

Philip D. Murphy, Governor
Sheila Y. Oliver, Lieutenant Governor
Diane Gutierrez-Scaccetti, Commissioner
Kevin S. Corbett, President & CEO

NJ TRANSIT
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November 18, 2021

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, November 10, 2021.

Sincerely,

Joyce J. Zuczek

Joyce J. Zuczek
Board Secretary

Enclosures

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

Open Session Minutes of the actions taken at 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. conducted virtually by telephone on Wednesday, November 10, 2021. The meetings occurred concurrently.

Board Members

Diane Gutierrez-Scaccetti, Chair
Cedrick T. Fulton, Vice Chair – ABSENT
Lauren LaRusso, Governor's Representative
Andrea Spalla, Treasurer's Representative
James D. Adams, Board Member
Sangeeta P. Doshi, Board Member
Bob Gordon, Board Member
Richard A. Maroko, Board Member
Shanti Narra, Board Member

Staff

Kevin S. Corbett, President & Chief Executive Officer (CEO)
Joyce J. Zuczek, Board Secretary
Eric R. Daleo, Senior Vice President, Capital Programs
William Viqueira, Senior Vice President, Chief Financial Officer & Treasurer
James A. Sincaglia, Acting Senior Vice President & General Manager, Rail Operations
Joseph E. Snow, Assistant Attorney General, Office of the Attorney General

Chair Gutierrez-Scaccetti convened the Open Session at 9:06 a.m. in accordance with the Open Public Meetings Act. Board Secretary Zuczek conducted a roll call and noted Board Member Narra would join shortly.

Board Secretary Zuczek announced that adequate notice of the regularly scheduled meetings of the Board of Directors of the New Jersey Transit Corporation and its affiliates and subsidiaries was provided in accordance with the Open Public Meetings Act and NJ TRANSIT's enabling legislation. Notices were filed on November 4, 2021 with the Secretary of State, sent to newspapers of general distribution, posted in the main entrance of NJ TRANSIT headquarters, published on the corporation's website, and sent to each individual, agency, and organization that requested such notice.

Approval of Minutes

Chair Gutierrez-Scaccetti asked for a motion to approve the minutes of the October 12, 2021 and October 20, 2021 Board meetings. Board Member Richard A. Maroko made the motion, Board Member Sangeeta P. Doshi seconded the motion, and it was adopted.

Roll Call Vote:

Adams	Doshi	Gordon	Maroko	Narra	Spalla	LaRusso	Fulton	Gutierrez-Scaccetti
Yes	Yes	Yes	Yes	Absent	Yes	Yes	Absent	Yes

President & CEO’s Monthly Report

President & CEO Corbett was pleased to report that positive cases among NJ TRANSIT employees again declined from already low levels. Out of approximately 12,000 employees, 32 were positive, down from 36 at the last Board meeting.

Ridership has remained relatively steady on bus and light rail since President & CEO Corbett’s last report at the October 20, 2021 Board meeting, while they were seeing some incremental growth on rail. As any who regularly ride the train know, the days of frequently having a two or three-seater all to their selves appear to be long gone.

They were also seeing higher ridership growth on bus on the weekends, which was a similar trend President & CEO Corbett has reported on rail. On Saturdays, bus ridership was approaching 75 percent of pre-COVID levels, and on Sundays it was more than 80 percent. Like rail, they were seeing some bus routes at, or beyond, pre-COVID ridership levels on the weekends. President & CEO Corbett said these were extraordinarily encouraging trends.

To wrap up COVID-related news, President & CEO Corbett shared the good news many may have heard about federal COVID-relief funding for NJ TRANSIT. President & CEO Corbett was pleased to note that yesterday, New Jersey reached an agreement with New York and Connecticut on the CRRSAA and ARPA funding splits, which ensures that this critical federal funding was now available to support the region’s public transit systems.

As they recover from the pandemic, they know that public transportation was the backbone of the State’s economy. As they saw with the CARES Act, federal dollars allowed NJ TRANSIT to maintain full service for doctors, nurses, and other essential workers without having to furlough or lay off transit employees. Now, as they continue to recover and ridership continues to grow, this funding will give them the ability to maintain, and even enhance, current service levels as they were doing with the addition of 36 trains to their upcoming rail schedule. This critical funding agreement benefits all of them, and will allow NJ TRANSIT to continue delivering for customers who depend on public transit, while supporting longer-term recovery as they emerge from the pandemic.

As ridership grows, and commuting patterns continue to evolve, NJ TRANSIT was increasing service on many of their rail lines, while also better aligning scheduled service to meet customer demand. Beginning Sunday, November 14t, 2021, NJ TRANSIT was adding 22 weekday trains, 14 weekend trains, and making other important schedule

adjustments to offer to improve travel times and service frequency for customers. The schedule enhancement was also very timely as they were going into the holiday season.

The 22 new weekday trains will be added across multiple rail lines, including the Northeast Corridor, North Jersey Coast Line, Morris & Essex Lines, Main/Bergen Lines, and the Pascack Valley Line. As part of these improvements, 14 new trains have also been added to the Main/Bergen County Line weekend schedule to improve service frequency from bi-hourly service to hourly throughout the service day. Customers were advised to carefully check their timetables at njtransit.com for modifications to existing train schedules, including departure times and station stops.

As some may remember, this year in June, NJ TRANSIT restored nearly 60 weekday and weekend trains on the Northeast Corridor, North Jersey Coast Line, Raritan Valley Line, and the Gladstone Branch. They were pleased to once again, continue improving both travel times and frequency for NJ TRANSIT customers to make returning to public transit as attractive as possible. Now that they have a full roster of locomotive engineers, they were able to support these kinds of service enhancements to meet the needs of customers as they return to the system.

Also, in terms of service, President & CEO Corbett wanted everyone to know that NJ TRANSIT will be providing rail service to the Army/Navy football game on Saturday, December 11, 2021. Nothing at all against Army, but he was looking forward to watching Navy win in their backyard. But seriously, President & CEO Corbett said they were looking forward to providing service to this classic rivalry that's steeped in tradition. They will be launching a special web page within the next week or so that will provide all the information needed to take NJ TRANSIT to the game, including rail schedules and ticket purchase information.

President & CEO Corbett said to keep an eye out for more to come on that. In addition to these positive service developments, they have brief updates to report in their other three core focus areas: infrastructure, technology, and people.

Beginning with "infrastructure," last month NJ TRANSIT celebrated a truly exciting and historic day for their organization. On October 25, 2021, they hosted President Biden at their Meadows Maintenance Complex (MMC) in Kearny, along with Governor Murphy, Commissioner Gutierrez-Scaccetti, President & CEO Corbett, members of the New Jersey Congressional delegation, and a number of elected officials and other dignitaries.

There, President Biden celebrated the ceremonial groundbreaking for NJ TRANSIT's Portal North Bridge Replacement Project, and also promoted his bipartisan infrastructure bill, which President & CEO Corbett would get to in a moment.

The Portal North Bridge Replacement project will usher in a new era of reliability between New Jersey and New York for the millions of NJ TRANSIT and Amtrak customers who travel along the Northeast Corridor every year. It represents the culmination of more than

three years of hard work and determination by NJ TRANSIT and their project partners at Amtrak.

President & CEO Corbett said a project of this magnitude spans so many different departments in their agency, including Capital Programs, Procurement, Finance, Operations, Office of Business Development, and many others. It would be impossible to individually thank every employee who directly contributed to their success. However, President & CEO Corbett offered his sincere gratitude to every NJ TRANSIT employee, because this project was truly an organization-wide effort. The fact that President Biden came to New Jersey to join them at their MMC facility for this event speaks volumes, and was great recognition of the work all of them have done to get to this point.

As President & CEO Corbett alluded to earlier, President Biden promoted his bipartisan infrastructure bill while visiting with NJ TRANSIT at the MMC in Kearny to celebrate the ceremonial groundbreaking of the Portal Bridge.

President & CEO Corbett noted the infrastructure bill passed in the House on Friday afternoon. He said NJ TRANSIT could not be more pleased by the passage of this landmark piece of legislation, and they were excited about what it will mean for their five-year Capital Plan.

Continuing with infrastructure, NJ TRANSIT had two significant capital projects from their Five-Year Capital Plan on the agenda for Board consideration. Later that morning, the Board will consider a construction contract award for the \$63 million Perth Amboy Station reconstruction project, through which they will construct two high-level platforms and make many station improvements to provide full accessibility for Perth Amboy rail customers. The Board will also consider a contract to advance their \$132 million Mason Substation project in Kearny, a joint development partnership with PSE&G which they expect to complete next year in December.

As they continue to advance major capital projects, NJ TRANSIT was also maintaining their focus on technology to improve every aspect of the customer experience. Toward that end, President & CEO Corbett was pleased to report that NJ TRANSIT has completed the installation of 558 new and improved ticket vending machines, or TVMs, throughout the system. The new, redesigned TVMs are faster, more user-friendly, easier to use for people with disabilities, include contactless fare payment, and have new overhead displays for important travel information and advisories.

President & CEO Corbett said this was just one phase of NJ TRANSIT's larger Fare Modernization program which also included new onboard ticket validators on buses, handheld validators for train crews, EZ Wallet for Access Link, and a future new NJ TRANSIT fare card, providing additional payment methods for customers to utilize. Contactless fare payment options, available through all of these new fare collection methods, have proven especially popular with customers returning to the system as they emerge from the pandemic.

Moving on to “people,” President & CEO Corbett has talked in previous meetings about the high-caliber talent they have brought into the agency that have really helped them raise their game since 2018. Last month, NJ TRANSIT brought on a respected leader in the HR and talent development space, hiring Glenn Shuster as their new Chief of Human Resources.

Glenn has more than 20 years of Human Resources experience in a diverse range of industries, including retail, technology, and hospitality. He is a proven leader in talent planning, change leadership, and people development, shaping high-performance culture for Fortune 500 and major progressive brands.

Glenn joins NJ TRANSIT from Moore Holdings, where he served as Head of People Operations. He has also served as Vice President of HR at both Liberty Lending and Quorum Federal Credit Union, and holds a master’s degree from Stony Brook University. President & CEO Corbett asked everyone to join him in welcoming Glenn to NJ TRANSIT.

Also related to the “people” part of their organization, President & CEO Corbett was pleased to note that last month, an NJ TRANSIT Bus Operations employee took top prize in the New Jersey Department of Transportation’s prestigious “Build a Better Mousetrap” competition. The competition, open to all state employees, seeks out new, innovative and efficient ways to improve the quality and safety of transportation projects.

Technical Specialist Marc Franco, from NJ TRANSIT’s Bus Material and Technical Support division, won for an innovation that aids the installation and maintenance of a new snow chain system being tested on buses. It was the first time in the competition’s history that an NJ TRANSIT employee won the award.

Mr. Franco’s submission focused on his creation of a tire centerline bracket which will allow for more precise and time efficient installation and deployment of the air operated snow chain systems for bus tires. This new process will ensure that snow chain systems are kept in optimal working condition so that NJ TRANSIT customers can get to and from their destinations safely during inclement winter weather.

President & CEO Corbett congratulated Marc for winning this competition with a concept that improves safety and reliability for NJ TRANSIT bus customers and operators.

To wrap up, President & CEO Corbett briefly reported on this week’s American Public Transportation Association, or APTA’s, Transform Conference in Orlando, Florida. Yesterday he moderated a panel discussion that included Leslie Richards, the General Manager of SEPTA in Philadelphia; President & CEO of DART in Dallas, Nadine Lee; and the COO of RGRTA in Rochester, Miguel Valasquez. The panel focused on “Transit Ridership Trends and the Future of Ridership” and yielded some great discussions and insights from these experienced transit leaders.

This was just one of many panels and meetings during the conference, where they had the opportunity to share experiences and best practices with agencies across the country.

But the highlight of the Conference was being able to personally accept two prestigious national safety awards on behalf of NJ TRANSIT.

The annual APTA Bus and Rail Safety & Security Awards recognize public transit providers for their innovative and proactive safety and security programs, and this year President & CEO Corbett was proud to report that NJ TRANSIT won two awards:

One was APTA's top Bus Safety award, the 2021 Bus Safety Gold Award. There is only one Gold Award winner in each category, and NJ TRANSIT took home the gold out of all the transit agencies in the country providing more than 20 million passenger trips annually. President & CEO Corbett said it was truly a distinctive honor.

President & CEO Corbett said it was not just their Bus Operations receiving national recognition from APTA. They also received APTA's 2021 Rail Safety Certificate of Merit award for Commuter/Intercity Rail Systems.

President & CEO Corbett said for NJ TRANSIT to receive the Bus Safety Gold Award and the Rail Safety Certificate of Merit Award in the same year, competing against some of the most impressive and well-funded transit agencies across the country, reinforces and reflects NJ TRANSIT's commitment to safety as not just the highest priority, but as a core value. President & CEO Corbett said the awards were independently determined by their peers in the industry, which not only validates the results of their agency's hard work over the last few years, but was tangible affirmation that NJ TRANSIT was back as a national leader in public transit.

The 2021 Bus Safety Gold was awarded to NJ TRANSIT for its commitment to safety and technology, demonstrated through their Lytx DriveCam Event Recorder implementation. This system of data collection and assessment was designed to address safety hazards proactively, to prevent unsafe operator behaviors before they lead to costly, and even tragic, accidents. Between 2010 and 2020, NJ TRANSIT Bus Operations has realized a 70 percent reduction in near collisions as a result of this video technology implementation.

NJ TRANSIT's rail Certificate of Merit was awarded for the incredible work their Rail Operations team was able to accomplish in order to meet the December 31, 2020 deadline for full implementation of their Positive Train Control project, in light of how far behind that project was when President & CEO arrived in 2018.

President & CEO said NJ TRANSIT was grateful to their leader of Bus Operations, Mike Kilcoyne, and Rail Operations, Jimmy Sincaglia, along with their Senior Vice President and Chief Safety Officer, Brian Lapp, and their entire teams for their successful efforts to keep their customers and employees safe. President & CEO also wanted to thank all their employees for taking safety so seriously, and for incorporating it into their daily work routines.

Public Comments

Chair Gutierrez-Scaccetti asked the event call operator to open the floor for public comments and to provide instructions for entering the queue to make a public comment. The event call operator said the floor was open for public comments. If individuals wanted to make a public comment, they were instructed to press *1 on their telephone keypad to enter the queue. They would hear a brief tone to indicate they have successfully entered the queue. Priority access would be given to any participant who has pre-registered, and those comments will be taken in turn. They would then take public comments from the remaining participants on a first-come first-serve basis. Each person would have three (3) minutes for their public comment. A warning would be provided with one (1) minute remaining and again with 15 seconds remaining.

Murray Bodin said at the forefront of everything was global warming. He listened to last month's Board meeting and said the Bus Garage that NJ TRANSIT was planning to build needs to be re-evaluated. Mr. Bodin said the buses can be in a parking lot with charging stations which will save on building a garage. He said with so much going on with global warming, a new bus garage does not need to be built.

Over the years Mr. Bodin said he discussed traffic lights and railroad crossings, distracted drivers, and drivers that were texting while stopped at a railroad crossing that distracted their attention. He said things need to be made really simple like distinguishing between flashing red lights and traffic lights and there should just be traffic lights at railroad crossings.

Mr. Bodin said he listened to all the comments made at last month's board meeting regarding Board Secretary Zuczek's 45 years of service and added his comments that she is fantastic, a pleasure to work with, and one of the many people at NJ TRANSIT who taught him the things he needed to know. He said there were many fantastic people working at NJ TRANSIT and he thanked all of them for teaching him.

Matthew Walsh, Member of the New Jersey Association of Railroad Passengers (NJARP), said his comments were surrounding the former right-of-way on the Boonton/Greenwood Lake Line and passenger abandonment in 2002 when the Montclair connection was complete. He said this line between Montclair and Jersey City was leased from Norfolk Southern and the fleet service was abandoned in 2013. Mr. Walsh said NJARP would like to see Essex/Hudson repurposed as a light rail transit which is strategically located and in a densely populated portion of the state. He said there were possibilities of connection for light rail in Secaucus Junction, Hudson Bergen Light Rail, and Hudson County and the light rail currently terminating on Broad Street in Newark.

Mr. Walsh said the demographics in this area was very interesting and that the New Jersey inner-ring suburbs were increasing in population because people were de-camping New York City because it was too overpriced and overcrowded. He said there was increasing redevelopment in the skyline of Orange and Bloomfield. Mr. Walsh said this area had the same demographics and there were two competing alternatives for not

abandoning this right-of-way: (1) the Essex/Hudson bike and walkways; and (2) the bus route to transit. Mr. Walsh said the bikeway/walkway was not hypothetical for dual use with the Hudson Bergen Light Rail. He said the busway could be problematic because new equipment would be needed and there was no connectivity with the existing light rail line. Mr. Walsh said the NJARP feels this area needs more service, not less service, by fixed rail public transit and it also engenders more public investment in these same communities. He said light rail was the best use for this densely populated and repopulated corridor.

Tim Sevener thanked NJ TRANSIT for adding the 36 trains and the hourly service on the Main-Bergen Line on the weekend because without hourly service, people would not use the train. He said his main concern was the importance of rail electrification and the way to do this was with overhead catenary systems. Mr. Sevener said this has been recommended by the International Energy Agency and he sent the Board another study from the Massachusetts Bay Transportation Authority (MBTA) who were planning on electrifying all their rail lines.

Mr. Sevener said they have to get away from diesel and fossil fuel. He said the advantage of electric trains were similar to electric cars and they were simpler and have more power. Mr. Sevener said the biggest advantage that electric trains with catenary or third rail was that they do not have to carry the battery, or the fuel, and they can carry the power from overhead or with the third rail wire conduit. Mr. Sevener said in the United Kingdom studies, battery operated trains were very temperamental and would be useful, but the battery pack storing the same energy as a typical diesel rail passenger vehicle would weigh an extra 40 tons and double the weight of the vehicle. He said a prime line for electrification would be the Atlantic City Rail Line which could be run from the offshore wind.

Sally Jane Gellert, Chairperson of the Lackawanna Coalition, said they were pleased with the schedule that goes into effect next week, especially hourly service on the Main-Bergen Line, although it has unfortunate misconnections to the Morris & Essex Line. The Coalition appreciates some restorations of the long missing 2018 trains. She said this was a good direction and they would like to see hourly service as a minimum on all lines, with extra trains as demand indicates. After reliability and frequency, Ms. Gellert said this was the most important factor for someone with an option to choose between public transportation and driving. She said there was still over emphasis on traditional rush-hour service, and some holes that remain to be filled on the Pascack Valley Line, a 4.5-hour gap inbound. Ms. Gellert believes there were also some unnecessary skip stops at Woodcliff Lake train station.

Ms. Gellert said while distributing new paper timetables on train seats for passenger awareness was appreciated, they would like to see the restoration of the weekday train arriving in Millburn, in time for their monthly meeting at Millburn Town Hall on the fourth Monday. She said this month they will have Scott Spencer from AmeriStar Rail presenting and welcomed everyone to attend.

Ms. Gellert commented on Action Item 2110-80, the Perth Amboy Renovation Project. She said the taxpayers need NJ TRANSIT to start thinking about value and not just construction jobs when projects are designed. Although, they were pleased to see historical preservation as a main consideration in this project, the price tag seemed quite high. Ms. Gellert said she usually argues for spending what is needed for durability and quality, and not focusing solely on price. She encouraged NJ TRANSIT to do what was practical, most needed, and not automatically going for the most extensive, and expensive options.

Ms. Gellert commented on Action Item 2110-83 Portal North Bridge and said Coalition Member Joseph Clift would also comment on it later in the meeting. She asked the Board to listen to Mr. Clift carefully about the finances of the Portal North Bridge. She noted the difference between the professional estimator's cost prediction, the increasing expected cost from September 2020 to the present, and the accepted bid, and said such differences should be understood before a contract is signed, even if it means a delay or rebidding the project.

Lastly, Ms. Gellert responded to President & CEO Corbett's discussion on new fare options and said they want to ensure that cash is always accepted as required by state law and the senior discounts continue.

Adam Reich said when the Board returns to in-person meetings, to please consider continuing with the remote option. He said having the option of a virtual meeting encourages participation.

Mr. Reich asked if Board Member Narra could provide an update on the Customer Advocate position. He appreciated the information she shared at the last Operations & Customer Service Committee meeting. In particular, he would like to know more about the plans for the Customer Advisory groups. He said there was an application process for a Customer Advisory Board and that there was some information that he did not think was available publicly. Mr. Reich asked if Board Member Narra could speak to the other Board Members on this and he would be happy to provide further information. He said there were important things to be considered when moving forward in choosing a Customer Advisory group to work with the Customer Advocate.

Mr. Reich said the new scheduling was positive and the hourly service in particular on the Main-Bergen Line on the weekend was commendable. He agreed with the Lackawanna Coalition that NJ TRANSIT should strive for hourly service on all lines. Mr. Reich was dismayed because there continues to be neglect towards the reverse-peak commuters. He commutes to Trenton and was surprised to see some of the changes that were made, and some that were not, with the Northeast Corridor Line schedule. Mr. Reich would like train #3898 to be looked at. He said it currently skips the Middlesex County stops in New Brunswick, Edison, Metuchen, and Metropark and there was an hour gap between 5:30 p.m. to 6:30 p.m. Mr. Reich said NJ TRANSIT could simply add stops to close the gaps for service every half-hour in the evening.

Mr. Reich said for someone working in Mercer County and living in Middlesex County a 9:00 a.m. to 5:00 p.m. shift does not really work with the schedule. He said adding these additional stops (New Brunswick, Edison, Metuchen, and Metro Park) would make a tremendous difference, reducing the wait time and helping the Middlesex County riders, traveling into Newark and New York for events in the evening, to have the extra service. Also, he noted train #3862 was cut coming back from Trenton to New Brunswick. Mr. Reich said train #3864 was made a local, and in doing so this took away one option. He said all state workers were soon going to be back in the office full time, by the end of the month, and the travel time lengthened 35 minutes. Mr. Reich said train #3864 becomes 15 minutes and comparatively it was 41-minutes on the Trenton to Metropark segment. He said going from 35 and 41 minutes to 50 minutes was significant and requested NJ TRANSIT to consider the reverse commuters when planning the schedules.

Joseph Clift commented on the Perth Amboy Renovation Project and thought NJ TRANSIT might want to do a ratio of the dollars because it was \$55 million in total to the 874 round-trip passengers which comes out to \$63,000 per rider. He said NJ TRANSIT cannot afford this type of money and should fix up the other rail stations.

Mr. Clift said on the new schedules it still keeps out peak hour train which was 1,088 seats because NJ TRANSIT needs to claim that train can come back tomorrow as part of its increased seats to qualify for the Portal North Bridge Core Capacity Grant of \$767 million.

Mr. Clift commented on the Portal North Construction Contract that was approved by the Board at the Special Board meeting in October. He said this bid was \$340 million over the budget submitted to the Federal Transit Administration (FTA) and agreed to in the full-funding grant agreement, yet no one talked about this at the Board meeting, and he wondered if the Board Members knew about this and said this was a huge overrun. Mr. Clift said anyone in the business of doing contracts would think twice about rebidding and trying to get the four bidders that were qualified to bid or even better yet come up with a lower cost option. He said the total project cost for this project has now moved from \$1.8 billion in last year's financial plan to \$2.2 billion for a two-track bridge. Mr. Clift said this was so expensive that the maximum identified dollars for overruns have been exceeded by \$32 million. He said effectively the project was out of money before the first phase had occurred, the cost to New Jersey taxpayers increased from \$800 million to \$1.1 billion, and this was an incredible amount to spend when New York was not spending a dime, and Amtrak owns the bridge.

Mr. Clift said he knows NJ TRANSIT had to have a press conference on the Wednesday before the election, but he doubts that Governor Murphy or President Biden knew that this project was busted financially. Mr. Clift asked the Board Members what they knew, when they knew it, and if they did not know this increase over budget existed, what were they going to do about it. He said this was a continuing problem with NJ TRANSIT because they do not have a project approval and monitoring process like every other transit agency. Mr. Clift said contracts were brought to the Board to approve and they never heard about them again, and they did not know if they were over budget, under budget, on time, or not.

Board Member Comments

Board Member Adams said as always, he wanted to thank the public speakers for taking the time out of their day for this meeting, and they do take all comments seriously and go back to the team to get answers to their questions. He said especially the questions coming from Mr. Clift on the Portal North Bridge Project which he knows was a monumental project, historic in the history of NJ TRANSIT, and assured him that they do watch the dollars and challenge the team when they think there is something that can be done faster, or more economical.

Board Member Adams said based on President & CEO Corbett's report, there was a lot of good news happening at NJ TRANSIT, whether it was the new Ticket Vending Machines, the added trains and updated schedules that were talked about, and the continual hiring of good team members along with the Human Resource Professional. He was happy that they finally settled the COVID-19 Recovery Fund issues with their neighbors in New York and Connecticut but, was looking forward to an explanation of how they went from asking for \$3.6 billion to \$2.66 billion and was sure there was a very good explanation. Although he couldn't speak for his fellow Board members, he was sure that they were just as anxious to hear how that happened.

Board Member Adams also wanted to talk about President Biden's historic visit to the State of New Jersey and NJ TRANSIT, which showed President Biden's commitment to public transit and the Northeast Corridor. He said he would have loved to participate in the event but unfortunately the Board was not notified in advance, nor was the Board invited, and he was looking forward to the time when they are included in these monumental public events. Board Member Adams said although he may not be able to attend every single event, it would be nice to know about these things in advance and to be briefed. He again thanked all the public speakers.

Board Member Doshi thanked all of the public speakers and let them know the Board does hear them and they will follow-up with staff about their comments. She also wanted to congratulate Marc Franco on the "Build a Better Mousetrap" competition and to congratulate Michael Kilcoyne and everyone at Bus and Rail Operations on their safety awards. She said to all those speakers who talked about global warming and renewable energy, it was a concern of the Board and everyone at NJ TRANSIT and this was the reason they developed the Energy & Sustainability Policy Committee.

Board Member Gordon joined his colleagues in thanking all of the public speakers for devoting their time and sharing their thoughts with the Board. He said he had a couple of comments in response to Mr. Clift's comments of what appeared to be concerns about the cost-effectiveness of the Perth Amboy Project. Board Member Gordon said he too was concerned a lot of money was being spent on a station that appeared to have relatively low ridership. He said when he posed the question it was pointed out to him that this project was a key element in the economic development of Perth Amboy, and they need to consider those factors rather than any kind of cost benefit analysis, and that this

goes beyond by improving the accessibility of this station, and there were important economic development issues as well.

Secondly, Board Member Gordon wanted to respond to President & CEO Corbett's comments in his report because there was a lot of good news and he shared Board Member Adams' concerns about the numbers that they were reading about in the settlement with New York and Connecticut. Board Member Gordon said NJ TRANSIT was supposed to get \$3.6 billion based on the established formula, now the settlement appears to be \$2.66 billion, and statements have been made about how that billion was going to be replenished from alternative sources such as money from Philadelphia or discretionary grants from New York. He said it was his understanding that those funds would have been available anyway, and it seemed to him they were still down \$1.0 billion, which could electrify a lot of buses or finance other important projects like Hudson/Bergen Light Rail. Board Member Gordon would like to hear from staff at some point on whether they in fact were down \$1.0 billion, and their plans for filling that gap.

Board Member Maroko thanked President & CEO Corbett for his report and the encouraging news. He also thanked the public speakers.

Board Member Narra echoed a lot of what her fellow Board Members said about the good news, the award winners, and everything else, as well as the issues with Perth Amboy.

Board Member Narra commented on Adam Reich's comments about the Customer Advocate position and the comments she made at the Operations & Customer Service Committee meeting on the search for a Customer Advocate. She said the staff has been amazing during this process and the hold-up has been with her not being well. Board Member Narra said she has been communicating with staff and hopefully they will have the job posting out shortly and were intending to get this person up and running for the new year. She said there was a mention of ridership groups and to address Mr. Reich's comment they do have ideas and she would be happy to meet with him and would ask the other Board Members if they would like him to share material with them. Board Member Narra said she also thinks that this was something they would like to solidify with the Customer Advocate once they were in the position and implement with that person's input since they will directly be dealing with the different groups.

Board Member LaRusso wanted to note and acknowledge the increase in rail and the enhancement in scheduling going out, which was a positive step, and she was excited to hear about it. She said it was also good to hear from the public today on the improvements that can be done further on this. Board Member LaRusso also wanted to acknowledge leadership and staff on the safety award and appreciated all the support that was going on at NJ TRANSIT.

Chair Gutierrez-Scaccetti echoed what had been said by all of the prior speakers from the Board, and as far as their discussion on the federal funding goes and the result they reached with New York, there was no formula provided for the ARPA funds. She said that

was part of their discussion and she understands that some of the Board Members feel they were still in a negative position, but they were not, and they will achieve and have available to them money that will carry NJ TRANSIT well into the future coming from the relief funds provided to them by Congress. Chair Gutierrez-Scaccetti said it has been discussed over and over in recent articles and would be happy to talk about it when they were together because it was hard to do over the telephone. She said there were several charts and graphs that have been provided that they need to look at together and discuss. Chair Gutierrez-Scaccetti believes that as a State, they are in a good position coming out of the federal process and wishes the FTA would have provided a little more value on the ARPA funds which left it as an open discussion regionally. She said this was a tough region for mass transit with many needs. However, overall, she thought the results were what they anticipated, and they will get every dollar that New Jersey deserves out of this process. Lastly, Chair Gutierrez-Scaccetti said she appreciated all of the comments.

Advisory Committee Report

Suzanne Mack provided the Advisory Committee Report. She said her Advisory Board counterpart Anna Marie Gonnella gave the Advisory Board Report in October which was their last meeting. Ms. Mack said since this was the last meeting before Thanksgiving, she wanted to wish everyone a Happy Thanksgiving and also say that there has been a lot to be thankful for this month. Overarching of course was the Infrastructure Bill which finally passed in Washington. Ms. Mack said the good news about the infrastructure bill appears that there actually will be funding to solve and look into some of the situations where they have been struggling with the lack of funding on a federal level for a while. She was hopeful with this new resurgence and stable funding NJ TRANSIT will be able to move on and enhance services and address the important issues like global warming and other sustainability issues.

Ms. Mack said it was also important for the Advisory Board to acknowledge that when they did the Strategic Plan many challenges were noted, and one was the Positive Train Control (PTC) which was going on when many of the Board members came in. She said it was great to see APTA, the public transit administration for the country, issue an award to NJ TRANSIT on PTC. Ms. Mack said it must be very gratifying for the Board, President & CEO Corbett, and staff to see that their efforts and hard work paid off and were being recognized.

Ms. Mack said something else that was not in the Strategic Plan was their lack of locomotive engineers. She noted they graduated 14 more locomotive engineers which brings them up to 404 who have completed training. Ms. Mack said this was important because they have been able to add 34 trains to the system, which was a reflection of the post-COVID changing ridership, although there was more to be done. Ms. Mack said at the next Advisory meeting on December 17, 2021, they will look more carefully at some of the ridership patterns and also the scheduling to see if they can make any recommendations. She said as they return to normal it was important to get the system back for their riders.

Ms. Mack said the new Ticket Vending Machines (TVM's) were badly needed and since they rely so much on technology, getting over 500 new TVM's will enhance the customer experience. She said although they do not have another Advisory meeting until December 17, 2021, she did not have much to report but the comments on the Customer Advisory group and panel was something they would really like to help form, as well as advise them on what they can provide to the system. Lastly, she was looking forward to getting back into the building to see everyone face to face. Ms. Mack said if there was anything the Board would like them to tackle, please go through President & CEO Corbett and they will take on those tasks.

Chair Gutierrez-Scaccetti thanked Ms. Mack for her service to NJ TRANSIT over the years and said it was a good time to say that as they approach Thanksgiving. She said they all were thankful to those who volunteer to help improve NJ TRANSIT and Ms. Mack was surely at the top of that list.

Board Operations and Customer Service Committee Report

Board Member LaRusso presented the report for the Operations and Customer Service Committee. The Operations and Customer Service Committee received an update on trends, analysis, and actions for rail, bus, light rail, and Access Link. The Committee also received an update on the Cost of Service.

Board Administration Committee Report

Board Member Maroko presented the report for the Administration Committee. The Administration Committee received a Financial Update. This included a summary of operating results compared to previous year's comparable period and preliminary budget, twelve-month farebox revenue compared to pre-COVID, major balance sheet items and Federal COVID-19 relief grant drawdown summary.

Additional information was provided as part of the agenda materials, including the cost-of-service key performance indicators, twelve-month farebox recovery, history of vacancies, attrition and hires, ridership and revenue, and a monthly budget-to-actual comparison for July 2021 to September 2021.

Board Capital Planning, Policy, and Privatization Committee Report

Board Member LaRusso presented the report for the Capital Planning, Policy and Privatization Committee. The Committee discussed the board item for the Perth Amboy Station Accessibility Improvements Project – Construction Services Contract Award.

Action Items

2111-79: NJ TRANSIT RESILIENCE PROGRAM: HOBOKEN TERMINAL ELECTRICAL REPAIRS – CONSTRUCTION CONTRACT AWARD

President & CEO Corbett introduced Eric Daleo, Senior Vice President, Capital Programs, to present Action Item #2111-79. Eric Daleo recommended approval of Action Item #2111-79: NJ TRANSIT Resilience Program: Hoboken Terminal Electrical Repairs – Construction Contract Award.

Approval was requested to enter into a contract with DMR Construction Services, Inc., of Waldwick, New Jersey, for the construction of the Hoboken Terminal Electrical Repairs project in the amount not to exceed \$3,451,962.00, plus five percent for contingencies, subject to the availability of funds.

Board Member James D. Adams made a motion and Board Member Bob Gordon seconded the motion. Chair Gutierrez-Scaccetti asked for a roll call vote and the item was adopted.

Adams	Doshi	Gordon	Maroko	Narra	Spalla	LaRusso	Fulton	Gutierrez-Scaccetti
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Absent	Yes

Board Secretary Zuczek noted Board Member Adams was recused from the next item 2111-80. The Operator removed Board Member Adams from the meetings.

2111-80: PERTH AMBOY STATION ACCESSIBILITY IMPROVEMENTS PROJECT – CONSTRUCTION SERVICES CONTRACT AWARD

President & CEO Corbett introduced Eric Daleo, Senior Vice President, Capital Programs, to present Action Item #2111-80. Eric Daleo recommended approval of Action Item #2111-80: Perth Amboy Station Accessibility Improvement Project – Construction Services Contract Award.

Approval was requested to enter into a contract with Hall Construction Co., Inc. of Wall, New Jersey, to provide construction services for the Perth Amboy Accessibility Improvements Project in the amount not to exceed \$45,545,000.00, plus five percent for contingencies, subject to the availability of funds.

Board Member Bob Gordon made a motion and Board Member Lauren LaRusso seconded the motion.

Chair Gutierrez-Scaccetti thanked the team. She certainly understood all of the comments that were made earlier. Chair Gutierrez-Scaccetti noted for people like the young woman she mentored, who attended the College of New Jersey, these improvements were going

to make that station ADA Accessible again, not only for just ADA purposes, but also for some of their older citizens who require elevators that work and the ability to use public transit when needed. Chair Gutierrez-Scaccetti understands doing a good return on investment calculation makes sense, but she also thinks investments to provide services, to those in underserved communities that require public transit, was priceless.

Chair Gutierrez-Scaccetti asked for a roll call vote and the item was adopted.

Adams	Doshi	Gordon	Maroko	Narra	Spalla	LaRusso	Fulton	Gutierrez-Scaccetti
Recused	Yes	Yes	Yes	Yes	Yes	Yes	Absent	Yes

Board Member Adams returned to the meetings.

2111-81: RECOMMENDATION TO APPROVE THE AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

President & CEO Corbett introduced William Viqueira, Senior Vice President, Chief Financial Officer and Treasurer, to present Action Item #2111-81. William Viqueira recommended approval of Action Item #2111-81: Recommendation to Approve the Audited Financial Statements for the Fiscal Year Ended June 30, 2021.

Approval was requested to accept and approve NJ TRANSIT’s audited financial statements for the fiscal year ended June 30, 2021.

Board Member Shanti Narra made a motion and Board Member Richard A. Maroko seconded the motion. Chair Gutierrez-Scaccetti asked for a roll call vote and the item was adopted.

Adams	Doshi	Gordon	Maroko	Narra	Spalla	LaRusso	Fulton	Gutierrez-Scaccetti
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Absent	Yes

2111-82: PERSONAL INJURY CLAIM OF THE ESTATE OF UMBERTO LOMBARDO

President & CEO Corbett introduced William Viqueira, Senior Vice President, Chief Financial Officer and Treasurer, to present Action Item #2111-82. William Viqueira recommended approval of Action Item #2111-82: Personal Injury Claim of the Estate of Umberto Lombardo.

Approval was requested to settle the claim of the Estate of Umberto Lombardo through its attorney, at an amount discussed in Executive Session. The Attorney General has approved the proposed settlement, subject to the availability of funds.

Board Member Shanti Narra made a motion and Board Member James D. Adams seconded the motion. Chair Gutierrez-Scaccetti asked for a roll call vote and the item was adopted.

Adams	Doshi	Gordon	Maroko	Narra	Spalla	LaRusso	Fulton	Gutierrez-Scaccetti
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Absent	Yes

2111-83: PORTAL NORTH BRIDGE OWNER CONTROLLED INSURANCE PROGRAM

President & CEO Corbett introduced William Viqueira, Senior Vice President, Chief Financial Officer and Treasurer, to present Action Item #2111-83. William Viqueira recommended approval of Action Item #2111-83: Portal North Bridge Owner Controlled Insurance Program.

Approval was requested to provide the Portal North Bridge Owner Controlled Insurance Program and to include services necessary to administer the Program for the period from December 30, 2021 through December 31, 2027, at an overall cost not to exceed an amount discussed in Executive session, plus five percent for contingencies, subject to the availability of funds and adoption of the FY2022 Operating Budget.

Board Member Richard A. Maroko made a motion and Board Member Shanti Narra seconded the motion.

Chair Gutierrez-Scaccetti thanked Jim Turner who works under Bill Viqueira’s direction. She said Mr. Turner was the unsung hero who puts these very complex insurance programs together and manages many of their claims. Chair Gutierrez-Scaccetti knows Owner Controlled Insurance Programs are not easy to put together, and pointed out that one of the big benefits was it allows for better participation of smaller and DBE contractors. By doing so, this would hopefully provide a good opportunity for many to participate generally in Portal North under some of the larger primes. Chair Gutierrez-Scaccetti gave a big “Shout Out” to Jim Turner, Bill Viqueira, and their team for putting together a really good insurance program.

Chair Gutierrez-Scaccetti asked for a roll call vote and the item was adopted.

Adams	Doshi	Gordon	Maroko	Narra	Spalla	LaRusso	Fulton	Gutierrez-Scaccetti
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Absent	Yes

2111-84: PROPOSED LABOR AGREEMENTS: NJ TRANSIT RAIL OPERATIONS, INC.

President & CEO Corbett introduced James Sincaglia, Acting Senior Vice President and General Manager, Rail Operations, to present Action Item #2111-84. James Sincaglia recommended approval of Action Item #2111-84: Proposed Labor Agreements: NJ TRANSIT Rail Operations, Inc.

Approval was requested to approve the economic terms and other proposed conditions set forth in the Memoranda of Understanding negotiated by NJ TRANSIT Rail Operations, Inc. and ARASA M/E, ARASA M/W, IBEW-S, TWU, and SMART-Yardmasters (Exhibit A), and staff seeks authorization for the President & CEO, or his designee, to take all necessary steps to finalize and implement same, pending ratification by ARASA M/E, ARASA M/W, IBEW-S, TWU, and SMART-Yardmasters.

Board Member Bob Gordon made a motion and Board Member James D. Adams seconded the motion.

Board Member Gordon congratulated the negotiating team and their counterparts on the labor side for being able to reach an agreement and getting a good program in place.

Chair Gutierrez-Scaccetti echoed Board Member Gordon’s comments. She was very happy to see these agreements in place. Chair Gutierrez-Scaccetti said it gives everyone peace of mind, and certainly helps NJ TRANSIT’s ability to continue to effectively budget and take care of those who work for NJ TRANSIT every day.

Chair Gutierrez-Scaccetti asked for a roll call vote and the item was adopted.

Adams	Doshi	Gordon	Maroko	Narra	Spalla	LaRusso	Fulton	Gutierrez-Scaccetti
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Absent	Yes

Executive Session Authorization

Chair Gutierrez-Scaccetti noted they would adjourn to Executive Session, would only return to adjourn the meetings, and no further business would be conducted. Chair Gutierrez-Scaccetti asked for 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, including, but not limited to, the NJ TRANSIT – Portal North Bridge Project: Parcel R210 Norfolk Southern Railway Corporation.

Board Member Shanti Narra made the motion, Board Member Lauren LaRusso seconded the motion, and it was adopted. At approximately 10:18 a.m., the Board adjourned to Executive Session.

Roll Call Vote:

Adams	Doshi	Gordon	Maroko	Narra	Spalla	LaRusso	Fulton	Gutierrez-Scaccetti
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Absent	Yes

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 10:32 a.m.

Adjournment

Since there was no further business, a motion to adjourn was made by Board Member Shanti Narra, seconded by Board Member Richard A. Maroko, and adopted. The meetings were adjourned at approximately 10:33 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**

NOVEMBER 10, 2021

MINUTES

PAGE

➤	CALL TO ORDER	-
➤	APPROVAL OF MINUTES OF PREVIOUS MEETINGS	61208
➤	PRESIDENT & CEO'S MONTHLY REPORT	61209
➤	PUBLIC COMMENTS	-
➤	ADVISORY COMMITTEE REPORT	-
➤	BOARD COMMITTEE REPORTS	-

ACTION ITEMS

2111-79	NJ TRANSIT RESILIENCE PROGRAM: HOBOKEN TERMINAL ELECTRICAL REPAIRS: CONSTRUCTION CONTRACT AWARD – Authorization to enter into NJ TRANSIT Contract No. 21-049X with DMR Construction Services, Inc., of Waldwick, New Jersey, for the construction of the Hoboken Terminal Electrical Repairs project in the amount not to exceed \$3,451,962.00, plus five percent for contingencies, subject to the availability of funds.	61232
2111-80	PERTH AMBOY STATION ACCESSIBILITY IMPROVEMENTS PROJECT – CONSTRUCTION SERVICES CONTRACT AWARD – Authorization to enter into NJ TRANSIT Contract No. 21-039X with Hall Construction Co., Inc. of Wall, New Jersey, to provide construction services for the Perth Amboy Accessibility Improvements Project in the amount not to exceed \$45,545,000.00, plus five percent for contingencies, subject to the availability of funds.	61235
2111-81	RECOMMENDATION TO APPROVE THE AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021 – Authorization to accept and approve NJ TRANSIT's audited financial statements for the fiscal year ended June 30, 2021.	61257
2111-82	PERSONAL INJURY CLAIM OF THE ESTATE OF UMBERTO LOMBARDO – Authorization to settle the claim of the Estate of Umberto Lombardo through its attorney, at an amount discussed in Executive Session. The Attorney General has approved the proposed settlement, subject to the availability of funds.	61258

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
NOVEMBER 10, 2021
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PAGE 2

- 2111-83 PORTAL NORTH BRIDGE OWNER CONTROLLED INSURANCE PROGRAM 61259**
– Authorization to provide the Portal North Bridge Owner Controlled Insurance Program and to include services necessary to administer the Program for the period from December 30, 2021 through December 31, 2027, at an overall cost not to exceed an amount discussed in Executive session, plus five percent for contingencies, subject to the availability of funds and adoption of the FY2022 Operating Budget.
- 2111-84 PROPOSED LABOR AGREEMENTS: NJ TRANSIT RAIL OPERATIONS, INC. 61260**
– Authorization to approve the economic terms and other proposed conditions set forth in the Memoranda of Understanding negotiated by NJ TRANSIT Rail Operations, Inc. and the labor unions and authorization for the President & CEO, or his designee, to take all necessary steps to finalize and implement same, pending ratification.
- **EXECUTIVE SESSION AUTHORIZATION 61281**
- **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 October 12, 2021 and the October 20, 2021 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 October 14, 2021 and October 28, 2021;

NOW, THEREFORE, BE IT RESOLVED that the minutes of actions taken at the October 12, 2021 and the October 20, 2021 Board 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' meetings are hereby approved.

Philip D. Murphy, Governor
Sheila Y. Oliver, Lieutenant Governor
Diane Gutierrez-Scaccetti, Commissioner
Kevin S. Corbett, President & CEO

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

TO: BOARD OF DIRECTORS
FROM: KEVIN S. CORBETT 
DATE: NOVEMBER 10, 2021
SUBJECT: **PRESIDENT & CEO'S REPORT – NOVEMBER 2021**

As ridership continues to grow, NJ TRANSIT is increasing service on many of our rail lines, while also better aligning scheduled service to meet customer demand. Beginning November 14th, we are adding 22 weekday trains, 14 weekend trains, and making other important schedule adjustments to offer to improve travel times and service frequency for customers. The 22 new weekday trains will be added across multiple rail lines, including the Northeast Corridor, North Jersey Coast Line, Morris & Essex Lines, Main/Bergen Lines, and the Pascack Valley Line. As part of these improvements, 14 new trains have also been added to the Main/Bergen County Line weekend schedule to improve service frequency from bi-hourly service to hourly throughout the service day. Now that we have a full roster of locomotive engineers, we are able to support these kinds of service enhancements to meet the needs of our customers as they return to our system.

As we enhance service for our rail customers, I'm pleased to note that yesterday, New Jersey reached an agreement with New York and Connecticut on the CRRSAA and ARPA funding allocations, which ensures that this federal funding is now available to support the region's public transit systems. This critical funding agreement benefits all of us, and will allow NJ TRANSIT to continue delivering for customers who depend on public transit, while supporting our longer-term recovery as we emerge from the pandemic.

In addition to these positive service developments, last month NJ TRANSIT celebrated a truly exciting and historic day for our organization. On October 25th, we hosted President Biden at our Meadows Maintenance Complex (MMC) in Kearny. Governor Murphy, Commissioner Gutierrez-Scaccetti, myself, members of the New Jersey Congressional delegation and a number of elected officials and other dignitaries were also on hand to commemorate this momentous occasion, for a project that will usher in a new era of reliability between New Jersey and New York for the millions of NJ TRANSIT and Amtrak customers who travel along the Northeast Corridor every year. The fact that President Biden came to New Jersey to join us for this event speaks volumes, and is great recognition of the work we have done to get to this point. In addition to celebrating the ceremonial groundbreaking for our Portal North Bridge Replacement Project, President Biden promoted his bipartisan infrastructure bill, which was passed by the House on Friday and will provide additional critical funding to support our Five-Year Capital Plan.

Once again this month, we have significant capital projects on the agenda for Board consideration. Today, the Board will consider a construction contract award for our \$63 million Perth Amboy Station reconstruction project, through which we will construct two high-level platforms and make many station improvements to provide full accessibility for Perth Amboy rail customers. The Board will also consider a contract to advance our \$132 million Mason Substation project in Kearny – a joint development partnership with PSE&G which we expect to complete next year in December.

As we continue to advance major capital projects, we are also maintaining our focus on technology to improve every aspect of the customer experience. Toward that end, I'm pleased to report that NJ TRANSIT has completed the installation of 558 new and improved ticket vending machines (TVMs) throughout our system. The new, redesigned TVMs are faster, more user-friendly, easier to use for people with disabilities, include contactless fare payment, and have new overhead displays for important travel information and advisories.

Concluding with our highest priority – safety – yesterday I attended the American Public Transportation Association's (APTA) Transform Conference in Orlando, Florida, where I proudly accepted two prestigious national safety awards on behalf of NJ TRANSIT. We took home the 2021 Bus Safety Gold Award – APTA's top award – for our commitment to safety and technology, demonstrated through our Lytx DriverCam Event Recorder implementation. Between 2010 and 2020, NJ TRANSIT Bus Operations has realized a 70 percent reduction in near-collisions as a result of this video technology implementation. We also won APTA's 2021 Rail Safety Certificate of Merit award for Commuter/Intercity Rail Systems for the incredible work our Rail Operations team was able to accomplish in order to meet the December 31st, 2020 deadline for full implementation of our Positive Train Control project. As the awards are independently determined by our peers in the industry, this not only validates the results of our agency's hard work over the last few years, but it is tangible affirmation that NJ TRANSIT is back as a national leader in public transit.



PRESIDENT & CEO'S MONTHLY REPORT

November 10, 2021

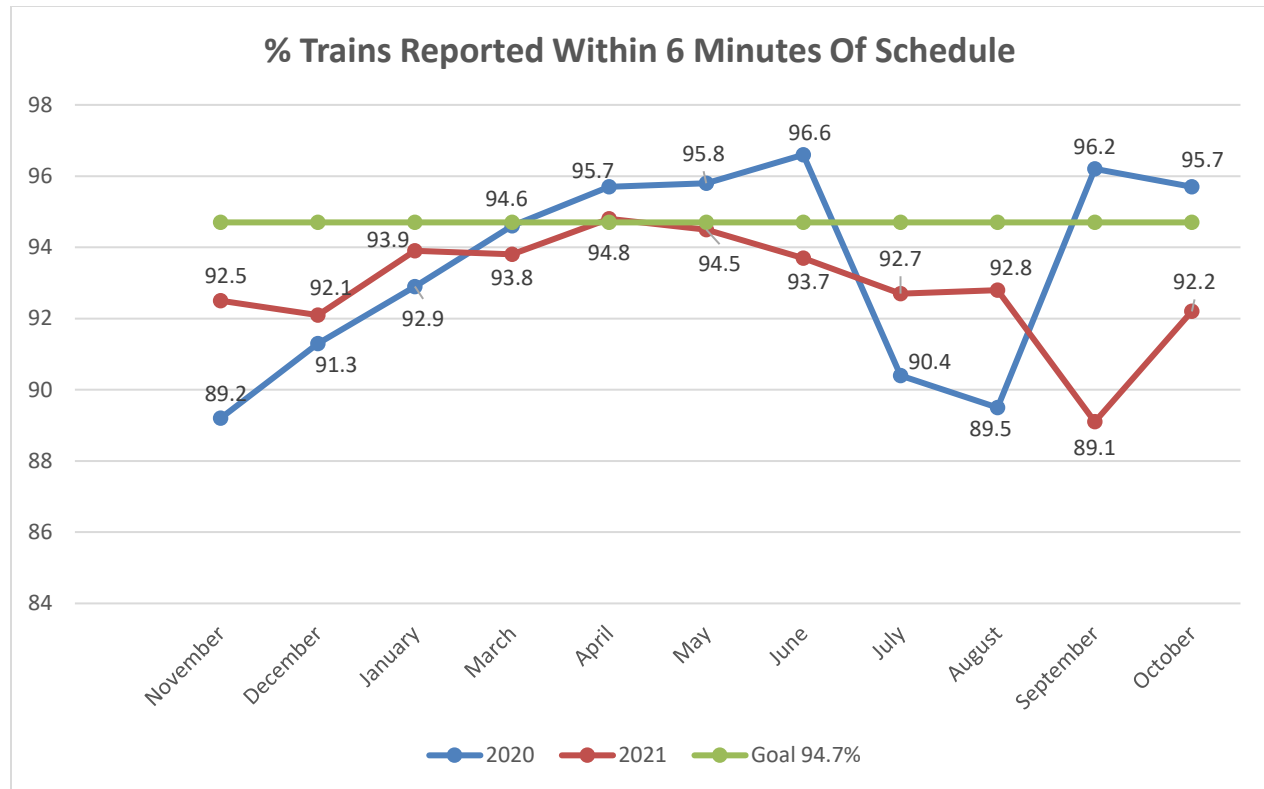
PRESIDENT & CEO'S MONTHLY REPORT

November 10, 2021

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

PERFORMANCE MEASURES

NJ TRANSIT ON-TIME PERFORMANCE RAIL NOVEMBER 2019 – OCTOBER 2021



	<u>2020</u>	<u>2021</u>	<u>%Change</u>
October Comparison	95.7%	92.2%	-3.5%
12-Month Average Nov. 2019 – Oct, 2021	93.2%	92.9%	-0.3%

Analysis:

Rail On-Time Performance was 92.2% for October, 2021. Of the 17,598 trains scheduled to operate, 16,231 were on time, while 1,367 trains (or 7.8%) were delayed.

Key Causes included:

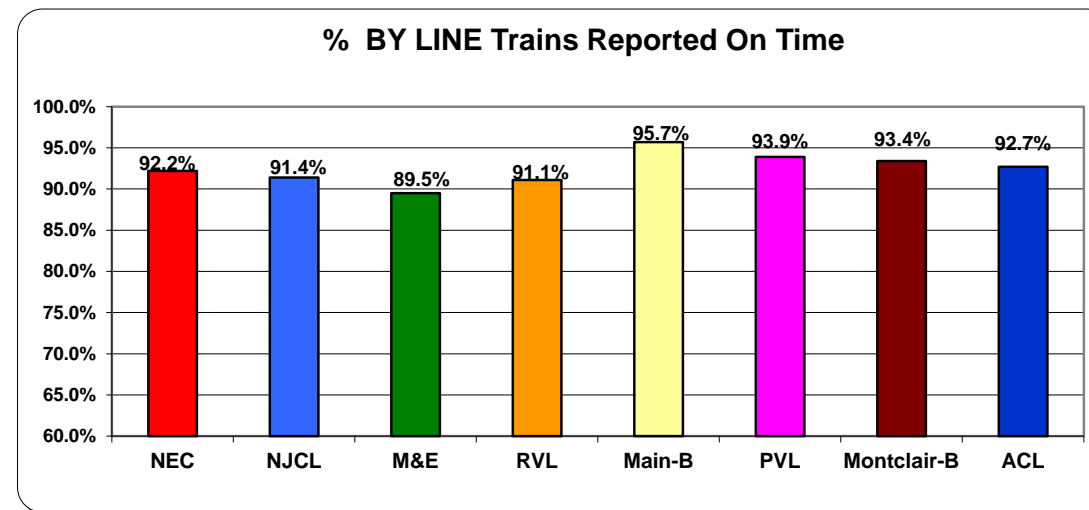
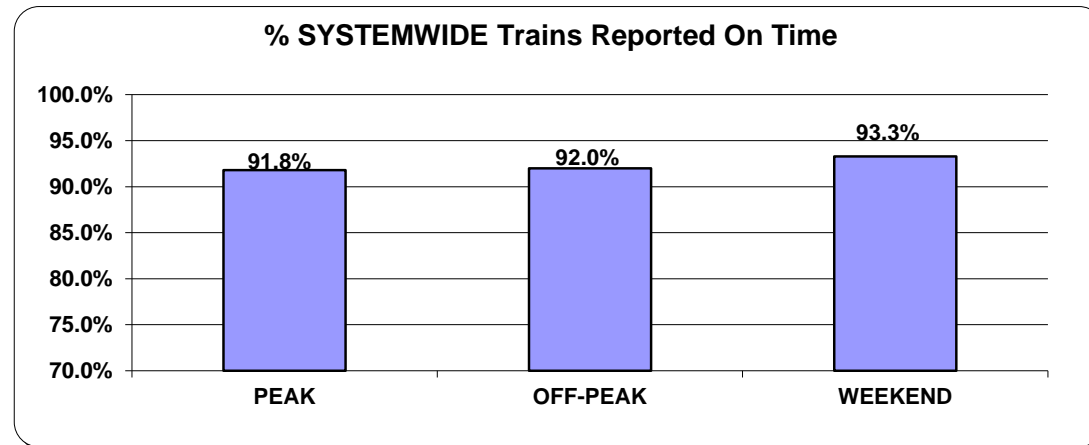
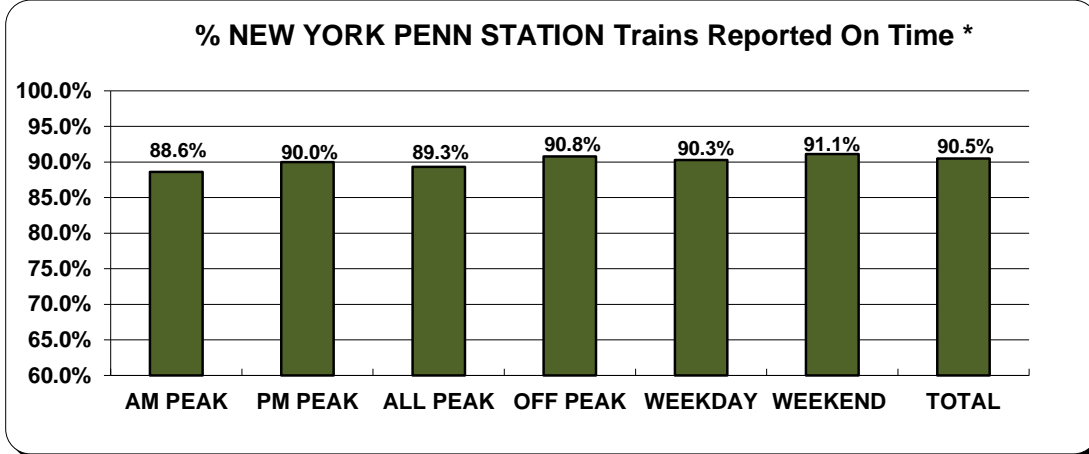
- NJT grade crossing accident, PTC mechanical, cab car issues, weather related equipment issues, wheelslip and weather related issues contributed 77 delays on October 26.
- Amtrak human error, NJT weather related wheelslip, PTC mechanical, electric locomotive issue and programmed maintenance contributed 90 delays on October 29.
- NJT trackside interference catenary contributed 40 delays on October 30.

The 12-month Average for Rail On-Time Performance was 92.9%.

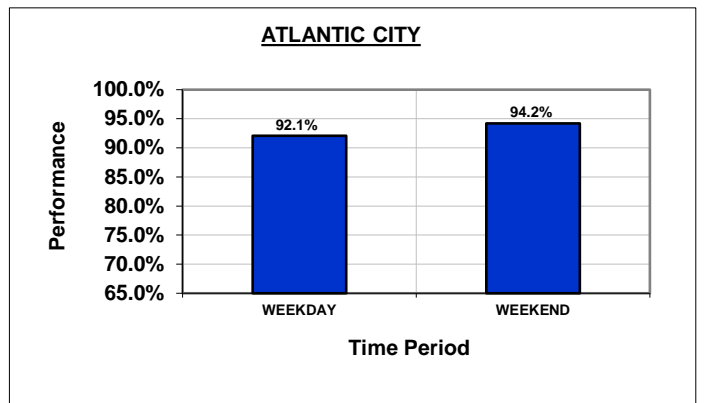
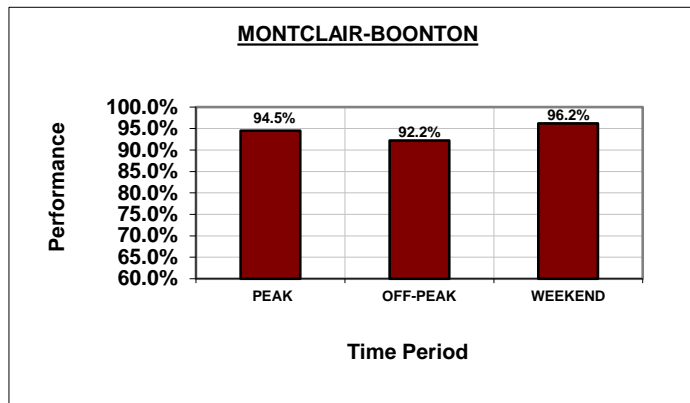
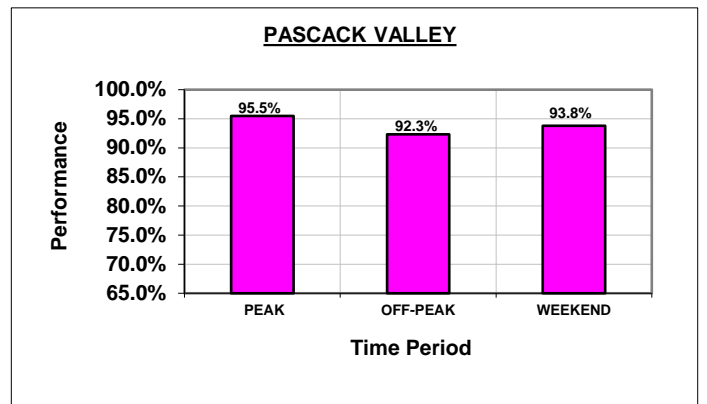
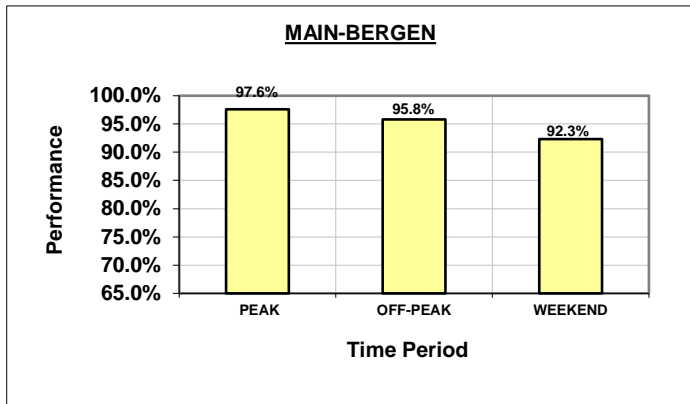
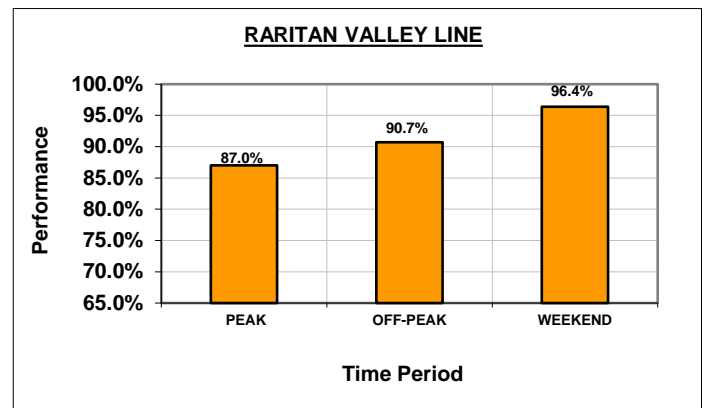
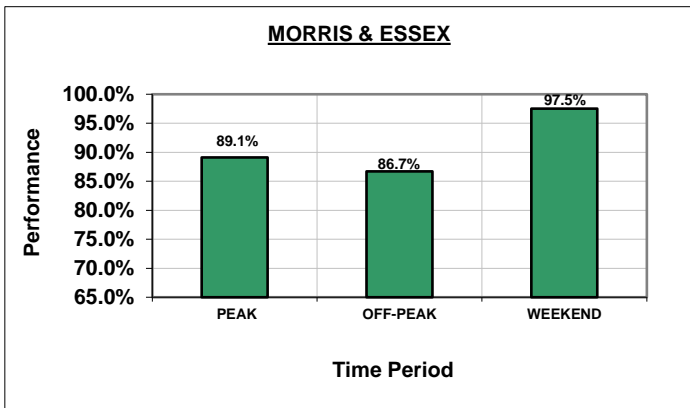
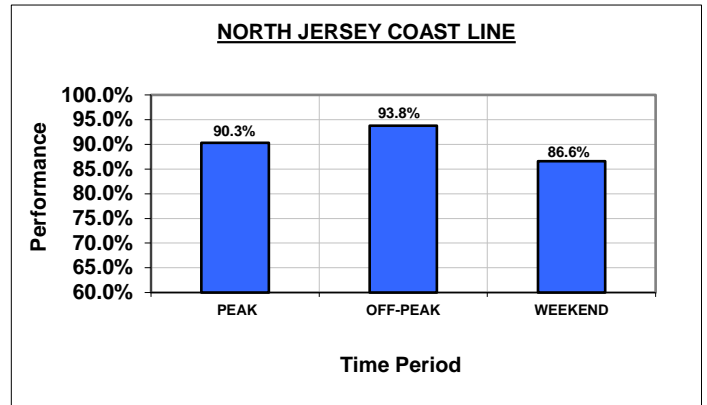
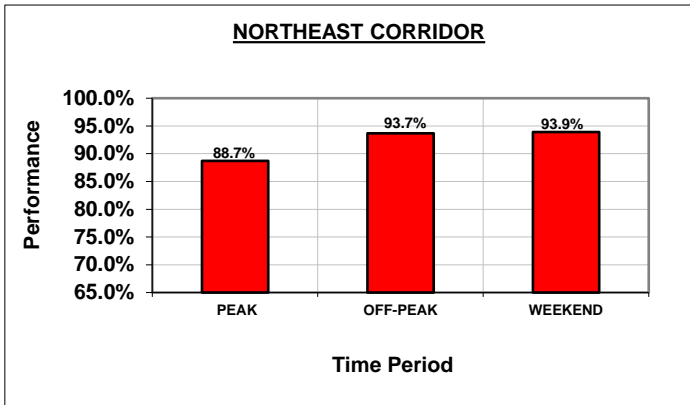
ON-TIME PERFORMANCE RAIL

SUMMARY BY TIME PERIOD October 2021

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



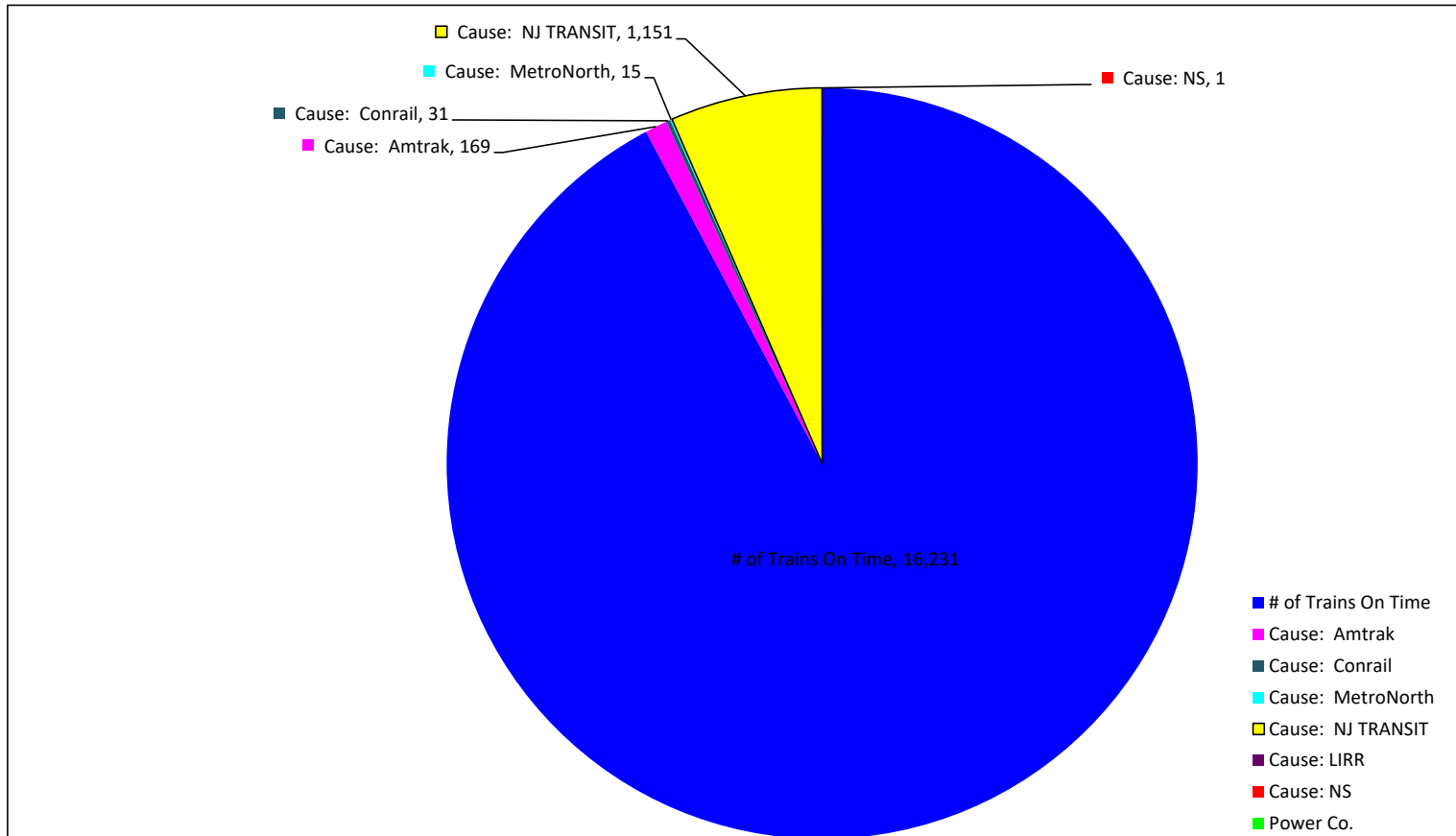
ON-TIME PERFORMANCE BY RAIL LINE & TIME PERIOD October 2021



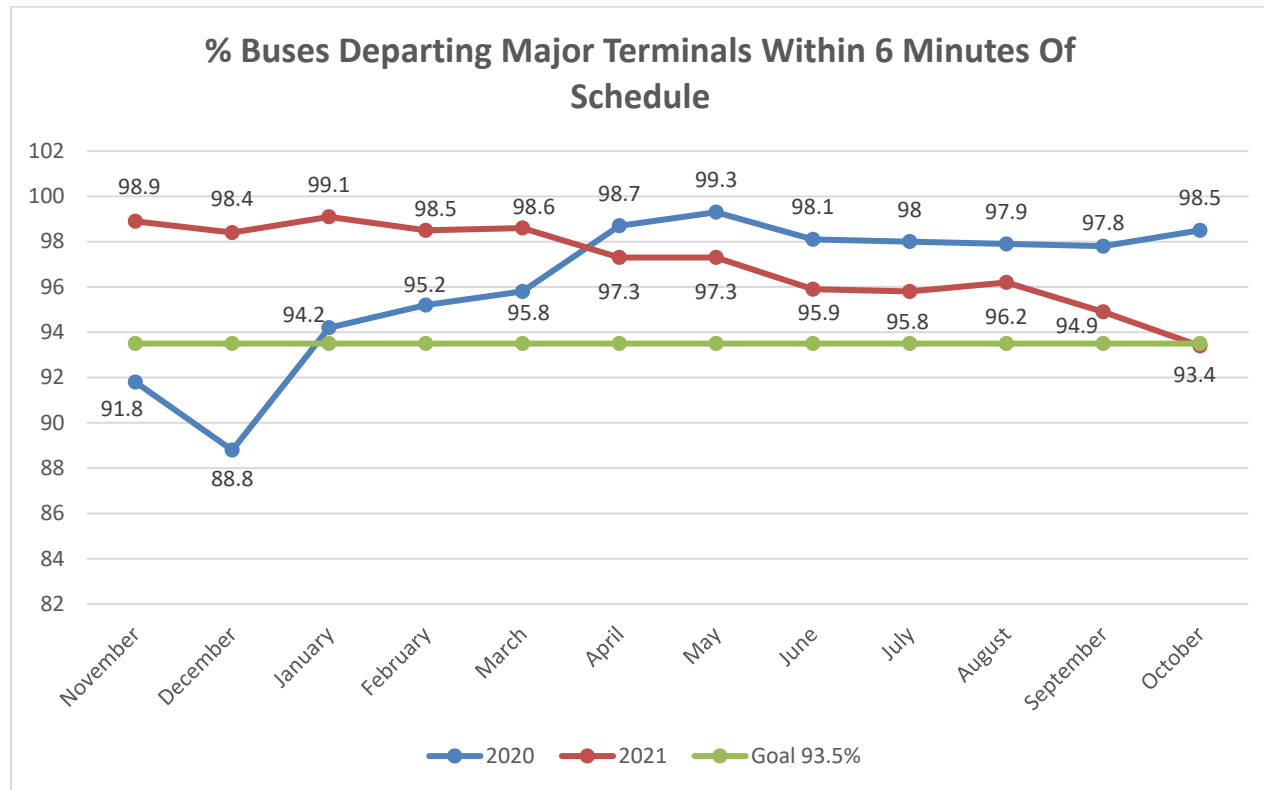
NJ TRANSIT Performance - October 2021

Late NJ TRANSIT Trains

# of Trains On		Cause: Amtrak	Cause: Conrail	Cause: MetroNorth	Cause: NJ TRANSIT	Cause: LIRR	Cause: NS	Power Co.
# of Trains On Time	16,231	169	31	15	1,151		1	
# of Late Trains	1,367	0.96%	0.18%	0.09%	6.54%	0.00%	0.01%	0.00%
Total # of Trains	17,598							
Percentage On Time	92.2%							



NJ TRANSIT ON-TIME PERFORMANCE BUS November 2019 – October 2021



	<u>2020</u>	<u>2021</u>	<u>%Change</u>
October Comparison	98.5%	93.4%	-5.1%
12-Month Average Nov 2020 – Oct 2021	96.2%	97.0%	0.8%

Analysis*:

Bus On-Time Performance systemwide was 93.4% for the month of October 2021. Of the 39,930 monitored departures, 2616 experienced delays.

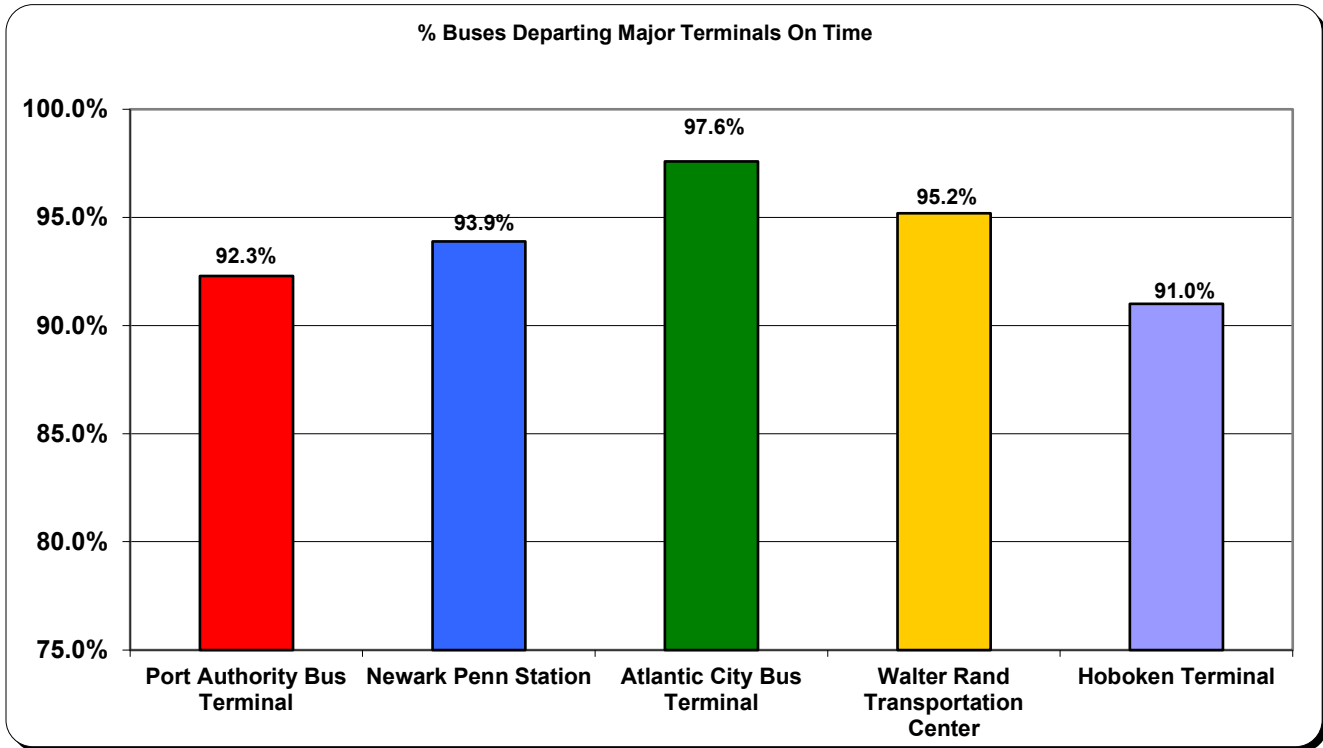
Key Causes included:

- At PABT, minor delays due to weather, detours, traffic, and road construction.
- At Newark Penn, minor delays due to weather, detours, traffic, and road construction.
- For various other locations, minor delays were caused due to weather, detours, traffic, and road construction on various days.
- The 12-month average for Bus On-Time Performance was 97.0%.

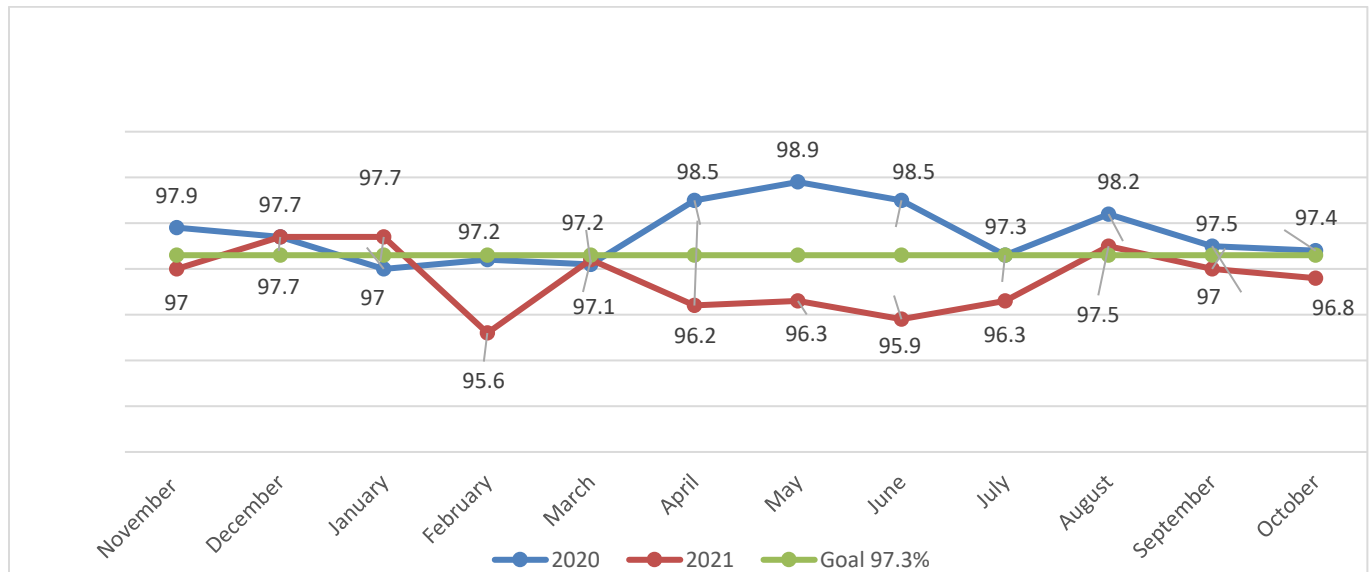
* The higher than usual OTP is the result of the state-wide lockdowns and little to no traffic interference.

ON-TIME PERFORMANCE BUS

SUMMARY BY TERMINAL



NJ TRANSIT ON-TIME PERFORMANCE LIGHT RAIL November 2019 – October 2021



	<u>2020</u>	<u>2021</u>	<u>%Change</u>
October Comparison	97.4%	96.8%	-0.6%
12-Month Average November 2020 – October 2021	97.8%	96.7%	-1.0%

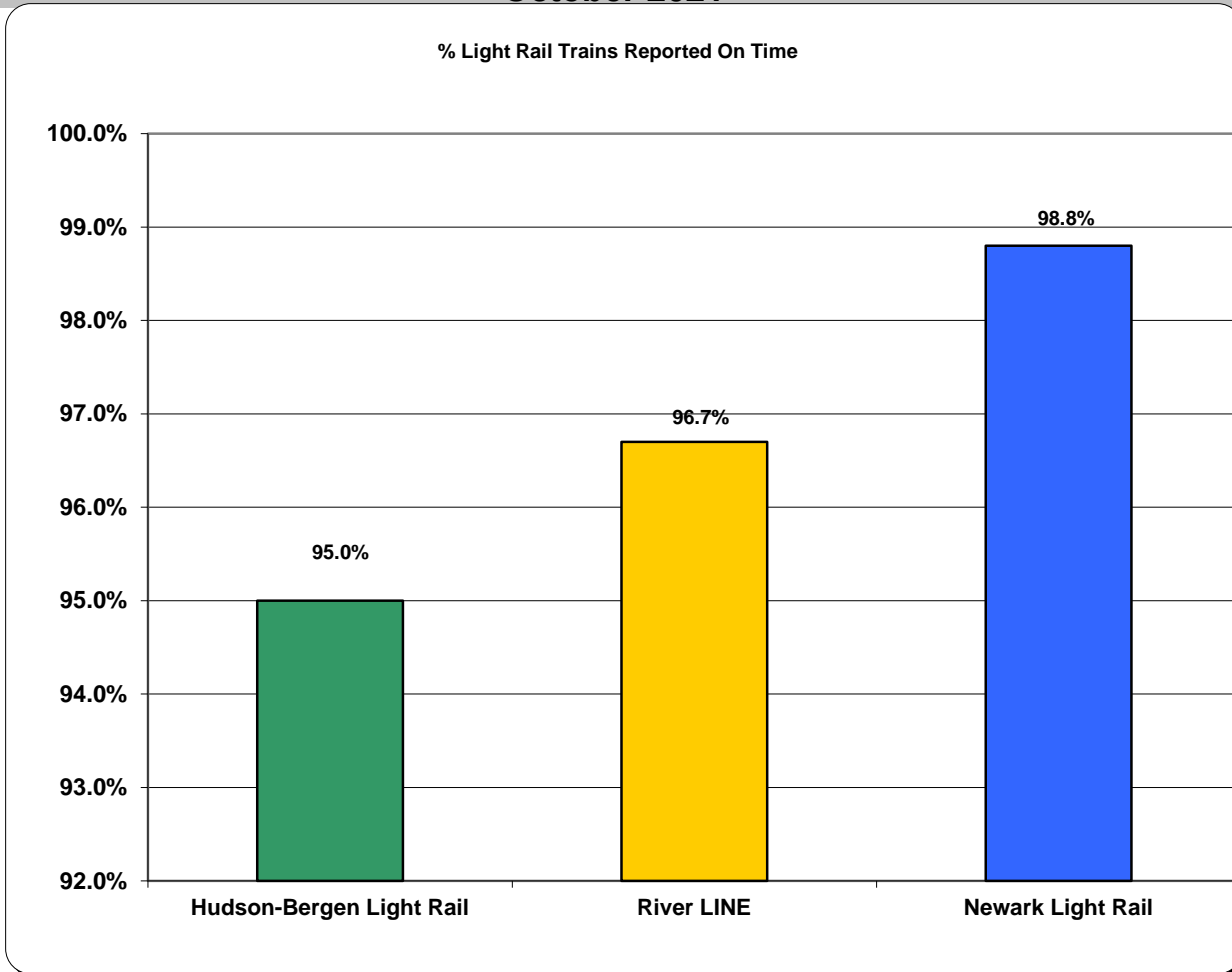
Analysis: Light Rail On-Time Performance system wide was 96.8% for the month of October. Of the 27,279 scheduled departures, 1,176 experienced delays.

Key Causes included:

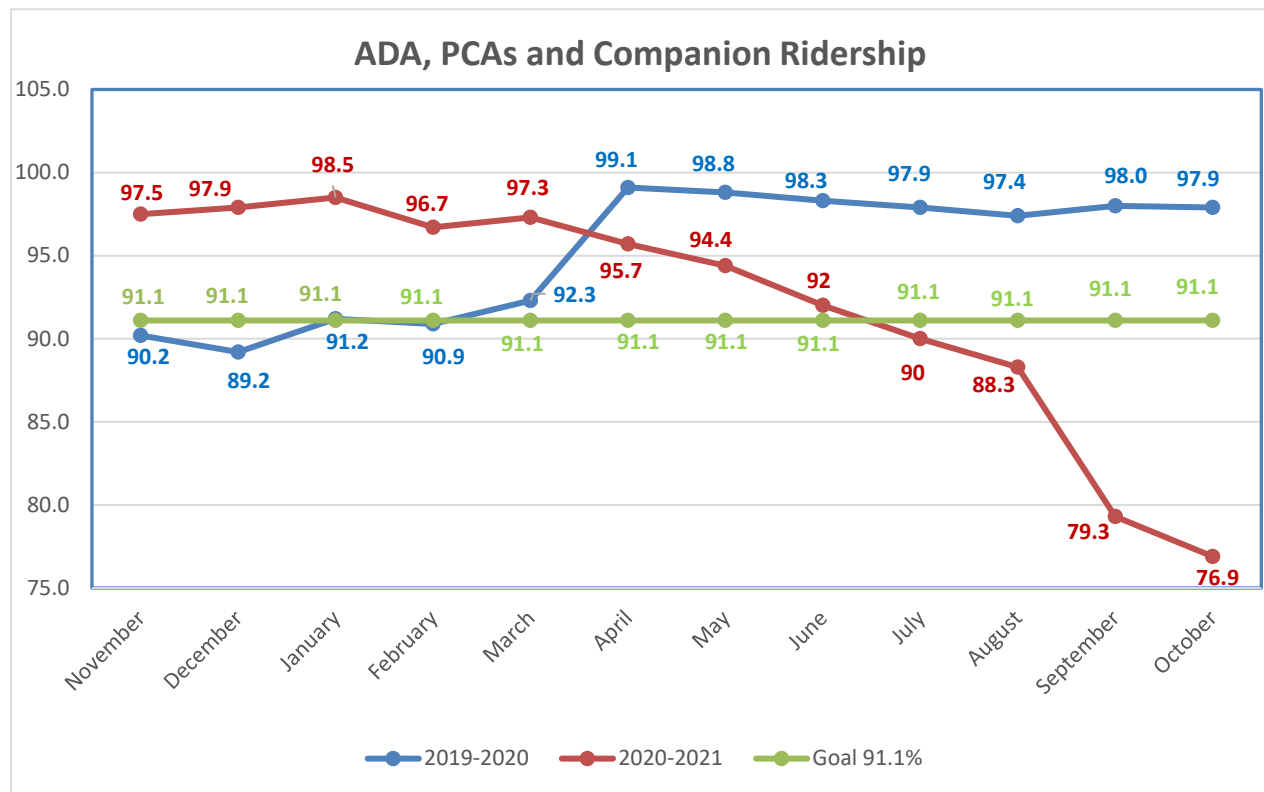
- **Newark Light Rail** – Manpower issues affected 41 trains throughout the month. Equipment and mechanical issues affected 57 trains on 10/8. Additional mechanical issues, including brake, power, propulsion, and door faults, affected OTP throughout the month. Police activity on 10/26 affected 3 trains.
- **River LINE** – Mechanical issues and other equipment issues affected OTP throughout the month. Police activity on 10/1, 10/5, 10/7, 10/8, 10/13, 10/19, 10/20, 10/22, 10/29, and 10/30 affected 30 trains. External passenger incidents on 10/5, 10/7, 10/14, and 10/15 affected 9 trains. Obstruction incidents throughout the month affected 6 trains.
- **HBLR** – Ongoing issues/repairs from Hurricane Ida affected 98 trains until 10/9. Occupied track circuits at Y-North Interlocking affected 103 trains on 10/8. Motor vehicle fouling tracks on 10/14, 10/16, 10/22, 10/28, 10/29, and 10/30 affected 63 trains. Police activity affecting OTP throughout the month. External passenger incidents on 10/11, 10/13, 10/14, 10/18, 10/24, 10/26, and 10/27 affected 43 trains. Mechanical issues also affected OTP on multiple dates.
- The 12-month Average for Light Rail On-Time Performance was 96.7%

ON-TIME PERFORMANCE LIGHT RAIL

SUMMARY BY LINE October 2021



NJ TRANSIT ON-TIME PERFORMANCE ACCESS LINK NOVEMBER 2019– OCTOBER 2021



	<u>2020</u>	<u>2021</u>	<u>%Change</u>
October Comparison	97.9%	76.9%	-21.0%
October Ridership	84,280	106,145	21,865
12-Month Average November 2020 – October 2021	95.1%	92.0%	-3.1%

Analysis:

Access Link On-Time Performance was 76.93% for October 2021. In serving 113,092 total riders, for 106,145 ADA customers trips, 24,497 (or 23.1%) experienced delays.

Key Causes included:

- Regions 5 & 6, 45-60 minute delays due to operator shortage
- Major delays throughout the month due to increased traffic volume and congestion
- Customer no-shows

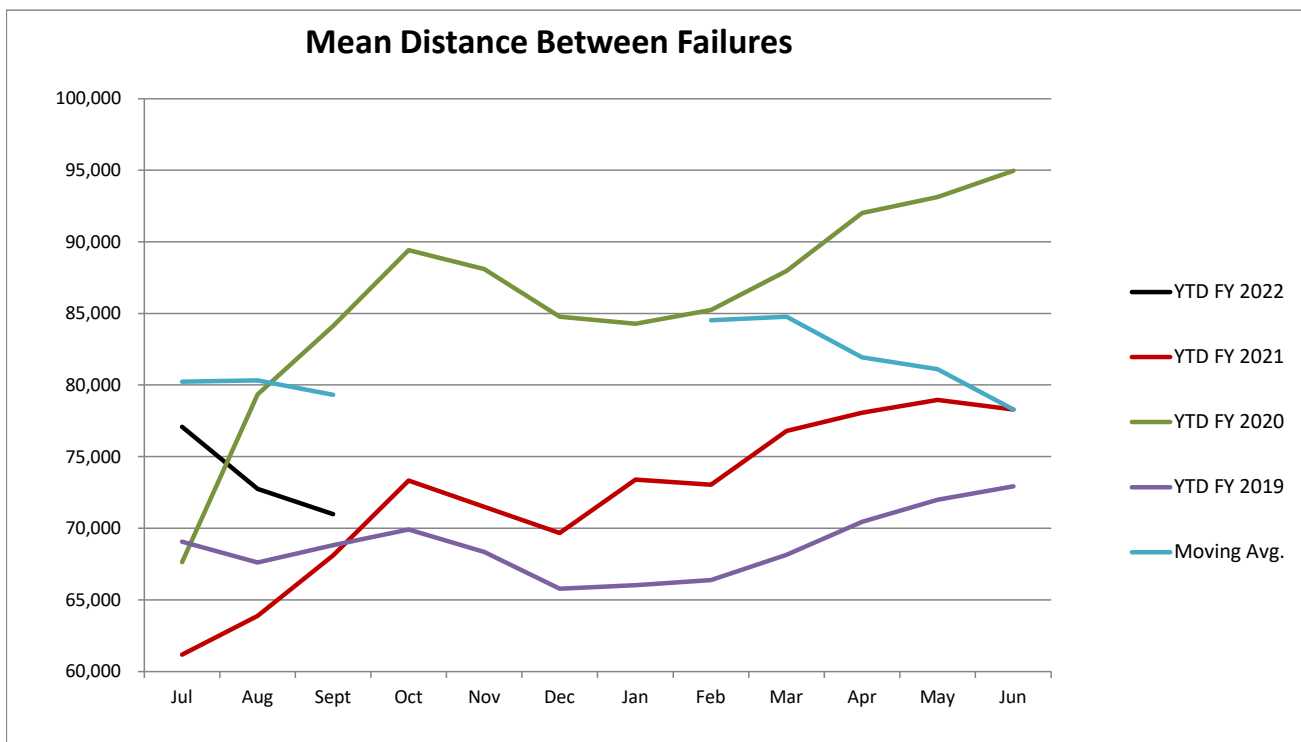
The 12-month Average for Access Link On-Time Performance was 92.0%.

MEAN DISTANCE BETWEEN FAILURES

September 2021

NJ TRANSIT Rail Operations
Mean Distance Between Failures

Month	YTD FY 2022	YTD FY 2021	YTD FY 2020	YTD FY 2019	12 Month Moving Avg.
Jul	77,087	61,198	67,634	69,055	80,232
Aug	72,743	63,891	79,350	67,612	80,333
Sept	71,005	68,109	84,111	68,823	79,307
Oct	-	73,320	89,410	69,913	-
Nov	-	71,498	88,101	68,356	-
Dec	-	69,664	84,773	65,796	-
Jan	-	73,392	84,273	66,025	-
Feb	-	73,030	85,233	66,391	84,529
Mar	-	76,790	87,973	68,141	84,772
Apr	-	78,072	92,007	70,447	81,931
May	-	78,962	93,119	71,986	81,101
Jun	-	78,300	94,969	72,930	78,300

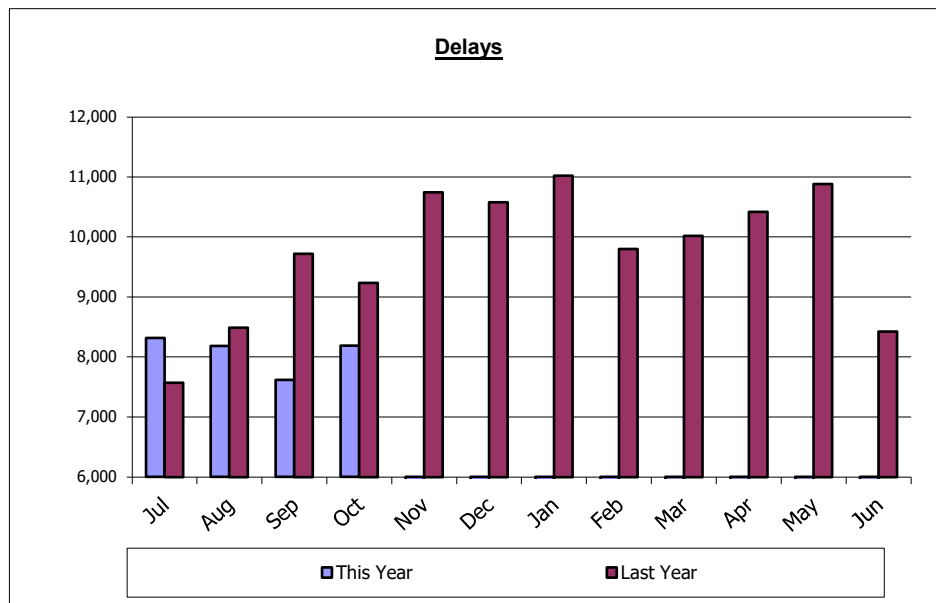


* FY2022 Numbers reflect start of FY2022

Garage Performance Parameters

October 2021

Location	Miles Between In-Service Delays			
	FY2022 Goal	This Month	FY2022 YTD	FY2021 YTD
Fairview	5,500	6,387	5,661	3,463
Greenville	7,000	4,223	5,681	4,915
Market Street	8,000	4,199	4,065	5,175
Meadowlands	9,500	5,872	6,583	5,304
Oradell	10,000	4,048	4,487	7,594
Wayne	16,000	16,641	14,165	16,982
Northern Division	-	5,872	6,068	6,657
Big Tree	8,800	4,734	5,589	4,133
Hilton	10,200	10,286	7,193	6,157
Howell	16,750	34,677	26,845	28,861
Ironbound	9,600	8,354	7,806	8,218
Orange	9,250	4,173	3,964	4,545
Morris	10,500	49,273	28,789	48,021
Central Division	-	8,979	8,160	8,062
Egg Harbor	15,000	13,083	11,871	15,981
Hamilton	13,000	8,955	9,295	11,258
Newton Avenue	14,000	18,121	16,830	17,364
Washington Twp.	16,000	14,608	17,223	19,898
Southern Division	-	13,448	13,556	16,467
Bus Operations	-	8,187	8,071	8,645

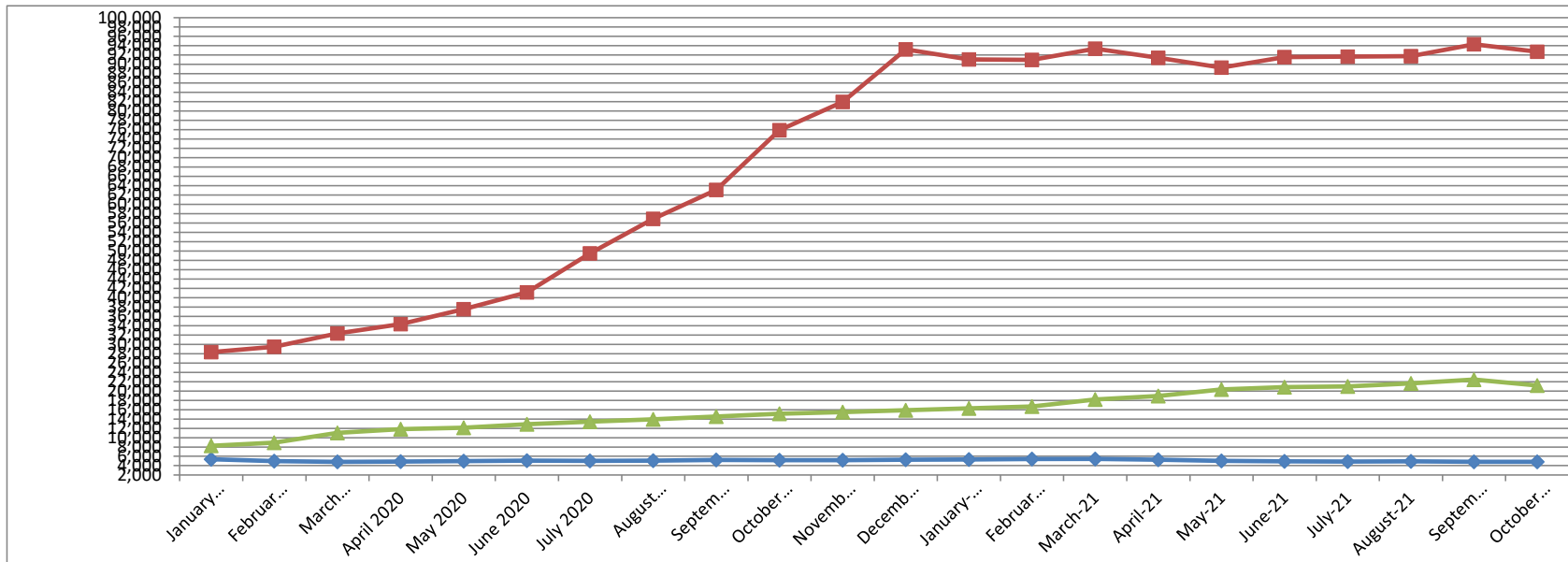


NJ TRANSIT - LIGHT RAIL, October 2021

Average Miles Between In Service Failures

NJT LIGHT RAIL	MDBSF *	MDBSF *
	October 2021	September 2021
Newark Light Rail	4,828	4,816
Hudson Bergen	92,687	94,294
River LINE	21,165	22,452

AVERAGE MILES BETWEEN IN-SERVICE MECHANICAL FAILURES



DBE/SBE PROGRAM

NJ TRANSIT - DBE/SBE Participation for October 2021

State Funded Contracts

State Fiscal Year 2022 - July 1, 2021 through June 30, 2022

During the month of **October 2021** NJ TRANSIT awarded **\$1,589,746.84** in state funded contracts. Of that total, Small Business Enterprises (SBEs) received **\$102,633.98** or **6.46%**.

State Fiscal Year 2022 YTD (July 1, 2021 through June 30, 2022) NJ TRANSIT awarded **\$32,726,607.43** in state funded contracts. Of that total, SBEs received **\$8,501,795.62** or **25.98%**.

Note: The above reflects the Procurement Report of Awards through November 4, 2021.

SBE Goal Attainment from July 1, 2021 through June 30, 2022 (SFY 2022)

Category 1 SBEs	\$55,980.00	0.17%
Category 2 SBEs	\$3,961,917.64	12.11%
Category 3 SBEs	\$3,523,348.98	10.77%
Category 4 SBEs	\$273,200.00	0.83%
Category 5 SBEs	\$687,349.00	2.10%
Category 6 SBEs	\$0.00	0.00%

FTA Funded Contracts (Updated on a quarterly basis– next update will occur January 2022)

Federal Fiscal Year (FFY) 2022 - October 1, 2021 through September 30, 2022

**Numbers reflect federal share*

*** Number includes subrecipient awards*

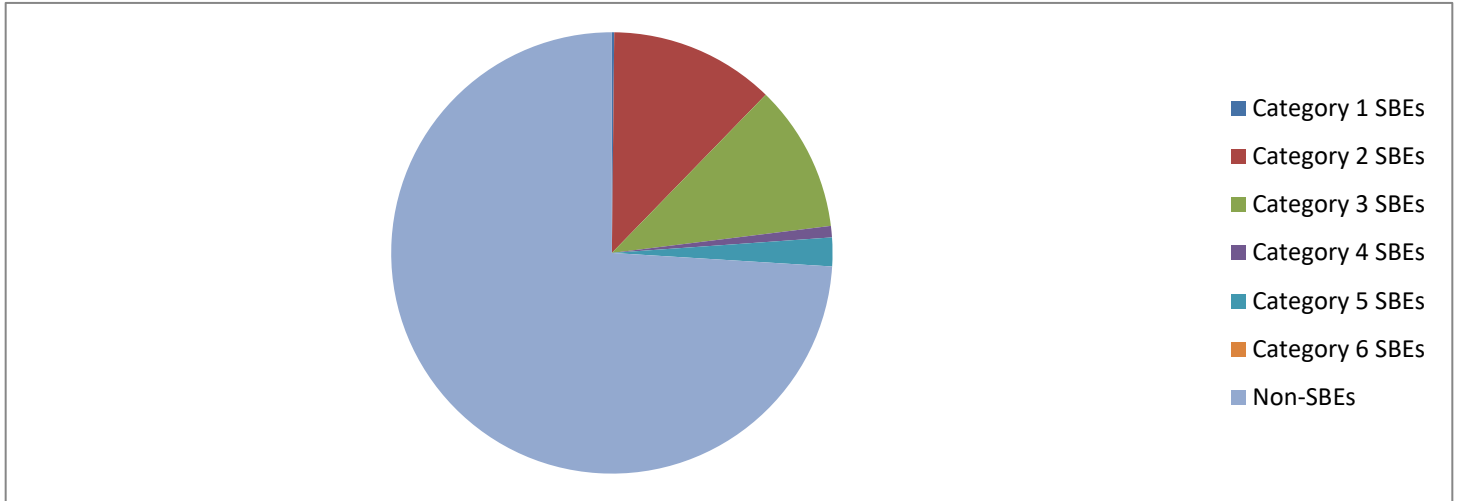
Transit Vehicle Manufacturer (TVM)¹ Awards

(Next update will occur in January 2022)

¹ Transit Vehicle Manufacturers (TVMs) will be reported to the President and CEO on a quarterly basis in the same manner that FTA-funded contracts are currently reported. TVMs are manufacturers whose primary business purpose is to build vehicles specifically for public mass transportation. The “TVM” designation indicates that the intended contract recipient/awardee has submitted to the Federal Transit Administration a plan to utilize Disadvantaged Business Enterprises on their contracts. NJ TRANSIT does not place a separate goal on Transit Vehicle Manufacturers.

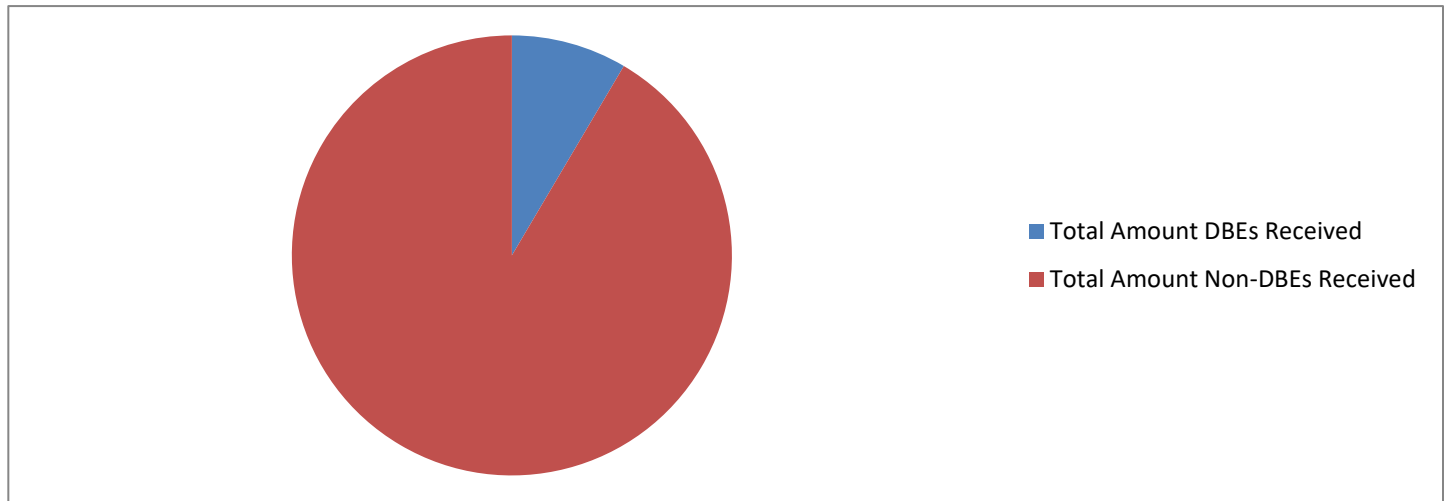
STATE CONTRACTS
STATE FYTD 2022

<i>Category 1 SBEs</i>	\$55,980.00	0.17%
<i>Category 2 SBEs</i>	\$3,961,917.64	12.11%
<i>Category 3 SBEs</i>	\$3,523,348.98	10.77%
<i>Category 4 SBEs</i>	\$273,200.00	0.83%
<i>Category 5 SBEs</i>	\$687,349.00	2.10%
<i>Category 6 SBEs</i>	\$0.00	0.00%
<i>Non-SBEs</i>	\$24,224,811.81	74.02%



DBE PARTICIPATION
FEDERAL CONTRACTS
FEDERAL FY 2020-2022

Total Amount DBEs Received	\$33,785,863.22	8.499%
Total Amount Non-DBEs Received	\$363,735,022.02	91.50%



EMPLOYEE RECOGNITION

The following NJ TRANSIT employees retired recently:

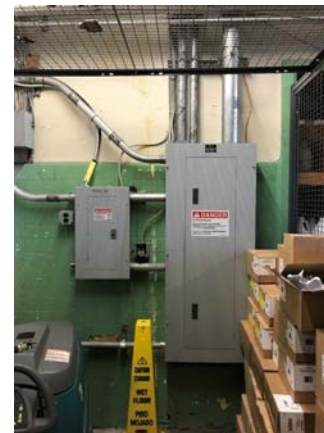
1. Alex Arguson, Designer/Draftsperson -- Penn Plaza -- 16 years
2. Charles Bottt III, Foreman -- Raritan Yard -- 17 years
3. Michael Carpenter, Electrician -- Meadows Maintenance Complex -- 33 years
4. Alaric Dalberg, Locomotive Engineer -- Various -- 34 years
5. Luis Dos Reis, Manager Rail Communications -- Hoboken -- 31 years
6. James Gasser, Supervisor Work Equipment Shop -- Penn Plaza Newark -- 38 years
7. Salvatore Moni, Foreman -- Morrisville Yard -- 16 years
8. Alexander Rivera, Signal Inspector -- Maplewood -- 38 years
9. Fred Scoleri, Manager Rail Infrastructure Maintainer -- Hoboken -- 41 years
10. Marie Souffrant, Car Apperance Maintainer -- Dover Yard -- 19 years
11. Victor Viscomi, Director QA/QC -- Various -- 34 years

ACTION ITEMS

ITEM 2111-79 HOBOKEN TERMINAL ELECTRICAL REPAIRS

The Hoboken Terminal Electrical Repairs will include repairs to the electrical distribution system at Hoboken Terminal that were damaged during Superstorm Sandy. Equipment and wiring that were damaged will be replaced above the design flood elevation so that they will be protected against damage from future storm events.

- Seeking authorization to enter into NJ TRANSIT Contract No. 21-049X with DMR Construction Services, Inc. of Waldwick, NJ, for the construction of the Hoboken Terminal Electrical Repairs project in the amount not to exceed \$3,451,962.00, plus five percent for contingencies, subject to the availability of funds.



ITEM 2111-79 HOBOKEN TERMINAL ELECTRICAL REPAIRS

- Authorization of this Construction Contract will enhance the resilience of NJ TRANSIT's commuter rail service to and from Hoboken Terminal.
- Harden Hoboken Terminal infrastructure against storm surges.



ITEM: 2111-79: NJ TRANSIT RESILIENCE PROGRAM: HOBOKEN TERMINAL ELECTRICAL REPAIRS: CONSTRUCTION CONTRACT AWARD

WHEREAS, Hoboken Terminal and Yard is one of NJ TRANSIT's major terminals and serves approximately 30,000 customers daily from across seven New Jersey counties and New York City. The Terminal is an intermodal facility served by nine NJ TRANSIT commuter rail lines, the Hudson-Bergen Light Rail, Port Authority Trans-Hudson (PATH) rapid transit system, bus service, and New York Waterway ferry services; and

WHEREAS, on October 29, 2012, Superstorm Sandy's storm surge caused significant damage to Hoboken Terminal and Yard, including to the Terminal's building facilities, substations and electrical assets, and key signals and communications equipment; and

WHEREAS, NJ TRANSIT advanced immediate repairs at the Terminal and Yard and is progressing construction of long-term recovery projects to rebuild or replace damaged assets and infrastructure in a resilient manner by relocating equipment above the flood elevation; and

WHEREAS, the work of this Contract consists of repairs to the electrical distribution system at Hoboken Terminal; and

WHEREAS, on July 15, 2021, an Invitation for Bid (IFB) was advertised on *BID EXPRESS*, NJ TRANSIT's electronic bid system, and in *The Star-Ledger* and *Trenton Times*; and

WHEREAS, upon completion of a competitive procurement process, it was determined that DMR Construction Services, Inc., of Waldwick, New Jersey, submitted the lowest responsive, responsible bid; and

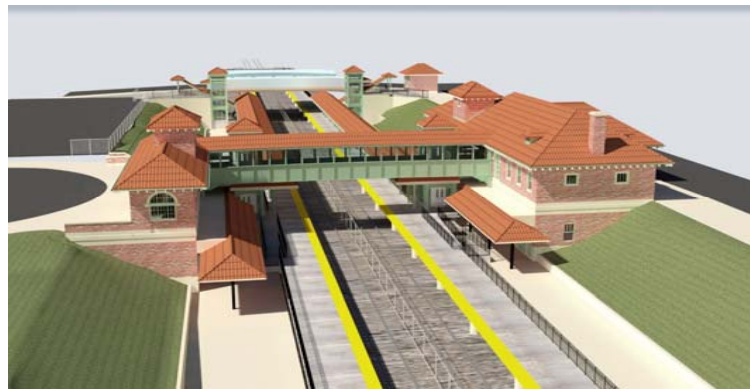
WHEREAS, the NJ TRANSIT Office of Business Development (OBD) assigned a 19 percent Race Conscious Disadvantage Business Enterprise (DBE) goal the project; and

WHEREAS, OBD reviewed and approved the 24.76 percent DBE utilization commitment identified by DMR Construction Services, Inc.; and

WHEREAS, Sandy Insurance Funds are the anticipated sources of funding for this project;

NOW, THEREFORE, BE IT RESOLVED, that the Chair or President & CEO is authorized to enter into NJ TRANSIT Contract No. 21-049X with DMR Construction Services, Inc., of Waldwick, New Jersey, for the construction of the Hoboken Terminal Electrical Repairs project in the amount not to exceed \$3,451,962.00, plus five percent for contingencies, subject to the availability of funds.

ITEM 2111-80:
PERTH AMBOY STATION ACCESSIBILTY IMPROVEMENTS
PROJECT – CONSTRUCTION SERVICES CONTRACT AWARD
Contract: #21-039X



AGENDA

- 
- ❖ **INTRODUCTION**
 - ❖ **ACCESSIBILITY IMPROVEMENTS**
 - ❖ **ENHANCEMENTS**
 - ❖ **PROJECT SUMMARY**
 - ❖ **REQUEST BOARD ACTION**

CURRENT STATION

- Built in 1927, the current station:
- Serves approximately 874 weekday passengers
- An outstanding example of Renaissance Revival style architecture
- Listed on the State National Register of Historic Places
- Lacks standard accessibility design elements
- Platforms and other facilities have served beyond useful life



GOALS and OBJECTIVES of Project

1. Provide accessibility improvements
2. Provide optimal passenger convenience
3. Avoid or minimize loss of historic fabric and function of the historic station
4. Upgrade other amenities and facilities



NJ TRANSIT PLANS

- This project, incorporated into *NJT 2030: A Ten-Year Strategic Plan*, proposes to construct improvements so that the station is accessible to people with disabilities
- This project was identified as a capital need in the *NJ TRANSIT A 5-Year Capital Plan: An Unconstrained Vision for NJ TRANSIT* (as approved by the NJ TRANSIT Board of Directors in October 2020)



MILESTONES

- April 21, 2017 Historic Preservation Office Approval from Sites Council
- July 26, 2019 Categorical Exclusion and Section 4(f) Approval
- July 30, 2021 Advertisement
- Q1 2022 Anticipated Notice to Proceed
- Q2 2024 Anticipated Construction Completion





INTRODUCTION



ACCESSIBILITY IMPROVEMENTS



ENHANCEMENTS



PROJECT SUMMARY



REQUEST BOARD ACTION

PEDESTRIAN BRIDGE



RESTORATION OF WESTBOUND BUILDING ELEMENTS



EXISTING



PROPOSED





INTRODUCTION



ACCESSIBILITY IMPROVEMENTS



ENHANCEMENTS



PROJECT SUMMARY



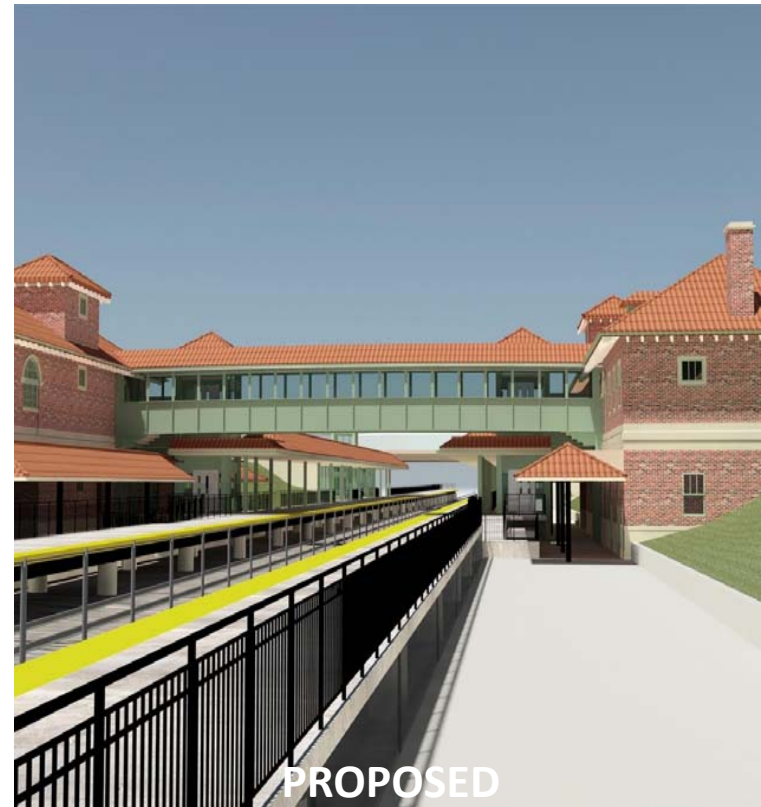
REQUEST BOARD ACTION



REINSTALLATION OF SMITH STREET STAIRS



UPGRADE OF PEDESTRIAN BRIDGE



VIEW LOOKING WEST



STATION OVERVIEW



STATION OVERVIEW





INTRODUCTION



ACCESSIBILITY IMPROVEMENTS



ENHANCEMENTS



PROJECT SUMMARY



REQUEST BOARD ACTION

PROJECT SUMMARY


Meets goals of accessibility while preserving the station's function as an active rail station.

Two side high level Platforms (HLPs):

- Two new elevators using rehabilitated pedestrian bridge
- Two new elevators at Smith Street bridge

In addition to the advantages of the HLPs:

- Minimal removal of original historic fabric
- Retains original function and historic circulation paths of historic station buildings and pedestrian bridge
- Reuses/rehabilitates vacant westbound station building
- Restores historic circulation path at Smith Street
- Locates activity at Smith Street, Perth Amboy's commercial spine and heart of Perth Amboy Commercial Historic District

- 
- ❖ INTRODUCTION
 - ❖ ACCESSIBILITY IMPROVEMENTS
 - ❖ ENHANCEMENTS
 - ❖ PROJECT SUMMARY
 - ❖ **REQUEST BOARD ACTION**

RESPONSIVE AND RESPONSIBLE BIDDERS

- July 30, 2021 Request for Proposals (IFB) advertised.
- August 12, 2021 Virtual pre-proposal meeting and site visit.
- October 7, 2021 Bids received from nine (9) bidders. One was determined to be non-responsive.



REQUESTED BOARD ACTION

Staff seeks authorization to enter into NJ TRANSIT Contract No. 21-039X with the lowest responsive and responsible bidder, [Hall Construction Co., Inc. of Wall, New Jersey](#), for the construction services of the Perth Amboy Station Accessibility Improvement Project - [General Construction Contract in the amount not to exceed \\$45,545,000.00](#), plus five percent for contingencies, subject to the availability of funds.



ITEM 2111-80: PERTH AMBOY STATION ACCESSIBILITY IMPROVEMENTS PROJECT – CONSTRUCTION SERVICES CONTRACT AWARD

WHEREAS, the Perth Amboy Train Station is a historic commuter rail station on the North Jersey Coast Line in the City of Perth Amboy, Middlesex County, in the State of New Jersey; and

WHEREAS, the station currently serves an average of approximately 874 weekday passenger trips; and

WHEREAS, the existing historic station, constructed in 1927, is an outstanding example of Renaissance Revival style architecture; and

WHEREAS, the station is listed on the New Jersey and National Registers of Historic Places; and

WHEREAS, NJ TRANSIT has determined that construction at the Perth Amboy Train Station is required to maintain the station in a state of good repair, and to improve accessibility; and

WHEREAS, following construction, the station will be fully accessible consisting of two high-level composite platforms, new stairs, four elevators, lighting, canopies, communications, and Closed-Circuit TV (CCTV); and

WHEREAS, an invitation to bid (IFB) to provide Construction Services for the Perth Amboy Accessibility Improvements Project was advertised on BID EXPRESS, NJ TRANSIT's electronic bid system, and in *The Star-Ledger*, *Trenton Times* on July 30, 2021; and

WHEREAS, bids were received electronically from nine firms on October 7, 2021; and

WHEREAS, upon completion of a competitive procurement process, it was determined that Hall Construction Co., Inc. of Wall, New Jersey, submitted the lowest responsive, responsible bid; and

WHEREAS, NJ TRANSIT Office of Business Development (OBD) assigned a 20 percent Race Conscious Disadvantaged Business Enterprise (DBE) goal for the Perth Amboy Accessibility Improvements Project - General Construction Contract 21-039X; and

WHEREAS, OBD reviewed the bid and approved a 25.67 percent DBE utilization commitment identified by Hall Construction Co., Inc. in its bid; and

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

NOW, THEREFORE, BE IT RESOLVED that the Chair or President & CEO is authorized to enter into NJ TRANSIT Contract No. 21-039X with Hall Construction Co., Inc. of Wall, New Jersey, to provide construction services for the Perth Amboy Accessibility Improvements Project in the amount not to exceed \$45,545,000.00, plus five percent for contingencies, subject to the availability of funds.

ITEM 2111-81: RECOMMENDATION TO APPROVE THE AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2021

WHEREAS, P.L. 1979, Ch. 150, P.L. 2018, Ch. 162, Executive Order 122 (McGreevey 2004) (EO 122), and Executive Order 37 (Corzine 2006) (EO 37) require, among other things, an annual audit of the financial statements of NJ TRANSIT by an independent auditor. For purposes of the Executive Orders, the audit is an examination of NJ TRANSIT's financial statements by a certified public accounting firm in compliance with generally accepted government auditing standards (GAGAS), issued by the Comptroller General of the United States, and in accordance with all applicable rules, regulations, and circulars; and

WHEREAS, EO 37 and EO 122 require the audit to be accompanied by a written certification from both the President and Chief Executive Officer and the Senior Vice President, Chief Financial Officer & Treasurer that the financial information provided to the independent auditor in connection with the audit is, to the best of their knowledge, accurate and that such information fairly represents, in all material respects, the financial condition and operational results of NJ TRANSIT for the fiscal year; and

WHEREAS, P.L. 2018, Ch. 162 requires NJ TRANSIT to file its annual audit with the New Jersey Department of Treasury within four (4) months after the close of the fiscal year; and

WHEREAS, on or before October 31, 2021, NJ TRANSIT's independent auditor, Deloitte & Touche LLP (Deloitte), completed its examination of NJ TRANSIT's financial statements for the fiscal year ended June 30, 2021, in compliance with the enabling legislation and requirements of the Executive Orders. Deloitte issued an unmodified opinion, which concluded that the financial statements present fairly, in all material respects, the consolidated net position of NJ TRANSIT as of June 30, 2021, and the changes in its financial position and its cash flows for the year then ended were in conformity with United States generally accepted accounting principles; and

WHEREAS, at its Special Meeting of October 26, 2021, NJ TRANSIT's Audit Committee reviewed the FY21 audited financial statements with Deloitte and senior staff from the Finance Department. The Audit Committee recommended that the FY21 audited financial statements be presented to the Board of Directors for its acceptance and approval; and

WHEREAS, on or before October 31, 2021, NJ TRANSIT filed its FY21 audited financial statements for the fiscal year ended June 30, 2021 with the New Jersey Department of Treasury thereby complying with its enabling legislation;

NOW, THEREFORE, BE IT RESOLVED that in compliance with EO 37 (Corzine 2006), it is respectfully recommended that the Board of Directors accept and approve NJ TRANSIT's audited financial statements for the fiscal year ended June 30, 2021.

ITEM 2111-82: PERSONAL INJURY CLAIM OF THE ESTATE OF UMBERTO LOMBARDO

WHEREAS, Article VI, Section II of the By-Laws requires Board Authorization for settlement of claims in excess of \$500,000; and

WHEREAS, the Estate of Umberto Lombardo has presented a claim with a probable settlement cost greater than \$500,000; and

WHEREAS, staff has reviewed the claim and recommends settling this case out of court;

NOW, THEREFORE, BE IT RESOLVED that the Chair or President & CEO is authorized to settle the claim of the Estate of Umberto Lombardo through its attorney, at an amount discussed in Executive Session. The Attorney General has approved the proposed settlement, subject to the availability of funds.

ITEM 2111-83: PORTAL NORTH BRIDGE OWNER CONTROLLED INSURANCE PROGRAM

WHEREAS, NJ TRANSIT is providing a Portal North Bridge Owner Controlled Insurance Program (OCIP) to protect NJ TRANSIT, contractors, all tiers of subcontractors, and Amtrak as stipulated in the construction contracts related to the exposures of the projects in the event of accidents and other casualties; and

WHEREAS, it is in the best interest of NJ TRANSIT and sound fiscal policy to provide a Portal North Bridge Owner Controlled in the Corporate Insurance Program; and

WHEREAS, NJ TRANSIT is negotiating the Portal North Bridge Owner Controlled Insurance Program and the services necessary to administer the program for the period of December 30, 2021 through December 31, 2027;

NOW, THEREFORE, BE IT RESOLVED that the Chair or President & CEO is authorized to provide the Portal North Bridge Owner Controlled Insurance Program and to include services necessary to administer the Program for the period from December 30, 2021 through December 31, 2027, at an overall cost not to exceed an amount discussed in Executive session, plus five percent for contingencies, subject to the availability of funds and adoption of the FY2022 Operating Budget.

ITEM 2111-84: PROPOSED LABOR AGREEMENTS: NJ TRANSIT RAIL OPERATIONS, INC. AND AMERICAN RAILWAY AND AIRWAY SUPERVISORS ASSOCIATION MECHANICAL FOREMAN (ARASA M/E), AMERICAN RAILWAY AND AIRWAY SUPERVISORS ASSOCIATION MAINTENANCE OF WAY SUPERVISORS (ARASA M/W), INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS-SUPERVISORS (IBEW-S), TRANSPORT WORKERS UNION OF AMERICA (TWU), AND SMART-YARDMASTERS (FORMERLY UNITED TRANSPORTATION UNION-YARDMASTERS)

WHEREAS, NJ TRANSIT Rail Operations, Inc. (“NJT Rail”) and the American Railway and Airway Supervisors Association Mechanical Foreman (ARASA M/E), American Railway and Airway Supervisors Association Maintenance of Way Supervisors (ARASA M/W), International Brotherhood of Electrical Workers-Supervisors (IBEW-S), Transport Workers Union of America (TWU), and SMART-Yardmasters (formerly United Transportation Union-Yardmasters), have collectively negotiated Labor Agreements for the approximately 450 employees represented by ARASA M/E, ARASA M/W, IBEW-S, TWU, and SMART-Yardmasters; and

WHEREAS, represented ARASA M/E, ARASA M/W, IBEW-S, TWU, and SMART-Yardmasters employees of NJ TRANSIT Rail Operations have negotiated tentative labor agreements with NJ TRANSIT Rail Operations Management; and

WHEREAS, the terms and conditions of the agreements are set forth in individual Memorandum of Understanding (“MOU”); and

WHEREAS, employees represented by ARASA M/E, ARASA M/W, IBEW-S, TWU, and SMART-Yardmasters are currently voting and/or preparing to send ballots on the ratification of the Union’s Memoranda of Understanding with NJ TRANSIT Rail Operations;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approve the economic terms and other proposed conditions set forth in the Memoranda of Understanding negotiated by NJ TRANSIT Rail Operations, Inc. and ARASA M/E, ARASA M/W, IBEW-S, TWU, and SMART-Yardmasters (Exhibit A), and staff seeks authorization for the President & CEO, or his designee, to take all necessary steps to finalize and implement same, pending ratification by ARASA M/E, ARASA M/W, IBEW-S, TWU, and SMART-Yardmasters.

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE AMERICAN RAILWAY AND AIRLINE SUPERVISOR'S ASSOCIATION

REPRESENTING

SUPERVISORS IN THE MAINTENANCE OF WAY DEPARTMENT

AND

NEW JERSEY TRANSIT RAIL OPERATIONS

The parties hereby agree to the following terms and conditions of employment for a new labor agreement ("Agreement") for the period January 1, 2020, through June 30, 2024.

This Memorandum of Understanding is subject to ratification by the membership of the ARASA and final approval by the New Jersey Transit Board of Directors.

This Agreement amends the agreement between ARASA and New Jersey Transit Rail Operations (NJTRO) amended through December 31, 2019. The rules in the agreement are changed only to the extent indicated herein and remain otherwise unchanged and in full force until changed in accordance with provisions of the Railway Labor Act, as amended. The rule changes set for in this Memorandum of Understanding shall be effective upon date of ratification unless otherwise specified.

EXHIBIT A

1. Wages

Effective July 1, 2020, wages shall be increased two percent (2%) over the rates in effect on June 30, 2020.

Effective July 1, 2021, wages shall be increased two and one quarter percent (2.25%) over the rates in effect on June 30, 2021.

Effective January 1, 2022, wages shall be increased two- and one-quarter-percent (2.25%) over the rates in effect on December 31, 2021.

Effective July 1, 2022, wages shall be increased two- and one-half percent (2.5%) over the rates in effect on June 30, 2022.

Effective July 1, 2023, wages shall be increased three (3%) over the rates in effect on June 30, 2023.

2. Retroactive Wages

Every active employee, any employee who died during the term of agreement from January 1, 2020 up to ratification, any employee who retired with a Railroad Retirement annuity between January 1, 2020 and full and final ratification, as well as any employee who resigned and who was not in and out of service status for a dismissal at the time or subject to a pending dismissal from a serious disciplinary charge shall receive payment for service under the above schedule, said retroactive payment to be made by November 25, 2021 or as soon as practical but in no event later than 90 days after full ratification.

3. Holiday

Add Juneteenth as a holiday.

4. Bereavement Leave

Add Step-parent. Employees may attend the funerals for any of the persons covered by this rule on any of the three (3) bereavement days.

5. Paying Off

All payroll, including shortage adjustments and expense payments, will be made electronically, via direct deposit only. Paper paychecks and pay advices are discontinued.

6. Electronic Communication

The parties recognize that this provision is not subject to negotiations, however, for sale of clarity, the parties have agreed to insert this provision in the Instant Memorandum of Understanding. Namely, NJTRO and NJT corporation will use electronic communication to the email address furnished each employee for various notices from the Human Resources, Pension, EEO, Employee Benefits and other Departments. Correspondence from the NJTRO Transportation and Labor Relations Departments shall continue by current methods.

EXHIBIT A

7. Health and Welfare Benefits

- a. Change the out-of-network reimbursement methodology from 80% of Fair Health to 180% of Centers of Medicare and Medicaid Services (CMS) standard.
- b. Add Dispense as Written (DAW) cost containment provision for prescription drug plan.
- c. All prescription drugs to be filled using National Preferred Formulary (NPF) standard.
- d. Specialty drugs to be filled via mail order only. In a situation following the initial prescribing of a medication by a physician in which the employee or dependent must commence use of the medication immediately, the drug may be filled once at a retail pharmacy.
- e. Effective July 1, 2022, the requirement for NJT to provide “triple option” dental plans shall terminate. NJT will seek quotes from various insurance companies to provide employees with dental plans of equal or better provisions than at present.
- f. There will be no “true up” of health contribution increases, as provided in the Memorandum of Understanding dated June 24, 2016. Additionally, there will be no health premium increases during the term of this Memorandum of Understanding.
- g. Effective July 1, 2022, the HMO plan will be discontinued and all employees in that plan will be placed in a new EPO Plan, which has coverage within as well as outside the State of New Jersey. This plan provides benefits equal to or greater than the HMO plan. The employee monthly premium for that plan will be \$155 per month. Effective July 1, 2022, employees in the HMO Plan who have attained five (5) years of service may remain in the EPO Plan or transfer to the DA10 Plan, as stipulated in provision 5 (d) of the Memorandum of Understanding signed June 24, 2016. All employees hired on/after July 1, 2022, will be required to be in the EPO for their initial five (5) years of service, following which they may remain in the EPO Plan or transfer to the DA10 Plan, as stipulated in provision 5(d) of the Memorandum of Understanding signed June 24, 2016.
- h. The Traditional Plan and the Enhanced Traditional Plan for retirees will be terminated and replaced with the DA10 Plan for all retirees and their spouses for those retirees who are at least 60 years of age and who have a minimum of 30 years of service with NJTRO. There will be no monthly contribution toward the premium of the DA10 Plan for retirees and their spouses, and eligibility will be the same as with the Traditional Plan for retirees and their spouses.

EXHIBIT A

8. Claims

All provisions which require automatic payment of claims if the Carrier fails to respond within time limits will be eliminated. Carrier's failure to respond within time limits will (a) require the Carrier to pay the claimant a two (2) hour penalty at straight time rates, and (b) automatically give the Organization the right to move the claim to the next step in the grievance procedure should they choose to do so.

9. Term

This Agreement shall continue in full force and effect from January 1, 2020 through June 30, 2024.

10. Moratorium

There shall be moratorium on the serving the Section 6 Notices until April 1, 2024, not become effective until July 1, 2024.

This Memorandum of Understanding constitutes the complete agreement of the parties with the respect to changes in the Collective Bargaining Agreement reached with the undersigned on September 25, 2021.

For the Organization:

For the Company:

Michael Miller
National Representative

S.M. Drayzen
DGM- Labor Relations & Administration

Robert Breen
General Chairman

J.A Devine, III
Director- Labor Relations (Administration)

APPROVED:

Kevin Corbett
President and CEO
New Jersey Transit Corporation

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE AMERICAN RAILWAY AND AIRLINE SUPERVISOR'S ASSOCIATION

REPRESENTING

FOREMEN IN THE MAINTENANCE OF EQUIPMENT DEPARTMENT

AND

NEW JERSEY TRANSIT RAIL OPERATIONS

The parties hereby agree to the following terms and conditions of employment for a new labor agreement ("Agreement") for the period January 1, 2020, through June 30, 2024.

This Memorandum of Understanding is subject to ratification by the membership of the ARASA and final approval by the New Jersey Transit Board of Directors.

This Agreement amends the agreement between ARASA and New Jersey Transit Rail Operations (NJTRO) amended through December 31, 2019. The rules in the agreement are changed only to the extent indicated herein and remain otherwise unchanged and in full force until changed in accordance with provisions of the Railway Labor Act, as amended. The rule changes set for in this Memorandum of Understanding shall be effective upon date of ratification unless otherwise specified.

EXHIBIT A

1. Wages

Effective July 1, 2020, wages shall be increased two percent (2%) over the rates in effect on June 30, 2020.

Effective July 1, 2021, wages shall be increased two and one quarter percent (2.25%) over the rates in effect on June 30, 2021.

Effective January 1, 2022, wages shall be increased two- and one-quarter-percent (2.25%) over the rates in effect on December 31, 2021.

Effective July 1, 2022, wages shall be increased two- and one-half percent (2.5%) over the rates in effect on June 30, 2022.

Effective July 1, 2023, wages shall be increased three (3%) over the rates in effect on June 30, 2023.

2. Retroactive Wages

Every active employee, any employee who died during the term of agreement from January 1, 2020 up to ratification, any employee who retired with a Railroad Retirement annuity between January 1, 2020 and full and final ratification, as well as any employee who resigned and who was not in and out of service status for a dismissal at the time or subject to a pending dismissal from a serious disciplinary charge shall receive payment for service under the above schedule, said retroactive payment to be made by November 25, 2021 or as soon as practical but in no event later than 90 days after full ratification.

3. Holiday

Add Juneteenth as a holiday.

4. Bereavement Leave

Add Step-parent. Employees may attend the funerals for any of the persons covered by this rule on any of the three (3) bereavement days.

5. Paying Off

All payroll, including shortage adjustments and expense payments, will be made electronically, via direct deposit only. Paper paychecks and pay advices are discontinued.

6. Electronic Communication

The parties recognize that this provision is not subject to negotiations, however, for sale of clarity, the parties have agreed to insert this provision in the Instant Memorandum of Understanding. Namely, NJTRO and NJT corporation will use electronic communication to the email address furnished each employee for various notices from the Human Resources, Pension, EEO, Employee Benefits and other Departments. Correspondence from the NJTRO Transportation and Labor Relations Departments shall continue by current methods.

EXHIBIT A

7. Health and Welfare Benefits

- a. Change the out-of-network reimbursement methodology from 80% of Fair Health to 180% of Centers of Medicare and Medicaid Services (CMS) standard.
- b. Add Dispense as Written (DAW) cost containment provision for prescription drug plan.
- c. All prescription drugs to be filled using National Preferred Formulary (NPF) standard.
- d. Specialty drugs to be filled via mail order only. In a situation following the initial prescribing of a medication by a physician in which the employee or dependent must commence use of the medication immediately, the drug may be filled once at a retail pharmacy.
- e. Effective July 1, 2022, the requirement for NJT to provide “triple option” dental plans shall terminate. NJT will seek quotes from various insurance companies to provide employees with dental plans of equal or better provisions than at present.
- f. There will be no “true up” of health contribution increases, as provided in the Memorandum of Understanding dated June 24, 2016. Additionally, there will be no health premium increases during the term of this Memorandum of Understanding.
- g. Effective July 1, 2022, the HMO plan will be discontinued and all employees in that plan will be placed in a new EPO Plan, which has coverage within as well as outside the State of New Jersey. This plan provides benefits equal to or greater than the HMO plan. The employee monthly premium for that plan will be \$155 per month. Effective July 1, 2022, employees in the HMO Plan who have attained five (5) years of service may remain in the EPO Plan or transfer to the DA10 Plan, as stipulated in provision 5 (d) of the Memorandum of Understanding signed June 24, 2016. All employees hired on/after July 1, 2022, will be required to be in the EPO for their initial five (5) years of service, following which they may remain in the EPO Plan or transfer to the DA10 Plan, as stipulated in provision 5(d) of the Memorandum of Understanding signed June 24, 2016.
- h. The Traditional Plan and the Enhanced Traditional Plan for retirees will be terminated and replaced with the DA10 Plan for all retirees and their spouses for those retirees who are at least 60 years of age and who have a minimum of 30 years of service with NJTRO. There will be no monthly contribution toward the premium of the DA10 Plan for retirees and their spouses, and eligibility will be the same as with the Traditional Plan for retirees and their spouses.

EXHIBIT A

8. Claims

All provisions which require automatic payment of claims if the Carrier fails to respond within time limits will be eliminated. Carrier's failure to respond within time limits will (a) require the Carrier to pay the claimant a two (2) hour penalty at straight time rates, and (b) automatically give the Organization the right to move the claim to the next step in the grievance procedure should they choose to do so.

9. Term

This Agreement shall continue in full force and effect from January 1, 2020 through June 30, 2024.

10. Moratorium

There shall be moratorium on the serving the Section 6 Notices until April 1, 2024, not become effective until July 1, 2024.

This Memorandum of Understanding constitutes the complete agreement of the parties with the respect to changes in the Collective Bargaining Agreement reached with the undersigned on September 25, 2021.

For the Organization:

For the Company:

Michael Miller
National Representative

S.M. Drayzen
DGM- Labor Relations & Administration

Robert Breen
General Chairman

J.A Devine, III
Director- Labor Relations (Administration)

APPROVED:

Kevin Corbett
President and CEO
New Jersey Transit Corporation

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS
REPRESENTING
ET ASSISTANT SUPERVISORS, COMMUNICATION SUPERVISORS AND FOREMEN
AND
NEW JERSEY TRANSIT RAIL OPERATIONS

The parties hereby agree to the following terms and conditions of employment for a new labor agreement (“Agreement”) for the period January 1, 2020, through June 30, 2024.

This Memorandum of Understanding is subject to ratification by the membership of the IBEW (Supervisors) and final approval by the New Jersey Transit Board of Directors.

This Agreement amends the agreement between IBEW (Supervisors) and New Jersey Transit Rail Operations (NJTRO) amended through December 31, 2019. The rules in the agreement are changed only to the extent indicated herein and remain otherwise unchanged and in full force until changed in accordance with provisions of the Railway Labor Act, as amended. The rule changes set for in this Memorandum of Understanding shall be effective upon date of ratification unless otherwise specified.

EXHIBIT A

1. Wages

Effective July 1, 2020, wages shall be increased two percent (2%) over the rates in effect on June 30, 2020.

Effective July 1, 2021, wages shall be increased two and one quarter percent (2.25%) over the rates in effect on June 30, 2021.

Effective January 1, 2022, wages shall be increased two- and one-quarter-percent (2.25%) over the rates in effect on December 31, 2021.

Effective July 1, 2022, wages shall be increased two- and one-half percent (2.5%) over the rates in effect on June 30, 2022.

Effective July 1, 2023, wages shall be increased three (3%) over the rates in effect on June 30, 2023.

2. Retroactive Wages

Every active employee, any employee who died during the term of agreement from January 1, 2020 up to ratification, any employee who retired with a Railroad Retirement annuity between January 1, 2020 and full and final ratification, as well as any employee who resigned and who was not in and out of service status for a dismissal at the time or subject to a pending dismissal from a serious disciplinary charge shall receive payment for service under the above schedule, said retroactive payment to be made by December 22, 2021 or as soon as practical but in no event later than 90 days after full ratification.

3. Holiday

Add Juneteenth as a holiday.

4. Bereavement Leave

Add Step-parent. Employees may attend the funerals for any of the persons covered by this rule on any of the three (3) bereavement days.

5. Paying Off

All payroll, including shortage adjustments and expense payments, will be made electronically, via direct deposit only. Paper paychecks and pay advices are discontinued.

6. Electronic Communication

The parties recognize that this provision is not subject to negotiations, however, for sale of clarity, the parties have agreed to insert this provision in the Instant Memorandum of Understanding. Namely, NJTRO and NJT corporation will use electronic communication to the email address furnished each employee for various notices from the Human Resources, Pension, EEO, Employee Benefits and other Departments. Correspondence from the NJTRO Transportation and Labor Relations Departments shall continue by current methods.

EXHIBIT A

7. Health and Welfare Benefits

- a. Change the out-of-network reimbursement methodology from 80% of Fair Health to 180% of Centers of Medicare and Medicaid Services (CMS) standard.
- b. Add Dispense as Written (DAW) cost containment provision for prescription drug plan.
- c. All prescription drugs to be filled using National Preferred Formulary (NPF) standard.
- d. Specialty drugs to be filled via mail order only. In a situation following the initial prescribing of a medication by a physician in which the employee or dependent must commence use of the medication immediately, the drug may be filled once at a retail pharmacy.
- e. Effective July 1, 2022, the requirement for NJT to provide “triple option” dental plans shall terminate. NJT will seek quotes from various insurance companies to provide employees with dental plans of equal or better provisions than at present.
- f. There will be no “true up” of health contribution increases, as provided in the Memorandum of Understanding dated June 24, 2016. Additionally, there will be no health premium increases during the term of this Memorandum of Understanding.
- g. Effective July 1, 2022, the HMO plan will be discontinued and all employees in that plan will be placed in a new EPO Plan, which has coverage within as well as outside the State of New Jersey. This plan provides benefits equal to or greater than the HMO plan. The employee monthly premium for that plan will be \$155 per month. Effective July 1, 2022, employees in the HMO Plan who have attained five (5) years of service may remain in the EPO Plan or transfer to the DA10 Plan, as stipulated in provision 5 (d) of the Memorandum of Understanding signed June 24, 2016. All employees hired on/after July 1, 2022, will be required to be in the EPO for their initial five (5) years of service, following which they may remain in the EPO Plan or transfer to the DA10 Plan, as stipulated in provision 5(d) of the Memorandum of Understanding signed June 24, 2016.
- h. The Traditional Plan and the Enhanced Traditional Plan for retirees will be terminated and replaced with the DA10 Plan for all retirees and their spouses for those retirees who are at least 60 years of age and who have a minimum of 30 years of service with NJTRO. There will be no monthly contribution toward the premium of the DA10 Plan for retirees and their spouses, and eligibility will be the same as with the Traditional Plan for retirees and their spouses.

EXHIBIT A

8. Claims

All provisions which require automatic payment of claims if the Carrier fails to respond within time limits will be eliminated. Carrier’s failure to respond within time limits will (a) require the Carrier to pay the claimant a two (2) hour penalty at straight time rates, and (b) automatically give the Organization the right to move the claim to the next step in the grievance procedure should they choose to do so.

9. Term

This Agreement shall continue in full force and effect from January 1, 2020 through June 30, 2024.

10. Moratorium

There shall be moratorium on the serving the Section 6 Notices until April 1, 2024, not become effective until July 1, 2024.

This Memorandum of Understanding constitutes the complete agreement of the parties with the respect to changes in the Collective Bargaining Agreement reached with the undersigned on September 25, 2021.

For the Organization:

For the Company:

Peter Famularo
General Chairman

S.M. Drayzen
DGM- Labor Relations & Administration

Michael McConnell
President

J.A Devine, III
Director- Labor Relations (Administration)

Thomas Papis
NJ Executive Board Member

APPROVED:

Kevin Corbett
President and CEO
New Jersey Transit Corporation

MEMORANDUM OF UNDERSTANDING
BETWEEN
TRANSPORT WORKERS UNION OF AMERICA
REPRESENTING
CARMEN AND CAR APPEARANCE MAINTAINERS
AND
NEW JERSEY TRANSIT RAIL OPERATIONS

The parties hereby agree to the following terms and conditions of employment for a new labor agreement (“Agreement”) for the period January 1, 2020, through June 30, 2024.

This Memorandum of Understanding is subject to ratification by the membership of the TWU and final approval by the New Jersey Transit Board of Directors.

This Agreement amends the agreement between TWU and New Jersey Transit Rail Operations (NJTRO) amended through December 31, 2019. The rules in the agreement are changed only to the extent indicated herein and remain otherwise unchanged and in full force until changed in accordance with provisions of the Railway Labor Act, as amended. The rule changes set for in this Memorandum of Understanding shall be effective upon date of ratification unless otherwise specified.

EXHIBIT A

1. Wages

Effective July 1, 2020, wages shall be increased two percent (2%) over the rates in effect on June 30, 2020.

Effective July 1, 2021, wages shall be increased two and one quarter percent (2.25%) over the rates in effect on June 30, 2021.

Effective January 1, 2022, wages shall be increased two- and one-quarter-percent (2.25%) over the rates in effect on December 31, 2021.

Effective July 1, 2022, wages shall be increased two- and one-half percent (2.5%) over the rates in effect on June 30, 2022.

Effective July 1, 2023, wages shall be increased three (3%) over the rates in effect on June 30, 2023.

2. Retroactive Wages

Every active employee, any employee who died during the term of agreement from January 1, 2020 up to ratification, any employee who retired with a Railroad Retirement annuity between January 1, 2020 and full and final ratification, as well as any employee who resigned and who was not in and out of service status for a dismissal at the time or subject to a pending dismissal from a serious disciplinary charge shall receive payment for service under the above schedule, said retroactive payment to be made by November 25, 2021 or as soon as practical but in no event later than 90 days after full ratification.

3. Holiday

Add Juneteenth as a holiday.

4. Bereavement Leave

Add Step-parent. Employees may attend the funerals for any of the persons covered by this rule on any of the three (3) bereavement days.

5. Paying Off

All payroll, including shortage adjustments and expense payments, will be made electronically, via direct deposit only. Paper paychecks and pay advices are discontinued.

6. Electronic Communication

The parties recognize that this provision is not subject to negotiations, however, for sale of clarity, the parties have agreed to insert this provision in the Instant Memorandum of Understanding. Namely, NJTRO and NJT corporation will use electronic communication to the email address furnished each employee for various notices from the Human Resources, Pension, EEO, Employee Benefits and other Departments. Correspondence from the NJTRO M of E and Labor Relations Departments shall continue by current methods.

EXHIBIT A

7. Health and Welfare Benefits

- a. Change the out-of-network reimbursement methodology from 80% of Fair Health to 180% of Centers of Medicare and Medicaid Services (CMS) standard.
- b. Add Dispense as Written (DAW) cost containment provision for prescription drug plan.
- c. All prescription drugs to be filled using National Preferred Formulary (NPF) standard.
- d. Specialty drugs to be filled via mail order only. In a situation following the initial prescribing of a medication by a physician in which the employee or dependent must commence use of the medication immediately, the drug may be filled once at a retail pharmacy.
- e. Effective July 1, 2022, the requirement for NJT to provide “triple option” dental plans shall terminate. NJT will seek quotes from various insurance companies to provide employees with dental plans of equal or better provisions than at present.
- f. There will be no “true up” of health contribution increases, as provided in the Memorandum of Understanding dated June 24, 2016. Additionally, there will be no health premium increases during the term of this Memorandum of Understanding.
- g. Effective July 1, 2022, the HMO plan will be discontinued and all employees in that plan will be placed in a new EPO Plan, which has coverage within as well as outside the State of New Jersey. This plan provides benefits equal to or greater than the HMO plan. The employee monthly premium for that plan will be \$155 per month. Effective July 1, 2022, employees in the HMO Plan who have attained five (5) years of service may remain in the EPO Plan or transfer to the DA10 Plan, as stipulated in provision 5 (d) of the Memorandum of Understanding signed June 24, 2016. All employees hired on/after July 1, 2022, will be required to be in the EPO for their initial five (5) years of service, following which they may remain in the EPO Plan or transfer to the DA10 Plan, as stipulated in provision 5(d) of the Memorandum of Understanding signed June 24, 2016.
- h. The Traditional Plan and the Enhanced Traditional Plan for retirees will be terminated and replaced with the DA10 Plan for all retirees and their spouses for those retirees who are at least 60 years of age and who have a minimum of 30 years of service with NJTRO. There will be no monthly contribution toward the premium of the DA10 Plan for retirees and their spouses, and eligibility will be the same as with the Traditional Plan for retirees and their spouses.

EXHIBIT A

8. Claims

All provisions which require automatic payment of claims if the Carrier fails to respond within time limits will be eliminated. Carrier’s failure to respond within time limits will (a) require the Carrier to pay the claimant a two (2) hour penalty at straight time rates, and (b) automatically give the Organization the right to move the claim to the next step in the grievance procedure should they choose to do so.

9. Term

This Agreement shall continue in full force and effect from January 1, 2020 through June 30, 2024.

10. Moratorium

There shall be moratorium on the serving the Section 6 Notices until April 1, 2024, not become effective until July 1, 2024.

This Memorandum of Understanding constitutes the complete agreement of the parties with the respect to changes in the Collective Bargaining Agreement reached with the undersigned on September 25, 2021.

For the Organization:

For the Company:

Patrick Flannery
Executive Vice President

S.M. Drayzen
DGM- Labor Relations & Administration

Patrick Howard
President

J.A Devine, III
Director- Labor Relations (Administration)

APPROVED:

Kevin Corbett
President and CEO
New Jersey Transit Corporation

MEMORANDUM OF UNDERSTANDING

BETWEEN

SMART

REPRESENTING

YARDMASTERS

AND

NEW JERSEY TRANSIT RAIL OPERATIONS

The parties hereby agree to the following terms and conditions of employment for a new labor agreement (“Agreement”) for the period January 1, 2020, through June 30, 2024.

This Memorandum of Understanding is subject to ratification by the membership of the SMART (YARDMASTERS) and final approval by the New Jersey Transit Board of Directors.

This Agreement amends the agreement between SMART (YARDMASTERS) and New Jersey Transit Rail Operations (NJTRO) amended through December 31, 2019. The rules in the agreement are changed only to the extent indicated herein and remain otherwise unchanged and in full force until changed in accordance with provisions of the Railway Labor Act, as amended. The rule changes set for in this Memorandum of Understanding shall be effective upon date of ratification unless otherwise specified.

EXHIBIT A

1. Wages

Effective July 1, 2020, wages shall be increased two percent (2%) over the rates in effect on June 30, 2020.

Effective July 1, 2021, wages shall be increased two and one quarter percent (2.25%) over the rates in effect on June 30, 2021.

Effective January 1, 2022, wages shall be increased two- and one-quarter-percent (2.25%) over the rates in effect on December 31, 2021.

Effective July 1, 2022, wages shall be increased two- and one-half percent (2.5%) over the rates in effect on June 30, 2022.

Effective July 1, 2023, wages shall be increased three (3%) over the rates in effect on June 30, 2023.

2. Retroactive Wages

Every active employee, any employee who died during the term of agreement from January 1, 2020 up to ratification, any employee who retired with a Railroad Retirement annuity between January 1, 2020 and full and final ratification, as well as any employee who resigned and who was not in and out of service status for a dismissal at the time or subject to a pending dismissal from a serious disciplinary charge shall receive payment for service under the above schedule, said retroactive payment to be made by November 25, 2021 or as soon as practical but in no event later than 90 days after full ratification.

3. Holiday

Add Juneteenth as a holiday.

4. Bereavement Leave

Add Step-parent. Employees may attend the funerals for any of the persons covered by this rule on any of the three (3) bereavement days.

5. Paying Off

All payroll, including shortage adjustments and expense payments, will be made electronically, via direct deposit only. Paper paychecks and pay advices are discontinued.

6. Electronic Communication

The parties recognize that this provision is not subject to negotiations, however, for sale of clarity, the parties have agreed to insert this provision in the Instant Memorandum of Understanding. Namely, NJTRO and NJT corporation will use electronic communication to the email address furnished each employee for various notices from the Human Resources, Pension, EEO, Employee Benefits and other Departments. Correspondence from the NJTRO Transportation and Labor Relations Departments shall continue by current methods.

EXHIBIT A

7. Health and Welfare Benefits

- a. Change the out-of-network reimbursement methodology from 80% of Fair Health to 180% of Centers of Medicare and Medicaid Services (CMS) standard.
- b. Add Dispense as Written (DAW) cost containment provision for prescription drug plan.
- c. All prescription drugs to be filled using National Preferred Formulary (NPF) standard.
- d. Specialty drugs to be filled via mail order only. In a situation following the initial prescribing of a medication by a physician in which the employee or dependent must commence use of the medication immediately, the drug may be filled once at a retail pharmacy.
- e. Effective July 1, 2022, the requirement for NJT to provide “triple option” dental plans shall terminate. NJT will seek quotes from various insurance companies to provide employees with dental plans of equal or better provisions than at present.
- f. There will be no “true up” of health contribution increases, as provided in the Memorandum of Understanding dated June 24, 2016. Additionally, there will be no health premium increases during the term of this Memorandum of Understanding.
- g. Effective July 1, 2022, the HMO plan will be discontinued and all employees in that plan will be placed in a new EPO Plan, which has coverage within as well as outside the State of New Jersey. This plan provides benefits equal to or greater than the HMO plan. The employee monthly premium for that plan will be \$155 per month. Effective July 1, 2022, employees in the HMO Plan who have attained five (5) years of service may remain in the EPO Plan or transfer to the DA10 Plan, as stipulated in provision 5 (d) of the Memorandum of Understanding signed June 24, 2016. All employees hired on/after July 1, 2022, will be required to be in the EPO for their initial five (5) years of service, following which they may remain in the EPO Plan or transfer to the DA10 Plan, as stipulated in provision 5(d) of the Memorandum of Understanding signed June 24, 2016.
- h. The Traditional Plan and the Enhanced Traditional Plan for retirees will be terminated and replaced with the DA10 Plan for all retirees and their spouses for those retirees who are at least 60 years of age and who have a minimum of 30 years of service with NJTRO. There will be no monthly contribution toward the premium of the DA10 Plan for retirees and their spouses, and eligibility will be the same as with the Traditional Plan for retirees and their spouses.

EXHIBIT A

8. Claims

All provisions which require automatic payment of claims if the Carrier fails to respond within time limits will be eliminated. Carrier’s failure to respond within time limits will (a) require the Carrier to pay the claimant a two (2) hour penalty at straight time rates, and (b) automatically give the Organization the right to move the claim to the next step in the grievance procedure should they choose to do so.

9. Term

This Agreement shall continue in full force and effect from January 1, 2020 through June 30, 2024.

10. Moratorium

There shall be moratorium on the serving the Section 6 Notices until April 1, 2024, not become effective until July 1, 2024.

This Memorandum of Understanding constitutes the complete agreement of the parties with the respect to changes in the Collective Bargaining Agreement reached with the undersigned on September 25, 2021.

For the Organization:

For the Company:

Michael Miele
General Chairman

S.M. Drayzen
DGM- Labor Relations & Administration

J.A Devine, III
Director- Labor Relations (Administration)

APPROVED:

Kevin Corbett
President and CEO
New Jersey Transit Corporation

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, including, but not limited to the NJ TRANSIT – Portal North Bridge Project: Parcel R210 Norfolk Southern Railway Corporation; 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.