

Corzine
Governor

Chris Kolluri, Esq.
Board Chairman

Richard R. Sarles
Executive Director

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

September 12, 2008

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, September 10, 2008.

Sincerely,



Gwen A. Watson
Board Secretary

Enclosures

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

(NJT Board – 09/10/2008)

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 NJ TRANSIT Headquarters, One Penn Plaza East, Newark, New Jersey on Wednesday, September 10, 2008.

Present:

Myron P. Shevell, Acting Chairman
James A. Carey, Jr., Governor's Representative
Patrick O'Connor, Treasurer's Representative
Flora Castillo
Kenneth E. Pringle (via phone for a portion of the meeting)

Richard R. Sarles, Executive Director
Gwen A. Watson, Board Secretary
Warren Hersh, Auditor General
Lynn Bowersox, Assistant Executive Director, Communications & Customer Services
James Gigantino, Vice President & General Manager, Bus Operations
William Duggan, Vice President & General Manager, Rail Operations
Mala Narayanan, Deputy Attorney General
James Redeker, Vice President of Technology Services
Steve Santoro, Assistant Executive Director, Capital Planning and Programs
H. Charles Wedel, Chief Financial Officer & Treasurer
Alma Scott-Buczak, Assistant Executive Director, Human Resources
Jan Walden, Assistant Executive Director, Diversity

Acting Chairman Myron P. Shevell convened the Open Session at 9:15 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 Patrick O'Connor, seconded by Flora Castillo and unanimously adopted.

Acting Chairman Myron P. Shevell reconvened the Open Session at 9:35 a.m. and asked for a motion to adopt the minutes of the August 13, 2008 meeting. A motion was made by James A. Carey, seconded by Flora Castillo and unanimously adopted.

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

Ridership

Executive Director Sarles began his report by talking about ridership, a topic he has highlighted on a regular basis. Ridership is important because it drives actions to meet demand, including THE Tunnel. He reported the ridership figures for the fourth quarter, Fiscal Year 2008 and for the year as a whole. For 20 consecutive quarters, five years of growth, there has been record-high ridership. In the last quarter, a new record was set for any quarter in NJ TRANSIT history, with 67.5 million passenger trips. NJ TRANSIT averaged 930,350 passenger trips per weekday (and nearly 728,000 per weekend). For

the entire year, there were approximately 260 million passenger trips, up nearly four percent systemwide compared to last fiscal year. Rail ridership was up nearly five percent, bus ridership was up more than two percent and light rail ridership was up nearly 10 percent.

Need for Tunnel

Executive Director Sarles said that nowhere on the system is the pressure of ridership more acute than the Trans-Hudson services. This is why the Turnpike Authority's funding plan, proposed at its Board meeting yesterday, is critical for public transportation. The funding plan for critical transportation investments, including THE Tunnel, recognizes its importance as part of a multimodal statewide transportation network. Systemwide, Access to the Region's Core will eliminate 30,000 daily personal automobile trips, resulting in 600,000 fewer daily vehicle miles traveled. It will double rail capacity and provide a one-seat ride service and other passenger rail improvements to 16 counties. It will create 44,000 jobs and improve New Jersey residents' ability to reach jobs. He said 75 percent of New Jersey's population lives within five miles of a railroad and property values increase with better rail service. Each day people stream off the RiverLINE into the Trenton Transit Center so residents well into Burlington and Camden counties are also benefiting. Executive Director Sarles said timing is critical and he repeated again very clearly that a point has been reached where there is virtually no room for another NJ TRANSIT train between 7:00 am -9:00 am and 4:00 pm – 6:00 pm on weekdays. With Amtrak's help, NJ TRANSIT is adjusting service here and there, but it is maxed out on peak capacity.

Executive Director Sarles said that while the Turnpike's proposal invests only a small portion of new revenues in mass transit, this is the biggest bang for the buck in terms of growing capacity: from 23 to 48 trains in the peak hour and at a rate of about 1200 people on a Multilevel train, about 30,000 more riders an hour.

Executive Director Sarles presented a five-minute video, which is part of NJ TRANSIT's public outreach to educate people about the Access to the Region's Core project. The video is available on the updated Access to the Region's Core website (www.arctunnel.com) so people can better understand how the project will help everyone.

Bus ridership

Executive Director Sarles said rail is not the only mode of transportation that is growing. Bus ridership surged in the fourth quarter. Ridership was up nearly five percent compared to the fourth quarter of Fiscal Year 2007 and continued high demand is anticipated with the summer vacation season now over. Executive Director Sarles said NJ TRANSIT is currently continuing bus studies to re-direct service to match the current needs of customers and also working on more immediate plans to make the most of the bus resources.

More than a weekday commuter transit system

As weekend ridership figures attest, NJ TRANSIT is more than a commuter system, with year-round service to great sports and entertainment destinations statewide: the Giants Stadium and the Izod Center in Meadowlands; the Prudential Center Arena and NJPAC in Newark; the Sovereign Bank Arena in Trenton; the Susquehanna Bank Center in Camden, to name a few of first-class venues that NJ TRANSIT serves by bus, rail or light rail.

Last week, NJ TRANSIT modified the game-day New York service to Giants Stadium to help meet demand that has reached practical limits at the Port Authority Bus Terminal. He said construction activity near the Port Authority Bus terminal limits the Meadowlands busing operation. For the Giants home opener, NJ TRANSIT carried more than 6,200 customers to the Meadowlands via Secaucus Junction, nearly a 50 percent increase over the old 351 bus route. This gets fans familiar with what will be an all-rail trip, with transfers at Secaucus, when the new rail extension to the Meadowlands opens next summer. NJ TRANSIT will continue to adjust the service to improve the customer experience. Executive Director Sarles thanked the many NJ TRANSIT volunteers who were on hand at Secaucus for the launch of the new service.

Suzanne Mack presented the Advisory Committee report. Ms. Mack said the Committee received a very interesting presentation on the Atlantic City service that is being funded by a consortium of casinos in Atlantic City. She said if the service is successful it could lead to even more service to Atlantic City. Ms. Mack said the best part is there is no cost to NJ TRANSIT since the service is a public-private partnership.

Ms. Mack said the Committee received a full briefing on the Access to the Region's Core project. It was a very good technical presentation that gave an overview of the geological environment in that area which provided a better understanding of why there is a high cost to the project. Ms. Mack said the video summarizes the economy of the tri-state region and how New York and New Jersey are tremendously impacted by this project.

Ms. Mack mentioned that next week is Try Transit Week and hopes efforts will be out to get riders on the system.

Ms. Mack said it is appropriate to mention that tomorrow is the seventh anniversary of September 11th and said she looks back with pride on the role the transit agencies played at that time. She is pleased that New York and New Jersey are rebounding from that disaster and said it is important to note the critical role of transportation.

Board Member Myron P. Shevell presented the Capital Planning, Policy & Privatization Committee report to the Board. The Committee discussed new low floor, high occupancy buses that the agency proposed to purchase for use on urban routes and reviewed the replacement plans for the Ambrose Brook Bridge over the Raritan Valley Line. Art Silber and Howard Sackel presented an update on the Access to the Region's Core project and an upcoming Board item for final engineering and construction. The

Executive Director also discussed the September 3 public hearing regarding the future of Great Notch rail station.

Board Member Flora Castillo presented the Administration Committee report to the Board. The Administration Committee discussed the software upgrade for the Rail Asset Maintenance system. The software upgrade will automate data entry to better monitor equipment cleaning activities and to interface with the inventory control system. In addition, this upgrade will provide staff with the tools to conduct expanded reporting and management analysis on all work that is performed on the rolling stock. The Committee also had a brief update on the Access to the Region's Core project.

At this point, Board Member Kenneth E. Pringle joined the meeting by telephone.

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

Joseph M. Clift, Rail Regional Working Group, commented on Item No. 0809-70 State Certificates of Participation (COPs): Dual-Powered Locomotives and Multilevel Vehicles. Mr. Clift said the Multilevel vehicles have a substantially longer time boarding and exiting the vehicles as well as longer waiting times at the stations. Mr. Clift said the Multilevel vehicles have poor acceleration and deceleration which causes the schedules to be longer. He said the vehicles are comfortable but slower. Mr. Clift commented that the electric multiple unit cars are comparable to MetroNorth and the Long Island Railroad and suggested NJ TRANSIT look at the electric multiple unit cars as an alternative.

James T. Raleigh commented that he was supposed to arrive this morning on an express train from Matawan but reported the existing system is not working. He said there is a lack of cooperation between NJ TRANSIT and Amtrak. Mr. Raleigh commented that the public Board agenda was distributed just before the start of the Board meeting and that is not enough time for the public to provide input.

Executive Director Sarles responded that the Board agenda is sent out one week before the board meeting and includes the title and a description of items that will be presented to the Board.

David Peter Alan, on behalf of the Lackawanna Coalition, commented on Item No. 0809-70 State Certificates of Participation (COPs): Dual-Powered Locomotives and Multilevel Vehicles. The Lackawanna Coalition believes that purchases of this sort will not benefit riders, especially on the Morris & Essex and Montclair-Boonton Lines. It would make much more sense to use available funds to purchase new multiple-unit cars instead.

Mr. Alan said the Multilevel vehicles are not suitable to the Morris & Essex Line with its hilly terrain, frequent stops and strong patronage for short, local trips. He said experience validates his concern, as long lines of people boarding and exiting trains take up time at the end doors of each car, slowing travel time. He said many Arrow III

multiple-unit cars are assigned to Trenton and the Coast Line trains, where the advantages they present for operation on the Morris & Essex Line are not needed.

Mr. Alan said this situation can be cured by adding a switch on each motorized multiple-unit car that would allow it to run on both the Morris & Essex Line and Amtrak electrical systems, with automatic or cab switching capability. Virtually all Dover, Gladstone and Montclair trains could operate easily to either Hoboken or Penn Station. The improved acceleration of the multiple-unit cars, compared to locomotive-hauled trains could shorten travel time, improve equipment utilization and make improved use of precious slots at Penn Station, New York. Mr. Alan said not only should existing multiple-unit cars be retrofitted with this modification, but funds for new equipment should go toward the new multiple-unit cars, rather than the Multi-level cars that are not optimally suited for the Morris & Essex and Montclair-Boonton Lines.

Mr. Alan said it makes sense from a regional transportation perspective not only to build new multiple-unit cars, but to also work with Metro-North and the Long Island Railroad to be sure that any new multiple-unit cars are compatible with their operations. The Regional Rail Working Group, of which the Lackawanna Coalition is a member, has been advocating for trains running on a regional basis, from one end of the region to the other through Manhattan. With compatible multiple-unit equipment, it would be feasible to run trains from New Haven, Poughkeepsie, Ronkonkoma or Babylon to Dover, Trenton or elsewhere on NJ TRANSIT. The efficiency of such an operation would allow strong service enhancements, just the opposite of today's massive service cuts. He said it all begins with a manifest increase in the multiple-unit car fleet. Mr. Alan emphasized that multiple-unit cars are the way to go because Multi-level vehicles could never be as efficient on the Morris & Essex Line as the multiple-unit cars. Electrically powered multiple-unit cars have given riders in New Jersey reliable and frequent service for the last 98 years. It is time to bring them back so the trains of the future will be faster and more frequent than the trains today.

Zoe Baldwin on behalf of the Tri-State Transportation Campaign, commented on the Access to the Region's Core website and expressed kudos to NJ TRANSIT for its hard work in moving this project forward.

Executive Director Sarles presented the following Action Items for approval:

0809-68: RARITAN VALLEY LINE, REPLACEMENT OF RAILROAD BRIDGE OVER AMBROSE BROOK, MIDDLESEX COUNTY, NEW JERSEY: ACTION TO RESCIND PREVIOUS BOARD AUTHORIZATION NO. 0806-38

The two-track Ambrose Brook Bridge over the Raritan Valley Line between Bound Brook and Dunellen was originally constructed in 1855 and currently carries 62 weekday trains. The bridge is in need of replacement with a new similar bridge which meets all of the historic preservation requirements which will continue reliable service. Authorization is requested to rescind a previous contract which was later found to have an error in the steel reinforcement bid item and replace it

with a contract for Northeast Remsco Construction Inc. at an amount not to exceed \$5,679,675 plus five percent for contingencies.

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

0809-69: RAIL ASSET MAINTENANCE SYSTEM (RAMS) SOFTWARE UPGRADE

In Kearny's Meadows Maintenance Complex, the Rail Asset Maintenance System, known as RAMS, monitors and tracks the status of all rail rolling stock, incidents, inspections, equipment defects and repair history in order to monitor repairs and analyze failure trends. The RAMS license is held with MAXIMUS Inc. A software upgrade is required to support inventory control systems, automate data entry for improved equipment cleaning and provide expanded reporting and management analysis. Authorization is requested to upgrade the software with MAXIMUS Inc. in an amount not to exceed \$280,000.

Patrick O'Connor moved the resolution, James A. Carey seconded it and it was unanimously adopted.

Executive Director Sarles presented the following Consent Items for approval:

0809-70 STATE CERTIFICATES OF PARTICIPATION (COPS): DUAL-POWERED LOCOMOTIVES AND MULTILEVEL VEHICLES AND RESCIND PREVIOUS BOARD AUTHORIZATION NO. 0808-58

Authorization to enter into a Certificates of Participation sublease with the State of New Jersey for the financing of approximately \$380 million of rolling stock and spare parts plus costs and fees associated with the transaction. Board authorization No. 0808-58 is rescinded and this renders said resolution null and void.

Acting Chairman Myron P. Shevell recused himself from voting on Item No. 0809-70. The Consent Calendar was moved by Flora Castillo and seconded by James A. Carey.

There were six public comments on non-agenda items.

Joseph M. Clift, on behalf of the Regional Rail Working Group, distributed to the Board a project funding shortfall estimate (February 2007 to June 2008) regarding the Access to the Region's Core project. Mr. Clift said the total state funding and funding shortfall with NJ TRANSIT's cost estimates is \$3.3 billion. He said the projected \$1.25 billion from highway tolls is a start but not a finish for this project and NJ TRANSIT will have to demonstrate that it has a local share. Mr. Clift mentioned that there are New York projects that are in trouble now because there was not enough funding. The federal government wants funded projects. Mr. Clift said he presented a proposal to the Board at the August 13, 2008 board meeting to save money and noted \$2 billion less would be

spent if the Access to the Region's Core project went directly to New York Penn Station. Mr. Cliff said the \$3.3 billion can be reduced substantially and requested an open, objective dialogue with NJ TRANSIT to discuss the specific issue of funding for this project.

David Peter Alan, on behalf of the Lackawanna Coalition, said NJ TRANSIT management is scrambling to raise billions of dollars to build its conception of the Access to the Region's Core project which will benefit no one and actually result in harm to many riders, especially on the Morris & Essex Lines. He said riders are suffering massive service cuts in rail service that renders them less mobile and the same management is claiming that they must run fewer trains because fuel is so expensive.

Mr. Alan said NJ TRANSIT management is prepared to spend billions to build an unsafe and inconvenient deep-cavern terminal as an unfitting end to a new rail tunnel into Manhattan. There is no need to spend this much since going into the existing Penn Station would save \$2 billion and better serve the State's rail riders. Instead of wanting to hear how to save money, NJ TRANSIT is scrambling to raise billions of dollars that the state cannot afford. The latest plan appears to be to raise the Parkway and Turnpike tolls to pay for the dead-end deep cavern. It is ironic that the advocacy community has pushed for allocating hikes in gasoline taxes and highway tolls to pay for transit and now that it may be happening, the money will go for an expensive debacle, rather than help the rail riders actually enjoy more mobility. Mr. Alan said billions of dollars can be saved but it takes two months to schedule a meeting with management and then the appointment is cancelled without rescheduling. Mr. Alan said NJ TRANSIT does not want to hear what he has to offer.

Mr. Alan said all of this reckless spending would not be so objectionable if it were not accompanied by the massive cuts in service that occurred, without notice, over the past four months. Off-peak service on the Morris & Essex Lines has been nearly cut in half on weekdays and through service to Hoboken has been effectively eliminated on weekends. Some Sunday riders on the Raritan Valley Line and all weekend riders on the Coast Line south of Long Branch must now wait two hours between trains. The Newark Light Rail service on weekends has been cut by one-third and he has heard more cuts are coming to the Gladstone and Main/Bergen Lines and the rationale is money.

Mr. Alan said NJ TRANSIT claims that fuel is too expensive to allow riders mobility during off-peak hours, while billions of dollars are wasted. NJ TRANSIT claims that the Morris & Essex Lines cuts are not substantial because other lines already have new and reduced levels of service. At this rate, NJ TRANSIT will justify a continuing downward spiral of cuts that will leave riders with the level of service available on commuter rail in places like Albuquerque, Nashville or New Haven. He said it is time for new priorities in spending and service. If there is so much money available for transit from increases in highway tolls, it is a matter of fairness and justice to use some of that money to restore the trains that were taken away over the past four months and then go forward to enhance the service to the point where riders will truly have the mobility they deserve.

Albert L. Papp, on behalf of the New Jersey Association of Railroad Passengers, said there is a popular saying “money is the root of all evil”. If so, there must be a lot of evil in NJ TRANSIT’s current configuration of the Access to the Region’s Core project because it costs so much to move more rail riders to a place they have already indicated that they don’t want to go to – New York’s Penn Station rather than Grand Central Terminal. At a cost of \$7.6 billion, NJ TRANSIT’s press releases and media consistently understate and pointedly ignore the true expense of this project. Mr. Papp said Access to the Region’s Core cannot be operationally effective without the Portal Bridge Capacity Enhancement Project – an integral and symbiotic part of the overall mid-Manhattan rail project – according to the Portal Bridge Environmental Impact Statement. In fact, the Portal Bridge trackage and new interlocking facilities needs to be completed before, or concurrent with, the Access to the Region’s Core, but to date, no source of financing has yet been identified to fund Portal Bridge.

Mr. Papp said when the \$1.7 billion cost estimate of the Portal Bridge project was added to the \$7.6 billion of Access to the Region’s Core, the total mid-Manhattan rail project approached \$9.3 billion. He said that should trouble NJ TRANSIT’s Board, the State Transportation Commissioner and the Governor.

Mr. Papp said the current thinking on the Access to the Region’s Core financing suggests that the Port Authority of New York and New Jersey will provide about \$3 billion, the State of New Jersey \$1.25 billion and the Federal Transit Administration the remaining amount. The state mechanism needs to be in place by October 1 of this year if Access to the Region’s Core is to have a groundbreaking next year. He said the mechanism is another version of the old and tired gubernatorial plan (already rejected by voters and legislators) to double vehicular tolls on the New Jersey Turnpike and the Garden State Parkway over the next 14 years. This discriminatory and predatory pricing proposition is like trying to place a bandage on a hemorrhage. The solution is to place the Transportation Trust Fund on a pay-as-you-go basis to equitably distribute the financial pain over all of New Jersey’s residents as well as those visitors who avail themselves of the state’s transportation facilities. Mr. Papp said the state’s political leadership continues to waffle, bob and weave and to date has steadfastly ignored coming to grips with this festering sore of infrastructure financing and still no mention of the Portal Bridge funding.

Mr. Papp said instead of attempting to place the full brunt of the Access to the Region’s Core financing on the Turnpike and Parkway users, perhaps it is time for this state administration, the Transportation Commissioner and the NJ TRANSIT Board to begin examining ways and means to reduce the Access to the Region’s Core and Portal Bridge outlays by reconfiguring the entire project to benefit the rail rider rather than state and agency executives. One place to start would be to eliminate the unnecessary 34th Street deep cavern stub-end terminal in Manhattan and restore Amtrak access to the new trans-Hudson bores per the Access to the Region’s Core and then consider forming a bi-state New Jersey and New York task force to examine the core reason that the Access to the Region’s Core project began in the first place, about 15 years ago, as a fixed rail connection between Penn Station and Grand Central Terminal.

(NJT BOARD –09/10/2008)

James T. Raleigh commented that he is not pleased with the change from a five minute to a three minute time limit for speakers. He said he would like to see more examples of the Board cooperating with Amtrak.

Mr. Raleigh commented on the New York Times article of September 7, 2008 "Battlefield Latest Holdup for Rail Line". Mr. Raleigh said there has been years of discussion and \$7.1 million in federal and state money spent to study the Monmouth-Ocean line (formerly called Monmouth-Ocean-Middlesex). The study was to look at the need and preferences of the various communities. Mr. Raleigh said the National Park Service and the Department of Environmental Protection are being ignored regarding this subject.

John Costa, on behalf of the Amalgamated Transit Union (ATU) State Council, said the labor negotiations are at a stalemate and requested the Board's assistance in moving the negotiations forward. Mr. Costa said the union is negotiating with the law firm, Genova, Burns & Verioia and noted a lack of communication. Mr. Costa said negotiations and contract settlements cannot happen when the attorney puts time limits on a meeting. He said the attorneys are negotiating and the General Manager is not present. Mr. Costa said the union wants to bargain in a fair manner but they need a General Manager that knows the company and business to negotiate with and not an attorney who will litigate. Mr. Costa requested the Board's involvement in this matter and said he will be back next month to report on the status of negotiations.

Rose Heck on behalf of the New Jersey Association of Railroad Passengers was very pleased to congratulate the Hudson-Bergen Light Rail line in carrying passengers to the recent concert. She said light rail is a success; both the Hudson-Bergen and the RiverLINE and she congratulated NJ TRANSIT.

Ms. Heck asked if there is a date for a public hearing on the Northern Branch. Mr. Santoro said the draft environmental impact statement was sent to the Federal Transit Administration and NJ TRANSIT is awaiting its comments on the document. Mr. Santoro said no specific public hearing date is set yet. Ms. Heck requested that the public hearing not be held in Newark and requested that it be held in the Bergen area. Mr. Sarles agreed to hold the public hearing in Bergen.

Ms. Heck, Mayor of Hasbrouck Heights, said she met with the Mayors and representatives of the towns of Carlstadt and Woodridge and they are interested in having a bus route through those towns that also stops at the rail station.

Albert L. Papp suggested NJ TRANSIT consider implementing an express bus lane eastbound in the evening rush into New York City to facilitate prompt arrivals and departures of NJ TRANSIT intercity buses.

Since there were no further comments or business, Acting Chairman Shevell called for adjournment and a motion to adjourn was made by James A. Carey, seconded by Flora Castillo and unanimously adopted.

The meeting was adjourned at approximately 10:26 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**

SEPTEMBER 10, 2008

MINUTES

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|----------|---|--------------|
| ➤ | EXECUTIVE SESSION AUTHORIZATION | 40339 |
| ➤ | APPROVAL OF MINUTES OF PREVIOUS MEETINGS | 40340 |
| ➤ | EXECUTIVE DIRECTOR'S MONTHLY REPORT | 40341 |
| ➤ | ADVISORY COMMITTEE REPORTS | |
| ➤ | BOARD COMMITTEE REPORTS | |
| | *Capital Planning, Policy & Privatization Committee-Shevell | |
| | *Administration Committee-Castillo | |
| ➤ | PUBLIC COMMENTS ON AGENDA ITEMS | |

ACTION ITEMS

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|----------------|---|--------------|
| 0809-68 | RARITAN VALLEY LINE, REPLACEMENT OF RAILROAD BRIDGE OVER AMBROSE BROOK, MIDDLESEX COUNTY, NEW JERSEY: ACTION TO RESCIND PREVIOUS BOARD AUTHORIZATION NO. 0806-38 | 40367 |
|----------------|---|--------------|

Authorization to contract (No. 08-100X) with Northeast Remsco Construction Inc. of Farmingdale, New Jersey to perform the replacement of the railroad bridge over Ambrose Brook on NJ TRANSIT's Raritan Valley Line, in Borough of Middlesex, Middlesex County at a cost not to exceed \$5,679,675, plus five percent for contingencies. Board authorization No. 0806-38 is rescinded and this renders said resolution null and void.

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| 0809-69 | RAIL ASSET MAINTENANCE SYSTEM (RAMS) SOFTWARE UPGRADE | 40370 |
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Authorization to amend its licensing, maintenance, and support agreement with MAXIMUS Inc., of Reston Virginia to provide software and services to upgrade NJ TRANSIT's RAMS system at a cost not to exceed \$280,000, 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
SEPTEMBER 10, 2008
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The cost reflects implementation and upgrade licenses and services at a cost of \$270,000 and an increase of \$10,000 per year for maintenance and product support.

CONSENT CALENDAR

0809-70 STATE CERTIFICATES OF PARTICIPATION (COPS): DUAL-POWERED LOCOMOTIVES AND MULTILEVEL VEHICLES: RESCIND PREVIOUS BOARD AUTHORIZATION NO. 0808-58 40374

Authorization to enter into a Certificates of Participation sublease with the State of New Jersey for the financing of approximately \$380 million of rolling stock and spare parts plus costs and fees associated with the transaction.

Board authorization No. 0808-58 is rescinded and this renders said resolution null and void.

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 August 13, 2008, 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 August 15, 2008;

NOW, THEREFORE, BE IT RESOLVED that the minutes of actions taken at the August 13, 2008 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

Kris Kolluri, Esq.
Board Chairman

Richard R. Sarles
Executive Director



TO: BOARD OF DIRECTORS
 FROM: RICHARD R. SARLES *Richard R. Sarles*
 DATE: SEPTEMBER 10, 2008
 SUBJECT: EXECUTIVE DIRECTOR'S REPORT - SEPTEMBER 2008

Ridership figures are in for the fourth and final quarter of FY08 and the fiscal year as a whole, marking 20 consecutive quarters—five years—of record-high ridership growth. In the quarter that ended June 30, the system set a new record for any quarter in NJ TRANSIT history with 67.5 million passenger trips, averaging 930,350 passenger trips per weekday and nearly 728,000 trips per weekend. For the fiscal year as a whole, ridership approached 260 million passenger trips.

Ridership has been and continues to be the driving force behind the actions we are taking to meet demand, including working to build a new trans-Hudson tunnel. Nowhere on our system is the pressure of ridership increases more acute than on our trans-Hudson services, and all indications are that this trend will continue.

Yesterday, the New Jersey Turnpike Authority Board of Directors proposed providing a portion of funding generated from future toll revenues toward construction of the Access to the Region's Core project—a recognition of the fact that the new mass transit tunnel will benefit everyone in the region, not only those who use transit. In fact, ARC will systemwide eliminate 30,000 daily personal automobile trips, resulting in 600,000 fewer daily vehicle miles traveled. A simple statistic underscores the urgent need to act now—the current tunnels can accommodate a maximum of 23 trains per hour—the same number of trains we are already operating per hour during the peak period. We are virtually at practical capacity limits in the peak hours.

As weekend ridership figures attest, NJ TRANSIT has become more than just a commuter system, with year-round service to great sports and entertainment destinations statewide, including Giants Stadium and the Izod Center in the Meadowlands; Prudential Center and NJPAC in Newark; Sovereign Bank Arena in Trenton; and Susquehanna Bank Center in Camden, to name a few of first-class venues we serve by bus, rail or light rail.

Last week, we modified game-day New York service to Giants Stadium to help meet demand that has reached its practical limits at the Port Authority Bus Terminal due to construction activity. We have replaced PABT special event bus service with rail service from New York Penn Station to Secaucus Junction, where customers transfer to waiting No. 353 buses. For the Giants home opener, we carried more than 6,200 customers to the Meadowlands via Secaucus Junction. Thanks to many NJ TRANSIT volunteers for helping in the transition to the rail/bus trip which will help fans get used to what will soon be an all-rail trip via Secaucus, when the new rail extension to the Meadowlands Sports Complex opens next year.

EXECUTIVE DIRECTOR'S MONTHLY REPORT SEPTEMBER 2008

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

HIGHLIGHTS

South Amboy Station project enters final phase

Elected officials joined NJ TRANSIT Executive Director Richard Sarles in a ceremony August 15 to break ground for the construction of a new center-island high-level platform that will provide secure, comfortable waiting shelters as well as greatly enhanced accessibility for customers with disabilities.

When the federal- and state-funded South Amboy Station reconstruction project is completed, 127 of NJ TRANSIT's 224 rail and light rail stations will be accessible.

The groundbreaking ceremony coincided with the first week of construction activity on the platform, which will be equipped with a canopy, climate-controlled waiting shelters, a ticket office and restrooms.

Other improvements include closed-circuit security cameras, new customer communication systems including variable message signs and a public address system, elevator and stairs. The platform will be connected to a surface parking lot by a pedestrian overpass that was opened in 2005.

The project is expected to be completed by the end of 2009. The first phase, completed earlier this year, realigned the tracks to make room for the platform and included work to improve signal, switch and overhead power systems.

About 1,300 customers use the station each weekday.

The platform is being built by Hall Construction Co., Inc, of Howell, NJ. Total project cost for both phases is \$46 million, with the Federal Transit Administration providing \$18 million and the state Transportation Trust Fund contributing \$28 million.

NJ TRANSIT purchases 50 additional multilevel rail cars

On August 13, 2008, the NJ TRANSIT Board of Directors approved the purchase of 50 additional Multilevel Vehicles to help meet increasing ridership demand on the corporation's busiest commuter rail lines.

The purchase will bring NJ TRANSIT's total number of the popular rail cars to 329. The cars offer 15-20 percent more seating capacity than the newest single-level cars in the fleet and feature comfortable interiors that were designed with customer input.

A total of 170 MLVs have already been delivered, of which 143 are in service as of today, allowing NJ TRANSIT to reassign newer cars to other lines and retire the oldest cars in the rail fleet.

The MLVs, introduced on the Northeast Corridor in December 2006 as NJ TRANSIT's first-ever multilevel vehicles, also operate on the North Jersey Coast Line, the Morris & Essex Lines and Montclair-Boonton lines' MidTOWN DIRECT trips, and just last month debuted on the Raritan Valley Line.

Adding capacity is not as simple as adding cars to trains or adding trains to the schedule, because train lengths are constrained by station platform length and train trips are limited by track capacity, especially between New Jersey and New York where all available peak-period slots currently are filled by NJ TRANSIT and Amtrak trains.

Each of the new cars features an upper and lower seating level, as well as an open, intermediate "mezzanine" level at each end of the car—making the cars truly "multilevel." The mezzanine features plenty of space for customers who opt to stand—complete with padded leaning stations—as well as areas for wheelchairs, carts, strollers and luggage. Fully accessible restrooms are found in this area on more than half of the cars and feature refined finishes and a generous amount of space.

MLVs also provide roomy seating with 25.27 inches of knee room—a full inch more than Comet V single-level cars—and 2.2 inches more seat width than Comet V seats.

State funding covers the \$76 million price for the 50 MLVs and spare parts. Delivery of the 329th car is expected in the spring of 2010.

Future capacity project

The ARC project, expected to be completed in 2017, will double the number of trans-Hudson commuter rail tracks and provide significant additional capacity for customers at an expanded New York Penn Station. The project will allow for the introduction of transfer free rail service to New York on the Main, Bergen County, Pascack Valley, Port Jervis and Raritan Valley lines,

and the Montclair Boonton line west of Montclair, North Jersey Coast Line south to Bay Head, as well as the Morristown Line west of Dover. It also will create the capacity for future rail extensions.

Historic Waldwick Station gets new lease on life

The historic Waldwick train station building would be renovated and converted into a facility that offers meeting space as well as a railroad museum under a lease arrangement approved August 13 by the NJ TRANSIT Board of Directors.

The aging stucco and wood-beam station building, built in 1887 and listed on the National and New Jersey Registers of Historic Places, is scheduled to be renovated by the not-for-profit Waldwick Community Alliance Inc. under terms of a 25-year lease that would preserve a piece of railroad history at no expense to NJ TRANSIT.

The obsolete Main Line station building has been closed since 1983, and is located on the outbound side of the tracks, where few Waldwick Station commuters would wait. Current customers are sheltered from the elements by a modern heated and air-conditioned building on the inbound side of the station.

Under the terms of the proposed lease of the 8,545-square foot property, the alliance would pay \$1 per year for 25 years and pay the cost of restoring the building to historic standards and upgrading landscaping and walkways.

Prior to restoration, NJ TRANSIT will relocate six parking spaces and the entrance and exit points to the existing station parking lot to reorient pedestrian flow around the station building. No parking spaces will be lost.

CUSTOMER AND COMMUNITY INITIATIVES

New signs show the way to Cherry Hill Station

On August 26, NJ TRANSIT and Cherry Hill officials announced a new effort to draw Camden and Burlington county residents to Cherry Hill Station, a "hidden jewel" on the Atlantic City Rail Line with excellent access from major roadways and ample free parking.

About 20 new way-finder signs are being posted along and near major Camden and Burlington county roads including Haddonfield Road, routes 38, 70, 130 and Interstate 295, directing motorists to Cherry Hill Station. The station, located within the Garden State Pavillion shopping center behind ShopRite, is accessible via the Cornell Avenue South exit off Route 70. Free parking is available to the left of the supermarket.

Cherry Hill is the fourth busiest of the eight Atlantic City Rail Line stations, with an average of about 300 weekday boardings.

The 60-minute train trip from Cherry Hill to Atlantic City ends at Atlantic City Rail Terminal, conveniently located within blocks of Atlantic City's legendary boardwalk and its free beaches. Jitney service is also available to all of the city's nearby resorts, hotels and casinos.

A round-trip ticket costs less than \$11, and NJ TRANSIT's Family SuperSaver Fare allows two children ages 5-11 to ride free with a fare-paying adult every weekend and holiday. Seniors and customers with disabilities save 50 percent off regular one-way fares.

NJ TRANSIT has partnered with a number of venues in South Jersey, offering customers discounts at numerous shops, restaurants, attractions and hotels in Atlantic City and in towns along the Delaware River served by the River LINE—NJ TRANSIT's Trenton-to-Camden light rail line.

In Atlantic City and the surrounding area, discounts are available at a multitude of venues, including:

- Harrah's Resort Atlantic City (become a Total Rewards member and receive more than \$500 in offers)
- Atlantic City Outlets--The Walk
- The Pier Shops at Caesars
- Tropicana Casino & Resort
- Absecon Lighthouse

- Atlantic City Cruises
- Jessie O' Fishing trips (Margate)
- Strike Zone Lanes & Harbor Pub (Egg Harbor City)
- Pistol Pete's Steakhouse and Saloon (Pleasantville)
- Web Feet Watersports
- Ducktown Tavern
- The Carlsbrooke Inn (Ventnor)
- Atlantic City Surf home baseball games

Along the River LINE, customers receive discounts at numerous stores, restaurants and attractions including:

- Adventure Aquarium (Camden)
- Battleship New Jersey (Camden)
- Camden Children's Garden
- Camden Riversharks baseball games
- Tony's Seafood Café (Riverton)
- The New Tea Leaf Room (Riverton)
- Lamplighter Confections (Burlington)
- Trenton Thunder baseball games
- Old Barracks Museum (Trenton)
- Passage Theatre Company (Trenton)

A complete list of discounts is available at www.njtransit.com/acrl.

New NJ TRANSIT bus schedules effective August 30

New systemwide bus schedules took effect August 30, with service adjustments on many routes to help meet high ridership demand as well as to create better transfer opportunities and operational efficiencies.

The adjustments, which NJ TRANSIT makes several times a year to match service with ridership trends, include 11 routes that now operate additional or extended trips or have been re-routed in response to customer requests.

Seven routes serving residents of northern Hudson and eastern Bergen counties—the 22, 84, 86, 89, 156, 159 and 181 lines—were restructured to coordinate service along corridors that the routes share. The new schedules offer better spacing between trips and reduce instances of duplicative service, resulting in more efficient use of resources.

Customers were reminded to review timetables available aboard buses, at customer service offices or online at www.njtransit.com.

Transit agencies expand joint ticketing options

NJ TRANSIT and SEPTA announced on August 13 that they have begun selling tickets to more than 125 new destinations in Pennsylvania on regional rail connections through an expanded ticketing agreement.

Previously, NJ TRANSIT only sold SEPTA tickets to three destinations in Center City Philadelphia. Under the new agreement, tickets are available for Bucks, Montgomery, Chester and Delaware county locations, as well as popular destinations such as Philadelphia Airport. Regional rail connections are available at the newly renovated Trenton Transit Center.

Joint SEPTA/NJ TRANSIT tickets are now available for travel to any SEPTA regional rail station, including those beyond or via Center City Philadelphia. Customers can purchase return tickets when purchasing their original fare.

Tickets for both SEPTA and NJ TRANSIT are now available through NJ TRANSIT's rail ticket vending machines and sold at rail ticket windows at Trenton Transit Center and across the rest of the system. NJ TRANSIT tickets are sold at SEPTA ticket windows at Suburban and Market Street East stations and via ticket vending machines at 30th Street Station.

'Go Bus' service doubled as of September 2

Customers of NJ TRANSIT's popular "Go Bus" between Newark and Irvington are benefiting from expanded, bi-directional service, with the addition of 18 new trips effective September 2.

On April 7, NJ TRANSIT launched "Go Bus"—the state's first "premium" local bus service—offering enhanced amenities and greater convenience to customers along the Springfield Avenue corridor.

Serving the 4.8 miles between Irvington Bus Terminal and Newark Penn Station, Go Bus currently operates 18 trips each weekday along Springfield Avenue and Market Street. As of September 2, the addition of nine new morning trips and nine new evening trips will double the level of service, adding capacity to the corridor for customers of NJ TRANSIT's existing No. 25 bus route.

Initially, Go Bus service operated in the peak direction only, offering service to Newark Penn Station during the morning peak period and to Irvington Bus Terminal during the evening peak period. With the introduction of bi-directional service, Go Bus provides new outbound service from Newark to Irvington in the morning peak period and inbound service from Irvington to Newark in the evening peak.

Buses depart Newark Penn Station every 15 minutes between 7 a.m. and 9 a.m. for the new outbound service and depart Irvington Bus Terminal every 15 minutes between 3:35 p.m. and 5:35 p.m. for the new inbound service.

Designed for and by customers, Go Bus showcases a unique identity and offers easily identifiable, enhanced bus stops and upgraded onboard amenities. To gather customer feedback, NJ TRANSIT conducted focus groups of customers on the No. 25 line, who selected the "Go Bus" name and helped to design every element of the vehicles and service.

The service has 11 fixed "super stops" for faster trip times between Irvington Terminal and Newark Penn Station—approximately 21 minutes to Newark Penn Station and 22 minutes to Irvington Bus Terminal. Each stop outside the Downtown area is easily identified with a weather-protected shelter in Go Bus green and blue. The bus does not stop at locations that are not designated for Go Bus.

Parking capacity nearly doubles at North Hackensack Station

Effective August 13, commuters who park at North Hackensack Station on the Pascack Valley Line now have nearly twice the number of parking spaces to choose from, thanks to an expansion project recently completed by NJ TRANSIT.

NJ TRANSIT nearly doubled parking capacity at the station with construction of a new 143-space surface lot on the east side of the tracks. The second lot brings the total number of available parking spaces to 291.

The new parking lot at North Hackensack Station makes it easier for customers taking advantage of new bi-directional, midday and weekend service on the Pascack Valley Line.

Ridership on the Pascack Valley Line increased 15.7 percent in the third fiscal quarter (January-March) as compared to the same period last year.

Tilcon New York Inc. of Wharton, NJ constructed the new parking lot under a \$1.6 million contract. Construction began in September 2007.

EMPLOYEE RECOGNITION

NJ TRANSIT employees bid farewell after outstanding careers

Sixteen NJ TRANSIT employees retired in August with careers ranging from 10 to 40 years of service:

1. Peter Revilla (Ewing) Mechanic, Hamilton Garage – 40 years
2. Joel Ingersoll (Manasquan) Division Engineer, Penn Plaza – 35 years
3. Louis Matlock (Mount Holly) Bus Operator, Hamilton Garage – 35 years
4. Richard Price (Bridgewater) Director Materials Management, Penn Plaza – 34 years
5. Willie J. Evans (Trenton) Bus Operator, Hamilton Garage – 33 years
6. Howard Carter (Bricktown) Bus Operator, Howell Garage – 31 years
7. Michael McDonnell (South Amboy) Director Rail Infra., Penn Plaza – 31 years
8. Bernice Thomas (Plainfield) Layout Artist, Orange Annex Building – 31 years
9. Willie L. Ward (Browns Mill) Bus Operator, Hamilton Garage – 31 years
10. Joseph Battista (Hamilton Square) Bus Operator, Hamilton Garage – 30 years
11. Philip Charles (South Orange) Director Labor Relations, Penn Plaza – 25 years
12. Willie Wilburn (Irvington) Chief Regional Superviso, General Office Building – 25 years
13. Sandra E. Santiago-Chandler (Franklinville) Bus Operator, Washington Twp. – 24 years
14. Ephram Rozier (Paterson) Bus Operator, Wayne Garage – 20 years
15. Rose M. McCluskey (Jersey City) Executive Secretary, Penn Plaza – 17 years
16. John Gardner (Browns Mill) Bus Operator, Hamilton Garage – 10 years

DBE/MBE PROGRAM

NJ TRANSIT – Office of Business Diversity DBE/SBE Participation**Federally Funded Contracts**

\$117,800,186 in federal funds were awarded during October through August of FY 08.* Disadvantaged Business Enterprises (DBEs) were awarded \$25,555,425 or 21.7 percent, which includes both race conscious and race neutral awards.

State Funded Contracts

\$12,555,934 in state-funded contract dollars were awarded during July through August FY 09. ** Of that total, Small Business Enterprises (SBEs) received \$6,573,189 or 52.4 percent. Category 1 SBEs received \$0.00 or 0.0 percent. Category 2 SBEs received \$0.00 or 0.0 percent. Category 3 SBEs received \$2,108,914 or 16.8 percent. Category 4 SBEs received \$0.00 or 0.0 percent. Category 5 SBEs received \$4,464,275 or 35.6 percent ***

Federal & State Contracts Total

\$130,356,120 in federal and state contract dollars were awarded by NJ TRANSIT during this reporting period. Of that total, \$32,128,614 or 24.6 percent of federal and state contract dollars was won by DBEs and SBEs.

Hudson-Bergen Light Rail Transit System Project

Of \$1,433,024,411 in contract dollars awarded for the Hudson-Bergen Light Rail Transit System project****, \$180,729,496 or 12.6 percent has been received by DBEs. Of the \$180,729,496, 6 percent or \$86,823,647 has been won by Women Business Enterprises (WBEs) who are classified as DBEs.

*Fiscal year beginning October 1, 2007

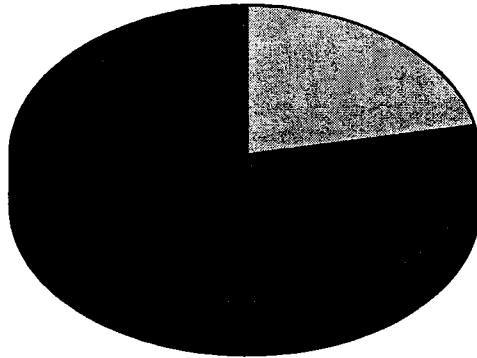
**Fiscal year beginning July 1, 2008

***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

****This YTD figure reflects federal dollars expended on an annual basis; including change orders, for the period from December, 1996 through April 2005.

**DBE PARTICIPATION
FEDERAL CONTRACTS
FEDERAL FYTD (THROUGH AUGUST 08)***

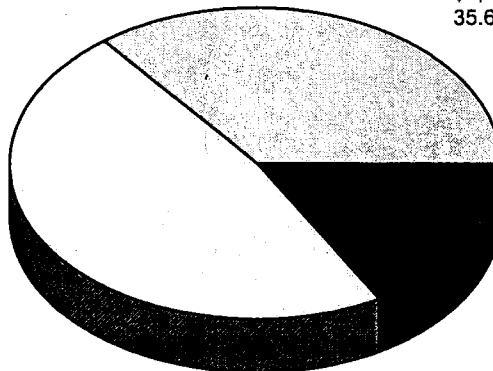
NON-DBE
FEDERAL
\$92,244,761
78.3%



DBE RACE
NEUTRAL & RACE
CONSCIOUS
\$25,555,425
21.7%

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

NON-SBE STATE
\$5,982,745
47.6%



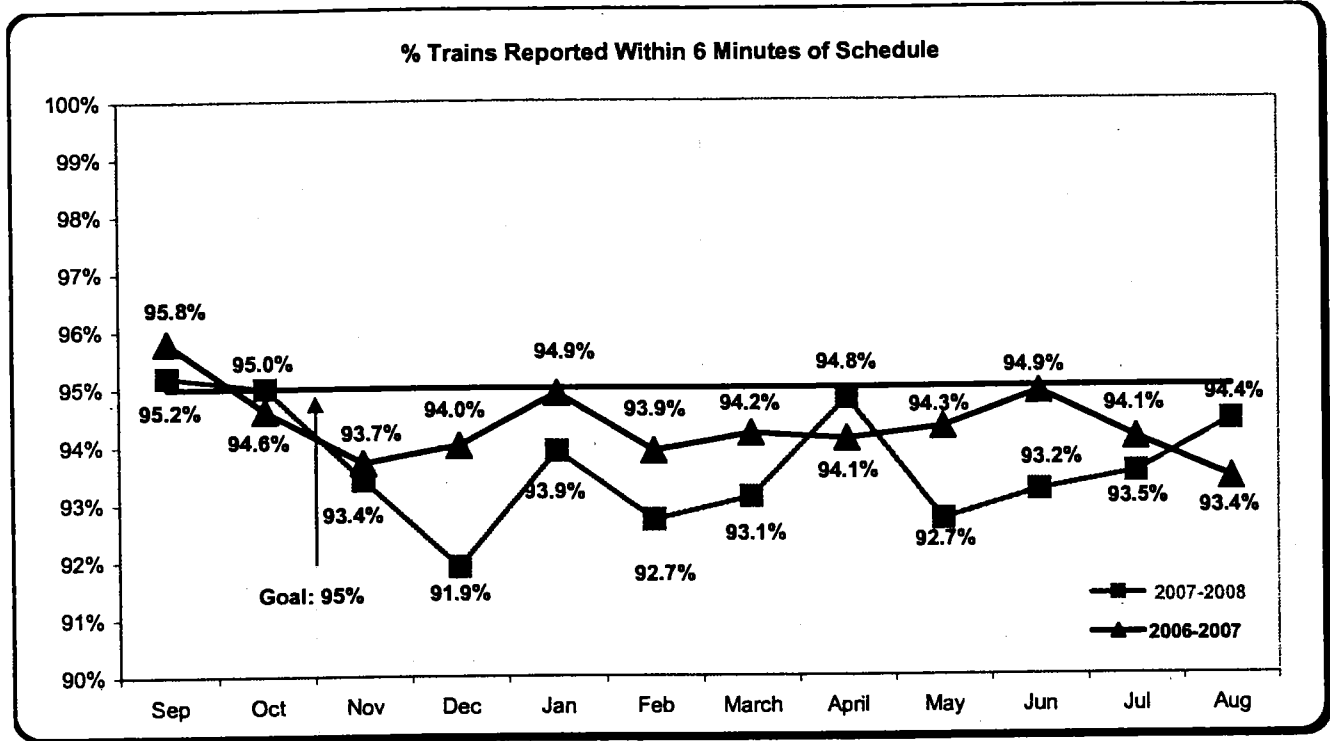
SBE-5
\$4,464,275
35.6%

SBE-3
\$2,108,914
16.8%

**Fiscal Year Beginning October 1, 2007*
Fiscal Year Beginning July 1, 2008****

PERFORMANCE MEASURES

NJ TRANSIT ON-TIME PERFORMANCE RAIL SEPTEMBER 2006 - AUGUST 2008



	2007	2008	# Change
August Comparison	93.4%	94.4%	1.0%

	2006-2007	2007-2008	# Change
12-Month Average Sept - August	94.3%	93.7%	-0.7%

Analysis:

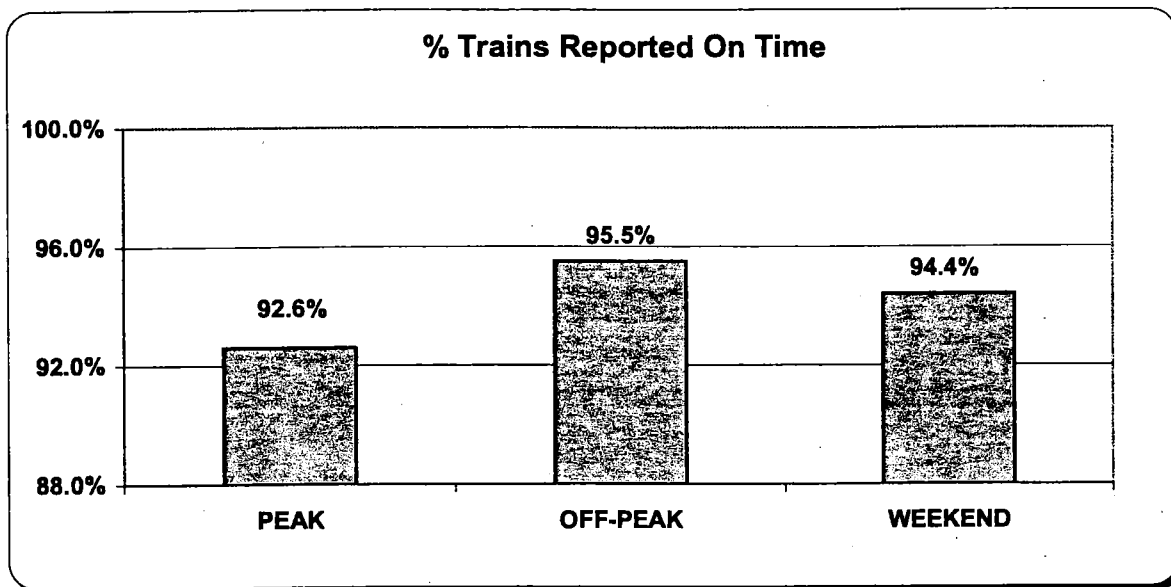
Rail On-Time Performance for August 2008 was 94.4%. Of the 18,965 trains that were scheduled to operate, 17,900 were on time, while 1,065 trains (or 5.6%) were delayed. Key causes of delay included:

- Ongoing speed restrictions due to Amtrak concrete ties showing premature wear.
- A switch failure on the North Jersey Coast Line on August 4th.
- A freight car derailment on the Main-Bergen Line on August 11th.
- A disabled NJ TRANSIT train near Penn Station New York on August 14th.

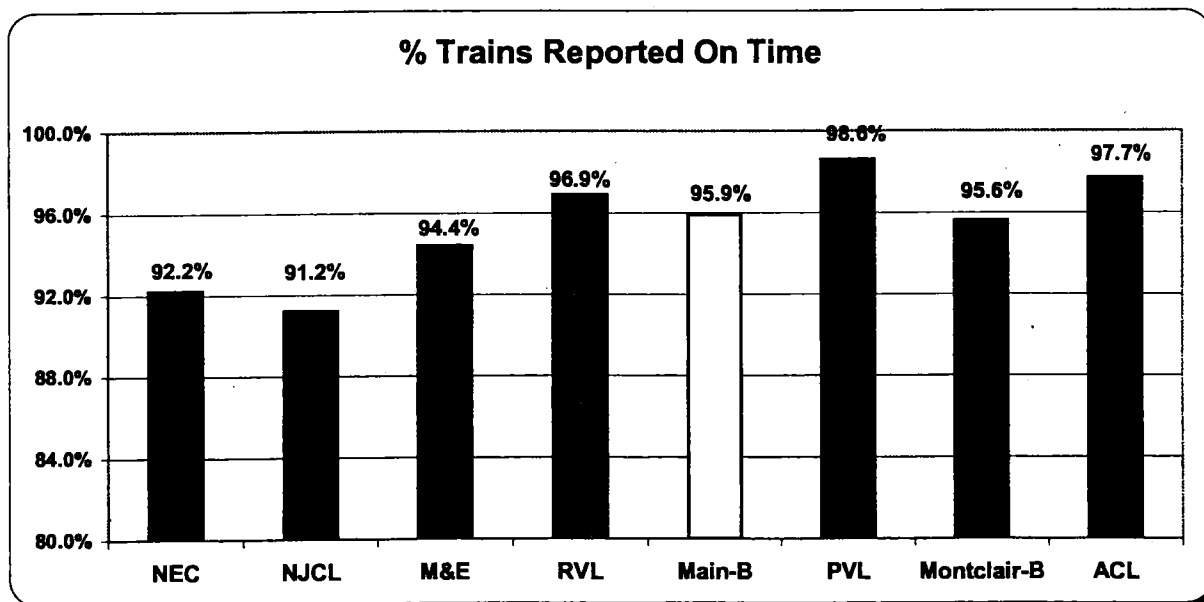
The 12-month average for Rail On-Time Performance for September 2007 - August 2008 was 93.7%.

ON-TIME PERFORMANCE RAIL

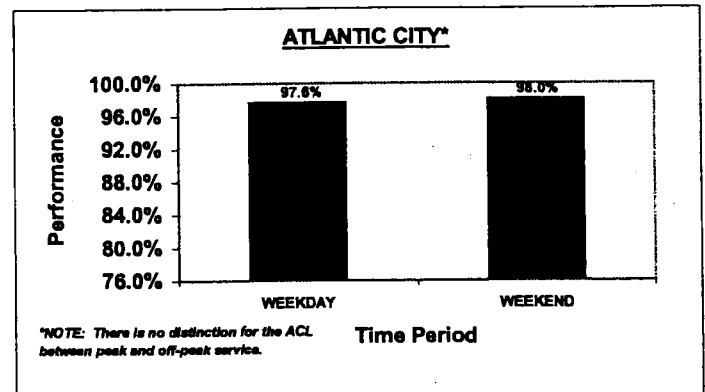
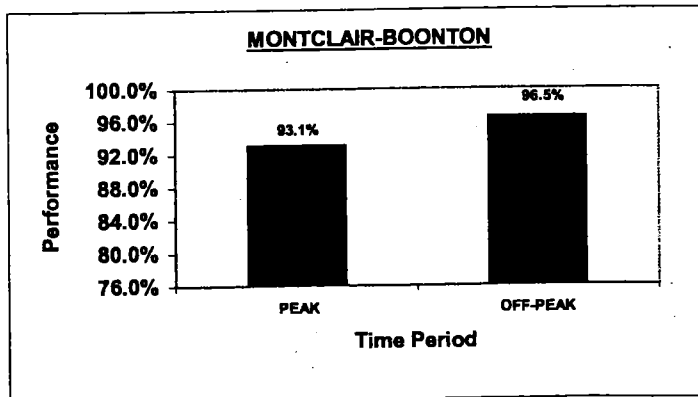
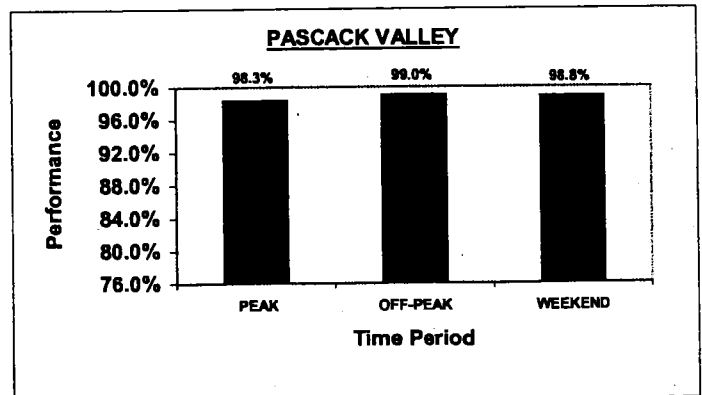
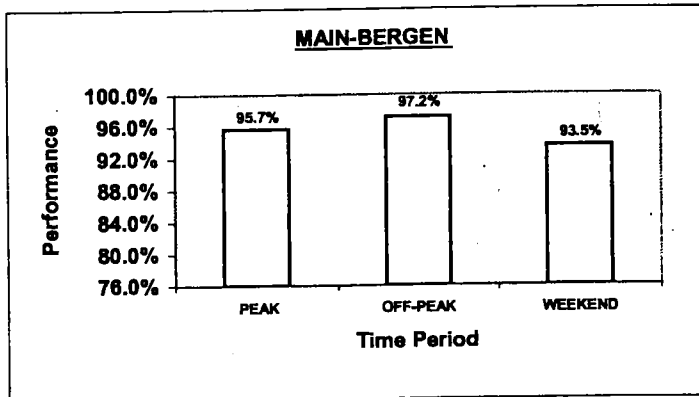
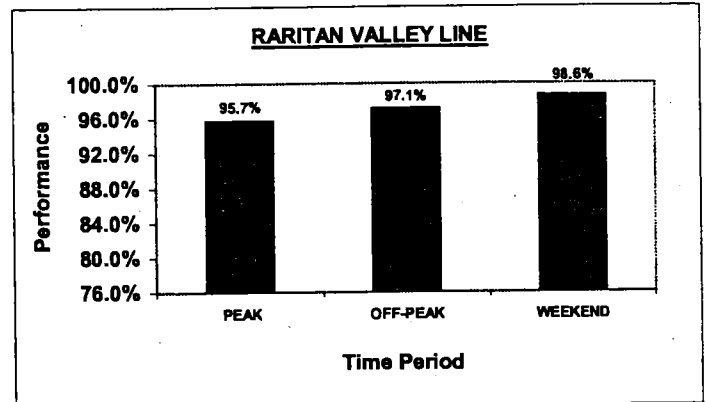
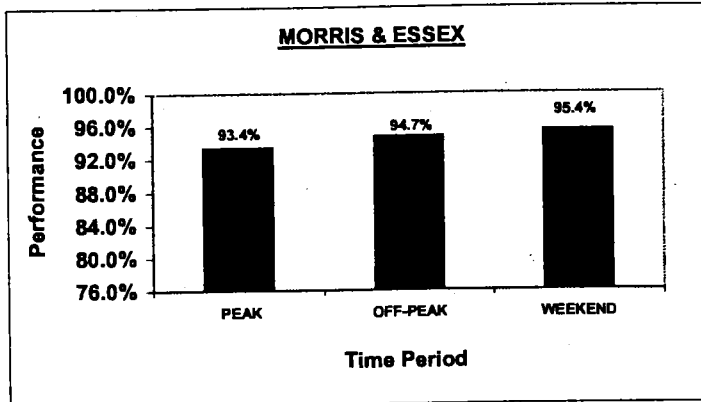
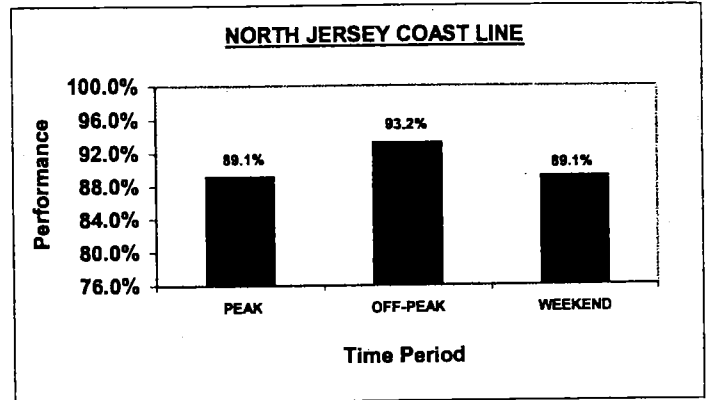
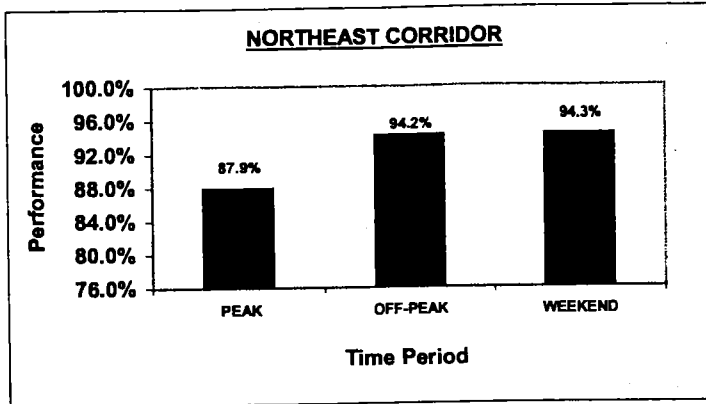
SUMMARY BY TIME PERIOD AUGUST 2008



SUMMARY BY LINE AUGUST 2008

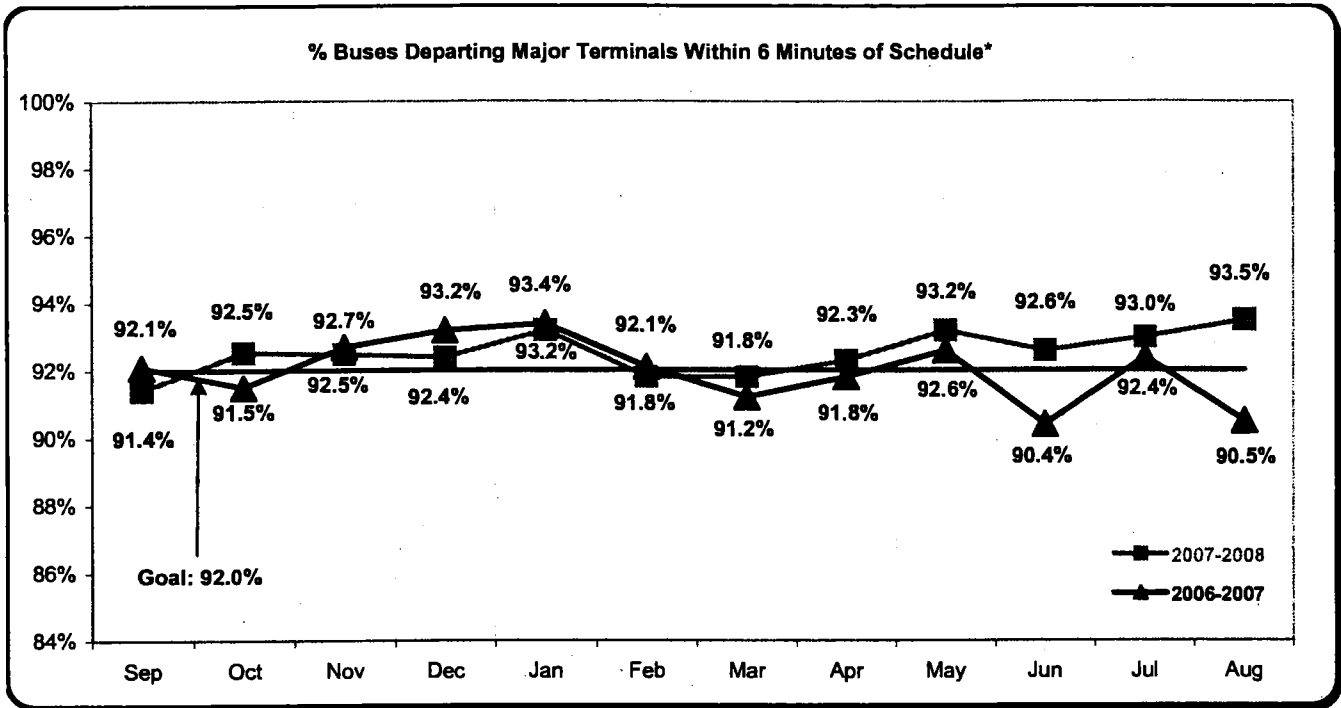


ON-TIME PERFORMANCE BY RAIL LINE & TIME PERIOD August 2008



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

NJ TRANSIT ON-TIME PERFORMANCE BUS SEPTEMBER 2006 - AUGUST 2008



*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.

	2007	2008	% Change
August Comparison	90.5%	93.5%	3.0%

	2006-2007	2007-2008	% Change
12-Month Average Sept - August	92.0%	92.5%	0.5%

Analysis:

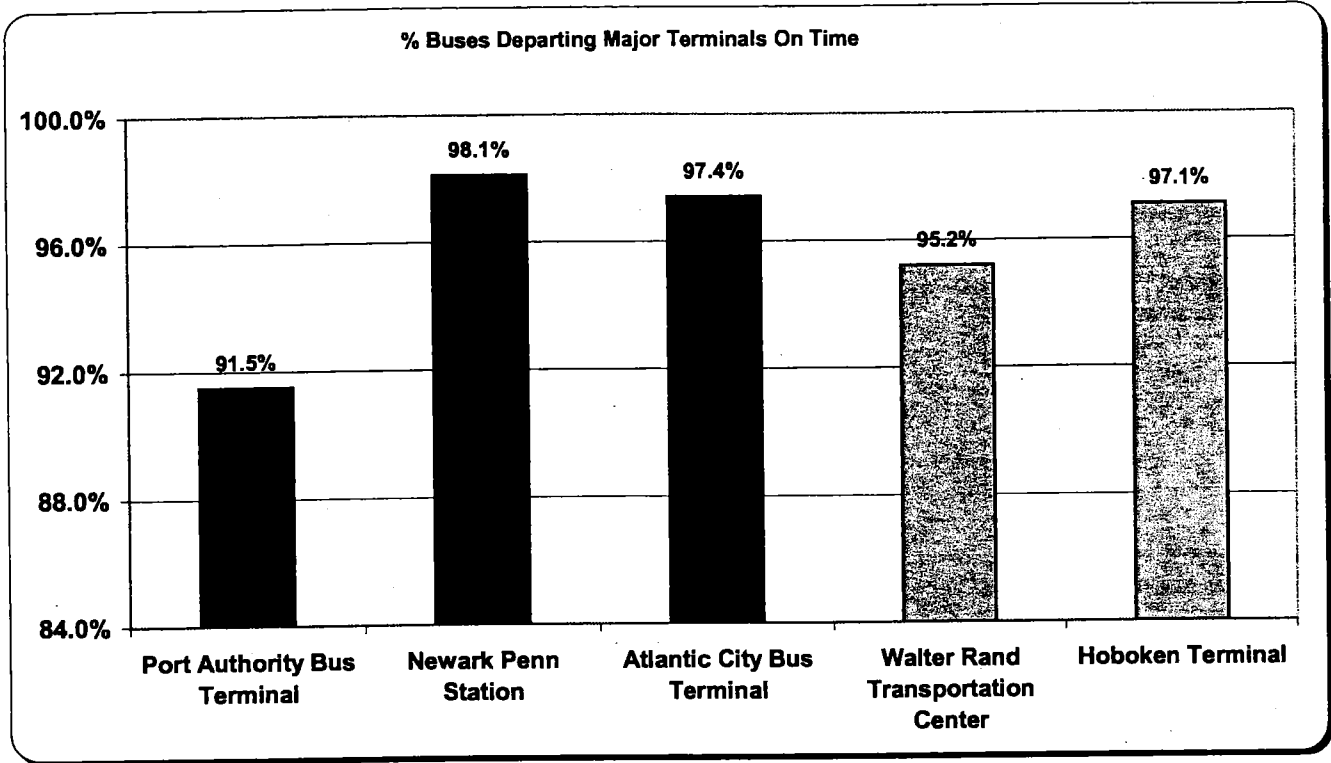
Bus On-Time Performance for August 2008 was 93.5%. Of the 31,854 monitored departures, 2,056 (or 6.5%) experienced delays. Key sources of delay included:

- Heavy traffic on the Ben Franklin Bridge due to a jazz concert on August 5th.
- A bus breakdown on the inbound ramp to the Port Authority Bus Terminal on August 8th.

The 12-month average for Bus On-Time Performance for September 2007 - August 2008 was 92.5%.

ON-TIME PERFORMANCE BUS

SUMMARY BY TERMINAL AUGUST 2008

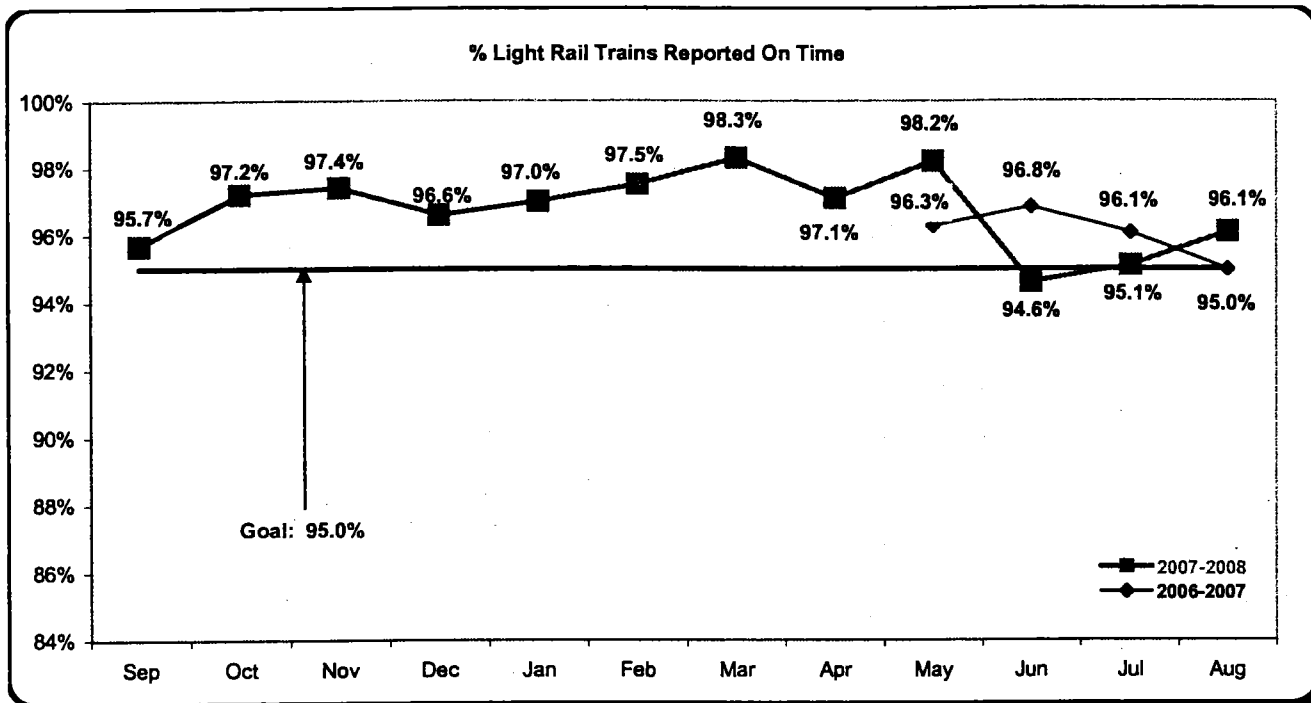


NJ TRANSIT

ON-TIME PERFORMANCE

LIGHT RAIL - SYSTEMWIDE

MAY 2007-AUGUST 2008



*Note: Starting May 2007

	2007	2008	# Change
August Comparison	95.0%	96.1%	1.1%

	2006-2007	2007-2008	# Change
12-Month Average September-August	NA	96.7%	NA

Analysis:

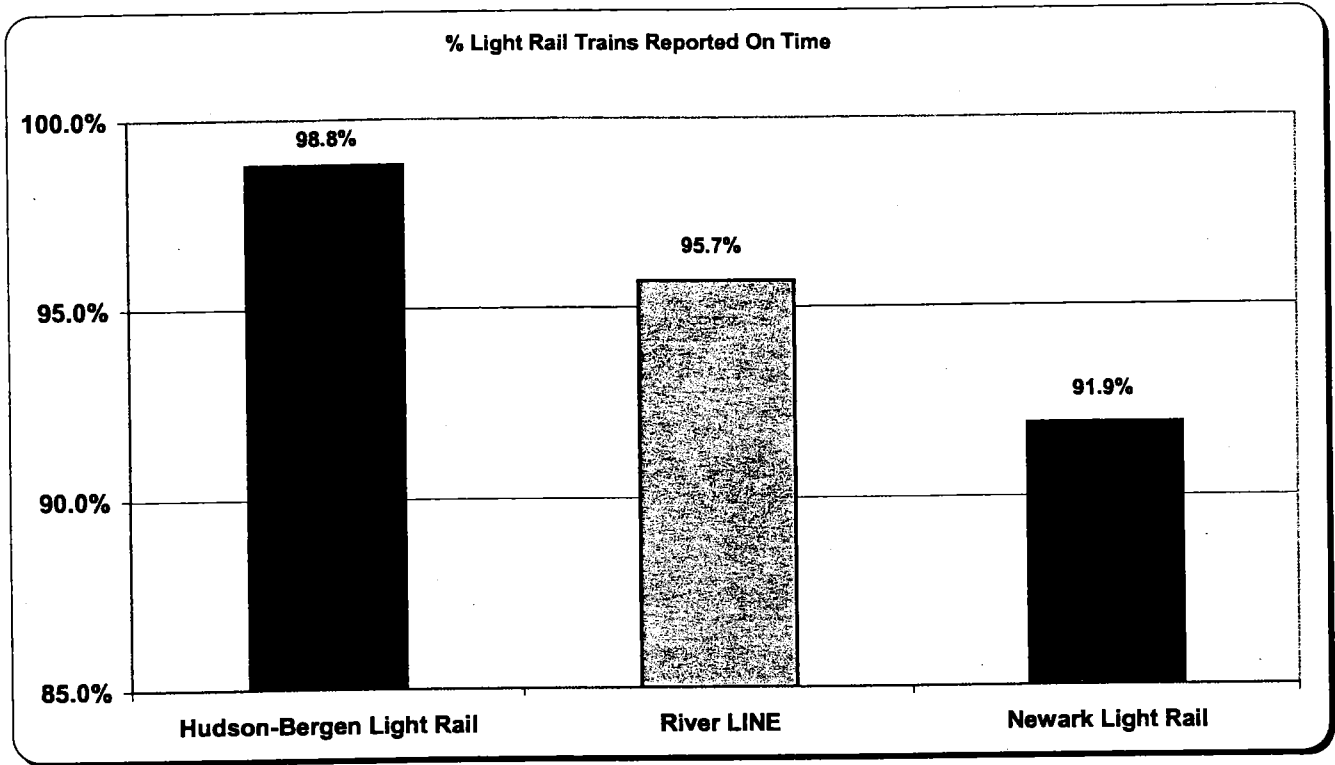
Light Rail On-Time Performance systemwide was 96.1% for the month of August 2008. Of the 31,490 scheduled trains, 1,222 (or 3.9%) experienced delays. Causes of delay during the month included:

- A computer malfunction on Newark Light Rail on August 4th.
- An equipment failure on Hudson-Bergen Light Rail on August 7th.
- Heavy traffic in Camden, along the River LINE, due to several concerts at the Susquehanna Bank Center.

The 12-month average for Light Rail On-Time Performance for Sept 2007- August 2008 was 96.7%.

ON-TIME PERFORMANCE LIGHT RAIL

SUMMARY BY LINE AUGUST 2008



ACTION ITEMS

ITEM 0809-68: RARITAN VALLEY LINE, REPLACEMENT OF RAILROAD BRIDGE OVER AMBROSE BROOK, MIDDLESEX COUNTY, NEW JERSEY: ACTION TO RESCIND PREVIOUS BOARD AUTHORIZATION NO. 0806-38

BENEFITS

NJ TRANSIT owns and maintains the railroad bridge over Ambrose Brook on the Raritan Valley Line. Each weekday a total of 62 passenger trains utilize the bridge, which is located in Middlesex Borough between Bound Brook and Dunellen stations.

PURPOSE

Ambrose Brook Railroad Bridge, carrying two tracks, is a six-span stone arch bridge with concrete arch extensions and wingwalls on the north and south sides. The bridge is approximately 130 feet long and 63 feet wide. The original stone arch bridge was constructed circa 1855 and concrete additions and wingwalls were constructed circa 1908 and 1911. The bridge has experienced significant deterioration over the years and staff has determined that it would be more prudent to replace rather than rehabilitate this structure to meet state-of-good-repair initiatives.

This contract is to remove the existing deteriorated bridge and replace it in accordance with State Historic Preservation Office (SHPO) recommendations with the new historically similar four-arch bridge and foundation, inclusive of piers, abutments, wingwalls, waterproofing, ballast and ballast mat.

ACTION (Capital Program Justification: State-of-Good-Repair and Safety)

Staff seeks authorization to contract (No. 08-100X) with Northeast Remsco Construction Inc. of Farmingdale, New Jersey to perform the replacement of the railroad bridge over Ambrose Brook on NJ TRANSIT's Raritan Valley Line, in Borough of Middlesex, Middlesex County at a cost not to exceed \$5,679,675, plus five percent for contingencies. Board authorization No. 0806-38 is rescinded and this renders said resolution null and void.

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

FISCAL IMPACT

Requested Contract Authorization: \$5,679,675 + 5% contingency

Total Project Cost: \$9,000,000

Anticipated Contract Start: November 2008

Projected Date of Completion:	October 2010
Anticipated Source of Funds:	State
Diversity Goal:	25%
Related/Future Authorizations:	No

RESOLUTION

WHEREAS, NJ TRANSIT owns and maintains the railroad bridge on its Raritan Valley Line over Ambrose Brook in the Borough of Middlesex, Middlesex County; and

WHEREAS, Ambrose Brook Railroad Bridge is a six-span stone arch bridge with concrete arch extensions, carrying two tracks; and

WHEREAS, the bridge has experienced significant deterioration over the years and is in need of replacement; and

WHEREAS, upon completion of a competitive procurement process, it was determined that Northeast Remsco Construction Inc. of Farmingdale, New Jersey was the lowest responsive, responsible bidder;

NOW, THEREFORE, BE IT RESOLVED that Board authorization No. 0806-38 is rescinded and this renders said resolution null and void; and

BE IT FURTHER RESOLVED that the Chairman or Executive Director is authorized to contract with Northeast Remsco Construction Inc. of Farmingdale, New Jersey to perform the replacement of NJ TRANSIT's Railroad Bridge over Ambrose Brook at a cost not to exceed \$5,679,675, plus five percent for contingencies subject to the availability of funds.

ITEM 0809-69: RAIL ASSET MAINTENANCE SYSTEM (RAMS) SOFTWARE UPGRADE

BENEFITS

NJ TRANSIT holds a license with MAXIMUS, Inc., to run the Rail Asset Maintenance System (RAMS) at the Meadows Maintenance Complex and outlying maintenance facilities. RAMS monitors and tracks the status of all rail rolling stock, incidents, inspections, equipment defects, provides staff with an historical view of equipment repairs and generates various reports to monitor and analyze failures. A software upgrade will provide more functionality to the system and allow interface with key operating and inventory control systems.

PURPOSE

The roll-out of the RAMS system was completed in 2007 and the system has greatly enhanced staff's ability to monitor repairs to rail rolling stock as well as identify and analyze failure trends. The recommended software upgrade will allow staff to: (1) monitor, track and plan for material usage, (2) automate data entry to better monitor equipment cleaning activities, (3) identify trains that are not within ridership guidelines, and (4) interface with the ASI inventory control system as well as the Crew and Equipment Optimization system currently in development. The upgrade to RAMS will provide staff with the tools to conduct expanded reporting and management analysis on all work that is performed on the rolling stock.

ACTION (Justification: Business Efficiencies and State of Good Repair)

Staff seeks authorization to amend its licensing, maintenance, and support agreement with MAXIMUS Inc., of Reston Virginia to provide software and services to upgrade NJ TRANSIT's RAMS system at a cost not to exceed \$280,000, subject to the availability of funds. The cost reflects implementation and upgrade licenses and services at a cost of \$270,000 and an increase of \$10,000 per year for maintenance and product support.

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

FISCAL IMPACTS

Requested Authorization:	\$280,000
Total Project Cost:	\$280,000
Projected Date of Completion:	June 30, 2009
Diversity Goals:	None

Related/Future Authorization: None

Impacts of Subsequent Operating Budget: An increase of \$10,000 per year over the existing maintenance agreement

RESOLUTION

WHEREAS, Rail Operations currently utilizes the Rail Asset Maintenance System (RAMS) to capture all maintenance repairs, equipment defects, and incidents; and

WHEREAS a software upgrade to the system will provide greater functionality and a link to key operating and inventory control systems; and

WHEREAS, the RAMS vendor, MAXIMUS, Inc., offers a software upgrade for its system;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to amend its licensing, maintenance and support agreement with MAXIMUS, Inc. of Reston Virginia, for licensing and professional services to upgrade NJ TRANSIT's RAMS software product with MAXIMUS, Inc. of Reston, Virginia, at a total cost not to exceed \$280,000 subject to the availability of funds.

CONSENT CALENDAR

ITEM 0809-70 : STATE CERTIFICATES OF PARTICIPATION (COPS): DUAL-POWERED LOCOMOTIVES AND MULTILEVEL VEHICLES: ACTION TO RESCIND PREVIOUS BOARD AUTHORIZATION NO. 0808-58

BENEFITS

The financing of approximately \$380 million of 26 Bombardier Dual-Powered Locomotives and 50 Multilevel cars plus spare parts (the 'equipment') will enable NJ TRANSIT to expand its fleet to meet the continuing growth of rail ridership.

PURPOSE

In August the Board approved a COPs financing to purchase the equipment. Staff anticipated the structure would mirror the April 2008 financing for ALP46 locomotives and Multilevel cars with a maximum lease term of 16 years and maximum annual debt service of \$40 million per year.

After discussions with Treasury the 16 year lease term may no longer be optimal. Accordingly, NJ TRANSIT proposes extending the maximum lease term to 25 years with the annual maximum debt service not to exceed \$40 million per year.

ACTION (Justification: Business Efficiencies)

Staff seeks authorization to enter into a Certificates of Participation sublease with the State of New Jersey for the financing of approximately \$380 million of rolling stock and spare parts plus costs and fees associated with the transaction.

Board authorization No. 0808-58 is rescinded and this renders said resolution null and void.

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

FISCAL IMPACTS

Requested Authorization: To enter into a State Certificates of Participation Sublease and to pay all associated transaction fees.

Projected Date of Completion: Financing to be closed by September 2008

Anticipated Source of Funds: Note Proceeds

Diversity Goal: N/A

RESOLUTION

**AUTHORIZING THE EXECUTION AND DELIVERY OF A
SUBLEASE AGREEMENT WITH THE STATE OF NEW
JERSEY FOR THE LEASE/PURCHASE OF ROLLING
STOCK**

WHEREAS, pursuant to N.J.S.A. 27:25-1 et seq. (the "Act"), New Jersey Transit Corporation (the "Corporation") is authorized to purchase, lease as lessee, or otherwise acquire, own, hold, improve, use and otherwise deal in and with real or personal property, or any interest therein, for any public or private entity; and

WHEREAS, the Corporation anticipates entering into a contract with the Bombardier Transit Corporation for 26 Dual-Powered Locomotives and 50 Multilevel vehicles and spare parts (the "equipment") and external engineering services and associated internal quality control and related costs; and

WHEREAS, the purchase of the equipment is to be financed through the issuance by the State of New Jersey (the "State") of Certificates of Participation ("COPs") in a lease purchase agreement (the "Lease") to be entered into between the State acting by and through the Director of the Division of Purchase and Property of the Department of the Treasury, as Lessee (the "Lessee"), and a Lessor (the "Lessor") to be determined; and

WHEREAS, the Corporation shall sublease the equipment from the State acting by and through both the Division of Purchase and Property of the Department of the Treasury and the New Jersey Department of Transportation and shall enter into a Sublease Agreement with the Lessee (the "Sublease") pursuant to which the Corporation shall agree to make lease payments, which payments shall be subject to and dependent upon appropriations being made from time to time by the State Legislature; and

WHEREAS, in order to provide for the issuance of the COPs, the Corporation shall assign its rights, title and interest in and to those portions of the contracts to The Lessor, pursuant to one or more assignment agreements (collectively, the "Assignment Agreements"); and

WHEREAS, the Corporation is authorized by the Act to enter into such contracts and take such other actions necessary, convenient or desirable to carry out any power expressly or implicitly given to the Corporation, including, without limitation, entering into the Sublease and the Assignment Agreement;

NOW, THEREFORE, BE IT RESOLVED BY THE NEW JERSEY TRANSIT CORPORATION AS FOLLOWS:

1. The Board hereby approves the entering into by the Corporation of a Sublease for a term not greater than 25 years and for annual lease payments of not more than \$40,000,000 and hereby authorizes the execution and delivery of a Sublease by an "Authorized Officer" of the Corporation, as such term is defined below.
2. The Corporation hereby approves entering into an Assignment Agreement and authorizes the execution and delivery of an Assignment Agreement by an Authorized Officer.
3. The Corporation hereby authorizes an Authorized Officer to make such determinations, to execute such other documents, instruments and papers and to do such acts and things as may be necessary or advisable with the execution and delivery of the Sublease and the Assignment Agreement and the sale, issuance and delivery of the COPs.
4. The Corporation hereby authorizes the payment of any costs incurred in connection with the issuance of the COPs that are not paid for from the proceeds of such COPs.
5. For the purposes of this Resolution an "Authorized Officer" shall mean the Chairman, Vice Chairman, Treasurer, Secretary or Executive Director of the Corporation and shall also mean any other person who shall be authorized by resolution of the Corporation to perform such act or to execute such document or any other person or persons who shall be authorized to act on behalf of the Corporation by the Chairman or Executive Director of the Corporation which certificate

shall set forth such authorization and shall contain the specimen signatures of each such person.

6. Board authorization No. 0808-58 is rescinded and this renders said resolution null and void.
7. This resolution shall become effective 10 days after a copy of the minutes of the Corporation meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10 days the Governor shall approve the same, in which case this resolution shall become effective upon such approval, as provided in the Act.