

Philip D. Murphy, Governor
Sheila Y. Oliver, Lieutenant Governor
Diane Gutierrez-Scaccetti, Acting Commissioner
Kevin S. Corbett, Executive Director

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

March 20, 2018

Dear Governor Murphy:

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, March 14, 2018.

Sincerely,

Original Signed By

Joyce J. Zuczek
Board Secretary

Enclosures

Honorable Philip D. Murphy
Governor, State of New Jersey
State House
Trenton, NJ 08625

Minutes of the actions taken at the Open Session of the regularly scheduled Board of Directors' meetings of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. held at NJ TRANSIT Headquarters, One Penn Plaza East, Newark, New Jersey on Wednesday, March 14, 2018.

Board Members Present

Diane Gutierrez-Scaccetti, Chair
Mary K.E. Maples, Governor's Representative
Dini Ajmani, Treasurer's Representative
James C. Finkle Jr., Board Member
Flora M. Castillo, Board Member (By Telephone)
Raymond W. Greaves, Board Member (Non-Voting)

Staff Present

Kevin S. Corbett, Executive Director
Michael P. Kilcoyne, Vice President & General Manager, Bus Operations
Edward J. Baksa, Acting Vice President & General Manager, Rail Operations
Ronald E. Nichols, Acting Chief, Light Rail & Contract Services
Christopher Trucillo, Chief of Police
Warren A. Hersh, Auditor General
Christine C. Baker, Chief Compliance Officer
Michael J. Lihvarcik, Interim Chief Financial Officer & Treasurer
Christopher M. Montgomery, Chief Information Security Officer
Eric R. Daleo, Assistant Executive Director, Capital Planning & Programs
Gardner C. Tabon, Chief, Office of System Safety
Jonathan B. Peitz, Deputy Attorney General
Joyce J. Zuczek, Board Secretary

Chair Gutierrez-Scaccetti convened the Open Session at 9:02 a.m. in accordance with the Open Public Meetings Act. Vincent Bella, Office of System Safety, provided a Public Safety Announcement. The Pledge of Allegiance to the Flag was conducted. Board Secretary Zuczek noted Board Member Castillo was participating by telephone and conducted a Roll Call.

Board Secretary Zuczek announced that adequate notice of the regularly scheduled meetings of the Board of Directors 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. was provided in accordance with the Open Public Meetings Act, Chapter 231, P.L 1975, and the meetings were occurring concurrently. Notices were filed on March 9, 2018 with the Secretary of State. These notices were sent to newspapers of general distribution, posted in the main entrance of NJ TRANSIT headquarters, and sent to each individual, agency, and organization that requested

such notice. Board Secretary Zuczek announced that the Board meetings were being video recorded.

Chair Gutierrez-Scaccetti said it was not often that she had the privilege and honor, but as many know the Governor delivered his budget address yesterday and he asked for time to address the Board of NJ TRANSIT, so it was with great humility that she introduced Governor Phil Murphy.

Governor Murphy wished everyone a good morning, thanked them for having him, said he appreciated allowing him to come in and mess up their agenda, and apologized for that. He gave a big shout out to the Acting Commissioner and Chair Diane Gutierrez-Scaccetti and Executive Director Kevin Corbett, and to all the Members of the Board and Senior Members of the Staff for allowing him to speak to them.

Governor Murphy could not think of a better way to convey the tremendous value and priority that they were putting on the revitalization of NJ TRANSIT and the immediacy of the tasks at hand than by addressing the NJ TRANSIT Board of Directors. He said this was urgent and so much so he put on his running shoes that morning to prove it. Governor Murphy said he was not there to browbeat or yell. While he shares the frustrations of countless commuters and residents who rely upon NJ TRANSIT, doing such would not improve the quality of service. He said that was an old style of leadership that he was not going to resurrect.

Governor Murphy said he was there to offer himself and his administration as a partner to fix the system and get it right again for the fare-paying public. He said that work began 18 hours ago when they unveiled their budget for Fiscal Year 2019. Governor Murphy said he knows they cannot turn NJ TRANSIT around with just nice words and well wishes. He said it would take real resources that NJ TRANSIT has not had for many years.

Governor Murphy said the continued starvation of NJ TRANSIT was not an option for him, or them, literally at any point. He asked the Board, Executive Management, and every NJ TRANSIT employee to do things better, smarter and more efficiently.

Governor Murphy noted he had Board Member Ray Greaves to his right which reminded him to make a comment he found himself saying recently about utilities and folks who work at utilities. For all the criticism that they have had with NJ TRANSIT and its leadership, he said that cannot ever be confused or the wires crossed with the good, honest folks who go to work every single day trying to do the best they can to help the fare-paying public. Governor Murphy said he mentioned the utility situation because they were coming out of a couple of awful storms and in certain cases the utilities' performance was way below any expectation or way below par. He said that was not because there were not brave men and women out trying to fix the lines and get power back. Governor Murphy said that comment needed to be made in this context as well.

Governor Murphy said he was asking everyone to look to the future of NJ TRANSIT, just as their budget looks to the future of New Jersey. He said this was not about just getting the through another year, but it was about getting them stronger for the next.

Governor Murphy said he was proud to propose a near tripling of state aid to NJ TRANSIT. He said a new investment of \$242 million was a first step to restore NJ TRANSIT's once model system.

Governor Murphy said as NJ TRANSIT looks to set its own budget, he asked that NJ TRANSIT adheres to the same principles as they did as they crafted their budget for the State. First, he asked they be responsible and realistic. As a first matter, he said they were taking a fare hike in Fiscal Year 2019 off the table. He said the public was not asking for much more than that as a start. Governor Murphy said they have witnessed their quality of service slowly erode even as they were asked to pick up the tab in exchange for less. He said they must earn back the trust of the commuting public and they do that by being responsible stewards of the public's trust and their dollars. Governor Murphy said they do that by saying conclusively there will be no fare hike in the coming year.

Governor Murphy said second he asked them again, just as they were making for the entire state, to make the critical investments NJ TRANSIT needs for a stronger future. He said he has spoken on many occasions with the Chair, Executive Director and their teams, as well as with his team, and they know the immediate needs.

Governor Murphy said this was just a small glimpse into what this increase in funding was designed to do: Hire a dozen new train masters and new railroad foremen, and more trainers to educate new engineers and conductors; hire more than a dozen skilled workers and technicians needed for track maintenance and Positive Train Control; hire 40 new bus operators to keep routes running; hire compliance experts necessary to make sure NJ TRANSIT does not run afoul of federal requirements and the human resources people to ensure they hire the best among others.

Governor Murphy said he realized how far behind the eight ball NJ TRANSIT has been and that they cannot make all that ground up in year one. However, he said he knows the Chair, Executive Director, Board Members and team members were committed to tackling these tough decisions, and so was he.

Governor Murphy said they must make sure they run the system efficiently so he also asked they look deep within the administration of NJ TRANSIT for ways to do things smarter. He said whether it was reorienting current staffing away from administrative work to customer service and outward facing positions, or the elimination of patronage posts. Governor Murphy said he was not proposing so substantial a subsidy increase just to see it lost somewhere on the top floor.

Third, Governor Murphy asked NJ TRANSIT to budget to help them drive their economic growth and ensure New Jersey's residents, NJ TRANSIT's customers, get

that benefit. He said this was where the rubber meets the road. Governor Murphy said they could not create jobs that no one can get to because their mass transit system fails them. He said job seekers and potential businesses would look elsewhere.

Governor Murphy said their economic future depends on a safe and reliable mass transit network. He said their administration would work with them wherever they can in making sure NJ TRANSIT is part of their long-term economic planning, and an integral part of the advantages they can market to any new prospective resident or business.

Governor Murphy said this did not mean investing in NJ TRANSIT's budget in things that do not directly help commuters. He said in fact it means the opposite; committing 100 percent to improving the quality of service so their commuters could see the tangible difference.

Governor Murphy has heard from commuters that the short-term initiatives already undertaken, especially in putting more rail cars in daily service, were making commutes easier. He said he does not want to just hear, and he knows they do not want to just hear, a few scattered stories. Governor Murphy wants to know they are having an impact system wide and that all commuters and riders are sharing the benefits of their plans.

Governor Murphy said he talked to Chief Executive Officers and senior members of companies that were either in New Jersey or looking to come there, literally all the time, and some of them are among the biggest companies in the world. He said they were coming from a period where they starved their government including starving agencies like NJ TRANSIT and they had a one impulse incentive program to either keep or attract companies and that was a tax package.

Governor Murphy said tax incentives if they are intelligently done clearly should be, need to be and will be part of any package that they put together to attract companies, whether they are startups or the very biggest companies. Governor Murphy said they had 15 incubators in the state and New York had 179 and there was a reason for that. He said they either put public policy against a program to encourage a startup culture or don't; they haven't but now will.

Governor Murphy said he accepted that a smart tax program needed to be part of a tax incentive program but in literally every conversation he and his teams have with these companies, what comes up is public education funding, higher education funding and investment in infrastructure, and in particular commuter rail infrastructure. He said it literally comes up in every single conversation.

Governor Murphy said millennials increasingly want to live in communities where they can get on some form of public transportation, rail or bus, and get to work. He said they increasingly are not driving and are increasingly reliant on that, and companies know that.

Governor Murphy said he spoke to the Chief Executive Officer of one of the biggest companies in New Jersey and one of the biggest companies in the world, they had a terrific conversation, and he told the Governor that he has a lot of folks doing the reverse commute to his company.

Governor Murphy said he needs them to put everything they have into making this again the best rail system in the country. He said he was not there by coincidence and this was the first thing he was doing since they announced their budget. Governor Murphy said this was not an off to the side nice endeavor they hope to get to at some point. He said getting NJ TRANSIT to be every ounce as good as it can be, was literally center stage on their economic development aspirations for the future of the State.

Fourth, Governor Murphy asked them to honestly meet their obligations, not just to their employees or contractors, but most importantly to the fare-paying public. He said they were proposing a nearly tripling of state aid and expect it to be used properly. Governor Murphy said he was sure the Chair, Executive Director and teams will see to that. He said their expectation was that they will treat these public dollars as if they were their own, setting salaries and other expenditures based on market rates and every individual's merit.

In all, Governor Murphy asked them to do for NJ TRANSIT what they were working hard to do for every one of their residents; restore the value people get for the money they entrust in them. He said this would not be easy. Governor Murphy said he knows they were forced to try to do more with less and in the end only have been able to do with less. He said now they have an administration that recognizes the tremendous importance and value of safe and reliable mass transit, wants NJ TRANSIT to be fully part of their state's economic renewal and which will give them the support they need to make the right decisions.

Governor Murphy said he wanted to reiterate something he said when Diane and he first introduced Kevin back in January. He thinks New Jersey is the American turnaround story and he thinks within the New Jersey turnaround, NJ TRANSIT is the core central turnaround story in their state. Governor Murphy said they were all in this together. He said as he seeks, and they seek, to build a stronger and fairer New Jersey, let us work to build a stronger NJ TRANSIT that treats every customer with fairness and provides the service that they richly deserve. Governor Murphy thanked them very much.

Chair Gutierrez-Scaccetti said Kevin and she have both committed to the Governor their full support of what he is doing and what his requests are of them. She said they say it takes a village to raise a child, and it takes a whole organization to achieve the goals he set forth for them. Chair Gutierrez-Scaccetti said as Chair, and she thinks Kevin will say the same as Executive Director, they are counting on each and every one of them to help them move the organization in that direction. She said she was sure it was not easy for him to get from where they were in terms of funding to what he proposed today

and with that they want to ensure they respect the trust he put in them to do the right thing.

Board Member Greaves said he thinks New Jersey actually has a transportation Governor now. He said after eight years of starving this agency, he cannot tell them how refreshing it was to see the Governor that day. Board Member Greaves said it was almost like going back to his childhood when Wilt Chamberlain walked out onto the court, being a Nicks fan. He said it was huge that the Governor was there to announce his budget to invest in NJ TRANSIT, it was very good to hear, he was looking forward to working together to make things happen there, and it was very refreshing.

Chair Gutierrez-Scaccetti asked for a motion to approve the minutes of the February 14, 2018 Board meetings. A motion was made by Board Member Maples, seconded by Board Member Finkle, and unanimously adopted.

Public Comments on Agenda Action Items

There were four speakers on agenda action items. Board Secretary Zuczek announced public comments would be limited to five minutes and reminded speakers of the procedure for groups speaking on the same matter.

Murray Bodin said he was speaking on Executive Director's Report and he had no idea that the Governor was going to be at this meeting but said the Governor illustrated what Mr. Bodin was going to talk about. Mr. Bodin said they need cooperation between New Jersey and New York and that transportation is so important. He said he attends many meetings and it is important that New York and New Jersey work together because this is an economic development area where people want to live. After returning from California, Mr. Bodin said there was no place like the New Jersey area. He said the cooperation he has seen today is extraordinary. He has been doing this for 25 years and never seen anything like the cooperation he was seeing there today. Mr. Bodin complimented the new team for working on creating better transportation for this area and said it was pleasure to see the way they are moving forward in ways that have not been done in years. He expressed his thanks to all of the team for going forward in such a creative way.

Robert Goldsmith said he was there if any questions came up on Agenda Item 1803-22, NJ TRANSIT Grant of Hoboken Easement. He just wanted to reserve this opportunity to speak if need be and expressed his thanks for consideration.

David Peter Alan, Chair of the Lackawanna Coalition met with Executive Director Kevin Corbett briefly last month but wanted to take this opportunity to welcome him officially. Mr. Alan said they hope that Executive Director Corbett's experience as a commuter on the Morris & Essex Line and, therefore as a constituent, will help him to understand the conditions that NJ TRANSIT's riders just tolerate. Mr. Alan said they hope to meet with Executive Director Corbett and Chair Gutierrez-Scaccetti soon, so that they may explain what their riders face and what they can do about it.

Mr. Alan said it was surprising to see the Bergen-Passaic Rail Line Project back on the agenda after such a long absence. They remember that Congressman Bill Pascrell supported it, and they also liked the idea. Mr. Alan said they generally support expansion of their rail network, although they also understand that the most important capital project that NJ TRANSIT is now facing is to provide adequate local funding for a new tunnel into Penn Station, a new bridge and improvements in Penn Station that would comprise a cost-effective project to replace the overpriced and unlikely Gateway project. They look forward to the updated information on costs and benefits of the proposed Bergen-Passaic Line, and they want to be sure that any study keeps it as a rail line, and not convert it into a busway. Mr. Alan said they also want to make sure it will connect with the Main, Bergen and Pascack Valley lines, all of which it crosses.

Mr. Alan said regarding the proposed transit-oriented development along the Hudson-Bergen Light Rail Line, they express their concern that it will be too much development and not enough transit-oriented. They do not have enough information to make a detailed comment but noticed that almost every unit will have a space for storing an automobile. As far as they were concerned, that was not sufficiently transit-oriented and too auto-oriented. He said there should be fewer parking spots and more living space for the residents.

Mr. Alan said they oppose the Hoboken Long Slip Project. Except for the temporary operation last summer, he said service to Hoboken has been steadily reduced over the last ten years. Mr. Alan said there was no good reason to consider expanding the number of tracks at the station until at least the level of service of a decade ago is restored. He complained the proposed project would build new tracks along the water, which would be further from the bus lanes, the ferries and PATH than the existing tracks were currently. Mr. Alan said it would mean a longer walk for almost every Hoboken customer, and with that would come an increased likelihood of missing a connection and greater difficulty for customers with disabilities. He said it would also require relocating the light rail platforms, which adds to travel time, to inconvenience, and to the cost of the project.

Mr. Alan said even with the Transportation Trust Fund and Governor Murphy's requested budget increase, money was still scarce. He believes NJ TRANSIT needs to spend its capital dollars to ensure that there is enough of a "local match" and a reduced Trans-Hudson project, so the negative rating that the FTA gave the bridge and tunnel components of Gateway will be reversed. Mr. Alan believes that means the Long Slip Project and several others must be deferred or eliminated. He said if Long Slip, County Line Yard, Delco Lead and others are built, they will have a number of limited utility projects, while the project that is needed to get commuters into New York City will remain on the drawing boards forever. Mr. Alan wants NJ TRANSIT to build a project of smaller scope than the present Gateway Project. He urged them not to build the Long Slip Project and believes Hoboken will be better off without it.

Mr. Alan complained that they would be forced again to sit through an executive session before they were allowed to speak about other issues that are vital to the proper governance and management of their transit. He said for those who depend on transit, as

he does, that means the governance and management of all the mobility they have. Mr. Alan said if the intent of this practice was to discourage or prevent them from raising important issues then the policy was succeeding. He said since they are not allowed to attend executive sessions, they see no good reason why they should be forced to wait while they proceed, especially since there are other ways to conduct them without forcing them to wait through them. Mr. Alan said the riders and New Jersey's taxpayers, take their First Amendment rights very seriously, and call for the opportunity to address this Board and give the information that they believe the Board should have. He said this was the practice until last year, and there is no reason why it should not be the practice again, beginning next month.

Joseph Clift said there were three on the top team there today; the Governor, the Chair and the Executive Director and it was great to see. Mr. Clift said in another lifetime he was head of Planning at the Long Island Railroad so his perspective was very much influenced by this. He believes the Governor is right in the increase appropriations and State Aid but collectively NJ TRANSIT lost \$75 million from the Turnpike Authority so the actual increase was only 39 percent. Mr. Clift said \$75 million of this it goes to fill in the hole from the New Jersey Turnpike Authority money and another \$75 million for inflation so they are left with about \$90 million. He said it was really important that this money be spent wisely. He said personally, he would have asked for a small fare increase and said the MTA was doing fare increases every other year and it is a great way to do it that way they do not have a shocker every three to four years, but this \$90 million was all there is to spend, so it needs to be used wisely.

Mr. Clift said the Passaic Bergen Project is a million dollars, but the extension of the Hudson-Bergen Light Rail is \$1.5 billion of year expenditures and they have almost no money in the 10-year plan. In his mind NJ TRANSIT has all these projects that are out there all over New Jersey and there is no money and to some extent if they start a study and there is no money the project ends up on the shelf.

Mr. Clift recommended the team should be realistic and pare down the projects which are simply not going to happen realistically. He believes there should be a change in priorities and focus on what he believes is the single most important project: new tunnels and a new bridge over the Hackensack River. Mr. Clift said this tied into the agenda items and based on the handout given to Board Secretary Zuczek, the Hoboken Long Slip Fill may have some value in it, but he is not sure what it is from an operating point of view, but it's six new tracks at a station that are under-utilized and push the Light Rail station further away from PATH. Mr. Clift does not believe they need to have a yard or tracks protected from water, if the signals and electronics are up above, the water comes in and goes out. He said this was a massive project and the total price tag for it was \$200 million.

Mr. Clift thinks these projects are underway and people working on them want to complete them but the reality is that money should not go toward these projects that are so badly funded locally that they got a failing grade from the FTA last November but it was not released until last month. He said when all the projects are together it is \$1.5 billion and some of this is flood resiliency money and they have already used this to build a tunnel

box on the Eastern half of the Hudson Yard's project. Mr. Cliff said so they have broken through not being able to use Sandy money on a tunnel because they have already done it for \$200 million. He would take all the resiliency money from the Federal government and the Transportation Trust Fund money and if these projects are done, they should come later.

Mr. Cliff said to finish on Long Slip, he knows they have mitigation credits but it does not make any operating sense and it does not make good flood sense. He said it may do something but not nearly as much as having a flood resilient tunnel.

Advisory Committee Report

Ron Monaco presented the Advisory Committee Report. Mr. Monaco welcomed Kevin Corbett as the new Executive Director and offered their best wishes and their help in any way they can in the coming months. He said they recognize that NJ TRANSIT faces many challenges and they are prepared to help in any way that they can.

Mr. Monaco said the North and South Jersey Transit Advisory Committees are having a joint meeting April 18, 2018 at the TransAction Conference in Atlantic City. They offered an invitation to the Board and Executive Director to join the meeting if their schedule permits.

Mr. Monaco said their priorities 2018 were focused on the advocacy of several issues including improving service reliability, maintaining stable fares, increasing operating subsidies for NJ TRANSIT and advocating to secure federal funding for the Trans-Hudson Tunnel Projects. He said their committee members are passionate about public transportation. Mr. Monaco noted they were all commuter or transit riders and some are exclusively transit riders because they do not drive. He said they know well the issues facing NJ TRANSIT and have been involved in advocating for the needs of NJ TRANSIT and its customers for many years. They look forward to continuing to work with the Board and Executive Management to advance those interests.

Board Customer Service Committee Report

Board Member Finkle presented the report for the Customer Service Committee. The Customer Service Committee received a Customer Service Update and a report on the Social Media Dashboard. The report on the Social Media Dashboard included examples of improvements implemented into NJ TRANSIT's social media strategy to more proactively communicate with customers. Additionally, the Committee received a report on the results for the Fall 2017 Customer Satisfaction Survey.

Board Administration Committee Report

Board Member Finkle presented the report for the Administration Committee. The Administration Committee received a Financial Update.

Board Capital Planning, Policy, and Privatization Committee Report

Chair Gutierrez-Scaccetti presented the report for the Capital Planning, Policy, and Privatization Committee. The Capital Planning, Policy and Privatization Committee discussed the board items for the: Passaic-Bergen Passenger Service Restoration Project Current Conditions Study Services; Hoboken Easement; and Long Slip Fill and Rail Enhancement Resilience Program Environmental Mitigation Credit Purchase.

Executive Director's Monthly Report

Executive Director Corbett thanked everyone at NJ TRANSIT for welcoming him into the organization. He introduced himself to members of the public in attendance. Executive Director Corbett said there was no greater constituent than their customers and their contributions and advocacy play a vital role in shaping their transportation network so he thanked them for attending the Board meetings and their efforts to make NJ TRANSIT a better organization.

Executive Director Corbett said he knows the commuting experience firsthand. He started using NJ TRANSIT from New York to New Brunswick nearly 30 years ago when he was dating his now wife during her residency at UMDNJ. For most of the last 20 years, while they raised their family in Morris County, he has been taking MidTown Direct into Penn Station New York.

Executive Director Corbett said professionally, he has international business experience in the transportation, construction and maritime industries. He has had the privilege of serving in the public sector and enjoy the unique rewards that it brings. That includes having the privilege of leading the rebuilding effort in Downtown Manhattan after 9/11. He has also been closely involved in many major transportation projects that touch the lives of NJ TRANSIT and regional customers, including at Penn Station New York and Moynihan Station.

As a graduate of Georgetown University, a fellow at the Woodrow Wilson School or as a Blue and Gold Officer for the U.S. Naval Academy, he was driven by a passion for precision and excellence. One of the chief reasons he was there was to leverage that passion, along with his extensive public and private-sector professional experience, to lead them through the phenomenal but solvable challenge to restore NJ TRANSIT to its place as a national role model in public transportation.

On that note, and as an initial step in that process, last month Governor Murphy and Acting DOT Commissioner and NJ TRANSIT Board Chair Gutierrez-Scaccetti announced a Commuter Relief Plan to help NJ TRANSIT rail customers experiencing overcrowded conditions due to rail car shortages. The plan uses multiple components to achieve both short and long-term improvements in equipment availability. Though the plan was formally announced last month, NJ TRANSIT had already begun advancing a number of the components in mid-January.

The Governor and Acting Commissioner committed to restoring 20 cars awaiting upgrades back into revenue service; All 20 of those cars are back in service. This combined with the hard work of NJ TRANSIT's rail mechanical forces, who Executive Director Corbett had the pleasure of meeting with on his recent visit to the Meadows Maintenance Complex in Kearny, has contributed to the improvements they have seen so far.

Taking a closer look at the numbers (see attached graphs), Executive Director Corbett noted on January 9, 2018 they had 46 trains that were short one or more cars. They improved that to just six trains by the end of last month. During that same time period, the number of available rail cars dramatically improved from 777 to 911. The number of cars needed for the 128 train sets that provide 700 daily weekday rail trips to adequately meet ridership demand is 848. Another component of the plan was to optimize the Air-Brake Periodic Inspection (ABPI) schedule, which includes outsourcing some of the work to expedite inspections.

Executive Director Corbett was pleased to report that since January 13, 2018 when they had 68 cars out for ABPI's, they cut that number down to 45 cars by the end of February. So the numbers were encouraging and supported that they have made some short-term progress. They were finalizing an agreement with Maryland Transit Administration to lease additional rail cars to provide some further short-term relief from equipment shortages. That morning, a team from rail operations was on their way to make the necessary field inspections.

Executive Director Corbett said there were a number of other initiatives they will be implementing for longer-term and sustainable improvements with regard to the availability of parts, the streamlining of inspections, facility process efficiencies and expediting hiring by increasing pre-employment testing, expanding candidate pools and holding "speed-hiring" events where candidates are tested and interviewed in the same day. Following a successful rail speed-hiring event at Bergen Community College in early February, they made 14 job offers to rail electricians, in an effort to fill all of the vacancies in this area, which will further help expedite equipment repairs. But these were just the first steps in improving the experience for NJ TRANSIT's customers, and they will continue to closely monitor these metrics moving forward to ensure progress continues to be made.

In just the short time that Executive Director Corbett has been at NJ TRANSIT, he has seen a lot, including two major winter storms on March 2, 2018 and March 7, 2018. He thanked the men and women who braved treacherous conditions to keep their rail, bus, light rail and Access Link services moving. That includes cutting hundreds of trees from the railroad right of way while dealing with ice and snow to keep the tracks clear and restore service.

During these storms Executive Director Corbett spent some time at the Emergency Operations Center (EOC) and saw how unified NJ TRANSIT's response was to the intense weather conditions. Representatives from all of their business lines were in one

room together monitoring the impacts of the storm and sharing information in real time. They are a large organization covering a vast amount of area and this information-sharing helps keep everyone on the same page. Executive Director Corbett thanked all who spent long hours in the EOC these past few weeks.

While they were dealing with all of this winter weather, they also were able to maintain the extra rail service NJ TRANSIT traditionally provides for the Belmar Saint Patrick's parade on March 4, 2018. They deployed customer service ambassadors on the North Jersey Coast Line to assist those going to and from the parade. Executive Director Corbett thanked the ambassadors for volunteering on a weekend as well as Rail Operations and the New Jersey Transit Police Department for making sure all of NJ TRANSIT's customers were transported safely to the event. They will have a repeat this coming weekend for the big New York City Saint Patrick's Day parade when they will be providing additional bus service to and from the Port Authority Bus Terminal.

They continue to stress that safety and security are the top priority at NJ TRANSIT. Customers may have noticed some security devices over in Newark Penn Station that morning. The New Jersey Transit Police Department currently utilizes detection countermeasures to identify prohibited items that present a threat to the NJ TRANSIT system.

In a partnership between the TSA and New Jersey Transit Police Department, they have been testing and operating these new detection technologies since early 2012. This partnership has allowed the New Jersey Transit Police Department to deploy cutting edge security capabilities while additionally providing the TSA with operational input that has led to improvements in the design of these countermeasures. They are committed to exploring every possible means to protect NJ TRANSIT customers and employees.

On a personal note, Executive Director Corbett took a moment to offer condolences to the family of Bus Operator Larry Wiley. Larry died in the line of duty on February 20, 2018 while operating his bus just outside the Hilton Bus Garage in Maplewood. After Mike Kilcoyne and Executive Director Corbett met with Larry's family at his funeral, and he observed the outpouring of support from Larry's colleagues, Executive Director Corbett could sense the close connections, bonds and sense of family among fellow employees. They have offered NJ TRANSIT's Employee Assistance Program to all of their employees who may need it. Larry proudly served with NJ TRANSIT for 44 years and Executive Director Corbett asked that they all observe a moment of silence in his honor.

Executive Director Corbett said March was Women's History Month, a time to celebrate the extraordinary achievements of women, past and present. NJ TRANSIT shares in this celebration as they recognize the significant roles women like Harriet Tubman, Eleanor Roosevelt and Mother Teresa have played throughout history. He also noted the famous women in the medical field as well.

Executive Director Corbett said women’s roles in the workplace have changed significantly in the last two generations. Careers that were traditionally thought of as being male dominated are routinely filled by women today. The 2,500 women at NJ TRANSIT have demonstrated that they have the knowledge, skills and education to help NJ TRANSIT achieve its goals and mission. One of the events held this month was a panel discussion with several of NJ TRANSIT’s prominent women leaders, including Board Member Flora Castillo, providing thoughtful insights on the challenges overcome and the challenges ahead.

Before Executive Director Corbett concluded, he noted over the past several weeks, he has been learning a lot about the agency by visiting a number of facilities and talking to scores of employees at Headquarters, in Maplewood and at the various locations he visited, and the feedback received so far has been quite valuable. And, while he certainly sees the challenges before them, he also sees opportunities.

Both as a commuter and a professional, Executive Director Corbett like others, has observed a number of ups and downs. However, the opportunity presented to him was one he was incredibly excited about. They will be working through some very complicated infrastructure, equipment and operational issues. While it will not happen overnight, he looks forward to rolling up his sleeves and working with them to help accomplish this turnaround together.

Action Items

1803-21: PASSAIC-BERGEN PASSENGER SERVICE RESTORATION PROJECT: CONSULTANT CONTRACT AWARD FOR CURRENT CONDITIONS STUDY SERVICES

Executive Director Corbett introduced Eric Daleo, Assistant Executive Director, Capital Planning and Programs, who presented Action Item #1803-21 for approval.

Eric Daleo recommended approval of Item #1803-21, Passaic-Bergen Passenger Service Restoration Project: Consultant Contract Award for Current Conditions Study Services. Approval was requested to enter into NJ TRANSIT Contract No. 17-048 with WSP USA of Newark, New Jersey, to provide consultant services for the Passaic-Bergen Passenger Service Restoration Project Current Conditions Study at a cost not to exceed \$777,000, plus five percent for contingencies, subject to the availability of funds.

Board Member Flora M. Castillo moved the resolution, Board Member James C. Finkle Jr. seconded it, and it was unanimously adopted.

Roll Call Vote:

Gutierrez-Scaccetti	Maples	Ajmani	Finkle	Castillo	Greaves
Yes	Yes	Yes	Yes	Yes	(Non-Voting Member)

Executive Session Authorization

At approximately 9:50 a.m., Chair Gutierrez-Scaccetti requested a motion to enter Executive Session to discuss personnel matters, contract negotiations, the status of pending and anticipated litigation, and matters falling within the attorney-client privilege.

Board Member Mary K.E. Maples moved the resolution, Board Member James C. Finkle Jr. seconded it, and it was unanimously adopted.

Return to Open Session

Board Secretary Zuczek conducted a Roll Call as Board Members returned to Open Session. All Board Members, except Board Member Ajmani, returned to Open Session at approximately 10:39 a.m.

1803-22: NJ TRANSIT GRANT OF HOBOKEN EASEMENT

Executive Director Corbett introduced Michael Lihvarcik, Interim Chief Financial Officer and Treasurer, who presented Action Item #1803-22 for approval.

Michael Lihvarcik recommended approval of Item #1803-22, NJ TRANSIT Grant of Hoboken Easement. Approval was requested to take all actions necessary to negotiate and grant an access easement based on market valuations in the amounts discussed in Executive Session and subject to conditions for the protection of NJ TRANSIT interests for parcels of land in the City of Hoboken (Block 80, Lot 10.01) and the City of Jersey City (Block 2405, Lot 2) consisting of approximately 11,000 square feet (0.25 acre) adjacent to NJ TRANSIT’s Hudson-Bergen Light Rail 9th Street Station.

Board Member Flora M. Castillo moved the resolution and Board Member Mary K.E. Maples seconded it. Chair Gutierrez-Scaccetti thanked staff and the developer for their hard work on this. It was a delayed item and Chair Gutierrez-Scaccetti is happy to get it done and for their cooperation. The resolution was unanimously adopted.

Roll Call Vote:

Gutierrez-Scaccetti	Maples	Ajmani	Finkle	Castillo	Greaves
Yes	Yes	Absent	Yes	Yes	(Non-Voting Member)

1803-23: AMENDED BOARD ITEM 1710-48, NJ TRANSIT RESILIENCE PROGRAM: LONG SLIP FILL AND RAIL ENHANCEMENT ENVIRONMENTAL MITIGATION CREDIT PURCHASES

Executive Director Corbett introduced Eric Daleo, Assistant Executive Director, Capital Planning and Programs, who presented Action Item #1803-23 for approval.

Eric Daleo recommended approval of Item #1803-23, Amended Board Item 1710-48, NJ TRANSIT Resilience Program: Long Slip Fill and Rail Enhancement – Environmental Mitigation Credit Purchases. Approval was requested to amend Board Item 1710-48, NJ TRANSIT Resilience Program: Long Slip Fill and Rail Enhancement Environmental Mitigation Credit Purchases, to enter into purchase agreements, and take any and all other actions necessary, to acquire additional environmental mitigation credits for the Long Slip Fill and Rail Enhancement Project, in the amount discussed in Executive Session, subject to the availability of funds.

Board Member James C. Finkle Jr. moved the resolution, Board Member Mary K.E. Maples seconded it, and it was unanimously adopted.

Roll Call Vote:

Gutierrez-Scaccetti	Maples	Ajmani	Finkle	Castillo	Greaves
Yes	Yes	Absent	Yes	Yes	(Non-Voting Member)

Public Comments on Other Matters

There were 10 speakers on other matters. Board Secretary Zuczek reminded the speakers public comments would be limited to five minutes.

Orrin Getz welcomed Executive Director Kevin Corbett to NJ TRANSIT. He worked for Executive Director Corbett in the past at the Empire State Development and has high respect for him. Mr. Getz is a member of the Metro-North Commuter Rail Council, which is part of the permanent citizen advisory committee to the MTA. He is also on the Executive Board of the Permanent Citizens Advisory Committee (PCAC) so they have a lot of representation with MTA.

Mr. Getz said it was very important to realize that Metro-North has an Operating Agreement with NJ TRANSIT to operate trains both on the Port Jervis and Pascack Valley Lines and this is very critical. He said unfortunately he has received a lot of complaints about the service on the Pascack Valley Line’s cancelled trains and in particular the Metro-North Express trains that Metro-North pays directly to have NJ TRANSIT operate. Mr. Getz said also many times when the trains do arrive they are short cars and the operating agreement requires those trains to have at least four cars and many times they only have three and crowding conditions are very bad. He hopes that with the work that Executive Director Corbett is doing they can improve this and the trains will run with all four cars.

Mr. Getz provided some reporting that Metro-North provides every month showing the Mean Distance Between Failure of their equipment, and said it was interesting to clearly see how well their equipment performs. He believes this is something that NJ TRANSIT should adopt so that they all can see how well NJ TRANSIT's Fleet is doing.

Mr. Getz said one of the things they can see in coaches is these are some of the same coaches that NJ TRANSIT operates and this would give a good chance to evaluate NJ TRANSIT's equipment against Metro-North's equipment. He also distributed a letter from Rockland County Executive, Ed Day, and said this letter was going to be revised and resubmitted to the new Administration Catherine Rinaldi and Joseph Lhota at the MTA and they will make sure a copy is sent to Executive Director Kevin Corbett to see what is needed in Rockland County.

Mr. Getz said they were also looking to see that the Suffern Station is made accessible for people with disabilities because they cannot send paratransit vehicles over to Ramsey Route 17. He said they have to work out an arrangement with NJ TRANSIT to make this station accessible for people with disabilities.

Mr. Getz said they would also like to get the two passing sidings on the Pascack Valley line started again. He said they were dropped as part of a lawsuit many years ago and it was ill advised. Mr. Getz said they need to push for this now that their County Executive knows there is a need for this siding so they can improve service on the Pascack Valley line.

Mr. Getz said he has also given information about Positive Train Control (PTC), which came from Metro-North. He said they have not received a lot of information from NJ TRANSIT and he wanted to show that Metro-North has provided information on PTC. Mr. Getz said Metro-North also puts PTC information in a monthly report to their Board and it is important that NJ TRANSIT do the same in detail to their Board to let them and the public know what is going on with PTC. He said they will also see mention of the Port Jervis Line and what work Metro-North is doing with the signaling system on the Port Jervis Line, and how this may require for an extension of the permission to put in PTC and bring it to December 31, 2020, adding two-years. Mr. Getz said they hope this can happen and keep the trains running on the Port Jervis Line.

Stephen Thorpe welcomed Executive Director Kevin Corbett and said they look forward to working with him. Mr. Thorpe is the Vice Chairman of the Lackawanna Coalition and said there were a few things he was taking away from this meeting today. He has never seen a Governor at one of these Board Meetings and it was quite exciting to see the Governor come in and discuss what he is trying to do and what he thinks NJ TRANSIT should be doing.

Mr. Thorpe said in the past they had a gubernatorial administration that could care less about this agency and it was a breath of fresh air to see this new Governor come in and speak. He hopes the Legislature goes along with his funding proposals and he can get some extra money. Mr. Thorpe would like to know if possible about the status of the

NJ TRANSIT resignation letters that were asked to be submitted by the Murphy Administration. If it has been verbally said that these resignations have been rescinded they would like to know. Mr. Thorpe said it is only good as the paper it is not printed on. They would like to see these resignation letters rescinded and letter of proof issued saying they are no longer under the threat of being terminated and their jobs are the same as they previously were and this is a big item for him.

Mr. Thorpe noted there was a legislative initiative recently and David Peter Alan, Sally Gellert and he went down to Trenton to meet with Senator Gordon about Assembly Bill 1241 which is a revision of NJ TRANSIT that they are not at all happy with. They were looking for members on the Board to be transit riders, and at least one transit dependent rider. He questioned how people that do not use the system can make decisions regarding it. Mr. Thorpe said it was very refreshing to see Executive Director Corbett is using transit. They really want to see some true representation on the Board so they see the riders' perspective.

Mr. Thorpe would also like to see Governor Murphy give some money for Chief Trucillo to hire more NJ TRANSIT Police Officers. He said funding for Police Officers seems to be the last thing budgeted for in any transit agency. Mr. Thorpe said he has been assisted so many times by Chief Trucillo's officers including when he left his bag on the train and his wife left her bag on a platform. He said these were just small everyday things and he was sure there is much more the Officers do that Chief Trucillo can speak to. Mr. Thorpe requested they do what they can to budget to get him more officers because they make the public feel safe. He said it is good to see them and undercover officers at the stations. As an older citizen riding the trains it makes him feel better and safer seeing Chief Trucillo's Officers.

Mr. Thorpe spoke about Mr. Russell Graddy. He has come to know Mr. Graddy over the last couple of months and the struggle he has faced trying to get his money back for what was done to him. Mr. Thorpe believes Mr. Graddy has presented a good case and the fact that no one wants to sit down with him and give him a fair deal is a shame and he hopes this Administration will give Mr. Graddy a hearing and make him whole again.

Murray Bodin said Positive Train Control (PTC) was set-up 15 years ago with the technology that was available at that time, and today they have different technology. In order to implement PTC in a more cost effective way, he suggested they could adopt some of those newer technologies and get it online right now and cheaper. Mr. Bodin said there is a self-automated vehicle in Arizona; there is a driver, but it runs automatically. He said there were systems in the air so they can get internet service and GPS everywhere in the United States, even in dark areas where there is no internet.

Mr. Bodin asked how they can adapt these available technologies which are there now to implement PTC so it can be covered more quickly and cheaper. He said PTC is a technology that will always control the train and stop it in the various systems but it was based on installing fiber cables all over the place which is not done anymore. Mr. Bodin said Subaru car satellite technology can recognize when a car is coming while backing up

and gives a signal or stops the car. He thinks this is something to be looked at for PTC. Mr. Bodin asked why they cannot implement something similar to this so they can achieve what they are trying to do in months rather than in years and increase safety and saving millions of dollars. He said everything these days are being done in the Cloud versus local programs and suggested putting PTC in the Cloud.

David Peter Alan noted that Governor Murphy said that NJ TRANSIT is in trouble, and he has blamed the Christie Administration for the problems that riders face. Mr. Alan said he is correct, but only in part. He said the problem is not only that Governor Christie micro-managed transit, but that every Governor has done so for the past 35 years. He said it was now time for serious reform, and they have taken their case to the Legislature. Mr. Alan said NJ TRANSIT should be moved from the executive branch and made a free-standing agency, so that it will be governed and managed by professionals, not political appointees.

Mr. Alan said they met with a number of members of the transportation committees, including the Chairs. They have submitted copies of their legislative documents with this statement, and they believe there are several important issues that must be addressed. Their top legislative priority remains the repeal of P.L. 2016, Ch. 52, which allows NJ TRANSIT to cut service by up to two hours without notice to the public. Mr. Alan said they received another taste of that power recently, when two week-end trains were suddenly eliminated. He believes it is outrageous that the Board and management do not think that they have a right to know. In addition, Mr. Alan said as they discussed with legislators, they oppose Assembly Bill A-1241 and the new Senate Bill S-630, both because they do not rectify this wrong; and they do not call for any genuine reform. They hope that future amendments will improve them.

Mr. Alan called for a slimmed-down Trans-Hudson Project and sufficient local funding commitment to ensure that it will be built someday. He believes Gateway as proposed will not be built in its entirety. Mr. Alan also believes they need more transit for people traveling within New Jersey and not only for commuters to Penn Station.

Mr. Alan said they also call for the riders to have genuine voting representatives on the NJ TRANSIT Board. He believes every Board member should ride transit, and ideally a majority should depend on it for all mobility. Mr. Alan said no motorist can fully appreciate the impact of a service cut or fare increase on a person who depends on transit. He said yet, there is not a single transit-dependent person on this Board and there is not even a single regular transit rider. Mr. Alan believes the current Board makes as much sense as not having any motorists on a highway board. Mr. Alan said they do not need more political appointees; they need riders who know and care about transit, regardless of political connections. He said the riders want to participate in the decisions that affect their mobility. In short, they want a seat at the table. Mr. Alan said there is an old expression that goes "either you are at the table or you are on the menu." He believes they have been "on the menu" for the past 39 years, and they are tired of it.

In the meantime, Mr. Alan said if Governor Murphy is truly serious about rectifying the mistakes of the recent past, there are three things he can do. First, he can notify the employees who were forced to tender their resignations in January that the resignations are not accepted and that they go back to the status that they previously enjoyed, and he can direct that they be so notified officially and in writing. Second, he can make peace with Russell Graddy (Mr. G). Mr. Alan believes it is time to make it clear that an independent businessman, who enjoys the support of his community, will be treated fairly. Third, Mr. Alan said the Governor can make peace with Todd Barretta; the former Compliance Officer who documented some of the problems that NJ TRANSIT had during the Christie Administration which Governor Murphy now says compromised their transit. Mr. Alan said instead, Mr. Barretta was fired and subjected to litigation by the legal department of the State of New Jersey. He believes as long as that situation persists in the new administration, they cannot have faith that Governor Murphy really wants to solve the problems left over from before he took office. Mr. Alan said until he starts the process of genuine reform, he will perpetuate those problems.

Mr. Alan said in addition to their legislative outreach and outreach to NJ TRANSIT, they would like to have the opportunity to show Governor Murphy what NJ TRANSIT rider's experience. They also look forward to meeting with Chair Gutierrez-Scaccetti and Executive Director Corbett. He believes they have gone unheard for far too long, and it is time for riders to be noticed.

Joseph Clift said with Executive Director Corbett's background at Empire State Development Corporation, he hopes Executive Director Corbett will recognize the value of extending the platforms that serve Tracks 1 to 4 at that great West End Concourse that the Empire State Development Corporation built. Mr. Clift said there is no NJ TRANSIT money; and it will really make a difference if the short platforms could be extended.

Mr. Clift applauded three of Governor Murphy's comments about finding ways to work smarter, 100 percent apply funding to quality of service and third that CEO's told him to focus on transit infrastructure, especially rail.

Mr. Clift said one comment from the storms that recently occurred, and they experienced this at the Long Island Railroad, there is a problem with aggressively cutting back vegetation along a narrow right-of-way along the railroad. He said a lot of customers do not want their trees to be cut down which is a huge problem. Mr. Clift saw a picture in a newspaper that showed NJ TRANSIT workers clearing trees and there was a towering forest sitting next to the catenary. He suggested that NJ TRANSIT take a look at the legal ability to go onto private property adjacent to the right-of-way to cut trees back, not just on NJ TRANSIT's property. Mr. Clift said when he worked at the Long Island Railroad he experienced a similar situation at Grumman Airport where the airport people were allowed to go into customer's backyards where trees were abutting the airport and cut back trees due to safety issues. He suggests the more trees they cut back the fewer trees will damage NJ TRANSIT service.

Mr. Clift said the first item listed on his handout is to fully fund NJ TRANSIT's \$100 million in late Base Capital Charge payment to Amtrak for the Northeast Corridor and New York Penn Station. Mr. Clift said it was hard to think NJ TRANSIT was going to get a positive reaction from their landlord on the Northeast Corridor and New York Penn Station if they are \$100 million late. He said there was \$800 million in Governor Murphy's Proposed Budget. Mr. Clift suggested asking for a \$100 million of this to catch-up and once caught up they do not have to worry about asking for this again in the future.

Mr. Clift believes the Portal North Bridge sunk costs are irrelevant and this a business term that applies in this case. He does not think the Portal North Bridge project should be done now, replacing a two-track bridge with a taller two-track bridge, not getting anything from this to obtain more capacity, and add a third track.

Mr. Clift noted on his handout the FTA profile shows that Portal North and Hudson Tunnels get failing grades. Mr. Clift suggested they save \$1.5 billion on Portal North Bridge by not building it. He believes they are not going to get the money right now anyway, and should go back to the 2004 plan that former Executive Director Warrington championed where they reduced delayed trains by 97 percent in an experiment that could be made permanent. Mr. Clift believes this would solve one of the two things the new bridge gives, which is eliminating or reducing train delays. He believes to get core capacity they should put 25 more cars along peak hours on the corridor. Mr. Clift believes they just buy the cars less than \$100 million and save the \$1.5 billion, and go back and design a four-track bridge that works. Mr. Clift implored NJ TRANSIT not to go down the wrong direction.

Kin Gee said at the last Board meeting, he mentioned that Jersey Central Power and Light (JCP&L) proposed to construct a 10-mile long 230,000 volt transmission line from Aberdeen to Red bank in Monmouth County within New Jersey Transit's right-of-way. Last Thursday, after more than one and a half years of legal proceedings, Administrative Law Judge Gail Cookson issued her decision for this case; all 180 pages of it. She said "No" and denied JCP&L's petition. The Board of Public Utilities (BPU) now has 45 days to adopt, modify or reject this decision. They believe it will be useful for this Board to hear some relevant portions of the decision that pertains to NJ TRANSIT and its right-of-way. They provided a copy of the decision to the Board Secretary so they read it in its entirety and see that things were not taken out of context.

Mr. Gee said first Judge Cookson stated that JCP&L has emphasized over and over again that the Monmouth County Reliability Project should be approved because it is the one route alternative that relies upon a shared right-of-way with NJ TRANSIT. She goes on to say that JCP&L cited this approximately 20 times in their post-hearing submission but yet failed to note significant distinctions in the only supporting case cited and that no other cases were cited or found.

Mr. Gee noted later, in the same discussion, Judge Cookson stated: "Most of JCP&L's current high voltage transmission lines have monopole heights of just over 80 feet. In this Petition, the extra-tall monopoles necessary to support 230 KV lines and clear the NJ TRANSIT catenary lines also require large bases of up to 10 feet in diameter, with

engineered foundations dug into the railway right-of-way, which in some instances must be placed directly adjacent to the tracks. The Company has failed to determine what effect the active use of this railway would have upon the stability of the poles and lines. Mr. Gee I also repeat that this historic North Jersey Coast Line itself on a very narrow right-of-way of 100 feet; even less in some segments.”

Mr. Gee said Judge Cookson goes on to say that Berger, the consulting firm used by JCP&L for their route study, was told by JCP&L that the right-of-way should be 120 feet and PJM’s own technical requirements indicate that 230 KV high voltage transmission lines should be constructed on a right-of-way of 150 feet. He said the Judge could have added but did not say that, the 120 or 150 feet right-of-way does not have an active commuter train line operating in it. There is an implicit assumption that the transmission line would be placed in the middle of the right-of-way.

Mr. Gee said at the end of this section, Judge Cookson said: “I conclude that there is no in-state or national precedent for the co-location of a 230 KV transmission line within a narrow railway in close proximity to hundreds of residential properties, as proposed by JCP&L.” She goes on to say “ In this instance, the use of his particular NJ TRANSIT right-of-way for 230 KV monopoles of an average height of 135 and maximum height of 210 is untried, untested, and likely infeasible due to its narrow width, age and proximity to residential communities.”

Finally, she said: “I conclude that JCP&L’s petition must be denied because JCP&L has not supported its application by the preponderance of the relevant and admissible evidence. The Monmouth County Reliability Project is not a safe or reasonable response to the potential P7 violation.”

Mr. Gee said as indicated at the last Board meeting, JCP&L’ proposal just seems to defy logic and common sense. The proposal is contrary to NJ TRANSIT’s mission of providing safe, reliable and convenient transportation service and is not in the public interest. JCP&L currently have an outstanding request with NJ TRANSIT for a non-railroad occupancy permit for this proposal. He urged NJ TRANSIT to say no to JCP&L and not allow them the use of NJ TRANSIT’s right-of-way.

Rachel Kanapka thanked them for listening and said they were very happy and relieved that Judge Cookson sided with Residents Against Giant Electric (RAGE). It took their grass roots group almost two-years and almost half a million dollars to get to last Thursday, but it was a very good day. Kin Gee gave some snip-its from the Judge’s decision that referenced NJ TRANSIT. Ms. Kanapka wanted to use her time to share some things she said about Jersey Central Power & Light (JCP&L) that she thinks they need to hear. Because they got involved, this proposal was scrutinized and challenged more thoroughly than any transmission proposal has ever been in the State of New Jersey, and what this deep dive reveals about JCP&L is alarming and frightening. The Judge called JCP&L out on several different things throughout her decision that really echoed their claims along the way that JCP&L was acting either ineptly, deceitfully or both. First off Judge Cookson noted several issues with their witnesses, she thought that

JCP&L's electrical needs primary witness was bias and was more interested in trying to quote: "shoot-down alternatives proposed by RAGE witnesses rather than understand them."

Ms. Kanapka said Judge Cookson found JCP&L's property value expert to be careless and not credible, and said if he were a student would have received an "F" and accused of plagiarism. More important than the issues Judge Cookson had with JCP&L's people are the issues she had with their facts and their approach. JCP&L was called out for their insincere approach of setting up strawmen alternatives to immediately shoot-down. The Judge found that JCP&L hired a consultant to work on the transmission line project to fix code violation 10-months before they even knew there was one. She found that JCP&L did everything they could to make it difficult for anyone to obtain a fair and accurate comparison of the routes they proposed in states that they quote loaded the dice in a study to land NJ TRANSIT as their preferred route. The Judge called JCP&L's entire study to be an exercise directed at a foregone conclusion, their approach to cost estimations flawed and called JCP&L disingenuous for deliberately failing to include full and current cost figures in their proposal.

Ms. Kanapka noted most of all Judge Cookson found that JCP&L failed to undertake any meaningful inquiry into a solution to fix this code violation, except this transmission line along this route, including failing entirely to consider any non-transmission alternatives at all. Ms. Kanapka said she didn't have time to go through all of JCP&L's shortcomings but there are more examples of JCPL's shortcomings and very possibly their unethical tactics in her decision. She knows Board Secretary Joyce Zuczek has sent Judge Cookson's ruling to the Board with all 180 pages of it, and asked that they please read it. If they cannot read all 180 pages, she asked they please start at page 129, and it will give a good sense of how low JCP&L stooped to get this transmission project built.

Ms. Kanapka said they have said all along that transmission projects make utility companies the most money so they will always push for transmission solution to any problem they face. They argued and proved in the hearings that there were less evasive solutions that exist to fix this problem. She said fixing this problem with a giant transmission line is overkill. Ms. Kanapka noted she once used the analogy you don't need surgery to fix a splinter, but Judge Cookson put an analogy in her decision that is even better. She characterized this proposal as: "The electrical equivalent of using an elephant gun to kill a gnat."

Ms. Kanapka said as the Judge clearly stated in her decision: "The Monmouth County Reliability Project is not a safe or reasonable response to the potential P-7 violation." She said JCP&L tried to make NJ TRANSIT an accessory to this not safe or reasonable project. They may have told NJ TRANSIT to be their partner but in reality they were looking for a pawn. They tried to take advantage of NJ TRANSIT, just like they tried to take advantage of them, and they have wasted NJ TRANSIT's time and money and theirs as well.

Ms. Kanapka said they deserve this project to be denied not just by the Board of Public Utilities but by NJ TRANSIT as well. She asked NJ TRANSIT to show JCP&L that they will not be played, not now, not ever and show their customers that they will do the right thing and never quote: "Let something not safe or not reasonable be built over their heads." Ms. Kanapka said the Judge said what JCP&L was looking to do in NJ TRANSIT's railroad right-of-way is: "Untried, untested, likely infeasible" because it should never be done. They are grateful the Judge saw this project for what it was and they are hopeful that the Board of Public Utilities will agree with her, but we want NJ TRANSIT to really put the nail in this project's coffin.

Ms. Kanapka said it was pretty clear NJ TRANSIT is starting a new chapter and it would be a strong statement to their customers if one of the first actions taken is to formally and publicly deny JCP&L's Occupancy Permit for this ridiculous project. She asked that they please show that NJ TRANSIT has heard them. They are happy to meet with them to bring them up to speed on everything that has happened up to this point, because she knows some are new to this.

Terri Vilardi is one of the leaders on the Residents Against Giant Electric (RAGE) team. For the past two years they have researched anything and everything having to do with the Monmouth County Reliability Project. They have researched civics from Congress, State Senate, District Senate, Assembly, Freeholders down to Council and met with them all. They researched the inter-workings of Federal Energy Regulatory Commission (FERC), PJM, First Energy, down to NJ TRANSIT. Although, it was not easy, once they told their story they managed to get all of the politicians on both sides of the party to see "The Light", including current Governor Phil Murphy who has spoken out publicly against the Monmouth County Reliability Project. The one thing that has, and still, remains a mystery is the NJ TRANSIT Board's decision not to make a decision. While they understand the politics, and the financial struggles of NJ TRANSIT, it still comes down to safety which is the number one problem that NJ TRANSIT faces today. In the past two years they have been asked hundreds of questions from thousands of RAGERS regarding NJ TRANSIT. Today, she thought she would pass some of these questions on to NJ TRANSIT, in hopes that these questions will finally be answered.

Ms. Vilardi noted in 2016 they asked, since JCP&L wants to run their power lines along the NJ TRANSIT right-of-way will the Transit Board just say no as it poses a danger to both the passengers and the surrounding community? How can NJ TRANSIT even consider putting 230,000 volts hanging over the tracks when there is only 100 feet of space that includes an existing rail line? Ms. Vilardi noted Bruce Meisel, Vice Chairman of NJ TRANSIT, left the Board with a final note stating, The MCRP was the worst plan he has ever seen in all of his years of practicing law. She asked why there was not any reaction from the Board on this statement.

Ms. Vilardi noted in 2017 they asked, there has been three train derailments this year alone that crashed into high voltage power lines, yet alone the many accidents in the Metropolitan area surrounding New York City. What will it take for NJ TRANSIT to see the

Safety issues? Will NJ TRANSIT save the government and the people hundreds of thousands of dollars and just say "NO"? What is taking them so long?

Ms. Vilardi said in 2018 they noted the Judge has come back with a judgement wholeheartedly against the Monmouth County Reliability Project stating too many flaws to mention in writing. The tax payers and personal residents have spent nearly \$1 million dollars in totality to fight this egregious plan. Will NJ TRANSIT finally say no and restore their faith in the Transit system. Will they finally do the right thing?

Janet McDaniel said she is a consultant, advocate and supporter of Mr. Russell Graddy better known as Mr. G. She congratulated the new Executive Director and new Board Chair on their appointment and any other newly appointed Board members. Ms. McDaniel thanked those speakers who preceded her, who gave kudos to Mr. Graddy, and thank them for their support. She said her purpose today was to keep their struggle in the forefront. They are going to continue this struggle on behalf of the injustice that has served on Mr. G. Ms. McDaniel's message is one of faith. She said faith is taking the first step even when they cannot see the staircase, and in fact it sometimes means going in the dark in places where there is no light. They are hopeful that this new Board will provide that light at the end of the tunnel. They have been in this struggle for many years and have been coming to NJ TRANSIT for more than a year. They have faith that this Board despite the fact that they have been there a long time, will recognize that the time is always right to do what is right.

Russell Graddy said when he first arrived that morning his thoughts were to just congratulate all of the newly appointed members to the Board and Executive Director Corbett and wishing them all well. As things progressed he decided to go back to his story because some are new and he would like to lay some of the groundwork to what has happened with him. Mr. Graddy said some of the things were going to be gruesome because they will not believe that some human beings in powerful positions can do so much damage to others that are weaker than them. He said he has always worked hard, raised a family, educated his kids and served in the military. Mr. Graddy said the reason he stays in this struggle is because he has always believed that if he did the right thing, the right thing would be done unto him.

Mr. Graddy said NJ TRANSIT did not care how right or good he was and destroyed him because they disliked him. He said he has worked hard in New Jersey and in the Food Industry and built a great reputation. Mr. Graddy said NJ TRANSIT put in a Request for Proposals (RFP) to build a restaurant in their Atlantic City location. He said he put a bid in against the Marriott who wanted to put a Roy Rogers in and he outbid them and earned it, but NJ TRANSIT never wanted him there.

Mr. Graddy said NJ TRANSIT made it their mission to get him out of their location. He said he has always fought very hard, paid his dues, never asked for any special treatment, and all he ever asked for was a level playing ground. Mr. Graddy said if he cannot achieve a win from a level playing ground, he does not want it; that is the kind of guy he is. He said he won the right to go there.

Mr. Graddy said first the restaurant was in an old small bus station and he received a letter from NJ TRANSIT saying that they were going to do some reconstruction work in the station and will let him know when. He said the next time he heard from NJ TRANSIT they were about to go before the NJ TRANSIT Board to put a Roy Rogers in the location that he occupied.

Mr. Graddy told Assemblywomen Delores Cooper that NJ TRANSIT was not treating him right and not giving him an opportunity to maintain his business in the bus station. He said Assemblywoman Cooper addressed the NJ TRANSIT Board and the Board gave him one month to come up with a plan. Mr. Graddy said he went out and hired the best craftsman and won the right to put his restaurant in the bus station until 2004 when NJ TRANSIT finally got him out completely.

Mr. Graddy said he borrowed \$500,000 from Economic Development Authority (EDA) as part of the bus station construction fee. He said NJ TRANSIT put pressure on the EDA and he had to go to court to get the EDA to release the money he was already qualified to borrow. Mr. Graddy said the EDA released \$300,000 of the money and it cost him well over \$1 million to put the restaurant there. He said the rest of the money came from his pocket because the EDA never released the other \$200,000. Mr. Graddy said he put his money into it and had a 20-year lease and based upon that lease and that promise he would try to recoup his money and hopefully make a profit.

Mr. Graddy said seven years into the lease NJ TRANSIT decided to move the bus station again. He said if they check the records millions were spent on the previous bus station, but they were going to do it again and they told him they were going to relocate his restaurant. Mr. Graddy said the contractors were given the instructions to put him back in the new space and he worked through contracts and plans and finally came to an agreement.

Mr. Graddy said the contractors then said they were going to move him out but it will cost \$1.8 million to put him back in the new space in 120 days. He said he was moved out and the contractors tore down his beautiful restaurant and put his equipment in storage, but the moment he turned in his keys an email came in from Suzanne Silverman in the Attorney General's Office saying they do not agree with the settlement agreement.

Mr. Graddy said NJ TRANSIT's lawyers knew what was agreed upon but reneged on it after he spent all of his money, employees and family lost jobs and he was devastated. He said he went to court and an arbitrator was brought in and decided that he should be given \$1.3 million to put his restaurant back in the station and the offer was rejected by NJ TRANSIT.

Mr. Graddy said NJ TRANSIT came up with a scheme to offer him \$183,000 that was earmarked to go back into their property, he still owed EDA \$200,000, and he had no place to go out and borrow more money so he was trapped into this situation. He said NJ TRANSIT was hanging their head on the last court settlement agreement that if he did

not sign the agreement to accept the \$183,000 to go back into the NJ TRANSIT property he would have to go out and borrow \$1 million someplace else even though he still owed \$200,000 on the previous EDA loan.

Mr. Graddy said when they went to court NJ TRANSIT kept asking for postponement after postponement, and he had to go to Social Media for NJ TRANSIT to even listen to him and he has been coming attending Board meetings for over a year now. He questioned why NJ TRANSIT rejected the original settlement. Mr. Graddy said he paid rent for two years after he was put out of his business. He believes it was unconscionable and unfair and all he has been trying to do is save his dignity and self-respect. Mr. Graddy hopes this new Board will look at all of the injustice that has been done to him. He believes it was only because he is an African American man who NJ TRANSIT did not want in their bus station.

Adjournment

Since there were no further comments or business, Chair Gutierrez-Scaccetti called for adjournment and a motion to adjourn was made by Board Member James C. Finkle Jr., seconded by Board Member Mary K.E. Maples and unanimously adopted. The meetings were adjourned at approximately 11:31 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

MARCH 14, 2018

MINUTES

PAGE

➤ CALL TO ORDER	-
➤ SAFETY ANNOUNCEMENT	-
➤ PLEDGE OF ALLEGIANCE TO THE FLAG	-
➤ APPROVAL OF MINUTES OF PREVIOUS MEETINGS	52374
➤ PUBLIC COMMENTS ON AGENDA ACTION ITEMS ONLY	-
➤ ADVISORY COMMITTEE REPORT	-
➤ SENIOR CITIZEN AND DISABLED RESIDENT TRANSPORTATION ADVISORY COMMITTEE REPORT (NEXT REPORT JUNE 2018)	-
➤ BOARD COMMITTEE REPORTS	-
*Customer Service Committee	
*Administration Committee	
*Capital Planning, Policy and Privatization Committee	
➤ EXECUTIVE DIRECTOR'S MONTHLY REPORT	52375

ACTION ITEMS

1803-21 PASSAIC-BERGEN PASSENGER SERVICE RESTORATION PROJECT: CONSULTANT CONTRACT AWARD FOR CURRENT CONDITIONS STUDY SERVICES 52401

Authorization to enter into NJ TRANSIT Contract No. 17-048 with WSP USA of Newark, New Jersey, to provide consultant services for the Passaic-Bergen Passenger Service Restoration Project Current Conditions Study at a cost not to exceed \$777,000, plus five percent for contingencies, subject to the availability of funds.

EXECUTIVE SESSION AUTHORIZATION: Discuss personnel matters, contract negotiations, the status of pending and anticipated litigation, and matters falling within the attorney-client privilege. **52406**

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
MARCH 14, 2018
MINUTES
PAGE 2

1803-22 NJ TRANSIT GRANT OF HOBOKEN EASEMENT 52407

Authorization to take all actions necessary to negotiate and grant an access easement based on market valuations in the amounts discussed in Executive Session and subject to conditions for the protection of NJ TRANSIT interests for parcels of land in the City of Hoboken (Block 80, Lot 10.01) and the City of Jersey City (Block 2405, Lot 2) consisting of approximately 11,000 square feet (0.25 acre) adjacent to NJ TRANSIT's Hudson-Bergen Light Rail 9th Street Station.

1803-23 AMENDED BOARD ITEM 1710-48: NJ TRANSIT RESILIENCE PROGRAM: LONG SLIP FILL AND RAIL ENHANCEMENT - ENVIRONMENTAL MITIGATION CREDIT PURCHASES 52411

Authorization to amend Board Item 1710-48, NJ TRANSIT Resilience Program: Long Slip Fill and Rail Enhancement Environmental Mitigation Credit Purchases, to enter into purchase agreements, and take any and all other actions necessary, to acquire additional environmental mitigation credits for the Long Slip Fill and Rail Enhancement Project, in the amount discussed in Executive Session, subject to the availability of funds.

➤ **PUBLIC COMMENTS ON OTHER MATTERS**

➤ **ADJOURNMENT**

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 February 14, 2018 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 February 23, 2018;

NOW, THEREFORE, BE IT RESOLVED that the minutes of actions taken at the February 14, 2018 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.

Philip D. Murphy, Governor
Sheila Y. Oliver, Lieutenant Governor
Diane Gutierrez-Scaccetti, Acting Commissioner
Kevin S. Corbett, Executive Director



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

TO: BOARD OF DIRECTORS
FROM: KEVIN S. CORBETT 
DATE: MARCH 14, 2018
SUBJECT: EXECUTIVE DIRECTOR'S REPORT – MARCH 2018

It is an incredible honor to lead NJ TRANSIT and to serve you, our customer. Our customers' contributions and advocacy play a vital role in shaping our transportation network. I know the commuting experience firsthand. I started using NJ TRANSIT from New York to New Brunswick nearly 30 years ago when I was dating my now wife during her residency at UMDNJ. For most of the last 20 years, while we've raised our family in Morris County, I've been taking MidTOWN Direct into Penn Station New York.

Professionally, I have international business experience in the transportation, construction and maritime industries. I've had the privilege of serving in the public sector and enjoy the unique rewards that it brings. That includes having the privilege of leading the rebuilding effort in downtown Manhattan after 9/11. I've also been closely involved in many major transportation projects that touch the lives of NJ TRANSIT and regional customers, including at Penn Station New York and Moynihan Station. As a graduate of Georgetown University, a fellow at the Woodrow Wilson School and a Blue & Gold Officer for the U.S. Naval Academy, I'm driven by a passion for precision and excellence. One of the chief reasons I am here is to lead us through the phenomenal but solvable challenge to restore NJ TRANSIT to its place as a national role model in public transportation.

As an initial step in that process, last month Governor Murphy and Acting DOT Commissioner and NJ TRANSIT Board Chair Gutierrez-Scaccetti announced a Commuter Relief Plan to help our rail customers experiencing overcrowded conditions due to rail car shortages. The plan uses multiple components to achieve both short and long-term improvements in equipment availability. The Governor and Commissioner committed to restoring 20 cars awaiting upgrades back into revenue service. All 20 of those cars are back in service. This, combined with the hard work of our rail mechanical forces, has contributed to the improvements we've seen so far. The numbers are encouraging and support that we have made some short-term progress. NJ TRANSIT is also finalizing an agreement with Maryland Transit Administration to lease additional rail cars to provide some further short-term relief from equipment shortages. But these are just the first steps in improving the experience for our customers, and we will continue to closely monitor these metrics to ensure progress continues to be made.

I want to thank the men and women who braved the recent treacherous winter weather conditions to keep our rail, bus, light rail and Access Link services moving. That includes cutting hundreds of trees from the railroad rights of way while dealing with ice and snow to keep the tracks clear and restore service. I also want to thank our Emergency Operations Center (EOC) staff, which was the hub of real-time information and making sure our response to the storm was unified.

I offer condolences to the family of long-time bus operator Larry Wiley. Larry died in the line of duty on February 20th while operating his bus just outside the Hilton bus garage in Maplewood. Larry proudly served with NJ TRANSIT for 44 years. Our thoughts and prayers are with his family.

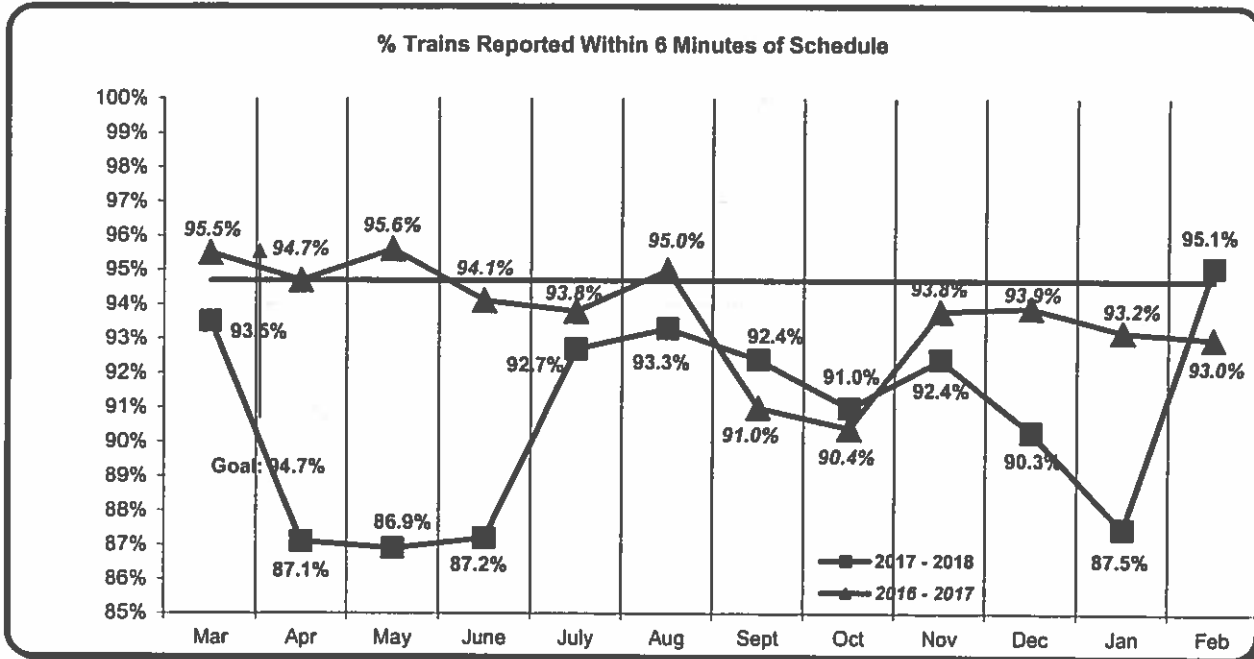
While I certainly see the challenges before us, I also see opportunities. Both as a commuter and a professional, I like you, have observed a number of ups and downs. However, the opportunity presented to me now is one I'm incredibly excited about!

EXECUTIVE DIRECTOR'S MONTHLY REPORT MARCH 2018

- 1. PERFORMANCE MEASURES**
- 2. MEAN DISTANCE BETWEEN FAILURES**
- 3. DBE/MBE PROGRAM**
- 4. EMPLOYEE RECOGNITION**

PERFORMANCE MEASURES

NJ TRANSIT ON-TIME PERFORMANCE RAIL MARCH 2016 - FEBRUARY 2018



	2017	2018	# Change
February Comparison	93.0%	95.1%	2.1%

	2016-2017	2017-2018	# Change
12-Month Average March 2017 - February 2018	93.7%	90.8%	-2.9%

Analysis:

Rail On-Time Performance was 95.1% for February 2018. Of the 16,767 trains scheduled to operate, 15,949 were on time, while 818 trains (or 4.9%) were delayed. Key causes included:

- Amtrak and NJT equipment failures contributed to 58 delays resulting in 89.3% OTP on February 9.
- Amtrak operational issues contributed to 30 delays resulting in 90.1% OTP on February 11.
- Amtrak equipment failure, NJT equipment failure contributed to 52 delays resulting in 90.12% OTP on February 20.

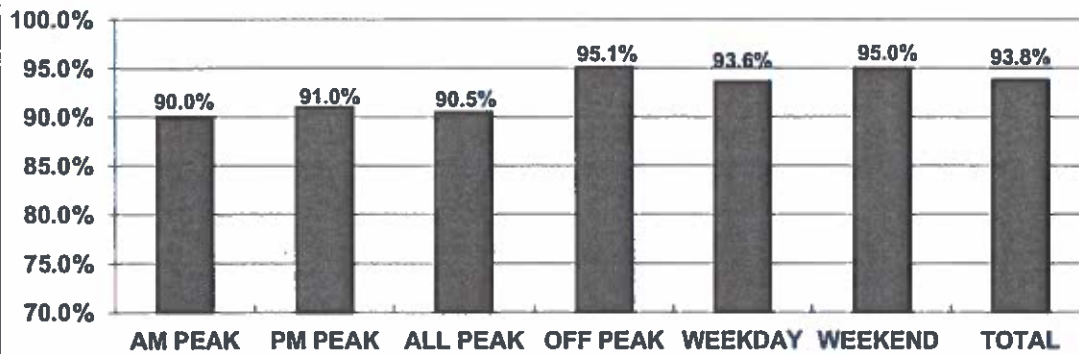
The 12-month average for Rail On-Time Performance March 2017 - February 2018 was 90.8%, which has decreased by 2.9%.

ON-TIME PERFORMANCE RAIL

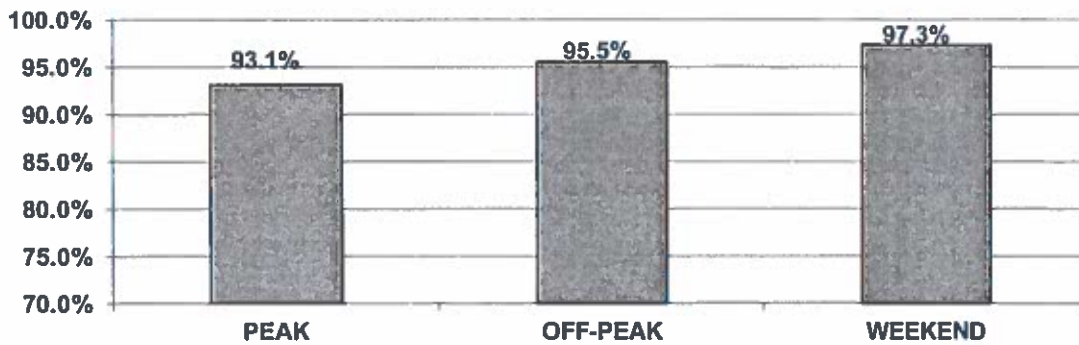
SUMMARY BY TIME PERIOD FEBRUARY, 2018

* NOTE: A train is reported late if it arrives at its final station stop more than 5:59 later than the advertised schedule.

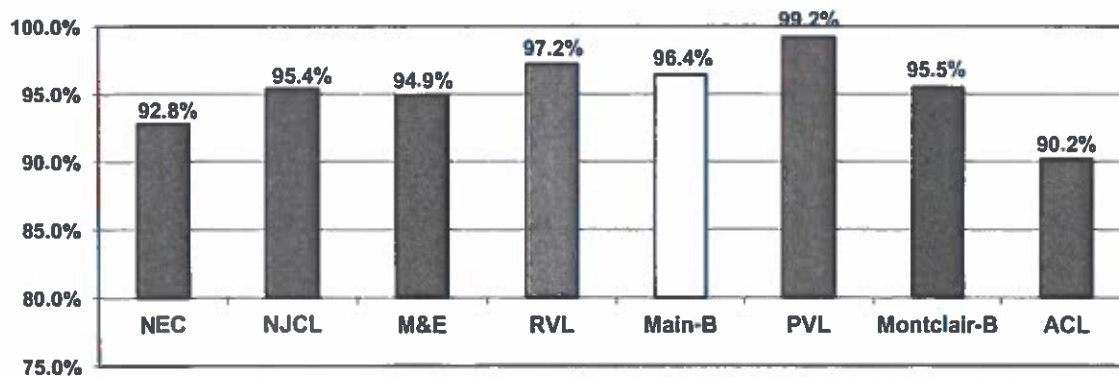
% NEW YORK PENN STATION Trains Reported On Time *



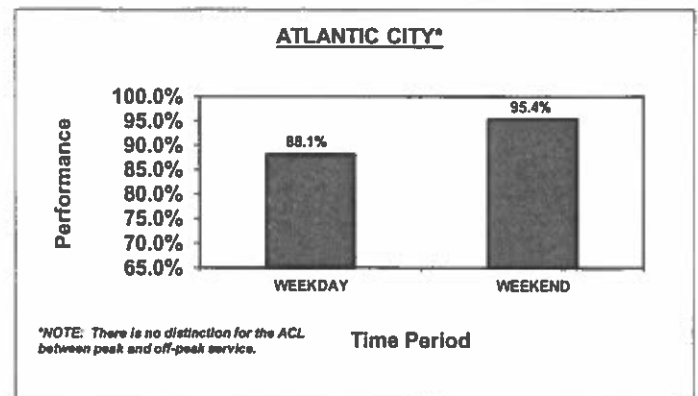
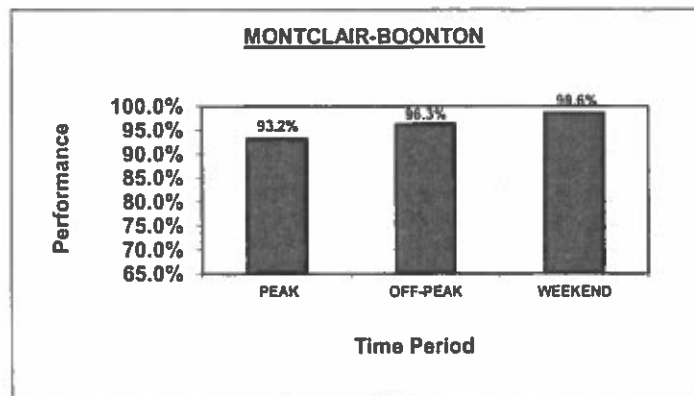
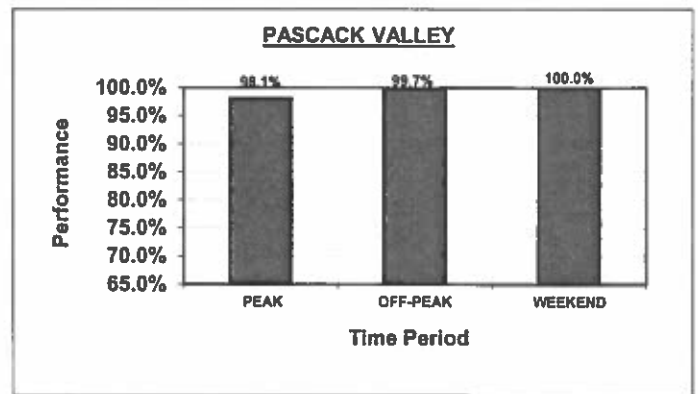
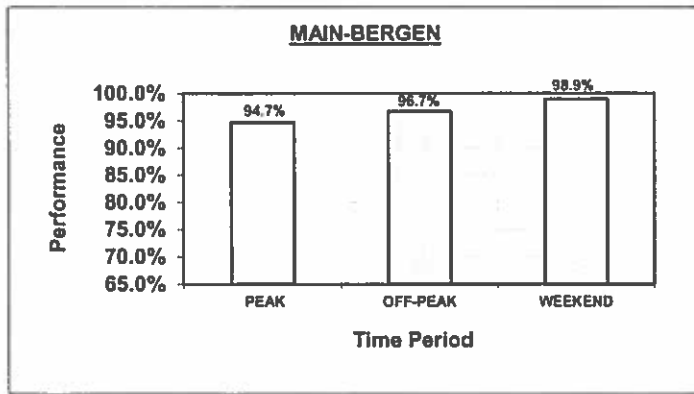
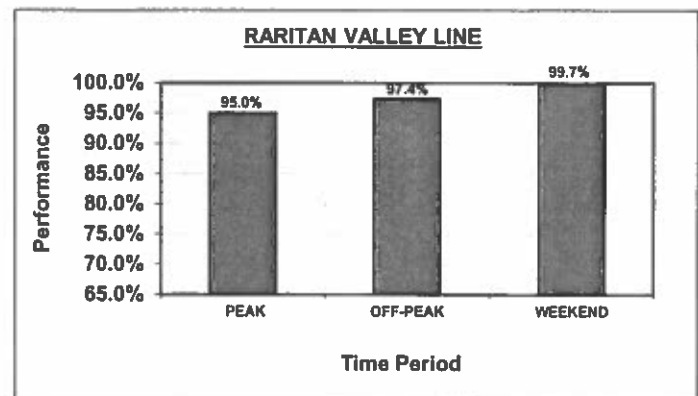
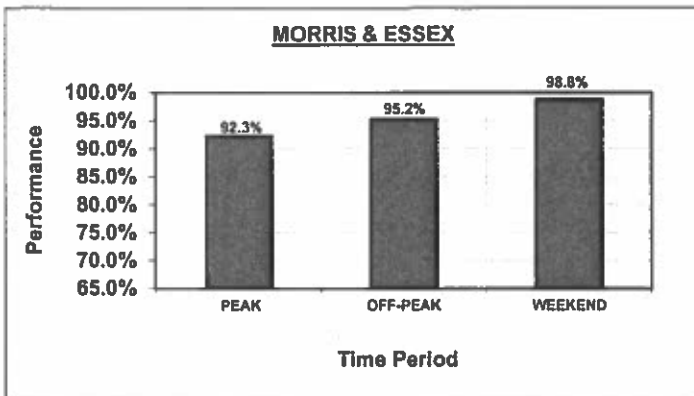
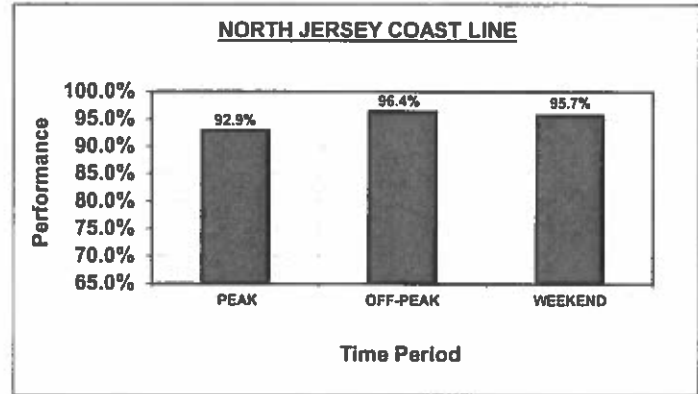
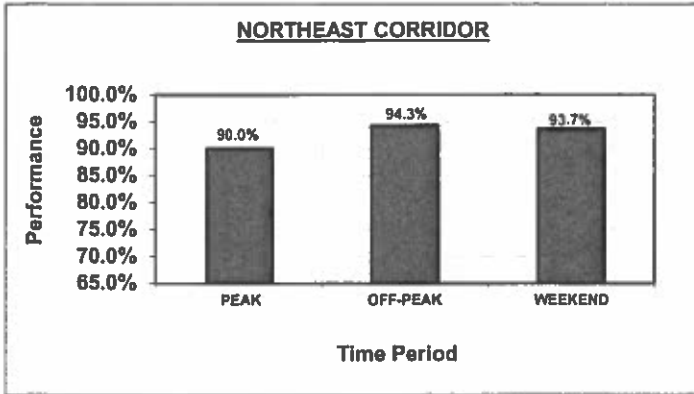
% SYSTEMWIDE Trains Reported On Time



% BY LINE Trains Reported On Time



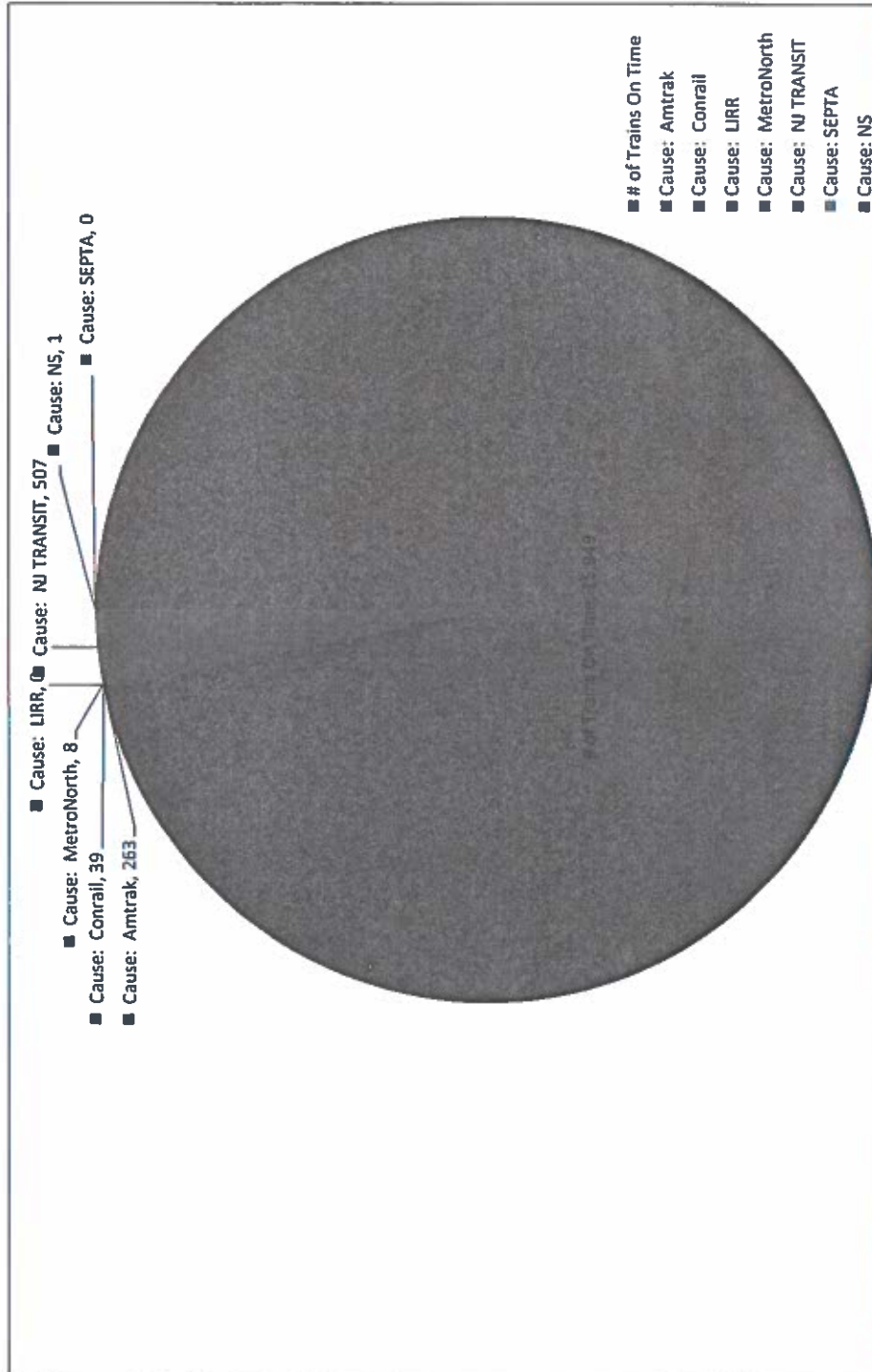
ON-TIME PERFORMANCE BY RAIL LINE & TIME PERIOD FEBRUARY, 2018



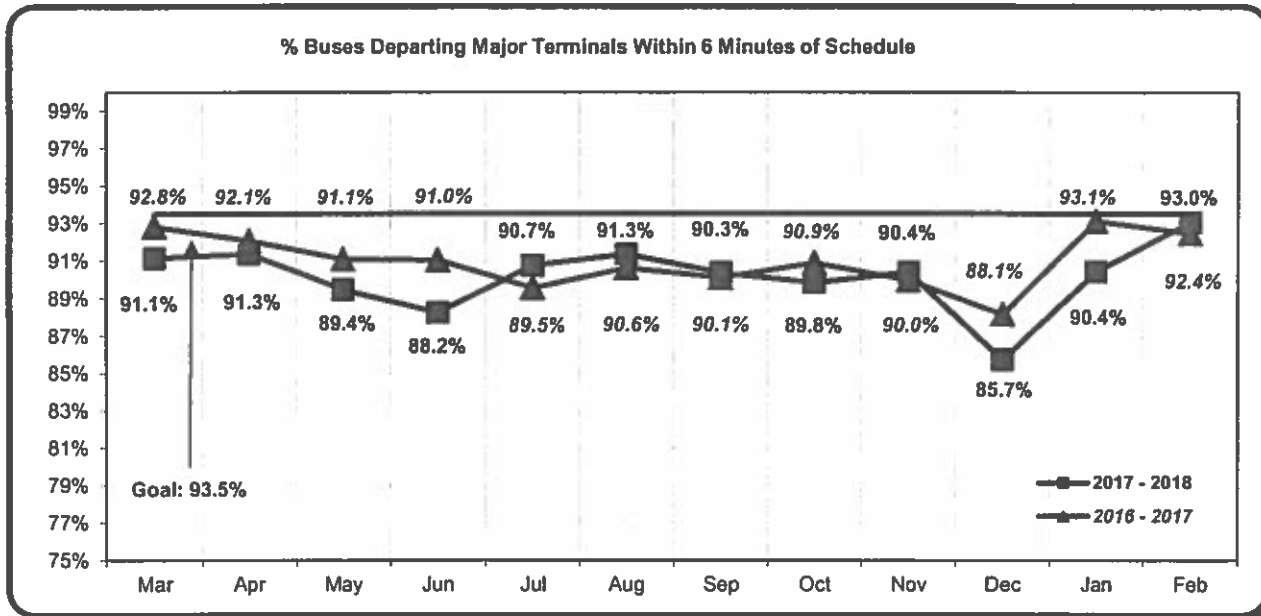
NJ TRANSIT Performance - FEBRUARY, 2018

Late NJ TRANSIT Trains

# of Trains On		Cause: Amtrak		Cause: Conrail		Cause: LIRR		Cause: MetroNorth		Cause: NJ TRANSIT		Cause: SEPTA		Cause: NS	
# of Trains On Time	15,949	263	1.57%	39	0.23%	0	0.00%	8	0.05%	507	3.02%	0	0.01%	1	0.01%
# of Late Trains	818														
Total # of Trains	16,767														
Percentage On Time	95.11%														



NJ TRANSIT ON-TIME PERFORMANCE BUS MARCH 2016 - FEBRUARY 2018



	2016 - 2017	2017 - 2018	% Change
February Comparison	92.4%	93.0%	0.6%

	2016 - 2017	2017 - 2018	% Change
12-Month March 2017 - February 2018	91.0%	90.2%	-0.8%

Analysis:

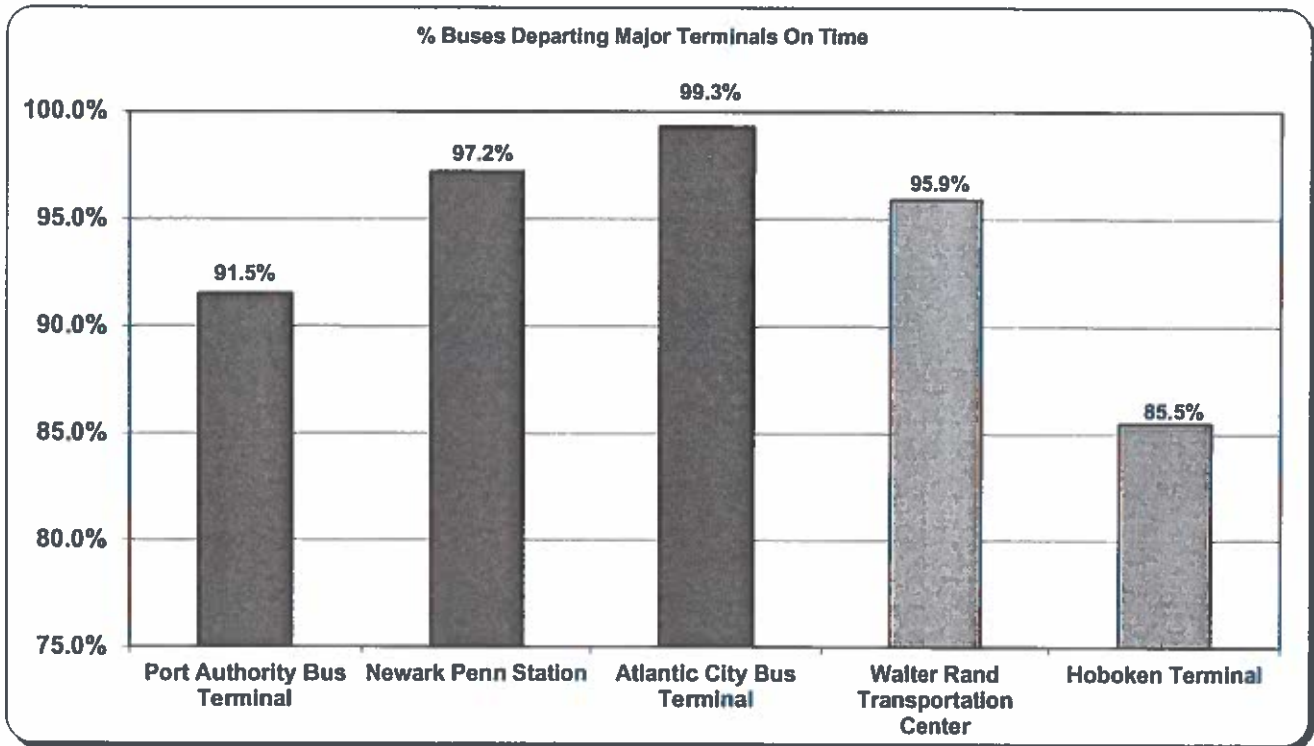
Bus On-Time Performance was 93.0% for February 2018. Of the 40,781 monitored departures 2,844 (or 7.0%) experienced delays. Key causes included:

- At the Port Authority Bus Terminal, severe weather conditions on February 2, and severe weather conditions on February 16 coinciding with construction on 40th Street blocked access onto the inbound ramp which impacted service.
- Delays in Newark due to severe weather conditions on February 2, and police activity on February 22 impacted service.
- Construction on Washington Street continues to impact performance at Hoboken. The project is scheduled to continue until mid-2018.

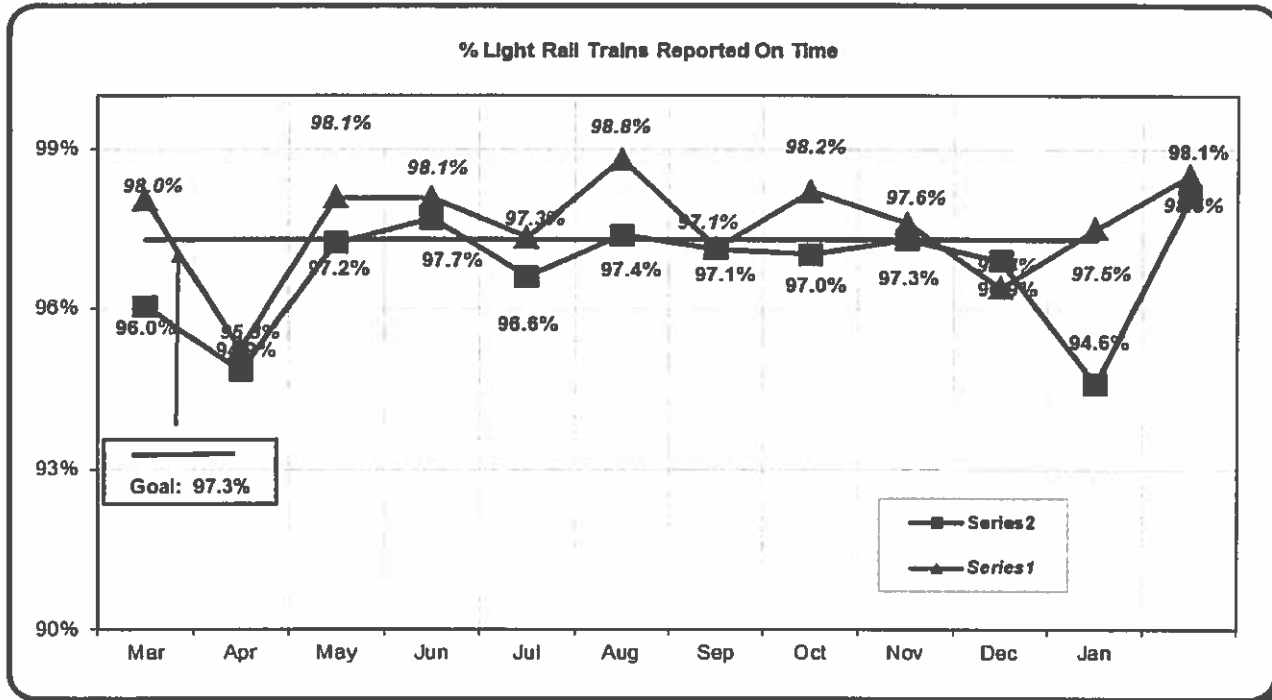
The 12-month average for Bus On-Time Performance for March 2017 - February 2018 was 90.2%, which was down by 0.8% from the previous year.

ON-TIME PERFORMANCE BUS

SUMMARY BY TERMINAL FEBRUARY 2018



NJ TRANSIT ON-TIME PERFORMANCE LIGHT RAIL MARCH 2016 - FEBRUARY 2018



2017	2018	# Change
98.5%	98.1%	-0.4%

January Comparison

2016-2017	2017-2018	# Change
97.6%	96.7%	-0.8%

12-Month Average Ended Jan 2017 & Jan 2018

Analysis:

Light Rail On-Time Performance systemwide was 98.1% for the month of February 2018. Of the 24,238 scheduled departures, 503 (or 2.1%) experienced delays.

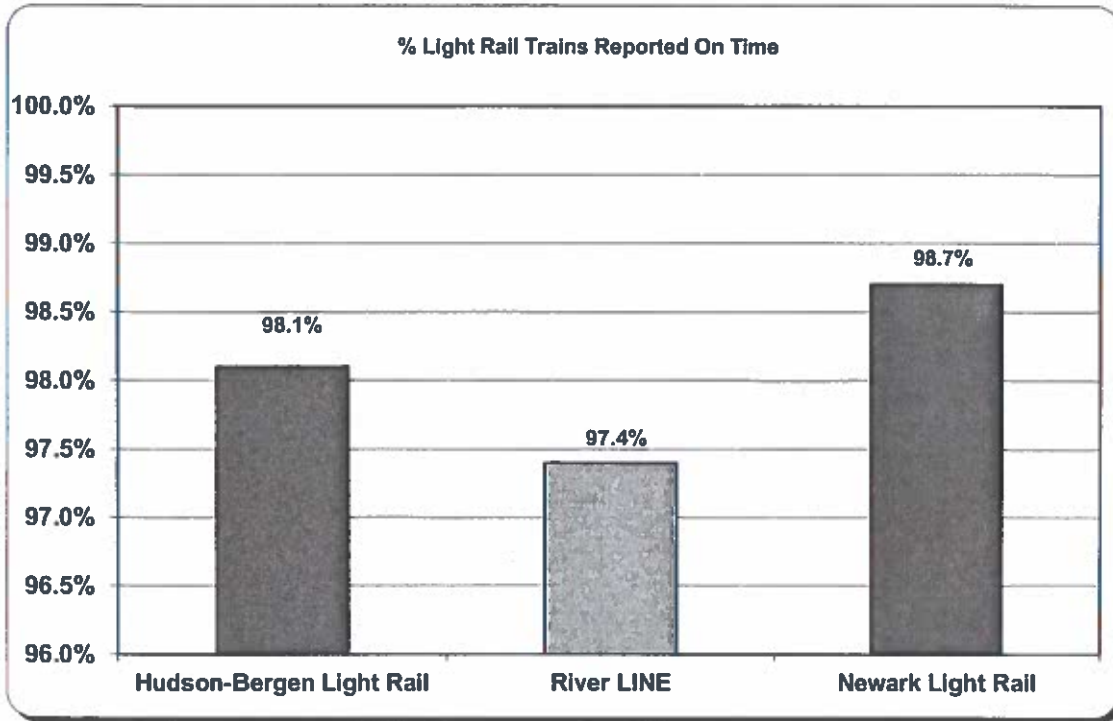
Key causes included:

- Police activity at LSP delayed 11 HBLR Line trains on February 15.
- Track obstruction (vehicle fouling tracks) delayed 4 RiverLine trains on February 19.
- Loss of power in Newark from Bloomfield to Park delayed 12 NLR trains on February 1.

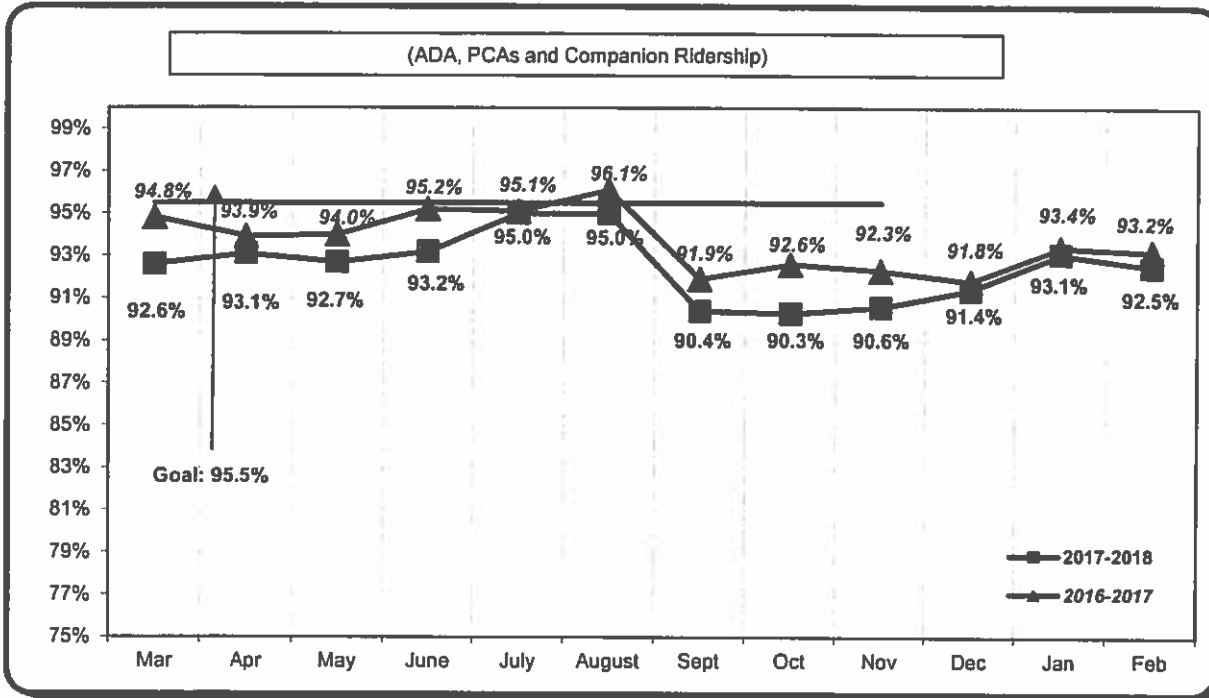
The 12-month average for Light Rail On-Time Performance for March 2017 - February 2018 was 96.7%, which decreased by 0.8 %.

ON-TIME PERFORMANCE LIGHT RAIL

SUMMARY BY LINE February 2018



NJ TRANSIT ON-TIME PERFORMANCE ACCESS LINK March 2016 - February 2018



	2017	2018	% Change
February Comparison	93.2%	92.5%	-0.7%

	2017	2018	Difference
February Ridership	123,316	128,637	5,321

	2016-2017	2017-2018	% Change
12-Month Average March-February	93.7%	92.5%	-1.2%

Analysis:

Access Link On-Time Performance was 92.5% for February 2018. In serving 128,637 total riders, for 117,679 ADA customers trips, 8,821 (or 7.5%) experienced delays.

Key causes include:

- * Super Bowl Parade which caused an increase traffic volume service delay
- * Inclement weather (causing major service delays and removal of Sedans from service)

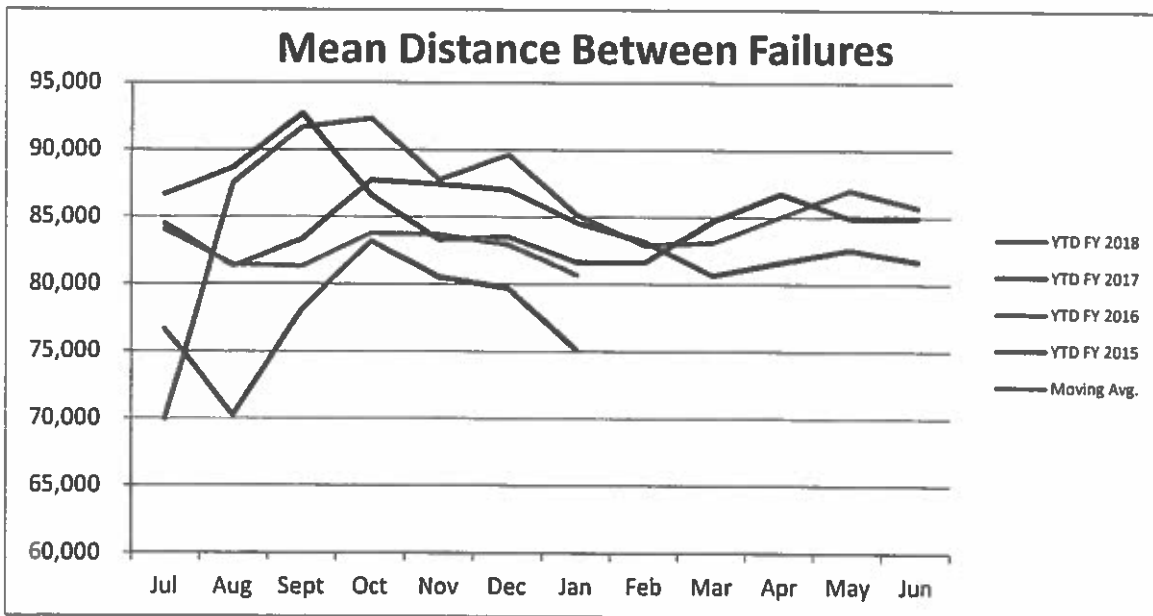
The 12-month average for Access Link On-Time Performance for March 2017 - February 2018 was 92.5%, which decreased by 1.2%.

MEAN DISTANCE BETWEEN FAILURES

January 2018

NJ TRANSIT Rail Operations
Mean Distance Between Failures

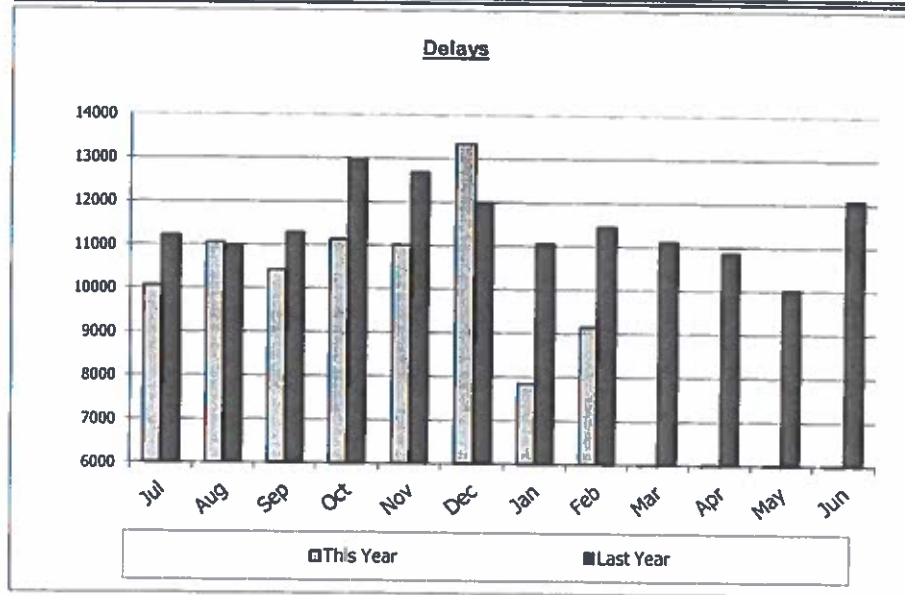
Month	YTD FY2018	YTD FY2017	YTD FY2016	YTD FY2015	12 Month Moving Avg.
Jul	76,674	86,683	69,926	84,508	84,069
Aug	70,263	88,680	87,565	81,319	81,472
Sept	78,151	92,705	91,669	83,368	81,337
Oct	83,213	86,626	92,329	87,750	83,800
Nov	80,523	83,272	87,756	87,434	83,720
Dec	79,711	83,501	89,655	87,042	82,929
Jan	75,139	81,633	85,167	84,607	80,711
Feb	-	81,639	82,949	83,179	-
Mar	-	84,715	83,112	80,659	-
Apr	-	86,771	85,060	81,649	-
May	-	84,920	87,022	82,566	-
Jun	-	84,936	85,722	81,704	-



Garage Performance Parameters

February 2018

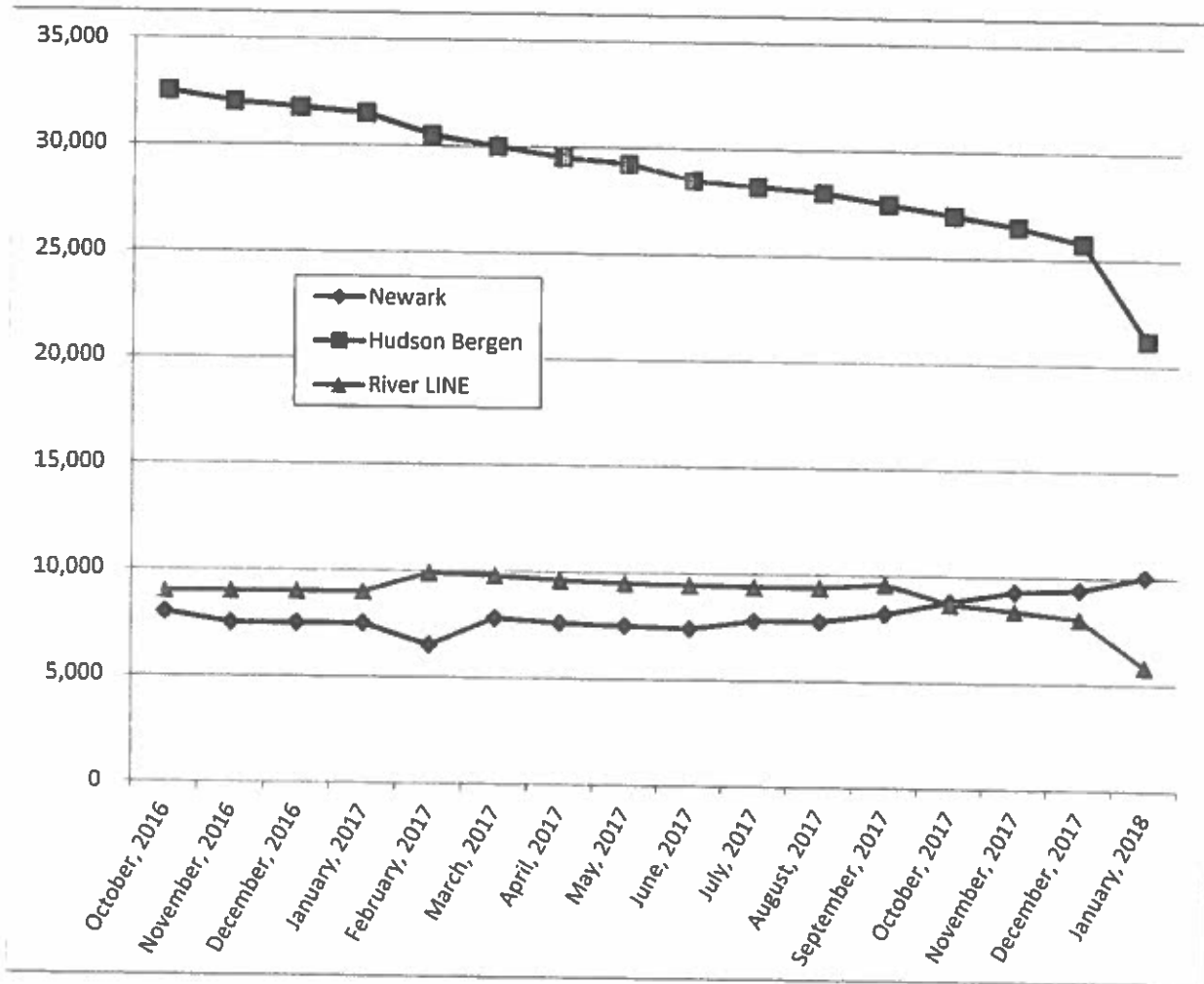
Location	Miles Between In-Service Delays			
	FY2018 Goal	This Month	FY2018 YTD	FY2017 YTD
Fairview	7,000	4,658	5,514	6,281
Greenville	9,900	3,899	4,914	6,308
Market Street	9,500	7,046	8,067	8,930
Meadowlands	11,500	6,600	6,697	7,726
Oradell	13,500	8,464	8,781	10,434
Wayne	12,500	10,468	9,910	12,844
Northern Division	-	7,182	7,686	9,149
Big Tree	8,800	7,241	7,311	9,364
Hilton	10,200	9,959	9,514	10,167
Howell	16,750	24,827	33,512	34,687
Ironbound	9,600	9,471	9,973	10,216
Orange	9,250	7,608	8,566	9,074
Morris	10,500	43,423	47,080	47,227
Central Division	-	11,163	12,186	12,984
Egg Harbor	16,500	11,649	15,019	15,797
Hamilton	20,000	8,814	12,451	17,520
Newton Avenue	15,700	8,927	11,844	13,768
Washington Twp.	14,500	10,054	12,106	13,138
Southern Division	-	10,117	13,005	14,605
Bus Operations	-	9,146	10,289	11,653



NJ TRANSIT - LIGHT RAIL, January , 2018
Average Miles Between In Service Failures

NJT LIGHT RAIL	MDBSF* January , 2018
Newark Light Rail	10,056
Hudson Bergen	21,203
River LINE	5,841

AVERAGE MILES BETWEEN IN-SERVICE MECHANICAL FAILURES



* Mechanical failure data for 3 LR systems, calculated as a rolling average over multiple months

** Newark Light Rail operates much less mileage, with all single-car trains and a 5 mile alignment.

DBE/SBE PROGRAM

State Funded Contracts

During the month February 2018, NJ TRANSIT awarded **\$162,879,671.57** in state funded contracts. Of that total, Small Business Enterprises (SBEs) received **\$52,492,498.19** or **32.23%**.

During the State Fiscal Year **2018** (July 1, 2017 through June 30, 2018) NJ TRANSIT awarded **\$227,231,139.12** in state funded contracts. Of that total, SBEs received **\$55,685,898.19** or **24.51%**.

SBE Goal Attainment from July 1, 2017 through June 30, 2018 (FY 2018)

Category 1 SBEs received	\$37,500.00	or 0.02%
Category 2 SBEs received	\$177,800.00	or 0.08%
Category 3 SBEs received	49,852,412.57	or 21.94%
Category 4 SBEs received	\$4,429,185.62	or 1.95%
Category 5 SBEs received	\$41,000.00	or 0.02%
Category 6 SBEs received	\$1,148,000.00	or 0.51%

FTA Funded Contracts (updated Quarterly – next update will occur April 2018)

During the 1ST Quarter (October 1, 2017 – December 31, 2017) of Federal Fiscal Year 2018 (October 1, 2017 through September 30, 2018), the FTA funded share of NJ TRANSIT’s federal contracts awarded was **\$6,652,078.80**. Of that total, Disadvantaged Business Enterprises (DBEs) received **\$1,512,719.97** or **22.74%**.

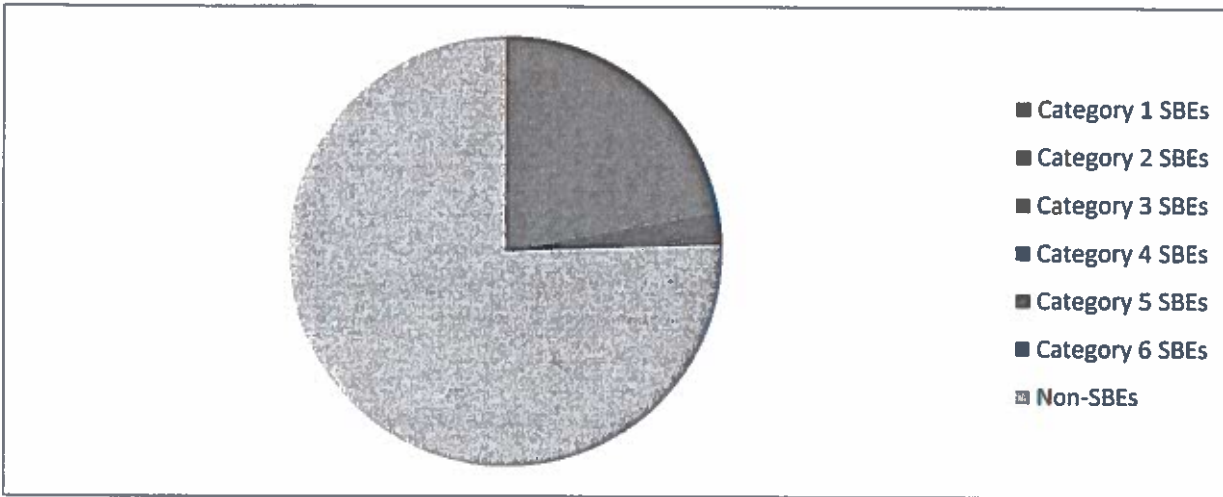
DBE Goal Attainment from October 1, 2017 – December 31, 2017 (FFY 2018) **

Contracts awarded	\$6,652,078.80
DBEs received	\$ 1,512,719.97 or 22.74%

****Numbers reflect federal share.**

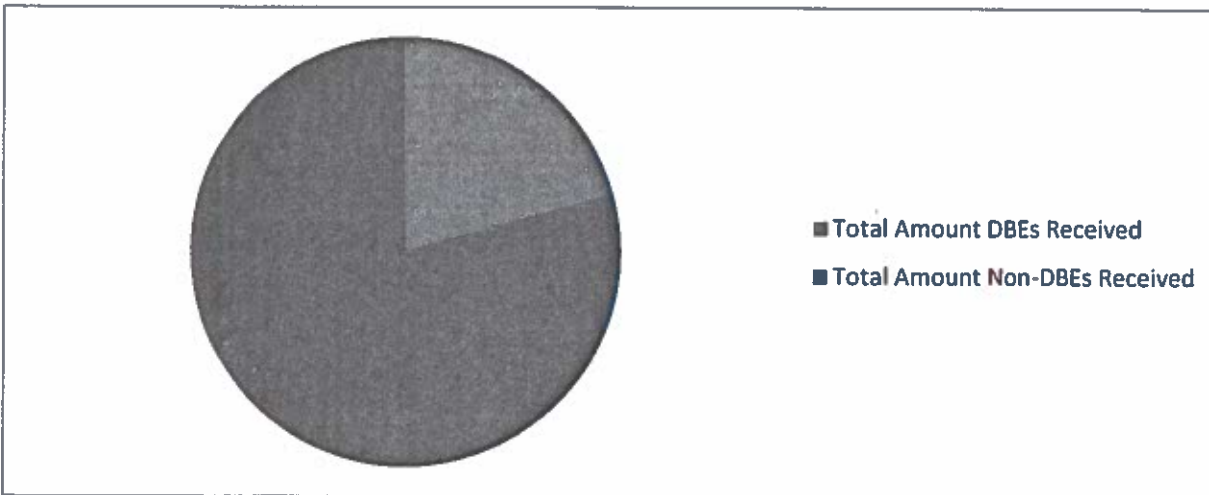
SBE PARTICIPATION
STATE CONTRACTS
STATE FYTD 2018

<i>Category 1 SBEs</i>	\$37,500.00	0.02%
<i>Category 2 SBEs</i>	\$177,800.00	0.08%
<i>Category 3 SBEs</i>	\$49,852,412.57	21.94%
<i>Category 4 SBEs</i>	\$4,429,185.62	1.95%
<i>Category 5 SBEs</i>	\$41,000.00	0.02%
<i>Category 6 SBEs</i>	\$1,148,000.00	0.51%
<i>Non-SBEs</i>	\$171,545,240.93	0.00%



DBE PARTICIPATION
FEDERAL CONTRACTS
FEDERAL FYTD 2018

Total Amount DBEs Received	\$4,381,686.97	20.71%
Total Amount Non-DBEs Received	\$16,779,532.77	79.29%



EMPLOYEE RECOGNITION

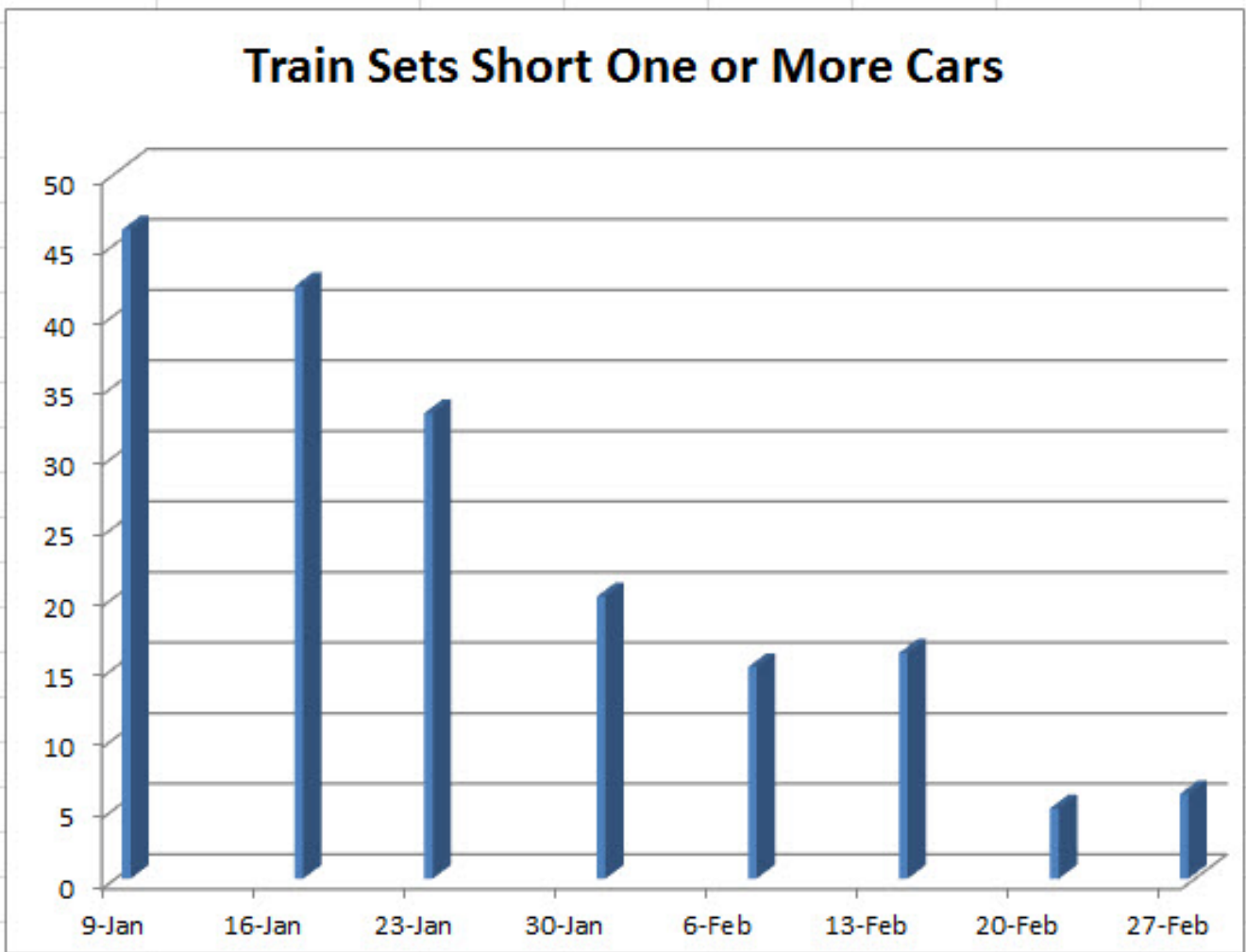
NJ TRANSIT employees bid farewell after outstanding careers

42 NJ TRANSIT employees retired recently with careers ranging from 10 to 41 years of service:

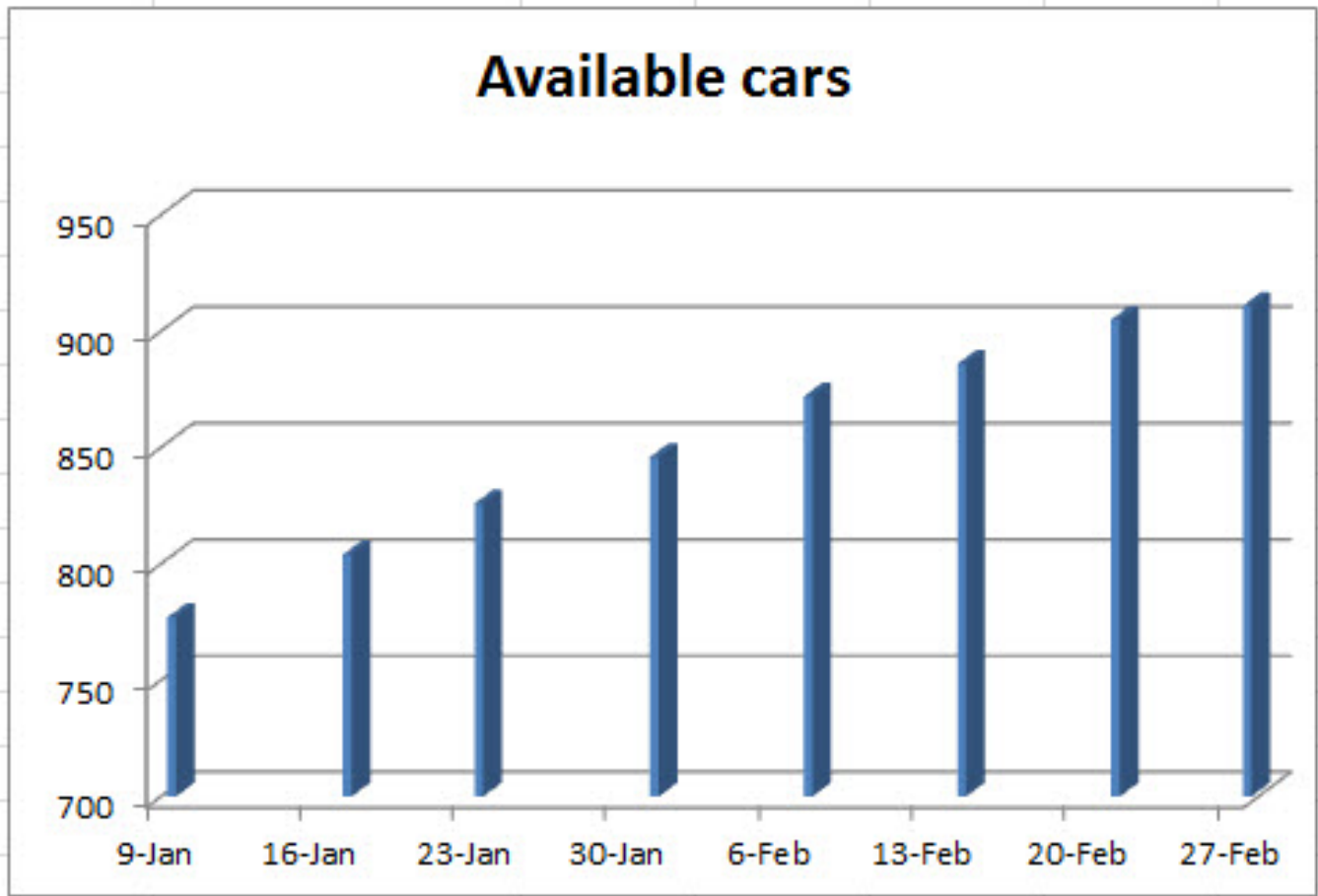
1. Keith Barletta, Technician – MMC-Electric-SH – 27 years
2. Lillian Caro-Majette, Station Maser – Hoboken – 33 years
3. George Chipko, Sr. Tech. Spec Field – MMC-Kearny – 32 years
4. Robert Herrick, Machinist – MMC-Tread-BRK – 16 years
5. Joseph Iadanza, Mgr. Component Repair – MMC-Kearny – 11 years
6. Robert Lavell, VP And GM Rail – Penn Plaza – 15 years
7. Diane Pettiford, Gateman – Hoboken – 24 years
8. Walter Warley, Electrician – MMC-Car – 10 years
9. Thomas Braddock, Operator – Washington Twp. – 35 years
10. Wilbur W. Coleman, Inspector A – Egg Harbor – 33 years
11. Michael Cribb, Operator – Hamilton – 32 years
12. Denise A. Damiano, Clk. Dist. and Gar – Wayne – 34 years
13. Kyle E. Dickson, Depot Mstr. – Fairview – 30 years
14. Mark A. Guido, Starter – Port Authority Bus Terminal – 38 years
15. Rorey Johnson, Operator – Hilton – 30 years
16. Kevin M. Johnston, Spec. Mech. – Newark Bus – 36 years
17. Kathleen A. Lannon, Operator – Newton Ave – 31 years
18. Stanley Lee, Sr. Comp. Operator – Penn Plaza – 29 years
19. Ralph Liloia Jr., Operator – Ironbound – 20 years
20. Annie D. Lunsford, Operator – Orange – 22 years
21. April M. Madden, Operator – Orange – 25 years
22. Anthony Pallitto, Operator – Wayne – 29 years
23. Joseph Pergola, Mechanic A – Hamilton – 32 years
24. Roan R. Plummer, Repairman A – Big Tree – 26 years
25. Karen M. Price, Operator – Washington Twp. – 22 years
26. Rafael Santana, Repairman A – Wayne – 28 years
27. Dennis W. Thorpe, Repairman A – Fairview – 31 years
28. Christopher J. Tiedemann, Stock Clk. – Howell – 30 years
29. Christian Titerence, Operator – Egg Harbor – 25 years
30. James H. Trotter Jr., Elec. Tech. – Newark Bus – 36 years
31. Thomas J. Anseume, Operator – Ironbound – 38 years
32. Russell Bland, Operator – Fairview – 35 years
33. Mark Cavet, Operator – Howell – 17 years

- 34. Roy Ellison, Operator – Meadowlands – 41 years
- 35. Nagy G. Ghaly, Operator – Meadowlands – 25 years
- 36. Yavone Thurmon, Operator – Hamilton – 33 years
- 37. Ciro J. Balzano, Operator – Howell – 11 years
- 38. James W. Boydo, Starter – Camden – 20 years
- 39. Scott J. Digrazia, Mechanic A – Newark Bus – 14 years
- 40. Neal A. Fitzsimmons, Chief Light Rail – Bloomfield – 27 years
- 41. Steven G. Greiner, Garage Supv. – Greenville – 37 years
- 42. Shirelle D. Johnson, Accountant – GOB – 31 years

Date	Consist short
9-Jan	46
17-Jan	42
23-Jan	33
31-Jan	20
7-Feb	15
14-Feb	16
21-Feb	5
27-Feb	6

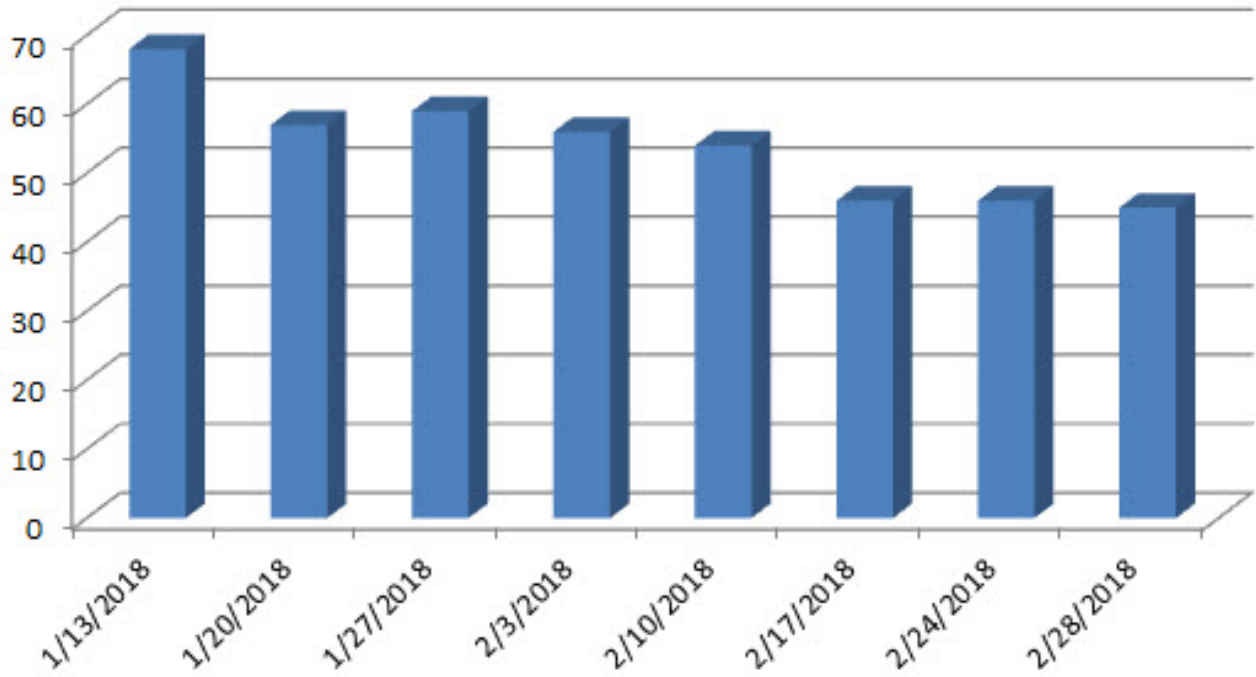


Date	Available cars				
9-Jan	777				
17-Jan	804				
23-Jan	826				
31-Jan	846				
7-Feb	872				
14-Feb	886				
21-Feb	905				
27-Feb	911				



Date	ABPI						
1/13/2018	68						
1/20/2018	57						
1/27/2018	59						
2/3/2018	56						
2/10/2018	54						
2/17/2018	46						
2/24/2018	46						
2/28/2018	45						

Air-Brake Periodic Inspection (ABPI)
Cars Out-Of-Service - Awaiting ABPI



ACTION ITEMS

ITEM 1803-21: PASSAIC-BERGEN PASSENGER SERVICE RESTORATION PROJECT: CONSULTANT CONTRACT AWARD FOR CURRENT CONDITIONS STUDY SERVICES

BENEFITS

The Passaic-Bergen Passenger Service Restoration Project will assess the potential for new transit service between the City of Hawthorne in Passaic County and the City of Hackensack in North Bergen County, potentially extending eastward to Hudson County connecting with either the proposed Northern Branch passenger rail route and/or operating to Tonnelle Avenue, the northern terminus of the Hudson-Bergen Light Rail system, where passengers would transfer. The analysis will assess various forms of transit in a corridor that either utilizes or operates close to the New York, Susquehanna & Western Railway right of way between those points.

Provision of new transit service could improve mobility, alleviate traffic congestion, and support economic development in the region. Potentially extending the corridor to provide a connection to the Hudson-Bergen Light Rail (HBLR) system at Tonnelle Avenue could further improve mobility in this corridor, with access to the North Jersey Waterfront, Trans-Hudson ferries, the PATH system, and the array of NJ TRANSIT bus and rail services at Hoboken Terminal and in the study area.

NJ TRANSIT will benefit from updated information about current conditions in the corridor, the potential ridership, costs and issues associated with advancing transit service alternatives. This information will support decision making about potential future capital investments in this corridor.

ACTION (Scorecard: Customer Experience, Corporate Accountability, Safety and Security)

Staff seeks authorization to enter into NJ TRANSIT Contract No. 17-048 with WSP USA of Newark, New Jersey, to provide consultant services for the Passaic-Bergen Passenger Service Restoration Project Current Conditions Study at a cost not to exceed \$777,000, plus five percent for contingencies, subject to the availability of funds.

PURPOSE

The purpose of this effort is to prepare a federally-compliant technical update and assessment of the Passaic-Bergen Passenger Service Restoration Project between Hawthorne and Hackensack for current conditions, as well as to assess transit options beyond these end points. The work will consider a range of options including modal alternatives, different station locations and the potential of transit friendly land uses to drive patronage forecasts. The intended outcome is to identify the most viable transportation plan to serve the communities in the project area.

The effort will also assess the potential for extending the corridor eastward to Hudson County to the northern terminus of the Hudson-Bergen Light Rail (HBLR), where passengers would transfer for HBLR service.

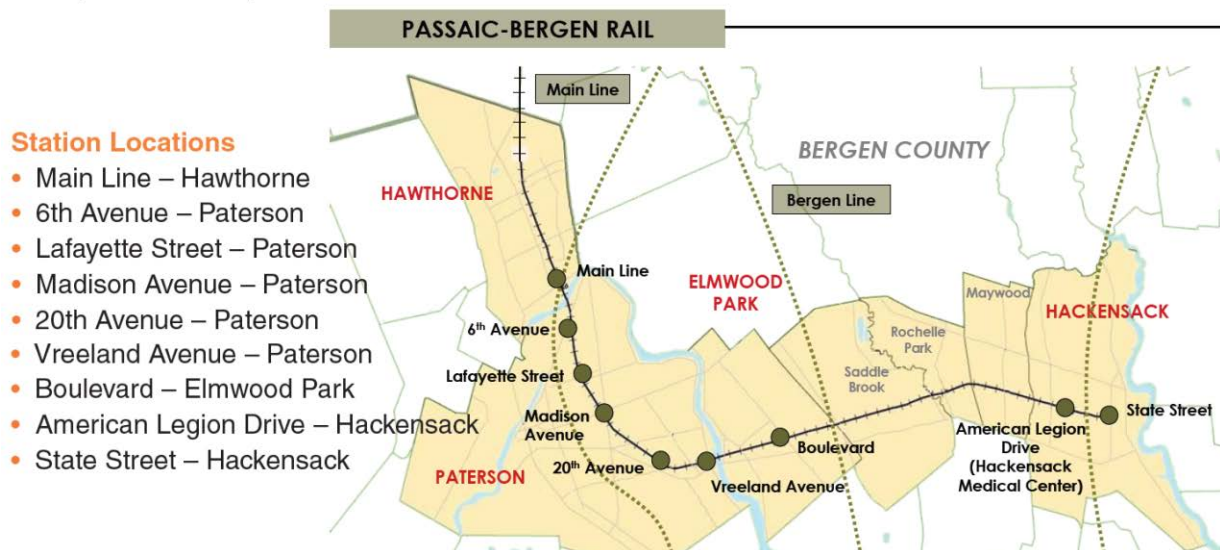
The analysis shall include but is not limited to:

- Review of changes to the natural and built environment
- Identification of transit-supportive development and land use changes
- Land use policy changes
- Demographic analysis (population, employment, transit dependency, etc.)
- Review of changes to rail operations and infrastructure
- Emerging issues related to sharing an active freight corridor (PTC, physical offsets, etc.)
- Consideration of the the impacts of connections to the existing transport network and options for transfer stations

BACKGROUND

As a component of the West Shore Region MIS / EIS transportation improvement plan, NJ TRANSIT produced an Environmental Impact Statement under State EO 215 in 2007 for a new rail service along the New York Susquehanna & Western track alignment between the City of Hackensack, Paterson and Hawthorne, which was conditionally approved in 2008. Engineering work was completed for the proposed rail service, but funding was not available for construction and the project did not advance.

Map of the 2007 Study Area and alignment:



Funding

The Department of Transportation Appropriations Act of 2016 authorized States and territories to repurpose certain federal funds originally earmarked for specific projects

more than ten years old where less than ten percent of the project was obligated, or the project was completed and closed. Passaic County had federal earmarks that fell under this definition, and pursued reallocation of \$1,000,000.00 from Passaic County to NJ TRANSIT for this study (as well as \$2,500,000.00 for construction of a new bus terminal in the City of Passaic). Accordingly, the County and NJ TRANSIT worked with the North Jersey Transportation Planning Authority (NJTPA) to include the study funds in the NJTPA Transportation Improvement Program, and add the study to the NJTPA work program. These actions were approved by the NJTPA Board in January 2017.

In June 2017, NJ TRANSIT and the Counties of Passaic, Bergen, and Hudson executed a Memorandum of Understanding (MOU) regarding the scope of work, management of the project, and project schedule. The MOU specifies that NJ TRANSIT as well as each of the aforementioned counties shall each designate a project liaison, who will together coordinate on quarterly meetings and status updates. The MOU also specifies that NJ TRANSIT shall be responsible for procurement, as well as managing the project, and the selected consultant shall be responsible for community engagement.

Procurement

The NJ TRANSIT Office of Business Development assigned a Disadvantaged Business Enterprise (DBE) Race Neutral goal to this contract.

A Request for Proposals (RFP) for consultant services for the Passaic-Bergen Passenger Rail Restoration Project Current Conditions Study was advertised in *The Star-Ledger* and *The Trenton Times* on July 13, 2017. A Pre-Proposal Conference was held on August 8, 2017 at NJ TRANSIT Headquarters. Proposals were received on September 15, 2017.

A Technical Evaluation Committee (TEC), composed of staff from Capital Planning & Programs, as well as one committee member each from Passaic County, Bergen County, and Hudson County, evaluated the proposals. Two proposals were submitted. The TEC completed its final evaluations, and the consultant team led by WSP USA was ranked the highest by the TEC. WSP USA has identified 13.75% DBE participation for this contract.

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

FISCAL IMPACTS

Requested Authorization: \$777,000 + 5% contingency

Past Authorizations: None

Expenditures to Date: \$0

Total Project Cost: \$1,000,000

Projected Date of Completion: December 2019

Capital Program Amount: \$1,000,000

Operating Budget Amount: NA

PRINTS ID Number: NJT01267

Anticipated Source of Funds: Federal Transit Administration

DBE/SBE Goal: Race Neutral

***NJ Build* Amount:** NA

Related/Future Authorizations: None

**Impacts on Subsequent
Operating Budgets:** None

RESOLUTION

WHEREAS, the provision of new transit service could improve mobility, alleviate traffic congestion, and support economic development in the Hudson-Bergen Light Rail (HBLR) Tonnelle Avenue corridor, and

WHEREAS, NJ TRANSIT will benefit from updated information about current conditions in the corridor, the potential ridership, costs and issues associated with advancing transit service alternatives, and

WHEREAS, this information will support decision making about potential future capital investments in this corridor, and

WHEREAS, upon completion of a competitive procurement process, it was determined that WSP USA submitted the lowest responsive and responsible bid;

NOW, THEREFORE, BE IT RESOLVED that the Chair or Executive Director is hereby authorized to enter into NJ TRANSIT Contract No. 17-048 with WSP USA of Newark, New Jersey, to provide consultant services for the Passaic-Bergen Passenger Service Restoration Project Current Conditions Study at a cost not to exceed \$777,000, plus five percent for contingencies, subject to the availability of funds.

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 personnel matters, contract negotiations, the status of pending and anticipated litigation, and matters falling within the attorney-client privilege; 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.

ITEM 1803-22: NJ TRANSIT GRANT OF HOBOKEN EASEMENT

BENEFITS

NJ TRANSIT staff seeks authorization to negotiate and grant an easement at the NJ TRANSIT Hoboken/Jersey City Light Rail 9th Street Station. A mixed-use development project near the Station is partially built and requires access to NJ TRANSIT property to be completed. Granting the requested easement will increase non-farebox revenue to NJ TRANSIT and result in enhanced pedestrian access and circulation to and from the Light Rail 9th Street Station. The development on property adjacent to NJ TRANSIT's will provide an additional pedestrian landscaped and lighted sidewalk, by the Grantee, parallel to the Hudson Bergen Light Rail Right Of Way on the eastern side of Harrison Street between 7th and 8th Streets to complement the existing sidewalk on the western side of Harrison Street.

The proposed improvements would not be feasible absent the requested easement. The proposed Grantee-requestor entity is Monroe Center Hoboken Urban Renewal, LLC.

ACTION (Scorecard: Corporate Accountability and Financial Performance)

Take all actions necessary to negotiate and grant an access easement based on market valuations in the amounts discussed in Executive Session and subject to conditions for the protection of NJ TRANSIT interests for parcels of land in the City of Hoboken (Block 80, Lot 10.01) and the City of Jersey City (Block 2405, Lot 2) consisting of approximately 11,000 square feet (0.25 acre) adjacent to NJ TRANSIT's Hudson-Bergen Light Rail 9th Street Station.

PURPOSE

Granting the easement will increase non-farebox revenue and facilitate economic development in the Hudson County communities in which NJ TRANSIT property is located in the Cities of Hoboken and Jersey City. The easement grant will also result in enhanced auto and pedestrian circulation joining NJ TRANSIT parcels with adjacent properties. A portion of the easement area will be improved at Grantee's cost for the benefit of HBLR commuters and residents with a tree-landscaped and lighted sidewalk, in varying width from 20.5' to 24.5', which is proposed to contain light fixtures and street trees which, in addition to the roadway, will be maintained at Grantee's cost.

The Hoboken/Jersey City easement will use NJ TRANSIT property to access an adjacent multi-tower structure that includes 424 residential units and structured parking adjacent to the Hudson-Bergen Light Rail 9th Street Station. The City of Hoboken will benefit from a new, productive economic development project and NJ TRANSIT would facilitate a Transit Oriented Development project.

BACKGROUND

Upon receiving the request for the conveyance of the property interest, NJ TRANSIT Real Estate initiated the excessing process by which property dispositions are vetted to ensure that potential impacts to operations are addressed. Initially, Real Estate identified and defined the relevant property boundaries and confirmed ownership. Next, an excessing review memorandum was prepared and circulated to the following NJ TRANSIT departments for review and comments: Capital Funding; Bus Operations; Environmental Services; Capital Planning & Programs; Government Affairs; Light Rail Operating Contracts; Rail Infrastructure Engineering; Fixed Assets; NJ TRANSIT Police; Office of System Safety; and, Property Development. NJ TRANSIT staff concluded that the property in question could be deemed excess to transportation operations and made available via access easement subject to standard conditions and such other conditions as requested by NJ TRANSIT departments. The agreement will restrict use of the property to access and be subject to reversion to NJ TRANSIT in the event of violation of restrictions and conditions.

The Grantee and its successors and assigns, will be required to assume obligations related to the Grantee's use, such as the payment of taxes, maintenance and repair responsibilities, compliance with all land use, environmental, and other applicable legal requirements, including indemnifying and holding NJ TRANSIT and the State of New Jersey harmless from liability related to the use, and adherence to NJ TRANSIT's requirements for working within the vicinity of the right of way.

NJ TRANSIT will retain joint access rights to the non-exclusive access grant to support its services for inspection, and emergency response. In addition, a survey depicting both the dimensions for the proposed mixed-use development project, as well as the boundaries of the access easement, will be certified to NJ TRANSIT prior to closing.

The proposed access and easement area consists of a rectangular-shaped parcel that adjoins approximately 460 feet of NJ TRANSIT's eastbound HBLR right of way with a maximum width of approximately 30 feet between 7th and 8th Streets in Hoboken, NJ. The Grantee is constructing a multi-tower structure containing 424 residential units, including parking for 415 vehicles, on property bounded by 8th Street to the north, existing buildings fronting on Monroe Street to the east, the Jubilee Center and 7th Street to the south, and the HBLR to the west.

The existing sidewalk on the westerly side of Harrison Street and the roadway adjacent to the HBLR Right-of Way will be unaffected by the easement and will be continue to be used for access to and from the 9th Street Station.

Utilizing FTA funding, NJ TRANSIT acquired the subject property when it purchased the railroad Right of Way for the HBLR. FTA approval of terms and conditions of the conveyance of easement access rights may be required.

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

FISCAL IMPACTS

Requested Authorization:	To take all actions necessary to negotiate and grant an access easement based on market valuations in the amounts discussed in Executive Session and subject to conditions for the protection of NJ TRANSIT interests for a parcel of land in City of Hoboken (Block 80, Lot 10.01) and the City of Jersey City (Block 2405, Lot 2) consisting of approximately 11,000 square feet (0.25 acre) adjacent to NJ TRANSIT's Hudson-Bergen Light Rail 9th Street Station.
Past Authorizations:	N/A
Expenditures to Date:	\$ 5,300 (appraisal)
Total Project Cost:	None
Projected Date of Completion:	April 2018
Capital Program Amount:	None
Operating Budget Amount:	None
Anticipated Source of Funds:	N/A
DBE/SBE Goal:	N/A
<i>NJ Build</i> Amount:	None – Conveyance of easement
Related/Future Authorizations:	None known
Impacts on Subsequent Operating Budgets:	No additional expenses are anticipated.

RESOLUTION

WHEREAS, the New Jersey Public Transportation Act of 1979, P.L. 1979, c. 150 authorizes NJ TRANSIT to lease, purchase, and sell or otherwise dispose of, on terms which NJ TRANSIT may prescribe, real and personal property; and

WHEREAS, NJ TRANSIT staff has determined that an access easement for a parcel of land in the City of Hoboken (Block 80, Lot 10.01) and the City of Jersey City (Block 2405, Lot 2) consisting of approximately 11,000 square feet (0.25 acre) adjacent to NJ TRANSIT's Hudson-Bergen Light Rail 9th Street Station may be negotiated and granted based on market valuations and subject to conditions for the protection of NJ TRANSIT's interests;

NOW, THEREFORE, BE IT RESOLVED that the Chair or Executive Director is hereby authorized to take all actions necessary to negotiate and grant an access easement for a parcel of land in the City of Hoboken (Block 80, Lot 10.01) and the City of Jersey City (Block 2405, Lot 2) consisting of approximately 11,000 square feet (0.25 acre) adjacent to NJ TRANSIT's Hudson-Bergen Light Rail 9th Street Station based on market valuations, in the amounts discussed in Executive Session, subject to conditions for the protection of NJ TRANSIT's interests.

ITEM 1803-23: AMENDED BOARD ITEM 1710-48: NJ TRANSIT RESILIENCE PROGRAM: LONG SLIP FILL AND RAIL ENHANCEMENT - ENVIRONMENTAL MITIGATION CREDIT PURCHASES

BENEFITS

The Long Slip Fill and Rail Enhancement project involves the filling of the Long Slip and the construction of new tracks on the filled area to serve ADA-accessible, high-level boarding platforms as well as the construction of a passenger/rail personnel facility. The elevated position of these tracks and platforms will improve commuter rail service



to and from Hoboken Yard in advance of and immediately after a storm or other event, will allow for supplemental service to and from Hoboken Terminal during service disruptions elsewhere on the system, and will enable more efficient train operations under normal operating conditions.

The filling of Long Slip will provide ancillary benefits of additional surge protection of Yard equipment and infra-structure and reduce the potential

of lesser storm surges that occur on a more frequent basis.

ACTION (Scorecard: Customer Experience, Corporate Accountability, Financial Performance, Safety and Security)

Staff seeks authorization to amend Board Item 1710-48, NJ TRANSIT Resilience Program: Long Slip Fill and Rail Enhancement Environmental Mitigation Credit Purchases, to enter into purchase agreements, and take any and all other actions necessary, to acquire additional environmental mitigation credits for the Long Slip Fill and Rail Enhancement Project, in the amount discussed in Executive Session, subject to the availability of funds.

PURPOSE

The authorization of the environmental mitigation credits purchases will allow NJ TRANSIT to purchase compensatory open water wetlands mitigation credits and riparian lands mitigation credits to replace resources impacted by the project. Since these credits can be purchased only from specific banks designated by the NJ Department of Environmental Protection (NJDEP), their availability is limited. Purchasing these credits in advance of the actual construction will avoid schedule delays and potential additional costs that might accrue should such credits be

unavailable when mitigation agreements with regulatory agencies are executed at the conclusion of final design.

BACKGROUND

Hoboken Yard and the City of Hoboken suffered significant storm-surge from Superstorm Sandy on October 30, 2012, due in part to the speed with which wind-driven Hudson River water was able to travel up the Long Slip and enter the Yard, leading to more rapid and possibly deeper flooding than would have occurred had Long Slip not existed. NJ TRANSIT required several weeks to clean and repair the Yard and reinstate revenue commuter rail service.

On December 26, 2014, FTA announced its selection of the Long Slip Canal Fill and Rail Enhancement project to receive \$146,548,432 in Disaster Relief Appropriations Act of 2013 funding through a competitive grant process.

To satisfy compensatory mitigation associated with U.S. Army Corps of Engineers and NJDEP permit requirements for the project, environmental mitigation credits will be purchased from an NJDEP-approved mitigation bank servicing the appropriate Watershed Management Area. Environmental mitigation credits are compensation for unavoidable impacts to environmental resources.

Environmental mitigation credits are only available from eligible “Banks” with a service area that includes the permit applicant’s project and where wetlands have been established or enhanced in accordance with U.S. Environmental Protection Agency (USEPA) and U.S. Army Corps of Engineers’ regulations. Each bank has a formal agreement that identifies the number of credits available for sale and requires the use of ecological assessment techniques to certify that those credits provide the required ecological functions.

In October 2017, the NJ TRANSIT Board of Directors authorized the purchase of environmental credits. The amount of credits authorized at the time was based upon the best available estimate of credits needed to satisfy the regulatory requirement to mitigate for the proposed impacts per applicable regulation. Ultimately, the permitting agency, in consultation with other federal agencies and through a final permitting action required additional mitigation credits to be obtained. This revised board item seeks Board authorization to acquire those additional mitigation credits.

Scope of Work

The Work includes the identification and reservation of environmental mitigation credits to advance the Long Slip Fill and Rail Enhancement Project.

Funding

Funding for the purchase of environmental mitigation credits is a routine project capital cost, and can be funded with federal or state capital funds as appropriate to the funding profile for the subject capital project.

Office of State Comptroller approval for this action will be sought as required under Executive Order 125. NJ TRANSIT will work with the FTA to complete any necessary NEPA assessments for these actions.

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

FISCAL IMPACTS

Requested Authorization: Amount to be discussed in Executive Session

Past Authorizations: Amount discussed in Executive Session on October 11, 2017

Expenditures to Date: \$0

Total Project Cost: Amount to be discussed in Executive Session

Projected Date of Completion: August 2018 (Phase 2: Preliminary & Final Design)

Capital Program Amount: \$195,397,910 (Total Long Slip project cost)

Operating Budget Amount: \$0

PRINTS ID Number: NJT01043

Anticipated Source of Funds: Federal Transit Administration
Transportation Trust Fund

DBE/SBE Goal: NA

NJ Build Amount: NA

Related/Future Authorizations: None

Impact on Subsequent Operating Budgets: None

RESOLUTION

WHEREAS, the Long Slip Fill and Rail Enhancement Project will support the operations of commuter rail services to/from Hoboken Yard in anticipation of an extreme weather event and speed recovery following such a weather event; and

WHEREAS, the Federal Transit Administration selected the Long Slip Canal Fill and Rail Enhancement Project to receive Disaster Relief Appropriations Act of 2013 funding through a competitive grant process; and

WHEREAS, the procurement of environmental mitigation credits are required by the environmental permitting agencies for this project;

NOW, THEREFORE, BE IT RESOLVED that the Chair or Executive Director is authorized to amend Board Item 1710-48, NJ TRANSIT Resilience Program: Long Slip Fill and Rail Enhancement Environmental Mitigation Credit Purchases, to enter into purchase agreements, and take any and all other actions necessary, to acquire the amount of environmental mitigation credits needed for the Long Slip Fill and Rail Enhancement Project, in the amount discussed in Executive Session, subject to the availability of funds.