May | 97.6% | 97.3% | -0.3% |

Analysis:

Light Rail On-Time Performance systemwide was 97.9% for the month of May 2011. Of the 26,800 scheduled trains, 562 (or 2.1%) experienced delays. Key causes included:

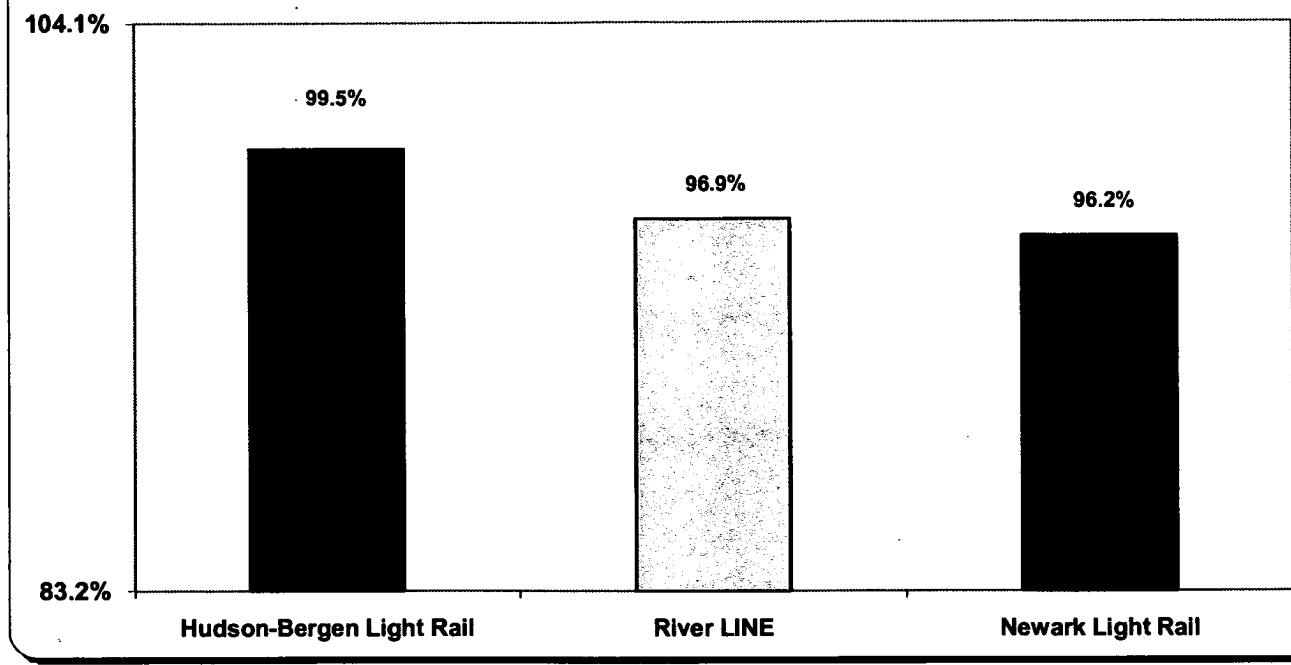
- Mechanical problems delaying River Line trains on May 5.
- Grade crossing accident in Jersey City affecting HBLR service on May 17.
- Scheduled track outage impacting Newark Light Rail trains on May 24.

The 12-month average for Light Rail On-Time Performance for June 2010 - May 2011 was 97.3%.

ON-TIME PERFORMANCE LIGHT RAIL

SUMMARY BY LINE MAY 2011

% Light Rail Trains Reported On Time



DBE/MBE PROGRAM

NJ TRANSIT – Office of Business Diversity DBE/SBE Participation

Federally Funded Contracts

\$1,498,319 in federal funds were awarded October through May of FY 11.* Disadvantaged Business Enterprises (DBEs) were not awarded any federal-funded contract dollars during this period from either race conscious and race neutral awards.

State Funded Contracts

\$30,152,428 in state-funded contract dollars were awarded July through May FY 11. ** Of that total, Small Business Enterprises (SBEs) received \$8,004,861 or 26.5 percent. Category 1 SBEs received \$607,655 or 2 percent. Category 2 SBEs received \$1,701,307 or 5.6 percent. Category 3 SBEs received \$709,758 or 2.4 percent. Category 4 SBEs received \$663,463 or 2.2 percent. Category 5 SBEs received \$4,322,678 or 14.3 percent. Category 6 SBEs received \$0 or 0 percent.***

Federal & State Contracts Total

\$31,650,747 in federal and state contract dollars were awarded by NJ TRANSIT during this reporting period. Of that total, \$8,004,861 or 25.3 percent of federal and state contract dollars was won by DBEs and SBEs.

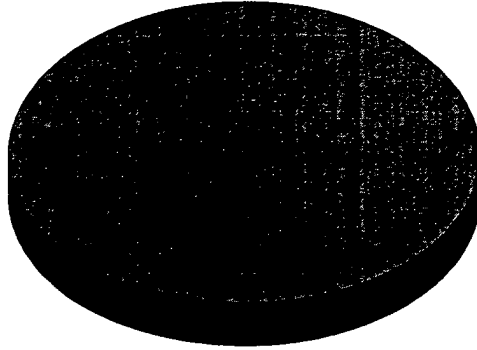
*Fiscal year beginning October 1, 2010

**Fiscal year beginning July 1, 2010

***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

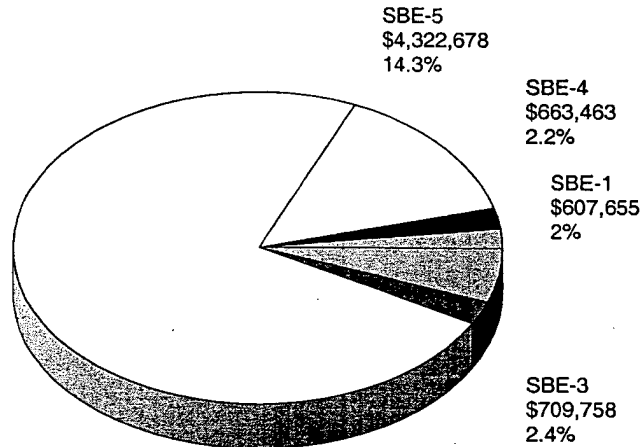
**DBE PARTICIPATION
FEDERAL CONTRACTS
FEDERAL FYTD (THROUGH MAY FY11)***

NON-DBE
FEDERAL
\$1,498,319
100%



**SBE PARTICIPATION
STATE CONTRACTS
STATE FYTD (THROUGH MAY FY11)****

NON-SBE STATE
\$22,147,567
73.5%



Fiscal Year Beginning October 1, 2010*
Fiscal Year Beginning July 1, 2010**
(This report covers contracts above \$29,000)

EMPLOYEE RECOGNITION

NJ TRANSIT employees bid farewell after outstanding careers

Twenty-two NJ TRANSIT employees retired in May with careers ranging from 10 to 37 years of service:

1. George H. Schalk (Kearny) Station Starter, PABT – 37 years
2. Kevin Sheehan (Island Heights) General Forman Bayhead, Bay Head Yard – 37 years
3. Melvin McDonald, Jr. (Glassboro) Bus Operator, Newton Avenue – 31 years
4. Richard C. Stark, Jr. (Waldwick) Full Time Union Officer, Oradell Garage – 31 years
5. Miguel Sanchez (Newark) Bus Operator, Market Street – 30 years
6. Richard L. Ventola (Palisades Park) Union Official, Fairview Garage – 29 years
7. Lawrence S. Wagman (Sicklerville) Bus Operator, Washington Township – 29 years
8. Frank Montgomery, Jr. (Freehold) Bus Operator, Howell Garage – 28 years
9. James M. Williams, Jr. (East Orange) Supr. Trains Op., ROC – 28 years
10. Fritz Bercy (East Orange) Bus Operator, Orange Garage – 23 years
11. Carol Dixon (Vineland) Stock Clerk, Egg Harbor – 23 years
12. Robert A. White (Bayville) Serviceman, Howell Garage – 22 years
13. Lamont Pray (Piscataway) PRC EO/AA Off., Penn Plaza – 21 years
14. Anthony Celeste (Palisades Park) Union Official, Fairview Garage – 19 years
15. Larry Lane (Turnersville) Bus Operator, Washington Township – 19 years
16. Lentz Ransom (Lindenwold) Bus Operator, Washington Township – 19 years
17. Joseph Ventresca (Warminster, PA) Bus Operator, Newton Avenue Garage – 18 years
18. Frank A. Washington, Jr. (Hillside) Bus Operator, Ironbound Garage – 18 years
19. Shelley Scales (Mays Landing) Inspector "B," Atlantic City Bus Terminal – 15 years
20. Larnell Thompson (Mizpah) Bus Operator, Egg Harbor – 12 years
21. John M. Blasberg (New Field) Bus Operator, Washington Township – 10 years
22. Fred Mays (Hillside) Bus Operator, Wayne Garage – 10 years

ACTION ITEMS

ITEM 1106-26: OUTDOOR ADVERTISING MANAGEMENT SERVICES**BENEFITS**

The licensing of outdoor advertising displays on billboards and advertising structures located within NJ TRANSIT's right of way, facilities, structures and properties provides significant annual guaranteed non-farebox revenue to NJ TRANSIT. The licensing of NJ TRANSIT assets for billboards and advertising structures decreases reliance on subsidies and fares for operating revenue. The responsible display of aesthetically appropriate advertising and structures within NJ TRANSIT's right of way, facilities, structures and properties is a vital component in our efforts to leverage private sector revenues for the benefit of commuters and is consistent with the nationwide use of transit facilities for advertising messages.

PURPOSE

The purpose of this Board Item is to award a five-year advertising revenue contract to Allvision, LLC based in New York City. Allvision, LLC has best demonstrated that it is experienced, equipped and able to maximize the value of NJ TRANSIT's existing outdoor advertising inventory, enhance the value of new advertising inventory and advise NJ TRANSIT on how best to realize the value of NJ TRANSIT's existing and future assets as a platform for generating non-fare box revenue.

The contract will pay NJ TRANSIT a minimum annual guarantee totaling \$16,300,000 over five years or 80 percent of net revenue, whichever is greater. Allvision, LLC will manage the outdoor advertising companies who will bear all costs of designing, installing, maintaining and repairing the existing and future structures on which they have bid. NJ TRANSIT will expend no funds beyond the cost of contract administration.

Two prospective advertising revenue contractors submitted proposals in response to NJ TRANSIT's request for competitive proposals. Following technical evaluation, oral presentations, reference-checks, interviews and best-and-final-offer negotiations, staff ranked Allvision, LLC as the best equipped to meet NJ TRANSIT's needs.

ACTION (Justification: Business Efficiency)

Staff seeks authorization to contract for five years with Allvision, LLC of New York, New York, to provide management of outdoor advertising displays on billboards located within NJ TRANSIT's right of way, facilities, structures and properties for a minimum annual guarantee totaling \$16,300,000 over five years or 80 percent of net revenue, whichever is greater. NJ TRANSIT will have the option, subject to negotiation, to extend the contract for two additional one-year periods.

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

FISCAL IMPACTS

Requested Authorization: Authorization to contract for five years with Allvision, LLC, of New York, New York, to provide management for outdoor advertising displays on billboards located within NJ TRANSIT's right of way, facilities, structures and properties for a minimum annual guarantee totaling \$16,300,000 over five years or 80% of net revenue whichever is greater. NJ TRANSIT will have the option, subject to negotiation, to extend the contract for two additional one-year periods.

Anticipated Source of Funds: None required; revenue-generating contract

Projected Date of Completion: August 31, 2016

Diversity Goal: 0% SBE

Related/Future Authorizations: None

Impacts on Subsequent Operating Budgets Guaranteed revenue of \$16,300,000 over 5 years

RESOLUTION

WHEREAS, NJ TRANSIT generates considerable non-farebox outdoor advertising revenue to help underwrite and subsidize operating expenses; and

WHEREAS, two prospective outdoor advertising revenue contractors submitted responsive proposals in response to NJ TRANSIT's request for competitive proposals; and

WHEREAS, following technical evaluation, oral presentations, reference-checks, interviews and best-and-final-offer negotiations, staff ranked Allvision, LLC as the best equipped to meet NJ TRANSIT's needs;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to contract for five years with Allvision, LLC of New York, New York, to manage NJ TRANSIT's outdoor advertising inventory for a minimum annual guarantee totaling \$16,300,000 over five years or 80 percent of net revenue, whichever is greater. NJ TRANSIT will have the option, subject to negotiation, to extend the contract for two additional one-year periods.

ITEM 1106-27: TRANSIT BUSES: PURCHASE OF UP TO 158 ADDITIONAL 40-FOOT BUSES

BENEFITS

In 2007, the NJ TRANSIT Board of Directors authorized the purchase of 1,145 transit and suburban buses to replace a portion of its aging bus fleet. The new buses provide wheelchair lifts and a kneeling feature to aid mobility-impaired customers with boarding. In addition, the buses have been equipped with other on-board equipment, including a camera system with GPS and cellular modems, improved back-up cameras and LED interior lighting, to enhance safety and security.

The US Environmental Protection Agency (USEPA) promulgated new diesel emission regulations to reduce diesel exhaust emissions from the bus engine. The regulations have been phased-in over the past several years with the latest milestone related to all diesel powered vehicles delivered in 2010 and later years. These additional buses will comply with the 2010 regulations.

With the completion of this purchase, the average fleet age for transit buses will be six years. The goal of the Capital Program is to maintain an average fleet age of six years.

PURPOSE

This authorization provides for the modification of the existing contract to include an additional 158 transit-style buses manufactured by NABI thereby completing NJ TRANSIT Bus Operations' plan to replace the aging non-articulated city and suburban buses in the NJ TRANSIT fleet. The existing contract provides for the purchase of additional buses.

ACTION (Justification: State of Good Repair)

Staff seeks authorization to amend the existing contract (No. 06-085) with North American Bus Industries of Anniston, Alabama, to purchase up to 158 additional 40-foot transit buses at a cost not to exceed \$68,659,532 for a new total contract authorization of \$533,065,966, 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: | This Authorization | \$ 68,659,532 |
| | Total Authorization | \$ 533,065,966 |

Total Project Cost: \$ 533,065,966

Projected Date of Completion: January 2014 (delivery of all buses)

Anticipated Source of Funds: Transportation Trust Fund
Certificates of Participation

Diversity Goal: 10% SBE

***NJ Build* Amount:** NA

Future Expected Authorization: None

**Impacts on Subsequent
Operating Budgets:** \$ 1,738,000 savings during warranty period

RESOLUTION

WHEREAS, NJ TRANSIT's aging non-articulated city and suburban bus fleet is eligible for replacement under Federal Transit Administration guidelines; and

WHEREAS, NJ TRANSIT previously selected North American Bus Industries to provide 1,145 transit and suburban buses through a competitive procurement process; and

WHEREAS, the contract with North American Bus Industries provides for the purchase of additional buses;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or the Executive Director is authorized to amend the existing contract (No. 06-085) with North American Bus Industries of Anniston, Alabama, to purchase up to 158 additional 40-foot transit buses at a cost not to exceed \$68,659,532 for a new total contract authorization of \$533,065,966, subject to the availability of funds.

**ITEM 1106-28: TRAIN MANAGEMENT AND CONTROL SYSTEM:
PROFESSIONAL SERVICES FOR MANPOWER REVIEW
AND SYSTEM DEVELOPMENT**

BENEFITS:

NJ TRANSIT's Train Management and Control System (TMAC) monitors and controls the movement of trains systemwide. It is the technology backbone of New Jersey's commuter rail system without which rail service could not be operated.

Train dispatchers use TMAC to align switches and display signals to provide a clear and safe route for trains. The TMAC system also provides real-time control of the high-voltage electric overhead wire system, remote control of moveable bridges, and automated passenger announcements on the status of train service. Since its deployment in 2002, the TMAC system has performed at an availability rate of 99.99 percent.

While the reliability of TMAC has been excellent, there are some functions which remain manpower intensive such as the manual transcription of data from TMAC to other NJ TRANSIT systems. There are also a number of opportunities to use TMAC for additional purposes and potentially opportunities for operating cost savings. For example, service reliability data could be used to improve the way trains are scheduled, train performance data could be integrated with the Rail Asset Maintenance System (RAMS) to target troublesome equipment for maintenance, and additional moveable bridges could be brought online to allow remote control operation.

As a result of this study and subsequent implementation of study recommendations, customers may benefit from on-time performance reporting for outlying stations for the first time. Taxpayers and customers alike will also benefit from continued cost reductions by remote control of moveable bridges and further automation of on-time performance reporting.

PURPOSE:

The professional services contract will provide a comprehensive review of ongoing operation and maintenance protocols for the TMAC system and make recommendations for staffing and technology upgrades. Any recommended changes to the TMAC system will maintain the high-degree of system reliability for this mission-critical system. Additionally, all recommendations will be reviewed and evaluated to ensure the additional proposed investment yields either an operating cost savings or a direct and tangible customer benefit.

ACTION (Justification: Business Efficiency and Customer Service)

Staff seeks authorization to enter into a competitively-procured contract with MACRO Corporation of Chalfont, Pennsylvania to provide a comprehensive review of ongoing operation and maintenance protocols for the Train Management and Control System (TMAC) and make recommendations for staffing and technology upgrades at a cost not to exceed \$329,154, plus five percent for contingences, for a total cost of \$345,450, 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: | \$329,154 + 5% for contingences |
| Total Project Cost: | \$400,000 |
| Diversity Goals: | 0% SBE |
| Related/Future Authorization: | Request to modify the TMAC system per recommendations from the manpower review and system development contract |

RESOLUTION

WHEREAS, NJ TRANSIT's Train Management and Control System (TMAC) monitors and controls the movement of trains systemwide and is the technology backbone of New Jersey's commuter rail system without which rail service could not be operated; and

WHEREAS, while the reliability of TMAC has been excellent, there are some functions which remain manpower intensive; and

WHEREAS, there are a number of opportunities to use TMAC for additional purposes and potentially opportunities for operating cost savings; and

WHEREAS, any recommended changes to the TMAC system will maintain the high-degree of system reliability for this mission-critical system; and

WHEREAS, all recommendations will be reviewed and evaluated to ensure the additional proposed investment yields either an operating cost savings or a direct and tangible customer benefit; and

WHEREAS, after the completion of a competitive procurement process, it was determined that MACRO Corporation submitted the proposal to provide professional services for manpower review and system development that provides the best value and is in the best interest of NJ TRANSIT;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to enter into Contract No. 11-060 with MACRO Corporation of Chalfont, Pennsylvania to provide a comprehensive review of ongoing operation and maintenance protocols for the Train Management and Control System (TMAC) and make recommendations for staffing and technology upgrades at a cost not to exceed \$329,154, plus five percent for contingences, for a total cost of \$345,450, subject to the availability of funds.