

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

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

October 16, 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, October 10, 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, October 10, 2018.

Board Members Present

Diane Gutierrez-Scaccetti, Chair
Brian T. Wilton, Governor's Representative
Dini Ajmani, Treasurer's Representative
James C. Finkle Jr., Board Member
Flora M. Castillo, Board Member
Raymond W. Greaves, Board Member (Non-Voting)

Staff Present

Kevin S. Corbett, Executive Director
Joyce J. Zuczek, Board Secretary
Joseph E. Snow, Assistant Attorney General, Office of the Attorney General
Eric R. Daleo, Assistant Executive Director, Capital Planning and Programs
Jignasa D. Desai-McCleary, Chief, Procurement and Support Services

Chair Gutierrez-Scaccetti convened the Open Session at 9:07 a.m. in accordance with the Open Public Meetings Act. Janki Pandya, Office of System Safety, provided a Public Safety Announcement. The Pledge of Allegiance to the Flag was conducted and Board Secretary Zuczek 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 October 5, 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.

Executive Session Authorization

At approximately 9:10 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 Flora M. Castillo moved the resolution, Board Member James C. Finkle Jr. seconded the motion, 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 returned to open session at approximately 9:45 a.m.

Chair Gutierrez-Scaccetti noted they would proceed to the approval of minutes. She noted they advertised the public session would start back at 10:00 a.m., and as they go through the process of refining how they run Executive Session against the Open Session, they will make some adjustments. Chair Gutierrez-Scaccetti noted they would move to the minutes, which is an administrative item and then begin hearing public comments, but should people arrive at 10:00 a.m. that want to make public comments, they would still have that opportunity so no one will lose their opportunity for public comment.

Approval of Minutes

Chair Gutierrez-Scaccetti asked for a motion to approve the minutes of the September 12, 2018 Board meetings. A motion was made by Board Member James C. Finkle Jr., seconded by Board Member Flora M. Castillo, and it was unanimously adopted.

Public Comments

There were 23 speakers. Board Secretary Zuczek announced public comments would be limited to five minutes, and if there were several people speaking on the same topic, two speakers will have five minutes, and all others will have two minutes.

Ron Sabol, New Jersey State Director for Smart Transportation Division, represents conductors and engineers and wants to know why NJ TRANSIT is pursuing the 11th amendment state sovereignty against 4,000 employees covered under the Federal Employers Liability Act (FELA), OSHA Whistle Blower Act Protection, and discrimination protection. He said last month a federal judge stayed almost 50 cases in these matters and now NJ TRANSIT has over 4,000 rail employees without on-the-job injury protection, OSHA Whistle Blower Act protection, and protection against discrimination. Mr. Sabol said the last administration started this process, and it is continuing under this administration, and they want to know why.

Mr. Sabol believes NJ TRANSIT has enough problems as it is without starting labor unrest, and NJ TRANSIT employees have been through enough. He said he sent letters to the Attorney General's Office, received no response, and he can only assume that these letters did not make it to the Attorney General. Mr. Sabol said they probably do not understand how FELA is intertwined with the railroad retirement system and how the whole system works. He said no other railroad uses anything else but these laws. He noted for NJ TRANSIT's customers there is a torts claims act that allows a person to sue if

they meet the requirements, and it has been established in the courts now that NJ TRANSIT is an arm of the State that cannot be sued. Mr. Sabol wants to know NJ TRANSIT's plan to correct this.

Steven Thorpe said his first issue of concern was the 18 ALP-44 electric locomotives sitting in Port Morris, New Jersey. He asked why these locomotives were sitting since NJ TRANSIT is short on locomotive and cab cars due to Positive Train Control work being done. Mr. Thorpe is also concerned about service being restored to areas that have no service such as Andover. He believes this would relieve traffic, improve air quality, and save fossil fuels.

Mr. Thorpe discussed the issue of respect as it pertained to Russell Graddy. He said Mr. Graddy asked the Board several times last month if they received information pertaining to his case, and he received no response which he believes is not respectful.

Mr. Thorpe said Governor Murphy stated there would be more transparency from NJ TRANSIT, but they have reduced the material given to the public. He felt that this Board has gone from bad to worse, and he is asking the Board to show respect to him and all the other advocates.

Chair Gutierrez-Scaccetti explained they receive public comments, but they do not negotiate or respond to comments from the dais. She explained there are a whole host of reasons why they do not respond to comments. When she began the job in January, she never anticipated what she found at NJ TRANSIT. There were several problems, but it was not the people who work there. They all work very hard.

Chair Gutierrez-Scaccetti understands Mr. Graddy's concerns, and they are not unsympathetic to his cause. However, there are rules and laws. They will continue to listen to him speak, but cannot, and will not, respond from the dais regarding the matter because he has an attorney, and as long as he does, the Board must protect NJ TRANSIT from any other kind of litigation. Chair Gutierrez-Scaccetti asked them not to take a lack of response as disrespectful and said every member of the Board has respect for the public and so does the Governor. As a Board member, it can be difficult to sit there and not say anything. They respect what they say and respect their concerns. They work hard to address as many as they can, but it is not an easy process. Chair Gutierrez-Scaccetti explained they should not interpret their non-response as not caring, not important to them, or not listening. She asked for their continued support and patience as they work to restore the agency. Chair Gutierrez-Scaccetti knows what her tenure looks like, what she wants to accomplish, and she hopes at the end they will say they did okay.

James Schwarzwald, of Lindenwold, New Jersey, believes recent events in Washington D.C. make it unlikely the Trump Administration and Congress is going to provide billions of federal dollars to construct the Gateway Tunnel Project. Mr. Schwarzwald said that President Trump formerly owned his own Trump Shuttle airline that served the New York-Washington travel market and the President may undervalue the necessity of high speed rail service between New York City and

Washington D.C. The President's public comments on the project indicated he considers the bulk of the tunnel users to be commuters rather than intercity travelers. Mr. Scharzwalder stated that the President also thinks that New Jersey and New York are wealthy states that can provide the funding for Gateway.

Mr. Schwarzwalder proposed state officials consider selling the Pulaski Skyway to the New Jersey Turnpike Authority and have the Turnpike toll it, as a funding contingency. Also, he proposed installing mainline barrier tolls, such as on I-95 in both States of Delaware and Maryland on certain highways in New Jersey. Mr. Schwarzwalder believes candidate roadways for mainline tolls in New Jersey are Route 55 at the Gloucester and Cumberland County border, I -195 at the Mercer and Ocean County border, I-295 at the Burlington and Mercer County border, the I-95 Scudders Falls Bridge between New Jersey and Pennsylvania, I-295 at the Salem and Gloucester County border, and I-78, I-80, & I-287 at appropriate county boundaries. He believes the U.S. Route 9 NJ DOT Edison bridge over the Raritan River is another candidate location.

Mr. Schwarzwalder said federal legislation may be desirable to effectuate these changes, and these toll revenues would dedicate funding the Gateway Tunnel Project. He believes if the Gateway Tunnel Project is as essential to the State of New Jersey, as its proponents contend, then all of New Jersey should support it financially.

Sid Madison, of Piscataway, New Jersey was representing hundreds of future generations. Mr. Madison referred to a book called "What's the Future" by John Doerr. Mr. Madison said humans have two paths: reversing global warming or not. Mr. Madison quoted Mr. Doerr on the Charlie Rose show when he stated, "You can bail out the economy, but you can't bail out the environment." Mr. Madison said Mr. Doerr put addressing the environment before addressing the economy because the laws of nature are fixed, and they must obey them or pay the price. He argued the economy can always be fixed later, but global warming is irreversible. Mr. Madison pleaded not to let the economy sway them, think about the environment, and go with electric buses.

Murray Bodin said that the Board does not listen to the suggestions he put forth on the red lights at railroad crossings. He said Executive Director Corbett went to Washington and spoke on Positive Train Control which is a waste because it is outdated technology and should not be used. Mr. Bodin said the Board does not respect him, and that he has learned more about the railroad from the managers on staff at NJ TRANSIT, and that they should look to them for answers because they do the work.

Orrin Getz, Vice Chair of the Metro-North Rail Commuter Council, said he distributed copies of the handouts to the Board and Executive Director Corbett that were given out at the last Metro North Committee meeting. Mr. Getz said the documents are very comprehensive, and he would like NJ TRANSIT to provide the same type of report to improve future reporting. He said the severe weather schedules for the Pascack Valley, Port Jervis, and Bergen lines are based on weekend schedules and that needs to change to be weekday service with adjustments.

Mr. Getz wants NJ TRANSIT to come up with an agreement with Metro North to turn over possession of the Suffern Station because New Jersey has no need for it since they have Route 17. He said it now looks like a derelict station and Metro North can fix it up because this is a much needed station. Mr. Getz would also like to see a report regarding NJ TRANSIT's equipment and its status. He thinks some equipment that is lying around may be able to be fixed and put into service.

Tim Sevenser, resident of Mount Tabor and member of the New Jersey Association of Rail Passengers and the Sierra Club Transportation Committee, expressed the concerns of the Sierra Club. Mr. Sevenser said there are communities in New Jersey that are dealing with exhaust from trucks and buses. He said exhausts from buses are one of the biggest problems of air pollution that cause serious health impacts, especially to children.

Mr. Sevenser believes one of the best ways New Jersey can take on this problem is by electrifying their bus fleet, which is cheaper in the long term due to lower fuel and maintenance costs. He believes NJ TRANSIT has missed the bus so far, and they need to move forward to catch up when it comes to electrifying their fleet. Mr. Sevenser believes it is of the utmost importance that they start now so the 100 percent transition to electric buses can take place by 2025.

Mr. Sevenser wants NJ TRANSIT to cancel the fossil fuel bus contracts they are in the middle of buying and replace them with electric ones. He suggested targeting acquisition first in urban areas that receive a disproportionate share of pollution, especially minority and low-income communities. Mr. Sevenser said long-term costs of ownership will be lower than diesel powered buses due to lower fuel and maintenance costs offsetting the higher initial purchase price. He believes New Jersey should use the Volkswagen settlement funds, along with money already available from federal grants.

Mr. Sevenser noted the New Jersey Association of Rail Passengers believes electric rail is best, and he noted powering the Atlantic City Rail with Atlantic City wind is a win-win situation. He also believes it is important to preserve NJ TRANSIT's right-of-way for rail, and it would also be perfect to couple pedestrian and bicycle use along the right-of-way.

Amy Goldsmith, State Director for Clean Water Action said she has over 150,000 New Jersey members, over one million members nationwide, and they knock on doors every night stating their cause. Ms. Goldsmith spoke about the need for electric buses and said NJ TRANSIT has over 1,300 buses and NJ TRANSIT is the seventh largest transit system in the United States. She noted NJ TRANSIT has a few electric buses in Camden, but they are following instead of leading in this area because they have no plans to convert buses to electric over time.

Ms. Goldsmith said many other cities are ahead of the curve and have made commitments to switch over their systems 100 percent by 2035 and questioned why NJ TRANSIT has not. She discouraged NJ TRANSIT from continuing to buy diesel buses because this will not help over the long haul since these buses will only continue to pollute the air. Ms. Goldsmith said NJ TRANSIT should update their capital plan to turnover to electric

buses by 2035 because it will be much safer for their drivers, passengers, and better for the environment.

Robert Myers, Senior Partner of Coffey, Kaye Myers & Olley Attorneys at Law, said his firm has represented injured railroad workers and managers for over 30 years and the Federal Railroad Administration has issued numerous reports on long standing safety issues concerning NJ TRANSIT employees. They are the lead counsel litigating the 11th amendment state sovereign immunity matter in the Eastern District federal court in Pennsylvania. They represented an injured transit worker and a PATH worker cases back in 1989, resulting in a decision by the U.S. Supreme Court and the Third Circuit Court of Appeals denying PATH and NJ TRANSIT had 11th amendment immunity. This was being challenged again. Four rail unions have asked them to file an amicus brief. Mr. Myers said the Attorney General's Office objected to them filing an amicus brief, so they had to go to all the attorneys and get their clients to hire his firm to handle the litigations.

Mr. Myers said his firm is willing to provide as much information concerning the 11th amendment litigations, how it started, what's going to happen in the future, but he said he doubts he will get final decisions until 2020. He said the challenge in the meanwhile is for NJ TRANSIT employees, who make this system work, to work in the dangerous conditions that the Federal Railroad Administration has talked to NJ TRANSIT about. All litigations in Federal Courts right now for the Eastern District have been consolidated and stayed before the Chief District Judge. Mr. Myers said that this means the people that have been injured have been sitting with no benefits, no hope or indication of results for at least a couple of years, and when they run out of their railroad retirement benefits, they have nothing, they are destitute.

Mr. Myers said they will not only have to worry about federal court but also hundreds of state cases reserving their rights to challenge under the 11th amendment. He said some involve discrimination and whistle blower cases. Mr. Myers said NJ TRANSIT employees are afraid to complain about safety issues without retaliation, and since the 11th amendment right has been stayed, they are afraid to operate insufficient equipment and disobey safety rules.

Debra Coyle, Acting Executive Director of New Jersey Work Environment Council discussed public fleet electrification. She noted Oregon, California, New York City, and many other states have plans in place to electrify their public fleets, but New Jersey is significantly missing from the list. She noted the benefits of electrification and the benefit to drivers, passengers, the environment, and communities. Ms. Coyle said electrifying NJ TRANSIT's buses will have an immediate impact by reducing greenhouse gas emissions and immediate improvement in air quality. She said there are no plans in New Jersey or at NJ TRANSIT to electrify buses; however, she knows that the legislators are at least considering a plan. Ms. Coyle believes this conversation needs to start now, and they need NJ TRANSIT onboard. She suggested looking at other municipalities that have done this to learn the best practices. Ms. Coyle recommended using the Volkswagen money that will be coming soon. She urged NJ TRANSIT to consider replacing older buses with electric ones.

Doug O'Malley, Director for Environment New Jersey, thanked the Board and Executive Director Corbett for allowing him to speak and noted this was the first time he spoke before the Board under the Governor Murphy Administration. Mr. O'Malley said this is very exciting because they finally have a Governor who understands transit. They have a Governor that knows transit riders are hurting, and that prioritized NJ TRANSIT funding in his budget, when he was campaigning, and continues to prioritize now, while in office. He believes the embodiment of this was the audit released yesterday, October 9, 2018. Mr. O'Malley said this audit was honest and noted the issue of NJ TRANSIT not having a sustainable, dedicated source of funding. He said all NJ TRANSIT commuters want is for their trains and buses to show up on time. Mr. O'Malley praised Governor Murphy for riding the trains to know what commuters are up against.

Mr. O'Malley noted other transit agencies were going to electric buses, and he looks forward to partnering with NJ TRANSIT and working with the Board to make this happen. He will be speaking with the Legislature next Monday, and they are going to turn State Street into Electric Avenue. They will have about 10 electric vehicles and the Legislature will hear on the bus electric vehicle legislation, and how they can make New Jersey a leader in electric vehicles. Mr. O'Malley said he would like to work as a partner with NJ TRANSIT to electrify its vehicles over the next 20 years.

Chair Gutierrez-Scaccetti noted he brought up the audit and said one of the first tasks will be for NJ TRANSIT to develop a strategic plan that will set the vision for the agency for a couple decades. She noted there were five key areas covered and two key areas were strategic planning and technology. Chair Gutierrez-Scaccetti said the Board was committed to supporting Executive Director Corbett and his team, and they were committed to restore agency progress.

David Yennior, Sierra Club of New Jersey, stated this was his first meeting, and it was interesting to hear the information on Positive Train Control. Mr. Yennior did not realize there were other options other than Positive Train Control and said that NJ TRANSIT should look into them if they are available. He said there was a whole new energy in New Jersey about fixing the problems at NJ TRANSIT and that he looks forward to seeing what NJ TRANSIT does to fix these problems.

Mr. Yennior said New Jersey Sierra Club supports electrification of the buses, and it is very sad that there is only one pilot program in Camden, but it is a start. If this proves successful, he hopes the Legislature gives NJ TRANSIT the funding it needs to electrify all its fleet. Mr. Yennior would like to see NJ TRANSIT provide an inventory of how many hybrid versus diesel buses are in their fleet and believes they should not buy more diesel buses. He would like to see NJ TRANSIT keep fares down because lower fares will increase ridership. Mr. Yennior would also like bus schedules posted at every bus stop so riders will know when buses are coming.

Norah Langweiler, Campaign Organizer for Jersey Renews, stated they are a statewide coalition of more than 60 organizations, including a few that spoke today. Ms. Langweiler

said they were pushing for good jobs, to reduce greenhouse emissions, and transition to a clean energy economy. Back in June, they asked NJ TRANSIT to become a leader and change over their fleet to electric buses to make New Jersey a leader in climate change. Over the summer, other states have taken the lead. MTA in New York City has elected to electrify their entire fleet of 6,000 buses by 2040, and the Los Angeles Metro Authority will electrify 2,000 of their buses by 2030. She asked NJ TRANSIT to help invest in the future of New Jersey by purchasing electric buses for their fleet. Ms. Langweiler said the environmental benefits and maintenance cost are cheaper than traditional diesel vehicles and electric buses can save over \$500,000 over their lifespan. She noted concern over contributing to respiratory illnesses, including asthma. Ms. Langweiler noted how many bus stops are in low income communities so it is an environmental justice issue for the most vulnerable. She urged NJ TRANSIT to transition their fleet by 2035.

David Peter Alan, Chair of the Lackawanna Coalition, said he was deeply saddened to hear of the death of former Senator Frank Herbert, especially so soon after they lost Lou Gambaccini. He knew Frank Herbert as they served together on the Senior Citizen and Disabled Residents Transportation Advisory Committee for several years. Mr. Alan knows how hard Mr. Herbert fought to get NJ TRANSIT out of the direct control of state government, and toward some new degree of independence and professionalism. If Mr. Herbert was a Senator today, Mr. Alan believes he would have fought fiercely against the lack of service, lack of respect for riders, and the lack of transparency that are the components of today's NJ TRANSIT. Mr. Alan believes NJ TRANSIT does not honor his memory with these policies.

Mr. Alan was appalled at the lack of respect he sees for NJ TRANSIT's managers, petitioners, members of the media, and riders. He does not like addressing the Board with their backs to the public. Mr. Alan believes they disrespected Russell Graddy by not even acknowledging that they received information from him. He believes they have also demonstrated lack of respect for their riders, by eliminating essentially all the information they provided, until recently, about agenda items before the Board, and this is contrary to Governor Murphy's promise for more transparency.

They are deeply concerned about the loss of rail services, which continues to deteriorate. Mr. Alan said many of the services lost lately are ones that advocates around the state fought for and won, sometimes despite a lack of enthusiasm for them among senior management.

Nat Bottigheimer, New Jersey Director of the Regional Plan Association (RPA), said the RPA applauds Governor Murphy and his NJ TRANSIT team for the forthright accounting of the challenges announced in the audit findings and the significant amounts of challenges that still remain, like Positive Train Control, and the shortages of engineers. The RPA agrees with the diagnoses that were delivered in the audit, particularly the deep need of strategic thinking, customer focus, and state of the practices business processes. Now that the audit is out, they are eager for NJ TRANSIT's strategic solutions and problems identified by the audit, noting the commitment to the agency's strategic plan. This plan would include improving customer communications, business process

improvements, reducing operating costs, improve service quality, and enhancements for all users of rail stations and bus routes throughout the state. Mr. Bottigheimer also stated NJ TRANSIT must increase service and address crowding and growing demands for transit.

Chair Gutierrez-Scaccetti apologized and explained she had to excuse herself for another meeting. However, when she left, she would join the meetings by telephone and Board Member Finkle would chair the meeting from the dais.

Chair Gutierrez-Scaccetti joined the meetings by telephone.

Janet McDaniel spoke on behalf of Russell Graddy and asked the Board to provide meaningful dialogue and have someone just reach out to Mr. Graddy to grant him a fair meeting that will be just and fair and produce results. Ms. McDaniel left the Board with the phrase, "Justice delayed is justice denied."

Errol Kerr spoke in favor of Mr. Graddy being granted justice and asked the Board to remember the words fairness and the principles of humanity when rendering a decision. Mr. Kerr also asked the Board to consider if this were one of their family members how would they feel.

Waheedah Muhammad spoke in favor of Mr. Graddy getting justice and wanted to know why they get no response from the Board. Ms. Muhammad believes they are blatantly disrespectful to a man that has given all his time and money. She asked for justice for Mr. Graddy.

Bernard Hill spoke in favor of Mr. Graddy getting justice and said he stands before them with the hope that justice will be put in place. He said it was time that NJ TRANSIT do what is right and just for Mr. Graddy so he can continue to carry on his legacy.

Lynda Gallashaw spoke in favor of Mr. Graddy getting justice. She said black lives matter. Ms. Gallashaw doesn't believe the Board is diverse and hopes this does not dictate the fate of Mr. Graddy's justice being served. She thinks Mr. Graddy deserves a check for all the suffering he has gone through. Ms. Gallashaw said even with a new administration, they see the same procrastination to make a decision.

Khemi Freeman spoke in favor of Mr. Graddy getting justice and said he has known Mr. Graddy for 50 years and he inspired him to be a businessman. Mr. Freeman said the greatest part of America is law, order, and justice for all. He asked them to do what is right for Mr. Graddy because they would want justice for their father if he was in this situation.

Donna Nelson Ivy spoke on behalf of Mr. Graddy and stated that in her profession she has come before many councils, committees, and commissioners on different levels, but this was the first Board that she has come before that does not smile and does not feel welcoming. Ms. Ivy said she was tired of attending the meetings with no feedback or

information. She said Mr. Graddy has shown his dedication and courage, and he is not going anywhere, so they should do what is just and right for Mr. Graddy.

Russell Graddy said all he was looking for is fairness and justice and that NJ TRANSIT does not have to resort to collusion and entrapment to get things done. Mr. Graddy said he was not going to give up, because he is an American citizen, and has not done anything wrong, and the only thing wrong is that he was born a black man. He said he pays his taxes, served in the army, and worked hard all his life. Mr. Graddy said he did not create this situation, NJ TRANSIT did, and it is up to them to fix it and do what is fair and just and give him what he put out for being displaced from his restaurant. He said being an African American man going up against a powerful agency like NJ TRANSIT puts him at a disadvantage.

Advisory Committee Report

Suzanne Mack presented the Advisory Committee Report. Ms. Mack applauded the diverse group of advocates who attends the Board Meeting to speak their mind and bring things to the Board's attention. Ms. Mack said their Advisory Board meeting will be next Tuesday, October 16, 2018 from 12:00 p.m. to 3:00 p.m. if anyone is interested in attending it.

Ms. Mack discussed the 166 page NJ TRANSIT audit report that was issued yesterday. She heard from the North and South Advisory Board committee members that the audit was well received, and they were happy to get it online, and hope it will be posted on NJ TRANSIT's website. Ms. Mack said they applaud Governor Murphy for having the courage to start his administration with the daunting task of actually doing the audit. Ms. Mack said obviously they were all very aware there have been many inconsistencies and problems that were facing NJ TRANSIT, in particular on the equipment side and the delivering of services to the residents of New Jersey. They liked when NJ TRANSIT's mission statement was displayed behind the Board.

Ms. Mack said the Governor may have thought that the audit took a little longer than he expected, but it is a very comprehensive report. This audit report covers all five areas that people have brought before this Board, from the executive, administrative, operational, social media, and technical issues. Ms. Mack said Murray Bodin touched on the technological issues they face and how they must stay ahead of it going forward. She noted Positive Train Control was a federal mandate they have to complete.

Ms. Mack said that the Advisory Board has been pushing for the need of more strategic planning the last two years and that without that vision of where they are going, and so many limited resources, it was hard to accomplish. She believes with the new Executive Director and Commissioner, this strategic planning will be put in place, and service will get better.

Ms. Mack noted that the Advisory Board participated in the audit and one of the recommendations was to actually fill the Board vacancies so they are fully staffed and

work can be distributed evenly. Their Advisory Board also has member vacancies, and they work best when they are at full capacity. One of their tasks will probably be to delve into the audit, and their liaison will give them various tasks to do and start helping New Jerseyans.

Board Capital Planning, Policy, and Privatization Committee Report

Board Member Finkle presented the report for the Capital Planning, Policy, and Privatization Committee. The Capital Planning, Policy, and Privatization Committee discussed the board items for the New Brunswick Station Elevator Upgrades and NJ TRANSIT Procurement Policies and Procedures.

Executive Director's Monthly Report

Executive Director Corbett discussed the North Highland assessment. He joined Governor Murphy and Chair Gutierrez-Scaccetti on October 9, 2018, to announce the findings of the audit called for by the Governor. The report is on NJ TRANSIT's website in the news section.

The report assessed the challenges facing NJ TRANSIT and provided pathways toward possible improvements, including providing more reliable and on-time service. Included in the findings were ways to reimagine certain areas of the corporation, including the organizational structure, recruitment, and retention, streamlining procurement, and improving the customer experience. There were specific, actionable items for both the short and long term that they will be taking a closer look at as they take a deep dive into the report.

Executive Director Corbett noted they have not been sitting idle waiting to make organizational improvements as this assessment was underway. In fact, they worked with North Highland throughout the assessment process and made many similar observations. They have already begun to implement some of the recommendations. As they move forward, they will begin to look at ways to implement these recommendations with the goal of restoring NJ TRANSIT to the national leader it once was.

While there were many suggestions contained in the report, one thing that won't change is the hard work and commitment of NJ TRANSIT's valued employees. Executive Director Corbett reiterated what the Governor said yesterday, noting more than 11,000 dedicated men and women come to work each and every day to keep New Jersey moving on bus, rail, light rail, and Access Link services. He assured them that these recommendations seek to harness the dedication of their co-workers to restore NJ TRANSIT. By continuing to work together, they will all get there.

Speaking of challenges, Executive Director Corbett noted there would be Positive Train Control related schedule changes to meet the federally mandated December 31, 2018 deadline. Beginning Sunday, October 14, 2018, is their final round of temporary service adjustments to facilitate work to meet federally mandated deadlines for Positive Train

Control implementation. He regrets having to make these changes, but they are absolutely necessary in order for NJ TRANSIT to install Positive Train Control on the required number of locomotives and cab control cars by the December 31, 2018 deadline.

The adjustments made to the schedule will impact customers along the Northeast Corridor, North Jersey Coast Line, Morris & Essex Lines, Montclair-Boonton, Main, and Bergen County Lines. Other trains throughout the system will have schedule and/or station stop adjustments.

As a daily NJ TRANSIT rail rider himself for more than 20 years, he knows first-hand how schedule changes affect the quality of one's commute. So this was not a decision he took lightly. They have asked rail customers to be flexible, patient, and understanding while they make a series of schedule adjustments to advance their Positive Train Control project to meet the federal year-end deadline. To acknowledge the patience and understanding NJ TRANSIT's customers have shown, they are offering rail customers a 10 percent discount on rail tickets and passes for travel in November, December, and January.

Related to the October 14, 2018 PTC schedule adjustments, they are holding another "We Are Listening" customer forum, like they did in Hoboken, Penn Station New York, and along the Atlantic City Rail Line prior to implementing necessary service adjustments to advance Positive Train Control. Executive Director Corbett and his senior staff will hold a "We Are Listening" customer forum at the Hoboken Terminal from 4:30 p.m. to 6:30 p.m. on October 11, 2018. They hold these forums to give customers an opportunity to meet them, ask questions, and provide meaningful feedback. These are a vitally important tool as they work to restore NJ TRANSIT to a world-class organization, and they take the input they receive seriously.

Executive Director Corbett had the opportunity to go down to Washington D.C. last week to testify in front of Congress about the challenges of Positive Train Control installation, and the great progress they have been making at NJ TRANSIT. Helping them to understand the magnitude of these federally-mandated Positive Train Control installations for NJ TRANSIT was important, but it was also important to hear what their concerns are, and to hear from their Federal Railroad Administration and Amtrak colleagues about their concerns and frustrations. He was glad to go to D.C. to have the opportunity to honestly and confidently report to Congress that they expect to meet the Federal Railroad Administration's Positive Train Control requirements by year's end to qualify for an alternate schedule.

Executive Director Corbett reminded them that when he arrived at NJ TRANSIT, the Positive Train Control installation progress was at just 12 percent completion. NJ TRANSIT is now 74 percent complete toward meeting the December 31, 2018 requirements to qualify for an alternative schedule. They continue to aggressively advance the Positive Train Control program. Executive Director Corbett asked

Eric Daleo, Assistant Executive Director, Capital Planning and Programs, to provide a brief project status update.

Eric Daleo provided a presentation (attached). He noted Positive Train Control is a safety enhancement system capable of automatically controlling train speeds and movements, reducing the risk of accidents due to human error.

The Positive Train Control Enforcement and Implementation Act of 2015 required NJ TRANSIT to meet four key milestones by December 31, 2018, and to fully deploy Positive Train Control by December 31, 2020. Those four key milestones that must be completed by the end of the year are in the following areas: Vehicle Installation; Wayside Installation; Training of Employees on the Installation and Use of the Positive Train Control System; and Testing.

Mr. Daleo provided a brief update on their progress to meet those critical milestones by the end of this year. With regard to vehicle installation, NJ TRANSIT must install Positive Train Control equipment on locomotives and controlling cab cars. When they met last month, they had completed 131 vehicles. As of last Friday, they have installed this equipment on 165 vehicles of the 282 required by year end. With regard to the remaining 117 vehicles that must be completed by year end, the contractor has added additional resources to ensure completion by the deadline.

On September 20, 2018, a press conference was held at the Kinkisharyo Rail Car Facility in Piscataway, New Jersey, to announce new schedule adjustments beginning October 14, 2018. The Kinkisharyo facility is one of three facilities where Positive Train Control apparatus is being installed on vehicles. The media got a firsthand look at the complexity of the installation of Positive Train Control equipment on vehicles. This involves the intricate manual installation of new computer systems and new apparatus inside and under vehicles. After installation is complete, testing must be performed prior to returning these vehicles to revenue service to ensure safe operation.

Across 326 miles of wayside, NJ TRANSIT forces and their contractor must install wayside equipment, which includes poles, antennas, and wayside interface units. At the time of their last report in September, they had installed 92 poles in total. This past month, they installed an additional 15, leaving only four to install. With respect to antennas, they had previously installed a total of 84. This past month, they installed an additional nine, leaving only 18 to install. For wayside interface units, they had installed a total of 98 units to date. This past month, they installed an additional 12, leaving only nine to install. Overall, they have completed 88 percent of these types of wayside installations.

One of the bright spots this past month has been substantial progress Wayside installation on the Atlantic City Rail Line. NJ TRANSIT's contractor and forces are taking advantage of the temporary suspension of service in order to advance wayside installation. They were recently in the field with their team and showed progress videos. Wayside installation is labor intensive. Trenches are excavated by hand for conduit runs

under track or near sensitive electronic equipment. The video shows construction of a conduit for a Communications Hut Foundation. Additionally, they show specialized equipment crews using a utility trenching plow to install the ducts for fiber optic cables which make up the ground based network. The crew is ensuring that the spool is properly mounted and feeding the duct into the trench on this length of the track. They are doing this kind of work across the state.

As previously reported, they had targeted training 823 employees by year end. They have exceeded this target, having now trained 1,567 employees. There is only one dispatcher left in the company that must be trained by year end.

With regard to the testing milestone, as reported last month, they fully satisfied this year end requirement. They continue to perform frequent testing to collect important data to ensure system reliability. This month, they are preparing to test on Amtrak's Northeast Corridor to ensure interoperability.

On October 3, 2018, Executive Director Corbett testified before the U.S. Senate Committee on Commerce, Science, and Transportation. Overall, NJ TRANSIT is 74 percent complete toward the year end goal. Mr. Daleo noted this presentation and other information would be available on the dedicated webpage www.njtransit.com/ptc.

Executive Director Corbett thanked Mr. Daleo and noted they have made substantial progress.

Last week while Executive Director Corbett was in Washington, Chief Financial Officer Bill Viqueira participated in a ribbon cutting for The Link at Aberdeen Station, a great example of transit-oriented development right next to NJ TRANSIT's Aberdeen-Matawan Station. They were glad to be able to provide the last parcel of land needed to make the project happen. Projects like The Link at Aberdeen Station are a feature of NJ TRANSIT's work.

Their job is not just to help New Jersey get to work, family, and fun, but to help every community they touch build their local economy, attract high-end developers, and improve the quality of life for their residents. The truth is, transit attracts development. Residents like the easy commute and access to entertainment, and businesses like that customers can easily come and go.

NJ TRANSIT works hard to make partnerships like The Link at Aberdeen happen, and will continue to pursue partnerships and opportunities to build transit-oriented developments. Going forward, they will also be looking to leverage these partnerships as revenue-generating opportunities for NJ TRANSIT.

In addition to service delivery, there are other equally important challenges that come with running the nation's largest statewide transit system. In the ongoing battle against the scourge of opioid addiction, Executive Director Corbett wanted to highlight New Jersey Transit Police's commitment to saving lives.

This year, their officers have performed more than 100 life-saving rescues through the use of naloxone, or Narcan, on people who have overdosed on opioids. They have a 99 percent success rate, which is a testament to the fantastic men and women they have protecting them at NJ TRANSIT.

They would like to have fewer opportunities to save lives in this manner, and that is why their police continue their Social Outreach program. The early intervention work includes a monthly Social Outreach Program in Atlantic City, Trenton, and Camden, with the department's Community Outreach Officer in the Southern District Gary Denamen playing a role in that coordinated effort. In the Northern District, the department's Community Outreach Officer Sean Pfeifer helps to connect at-risk individuals with the services they need. Executive Director Corbett was very proud of the New Jersey Transit Police and the work they do, not just to respond to emergencies but also to prevent them.

Lastly, Executive Director Corbett highlighted an example of NJ TRANSIT's great workforce. Edward Taylor is a bus operator out of the Hamilton Township Garage. He started with NJ TRANSIT's predecessor Mercer Metro in September 1976 and has more than 40 years of accident-free driving. They brought Mr. Taylor to the front of the room and presented him with a proclamation.

Action Items

1810-67: NEW BRUNSWICK STATION ELEVATOR UPGRADES: CONSTRUCTION CONTRACT AWARD

Executive Director Corbett introduced Eric Daleo, Assistant Executive Director, Capital Planning & Programs, to present Action Item #1810-67.

Eric Daleo recommended approval of Action Item 1810-67: New Brunswick Station Elevator Upgrades: Construction Contract Award. He provided a presentation (attached) and requested approval to enter into NJ TRANSIT Contract No. 18-042X with Hall Building Corporation of Farmingdale, New Jersey, for the construction of the New Brunswick Station Elevator Upgrades Project in the amount not to exceed \$2,979,700, plus five percent for contingencies, subject to the availability of funds.

Approval of this Construction Contract will allow for upgrades to the two existing elevator towers located near the inbound station building and northern end of the outbound platform. These upgrades will improve visibility and safety, and accessibility while retaining the historic fabric of this station.

Board Member Flora M. Castillo made a motion to approve Action Item #1810-67, Board Member Brian T. Wilton seconded it, and it was unanimously adopted.

Roll Call Vote:

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

1810-68: REGULATION: INITIATE RULE-MAKING PROCESS – N.J.A.C. 16:72 NEW JERSEY TRANSIT PROCUREMENT POLICIES AND PROCEDURES

Executive Director Corbett introduced Jignasa Desai-McCleary, Chief, Procurement and Support Services, to present Action Item #1810-68.

Jignasa Desai-McCleary recommended approval of Action Item #1810-68, Regulation: Initiate Rule-Making Process – N.J.A.C. 16:72 New Jersey Transit Procurement Policies and Procedures. The most recent readoption of N.J.A.C. 16:72, Procurement Policies and Procedures is currently set to expire November 21, 2018. Authorization to initiate the rule-making process for N.J.A.C. 16:72, Procurement Policies and Procedures, will advance efforts to enhance the guidelines and procedures.

NJ TRANSIT will seek a six-month extension of the current version of N.J.A.C. 16:72, Procurement Policies and Procedures, which will allow NJ TRANSIT to finalize and file with the Office of Administrative Law proposed amendments to N.J.A.C. 16:72, Procurement Policies and Procedures, which will advance efforts to enhance the guidelines and procedures in support of daily statewide transit services.

Approval was requested to initiate the rule-making process as a step toward effectuating the readoption of and proposing amendments to the regulation, N.J.A.C. 16:72 et seq., Procurement Policies and Procedures.

Board Member Flora M. Castillo made a motion to approve Action Item #1810-68, Board Member Brian T. Wilton seconded it, and it was unanimously adopted.

Roll Call Vote:

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

Adjournment

Since there were no further comments or business, Board Member Finkle called for adjournment and a motion to adjourn was made by Board Member Flora M. Castillo, seconded by Board Member Brian T. Wilton, and unanimously adopted. The meetings were adjourned at approximately 11:45 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

OCTOBER 10, 2018

MINUTES

	PAGE
➤ CALL TO ORDER	-
➤ SAFETY ANNOUNCEMENT	-
➤ PLEDGE OF ALLEGIANCE TO THE FLAG	-
➤ EXECUTIVE SESSION AUTHORIZATION	53441
➤ APPROVAL OF MINUTES OF PREVIOUS MEETINGS	53442
➤ PUBLIC COMMENTS	-
➤ ADVISORY COMMITTEE REPORT	-
➤ BOARD COMMITTEE REPORTS	-
➤ EXECUTIVE DIRECTOR'S MONTHLY REPORT	53443

ACTION ITEMS

1810-67	NEW BRUNSWICK STATION ELEVATOR UPGRADES: CONSTRUCTION CONTRACT AWARD – Authorization to enter into NJ TRANSIT Contract No. 18-042X with Hall Building Corporation of Farmingdale, New Jersey, for the construction of the New Brunswick Station Elevator Upgrades Project in the amount not to exceed \$2,979,700, plus five percent for contingencies, subject to the availability of funds.	53475
1810-68	REGULATION: INITIATE RULE-MAKING PROCESS –<u>N.J.A.C. 16:72</u> NEW JERSEY TRANSIT PROCUREMENT POLICIES AND PROCEDURES – Authorization to initiate the rule-making process as a step toward effectuating the readoption of and proposing amendments to the regulation, <u>N.J.A.C. 16:72</u> et seq., Procurement Policies and Procedures.	53479
➤	ADJOURNMENT	

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.

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 September 12, 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 September 17, 2018;

NOW, THEREFORE, BE IT RESOLVED that the minutes of actions taken at the September 12, 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, Commissioner
Kevin S. Corbett, Executive Director

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

TO: BOARD OF DIRECTORS
FROM: KEVIN S. CORBETT 
DATE: OCTOBER 10, 2018
SUBJECT: EXECUTIVE DIRECTOR'S REPORT – OCTOBER 2018

Yesterday, I joined Governor Murphy and Chair Gutierrez-Scaccetti to announce the findings of the Governor's audit. The report assesses the challenges facing NJ TRANSIT and provides pathways toward possible improvements. Included in the findings are ways to reimagine and improve certain areas of our corporation including our organizational structure, recruitment and retention, procurement, and the customer experience. As we move forward, we will look to implement these recommendations with the goal of restoring NJ TRANSIT to the national leader it once was. While there are many suggestions contained in the report, I can tell you one thing that won't change is the effort and commitment of the more than 11-thousand men and women who come to work each and every day to keep New Jersey moving. I know that by continuing to work together, we will all get there.

Sunday, October 14th begins our final round of temporary service adjustments to facilitate our work to meet federally-mandated deadlines for PTC implementation. As a daily rider for more than 20 years, I regret having to make these changes, but they are absolutely necessary in order for NJ TRANSIT to install PTC on the required equipment by the December 31 deadline. The adjustments we've made to the schedule will impact customers along the Northeast Corridor, North Jersey Coast Line, Morris & Essex Lines, Montclair-Boonton, and Main and Bergen County Lines. To acknowledge the patience and understanding our customers have shown, we are offering a 10% discount on rail tickets and passes for travel in November, December and January.

Tomorrow evening, my senior staff and I are holding another "We Are Listening" customer forum at the Hoboken terminal. We hold these forums periodically to give our customers an opportunity to meet us, ask us questions and provide us with meaningful feedback. We take the input we receive seriously. After our forums along the ACRL in August, we brought back our customers' input and made significant adjustments to our plans that made a real, positive difference for our customers.

I also had the opportunity to go down to Washington, D.C. last week to testify in front of Congress about the challenges of PTC installation and the great progress we've been making. I was happy to honestly and confidently report to Congress that we fully expect to meet the FRA PTC requirements by year's end to qualify for an alternate schedule. We were able to tell the Senators that we are more than 70 percent complete toward meeting the December 31st requirements to qualify for an alternative schedule.

Last week, CFO Bill Viqueira participated in a ribbon cutting for The Link @ Aberdeen, a great example of transit-oriented development at our Aberdeen-Matawan station. We were glad to provide the last parcel of land that made the project possible. The truth is, transit attracts development. Residents like the easy commute and access to entertainment; and businesses like that customers can easily come and go. NJ TRANSIT's job is not just to help New Jersey get to work, family and fun, but to help every community we touch build local economy, attract high-end developers, and improve the quality of life for their residents.

I want to highlight our New Jersey Transit Police Department's commitment to saving lives. This year our officers performed more than 100 life-saving rescues through the use of Narcan on people who have overdosed on opioids. Our police have a 99 percent success rate, which is a testament to the fantastic men and women we have protecting us at NJ TRANSIT. I'm very proud of the New Jersey Transit Police and the work they do - not just to respond to emergencies, but also to prevent them.

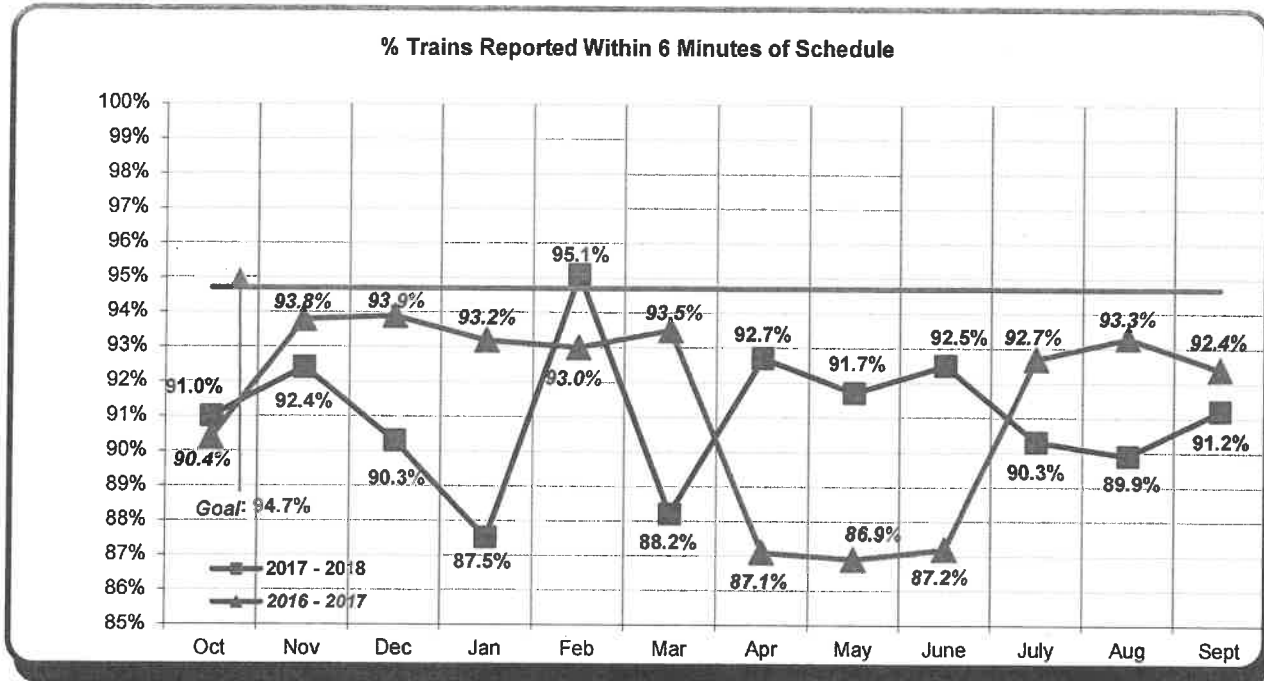
Lastly, I want to highlight an example of our great NJ TRANSIT workforce. Edward Taylor is a bus operator out of the Hamilton Township Garage. He started with NJ TRANSIT, actually our predecessor Mercer Metro, in September 1976 and has more than 40 years of accident-free driving. Congratulations!

EXECUTIVE DIRECTOR'S MONTHLY REPORT OCTOBER 10, 2018

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

PERFORMANCE MEASURES

NJ TRANSIT ON-TIME PERFORMANCE RAIL OCTOBER 2016 - SEPTEMBER 2018



	2017	2018	# Change
September Comparison	92.4%	91.2%	-1.2%

	2016-2017	2017-2018	# Change
12-Month Average Oct. 2017 - Sept, 2018	91.5%	91.1%	-0.4%

Analysis:

Rail On-Time Performance was 91.2% for September 2018. Of the 16,696 trains scheduled to operate, 15,221 were on time, while 1,475 trains (or 8.8%) were delayed. Key causes included:

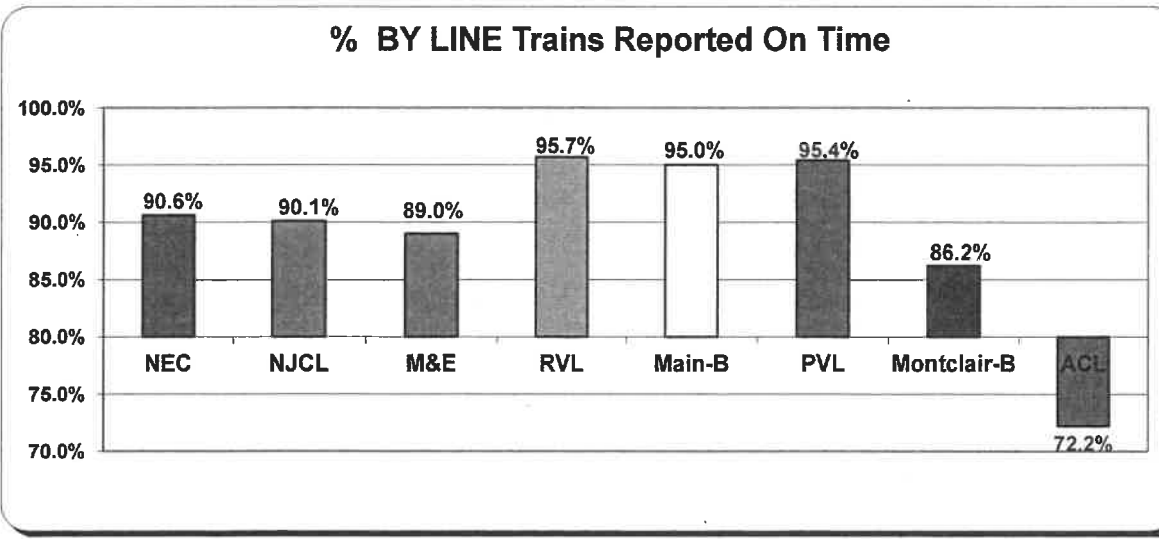
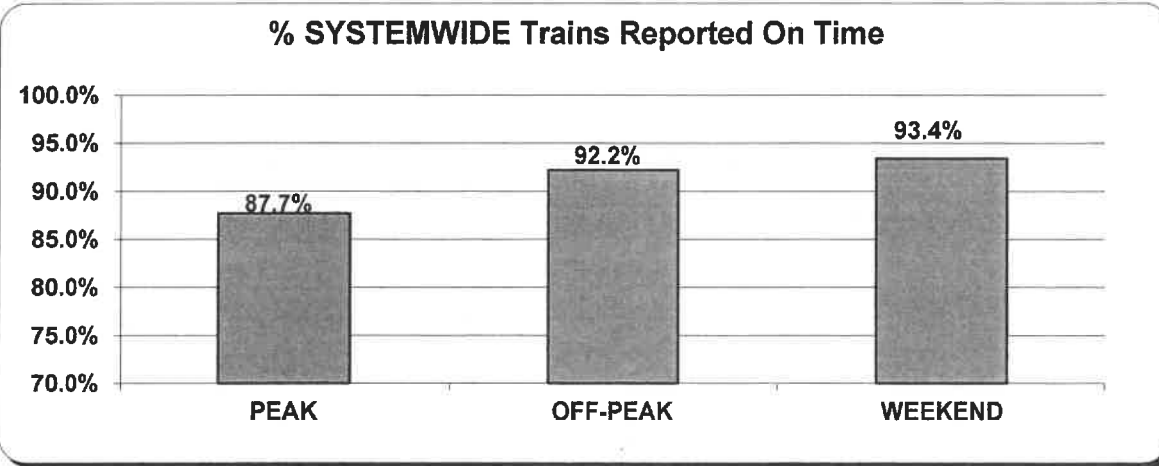
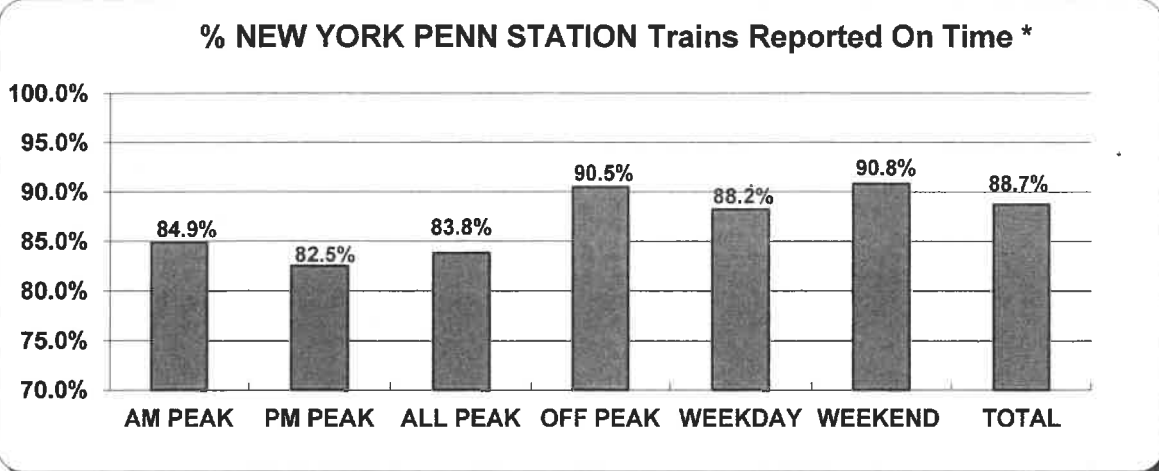
- Equipment issues, Amtrak signal problems, NJT and Amtrak trackside interference contributed to 124 delays resulting in 79.8% OTP on September 5.
- Amtrak overhead wire issues contributed to 42 delays resulting in 84.6% OTP on September 8.
- NJT PTC shortage of equipment, manpower shortage, trackside interference and equipment issues contributed to 117 delays resulting in 79.5% OTP on September 10.

The 12-month average for Rail On-Time Performance October 2017 - September 2018 was 91.1%, which has decreased by 0.4%.

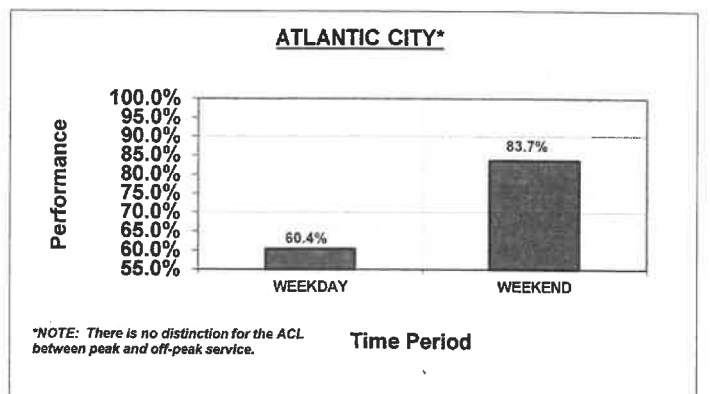
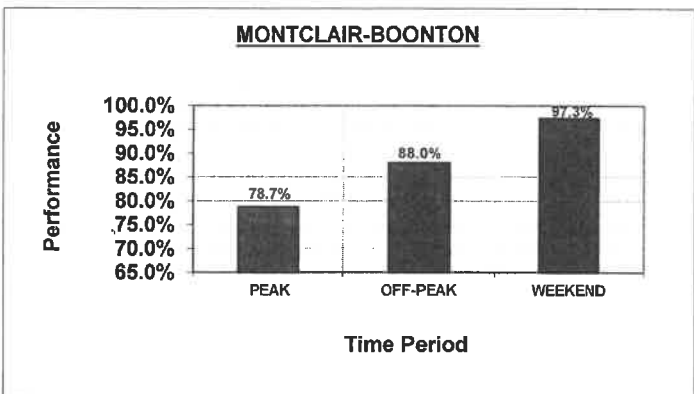
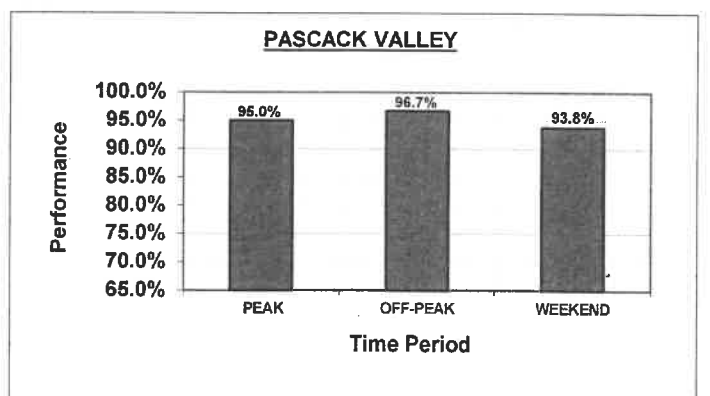
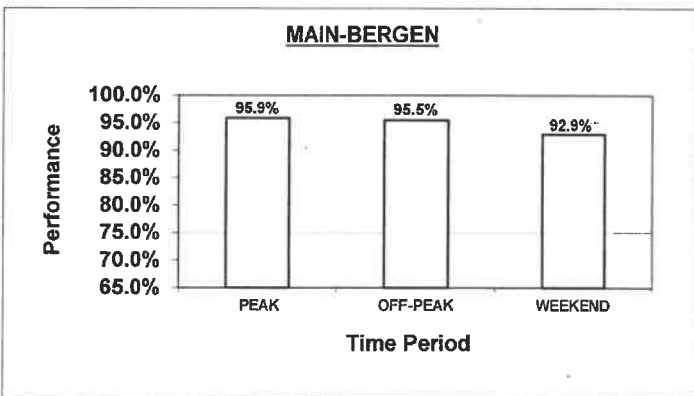
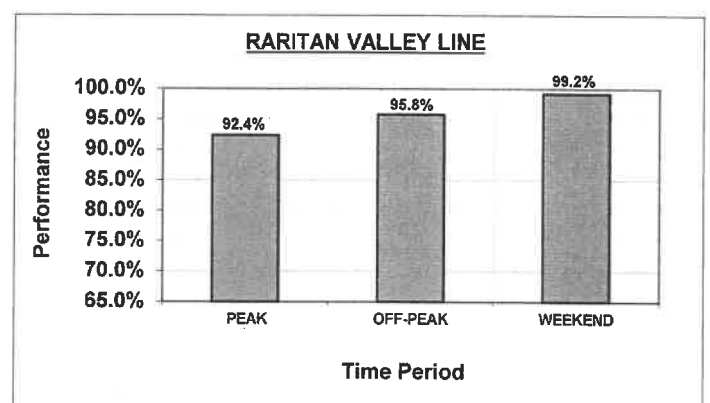
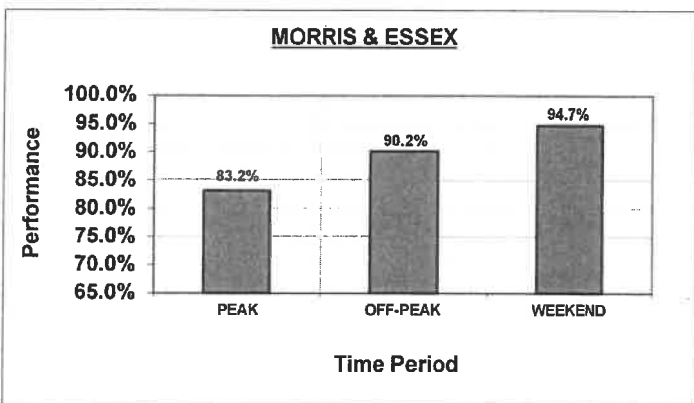
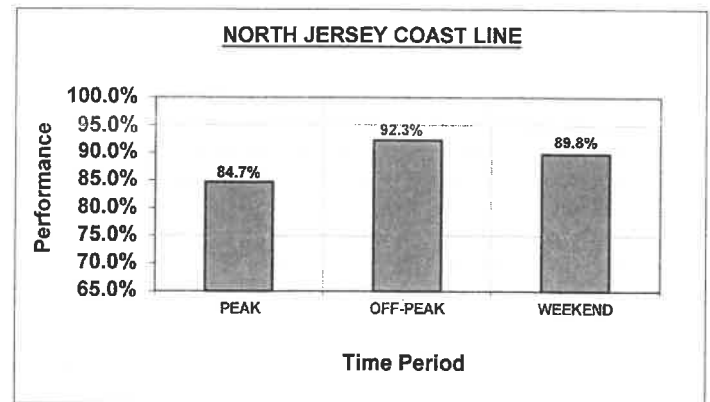
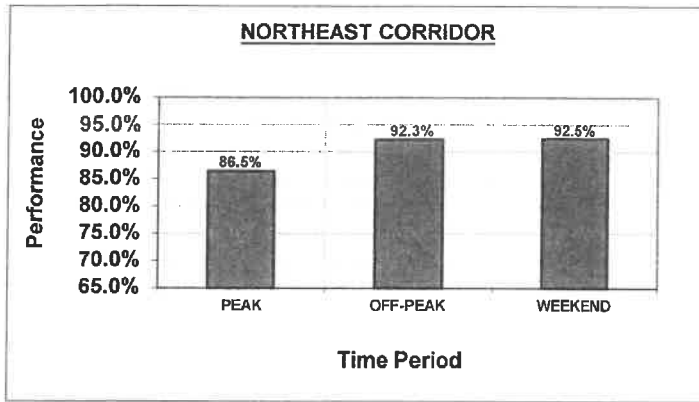
ON-TIME PERFORMANCE RAIL

SUMMARY BY TIME PERIOD SEPTEMBER, 2018

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



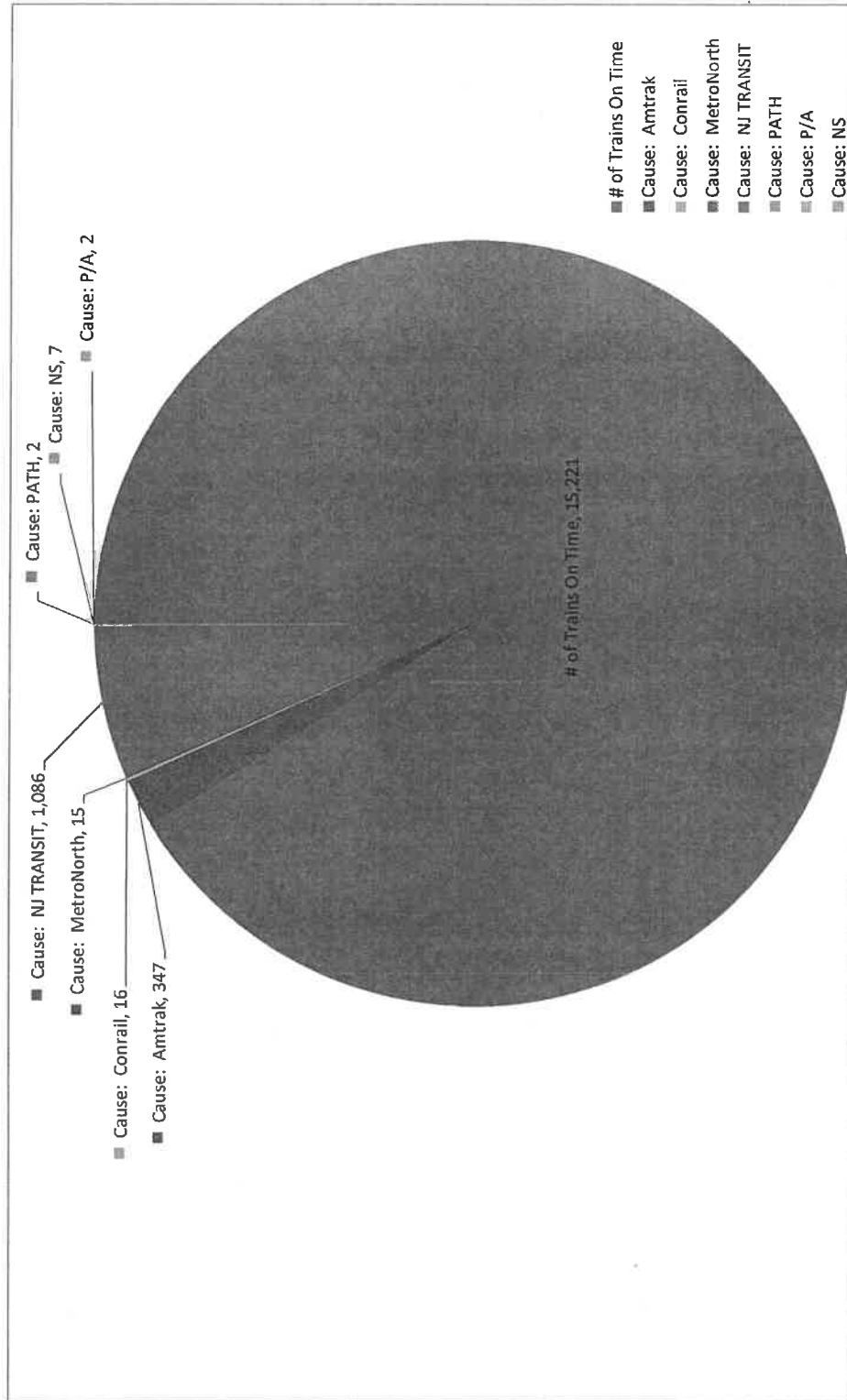
ON-TIME PERFORMANCE BY RAIL LINE & TIME PERIOD SEPTEMBER, 2018



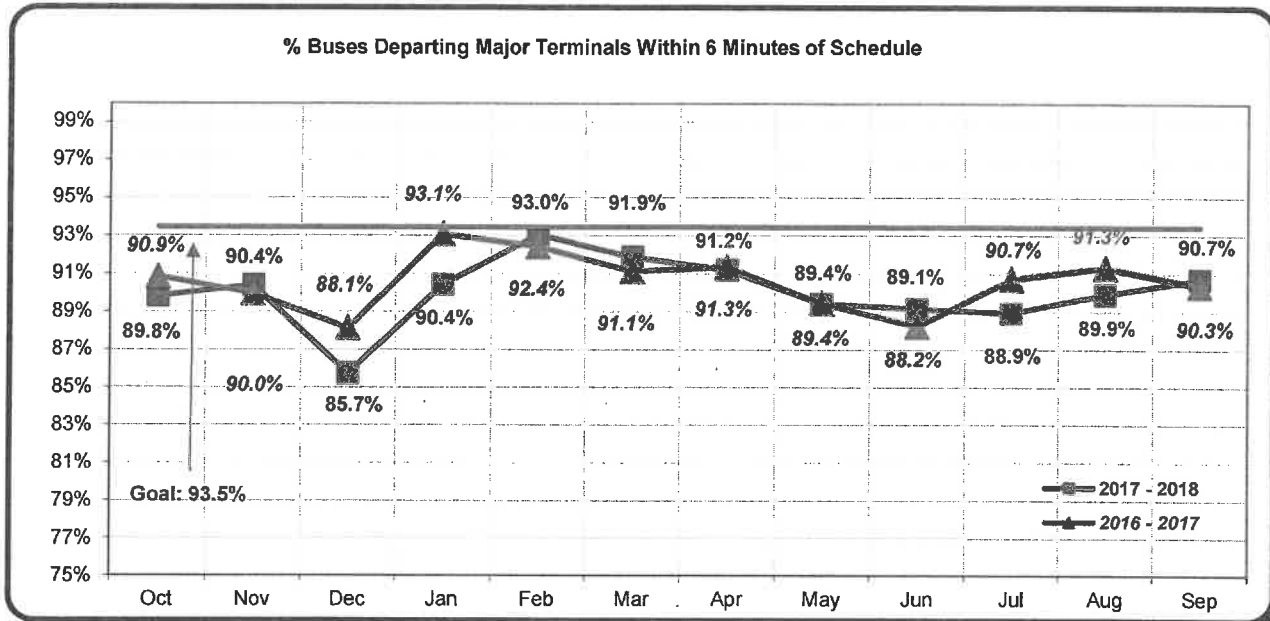
*NOTE: There is no distinction for the ACL between peak and off-peak service.

NJ TRANSIT Performance - SEPTEMBER, 2018
Late NJ TRANSIT Trains

# of Trains On		Cause: Amtrak		Cause: Conrail		Cause: MetroNorth		Cause: NJ TRANSIT		Cause: PATH		Cause: P/A		Cause: NS	
# of Trains On Time	15,221	347	16	15	1,086	2	2	2	7	2	2	2	7	2	7
# of Late Trains	1,475	2.08%	0.10%	0.09%	6.50%	0.01%	0.01%	0.01%	0.04%	0.01%	0.01%	0.01%	0.04%	0.01%	0.04%
Total # of Trains	16,696														
Percentage On Time	91.2%														



NJ TRANSIT ON-TIME PERFORMANCE BUS OCTOBER 2016 - SEPTEMBER 2018



	2016 - 2017	2017 - 2018	% Change
September Comparison	90.3%	90.7%	0.4%

	2016 - 2017	2017 - 2018	% Change
12-Month October 2017 - September 2018	90.6%	90.0%	-0.6%

Analysis:

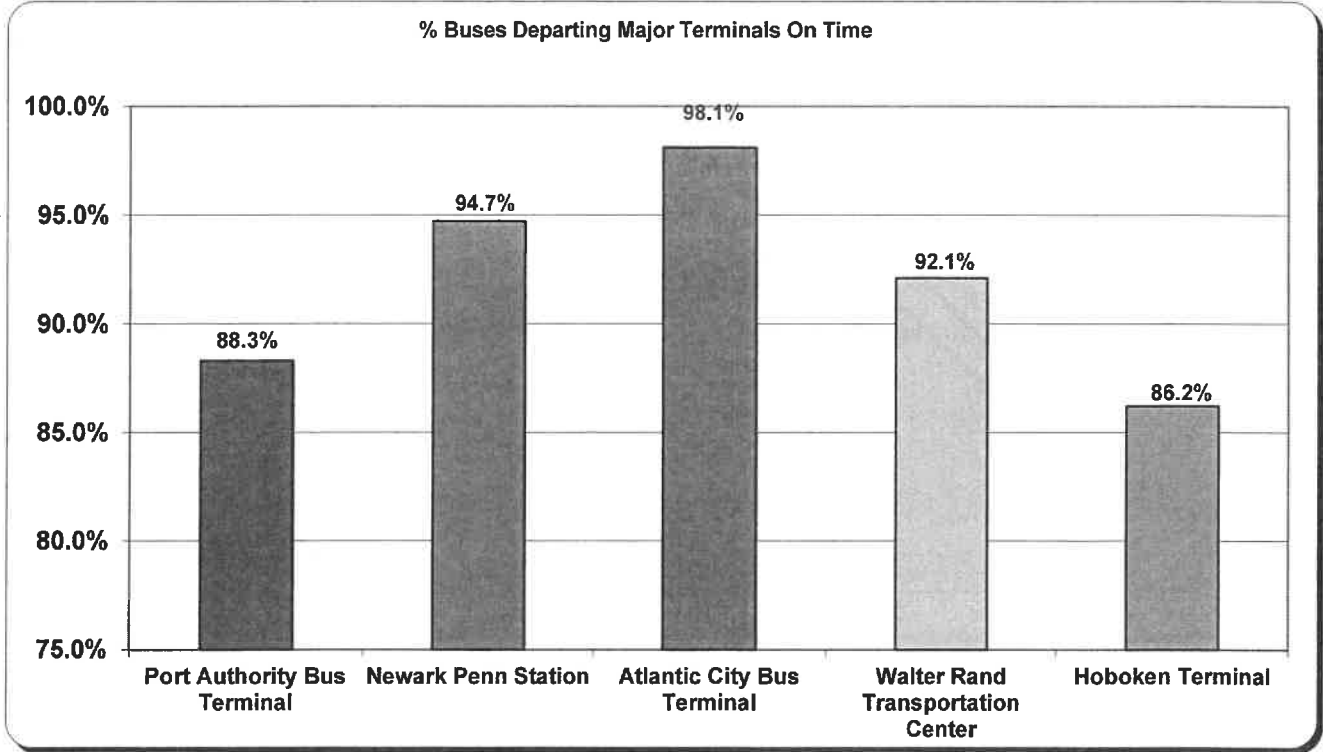
Bus On-Time Performance was 90.7% for September 2018. Of the 40,098 monitored departures 3,737 (or 9.3%) experienced delays. Key causes included:

- At Port Authority Bus Terminal, on September 14, traffic on 40th Street backed up blocking both terminal entrances. On September 25, heavy rain all day caused severe flooding and delays. Route 495 construction delayed arrival of buses to the terminal, which impacted service.
- Heavy rain and flooding on September 25 closed streets causing delays. Increased traffic on local streets due to Route 495 construction severely impacted flow in and out of the New York City, which impacted service.

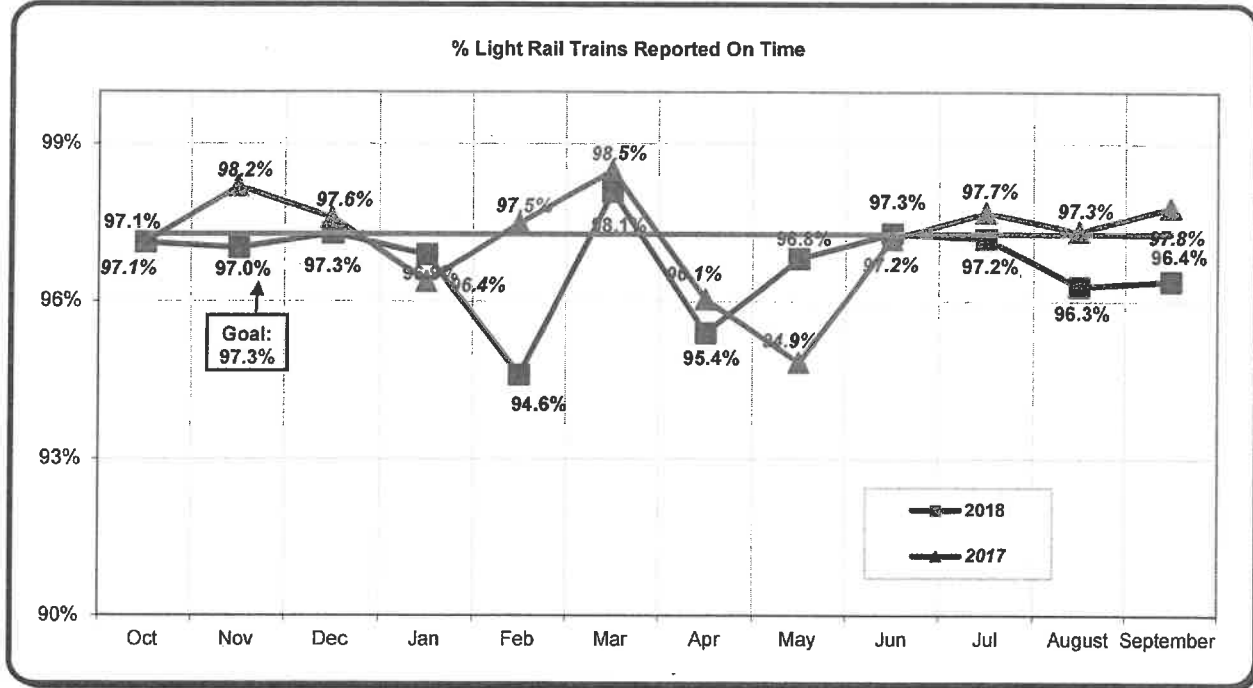
The 12-month average for Bus On-Time Performance for October 2017 - September 2018 was 90.0%, which was down by 0.6% from the previous year.

ON-TIME PERFORMANCE BUS

SUMMARY BY TERMINAL SEPTEMBER 2018



NJ TRANSIT ON-TIME PERFORMANCE LIGHT RAIL October 2016 - September 2018



	2017	2018	# Change
September Comparison	97.8%	96.4%	-1.4%

	2017	2018	# Change
12-Month Average Ended Oct 2017 & Sep 2018	97.2%	96.7%	-0.5%

Analysis:

Light Rail On-Time Performance systemwide was 96.4% for the month of September 2018. Of the 25,876 scheduled departures, 949 (or 3.6%) experienced delays.

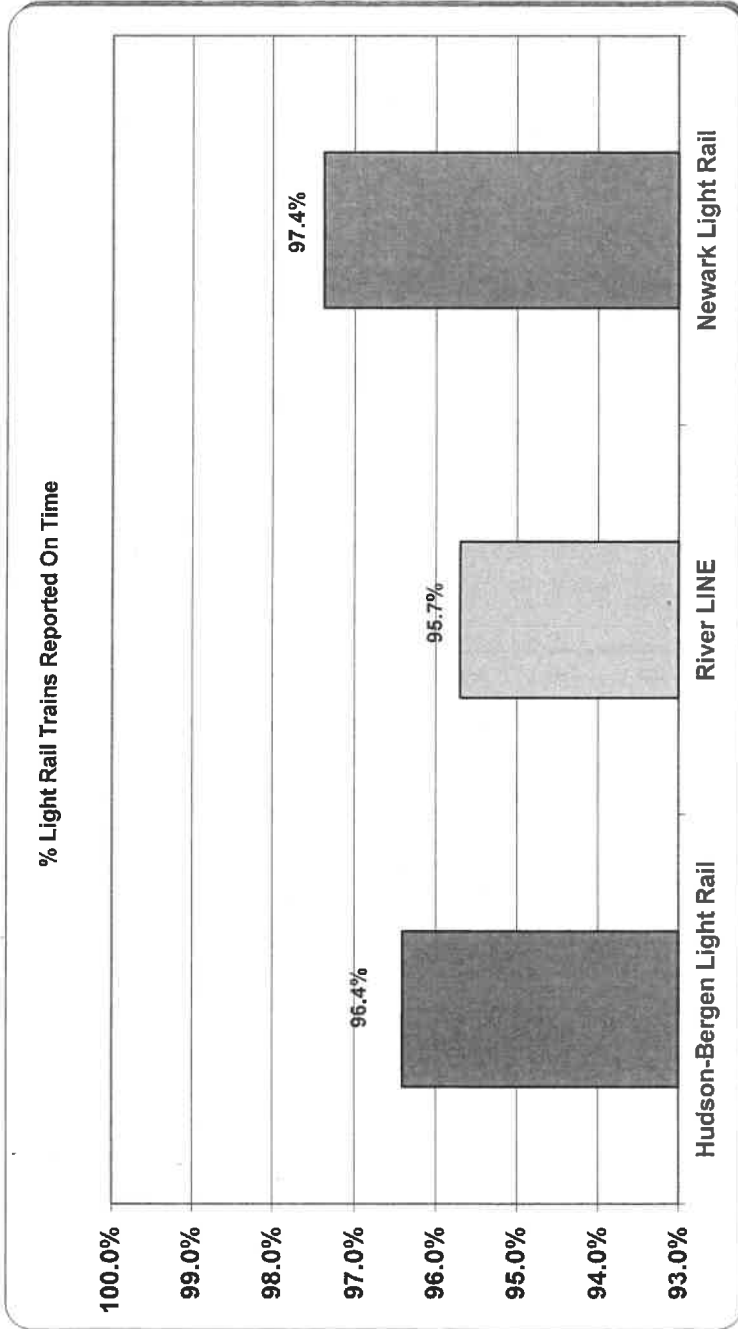
Key Causes included:

- Newark Light Rail - Delays in September were caused by manpower shortages, mechanical/switch issues, scheduled track outage, and police activity.
- Hudson-Bergen Light Rail - Multiple delays were caused by police/fire department activity, equipment issues, and heavy customer travel.
- River LINE - Equipment issues caused delays on select days throughout September.

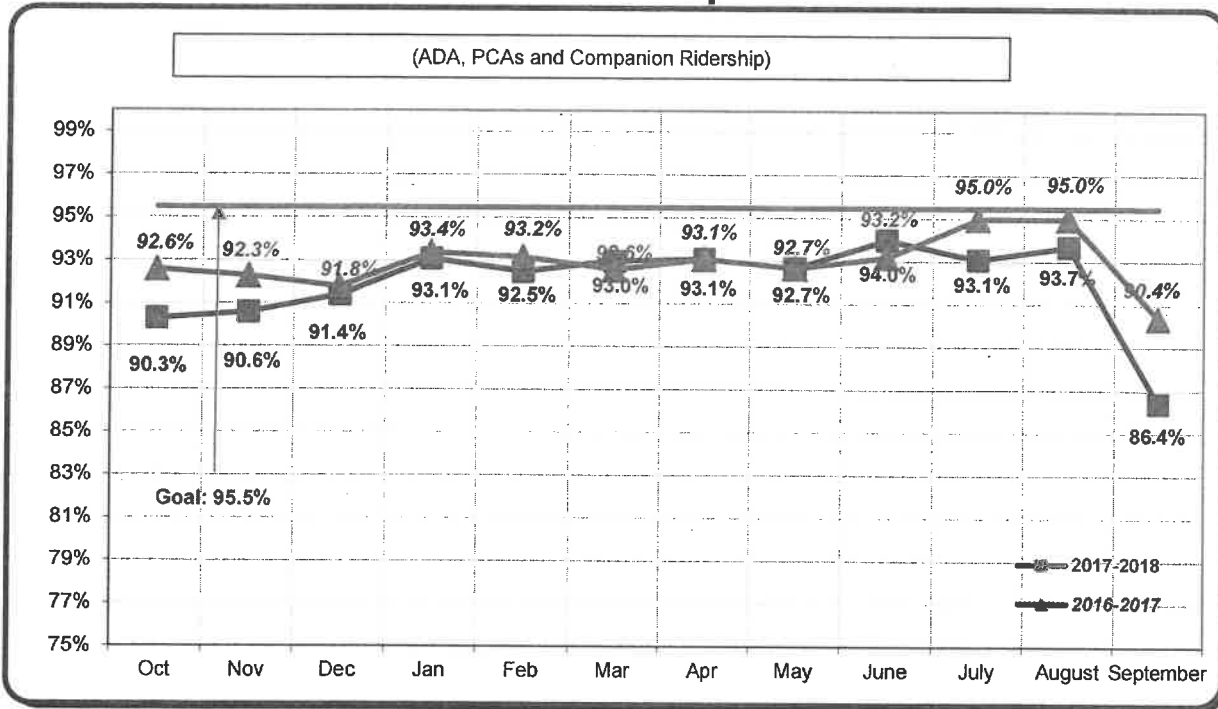
The 12 month Average for Light Rail On-Time Performance for October 2017 - September 2018 was 96.71 %, which decreased by 0.48 %.

ON-TIME PERFORMANCE LIGHT RAIL

SUMMARY BY LINE August 2018



NJ TRANSIT ON-TIME PERFORMANCE ACCESS LINK October 2016 - September 2018



	2017	2018	% Change
September Comparison	90.4%	86.4%	-4.0%

	2017	2018	Difference
September Ridership	138,638	137,597	-1,041

	2016-2017	2017-2018	% Change
12-Month Average October-September	92.9%	92.0%	-0.9%

Analysis:

Access Link On-Time Performance was 86.4% for September 2018. In serving 137,597 total riders, for 125,697 ADA customers trips, 17,072 (or 13.6%) experienced delays.

Key causes include:

- * Increased traffic congestion due to school openings
- * Road closures / due to construction
- * Customer no-shows and cancellations

Additionally: An On-Time Performance decline this month is attributable to the recent transition to a shorter/better pick-up window for customers. Access Link contractors are increasing the number of drivers and vehicles in service as part of this adjustment in serving increased ridership volume.

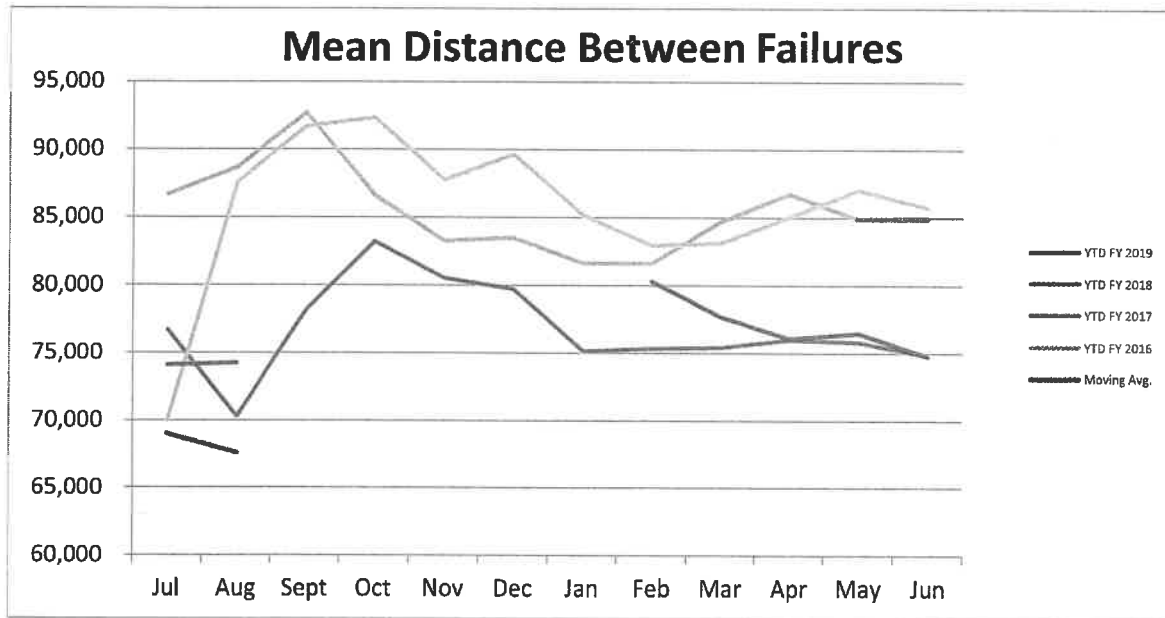
The 12-month average for Access Link On-Time Performance for October 2017 - September 2018 was 92.0%, which decreased by -0.9%.

MEAN DISTANCE BETWEEN FAILURES

August 2018

NJ TRANSIT Rail Operations
Mean Distance Between Failures

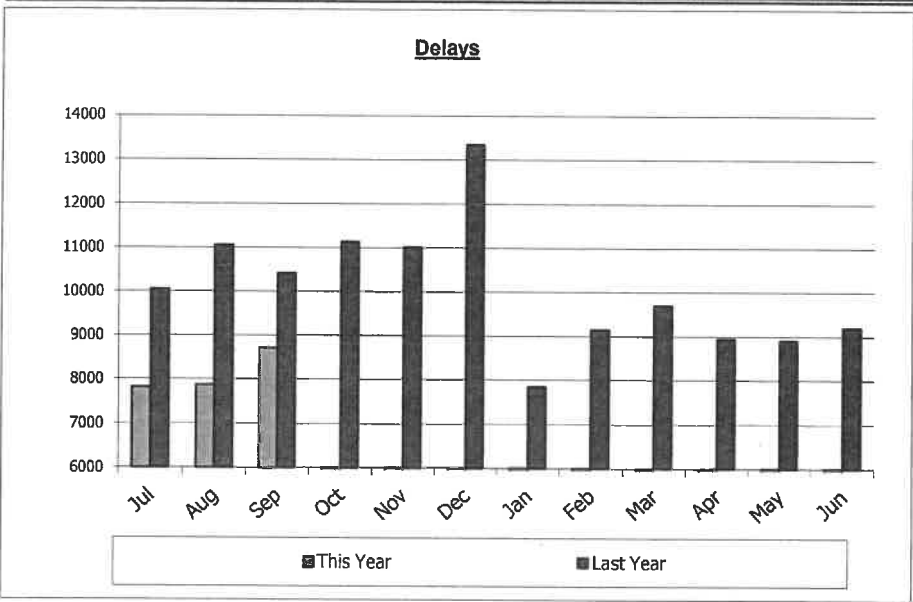
Month	YTD FY2018	YTD FY2017	YTD FY2016	YTD FY2015	12 Month Moving Avg.
Jul	69,055	76,674	86,683	69,926	74,107
Aug	67,612	70,263	88,680	87,565	74,238
Sept	-	78,151	92,705	91,669	-
Oct	-	83,213	86,626	92,329	-
Nov	-	80,523	83,272	87,756	-
Dec	-	79,711	83,501	89,655	-
Jan	-	75,139	81,633	85,167	-
Feb	-	75,324	81,639	82,949	80,309
Mar	-	75,376	84,715	83,112	77,686
Apr	-	75,968	86,771	85,060	76,108
May	-	75,787	84,920	87,022	76,487
Jun	-	74,776	84,936	85,722	74,776



Garage Performance Parameters

September 2018

Location	Miles Between In-Service Delays			
	FY2019 Goal	This Month	FY2019 YTD	FY2018 YTD
Fairview	6,000	3,670	3,706	6,291
Greenville	7,500	5,910	4,350	4,720
Market Street	8,500	8,418	5,883	8,546
Meadowlands	10,200	4,740	4,799	6,955
Oradell	10,500	8,004	7,082	8,825
Wayne	10,500	8,508	7,394	9,621
Northern Division	-	6,495	5,750	7,846
Big Tree	8,800	5,478	4,841	6,902
Hilton	10,200	7,195	7,009	8,628
Howell	16,750	24,911	22,529	30,562
Ironbound	9,600	6,510	6,832	10,997
Orange	9,250	7,714	7,352	8,581
Morris	10,500	44,598	47,511	72,104
Central Division	-	9,034	8,901	12,150
Egg Harbor	15,500	14,920	17,396	15,259
Hamilton	13,000	9,457	7,566	11,960
Newton Avenue	12,000	9,345	9,775	17,100
Washington Twp.	14,500	19,516	15,310	11,982
Southern Division	-	13,609	12,985	13,636
Bus Operations	-	8,703	8,092	10,501

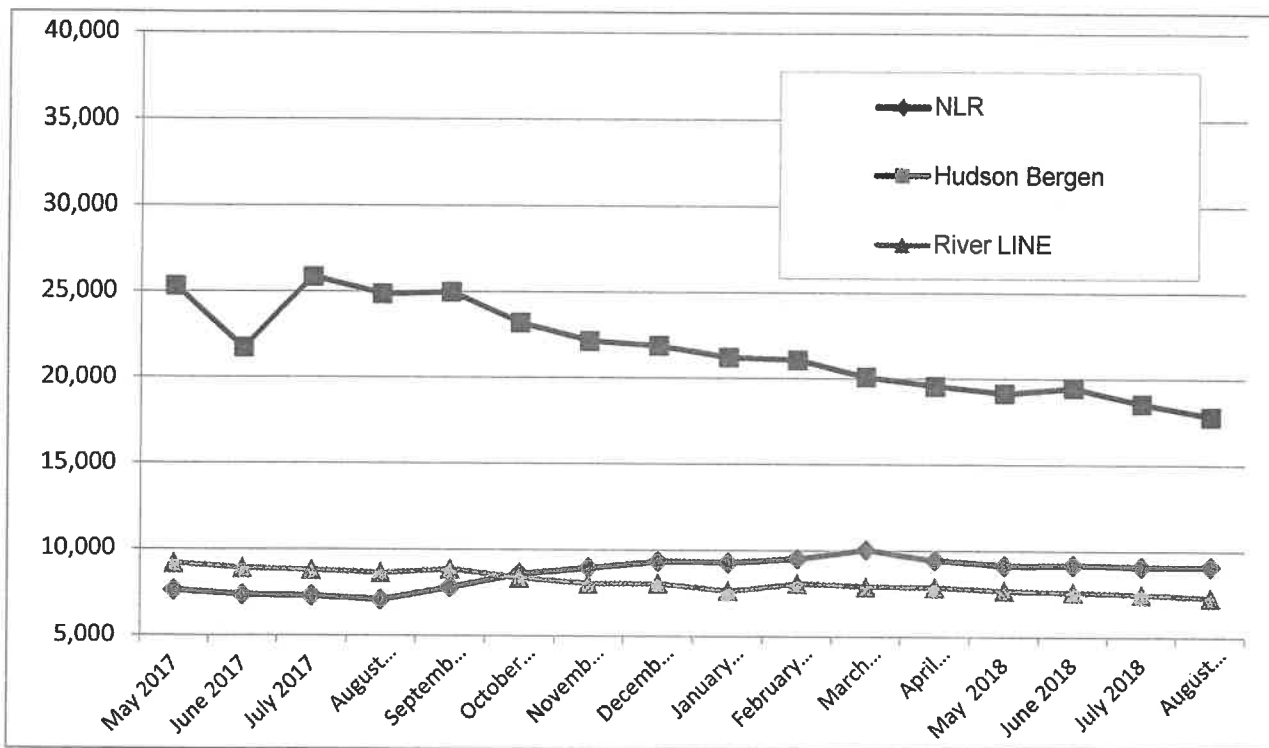


NJ TRANSIT - LIGHT RAIL, August 2018

Average Miles Between In Service Failures

NJT LIGHT RAIL	MDBSF * August 2018
Newark Light Rail	9,104
Hudson Bergen	17,807
River LINE	7,317

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 September 2018, NJ TRANSIT awarded **\$1,106,595.31** in state funded contracts. Of that total, Small Business Enterprises (SBEs) received **\$35,174.92** or **3.18%**.

During the State Fiscal Year **2019** (July 1, 2018 through June 30, 2019) NJ TRANSIT awarded **\$112,511,346.91** in state funded contracts. Of that total, SBEs received **\$5,659,595.82** or **5.03%**.

**All of the above reflects the Procurement Report of Awards received October 1, 2018.*

SBE Goal Attainment from July 1, 2018 through June 30, 2019 (FY 2019)

Category 1 SBEs received	\$0.00	or 0.00%
Category 2 SBEs received	\$5,624,420.90	or 5.01%
Category 3 SBEs received	\$0.00	or 0.00%
Category 4 SBEs received	\$0.00	or 0.00%
Category 5 SBEs received	\$0.00	or 0.00%
Category 6 SBEs received	\$0.00	or 0.00%

FTA Funded Contracts (updated Quarterly – next update will occur January 2019)

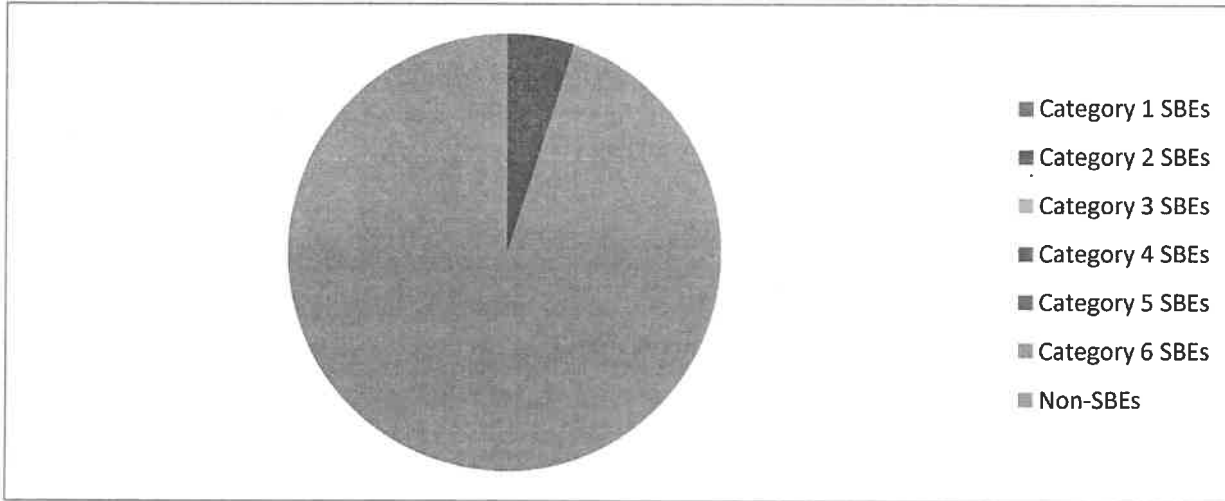
During the 4th Quarter (July 1, 2018 – September 30, 2018) of Federal Fiscal Year 2018 (October 1, 2017 through September 30, 2018), the FTA funded share of NJ TRANSIT’s federal contracts awarded was **\$55,968,741.05**. Of that total, Disadvantaged Business Enterprises (DBEs) received **\$7,869,232.53** or **14.06%**.

DBE Goal Attainment from July 1, 2018 – September 30, 2018 (FFY 2018) **

Contracts awarded	\$55,968,232.53
DBEs received	\$ 7,869,232.53 or 14.06%

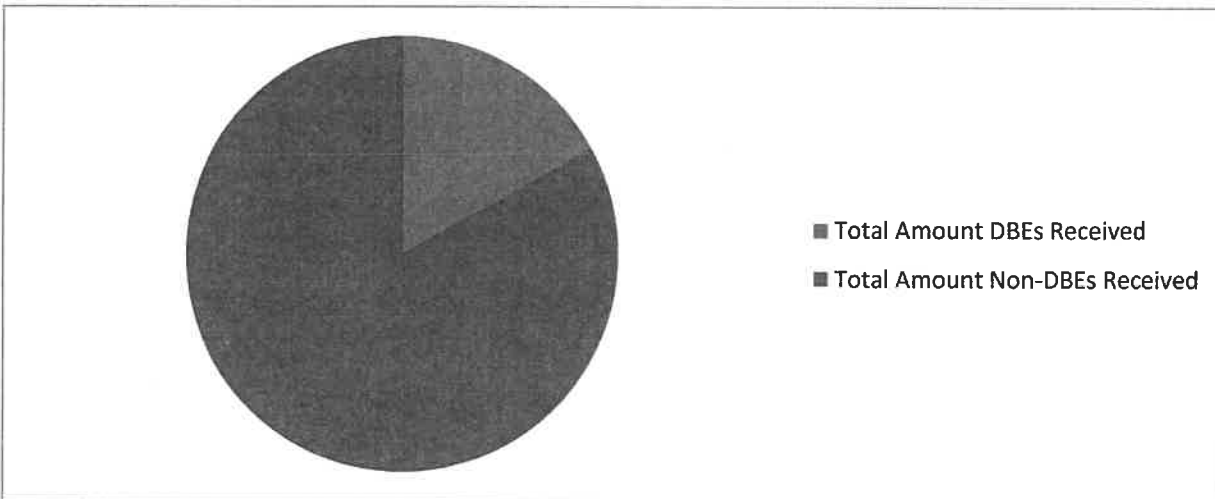
***Numbers reflect federal share.*

<i>Category 1 SBEs</i>	\$35,174.92	0.03%
<i>Category 2 SBEs</i>	\$5,624,420.90	5.00%
<i>Category 3 SBEs</i>	\$0.00	0.00%
<i>Category 4 SBEs</i>	\$0.00	0.00%
<i>Category 5 SBEs</i>	\$0.00	0.00%
<i>Category 6 SBEs</i>	\$0.00	0.00%
<i>Non-SBEs</i>	\$106,851,751.09	94.97%



DBE PARTICIPATION
FEDERAL CONTRACTS
FEDERAL FYTD 2018

Total Amount DBEs Received	\$16,102,378.50	16.87%
Total Amount Non-DBEs Received	\$79,367,862.29	83.13%



EMPLOYEE RECOGNITION

NJ TRANSIT employees bid farewell after outstanding careers

17 NJ TRANSIT employees retired recently with careers ranging 15 to 42 years of service:

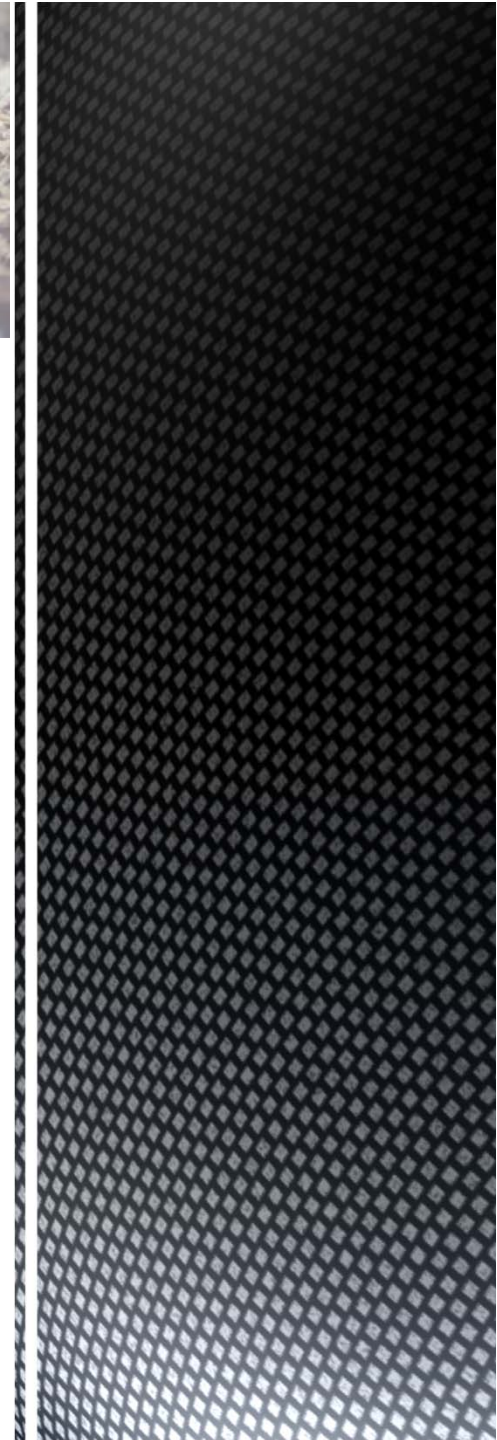
1. Julio Alegria, Lead Tech. – MMC-CAR-SH – 31 years
2. William Erhard, FRA Foreman – Gladstone – 42 years
3. Robert Hicks, Supt. Equipment Mgmt. – RAIL-OPS-CTR-MMC – 31 years
4. Evaristo Lopes, Supt. Stations – Penn Plaza-HQ – 31 years
5. John McCoog, Asst. Manager – Morrisville-YD – 26 years
6. Alvin Murray, Gateman Janitor – Hoboken – 19 years
7. Christine Nelson, Lead Maintainer – Dover – 24 years
8. Bruce Slowik, Carman – HOB-CAR-SH – 16 years
9. Paul Dixon, Ticket Agent – A/C Bus – 19 years
10. Patrick Dougherty, Mechanic A – Egg Harbor – 29 years
11. Philip Harmer, Operator – Howell – 17 years
12. Quinston Lee, Depot Clerk – Meadowlands – 29 years
13. Regina Baskin, Mail Clerk – GOB – 15 years
14. Patricia Tyler, Asst. OPS. Supv. – Penn Plaza-HQ – 20 years
15. Garnell Herron, Princ. Budget A – Penn Plaza-HQ – 31 years
16. Angel L. Jimenez, Mgr. Oper. Training – Ferry Street – 34 years
17. William Rivera Jr., Supt. Garages – Big Tree – 33 years



NJ TRANSIT's Implementation of Positive Train Control

October 10, 2018

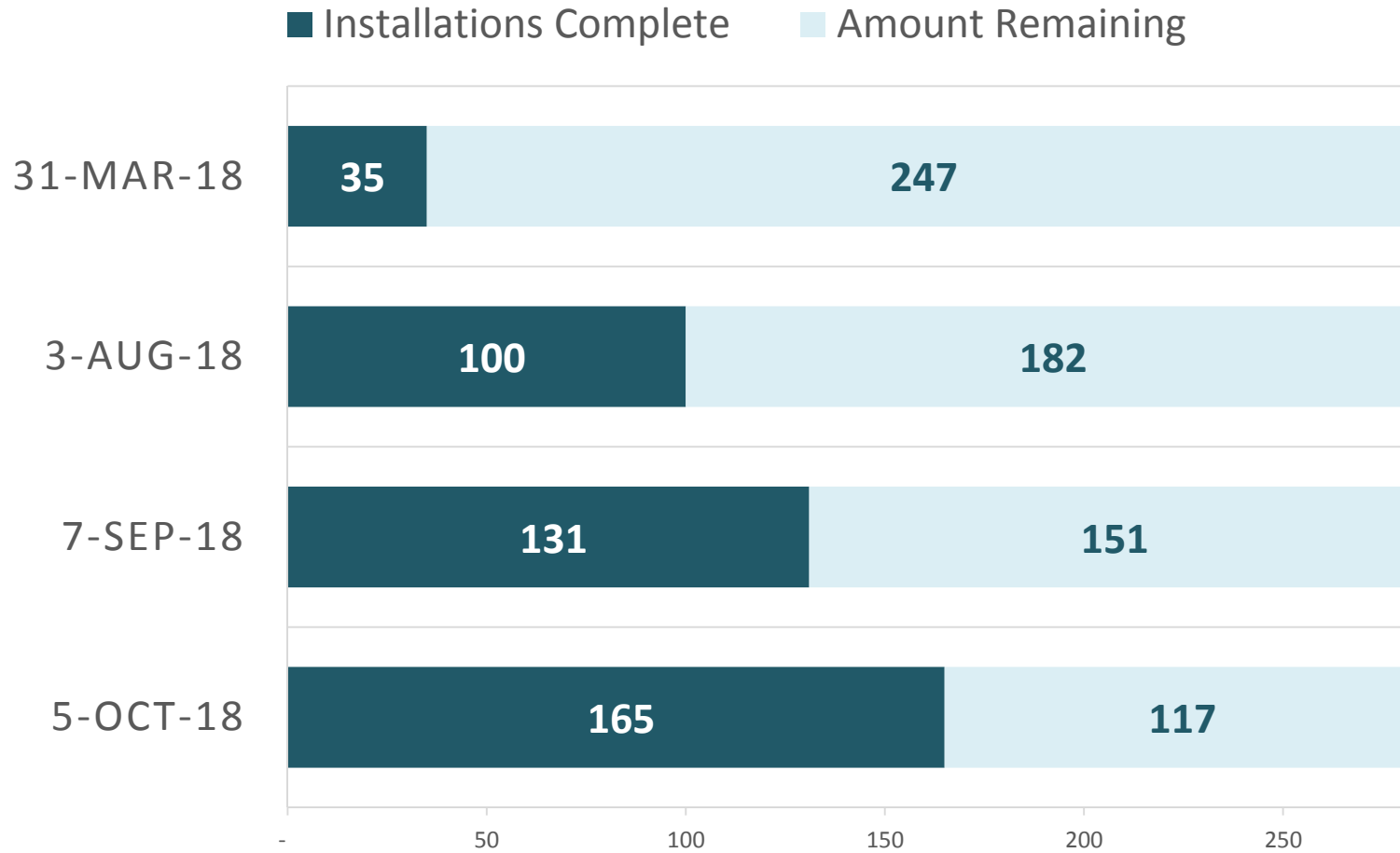
Update to NJ TRANSIT Board of Directors



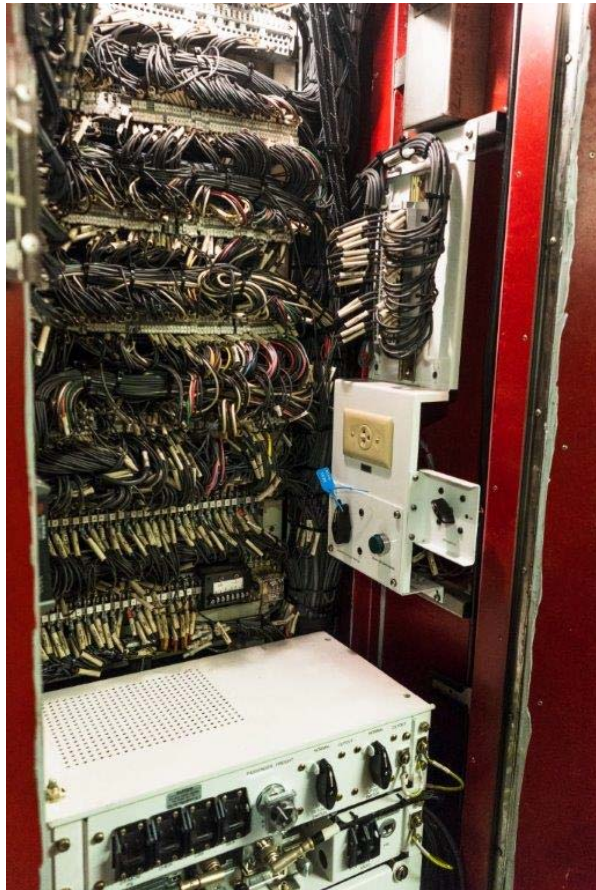
Progress Toward Key Year-End Targets

	Vehicle Installations
	Wayside Installation
	Training of Employees on the Installation and Use of the PTC System
	Testing

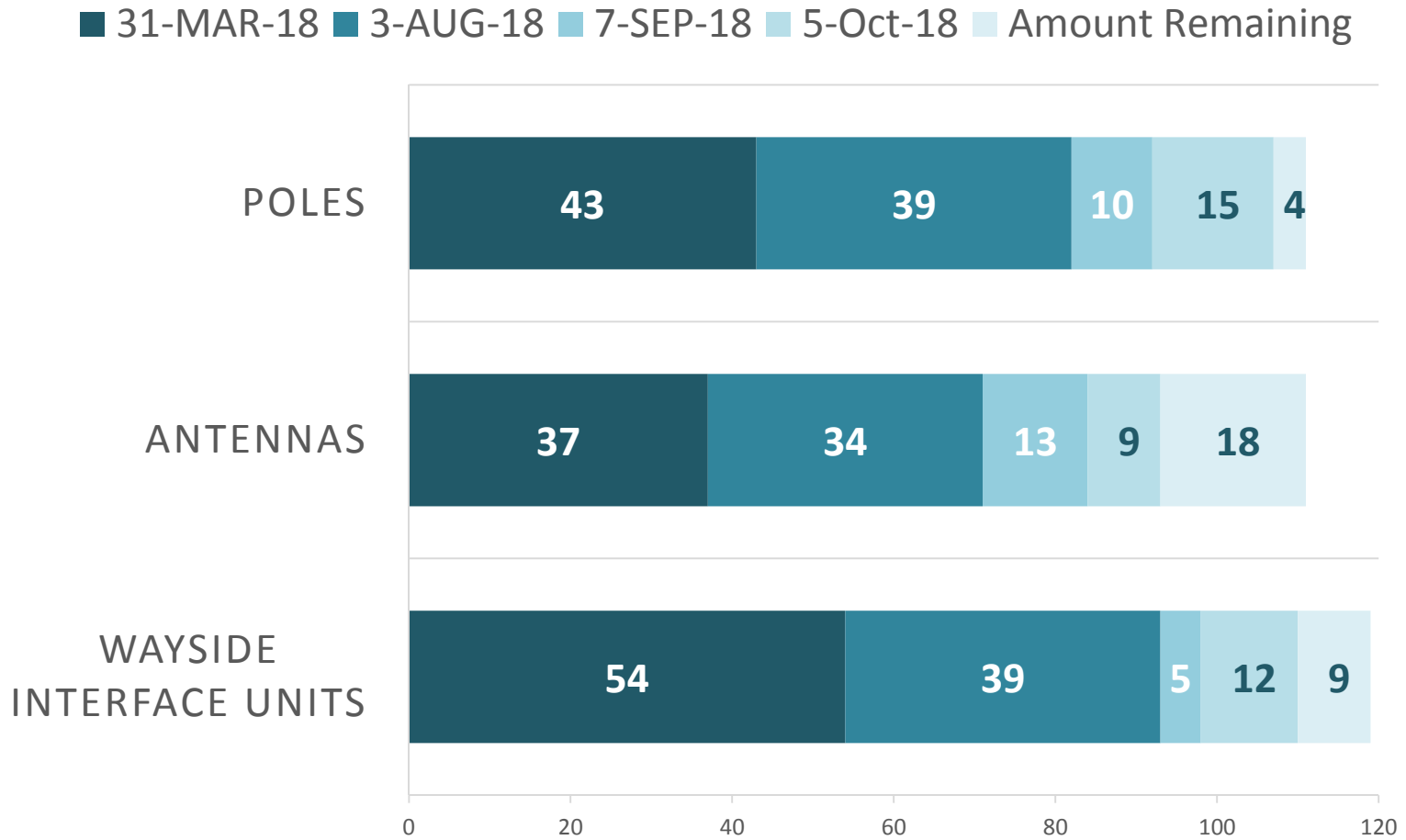
Progress Toward Key Year-End Targets Vehicle Installations



Vehicle Installations at the Kinkisharyo Rail Car Facility



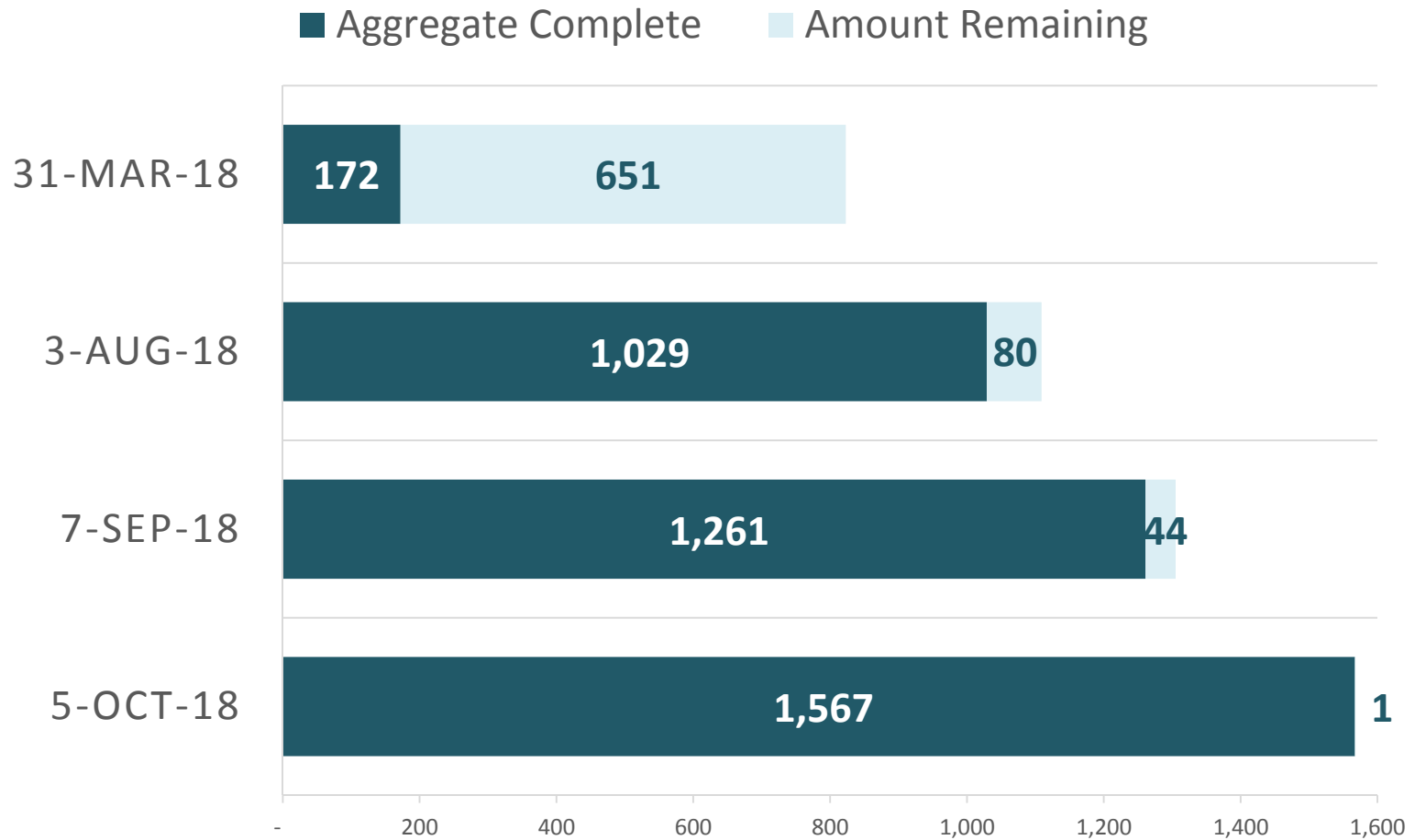
Progress Toward Key Year-End Targets Wayside Installation



Major Progress on the Atlantic City Line Wayside



Progress Toward Key Year-End Targets Aggregate Training



Progress Toward Key Year-End Testing Targets

	Testing Requirements
	Reliability Testing
	Amtrak Interoperability

Senate Committee on Commerce, Science & Transportation

Implementation of Positive Train Control Hearing October 3, 2018



Photo Credit: C-SPAN3



For more information
visit:



www.njtransit.com/ptc

ACTION ITEMS

**ITEM 1810-67: NEW BRUNSWICK STATION ELEVATOR UPGRADES:
CONSTRUCTION CONTRACT AWARD**

WHEREAS, NJ TRANSIT seeks to enhance the capacity and accessibility of its facilities and services, including the New Brunswick Rail Station; and

WHEREAS, authorization of this Construction Contract will allow for upgrades to the two existing elevator towers located near the inbound station building and northern end of the outbound platform; and

WHEREAS, this elevator construction project is part of a larger series of investments in the New Brunswick Station as part of the Liberty Corridor Initiative; and

WHEREAS, Phase I of the initiative is complete and involved the construction of a new inbound elevator tower in 2012; and

WHEREAS, subsequent phases of the project will construct additional accessibility and passenger circulation improvements, including the replacement of the existing interior station escalator and inbound platform extension; and

WHEREAS, this elevator construction project is part of Phase II and will provide upgrades to the station platform elevators by replacing the elevator systems, which are outdated and subject to frequent breakdowns, to improve visibility and safety; and

WHEREAS, Phase II of the project will make the station fully accessible for all customers while enhancing customer access to trains and passenger circulation while retaining the historic fabric of this station; and

WHEREAS, on June 27, 2018, an Invitation for Bid (IFB) was advertised on BID EXPRESS, NJ TRANSIT's electronic bid system, and in *The Star-Ledger* and *Trenton Times*. A Pre-Bid Conference and site visit occurred on July 17, 2018; and

WHEREAS, bids were received electronically from two firms and opened on August 16, 2018, at New Jersey Transit Headquarters in Newark; and

WHEREAS, bids were received from Hall Building Corporation in the amount of \$2,979,700 and Railroad Construction in the amount of \$2,996,000; and

WHEREAS, the New Jersey Department of Transportation (NJDOT) Division of Civil Rights and Affirmative Action assigned a 10 percent Disadvantaged Business Enterprise (DBE) goal for this construction contract, and the NJDOT Division of Civil Rights and Affirmative Action reviewed the bid and identified 10.15 percent DBE participation; and

WHEREAS, upon completion of a competitive procurement process, it was determined that Hall Building Corporation of Farmingdale, New Jersey submitted the lowest responsive, responsible bid; and

WHEREAS, the Federal Highway Administration and Transportation Trust Fund are the anticipated sources of funding for this project;

NOW, THEREFORE, BE IT RESOLVED, that the Chair or Executive Director is authorized to enter into NJ TRANSIT Contract No. 18-042X with Hall Building Corporation of Farmingdale, New Jersey, for the construction of the New Brunswick Station Elevator Upgrades Project in the amount not to exceed \$2,979,700, plus five percent for contingencies, subject to the availability of funds.

ITEM 1810-67

NEW BRUNSWICK STATION ELEVATOR UPGRADES

The New Brunswick Elevator Upgrades Contract will include upgrades to the Existing Inbound and Outbound Platform Elevator Towers.

- Seeking authorization to contract (No. 18-042X) with **Hall Building Corporation** of Farmingdale, New Jersey for the construction of the New Brunswick Station Elevator Upgrades Project in the amount not to exceed **\$2,979,700**, plus five percent for contingencies, subject to the availability of funds.



ITEM 1810-67

NEW BRUNSWICK STATION ELEVATOR UPGRADES

- Authorization of this Construction Contract will allow for upgrades to the two existing elevator towers located near the inbound station building and northern end of the outbound platform.
- These upgrades will improve visibility and safety, and accessibility while retaining the historic fabric of this station.



**ITEM 1810-68: REGULATION: INITIATE RULE-MAKING PROCESS –
N.J.A.C. 16:72 NEW JERSEY TRANSIT PROCUREMENT
POLICIES AND PROCEDURES**

WHEREAS, NJ TRANSIT was established by the New Jersey Public Transportation Act of 1979 (N.J.S.A. 27:25-1 et seq.) as the instrumentality of the State of New Jersey to establish and provide for the operation and improvement of a coherent public transportation system in the most efficient and effective manner; and

WHEREAS, in accordance with N.J.S.A. 27:25-5(e), N.J.S.A. 27:25-11(c)(2), N.J.S.A. 27:25-11(f) and N.J.S.A. 27:25-32(a), NJ TRANSIT has the statutory authority to promulgate rules and regulations; and

WHEREAS, N.J.A.C. 16:72, Procurement Policies and Procedures, govern NJ TRANSIT's procurement of goods and services, which were initially effective June 4, 1981; and

WHEREAS, the procedures provide protection of the interest of the general public, the taxpayers, and of the potential vendors/contractors; and

WHEREAS, the most recent readoption of N.J.A.C. 16:72, Procurement Policies and Procedures, was effective November 21, 2011 and is currently set to expire November 21, 2018; and

WHEREAS, authorization to initiate the rule-making process for N.J.A.C. 16:72, Procurement Policies and Procedures, will advance efforts to enhance the guidelines and procedures; and

WHEREAS, NJ TRANSIT will seek a six-month extension of the current version of N.J.A.C. 16:72, Procurement Policies and Procedures, which will allow NJ TRANSIT to continue to provide statewide transit services to the public on a daily basis and support NJ TRANSIT's capital improvement program, resulting in a better quality of services to the public and the improvement and maintenance of the infrastructure for the public's use in the future; and

WHEREAS, during this six-month extension NJ TRANSIT will finalize and file with the Office of Administrative Law proposed amendments to N.J.A.C. 16:72, Procurement Policies and Procedures, which will advance efforts to enhance the guidelines and procedures in support of daily statewide transit services;

NOW, THEREFORE, BE IT RESOLVED that the Chair or Executive Director or designee is authorized to initiate the rule-making process as a step toward effectuating the readoption of and proposing amendments to the regulation, N.J.A.C. 16:72 et seq., Procurement Policies and Procedures.