

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



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

June 13, 2018

Dear Governor Murphy:

Pursuant to Chapter 150, Laws of 1979, I herein transmit the **Portion of the Minutes** of actions taken at the open session of the regularly scheduled meetings of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc., Board of Directors held on Wednesday, June 13, 2018.

Sincerely,

A handwritten signature in black ink that reads 'Joyce J. Zuczek'.

Joyce J. Zuczek
Board Secretary

Enclosures

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

A portion of minutes of the actions taken at the Open Session of the regularly scheduled Board of Directors' meetings of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. held at NJ TRANSIT Headquarters, One Penn Plaza East, Newark, New Jersey on Wednesday, June 13, 2018.

Board Members Present

Diane Gutierrez-Scaccetti, Chair
Edmund Caulfield, Governor's Representative
Dini Ajmani, Treasurer's Representative
Flora M. Castillo, Board Member (By Telephone)
Raymond W. Greaves, Board Member (Non-Voting) (By Telephone)

Board Members Absent

James C. Finkle Jr., Board Member

Staff Present

Kevin S. Corbett, Executive Director
Jeannie Kwon, Assistant Executive Director, Projects & Strategic Investments
George S. Piper, Deputy General Manager, Bus Operations
Edward J. Baksa, Acting Vice President & General Manager, Rail Operations
Ronald E. Nichols, Acting Chief, Light Rail & Contract Services
Christopher Trucillo, Chief of Police
John F. O'Hern, Auditor General
Christine C. Baker, Chief Compliance Officer
William Viqueira, Chief Financial Officer & Treasurer
Michael K. Slack, Chief Information Officer
Eric R. Daleo, Assistant Executive Director, Capital Planning & Programs
James C. Merritts, Acting Chief, Office of System Safety
Jonathan B. Peitz, Deputy Attorney General
Joyce J. Zuczek, Board Secretary

Chair Gutierrez-Scaccetti convened the Open Session at 9:09 a.m. in accordance with the Open Public Meetings Act. James Brown, Office of System Safety, provided a Public Safety Announcement. The Pledge of Allegiance to the Flag was conducted. Board Secretary Zuczek conducted a Roll Call and noted Board Members Castillo and Greaves were participating by telephone and Board Member Finkle was absent.

Board Secretary Zuczek announced that adequate notice of the regularly scheduled meetings of the Board of Directors of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations Inc., NJ TRANSIT Bus Operations, Inc. NJ TRANSIT Mercer, Inc. and NJ TRANSIT Morris, Inc. was provided in accordance with the Open Public Meetings Act, Chapter 231, P.L 1975, and the meetings were occurring concurrently. Notices

were filed on June 6, 2018 with the Secretary of State. These notices were sent to newspapers of general distribution, posted in the main entrance of NJ TRANSIT headquarters, and sent to each individual, agency, and organization that requested such notice. Board Secretary Zuczek announced that the Board meetings were being video recorded.

Chair Gutierrez-Scaccetti asked for a motion to approve the minutes of the May 9, 2018 Board meetings. A motion was made by Board Member Edmund Caulfield, seconded by Board Member Flora M. Castillo, and adopted.

Public Comments on Agenda Action Items

There were no public comments on agenda action items.

Advisory Committee Report

This portion of the minutes will be transmitted at a later date.

Senior Citizen and Disabled Resident Transportation Advisory Committee Report

This portion of the minutes will be transmitted at a later date.

Board Customer Service Committee Report

This portion of the minutes will be transmitted at a later date.

Board Administration Committee Report

This portion of the minutes will be transmitted at a later date.

Board Capital Planning, Policy, and Privatization Committee Report

This portion of the minutes will be transmitted at a later date.

Executive Director's Monthly Report

This portion of the minutes will be transmitted at a later date.

Action Items

**1806-39: FISCAL YEAR 2019 SOLE, SINGLE, AND LIMITED SOURCE
PROCUREMENT BY EXCEPTION WAIVER AUTHORIZATION**

Executive Director Corbett introduced Jignasa Desai-McCleary, Chief Procurement Officer, who presented Action Item #1806-39 for approval.

Jignasa Desai-McCleary recommended approval of Item #1806-39, Fiscal Year 2019 Sole, Single, and Limited Source Procurement by Exception Waiver Authorization. Authorization will maintain NJ TRANSIT operations through its providers where exception to formal competition is warranted. Vendors generally have proprietary control over the manufacture of parts and the design of services for NJ TRANSIT equipment and technology. Supplies and services that are available from limited sources are exempt from competitive procurement under statute and regulation. Similarly, technology vendors have proprietary control over the manufacture of components and the design of services needed to support NJ TRANSIT's current technology hardware and software.

Authorization was requested to enter into sole, single or limited source procurement-by-exception contracts for the purchase of materials and services from approved vendors set forth in Exhibit A1 (subject to adjustments) to support Bus, Rail, Light Rail, and administrative operations at a cost not to exceed \$31,200,000, to account for increase in ordering quantities and changing market conditions, subject to the availability of funds. The Board will be notified of new firms and new services whose aggregate spend exceeds \$250,000 within the fiscal year. This request will cover a 12-month period from July 1, 2018 to June 30, 2019.

Authorization was requested to enter into sole, single, or limited source procurement-by-exception contracts for the purpose of maintaining/upgrading hardware and software systems from approved vendors set forth in Exhibit A2 (subject to adjustments) to support NJ TRANSIT's Information Systems at a total cost not to exceed \$34,900,000, subject to the availability of funds. The Board will be notified of new firms and new services whose aggregate spend exceeds \$250,000 within the fiscal year. This request will cover a 12-month period from July 1, 2018 to June 30, 2019.

Authorization was requested to enter into sole, single or limited source procurement-by-exception contracts for the purchase of materials and service from approved vendors set forth in Exhibit A3 (subject to adjustments) to support NJ TRANSIT's Resilience Program at a cost not to exceed \$10,000,000 subject to the availability of funds and FTA approval. The Board will be notified of new firms and new services whose aggregate spend exceeds \$250,000 within the fiscal year. This request will cover a 12-month period from July 1, 2018 to June 30, 2019.

Board Member Flora M. Castillo moved the resolution, Board Member Dini Ajmani seconded the motion, and the resolution was unanimously adopted.

Roll Call Vote:

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

1806-40: NJ TRANSIT RESILIENCE PROGRAM – HENDERSON STREET SUBSTATION: CONSTRUCTION CONTRACT AWARD

Executive Director Corbett introduced Eric Daleo, Assistant Executive Director, Capital Planning & Programs, who presented Action Item #1806-40 for approval.

Eric Daleo recommended approval of Item #1806-40, NJ TRANSIT Resilience Program – Henderson Street Substation: Construction Contract Award. Authorization will: Demolish the vacant Boiler Building structure; Construct a new substation building on the site of the old Boiler Building; Construct new utility feeds, NJ TransitGrid connection, and emergency generator facility; and Relocate existing circuit connections to the new substation facility.

The relocated Henderson Street Substation will be resilient to storm surge and flooding associated with future extreme weather events; the project will include multiple normal and emergency power feeds to ensure continuity of operations at Hoboken; and the project provides power for the future resilient Long Slip passenger facilities

Authorization was requested to enter into NJ TRANSIT Contract No.17-053X with John O’Hara Co., Inc. of East Orange, New Jersey, for the construction of the Henderson Street Substation project in an amount not to exceed \$18,060,638.11, plus five percent for contingencies, subject to the availability of funds.

Board Member Edmund Caulfield moved the resolution, Board Member Flora M. Castillo seconded the motion, and the resolution was unanimously adopted.

Roll Call Vote:

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

1806-41: NJ TRANSIT RESILIENCE PROGRAM - HOBOKEN TERMINAL HOUSE POWER AND HENDERSON STREET SUBSTATION PROJECTS: CONSTRUCTION MANAGEMENT SERVICES

Executive Director Corbett introduced Eric Daleo, Assistant Executive Director, Capital Planning & Programs, who presented Action Item #1806-41 for approval.

Eric Daleo recommended approval of Item #1806-41, NJ TRANSIT Resilience Program - Hoboken Terminal House Power and Henderson Street Substation Projects: Construction Management Services.

Authorization will provide Construction Management services for resilience projects for the construction of two new electrical substation facilities – the Hoboken Terminal

House Power (a.k.a. “Depot”) Substation, and the Henderson Street Substation – to replace existing facilities that suffered significant damage during Superstorm Sandy. The new electrical substations have been designed and situated to provide reliable and resilient electric power to both the rail and ferry terminals and supporting yard infrastructure.

Authorization was requested to enter into NJ TRANSIT Contract No. 17-007 with the Naik Group of New York, NY, for the provision of Construction Management Services for the Hoboken Terminal House Power Substation and Henderson Street Substation projects at the Hoboken Yard/Terminal complex in the amount of \$5,780,005.44, plus five percent for contingencies, subject to availability of funds.

Board Member Flora M. Castillo moved the resolution, Board Member Dini Ajmani seconded the motion, and the resolution was unanimously adopted.

Roll Call Vote:

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

1806-42: ANNUAL NOTICE OF MEETINGS AND DESIGNATION OF BOARD SECRETARY

Executive Director Corbett recommended approval of Item #1806-42, Annual Notice of Meetings and Designation of Board Secretary.

Authorization was requested to adopt the Annual Notice of Meetings for all of the Board of Directors’ meetings during Fiscal Year 2019 and designate Joyce J. Zuczek as Board Secretary of NJ TRANSIT and its subsidiaries.

Board Member Edmund Caulfield moved the resolution, Board Member Dini Ajmani seconded the motion, and the resolution was unanimously adopted.

Roll Call Vote:

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

Executive Session Authorization

At approximately 9:35 a.m., Chair Gutierrez-Scaccetti requested a motion to enter Executive Session to discuss personnel matters, contract negotiations, the status of pending and anticipated litigation, and matters falling within the attorney-client privilege.

Board Member Edmund Caulfield moved the resolution, Board Member Dini Ajmani seconded the motion, and the resolution was unanimously adopted.

Return to Open Session

Board Secretary Zuczek conducted a Roll Call as Board Members returned to Open Session. All Board Members, except Board Member Greaves, returned to open session at approximately 10:33 a.m.

Chair Gutierrez-Scaccetti noted staff distributed an additional board item that was added to the agenda.

1806-43: CORPORATE INSURANCE PROGRAM ANNUAL RENEWAL

Executive Director Corbett introduced William Viqueira, Chief Financial Officer and Treasurer, who presented Action Item #1806-43 for approval.

William Viqueira recommended approval of Item #1806-43, Corporate Insurance Program Annual Renewal. Authorization will maintain a corporate insurance program for NJ TRANSIT that provides Excess Liability, All-Risk Property, Workers' Compensation, Terrorism, Business Travel Accident, Employment Practices Liability, Directors' & Officers' Liability, various Executive Risk, Pollution Legal Liability, Life and Accidental Death & Dismemberment, Long-Term Disability and other coverages as needed and to provide services necessary to administer the program. The renewal of the insurance program will be effective on July 1, 2018.

Authorization was requested to revise and renew the Corporate Insurance Program and to include services necessary to administer the Program for the period July 1, 2018 through June 30, 2019, at an amount discussed in executive session, subject to the availability of funds and adoption of the FY2019 Operating Budget.

Board Member Edmund Caulfield moved the resolution, Board Member Dini Ajmani seconded the motion, and the resolution was unanimously adopted.

Roll Call Vote:

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

1806-44: RESOLUTION CONCERNING THE NEW JERSEY TRANSIT CORPORATION'S COMMITMENT TO THE PORTAL NORTH BRIDGE PROJECT AS PROJECT SPONSOR AND THE FINANCING OF THE PORTAL NORTH BRIDGE PROJECT VIA THE ISSUANCE OF NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY TRANSPORTATION PROJECT SUBLEASE REVENUE BONDS (NEW JERSEY TRANSIT CORPORATION PROJECTS), 2018 SERIES A AND AUTHORIZING THE EXECUTION AND DELIVERY OF A LEASE AGREEMENT AND SUBLEASE AGREEMENT WITH THE NJEDA AND ENTRY INTO A FUNDING AGREEMENT, EACH IN CONNECTION WITH THE ISSUANCE OF NJEDA TRANSPORTATION PROJECT SUBLEASE REVENUE BONDS (NEW JERSEY TRANSIT CORPORATION PROJECTS), 2018 SERIES A

Executive Director Corbett introduced William Viqueira, Chief Financial Officer and Treasurer, who presented Action Item #1806-44 for approval.

William Viqueira recommended approval of Item #1806-44, Resolution Concerning the New Jersey Transit Corporation's Commitment to the Portal North Bridge Project as Project Sponsor and the Financing of the Portal North Bridge Project via the Issuance of New Jersey Economic Development Authority Transportation Project Sublease Revenue Bonds (New Jersey Transit Corporation Projects), 2018 Series A and Authorizing the Execution and Delivery of a Lease Agreement and Sublease Agreement with the NJEDA and Entry Into a Funding Agreement, Each in Connection with the Issuance of NJEDA Transportation Project Sublease Revenue Bonds (New Jersey Transit Corporation Projects), 2018 Series A.

The existing Portal Bridge is a two-track, railroad swing-type drawbridge that spans the Hackensack River in New Jersey. The Portal Bridge is over 100 years old and given its age, design and current condition, represents a single point of failure on the Northeast Corridor, the nation's busiest rail line that connects eight states and the District of Columbia. The Portal Bridge is particularly critical to passenger rail transit between New Jersey and New York City. NJ TRANSIT proposes to replace the existing two-track with a new two-track fixed structure. The replacement of the Portal Bridge with the new Portal North Bridge will eliminate the need for a moveable span. When built, the Portal North Bridge will allow for a 10 percent increase in peak hour passenger capacity.

Authorization was requested that the Board of Directors adopt this Item and Resolution which will allow NJ TRANSIT to finance a portion of the Portal North Bridge, to be funded from the annual capital program, and to ensure that the financing of the Portal North Bridge, through the issuance of Transportation Project Sublease Revenue Bonds, will be in a principal amount not to exceed \$600 million for the costs of a portion of the Project.

Board Member Flora M. Castillo moved the resolution, Board Member Dini Ajmani seconded the motion, and the resolution was unanimously adopted.

Roll Call Vote:

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

Public Comments on Other Matters

This portion of the minutes will be transmitted at a later date.

Adjournment

Since there were no further comments or business, Chair Gutierrez-Scaccetti called for adjournment and a motion to adjourn was made by Board Member Flora M. Castillo seconded by Board Member Dini Ajmani, and unanimously adopted. The meetings were adjourned at approximately 11:52 a.m.

THIS ENDS THE PORTION OF THE MINUTES TRANSMITTED FOR EARLY APPROVAL.

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

JUNE 13, 2018

MINUTES

	<u>PAGE</u>
➤ CALL TO ORDER	-
➤ SAFETY ANNOUNCEMENT	-
➤ PLEDGE OF ALLEGIANCE TO THE FLAG	-
➤ APPROVAL OF MINUTES OF PREVIOUS MEETINGS	52660
➤ PUBLIC COMMENTS ON AGENDA ACTION ITEMS ONLY	-
➤ ADVISORY COMMITTEE REPORT	-
➤ SENIOR CITIZEN AND DISABLED RESIDENT TRANSPORTATION ADVISORY COMMITTEE REPORT	-
➤ BOARD COMMITTEE REPORTS	-
*Customer Service Committee	
*Administration Committee	
*Capital Planning, Policy and Privatization Committee	
➤ EXECUTIVE DIRECTOR'S MONTHLY REPORT	52661

ACTION ITEMS

1806-39	FISCAL YEAR 2019 SOLE, SINGLE, AND LIMITED SOURCE PROCUREMENT BY EXCEPTION WAIVER AUTHORIZATION	52683
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Authorization to enter into sole, single or limited source procurement-by-exception contracts for the purchase of materials and services from approved vendors set forth in Exhibit A1 (subject to adjustments) to support Bus, Rail, Light Rail, and administrative operations at a cost not to exceed \$31,200,000, to account for increase in ordering quantities and changing market conditions, subject to the availability of funds. The Board will be notified of new firms and new services whose aggregate spend exceeds \$250,000 within the fiscal year. This request will cover a 12-month period from July 1, 2018 to June 30, 2019.

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
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Authorization to enter into sole, single, or limited source procurement-by-exception contracts for the purpose of maintaining/upgrading hardware and software systems from approved vendors set forth in Exhibit A2 (subject to adjustments) to support NJ TRANSIT's Information Systems at a total cost not to exceed \$34,900,000, subject to the availability of funds. The Board will be notified of new firms and new services whose aggregate spend exceeds \$250,000 within the fiscal year. This request will cover a 12-month period from July 1, 2018 to June 30, 2019.

Authorization to enter into sole, single or limited source procurement-by-exception contracts for the purchase of materials and service from approved vendors set forth in Exhibit A3 (subject to adjustments) to support NJ TRANSIT's Resilience Program at a cost not to exceed \$10,000,000 subject to the availability of funds and FTA approval. The Board will be notified of new firms and new services whose aggregate spend exceeds \$250,000 within the fiscal year. This request will cover a 12-month period from July 1, 2018 to June 30, 2019.

**1806-40 NJ TRANSIT RESILIENCE PROGRAM – HENDERSON STREET SUBSTATION: 52698
CONSTRUCTION CONTRACT AWARD**

Authorization to enter into NJ TRANSIT Contract No.17-053X with John O'Hara Co., Inc. of East Orange, New Jersey, for the construction of the Henderson Street Substation project in an amount not to exceed \$18,060,638.11, plus five percent for contingencies, subject to the availability of funds.

**1806-41 NJ TRANSIT RESILIENCE PROGRAM – HOBOKEN TERMINAL HOUSE 52703
POWER AND HENDERSON STREET SUBSTATION PROJECTS:
CONSTRUCTION MANAGEMENT SERVICES**

Authorization to enter into NJ TRANSIT Contract No. 17-007 with the Naik Group of New York, New York, for the provision of Construction Management Services for the Hoboken Terminal House Power Substation and Henderson Street Substation projects at the Hoboken Yard/Terminal complex in the amount of \$5,780,005.44, plus five percent for contingencies, subject to availability of funds.

**1806-42 ANNUAL NOTICE OF MEETINGS AND DESIGNATION OF BOARD 52708
SECRETARY**

Adopt the Annual Notice of Meetings (Exhibit A) for all of the Board of Directors' meetings during Fiscal Year 2019.

Designate Joyce J. Zuczek as Board Secretary of NJ TRANSIT and its subsidiaries.

NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS, INC.
NJ TRANSIT RAIL OPERATIONS, INC.
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NJ TRANSIT MORRIS, INC.
REGULARLY SCHEDULED BOARD OF DIRECTORS' MEETINGS
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EXECUTIVE SESSION AUTHORIZATION: Discuss personnel matters, contract negotiations, the status of pending and anticipated litigation, and matters falling within the attorney-client privilege. **52712**

1806-43 CORPORATE INSURANCE PROGRAM ANNUAL RENEWAL **52713**

Authorization to revise and renew the Corporate Insurance Program and to include services necessary to administer the Program for the period July 1, 2018 through June 30, 2019, at an amount discussed in executive session, subject to the availability of funds and adoption of the FY2019 Operating Budget.

1806-44 RESOLUTION CONCERNING THE NEW JERSEY TRANSIT CORPORATION'S COMMITMENT TO THE PORTAL NORTH BRIDGE PROJECT AS PROJECT SPONSOR AND THE FINANCING OF THE PORTAL NORTH BRIDGE PROJECT VIA THE ISSUANCE OF NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY TRANSPORTATION PROJECT SUBLEASE REVENUE BONDS (NEW JERSEY TRANSIT CORPORATION PROJECTS), 2018 SERIES A AND AUTHORIZING THE EXECUTION AND DELIVERY OF A LEASE AGREEMENT AND SUBLEASE AGREEMENT WITH THE NJEDA AND ENTRY INTO A FUNDING AGREEMENT, EACH IN CONNECTION WITH THE ISSUANCE OF NJEDA TRANSPORTATION PROJECT SUBLEASE REVENUE BONDS (NEW JERSEY TRANSIT CORPORATION PROJECTS), 2018 SERIES A **52716**

Authorization to adopt the attached Resolution in support of the Project: (1) the Board hereby authorizes and directs the Executive Director in consultation with the Board Chair to execute and deliver the Funding Agreement (as defined below) and the Lease Financing Documents (as defined below) in connection with the issuance of the Bonds for the purpose of funding a portion of the costs of the Project, provided that the term of the Bonds shall not exceed (30) years and the Bonds shall be issued in a principal amount not to exceed \$600 million for the costs of a portion of the Project; (2) the Board hereby authorizes the Executive Director in consultation with the Board Chair to execute and deliver the Lease Financing Documents, the Funding Agreement and such other documents, instruments, agreements and papers and to do such acts and things as may be necessary or advisable to effectuate the transaction, with such changes, insertions and omissions as shall be approved by the Executive Director, with the advice of the State Attorney General; (3) NJ TRANSIT hereby affirms its commitment to act as project sponsor for the Project for purposes of making the Project eligible for Federal Transit Administration Capital Investment Grant funding applications; (4) the Board hereby authorizes and directs the Executive Director in consultation with the Board Chair to negotiate and enter into or execute all documents, instruments and papers, and do and perform any and all acts or things, including by the assignment of and hiring of staff and resources to proceed with the Project, as necessary to give effect to the foregoing; (5) the adoption of the resolution

NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS, INC.
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REGULARLY SCHEDULED BOARD OF DIRECTORS' MEETINGS
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expressing the intent by NJ TRANSIT to execute and deliver the Funding Agreement (as defined below) and the Lease Financing Documents (as defined below) in connection with the issuance of the Bonds is intended to assist NJ TRANSIT in applying for Core Capacity Grant funding through the FTA CIG grant program; and (6) the resolution shall become effective 10 days after a copy of the minutes of the NJ TRANSIT meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10 days the Governor shall approve the same, in which case this resolution shall become effective upon such approval, as provided in the New Jersey Transit Corporation statute, N.J.S.A. 27:25-1 et seq.

- **PUBLIC COMMENTS ON OTHER MATTERS**

- **ADJOURNMENT**

APPROVAL OF MINUTES

WHEREAS, the By-Laws provide that the minutes of actions taken at meetings of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. Board of Directors be approved by the Board; and

WHEREAS, pursuant to Section 4(f) of the New Jersey Public Transportation Act of 1979, the minutes of actions taken at the May 9, 2018 Board Meetings of the New Jersey Transit Corporation, NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. were forwarded to the Governor on May 11, 2018;

NOW, THEREFORE, BE IT RESOLVED that the minutes of actions taken at the May 9, 2018 New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. Board of Directors' meetings are hereby approved.

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



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

TO: BOARD OF DIRECTORS
FROM: KEVIN S. CORBETT
DATE: JUNE 13, 2018
SUBJECT: EXECUTIVE DIRECTOR'S REPORT – JUNE 2018

NJ TRANSIT's highest priority is safety and the proper installation of Positive Train Control (PTC). On Monday, June 4th, we instituted adjustments to train schedules to advance our installation of PTC hardware on locomotives and cab cars. We recognize that altering train schedules directly affects the daily lives of our customers, and that's why we are installing this important safety technology as quickly as possible. Again, these service changes are only temporary through early 2019.

We are making progress both installing PTC on equipment and in the field, as well as ramping up our training efforts. As we've said all along, we will continue to work closely with our partners at the Federal Railroad Administration to meet the federal statutory requirements by December 31, 2018.

More importantly, I want to remind customers that NJ TRANSIT remains a SAFE rail system and will continue to operate safely until PTC is fully implemented. I encourage our customers to visit njtransit.com/PTC for this and other NJ TRANSIT PTC project-related information. I thank our customers for their patience during this process.

While PTC installation is a top priority for NJ TRANSIT and the schedule adjustments allow us to move forward expeditiously, we remain fully aware of just how critical our transportation services are, especially to the shore communities this summer. That's why we took a hard look at what we can do for the shore service this summer within the parameters of the PTC installation schedule. So, beginning June 30th, we will offer enhanced weekend service on the North Jersey Coast Line's Long Branch-Bay Head shuttle, adding several extra peak-hour trips during times of the day when demand is greatest.

As part of our communication effort in advance of the PTC service adjustments, last month NJ TRANSIT senior staff joined me, first at the Hoboken Terminal on May 14th and then on May 22nd at Penn Station New York, for the latest "We Are Listening" customer forums. The valuable feedback we received will be reviewed by our business lines as we continually look for ways to improve the customer experience based on what our customers are saying.

NJ TRANSIT recently unveiled a pilot introducing interactive touchscreen kiosks at several rail and light rail stations. The digital touchscreens provide customers with systemwide maps, service alerts, departure times, schedule changes, and emergency messaging. The information kiosks are now in place at Newark Penn Station, Hoboken Terminal and, for Hudson-Bergen Light Rail customers, at the Harborside and Pavonia stations.

In another high-tech upgrade, NJ TRANSIT conductors on several rail lines have begun using handheld mobile devices to scan and validate tickets. One of the benefits of the mobile devices is the ability to provide conductors with additional real time information to share with customers. We are making efforts to provide the most timely and accurate information available to further enhance our on-board communications.

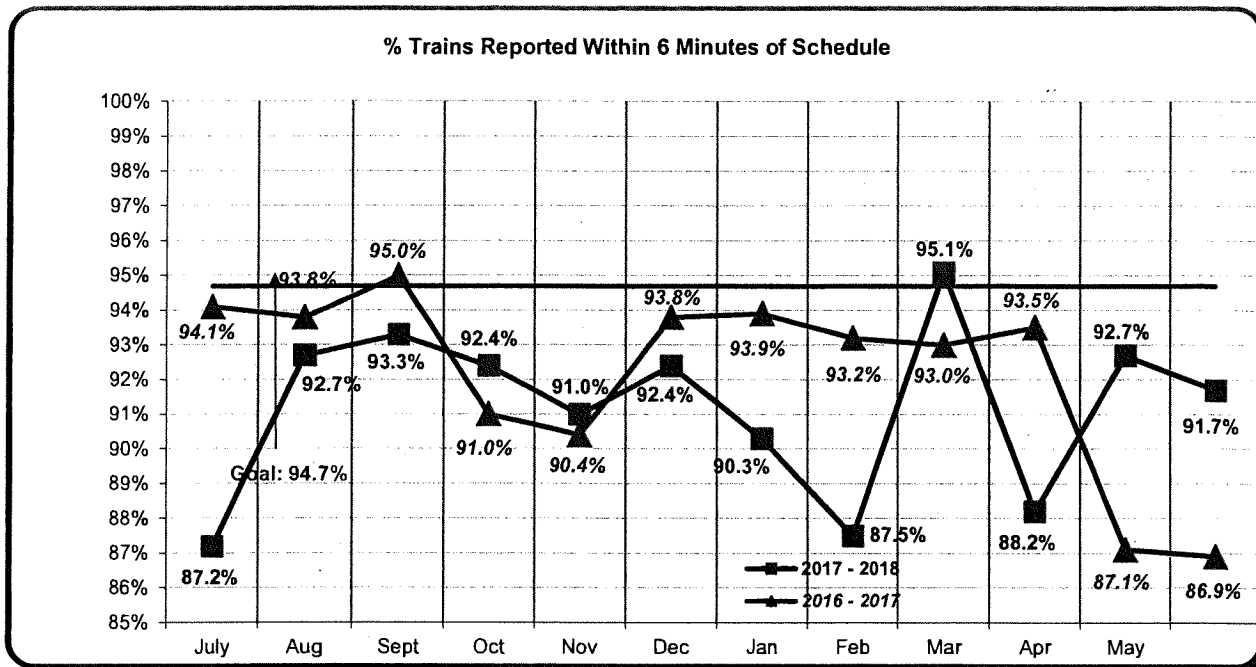
June is National Safety Month and NJ TRANSIT kicked off our new Working Together for a Safer Commute with a safety event at Trenton Transit Center on June 1st. Our safety month campaign, reminding customers to use caution while moving about our system, will continue through June 30th onboard vehicles, at stations and terminals, and on social media. Safety is the number one priority for NJ TRANSIT, and we need everyone's cooperation to prevent accidents and injuries.

EXECUTIVE DIRECTOR'S MONTHLY REPORT JUNE 2018

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

PERFORMANCE MEASURES

NJ TRANSIT ON-TIME PERFORMANCE RAIL JUNE 2016 - MAY 2018



	2017	2018	# Change
May Comparison	86.9%	91.7%	4.8%

	2016-2017	2017-2018	# Change
12-Month Average June 2017 - May, 2018	92.1%	91.2%	-0.9%

Analysis:

Rail On-Time Performance was 91.7% for May 2018. Of the 18,844 trains scheduled to operate, 17,288 were on time, while 1,556 trains (or 8.3%) were delayed. Key causes included:

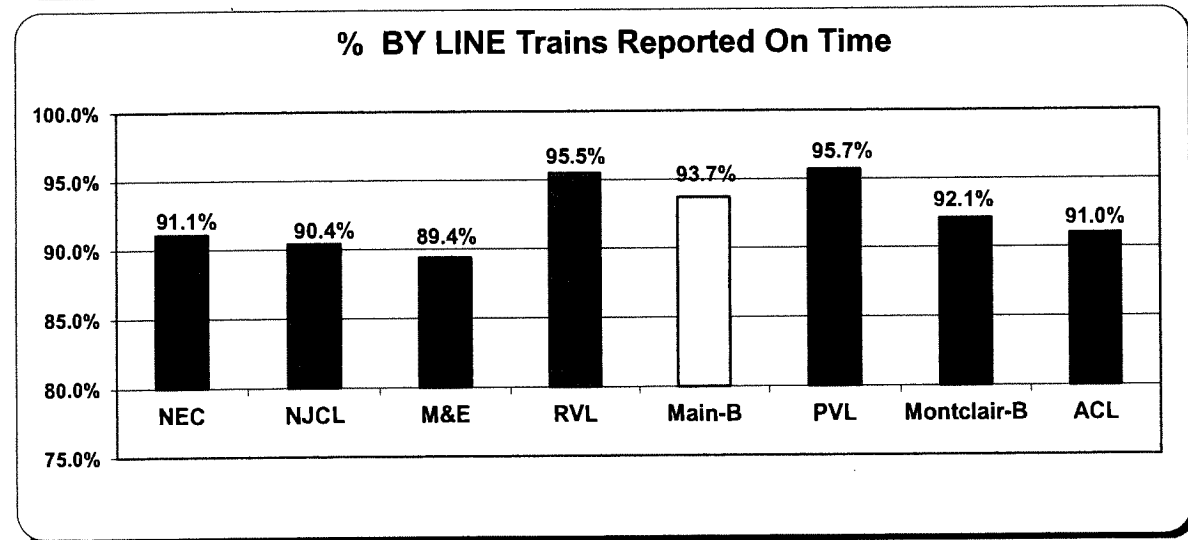
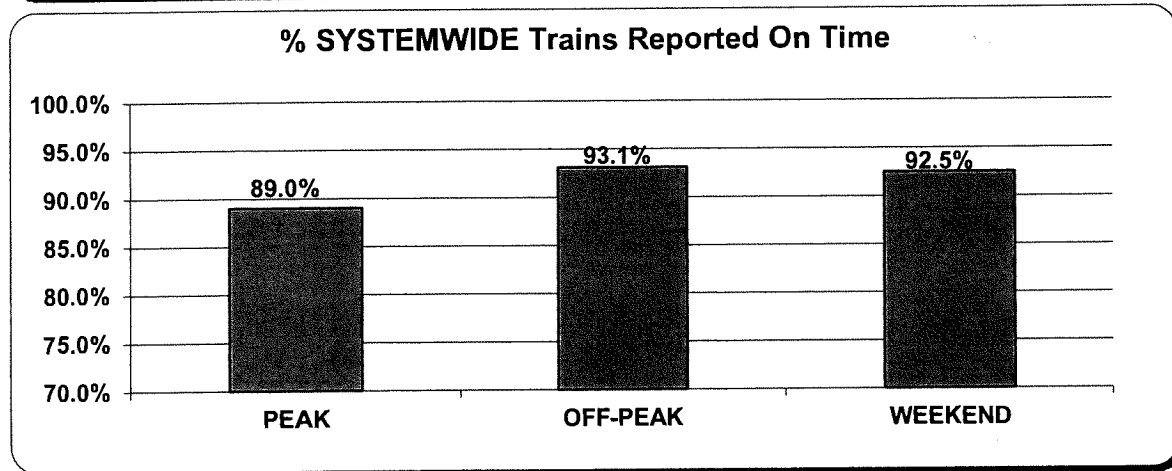
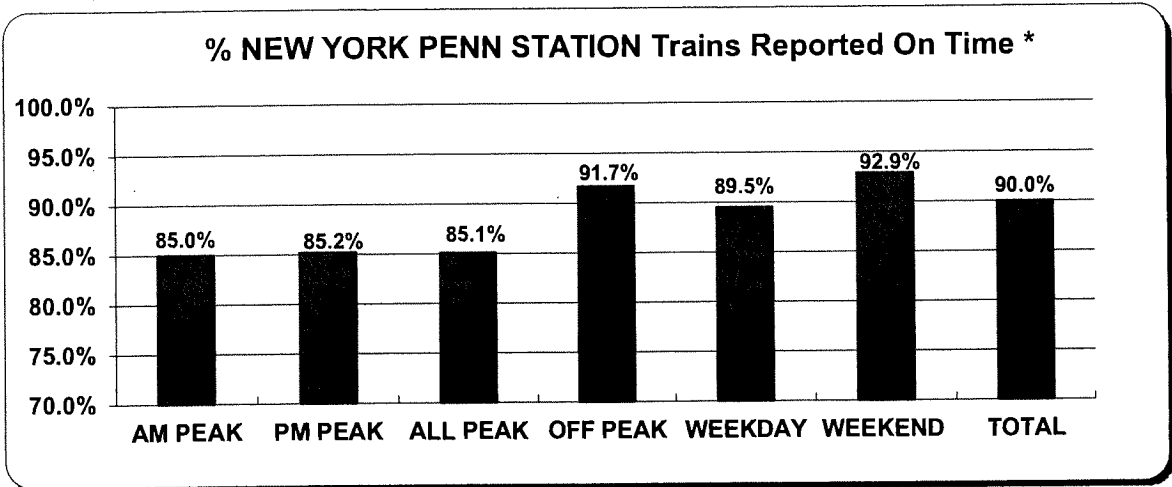
- Amtrak and NJT equipment issues, and NJT trespasser fatality contributed to 114 delays resulting in 79.5% OTP on May 2.
- Amtrak and NJT equipment issues contributed to 87 delays resulting in 83.3% OTP on May 3.
- Amtrak trespasser fatality, and NJT equipment issues contributed to 75 delays resulting in 84.8% OTP on May 4.

The 12-month average for Rail On-Time Performance June 2017 - May 2018 was 91.2%, which has decreased by 0.9%.

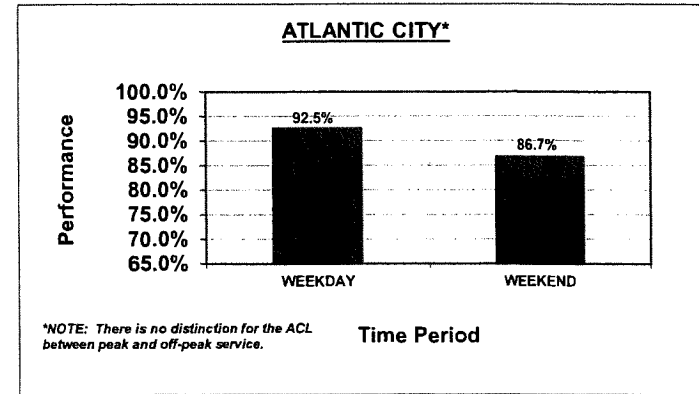
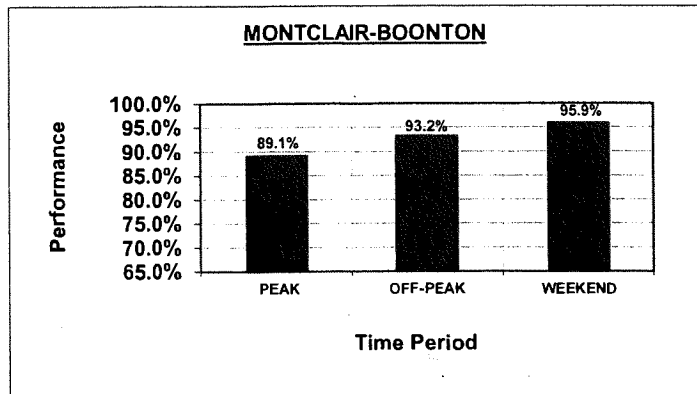
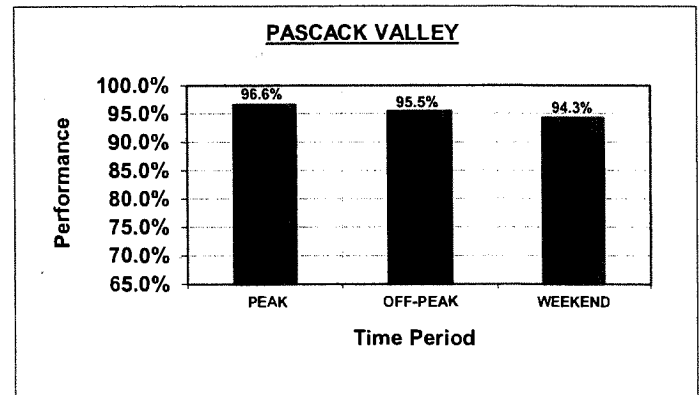
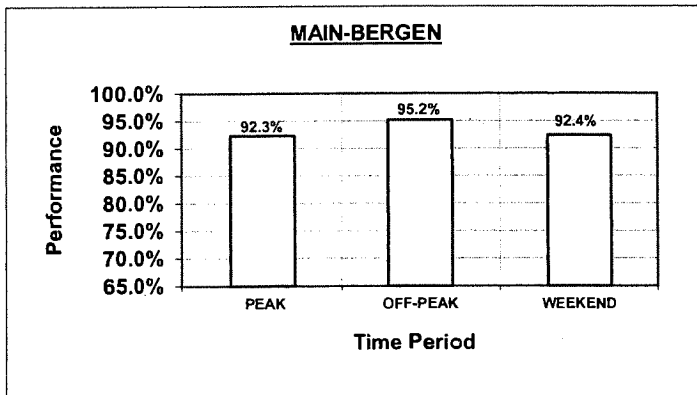
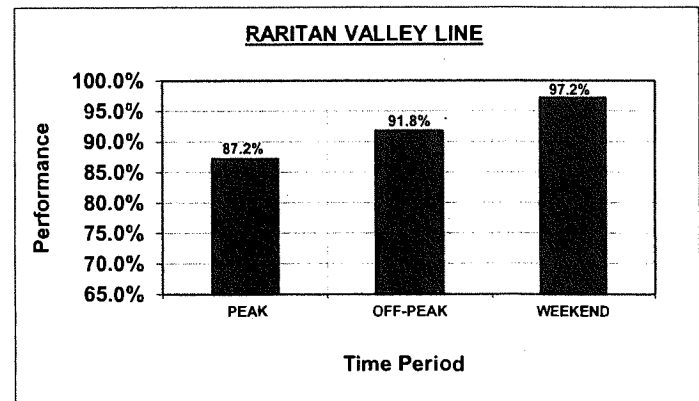
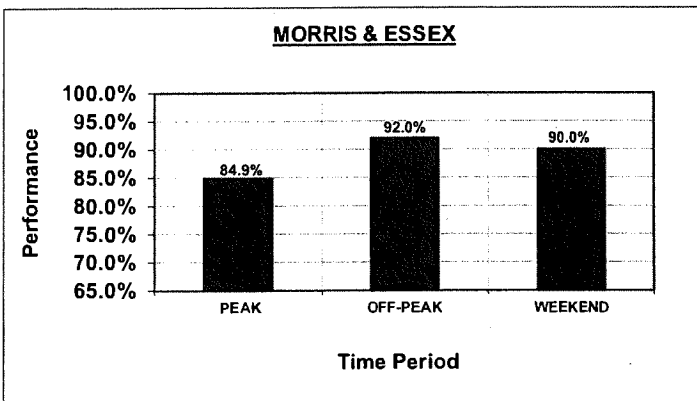
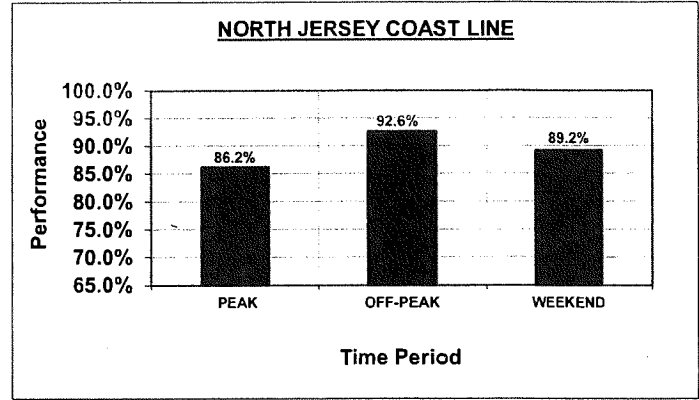
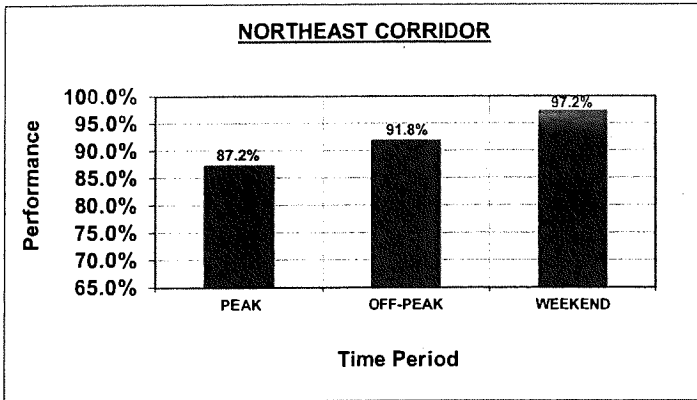
ON-TIME PERFORMANCE RAIL

SUMMARY BY TIME PERIOD MAY, 2018

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



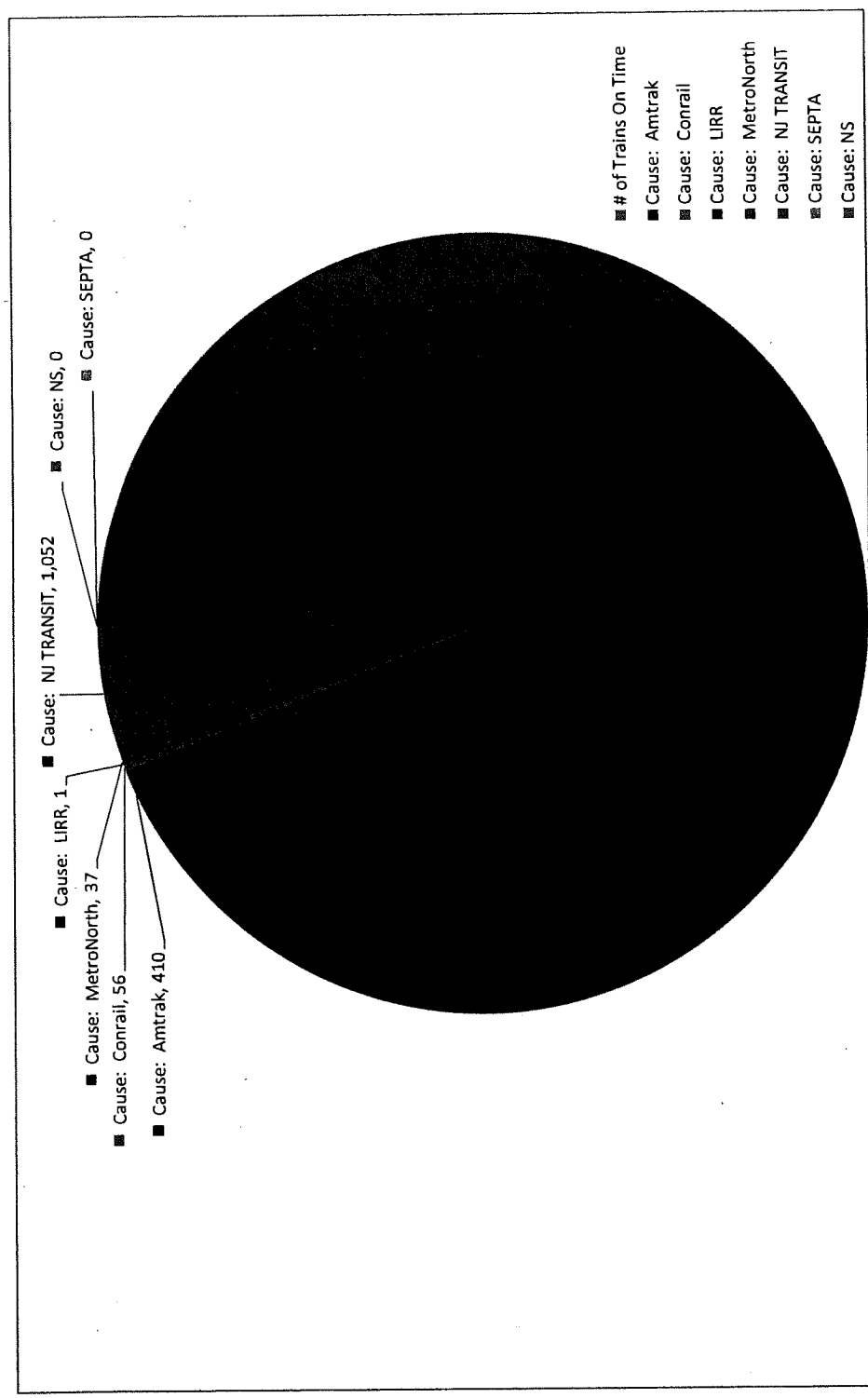
ON-TIME PERFORMANCE BY RAIL LINE & TIME PERIOD MAY, 2018



NJ TRANSIT Performance - MAY, 2018

Late NJ TRANSIT Trains

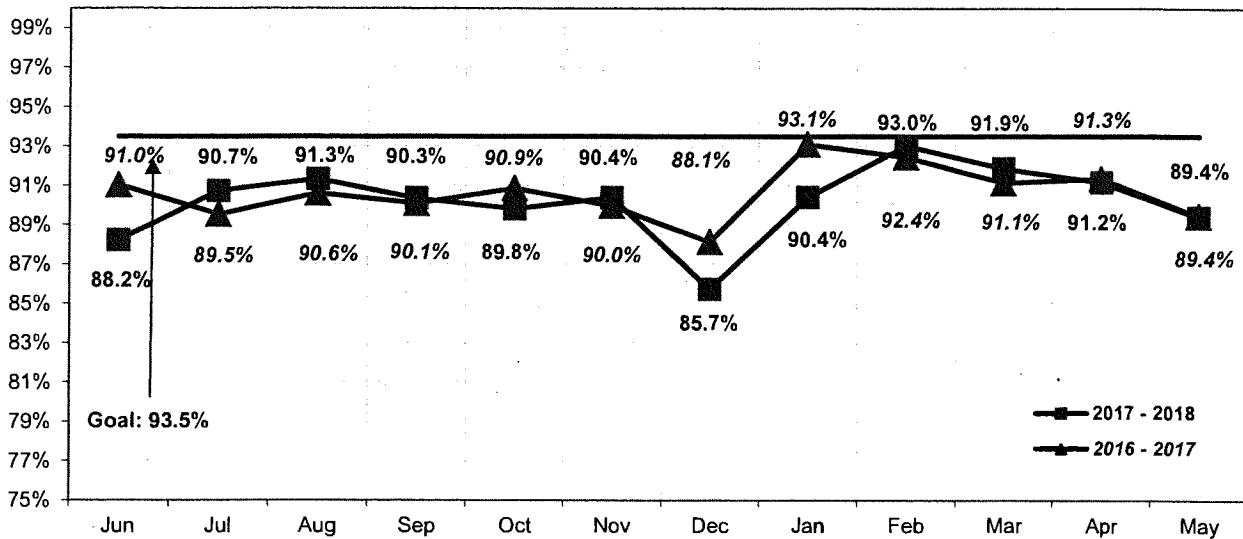
# of Trains On		Cause: Amtrak	Cause: Conrail	Cause: LIRR	Cause: MetroNorth	Cause: NJ TRANSIT	Cause: SEPTA	Cause: NS
# of Trains On Time	17,288	410	56	1	37	1,052	0	0
# of Late Trains	1,556	2.18%	0.30%	0.01%	0.20%	5.58%	0.00%	0.00%
Total # of Trains	18,844							
Percentage On Time	91.7%							



- # of Trains On Time
- Cause: Amtrak
- Cause: Conrail
- Cause: LIRR
- Cause: MetroNorth
- Cause: NJ TRANSIT
- Cause: SEPTA
- Cause: NS

NJ TRANSIT ON-TIME PERFORMANCE BUS JUNE 2016 - MAY 2018

% Buses Departing Major Terminals Within 6 Minutes of Schedule



	2016 - 2017	2017 - 2018	% Change
May Comparison	89.4%	89.4%	0.0%

	2016 - 2017	2017 - 2018	% Change
12-Month June 2017 - May 2018	90.6%	90.2%	-0.4%

Analysis:

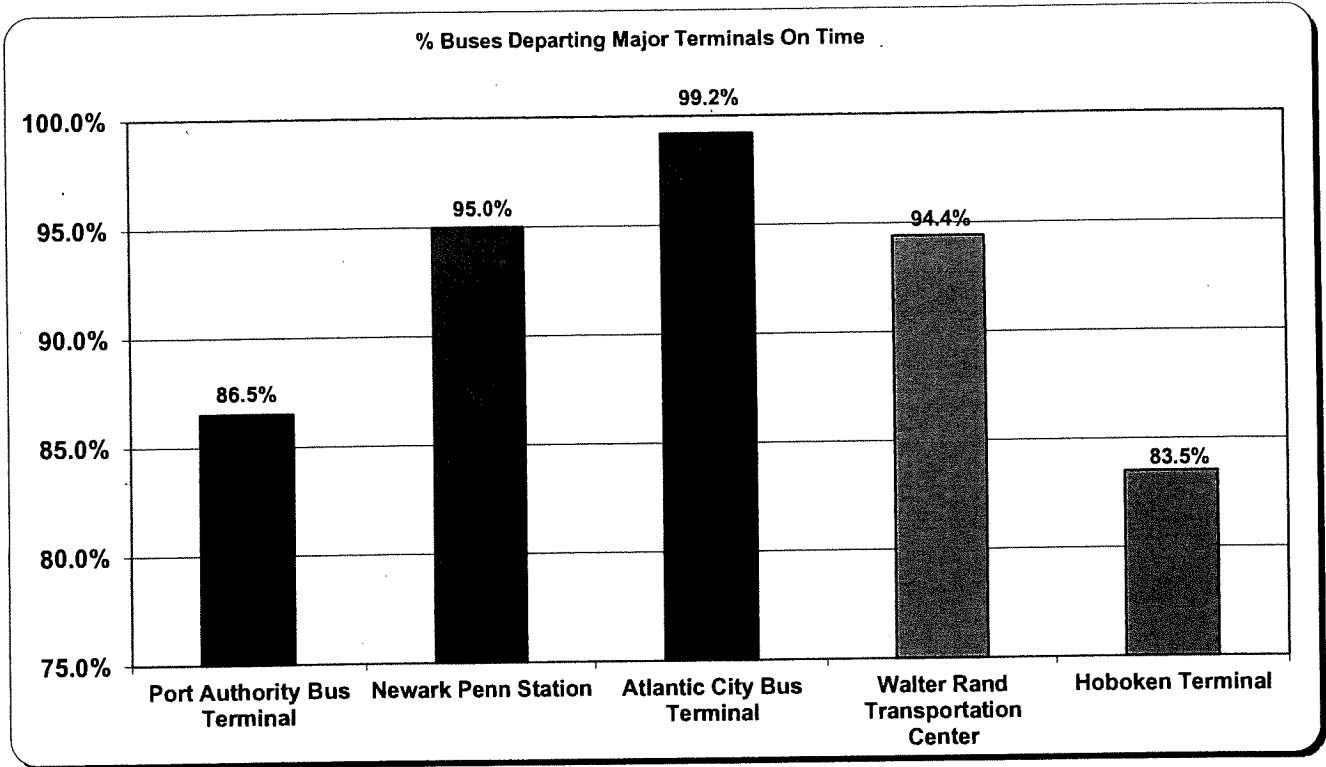
Bus On-Time Performance was 89.4% for May 2018. Of the 42,359 monitored departures 4,492 (or 10.6%) experienced delays. Key causes included:

- At Port Authority Bus Terminal on May 11 the entrance ramp to the terminal was blocked during the morning rush hour commute. On May 7 outbound traffic was stopped due to accident on 495 West, and heavy rain on May 15 and May 16 caused delays which impacted service.
- In Newark, heavy rain and flooding on May 15 and May 16 caused delays on all local lines which impacted service.
- Construction on Washington Street continues to impact performance at Hoboken. The project has been rescheduled and will continue until August. The heavy rain and flooding on May 15 and May 16 caused additional delay.

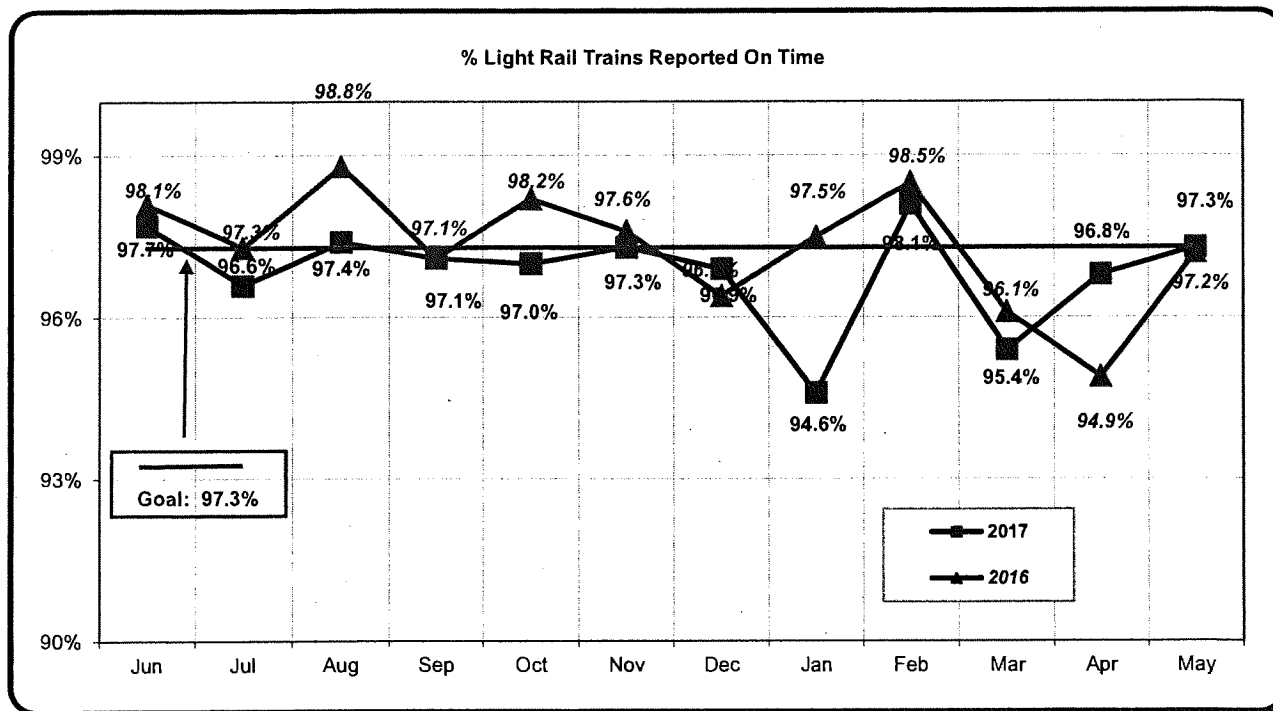
The 12-month average for Bus On-Time Performance for June 2017 - May 2018 was 90.2%, which was down by 0.4% from the previous year.

ON-TIME PERFORMANCE BUS

SUMMARY BY TERMINAL MAY 2018



NJ TRANSIT ON-TIME PERFORMANCE LIGHT RAIL JUNE 2016 - MAY 2018



	2017	2018	# Change
May Comparison	97.2%	97.3%	0.1%

	2016-2017	2017-2018	# Change
12-Month Average Ended Jun 2017 & May 2018	97.3%	96.9%	0.5%

Analysis:

Light Rail On-Time Performance systemwide was 97.3% for the month of May 2018. Of the 27,220 scheduled departures, 737 (or 2.7%) experienced delays.

Key causes included:

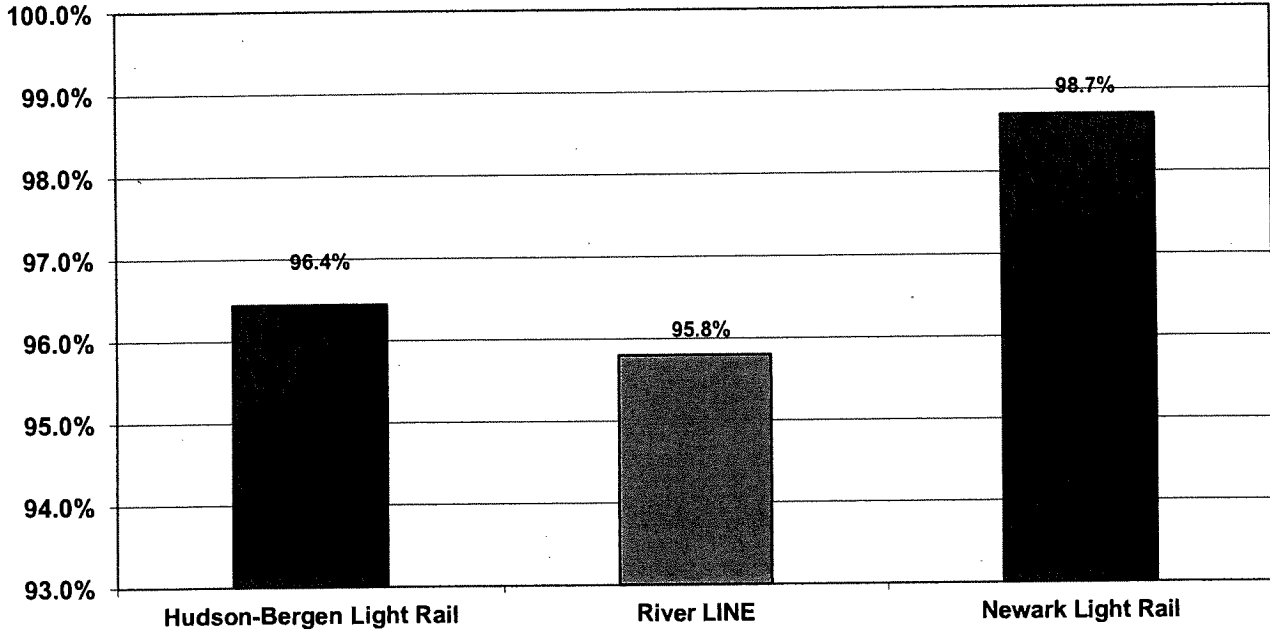
- Disabled car on tracks between Marin Blvd. and Essex St. delayed 35 HBLR Line trains on May 5.
- Police activity in Palmyra delayed 19 RiverLine trains on May 2.
- Operational issues delayed 34 NLR trains on May 9.

The 12-month average for Light Rail On-Time Performance for June 2017 - May 2018 was 96.9%, which decreased by 0.4 %.

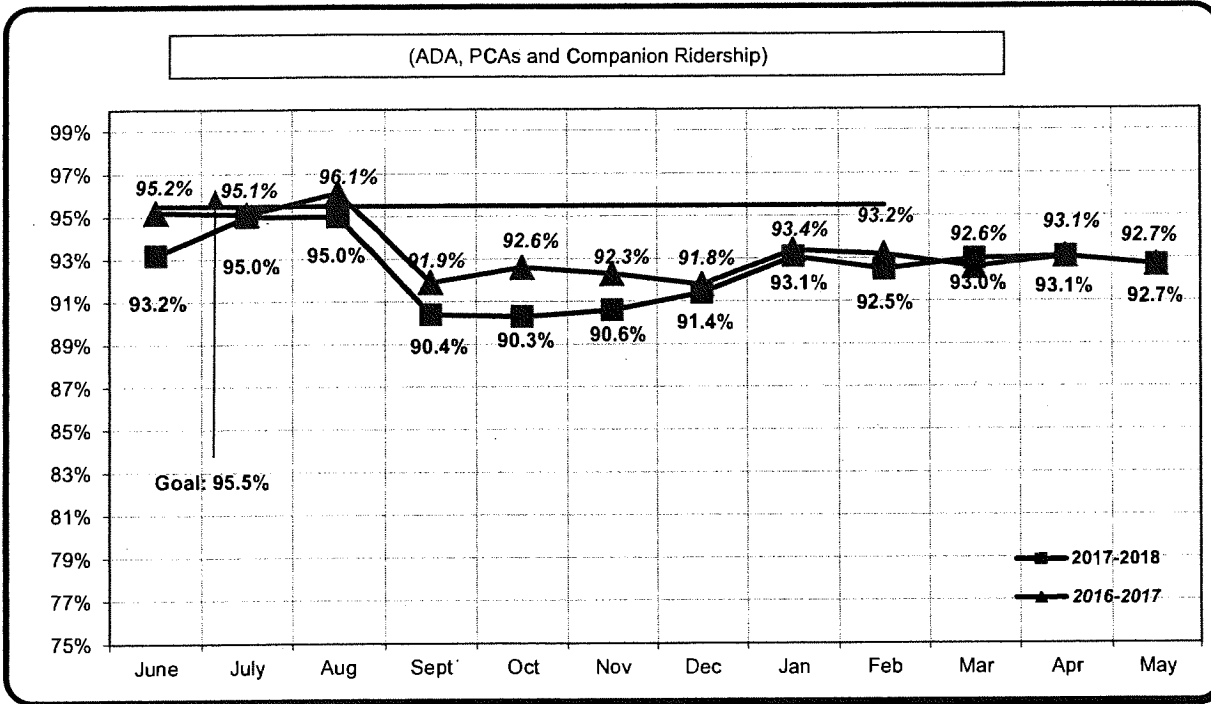
ON-TIME PERFORMANCE LIGHT RAIL

SUMMARY BY LINE May 2018

% Light Rail Trains Reported On Time



NJ TRANSIT ON-TIME PERFORMANCE ACCESS LINK June 2016 - May 2018



	2017	2018	% Change
May Comparison	92.7%	92.7%	0.0%

	2017	2018	Difference
May Ridership	144,195	148,405	4,210

	2016-2017	2017-2018	% Change
12-Month Average June-May	93.3%	92.5%	-0.8%

Analysis:

Access Link On-Time Performance was 92.7% for May 2018. In serving 148,405 total riders, for 135,359 ADA customers trips, 9,854 (or 7.3%) experienced delays.

Key causes include:

- * Road closure / due to construction
- * Customer no-show and cancellations

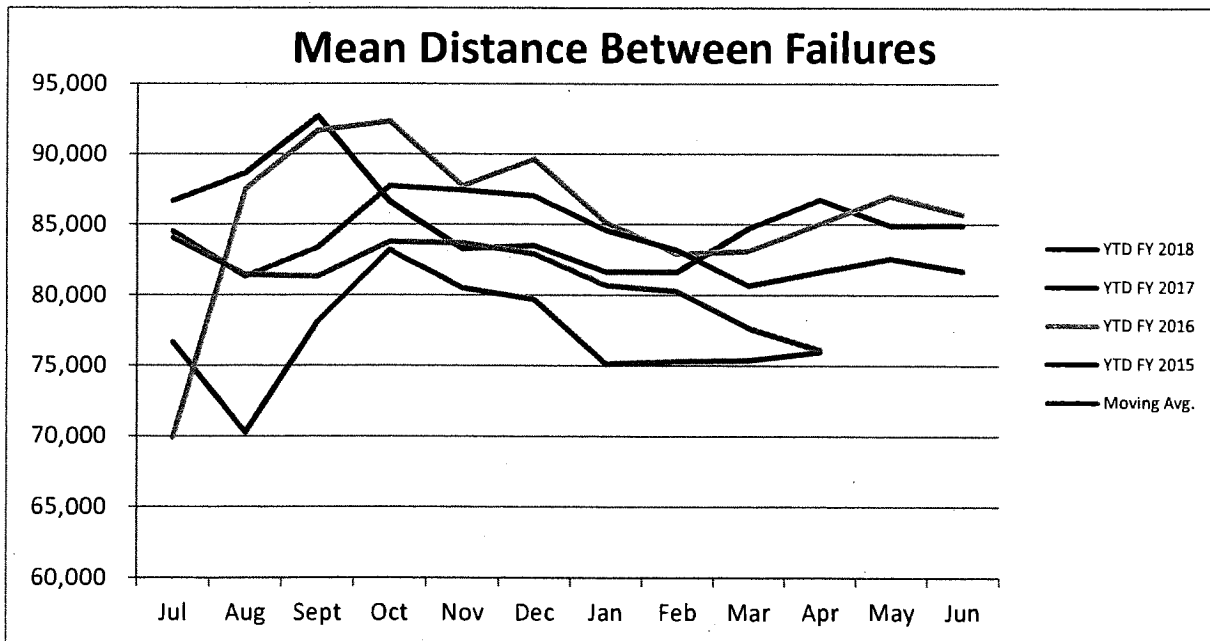
The 12-month average for Access Link On-Time Performance for June 2017 - May 2018 was 92.5%, which decreased by -0.8%.

MEAN DISTANCE BETWEEN FAILURES

April 2018

NJ TRANSIT Rail Operations
Mean Distance Between Failures

Month	YTD FY2018	YTD FY2017	YTD FY2016	YTD FY2015	12 Month Moving Avg.
Jul	76,674	86,683	69,926	84,508	84,069
Aug	70,263	88,680	87,565	81,319	81,472
Sept	78,151	92,705	91,669	83,368	81,337
Oct	83,213	86,626	92,329	87,750	83,800
Nov	80,523	83,272	87,756	87,434	83,720
Dec	79,711	83,501	89,655	87,042	82,929
Jan	75,139	81,633	85,167	84,607	80,711
Feb	75,324	81,639	82,949	83,179	80,309
Mar	75,376	84,715	83,112	80,659	77,686
Apr	75,968	86,771	85,060	81,649	76,108
May	-	84,920	87,022	82,566	-
Jun	-	84,936	85,722	81,704	-

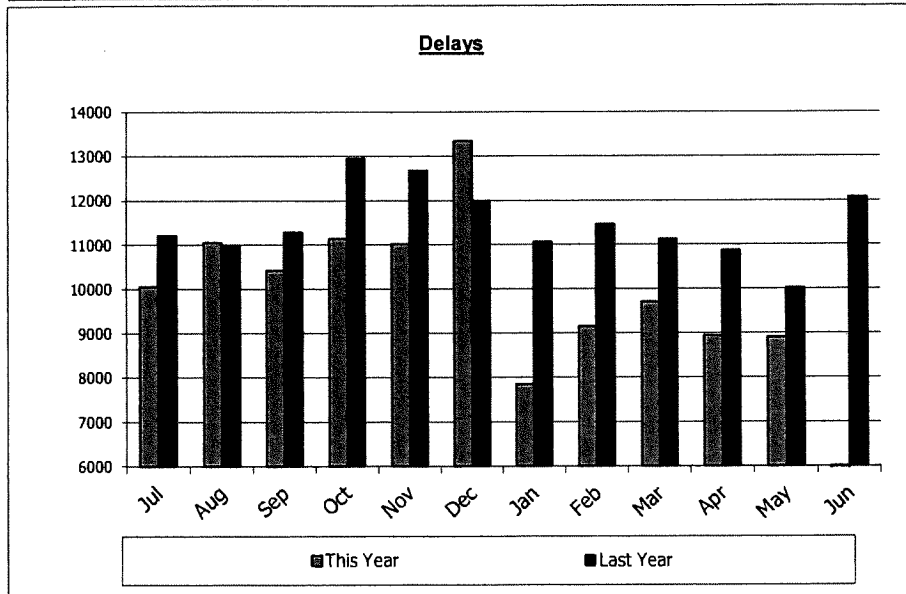


Garage Performance Parameters

May 2018

Location	Miles Between Trains per Delays			
	Y2018 Opp	This Month	FY2018 YTD	FY2017 YTD
Fairview	7,000	5,235	5,152	5,700
Greenville	9,900	4,663	4,913	6,175
Market Street	9,500	7,516	7,740	8,367
Meadowlands	11,500	5,547	6,345	7,344
Oradell	13,500	6,784	8,364	9,347
Wayne	12,500	8,840	9,294	12,279
Northern Division	-	6,654	7,317	8,541
Big Tree	8,800	6,245	7,309	9,210
Hilton	10,200	7,691	9,206	10,211
Howell	16,750	23,689	29,614	35,493
Ironbound	9,600	8,419	9,612	10,063
Orange	9,250	8,057	8,432	9,502
Morris	10,500	50,576	47,434	47,305
Central Division	-	10,210	11,726	13,116
Egg Harbor	16,500	13,514	15,135	15,659
Hamilton	20,000	6,589	11,632	17,619
Newton Avenue	15,700	9,436	11,741	14,273
Washington Twp.	14,500	17,155	12,822	13,288
Southern Division	-	11,858	13,146	14,736

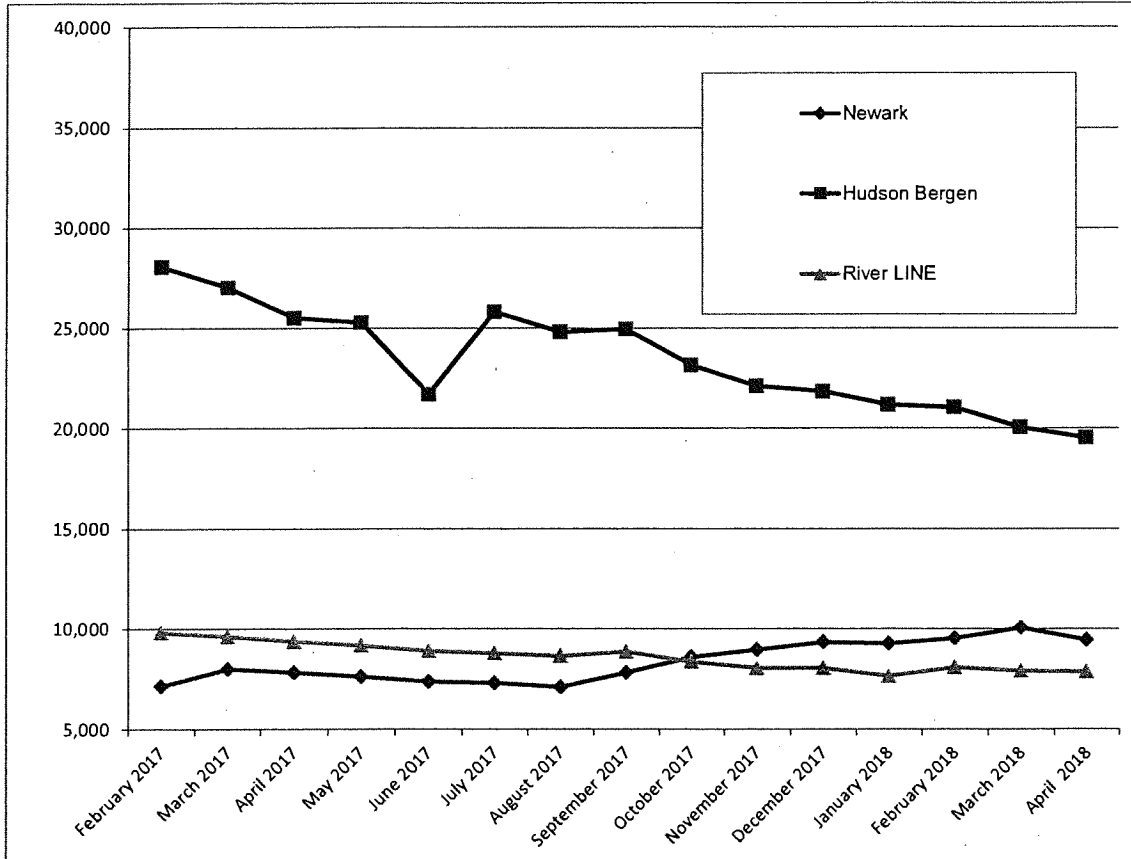
Bus Operations	-	-	-	-
	-	8,902	9,955	11,358



Average Miles Between In Service Failures

NJT LIGHT RAIL	MDBSF * April 2018
Newark Light Rail	9,461
Hudson Bergen	19,573
River LINE	7,888

AVERAGE MILES BETWEEN IN-SERVICE MECHANICAL FAILURES



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

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

DBE/SBE PROGRAM

State Funded Contracts

During the month May 2018, NJ TRANSIT awarded **\$0.00** in state funded contracts. Of that total, Small Business Enterprises (SBEs) received **\$0.00** or **0.00%**.

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

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

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

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

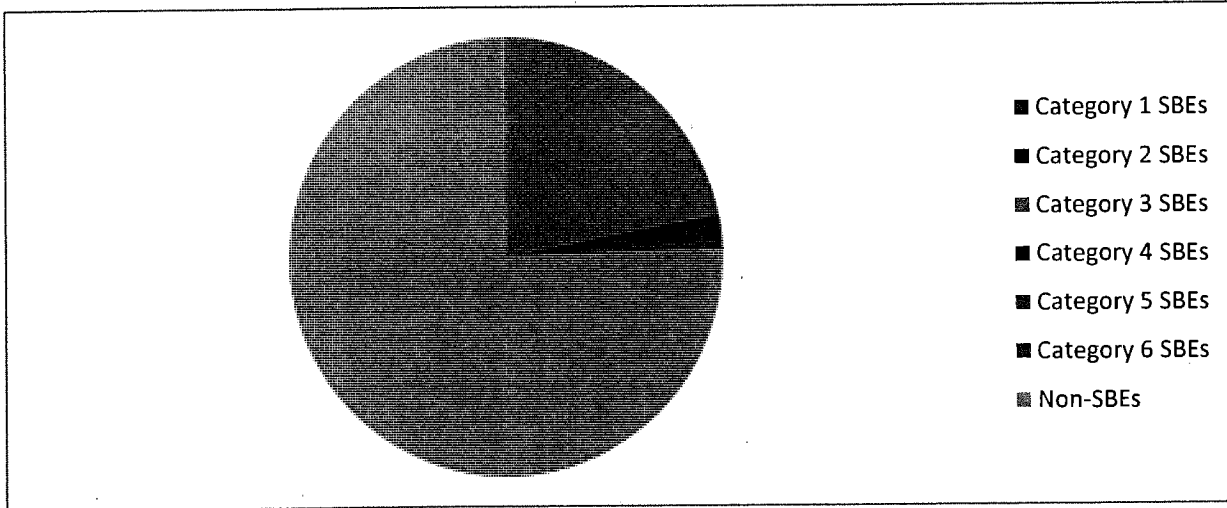
During the 2nd Quarter (January 1, 2018 – March 31, 2018) of Federal Fiscal Year 2018 (October 1, 2017 through September 30, 2018), the FTA funded share of NJ TRANSIT’s federal contracts awarded was **\$18,340,280.00**. Of that total, Disadvantaged Business Enterprises (DBEs) received **\$3,851,459.00** or **21.00%**.

DBE Goal Attainment from January 1, 2018 – March 31, 2018 (FFY 2018) **

Contracts awarded	\$18,340,280.00
DBEs received	\$ 3,851,459.00 or 21.00%

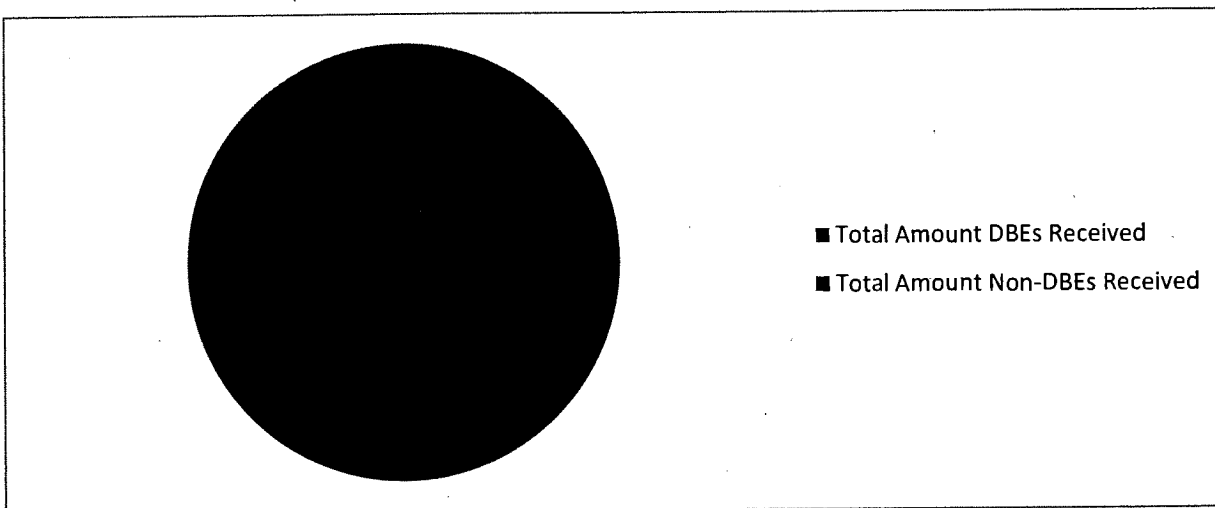
***Numbers reflect federal share.*

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



DBE PARTICIPATION
FEDERAL CONTRACTS
FEDERAL FYTD 2018

Total Amount DBEs Received	\$8,233,145.97	20.84%
Total Amount Non-DBEs Received	\$31,268,353.77	79.16%



EMPLOYEE RECOGNITION

NJ TRANSIT employees bid farewell after outstanding careers

19 NJ TRANSIT employees retired recently with careers ranging from 12 to 31 years of service:

1. Lionel Case, Operator – Orange – 16 years
2. Carlos H. Rodriguez, Repairman A – Hilton – 16 years
3. Nelson A. Rodriguez, Mechanic A – Newark Bus – 21 years
4. Matthew H. Adams, Mechanic A – Newark Bus – 30 years
5. Isaac J. Allen, Operator – Big Tree – 16 years
6. Manuel A. Chevres, Repairman A – Meadowlands – 26 years
7. Edward G. Collier, Operator – Orange – 12 years
8. Russell J George, Servicemen – Ironbound – 17 years
9. Harry Kennedy, Operator – Egg Harbor – 27 years
10. Cynthia Lewis, Depot Master – Orange – 27 years
11. Fogbenro Osunniyi, Operator – Egg Harbor – 26 years
12. Raymond Sawyer, Repairman A – Big Tree – 26 years
13. Gabe Turner, Operator – Newton Ave – 17 years
14. Virginia F. Kjeldson, Operator – Greenville – 23 years
15. Frank A. Tucker, Operator – Howell – 17 years
16. Kenneth W. Luce Jr., Assistant Manager – Dover – 30 years
17. Mark R. Nevitt, Manager Rail Infrastructure – Penn Plaza – 30 years
18. Robert M. Passarella, Supervisor Bus Non-Revenue – Penn Plaza – 31 years
19. Marjorie L. Siegel, Manager Rail Field Ops Revenue – New York Penn – 13 years

ACTION ITEMS

ITEM 1806-39: FISCAL YEAR 2019 SOLE, SINGLE, AND LIMITED SOURCE PROCUREMENT BY EXCEPTION WAIVER AUTHORIZATION

BENEFITS

This action seeks to maintain NJ TRANSIT operations through its providers where exception to formal competition is warranted. Vendors generally have proprietary control over the manufacture of parts and the design of services for NJ TRANSIT equipment and technology. Supplies and services that are available from limited sources are exempt from competitive procurement under our statute, N.J.S.A. 27:25-11(g)(2), and our corresponding regulations, N.J.A.C. 16:72-1.5(d).

Rail, bus, and light rail rolling stock and equipment are produced by a relatively small number of manufacturers using proprietary designs to meet the particular performance requirements and physical environment of individual transit systems and railroads. The equipment is not mass-produced, but manufactured to order.

The useful life for rolling stock varies by type but can exceed decades (for rail cars) and must be properly maintained. The spare parts, material and technical services needed to maintain the uniquely engineered equipment in many cases are available only from the original equipment manufacturer (OEM), or a successor company with proprietary rights to the original design. Moreover, the use of non OEM components might put warranty agreements at risk.

Similarly, technology vendors have proprietary control over the manufacture of components and the design of services needed to support NJ TRANSIT's current technology hardware and software.

The specific exceptions being sought here under our statute and corresponding regulations are: N.J.S.A. 27:25-11 (g)(2)(c) and N.J.A.C. 16:72-1.5(d)8 sole source; 27:25-11 (g)(2)(c) and 16:72-1.5(d)9 primary source provides more favorable terms; 27:25-11(g)(2)(c) and 16:72-1.5(d)12 standardization; and 27:25-11(g)(2)(e) and 16:72-1.5(d)14 specialty vehicles and related systems.

Lists of Fiscal Year 2019 limited source vendors appear in Exhibit A1 for Replacement Parts and Services, in Exhibit A2 for Computer Hardware and Software, and in Exhibit A3 for NJ TRANSIT's Resilience Program. This list includes all limited source vendors that NJ TRANSIT might need to use in the coming fiscal year, regardless of whether they were used in the previous fiscal year. Should a new vendor need to be added to Exhibits A1, A2 or A3 in Fiscal Year 2019 (FY19) as a result of a newly-identified need, staff will notify the Board of additional vendors and new, unrelated services whose aggregate spend exceeds \$250,000 during FY19.

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

Staff requests authorization to enter into sole, single or limited source procurement-by-exception contracts for the purchase of materials and services from approved vendors set forth in Exhibit A1 (subject to adjustments) to support Bus, Rail, Light Rail, and administrative operations at a cost not to exceed \$31,200,000, to account for increase in ordering quantities and changing market conditions, subject to the availability of funds. The Board will be notified of new firms and new services whose aggregate spend exceeds \$250,000 within the fiscal year. This request will cover a 12-month period from July 1, 2018 to June 30, 2019.

Staff also seeks authorization to enter into sole, single, or limited source procurement-by-exception contracts for the purpose of maintaining/upgrading hardware and software systems from approved vendors set forth in Exhibit A2 (subject to adjustments) to support NJ TRANSIT's Information Systems at a total cost not to exceed \$34,900,000, subject to the availability of funds. The Board will be notified of new firms and new services whose aggregate spend exceeds \$250,000 within the fiscal year. This request will cover a 12-month period from July 1, 2018 to June 30, 2019.

Staff also seeks authorization to enter into sole, single or limited source procurement-by-exception contracts for the purchase of materials and service from approved vendors set forth in Exhibit A3 (subject to adjustments) to support NJ TRANSIT's Resilience Program at a cost not to exceed \$10,000,000 subject to the availability of funds and FTA approval. The Board will be notified of new firms and new services whose aggregate spend exceeds \$250,000 within the fiscal year. This request will cover a 12-month period from July 1, 2018 to June 30, 2019.

The pertinent parts of the statute that authorizes these procurements by exception, N.J.S.A. 27:25-11(g)(2), are as follows:

(c) To make a purchase or award or make a contract or agreement under the circumstances described in section 5 of P.L. 1954, c. 48 (C. 52:34-10. Circumstances under which advertising is unnecessary); and

(e) To acquire or overhaul motorbuses, light rail vehicles, rail cars, locomotives, signal systems or fare collection systems.

The regulations that authorize these procurements by exception, N.J.A.C. 16:72-1.5(d), are as follows:

8. Only one source of supply is available;
9. More favorable terms can be obtained from a primary source of supply;
12. The equipment to be purchased is of a technical nature and the procurement

thereof without advertising is necessary in order to assure standardization of equipment and interchangeability of parts in the public interest; and

14. To acquire or overhaul motorbuses, light rail vehicles, rail cars, locomotives, signal systems or fare collection systems.

PURPOSE

The areas of procurement that NJ TRANSIT might exercise sole, single or limited source authority, includes but is not limited to, the following:

Replacement Parts from Original Equipment Manufacturers (OEMs)

These OEM parts or components are needed to repair and maintain rolling stock and other equipment specifically designed by the OEM manufacturer, where available technical data does not assure that a part or component supplied by another vendor will adequately perform the same function it replaces.

Examples of major vendors include Alstom Transportation, Bombardier, Electro Motive Diesel (EMD), Knorr Brake Corp., Kinkisharyo Inc. and Wabtec Corporation.

Specialty Services

Certain apparatus can only be serviced and/or tested by specific vendors. For example, Harsco Track Technologies is the only qualified source to provide Track Laying Machine Services for the automated installation of concrete ties; and Solari Corporation is the only qualified source for the repair of Solari display units.

Rail Brake Shoes

NJ TRANSIT operates approximately 1,400 passenger rail cars and locomotives daily. Brake shoes and pads are replaced on all in-service equipment through periodic and daily inspections. Electric and Diesel Locomotive and Multilevel Passenger Car brake shoes and pads are specialized equipment. Based upon Railroad Friction Products past experience and test results, these products meet the required acceptable stop distances, wheel heat generation limits and acceptable shoe and wheel wear tolerances.

Computer Hardware and Software

Certain technology vendors have proprietary control over the manufacture of components and the design of services needed for NJ TRANSIT's continued use of technology. The need for NJ TRANSIT to exercise sole and single source authority relates to specific areas of technology, including, but not limited to, the following:

Software Maintenance/Licensing

Firms that have authored software and have had it copyright protected typically are the only firms capable of maintaining their software. NJ TRANSIT has signed license agreements that require us to protect the vendor's software from review by third parties. Each vendor has supplied a letter certifying their sole right to maintain their software.

Further, NJ TRANSIT has integrated this software into its business processes which, in these cases, makes moving to alternative software a costly and lengthy undertaking. Software Maintenance will provide for:

- Program maintenance for all software modules including support for solving any software logic errors;
- Software enhancements periodically released by the vendor to provide additional features;
- Telephone assistance for immediate correction of program problems with minimal interruption of end user service; and

Hardware Maintenance

Original Equipment Manufacturers (OEMs) are often the only firms capable of providing support to their hardware without voiding warranties. Where equipment is off of warranty or where NJ TRANSIT has other choices for hardware support, NJ TRANSIT competitively seeks proposals for such support. Hardware Maintenance will provide for:

- Correction of hardware failures either on-site or through remote services;
- Guaranteed response time to minimize end-user downtime;
- High volume spare parts stored locally for quick access and error correction; and
- Hardware upgrades, where necessary, to accommodate technology upgrades.

Integrated Systems

NJ TRANSIT has installed a number of systems that have been deployed using an integrator who has customized both hardware and software for the purpose of delivering a specific business solution. This approach is typically employed in specialized fields such as fare collection, security systems, and passenger information systems. In such cases, services to support this customized software are available only through the integrator that developed the product.

Upgrades to Pre-existing Systems

NJ TRANSIT has invested in core information systems that have become key elements of our business processes. In most cases, these investments were the result of a competitive process. As additional investments are required to support business change, alternatives are evaluated, and the system is either enhanced or replaced in whole. When it is determined to be financially beneficial to continue to add on to an existing system, enhancements must be implemented with the existing provider.

Resilience Program

Superstorm Sandy caused significant damage to a large portion of NJ TRANSIT's transportation assets, including the signal system at Hoboken Yard, North Jersey Coast

Computer Hardware and Software	\$ 36,200,000
Resilience Program	\$ 10,000,000

Past Authorizations:

Replacement Parts (Bus, Rail, Light Rail, HQ)

June 2017	\$ 25,000,000	
June 2016	\$ 25,000,000	
June 2015	\$ 20,000,000	
June 2014	\$ 20,000,000	
May 2013	\$ 20,000,000	
May 2012	\$ 20,000,000	
May 2011	\$ 20,000,000	
May 2010	\$ 18,000,000	
May 2009	\$ 18,000,000	
May 2006 - June 2008	\$ 22,000,000	annually
June 1999 - May 2005	\$ 20,000,000	annually
May 1998	\$ 15,000,000	
May 1997	\$ 17,500,000	

Computer Hardware and Software

June 2017	\$ 27,500,000
June 2016	\$ 22,000,000
June 2015	\$ 20,000,000
June 2014	\$ 20,000,000
June 2013	\$ 20,000,000
June 2010	\$ 32,502,595
June 2007	\$ 27,763,796
June 2004	\$ 28,851,616
June 2001	\$ 18,074,616

Resilience Program

June 2017	\$ 10,000,000
June 2016	\$ 10,000,000
June 2015	\$ 10,000,000
June 2014	\$ 10,000,000

Expenditures to Date:

Replacement Parts	\$ 18,344,380
Computer Hardware and Software	\$ 15,877,500
Resilience Program	\$ 0.00

Total Project Cost:

Replacement Parts	\$ 31,200,000
Computer Hardware and Software	\$ 36,200,000
Resilience Program	\$ 10,000,000

Projected Date of Completion:	June 30, 2019
Capital Program Amount:	TBD
Operating Budget Amount:	TBD
Anticipated Source of Funds:	FY19 Operating Budget Capital Budget
PRINTS ID Number:	Various
DBE/SBE Goal:	Various DBE/SBE Goals
<i>NJ Build</i> Amount:	N/A
Related/Future Authorizations:	N/A
Impacts on Subsequent Operating Budgets:	None

RESOLUTION

WHEREAS, NJ TRANSIT requires maintenance services and supplies to support the operation of various major equipment; and

WHEREAS, NJ TRANSIT requires signal and electrical equipment and parts to restore systems damaged by Superstorm Sandy; and

WHEREAS, it is necessary to obtain these required maintenance items and services from specific sources; and

WHEREAS, various software maintenance contracts and licensing agreements expire this year; and

WHEREAS, these contracts ensure the continued operation of both the hardware and software which support NJ TRANSIT's business units; and

WHEREAS, these products are being fully utilized throughout the corporation and the demand for services and software upgrades continues; and

WHEREAS, NJ TRANSIT is unaware of other sources for these services; and

WHEREAS, pursuant to N.J.S.A. 27:25-11(g)(2)(c) and N.J.A.C. 16:72(d)8 competitive procurement requirements may be waived in instances where only one source of supply is available; and

WHEREAS, pursuant to N.J.S.A. 27:25-11(g)(2)(c) and N.J.A.C. 16:72(d)9 competitive procurement requirements may be waived when more favorable terms can be obtained from a primary source of supply; and

WHEREAS, pursuant to N.J.S.A. 27:25-11(g)(2)(c) and N.J.A.C. 16:72(d)12 competitive procurement requirements may be waived when technical equipment will assure standardization and interchangeability; and

WHEREAS, pursuant to N.J.S.A. 27:25-11(g)(2)(e) and N.J.A.C. 16:72(d)14 competitive procurement requirements may be waived with specialty vehicles, and signal and fare collection systems;

NOW, THEREFORE, BE IT RESOLVED that the Chair or Executive Director is authorized to enter into sole, single, or limited source procurement-by-exception contracts for the purchase of materials and services from approved vendors set forth in Exhibit A1 (subject to adjustments) to support Bus, Rail, Light Rail, and Headquarters operations at a cost not to exceed \$31,200,000, subject to the availability of funds. The Board will be notified of new firms and new services whose aggregate spend exceeds \$250,000 within the fiscal year. This request will cover a 12-month period from July 1, 2018 to June 30, 2019; and

BE IT FURTHER RESOLVED that the Chair or Executive Director is authorized to enter into sole, single or limited source procurement-by-exception contracts for the purpose of maintaining/upgrading hardware and software systems from approved vendors set forth in Exhibit A2 (subject to adjustments) to support NJ TRANSIT's Information Systems at a total cost not to exceed \$36,200,000, subject to the availability of funds. The Board will be notified of new firms and new services whose aggregate spend exceeds \$250,000 within the fiscal year. This request will cover a 12-month period from July 1, 2018 to June 30, 2019; and

BE IT FURTHER RESOLVED that the Chair or Executive Director is authorized to enter into sole, single or limited source procurement-by-exception contracts for the purchase of materials and service from approved vendors set forth in Exhibit A3 (subject to adjustments) to support the NJ TRANSIT's System Resilience Program at a cost not to exceed \$10,000,000, subject to the availability of funds FTA approval and all other applicable requirements. The Board will be notified of new firms and new services whose aggregate spend exceeds \$250,000 within the fiscal year. This request will cover a 12-month period from July 1, 2018 to June 30, 2019.

EXHIBIT A1

**FISCAL YEAR 2019 SOLE, SINGLE AND LIMITED SOURCE VENDORS
REPLACEMENT PARTS AND SERVICES**

Vendor	City	State
1. ABM-American Building Maintenance	New York	NY
2. Activu Corporation	Denville	NJ
3. All-Star Electrical Services (SBE)	Hackensack	NJ
4. Alstom Signaling, Inc.	West Henrietta	NY
5. Alstom Train Life Services	Naperville	IL
6. Alstom Transportation, Inc.	Lisle	IL
7. Amerex Corp.	Trussville	AL
8. Anchor Brake Shoe Co	Park Ridge	IL
9. Ansaldo STS USA	Batesburg	SC
10. AT&T	Dallas	TX
11. Bombardier Transit Corporation	Ontario	CAN
12. Clever Devices	Syosset	NY
13. Columbus Steel Castings	Columbus	OH
14. Cooper Bearings, Inc.	Georgetown	DE
15. Cubic Transp Systems	Tullahoma	TN
16. Cummins, Inc. dba Cummins Sales & Service	Bristol	PA
17. D & W Diesel, Inc.	Auburn	NY
18. Drivecam, Inc.	San Diego	CA
19. Dynatech Systems, Inc.	Burlington	NJ
20. Electro-Motive Diesel (EMD)	LaGrange	IL
21. Enecon USA, Inc.	Medford	NY
22. Fiplex	Miami	FL
23. Foley, Inc.	Piscataway	NJ
24. Fuji Semec, Inc.	Quebec	CAN
25. HARSCO Track Technologies	Cayce-West Columbia	SC
26. Henkles and McCoy	York	PA
27. Hirail Corporation	Lisbon	IA
28. HiTran Corporation	Flemington	NJ
29. Hogan Manufacturing, Inc.	Escalon	CA
30. Holdsworth USA	Indianapolis	IN
31. Honeywell, Inc.	Marlton	NJ
32. Hotstart Manufacturing, Inc.	Spokane	WA
33. Hotstart Sales, LLC	Spokane	WA
34. Hudson Machine Works, Inc.	Brewster	NY
35. ISE Research Corp.	Poway	CA
36. J Supor	Kearny	NJ

EXHIBIT A1

**FISCAL YEAR 2019 SOLE, SINGLE AND LIMITED SOURCE VENDORS
REPLACEMENT PARTS AND SERVICES**

Vendor	City	State
37. Jala Equipment Co.	Ft Lauderdale	FL
38. Jamaica Bearings	New Hyde Park	NY
39. Johnson Controls, Inc.	Union	NJ
40. Kinkisharyo International LLC	Jersey City	NJ
41. Knorr Brake Corp/NYAB	Westminster	MD
42. Kupltec Corporation	Branford	CT
43. Lift-A-Loft	Muncie	IN
44. Lincoln Service & Equipment	Durham	CT
45. Luminator-A Mark IV Industries	Plano	TX
46. Lux Aeterna	Quebec	Canada
47. Macton Corporation	Oxford	CT
48. Mahle Industrial Thermal Systems	Stuttgart	Germany
49. Matrix Railway Corp (DBE)	West Babylon	NY
50. McConway & Torley, LLC	Pittsburgh	PA
51. MCI Service Parts	Schaumburg	IL
52. Mersen USA BN Corp.	Boonton	NJ
53. Mersen USA Newburyport-MA, LLC	Newburyport	MA
54. Microphor, Inc.	Willits	CA
55. Mitsubishi Electric Power Products, Inc.	Melville	NY
56. Modern Track Machinery	Elgin	IL
57. Motive Equipment	New Berlin	WI
58. National Electric Carbon Corporation	Greenville	SC
59. National Railway Supply	Savannah	GA
60. National Refrigerants, Inc.	Philadelphia	PA
61. Nordco Rail Services, LLC	Lee's Summit	MO
62. Omega Industries, Inc.	Vancouver	WA
63. ORX Railway Corporation	Tipton	PA
64. Pandrol USA	Bridgeport	NJ
65. Parkeon Transit Limited	Poole, Dorset	England
66. PolyPhaser	Hayden	ID
67. Precision Transmission	Colmar	PA
68. Prevost-Nova Bus Parts	Elgin	IL
69. Progress Rail Services	Albertville	AL
70. Qual-Tran Corporation	Blue Bell	PA
71. Quester Tangent	SAANICHTON, B.C.	CAN
72. Railquip, Inc.	Atlanta	GA
73. Railroad Friction Prod	Laurinburg	NC

EXHIBIT A1

**FISCAL YEAR 2019 SOLE, SINGLE AND LIMITED SOURCE VENDORS
REPLACEMENT PARTS AND SERVICES**

Vendor	City	State
74. Rocla Concrete Tie, Inc.	Bear	DE
75. Rossbro Engineering	Blainville, QC	CAN
76. RTR Technologies, Inc. (DBE)	Stockbridge	MA
77. Saft America, Inc.	Cockeysville	MD
78. Scantron Corporation	Irvine	CA
79. Schweitzer Engineering Labs	Pullman	WA
80. Siemens Industry, Inc.	Florham Park	NJ
81. Simmons Machine Tool Corp.	Albany	NY
82. Southern Signaling and Communications	Jacksonville	FL
83. Stavola Construction Materials	Bound Brook	NJ
84. Stewart & Stevenson Power	Lodi	NJ
85. Stewart & Stevenson Power	Piscataway	NJ
86. Telewave	San Jose	CA
87. Tesco / Transportation Equipment Supply	Erie	PA
88. The Aftermarket Parts Company LLC	Delaware	OH
89. Transtech of S.C.	Piedmont	SC
90. Turtle & Hughes (WBE)	Bridgewater	NJ
91. UKM Transit Products, Inc.	Harleysville	PA
92. Vapor Stone Rail Systems	Plattsburgh	NY
93. Vossloh Track Material, Inc.	Reading	PA
94. Wabtec Global Service Center	Kansas City	MO
95. Wabtec Passenger Transit	Spartanburg	SC
96. Warner Radiator	Paducah	KY
97. Westcode, Inc.	Chadds Ford	PA
98. Whiting Corp.	Monee	IL
99. Winchester Industries, Inc.	Winsted	CT
100. Windowman, Inc.	South Bend	IN

EXHIBIT A2

**FISCAL YEAR 2019 SOLE, SINGLE AND LIMITED SOURCE VENDORS
COMPUTER HARDWARE AND SOFTWARE**

Vendor	City	State
1. Activu	Rockaway	NJ
2. Altura	Closter	NJ
3. Amazon	Seattle	WA
4. Apollo Video Technology	Bothell	WA
5. Baran Design Associates	Bergenfield	NJ
6. BEM Systems, Inc. (SBE)	Chatham	NJ
7. Bentley Systems, Inc.	Exton	PA
8. Carahsoft Technology Corporation (formerly Salesforce)	Reston	VA
9. Cellgain	Red Bank	NJ
10. Clever Devices	Woodbury	NY
11. Computer Associates	Islandia	NY
12. Cubic Transportation Systems	Tullahoma	TN
13. DLT Solutions	Herndon	VA
14. Enghouse	Toronto	CANADA
15. Fujitsu Network Communications, Inc.	Richardson	TX
16. Geodecisions	Camp Hill	PA
17. Giro	Montreal	CANADA
18. Gough and Associates	Orlando	FL
19. HERE (formerly Navteq)	Chicago	IL
20. Highline Corporation	Toronto	CANADA
21. Hosting.com	Philadelphia	PA
22. HUB Parking Technology USA	Warrandale	PA
23. IBM	Piscataway	NJ
24. Intergraph	Madison	AL
25. Iron Mountain Intellectual Prop Mgmt	New York	NY
26. Kronos	Chelmsford	MA
27. Luminex	Riverside	CA
28. Lytx (formerly DriveCam)	San Diego	CA
29. MapText Inc	Princeton	NJ
30. Marsh ClearSight (formerly CS Stars)	Chicago	IL
31. Metasource	Bristol	PA
32. Michael Baker Intl	Newark	NJ

EXHIBIT A2

**FISCAL YEAR 2019 SOLE, SINGLE AND LIMITED SOURCE VENDORS
COMPUTER HARDWARE AND SOFTWARE**

Vendor	City	State
33. Microsoft	Redmond	WA
34. MIS Sciences	Burbank	CA
35. Mythics	Virginia Beach	VA
36. Navori	Montreal	Canada
37. New Demand	Boonton	NJ
38. Nokia	Espoo	Finland
39. Nuance	Mahwah	NJ
40. Parkeon	Poole	England
41. Penta	New Orleans	LA
42. Pivot Point Security	Hamilton	NJ
43. Power Trunk, Inc.	New York	NY
44. ProComm Systems, Inc. (SBE)	Phillipsburg	NJ
45. PS Technology	Bolder	CO
46. Qognify, Inc. (formerly Nice Systems)	Paramus	NJ
47. Renaissance Systems, Inc.	Batavia	IL
48. Resource System Group, Inc.	White River Jct.	VT
49. Rockwell Collins/United Technologies (formerly ARINC)	Annapolis	MD
50. S&A Systems	Rockwall	TX
51. Salesforce.com	San Francisco	CA
52. SAP America	Newton Square	PA
53. Software AG	Reston	VA
54. Solari	Udine	ITALY
55. Spruce Technology, Inc. (MBE)	Clifton	NJ
56. Stillwell-Hansen Technical Services, Inc. (WBE)	Edison	NJ
57. Trapeze	Scottsdale	AZ
58. Trapeze Group Rail Limited	York	UK

EXHIBIT A3

**FISCAL YEAR 2019 SOLE, SINGLE AND LIMITED SOURCE VENDORS
RESILIENCE PROGRAM**

	Vendor	City	State
1.	Alstom	West Henrietta	NY
2.	Ansaldo STS USA	Batesburg	SC
3.	Fabricated Metals	Louisville	KY
4.	G & B Specialties	Berwick	PA
5.	Industrial Machine	Paterson	NJ
6.	North American Equipment Sales Company	Bucyrus	OH
7.	Okonite	West Paterson	NJ
8.	SAFT America	Cockeysville	MD
9.	Sandia Corporation	Albuquerque	NM
10.	Siemens (Invensys) (Safetran)	Louisville	KY
11.	Stevens Institute of Technology	Hoboken	NJ
12.	Zephir Electric Rail Car Movers/Eastern Lift Truck Co., Inc.	Maple Shade	NJ

ITEM 1806-40: NJ TRANSIT RESILIENCE PROGRAM – HENDERSON STREET SUBSTATION: CONSTRUCTION CONTRACT AWARD

BENEFITS

The Hoboken Terminal and Yard complex is a major terminal facility that serves approximately 30,000 travelers daily from across seven New Jersey counties and New York City. The Hoboken Yard complex is an intermodal facility served by nine NJ TRANSIT commuter rail lines, the Hudson-Bergen Light Rail system, Port Authority Trans-Hudson rapid transit system, NJ TRANSIT bus service, and NY Waterway ferry services.

On October 29, 2012, the storm surge from Superstorm Sandy caused significant damage to the facilities in the Hoboken Terminal and Yard – including to Terminal building facilities, substations and electrical assets, and key signals and communications equipment. NJ TRANSIT advanced immediate repairs to the Terminal and Yard facilities, and is progressing construction of long-term recovery projects to rebuild or replace damaged assets and infrastructure in a resilient manner.

This authorization will advance construction of a resilient electrical substation to replace an existing facility, known as the Henderson Street Substation, which suffered significant damage during Superstorm Sandy. The new substation has been designed and situated to provide reliable and resilient electric power to both the rail and ferry terminals and supporting infrastructure. The new substation will be constructed on the site of the vacant former boiler building on the opposite side of the Pullman Yard area from the existing substation, above the predicted future flood elevation for this site. Primary power cables to the substation, and distribution cables from the substation to its supported load centers, will all be above the applicable flood elevation, making the project fully resilient against future extreme weather events. The project also will include a connection to the NJ TRANSITGRID resilient power system that will allow the Hoboken Yard complex to continue operations in the event of a long term electrical service interruption.

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

Staff seeks authorization to enter into NJ TRANSIT Contract No.17-053X with John O'Hara Co., Inc. of East Orange, New Jersey, for the construction of the Henderson Street Substation project in an amount not to exceed \$18,060,638.11, plus five percent for contingencies, subject to the availability of funds.

PURPOSE

The proposed construction contract award is for the complete replacement of the Henderson Street Substation, which is currently situated on the north side of the Pullman Yard area at an elevation vulnerable to ocean surge flood damage. Upon completion, the

constructed assets and infrastructure will be resilient to storm surge associated with potential future extreme weather events.

BACKGROUND

The Henderson Street Substation, which provides power to the majority of the Hoboken Yard facilities, was inundated by the storm surge waters of Superstorm Sandy in October 2012. While the substation was returned to service after interim repairs were completed, it remains compromised with latent damage.

This project will replace the existing substation with a new facility constructed on the site of an out-of-service boiler building to be demolished; and, to elevate well above the future predicted FEMA flood elevation for this site, and enclose the new equipment so as to provide improved future storm protection for this critical facility. When completed, the Project will ensure the provision of resilient house power to yard and terminal facilities throughout the Hoboken Yard. The project includes provisions for connection to the proposed NJ TRANSITGRID resilience project, through which it would provide power to the Hoboken Yard facilities in the event of a long-term service interruption. Additionally, the Henderson Street Substation will provide a resilient backup power source for the Hoboken Division signal system through a connection to the Grove Substation; and, will provide power to the proposed elevated Long Slip platforms and crew facility at Hoboken.

The new substation will incorporate new switchgear and relays, electric panels, supply and distribution cabling; a new Supervisory Control and Data Acquisition (“SCADA”) with remote operation capability that will allow for load shedding and management in the event of an emergency; on-site emergency power generation equipment for short term service interruptions; and new HVAC infrastructure to maintain temperatures appropriate to the operation.

Procurement

Office of the State Comptroller approval to advertise the Construction Contract was received on October 10, 2017, as required by Executive Order 125. The NJ TRANSIT Office of Business Development established a “Race Neutral” Disadvantaged Business Enterprise (DBE) goal on this construction contract.

An Invitation for Bid (IFB) was advertised on BID EXPRESS, NJ TRANSIT’s electronic bid system, and in *The Star-Ledger* and *The Trenton Times* on January 12, 2018. A Pre-Bid Conference was held on January 24, 2018 at 11:00 a.m. at NJ TRANSIT’s Headquarters Building in Newark. Bids were received electronically from six firms and opened on March 29, 2018, at NJ TRANSIT Headquarters in Newark.

E-BID 17-053X RESULTS

Company	Total Bid Price
John O'Hara Co., Inc.	\$18,060,638.11
Hall Construction Co., Inc.	\$20,597,000.00
Northeast REMSCO Construction	\$22,161,791.72
Anselmi & DeCicco, Inc.	\$22,409,000.00
DMR Construction Services, Inc.	\$23,530,363.12
IEW Construction Group, Inc.	\$23,544,774.15

John O'Hara Co., Inc. has identified 0.73% DBE utilization for this contract.

Funding

This contract will be funded using Federal Transit Administration (FTA) Emergency Relief Program repair funds. On February 4, 2013, the U.S. Department of Transportation (USDOT) announced the availability of \$2 billion through the FTA's new Emergency Relief Program to help protect, repair, reconstruct, and replace public transit equipment and facilities that were damaged by Superstorm Sandy. The funds are the first installment of up to \$10.9 billion appropriated to the FTA through the Disaster Relief Appropriations Act of 2013, which President Obama signed into law on January 29, 2013. The FTA announced the final allocation of Disaster Relief Appropriations Act funding on July 5, 2016. In total, NJ TRANSIT received \$448,189,802 in recovery and rebuilding funding. The FTA has approved NJ TRANSIT's application of \$21,300,000 in recovery and rebuilding funding to support this project. NJ TRANSIT is preparing a grant amendment in the amount of \$16,623,000 to fully fund the project using available FTA funds.

Schedule

The construction of the Henderson Street Substation project is slated to commence by September 2018. It is anticipated that construction will take approximately 27 months, and is anticipated to be completed by January 2021.

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

FISCAL IMPACTS

Requested Authorization: \$18,060,638.11 + 5% contingency

Past Authorizations:

Gannett Fleming
Contract No. 13-006A
June 2017
Item No. 1706-19

\$13,390,000 (total includes other Resilience Program projects)

Expenditures to Date: \$ 2,563,573.66 as of 2/28/18

Total Project Cost: \$ 37,923,000.00

Projected Date of Completion: January 2021

Capital Program Amount: \$ 37,923,000.00

Operating Budget Amount: \$ 0

PRINTS ID Number: NJT00766

Anticipated Source of Funds: Federal Transit Administration

DBE/SBE Goal: Race Neutral DBE

Future/Related Authorizations: Construction Management Services

NJ Build Amount: N/A

Impact on Subsequent Operating Budgets: None

RESOLUTION

WHEREAS, NJ TRANSIT is committed to advancing long-term recovery projects from Superstorm Sandy that allow facilities and equipment to better withstand and recover from extreme weather events; and

WHEREAS, the Henderson Street Substation was damaged during Superstorm Sandy, requiring significant and costly repairs immediately after the storm; and

WHEREAS, the Federal Transit Administration has obligated \$21,300,000 to advance the project to replace the existing non-resilient Henderson Street Substation with a fully-resilient asset, and better prepare the Hoboken Yard complex for future extreme weather events; and

WHEREAS, upon completion of a competitive procurement process, it was determined that John O'Hara Co., Inc. submitted the lowest responsive and responsible bid;

NOW, THEREFORE, BE IT RESOLVED that the Chair or Executive Director is authorized to enter into NJ TRANSIT Contract No. 17-053X with John O'Hara Co., Inc. of East Orange, New Jersey, for construction of the Henderson Street Substation project in an amount not to exceed \$18,060,638.11, plus five percent for contingencies, subject to the availability of funds.

ITEM 1806-41: NJ TRANSIT RESILIENCE PROGRAM – HOBOKEN TERMINAL HOUSE POWER AND HENDERSON STREET SUBSTATION PROJECTS: CONSTRUCTION MANAGEMENT SERVICES

BENEFITS

The Hoboken Terminal and Yard complex is a major terminal facility that serves approximately 30,000 travelers daily from across seven New Jersey counties and New York City. The Hoboken Yard complex is an intermodal facility served by nine NJ TRANSIT commuter rail lines, the Hudson-Bergen Light Rail system, Port Authority Trans-Hudson rapid transit system, NJ TRANSIT bus service, and NY Waterway ferry services.

On October 29, 2012, the storm surge from Superstorm Sandy caused significant damage to the facilities in the Hoboken Terminal and Yard – including to Terminal building facilities, substations and electrical assets, and key signals and communications equipment. NJ TRANSIT advanced immediate repairs to the Terminal and Yard facilities, and is progressing construction of long-term recovery projects to rebuild or replace damaged assets and infrastructure in a resilient manner.

This authorization covers Construction Management services for resilience projects for the construction of two new electrical substation facilities – the Hoboken Terminal House Power (a.k.a. “Depot”) Substation, and the Henderson Street Substation – to replace existing facilities that suffered significant damage during Superstorm Sandy. The new electrical substations have been designed and situated to provide reliable and resilient electric power to both the rail and ferry terminals and supporting yard infrastructure.

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

Staff seeks authorization to enter into NJ TRANSIT Contract No. 17-007 with the Naik Group of New York, New York, for the provision of Construction Management Services for the Hoboken Terminal House Power Substation and Henderson Street Substation projects at the Hoboken Yard/Terminal complex in the amount of \$5,780,005.44, plus five percent for contingencies, subject to availability of funds.

PURPOSE

The authorization to enter into NJ TRANSIT Contract No. 17-007 will provide necessary construction management support to assist NJ TRANSIT in managing and monitoring of the construction activities for quality control/quality assurance purposes, conformance with the contract documents, and compliance with all related federal, state and local codes and regulations for the Hoboken Terminal House Power (a.k.a. “Depot”) Substation and Henderson Street Substation construction contracts.

BACKGROUND

The existing Depot Substation and Henderson Street substation facilities were heavily damaged during Superstorm Sandy. While both substations were returned to service after interim repairs were completed, they remain compromised with latent damage.

Separate construction contracts were advertised and awarded for the Hoboken Terminal House Power (a.k.a. "Depot) Substation (Contract 16-049X) and Henderson Street Substation (Contract 17-053X) projects. These projects will replace the existing electrical substations with new facilities constructed well above the future predicted FEMA flood elevations for the yard, and enclose the new equipment so as to provide improved future storm protection. When completed, the projects will ensure the provision of resilient electrical power to yard and terminal facilities throughout the Hoboken Yard.

The Henderson Street Substation project also includes provisions for connection to the proposed NJ TRANSITGRID resilience project, through which it would provide power to the Depot Substation and other Hoboken Yard facilities in the event of a long-term service interruption. Additionally, the Henderson Street Substation will provide a resilient backup power source for the Hoboken Division signal system through a connection to the Grove Substation; and, will provide power to the proposed elevated Long Slip platforms and crew facility at Hoboken.

Procurement

On June 1, 2017, NJ TRANSIT obtained the Office of the State Comptroller approval for solicitation of Construction Management Services. A Request for Proposal was issued for the Construction Management Services on June 9, 2017. NJ TRANSIT received proposals from four firms on September 21, 2017, and oral presentations were made the week of October 16, 2017. The Technical Evaluation Committee scored the proposals and selected the Naik Group of New York, NY as the most qualified firm. Following the submission of a cost proposal, NJ TRANSIT negotiated a final cost of \$5,780,005.44. The NJ TRANSIT Office of Business Development established a "Race Neutral" Disadvantaged Business Enterprise (DBE) goal for this contract. The Naik Group is a DBE certified firm and has achieved 95.73% DBE utilization on this contract.

Funding

This contract will be funded using Federal Transit Administration (FTA) Emergency Relief Program repair funds. On February 4, 2013, the U.S. Department of Transportation (USDOT) announced the availability of \$2 billion through the FTA's new Emergency Relief Program to help protect, repair, reconstruct, and replace public transit equipment and facilities that were damaged by Superstorm Sandy. The funds are the first installment of up to \$10.9 billion appropriated to the FTA through the Disaster Relief Appropriations Act of 2013, which President Obama signed into law on January 29, 2013. The FTA announced the final allocation of Disaster Relief Appropriations Act funding on July 5, 2016. In total, NJ TRANSIT received \$448,189,802 in recovery and rebuilding funding.

For the Depot Substation project, the FTA has approved NJ TRANSIT’s initial application of \$24,058,978 in recovery and rebuilding funding to support this project; and NJ TRANSIT is preparing a grant amendment in the amount of \$9,000,000 to fully fund the project using available FTA funds. For the Henderson Street Substation project, the FTA has approved NJ TRANSIT’s initial application of \$21,300,000 in recovery and rebuilding funding to support this project. NJ TRANSIT is preparing a grant amendment in the amount of \$16,623,000 to fully fund the project using available FTA funds.

Schedule

The construction of the Depot Substation project is slated to commence by June 2018. It is anticipated that construction will take approximately 27 months, and is anticipated to be completed by September 2020. The construction of the Henderson Street Substation project is slated to commence by September 2018. It is anticipated that construction will take approximately 27 months, and is anticipated to be completed by January 2021.

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

FISCAL IMPACTS

Requested Authorization: \$5,780,005.44 + 5% contingency

Past Authorizations:

DMR Construction Services, Inc. \$19,899,184 + 5% contingency (Depot Substation)
Contract No. 16-049X
May 2018
Item No. 1805-33

Gannett Fleming \$13,390,000 (total includes other Resilience Program projects)
Contract No. 13-006A
June 2017
Item No. 1706-19

Expenditures to Date:

Depot Substation: \$2,482,610.55 as of February 28, 2018
Henderson Street Substation: \$2,563,573.66 as of February 28, 2018

Total Project Cost:

Depot Substation: \$33,058,978.00
Henderson Street Substation: \$37,923,000.00

Projected Date of Completion:

Depot Substation: September 2020
Henderson Street Substation: January 2021

Capital Program Amount:

Depot Substation: \$33,058,978.00
Henderson Street Substation: \$37,923,000.00

Operating Budget Amount: \$ 0

PRINTS ID Number:

Depot Substation: NJT00762
Henderson Street Substation: NJT00766

Anticipated Source of Funds: Federal Transit Administration

DBE/SBE Goal: Race Neutral DBE

Future/Related Authorizations: None

***NJ Build* Amount:** N/A

**Impact on Subsequent
Operating Budgets:** None

RESOLUTION

WHEREAS, NJ TRANSIT is committed to advancing long-term recovery projects from Superstorm Sandy that allow facilities and equipment to better withstand and recover from extreme weather events; and

WHEREAS, the Hoboken Terminal House Power (a.k.a. "Depot") and Henderson Street substations were damaged during Superstorm Sandy, requiring significant and costly repairs immediately after the storm; and

WHEREAS, the Federal Transit Administration has obligated \$24,058,978 to advance the project to replace the existing non-resilient Depot Substation and \$21,300,000 to advance the project to replace the existing non-resilient Henderson Street Substation with fully-resilient assets, and better prepare the Hoboken Yard complex for future extreme weather events; and

WHEREAS, the Naik Group has been selected as the most qualified firm for the provision of construction management services for the Depot and Henderson Street substation construction projects;

NOW, THEREFORE, BE IT RESOLVED that the Chair or Executive Director is authorized to enter into NJ TRANSIT Contract No. 17-007 with the Naik Group of New York, New York, for the provision of Construction Management Services for the Hoboken Terminal House Power Substation and Henderson Street Substation projects at the Hoboken Yard/Terminal complex in the amount of \$5,780,005.44, plus five percent for contingencies, subject to availability of funds.

ITEM 1806-42: ANNUAL NOTICE OF MEETINGS AND DESIGNATION OF BOARD SECRETARY

BENEFITS

NJ TRANSIT and its subsidiaries are governed by its statute, regulations and By-Laws. The By-Laws for the New Jersey Transit Corporation, NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Mercer, Inc. and NJ TRANSIT Morris, Inc. state that the regular meetings of the Board of Directors be held on the second Wednesday of each month. A list of the meetings' schedule is approved at the June meeting each year. The Annual Notice of Meetings is then transmitted to newspapers, filed with the Secretary of State, posted at NJ TRANSIT headquarters and transmitted to any person upon request.

Unless otherwise noted in the annual notice (Exhibit A), or as otherwise modified by the Board during the year in accordance with the Open Public Meetings Law, meetings will be held on the second Wednesday of the month at NJ TRANSIT headquarters in Newark, New Jersey.

This fulfills the statutory and By-Law requirements to annually designate the Board Secretary.

ACTION (Scorecard: Corporate Accountability)

Adopt the Annual Notice of Meetings (Exhibit A) for all of the Board of Directors' meetings during Fiscal Year 2019.

Designate Joyce J. Zuczek as Board Secretary of NJ TRANSIT and its subsidiaries.

PURPOSE

The Open Public Meetings Law, P.L. 1975, c.231 requires that the public be given adequate notice of meetings of public bodies. Section 13 specifically provides that at least once each year, within seven days following the annual organization or reorganization meeting, a public body must provide adequate notice of the schedule of regular meetings to be held during the succeeding year. The schedule must contain the location, to the extent known, the time and the date of each meeting.

The New Jersey Public Transportation Act of 1979, P.L. 1979, c. 150 provides that the Board Secretary shall be selected annually, as stated in Article III, Section 2 of the NJ TRANSIT By-Laws.

FISCAL IMPACTS

Requested Authorization:	Adopt the Annual Notice of Meetings and Designate Joyce J. Zuczek as Board Secretary of NJ TRANSIT and its subsidiaries.
Past Authorization:	June 2017
Expenditures to Date:	None
Total Project Cost:	None
Projected Date of Completion:	June 30, 2019
Capital Program Amount:	None
Operating Budget Amount:	None
Anticipated Source of Funds:	None
PRINTS ID Number:	None
DBE/SBE Goal:	None
<i>NJ Build</i> Amount:	None
Related/Future Authorizations:	None
Impacts on Subsequent Operating Budgets:	None

RESOLUTION

WHEREAS, the New Jersey Transit Corporation, NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Mercer, Inc., NJ TRANSIT Morris, Inc. have regular meetings of the Board of Directors; and

WHEREAS, pursuant to the Open Public Meetings Law, P.L. 1975, c.231, an annual notice of regular meetings of the Board of Directors must be disseminated; and

WHEREAS, the Annual Notice of Meetings must be prominently posted in one public place reserved for announcements of this type, transmitted to newspapers, filed with the Secretary of State, and transmitted to any person who requests it; and

WHEREAS, the New Jersey Public Transportation Act of 1979, P.L. 1979, c.150 requires the annual designation by the NJ TRANSIT Board of Directors of a Board Secretary; and

WHEREAS, Article III, Section 2 of the NJ TRANSIT By-Laws also provides that the Board Secretary be designated annually; and

WHEREAS, the June meeting serves as the annual meeting;

NOW, THEREFORE, BE IT RESOLVED that the Annual Notice of Meetings, Exhibit A, for all of the Board of Directors' meetings during Fiscal Year 2019 is adopted; and

BE IT FURTHER RESOLVED that the Annual Notice of Meetings shall be disseminated in accordance with the provisions of the Open Public Meetings Law, P.L. 1975, c.231; and

BE IT FURTHER RESOLVED that Joyce J. Zuczek is designated as Board Secretary of NJ TRANSIT and its subsidiaries.

EXHIBIT A

ANNUAL NOTICE OF MEETINGS: FISCAL YEAR 2019

**NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS, INC.
NJ TRANSIT RAIL OPERATIONS, INC.
NJ TRANSIT MERCER, INC.
NJ TRANSIT MORRIS, INC.**

In accordance with the "Open Public Meetings Law," P.L. 1975, c.231, the above organizations will hold regular meetings, open to the public, at 9:00 a.m. on the second Wednesday of the month for the period July 1, 2018 through June 30, 2019, except as noted below.

The June meeting will serve as the annual meeting.

Unless otherwise indicated, meetings will be held at NJ TRANSIT's Corporate Headquarters in Newark, New Jersey. The meetings will convene at 9:00 a.m. in the Board Room at NJ TRANSIT's Headquarters, One Penn Plaza East, Ninth Floor, Newark, New Jersey.

The specific dates are as follows:

July 17, 2018 (3rd Tuesday)
August 8, 2018
September 12, 2018
October 10, 2018
November 14, 2018
December 12, 2018
January 16, 2019 (3rd Wednesday)
February 13, 2019
March 13, 2019
April 10, 2019
May 8, 2019 @ 6:00 p.m.
June 12, 2019

EXECUTIVE SESSION AUTHORIZATION

BE IT HEREBY RESOLVED pursuant to N.J.S.A. 10:4-12 and N.J.S.A. 10:4-13 that the Board of Directors of the New Jersey Transit Corporation hold an executive session to discuss personnel matters, contract negotiations, the status of pending and anticipated litigation, and matters falling within the attorney-client privilege; and

BE IT FURTHER RESOLVED that it is expected that discussions undertaken at this executive session could be made public at the conclusion of these matters as appropriate.

ITEM 1806-43: CORPORATE INSURANCE PROGRAM ANNUAL RENEWAL

BENEFITS

To maintain a corporate insurance program for NJ TRANSIT that provides Excess Liability, All-Risk Property, Workers' Compensation, Terrorism, Business Travel Accident, Employment Practices Liability, Directors' & Officers' Liability, various Executive Risk, Pollution Legal Liability, Life and Accidental Death & Dismemberment, Long-Term Disability and other coverages as needed and to provide services necessary to administer the program. The renewal of the insurance program will be effective on July 1, 2018.

ACTION (Scorecard: Financial Performance, Corporate Accountability)

Staff seeks authorization to revise and renew the Corporate Insurance Program and to include services necessary to administer the Program for the period July 1, 2018 through June 30, 2019, at an amount discussed in executive session, subject to the availability of funds and adoption of the FY2019 Operating Budget.

PURPOSE

To provide adequate financial protection to the Corporation and a strong risk management program throughout the Corporation to protect customers, employees, directors, officers and property against personal injury and damage.

Overall, the various insurance coverages contained in the corporate insurance program provide financial protection to NJ TRANSIT in the event of a catastrophic loss or serious claim arising out of the agency's operations.

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

FISCAL IMPACTS

Requested Authorization: Request authorization to renew the Corporate Insurance Program

Past Authorizations: Corporate Insurance Program
FY2018: \$20,000,000 plus 5% contingency

Expenditures to Date:	None
Total Project Cost:	N/A
Projected Date of Completion:	June 30, 2019
Capital Program Amount:	N/A
Operating Budget Amount:	Amount to be discussed in Executive Session
Anticipated Source of Funds:	FY2019 Operating Budget
Prints ID Number.	N/A
DBE/SBE Goal:	N/A
<i>NJ Build</i> Amount:	N/A
Related/Future Authorizations:	N/A
Impacts on Subsequent Operating Budgets:	None

RESOLUTION

WHEREAS, NJ TRANSIT maintains a Corporate Risk Management Insurance Program to protect its customers, employees, directors, officers and property against personal injury and damage in the event of accidents and other casualties; and

WHEREAS, it is in the best interest of NJ TRANSIT and sound fiscal policy to continue to maintain the Corporate Insurance Program; and

WHEREAS, NJ TRANSIT is negotiating the renewal of its Corporate Risk Management Insurance Program and the services necessary to administer the program for FY2019;

NOW, THEREFORE, BE IT RESOLVED that the Chair or Executive Director is authorized to revise and renew the Corporate Insurance Program and to include services necessary to administer the Program for the period July 1, 2018 through June 30, 2019 at an annual cost not to exceed an amount discussed in executive session, subject to the availability of funds and adoption of the FY2019 Operating Budget.

ITEM 1806-44: RESOLUTION CONCERNING THE NEW JERSEY TRANSIT CORPORATION'S COMMITMENT TO THE PORTAL NORTH BRIDGE PROJECT AS PROJECT SPONSOR AND THE FINANCING OF THE PORTAL NORTH BRIDGE PROJECT VIA THE ISSUANCE OF NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY TRANSPORTATION PROJECT SUBLEASE REVENUE BONDS (NEW JERSEY TRANSIT CORPORATION PROJECTS), 2018 SERIES A AND AUTHORIZING THE EXECUTION AND DELIVERY OF A LEASE AGREEMENT AND SUBLEASE AGREEMENT WITH THE NJEDA AND ENTRY INTO A FUNDING AGREEMENT, EACH IN CONNECTION WITH THE ISSUANCE OF NJEDA TRANSPORTATION PROJECT SUBLEASE REVENUE BONDS (NEW JERSEY TRANSIT CORPORATION PROJECTS), 2018 SERIES A

BENEFITS

The Portal Bridge is an existing two-track, railroad swing type drawbridge that spans the Hackensack River in New Jersey. The Portal Bridge is over 100 years old and, given its age, design and current condition, represents a single point of failure on the Northeast Corridor ("NEC"), the nation's busiest rail line that connects eight states and the District of Columbia. The Portal Bridge is particularly critical to passenger rail transit between New Jersey and New York City.

NJ TRANSIT proposes to replace the existing bridge with a new, two-track fixed structure. The replacement of the Portal Bridge with the new Portal North Bridge (the "Project") will eliminate the need for a moveable span that interrupts rail operations and results in delays due to mechanical failures which are exacerbated by the existing structure's age. When built, the Project will also allow for a 10 percent increase in peak hour passenger capacity. The Project is a critical improvement to the comprehensive rail improvement program along the NEC.

Adoption of this Item and the attached Resolution will allow NJ TRANSIT, in consultation with the Office of the State Treasurer and the Office of the Attorney General, to finance a portion of the Project, to be funded from NJ TRANSIT's annual capital program, and to ensure that the financing of the Project through the issuance of Transportation Project Sublease Revenue Bonds (New Jersey Transit Corporation Projects), 2018 Series A (the "Bonds") will be in a principal amount not to exceed \$600 million for the costs of a portion of the Project.

ACTION

Staff recommends that the NJ TRANSIT Board (the "Board") adopt the attached Resolution in support of the Project: (1) the Board hereby authorizes and directs the Executive Director in consultation with the Board Chair to execute and deliver the Funding Agreement (as defined below) and the Lease Financing Documents (as

defined below) in connection with the issuance of the Bonds for the purpose of funding a portion of the costs of the Project, provided that the term of the Bonds shall not exceed (30) years and the Bonds shall be issued in a principal amount not to exceed \$600 million for the costs of a portion of the Project; (2) the Board hereby authorizes the Executive Director in consultation with the Board Chair to execute and deliver the Lease Financing Documents, the Funding Agreement and such other documents, instruments, agreements and papers and to do such acts and things as may be necessary or advisable to effectuate the transaction, with such changes, insertions and omissions as shall be approved by the Executive Director, with the advice of the State Attorney General; (3) NJ TRANSIT hereby affirms its commitment to act as project sponsor for the Project for purposes of making the Project eligible for Federal Transit Administration Capital Investment Grant funding applications; (4) the Board hereby authorizes and directs the Executive Director in consultation with the Board Chair to negotiate and enter into or execute all documents, instruments and papers, and do and perform any and all acts or things, including by the assignment of and hiring of staff and resources to proceed with the Project, as necessary to give effect to the foregoing; (5) the adoption of the resolution expressing the intent by NJ TRANSIT to execute and deliver the Funding Agreement (as defined below) and the Lease Financing Documents (as defined below) in connection with the issuance of the Bonds is intended to assist NJ TRANSIT in applying for Core Capacity Grant funding through the FTA CIG grant program; and (6) the resolution shall become effective 10 days after a copy of the minutes of the NJ TRANSIT meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10 days the Governor shall approve the same, in which case this resolution shall become effective upon such approval, as provided in the New Jersey Transit Corporation statute, N.J.S.A. 27:25-1 et seq.

PURPOSE

In September 2017, NJ TRANSIT applied for Core Capacity Grant funding through the Federal Transit Administration (“FTA”) Capital Investment Funding (“CIG”) grant program. Additional local funding is required to match the Federal share. The New Jersey Economic Development Authority (“NJEDA”) will issue its Bonds in a principal amount not to exceed \$600 million for a portion of the costs of the Project. The Bonds to be issued will have a final maturity of not more than thirty (30) years and will be payable from rent payment obligations paid by NJ TRANSIT to the NJEDA under the Lease Financing Documents, which rent payment obligations shall be funded via future appropriations from the New Jersey Transportation Trust Fund Authority.

NJ TRANSIT will enter into a lease agreement, a sublease agreement and any other document necessary to effectuate and secure the issuance of the Bonds (collectively, the “Lease Financing Documents”) pursuant to which it will make lease rental payments in an amount sufficient to pay debt service on the Bonds, and NJ TRANSIT, will enter into a Funding Agreement (the “Funding Agreement”) pursuant to which NJ TRANSIT will pledge a portion of its pay-go appropriations to secure its payment obligations under the Lease Financing Documents. Under the Funding Agreement, NJ TRANSIT pledges

to the NJEDA appropriations made by the New Jersey State Legislature to the Transportation Trust Fund Authority to pay the rent obligations under the sublease.

In 1999, NJ TRANSIT financed the River Line via the issuance of NJEDA bonds utilizing this funding structure. In January 2017, NJ TRANSIT and NJEDA also refinanced outstanding certificates and issued \$60 million for new projects, most recently in connection with the NJEDA's \$627,655,000 Transportation Project Sublease Revenue and Revenue Refunding Bonds, 2017 Series, utilizing this structure.

All fees related to the bond issuance are expected to be paid from the proceeds of the bonds.

BACKGROUND

The existing Portal Bridge is a two-track, railroad swing-type drawbridge that spans the Hackensack River in New Jersey. The Project will replace the existing two-track Portal Bridge with a new two-track fixed structure that will be approximately 2.33 miles and will have a clearance that accommodates current and forecasted maritime traffic, which will eliminate the need for a moveable span that interrupts rail operations and results in delays due to mechanical failures. When built, the new Portal North Bridge will allow for a 10 percent increase in peak hour passenger capacity.

On July 14, 2016, NJ TRANSIT entered into the Project Development phase of the FTA's CIG program. The Preliminary Design Phase for construction of the new Portal North Bridge is complete and a Record of Decision was received from the FTA in July 2017. Early Work construction, including utility relocation and Right of Way acquisition is underway. NJ TRANSIT is the project sponsor for the new Portal North Bridge project.

In September 2017, NJ TRANSIT applied for CIG funding that, if approved by the FTA and received by NJ TRANSIT, would cover a share of all project costs. In March 2018, the FTA gave the project a "Medium-Low" rating due, in large part, to a lack of committed or budgeted funding from non-federal sources. The board actions by NJ TRANSIT and NJEDA is intended to reclassify the non-federal funding as budgeted or committed and will support the application for CIG funds to move forward with an improved rating.

On June 12, 2018, NJEDA adopted a resolution, among other things,: (1) determining to issue the Bonds in a principal amount not to exceed \$600,000,000 and to finance a portion of the Costs of the Project from the proceeds of the Bonds; (2) approving the Funding Agreement and authorizing an Authorized Officer of the NJEDA to execute and deliver the Funding Agreement; and (3) deeming the NJEDA resolution its "official intent" within the meaning of U.S. Treasury Regulation 1.150-2, effective on the date of its adoption, as made applicable to the Bonds by rulings of the Internal Revenue Service. The NJEDA resolution is intended to assist NJ TRANSIT in applying for Core Capacity Grant funding through the FTA CIG grant program.

FISCAL IMPACTS

Requested Authorization: Approval of a Funding Agreement and other documents with the New Jersey Economic Development Authority for lease payments of up to a principal amount not to exceed \$600,000,000.

Expenditures to Date: TTF Funds (future Contract GC.02) = \$ 379,164
TTF Funds (Real Estate Acquisition) = \$ 386,628

Total Project Cost: \$ 1.707 B; in Year of Expenditure (YOE) dollars (Core Capacity only)

Projected Date of Completion: 4TH Quarter CY 2025

Capital Program Amount: Varies on YOE

Operating Budget Amount: None

Anticipated Source of Funds: Transportation Trust Fund

PRINTS ID Number: Future Contract GC.02: NJT 01237
Real Estate Acquisition: NJT 01245

DBE/SBE Goal: Future Contract GC.02: TBD

NJ Build Amount: N/A

Related/Past Authorizations: N/A

Impacts on Subsequent Operating Budgets: None

RESOLUTION

WHEREAS, the Portal Bridge, due to its age, design and current condition, represents a single point of failure on the Northeast Corridor (“NEC”) which is particularly critical to commuter rail transit between New Jersey and New York City for which the New Jersey Transit Corporation (“NJ TRANSIT”) is responsible; and

WHEREAS, the replacement of the Portal Bridge by a new Portal North Bridge (the “Project”) will eliminate the need for a moveable span that interrupts rail operations and results in delays due to mechanical failures and will allow for a 10 percent increase in peak hour passenger capacity; and

WHEREAS, the Project, when constructed, will be a new, two-track fixed structure and will eliminate the need for a moveable span that interrupts rail operations and results in delays due to mechanical failures which are exacerbated by the existing structure’s age. Once built, the Project will also allow for a 10 percent increase in peak hour passenger capacity; and

WHEREAS, NJ TRANSIT, acting as project sponsor for the Project for purposes of compliance with 49 USC 5309, has applied for a Capital Investment Grant (“CIG”) from the Federal Transit Administration (“FTA”) for the Project, which requires a significant match from local sources; and

WHEREAS, NJ TRANSIT hereby intends to evidence a commitment of its local funding share as required by 49 USC 5309 and the FTA; and

WHEREAS, the New Jersey Economic Development Authority (“NJEDA”) adopted a resolution on June 12, 2018 authorizing an Authorized Officer of the NJEDA to execute a funding agreement on behalf of the NJEDA with NJ TRANSIT and with the approval of the Commissioner of New Jersey Department of Transportation (the “Funding Agreement”), such Funding Agreement being conclusive evidence of any approval required, and determining to issue NJEDA Transportation Project Sublease Revenue Bonds (New Jersey Transit Corporation Projects), 2018 Series A (the “Bonds”) for the purpose of financing a portion of the costs of the Project; and

WHEREAS, in connection with the issuance of the Bonds, NJEDA and NJ TRANSIT will enter into a lease agreement (the "Lease"), a sublease agreement (the "Sublease"), and any other document necessary to effectuate the issuance of, and the secure, the Bonds (collectively, the "Lease Financing Documents"); and

WHEREAS, pursuant to the Funding Agreement, NJ TRANSIT shall pledge to the NJEDA annual appropriations to the Transportation Trust Fund made by the New Jersey State Legislature in each State fiscal year to the Project in an amount necessary to pay rent payment obligations of NJ TRANSIT payable under the Sublease, in such State fiscal year; and

WHEREAS, NJEDA will pledge and assign such rent payment obligations received from NJ TRANSIT to U.S. Bank National Association, the Bond trustee, for the purpose of paying the principal of and interest on the Bonds issued to finance a portion of the costs of the Project; and

WHEREAS, NJEDA and NJ TRANSIT have entered into similar funding agreements and lease/sublease arrangements for the purpose of financing projects of NJ TRANSIT, most recently with respect to the NJEDA's \$627,655,000 Transportation Project Sublease Revenue and Revenue Refunding Bonds (New Jersey Transit Corporation Projects), 2017 Series; and

WHEREAS, NJ Transit is authorized by pursuant to N.J.S.A. 27:25-1 et seq. (the "Act") to enter into such contracts and take such other actions necessary, convenient or desirable to carry out any power expressly or implicitly given to the Corporation, including, without limitation, entering into the Lease Financing Documents and the Funding Agreement;

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

1. The Board hereby authorizes and directs the Executive Director in consultation with the Board Chair to execute and deliver the Funding Agreement and the Lease Financing Documents in connection with the issuance of the Bonds for the purpose of funding a portion of the costs of the Project,

provided that the term of the Bonds shall not exceed (30) years and the Bonds shall be issued in a principal amount not to exceed \$600 million for the costs of a portion of the Project;

2. The Board hereby authorizes the Executive Director in consultation with the Board Chair to execute and deliver the Lease Financing Documents, the Funding Agreement and such other documents, instruments, agreements and papers and to do such acts and things as may be necessary or advisable to effectuate the transaction, with such changes, insertions and omissions as shall be approved by the Executive Director, with the advice of the State Attorney General;

3. NJ TRANSIT hereby affirms its commitment to act as project sponsor for the Project for purposes of making the Project eligible for FTA CIG grant funding applications;

4. The Board hereby authorizes and directs the Executive Director in consultation with the Board Chair to negotiate and enter into or execute all documents, instruments and papers, and do and perform any and all acts or things, including by the assignment of and hiring of staff and resources to proceed with the Project, as necessary to give effect to the foregoing;

5. The adoption of this resolution expressing the intent by NJ TRANSIT to execute and deliver the Funding Agreement and the Lease Financing Documents in connection with the issuance of the Bonds is intended to assist NJ TRANSIT in applying for Core Capacity Grant funding through the FTA CIG grant program; and

6. This resolution shall become effective 10 days after a copy of the minutes of the NJ TRANSIT meeting at which this resolution was adopted has been delivered to the Governor for his approval, unless during such 10 days the Governor shall approve the same, in which case this resolution shall become effective upon such approval, as provided in the Act.