

Philip D. Murphy, Governor
Tahesha L. Way, Lieutenant Governor
Francis K. O'Connor, Commissioner
Kris Kolluri, President & CEO

TWO GATEWAY
283-299 MARKET STREET
NEWARK, NJ 07102-5310
973-491-7000



June 19, 2025

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

Dear Governor Murphy:

Pursuant to Chapter 150, Laws of 1979, I herein transmit the minutes of actions taken at the open session of the 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 11, 2025.

Sincerely,

Meghan Clark Umukoro

Meghan Clark Umukoro
Board Secretary

Enclosures

Open Session Minutes of the actions taken at the 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, Two Gateway, 283-299 Market Street, Newark, New Jersey on Wednesday, June 11, 2025. The meetings occurred concurrently.

Board Members

Francis K. O'Connor, Chair
Kiabi D. Carson, Vice Chair – ABSENT
Aaron J. Creuz, Governor's Representative
Michael Kanef, Treasurer's Representative
Anthony N. Abrantes, Board Member
Richard A. Maroko, Board Member
Shanti Narra, Board Member
Evan S. Weiss, Board Member
Rashonda A. Brown, Board Member (Non-Voting) – ABSENT
Karen Thomas, Board Member (Non-Voting)

Staff

Kris Kolluri, President & Chief Executive Officer (CEO)
Meghan Clark Umukoro, Board Secretary
Christopher Iu, Acting Senior Vice President, Chief Legal Officer & General Counsel
Jacqueline C. Stamford, Senior Vice President, Chief Financial Officer & Treasurer
William C. Brooks, Senior Vice President, Capital Delivery
Jignasa Desai-McCleary, Senior Vice President, Chief of Administration & Risk

Chair O'Connor convened the Open Session at 10:03 a.m., in accordance with the Open Public Meetings Act and NJ TRANSIT's enabling legislation. The pledge of allegiance to the flag was recited.

Board Secretary Umukoro conducted Roll Call and noted Vice Chair Carson was absent, Board Members Maroko and Narra were participating remotely, and Board Members Brown and Weiss would join the meeting later.

Board Secretary Umukoro announced that adequate notice of the meetings of the Board of Directors of the New Jersey Transit Corporation and its affiliates and subsidiaries was provided in accordance with the Open Public Meetings Act and NJ TRANSIT's enabling legislation. Notices were filed on June 5, 2025, with the Secretary of State, sent to newspapers of general distribution, posted in the main entrance of NJ TRANSIT's headquarters, published on the corporation's website, and sent to each individual, agency, and organization that requested such notice.

Approval of Minutes

Chair O'Connor asked for a motion to approve the minutes of the May 14, 2025, Board meetings. Board Member Michael Kanef made the motion, Board Member Anthony N. Abrantes seconded the motion, and the minutes were adopted.

Advisory Committee Report

Anna Marie Gonnella Rosato presented the Advisory Committee report. The Passenger Advisory Committee gave kudos to Governor Murphy and President & CEO Kolluri for negotiating a tentative agreement with the Brotherhood Locomotive Engineers & Trainmen (BLET), ending a three-day strike. On June 7 and 8, 2025, NJ TRANSIT offered an additional Hoboken Light Rail service to the Pokémon GO event in Jersey City. Also, the BetMGM Meadowlands rail line between Secaucus Junction and MetLife Stadium operated successfully for Beyonce and other weekend concerts.

Ms. Gonnella Rosato mentioned that service would operate for the FIFA Club World Cup Games on various days in June and July. Also, NJ TRANSIT saluted military during New York City Fleet Week May 21 through May 30, 2025, and complimentary rides were given throughout the system to active duty and reserve members. Lastly, she said rail service commenced at the new Lyndhurst Train Station, and the Kingsland Station was closed on June 8, 2025. Ms. Gonnella Rosato said their next virtual Passenger Advisory Committee meeting would be held on June 13, 2025.

Chair O'Connor asked Board Secretary Umukoro if there were any comments from the public. Board Secretary Umukoro said there were three in-person speakers and no pre-registered telephone speakers.

Board Secretary Umukoro said in order to give everyone an opportunity to be heard, comments would be limited to three minutes. Priority access would be given to pre-registered in-person speakers, followed by any additional in-person speakers. They would then take comments from telephone participants queued to speak. Board Secretary Umukoro instructed those participating by telephone, if they had not already done so, please press *1 on their telephone keypad to enter the queue to speak. They would hear a brief tone to indicate they have successfully entered the queue.

Public Comments

Gloria Robinson-Mills, Chairperson of the Senior Citizens and Disabled Residents Transportation Advisory Committee (SCDRTAC), said she wanted to provide an update to NJ TRANSIT Board of Directors since the committee's last meeting on April 25, 2025. She said in accordance with their current Bylaws, SCDRTAC was required to meet eight times a year. She said the 2025 meeting schedule that was determined by NJ TRANSIT, was published in December 2024, and there were no scheduled meetings for May 2025. Therefore, SCDRTAC did not meet last month. However, during May, the chairpersons of

the ad hoc committees remained active, coordinating with volunteers to prepare for the full SCDRTAC presentations and discussions that were scheduled for June.

Ms. Robinson-Mills said the Bylaws Subcommittee would be meeting that evening, and they anticipated finalizing their recommendations within the next two months. Additionally, they planned to discuss resuming their site visits during their upcoming meeting at the end of the month. Ms. Mills said they currently had two openings on the committee, one in the central region and the other in Gloucester County. She said they were committed to filling both vacancies and would continue to work diligently to identify suitable candidates. Ms. Mills said SCDRTAC committee members were passionate individuals, who understood the needs of those they represented. She said their ongoing goal was to bring greater awareness of the transportation needs of senior citizens and people with disabilities.

David Peter Alan said former NJ TRANSIT President & CEO Kevin Corbett issued a directive on April 19, 2024 against the Senior Citizens, and Disabled Residents Transportation Advisory Committee (SCDRTAC), at which time Mr. Alan served as Chairperson of the committee. Mr. Alan said the order threatened to expel any member who advocated for the committee's historic purview concerning transportation for seniors and persons with disabilities that NJ TRANSIT had recognized for over 40 years and was reaffirmed in March 2022. He said there were ambiguities in Mr. Corbett's directive, and it could be construed in two ways. First, as a revocation of the agency's recognition of the committee's historic purview as granted by statute, which constituted a severe curtailment of his rights and every committee member's rights of free expression under the first and 14th amendments of the United States Constitution, and the New Jersey Constitution. He said Mr. Corbett threatened to expel him and other committee members who he knew, or should have known, he did not have the authority to do. Mr. Alan said Mr. Corbett took it upon himself to decide what the members of a committee, established by the Legislature through a statute, would be allowed to say. He said under this construction, what he did violated the committee's members rights under the first and 14th amendments. He said SCDRTAC was a nonpartisan organization and did its best to remain that way.

Mr. Alan said he was speaking in his personal capacity and needed to make a political observation. He said currently, the party that controlled the federal government had been reported as arresting sitting judges, prosecuting them criminally, arresting the Mayor of Newark, and prosecuting criminal charges against a member of the House of Representatives from the State of New Jersey. He said if those reports were accurate, then officials in that party were attacking the human rights, civil rights, and constitutional rights of all of them, by attacking the rights of people who were elected or appointed to represent them. He said he would expect that the other major party, which controlled the government of the State of New Jersey, would want to demonstrate to everyone that they cared about New Jerseyans' rights and would defend them rather than attack them.

Mr. Alan said President & CEO Kolluri knew that he had addressed this issue at previous Board meetings, and he furnished them with the exhibits that they used to prove to his Chief of Staff, that SCDRTAC should continue to enjoy the broad purview that the Legislature intended that they have, so they could help their vulnerable constituents. Mr. Alan said

President & CEO Kolluri referred to a private meeting with the committee's chairperson, yet he continued to ignore his simple request to rescind Mr. Corbett's expulsion threat, and demonstrate to everyone that he respected their human, civil, and constitutional rights. He said in these turbulent times, President & CEO Kolluri could help demonstrate that New Jersey was a place that cared about their seniors, residents with disabilities, and the people that wanted to help them, like those who served on the committee. Mr. Alan said he knew that President & CEO Kolluri was not required to implement their suggestions but asked that he rescind his predecessor's expulsion threats, so they could make their recommendations without fear of retaliatory expulsion.

Vito Havrilla, Vice Chair and Legislative Director of the Lackawanna Coalition, said he would be reading the coalition's statement. Mr. Havrilla said their website was lackawannacoalition.org, and their next meeting was scheduled for June 30, 2025. They were happy that May 2025 rail strike was short, and they hoped there would not be another service outage. He said the Lackawanna Coalition put out the Railgram Extra with alternatives to rail service and interline connectivity, assembled by their membership director and others. Mr. Havrilla said they received a few compliments on it, including from NJ TRANSIT staff.

Mr. Havrilla said they lost Kingsland Station and were promised that riders would save two minutes. He said as previously stated, they opposed this decision, and there was no longer full interline rail connectivity via the #76 bus. Mr. Havrilla said passengers had to walk 15 minutes from the new Lyndhurst Station to Ridge Road. He said NJ TRANSIT stated that closing Kingsland Station would save riders two minutes, but they found that 11 out of the 22 trains did not have these time savings on the schedule. Mr. Havrilla said regarding reopening closed stations, the Lackawanna Coalition supported the reopening of the Ampere Station along the Montclair-Boonton Line, having passed a resolution on March 27, 2023. He said they also found a May 2, 2025, article in the *Jersey Dig* about Ampere, South Street, and Meeker Avenue Stations, and were interested in learning about the interest of local residents regarding those stations.

Mr. Havrilla said NJ TRANSIT was running on a deficit and asked what the plan was. He said according to the May 30, 2025 Administration Committee meeting agenda, the net loss from operations was larger than predicted and farebox recovery was still below pre-COVID levels. Mr. Havrilla said there was an automatic three percent increase that would start on July 1, 2025. He said the \$11.2 million on hand as of April 30, 2025 could not last far into May and would probably run out in the second week. Mr. Havrilla said adding the expenses of the Governor's Fare Holiday cost \$20 million in uncollected farebox revenue and did not help the declining deficit. He said although they still had to wait for the official numbers, NJ TRANSIT was running on a deficit and unless something changed, NJ TRANSIT would be \$121 million short on June 30, 2025, just three weeks from now. Mr. Havrilla said fiscal year 2026 did not look to start well.

Mr. Havrilla said they were still calling for hourly weekend service on the Montclair-Boonton Line from Montclair State University to Hoboken. He said they were asking the public to contact NJ TRANSIT and the municipal governments along the line to make this

improvement. Mr. Havrilla said Morristown Station accessibility was recently brought to their attention. He said persons with disabilities arriving by bus to Morristown Station have difficulty reaching the elevator. Mr. Havrilla said they would investigate this issue and follow up.

Jason Anthony, resident of New York, said regarding the increased fare, he was very disappointed with the Board for the way they treated New York riders, like himself, that were left in the dark in terms of the way that they communicated service changes during the rail strike. Mr. Anthony said in his opinion, it was a Ponzi scheme. He said NJ TRANSIT should have utilized the Lincoln Tunnel Bus Terminal and the George Washington Bridge Bus Terminal, which was often used by people who reside in Northern New Jersey. He asked when did NJ TRANSIT plan on meeting with their counterparts in the Empire State and with activists like himself. Mr. Anthony asked them to take the train into New York Penn Station to see the horrendous conditions that New Yorkers saw every day. He said it was disgraceful that SCDRTAC was only focused on New Jersey. Mr. Anthony said he wanted to emphasize that Board Member Narra continuously attended these meetings virtually and not in person. He said they wanted to see the Customer Advocate have a seat at the table during Board meetings.

Andy Weiss thanked President & CEO Kolluri for asking that a live stream feature be added for the NJ TRANSIT Board Committee meetings. Mr. Weiss said this was a win for the public, and they appreciated it. He said he had two requests that he thought would help NJ TRANSIT bus riders, specifically. Mr. Weiss said his first request was to have NJ TRANSIT bus supervisors get out of their vehicles and speak with bus riders. He said they sat in their vehicles, with the windows closed, and they literally did nothing. Mr. Weiss said the bus supervisors were not friendly. He said they needed to have bi-monthly meetings with the bus supervisors and have a dialogue to let them know what was going right and wrong with their bus service.

Mr. Weiss said they needed to have New Jersey Transit Police patrol NJ TRANSIT bus stops and ticket cars that were illegally parked at bus stops. He said he should not have to call municipal police to handle these issues. Mr. Weiss said the New Jersey Transit Police Department had statewide jurisdiction, and they needed to help bus riders by ticketing drivers illegally parked at bus stops. He said New Jersey Transit police needed to get up off their butts and start working. Mr. Weiss said to Chief Trucillo that his officers needed to get out of their vehicles. He said patrolling did not mean sitting in the car and looking at the light rail station, and the officers needed to get out of their cars.

Delvin Bradford, resident of Philadelphia, P.A., said he wanted to congratulate the engineers on their new contract. Mr. Bradford said they needed better service on the #315 bus from Philadelphia to Wildwood during the summer. He said they needed better service on the Atlantic City rail line, and the trains were unreliable. Mr. Bradford said Penn Station was always crowded. He said they needed better communication when there was a train cancellation or delay. Mr. Bradford said they needed to tell people 50 minutes before a train was scheduled to arrive, so that they had time to get to the track. He said he preferred taking the bus from New York to Philadelphia, rather than the train, because it was smooth sailing

and no issues. Mr. Bradford said they needed to do better with their services, especially the Conductors and Bus Operators who were disrespectful to customers. He said they should not have to tolerate this as passengers, and they were fed up. Mr. Bradford said he did not ride the train because he was previously harassed by New Jersey Transit police officers.

President & CEO's Monthly Report

President & CEO Kolluri first addressed points made by the public speakers. He said he was sure that no one doubted that he, nor the Board, did not respect the Constitution, and he was a big proponent of the first and 14th amendments. President & CEO Kolluri said it was important to follow a certain order, the Senior Citizen and Disabled Residents Transportation Advisory Committee (SCDRTAC) was a very important organization, and the Chair Gloria Mills came to every Board meeting to report, which was the right way to address issues. President & CEO Kolluri said they believed in collaboration and cooperation, not retribution. Second, he has had the chance to work with the New Jersey Transit Police for many months, and previously during his time at NJ TRANSIT, and there were no finer people who protected the safety of their riding public. He said he took their role very seriously, as he knew Chief Trucillo did as well, and the work they performed everyday was a tribute to the sacrifice they make daily to ensure NJ TRANSIT riders are safe, and was truly grateful for the work they do.

President & CEO Kolluri moved on to something everyone had read about, the Brotherhood Locomotive Engineers & Trainmen (BLET) agreement, which he said was something to recognize and celebrate. He said last night, the BLET ratified the contract agreement with a vote of 398 to 21. Governor Murphy and the Board deserved a lot of the credit for not only giving the agency the support, but making sure they all were moving in the same direction on two principles that he has discussed since the onset of him returning to NJ TRANSIT. One, the union always deserved a fair wage, and two, they had to make sure any deal that was made had to be fiscally responsible.

President & CEO Kolluri said after many days of negotiations, they got to that point. He said the deal made was pattern conforming, was no different than what all the other unions received, and to the extent there was additional monies that the union received, they received wage concessions for it by way of work rules. This was an important principle and precedence was set, and he was proud of the team that worked on this issue day in and out with the Board and the Governor to ensure they got to this point. President & CEO Kolluri thanked BLET and said no one wanted to be in a position where there was this type of dispute, but everyone conducted themselves in a calm and collective manner, and they could now move past this and get back to the business at hand.

President & CEO Kolluri said to the Board Chair, it was important that he mention how proud he was of the 13,000 employees that hung in there and made sure the strike was handled in the most professional way possible. He said the strike was hugely disruptive to their riders, but they calmly and collectively worked to solve problems, which was a tribute to the NJ TRANSIT organization, whether it was the New Jersey Transit Police,

and in particular Michael Kilcoyne and his Bus Operations staff, Jim Sincaglia, and the non-agreement staff. President & CEO Kolluri said everyone came together to ensure they got the job done. He said this was also a testament of how 85 percent of the union showed up and worked, which also said a lot about the dedication of the people who work at NJ TRANSIT. President & CEO Kolluri said this was an important point in history, and they got through it, and now it was back to regular business.

President & CEO Kolluri said they would be dealing with FIFA in the next four days. New Jersey would be hosting nine events, and they were working as hard as they knew how, with Chair O'Connor in his role as NJ TRANSIT Board Chair and in his role as Commissioner of the Department of Transportation, and with the State Police and all other entities involved, to ensure the games came off successfully. He said they would be moving close to 15,000 people and felt good about their recent experience during the Shakira and Beyonce concerts, when they moved almost 15,000 people. President & CEO Kolluri said although there would be challenges with the FIFA tournaments that they may not have seen with other events, NJ TRANSIT's motto was always to remain calm and respond to problems as they arise.

President & CEO Kolluri said they just introduced a new Fare-Pay Card pilot program, which was currently at four locations and at some of the Light Rail stations. He said people were able to buy monthly passes and 10-trip bus tickets. One of the primary reasons in doing this was to eliminate the need for cash transactions, and to eventually go to a ticketless capability. President & CEO Kolluri said it was a very challenging thing to manage cash at multiple Ticket Vending Machines (TVMs) across the state, and there was a potential benefit in reducing any fraud in the printing of daily and monthly tickets. He said this pilot would be tested for the next 30 to 40 days and then they would like to roll the Fare-Pay Card out systemwide by the end of the year. President & CEO Kolluri said this was the kind of efficiency they should be focused on, and he appreciated all the work staff has done.

President & CEO Kolluri said trains began serving the new Lyndhurst station on Sunday, June 8, 2025, and they were doing well. The station was a modern and ADA facility, which people were using. He was very proud the station opened on time and on schedule as promised.

President & CEO Kolluri said Chair O'Connor, himself, and other regional partners were with Governor Murphy and Governor Hochul at the Port Authority Bus Terminal to celebrate the groundbreaking of the Dyer Avenue Deckover project, which was the first phase of a \$10 billion project, and NJ TRANSIT was one of the largest users of the Port Authority Bus Terminal. He said when the project was done, NJ TRANSIT customers would have an experience that was appropriate for running a 21st Century system.

President & CEO Kolluri said Franck Beaumin, Customer Advocate, would be holding a We Are Listening Forum at the Walter Rand Transportation Center on June 17, 2025. He said this was a continuation of collective efforts to ensure they listen to NJ TRANSIT riders regarding what they want to see on the system. He said he also appreciated the feedback

riders gave to Mr. Beaumin and the information Mr. Beaumin brought back to staff to make the necessary changes.

President & CEO Kolluri said the Northern Rail Maintenance of Way (MOW) was a very important project that would be going to procurement, had been contemplated for a long time, and he was glad they were finally able to move forward.

President & CEO Kolluri said he had a proclamation for Brian Wilton, who was being recognized. He said Mr. Wilton served as NJ TRANSIT's first-ever General Counsel and was a former NJ TRANSIT Board Member. Mr. Wilton had now joined the private sector, would be working with McCarter & English, and they wished him all the best. Christopher Lu would be the Acting General Counsel. President & CEO Kolluri read and presented the proclamation to Mr. Wilton and a photograph was taken with the Board.

President & CEO Kolluri said keeping consistent with what he said about the New Jersey Transit Police, he was pleased to introduce Warrant Officer Paulo Henriques from the Army National Guard, who would be presenting the New Jersey Transit Police with an award.

Warrant Officer Henriques said his organization was a network that worked with its members, who particularly served in the Reserve Component and National Guard along with their employers. He was there on behalf of Taylor Vasquez, who submitted an award for his colleague NJTPD Officer Daniel Whartnaby, and that award was approved. Officer Whartnaby coordinated and facilitated sending care packages to Officer Vasquez while deployed in Syria last year. Warrant Officer Henriques said while sending a care package may not sound like much, for someone in the Middle East, it went a long way and meant a lot. He said it was an honor to present Officer Whartnaby with the Patriot Award. Officer Whartnaby was presented with the Award, and a photograph was taken. President & CEO Kolluri congratulated Officer Whartnaby and said the award he was just given exemplified what the New Jersey Transit Police had to offer.

Board Operations and Customer Service Committee Report

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

Board Administration Committee Report

Board Member Kanef presented the report for the Administration Committee. The Administration Committee received a Financial Update. This included a summary of operating results compared to previous year's comparable period and Fiscal Year 2025 Budget, 12-month farebox revenue compared to pre-COVID, major balance sheet items and Federal COVID-19 relief grant drawdown summary. Additional information was provided as part of the agenda materials, including the cost-of-service key performance

indicators, 12-month farebox recovery, history of vacancies, attrition and hires, ridership and revenue, and a monthly budget-to-actual comparison for April 2025.

Board Capital Planning, Policy, and Privatization Committee Report

Board Member Creuz presented the report for the Capital Planning, Policy, and Privatization Committee. The Capital Planning, Policy, and Privatization Committee reviewed the Board Item for the Agreement with Rutgers University for Services, including Applied Research, Technical Support, and Workforce Development.

Energy & Sustainability Policy Committee Report

Board Member Abrantes presented the report for the Energy & Sustainability Policy Committee. The Committee received and update on the Program Alignment and Purpose, the Capital Sustainability Program, and the Capital Resiliency Program.

Action Items

**2506-23 FY2026 SOLE, SINGLE, AND LIMITED QUALIFIED SOURCE
PROCUREMENT BY EXCEPTION AUTHORIZATION**

President & CEO Kolluri introduced Jignasa Desai-McCleary, Senior Vice President, Chief of Administration and Risk, to present Action Item #2506-23. Jignasa Desai-McCleary presented for approval Action Item #2506-23: FY2026 Sole, Single, and Limited Qualified Source Procurement by Exception Authorization.

Board Member Anthony N. Abrantes made a motion, Board Member Michael Kanef seconded the motion, and the item was adopted.

Roll Call Vote:

Abrantes	Maroko	Narra	Weiss	Kanef	Creuz	Carson	O'Connor
Yes	Yes	Yes	Absent	Yes	Yes	Absent	Yes

**2506-24: RESOLUTION AUTHORIZING ENTERING INTO A FUNDING
AGREEMENT BETWEEN NEW JERSEY TRANSIT CORPORATION
AND THE GATEWAY DEVELOPMENT COMMISSION**

President & CEO Kolluri introduced William Brooks, Senior Vice President, Capital Delivery, to present Action Item #2506-24. William Brooks presented for approval Action Item #2506-24: Resolution Authorizing Entering Into a Funding Agreement Between New Jersey Transit Corporation and the Gateway Development Commission.

Board Member Michael Kanef made a motion, Board Member Anthony N. Abrantes seconded the motion, and the item was adopted.

Roll Call Vote:

Abrantes	Maroko	Narra	Weiss	Kanef	Creuz	Carson	O'Connor
Yes	Yes	Yes	Absent	Yes	Yes	Absent	Yes

Board Secretary Umukoro noted Board Member Creuz was recused from Item #2506-25 and would not comment or vote on the item.

2506-25: NJ TRANSIT CAPITAL PROGRAM: AGREEMENT WITH RUTGERS UNIVERSITY FOR SERVICES, INCLUDING APPLIED RESEARCH, TECHNICAL SUPPORT, AND WORKFORCE DEVELOPMENT

President & CEO Kolluri introduced William Brooks, Senior Vice President, Capital Delivery, to present Action Item #2506-25. William Brooks presented for approval Action Item #2506-25: NJ TRANSIT Capital Program: Agreement with Rutgers University for Services, including Applied Research, Technical Support, and Workforce Development.

Board Member Anthony N. Abrantes made a motion, Board Member Michael Kanef seconded the motion, and the item was adopted.

Roll Call Vote:

Abrantes	Maroko	Narra	Weiss	Kanef	Creuz	Carson	O'Connor
Yes	Yes	Yes	Absent	Yes	Recused	Absent	Yes

2506-26: AMENDMENT OF REVENUE PROCESSING AND ARMORED CAR SERVICES CONTRACT

President & CEO Kolluri introduced Jacqueline Stamford, Senior Vice President, Chief Financial Officer & Treasurer, to present Action Item #2506-26. Jacqueline Stamford presented for approval Action Item #2506-26: Amendment of Revenue Processing and Armored Car Services Contract.

Board Member Michael Kanef made a motion, Board Member Anthony N. Abrantes seconded the motion, and the item was adopted.

Roll Call Vote:

Abrantes	Maroko	Narra	Weiss	Kanef	Creuz	Carson	O'Connor
Yes	Yes	Yes	Absent	Yes	Yes	Absent	Yes

2506-27: REGULATIONS: INITIATION OF RULEMAKING PROCESS FOR READOPTION WITH AMENDMENTS OF N.J.A.C. 16:72 – NEW JERSEY TRANSIT PROCUREMENT POLICIES AND PROCEDURES

President & CEO Kolluri introduced Jignasa Desai-McCleary, Senior Vice President, Chief of Administration and Risk, to present Action Item #2506-27. Jignasa Desai-McCleary presented for approval Action Item #2506-27: Regulations: Initiation of Rulemaking Process for Readoption with Amendments of N.J.A.C. 16:72 – New Jersey Transit Procurement Policies and Procedures.

Board Member Anthony N. Abrantes made a motion, Board Member Michael Kanef seconded the motion, and the item was adopted.

Roll Call Vote:

Abrantes	Maroko	Narra	Weiss	Kanef	Creuz	Carson	O’Connor
Yes	Yes	Yes	Absent	Yes	Yes	Absent	Yes

Board Secretary Umukoro noted that President & CEO Kolluri was recused from Item #2506-28 and would not comment on the item.

Consent Calendar

Chair O’Connor asked for a motion to approve the consent calendar.

2506-28: CORPORATE INSURANCE PROGRAM ANNUAL RENEWAL

2506-29: AUTHORIZATION TO DEPOSIT ADDITIONAL FUNDS INTO COURT IN CONNECTION WITH CONDEMNATION PROCEEDINGS RELATED TO THE ACQUISITION OF PROPERTY IN THE VILLAGE OF RIDGEFIELD PARK, NEW JERSEY, FORMERLY OWNED BY DEFENDANT, TP ACCESS, LLC

Board Member Anthony N. Abrantes made a motion, Board Member Michael Kanef seconded the motion, and the consent calendar was adopted.

Roll Call Vote:

Abrantes	Maroko	Narra	Weiss	Kanef	Creuz	Carson	O’Connor
Yes	Yes	Yes	Absent	Yes	Yes	Absent	Yes

Executive Session Authorization

Chair O'Connor noted they would adjourn to Executive Session, would return only to adjourn the meetings, and no further business would be conducted. Chair O'Connor asked for a motion to enter into executive session to discuss personnel matters, contract negotiations, the status of pending and anticipated litigation, and matters falling within the attorney-client privilege, including but not limited to the Penn Plaza Redevelopment.

Board Member Michael Kanef made the motion, Board Member Anthony N. Abrantes seconded the motion, and it was adopted. At approximately 10:50 a.m., the Board adjourned to the Executive Session.

Roll Call Vote:

Abrantes	Maroko	Narra	Weiss	Kanef	Creuz	Carson	O'Connor
Yes	Yes	Yes	Absent	Yes	Yes	Absent	Yes

Return to Open Session

Chair O'Connor reconvened Open Session at 11:38 a.m. Board Secretary Umukoro conducted Roll Call. Chair O'Connor and Board Members Abrantes, Creuz, Kanef Narra, and Weiss returned to Open Session. Vice Chair Carson and Board Members Brown, Maroko, and Thomas were absent.

Adjournment

Since there was no further business, a motion to adjourn was made by Board Member Anthony N. Abrantes, seconded by Board Member Michael Kanef, and the motion was adopted.

The meetings were adjourned at approximately 11:39 a.m.

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

JUNE 11, 2025

MINUTES

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➤ CALL TO ORDER	-
➤ APPROVAL OF MINUTES OF PREVIOUS MEETINGS	70233
➤ ADVISORY COMMITTEE REPORT	-
➤ PUBLIC COMMENTS	-
➤ PRESIDENT & CEO'S MONTHLY REPORT	70234
➤ BOARD COMMITTEE REPORTS	-

ACTION ITEMS

2506-23 FISCAL YEAR 2026 SOLE, SINGLE, AND LIMITED QUALIFIED SOURCE PROCUREMENT BY EXCEPTION AUTHORIZATION 70255 – Authorization to enter into procurement-by-exception contracts for the purchase of materials and services from approved vendors set forth in Exhibit A1 (subject to adjustments) to support Rail and Surface Transit operations at a cost not to exceed \$25,300,000, plus five percent for contingencies, subject to the availability of funds. The Board will be advised when actual spend is projected to exceed this allowance. New firms with material or services whose aggregate value exceeds \$250,000 within the fiscal year, will be submitted to the Board. This request will cover a 12-month period from July 1, 2025 to June 30, 2026.

Authorization to enter into procurement-by-exception contracts for the purpose of purchasing, maintaining or upgrading hardware and software systems from approved vendors set forth in Exhibit A2 (subject to adjustments) to support NJ TRANSIT's Information Technology Systems at a total cost not to exceed \$29,560,000, plus five percent for contingencies, subject to the availability of funds. The Board will be advised when actual spend is projected to exceed this allowance. New firms with services whose aggregate value exceeds \$250,000 within the fiscal year, will be submitted to the Board. This request will cover a 12-month period from July 1, 2025 to June 30, 2026.

Authorization to enter into procurement-by-exception contracts for the purchase of materials and services from approved vendors set forth in Exhibit A3 (subject to adjustments) to support NJ TRANSIT Infrastructure at a cost not to exceed \$3,750,000, plus five percent for contingencies, subject to the availability of funds, Federal Transit Administration approval and all other applicable requirements. The Board will be advised when actual spend is projected to

NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS, INC.
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exceed this allowance. New firms with services whose aggregate value exceeds \$250,000 within the fiscal year will be submitted to the Board. This request will cover a 12-month period from July 1, 2025 to June 30, 2026.

- 2506-24 RESOLUTION AUTHORIZING ENTERING INTO A FUNDING AGREEMENT BETWEEN NEW JERSEY TRANSIT CORPORATION AND THE GATEWAY DEVELOPMENT COMMISSION** – Authorization to enter into a Funding Agreement with the Gateway Development Commission, whereby NJ TRANSIT will convey to the Gateway Development Commission, from funds received from the New Jersey Department of the Treasury, in an amount not to exceed \$10,370,026.68, for the purpose of supporting the Gateway Development Commission’s Fiscal Year 2025 budget. **70266**
- 2506-25 NJ TRANSIT CAPITAL PROGRAM: AGREEMENT WITH RUTGERS UNIVERSITY FOR SERVICES, INCLUDING APPLIED RESEARCH, TECHNICAL SUPPORT, AND WORKFORCE DEVELOPMENT** – Authorization to enter into an agreement with Rutgers, The State University of New Jersey, for five years. **70268**
- 2506-26 AMENDMENT OF REVENUE PROCESSING AND ARMORED CAR SERVICES CONTRACT** – Authorization to add funding to NJ TRANSIT Contract No. 18-034 with Wells Fargo Bank, N.A. for revenue processing and armored car services, in the amount not to exceed \$5,147,920.66, plus five percent for contingencies, subject to the availability of funds. **70269**
- 2506-27 REGULATIONS: PROPOSED INITIATION OF THE RULE-MAKING PROCESS FOR N.J.A.C. 16:72, NEW JERSEY TRANSIT PROCUREMENT POLICIES AND PROCEDURES** – Authorization to take all actions necessary to initiate the rule-making process for readoption with amendments of N.J.A.C. 16:72, New Jersey Transit Procurement Policies and Procedures, consistent with this Board item and corresponding Exhibit. **70270**

CONSENT CALENDAR

- 2506-28 CORPORATE INSURANCE PROGRAM ANNUAL RENEWAL** – Authorization to revise and renew the Corporate Insurance Program, and to include services necessary to administer the program for the period July 1, 2025 through June 30, 2026, at an annual cost not to exceed an amount discussed in Executive Session, plus five percent for contingencies, subject to the availability of funds, and adoption of the FY2026 Operating Budget. **70336**
- 2506-29 AUTHORIZATION TO DEPOSIT ADDITIONAL FUNDS INTO COURT IN CONNECTION WITH CONDEMNATION PROCEEDINGS RELATED TO THE ACQUISITION OF PROPERTY IN THE VILLAGE OF RIDGEFIELD PARK,** **70337**

NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS, INC.
NJ TRANSIT RAIL OPERATIONS, INC.
NJ TRANSIT MERCER, INC.
NJ TRANSIT MORRIS, INC.
BOARD OF DIRECTORS' MEETINGS
JUNE 11, 2025
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NEW JERSEY, FORMERLY OWNED BY DEFENDANT, TP ACCESS, LLC –
Authorization to take any and all actions necessary to deposit additional funds with the court in accordance with the consent order submitted to the court, in line with established legal precedent, and in accordance with the practice of the New Jersey Department of Transportation.

- **EXECUTIVE SESSION AUTHORIZATION**
- **ADJOURNMENT**

70339

APPROVAL OF MINUTES

WHEREAS, the Bylaws 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 14, 2025 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 21, 2025;

NOW, THEREFORE, BE IT RESOLVED that the minutes of actions taken at the May 14, 2025 Board Meetings of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. Board of Directors' meetings are hereby approved.



PRESIDENT & CEO'S MONTHLY REPORT

June 11, 2025

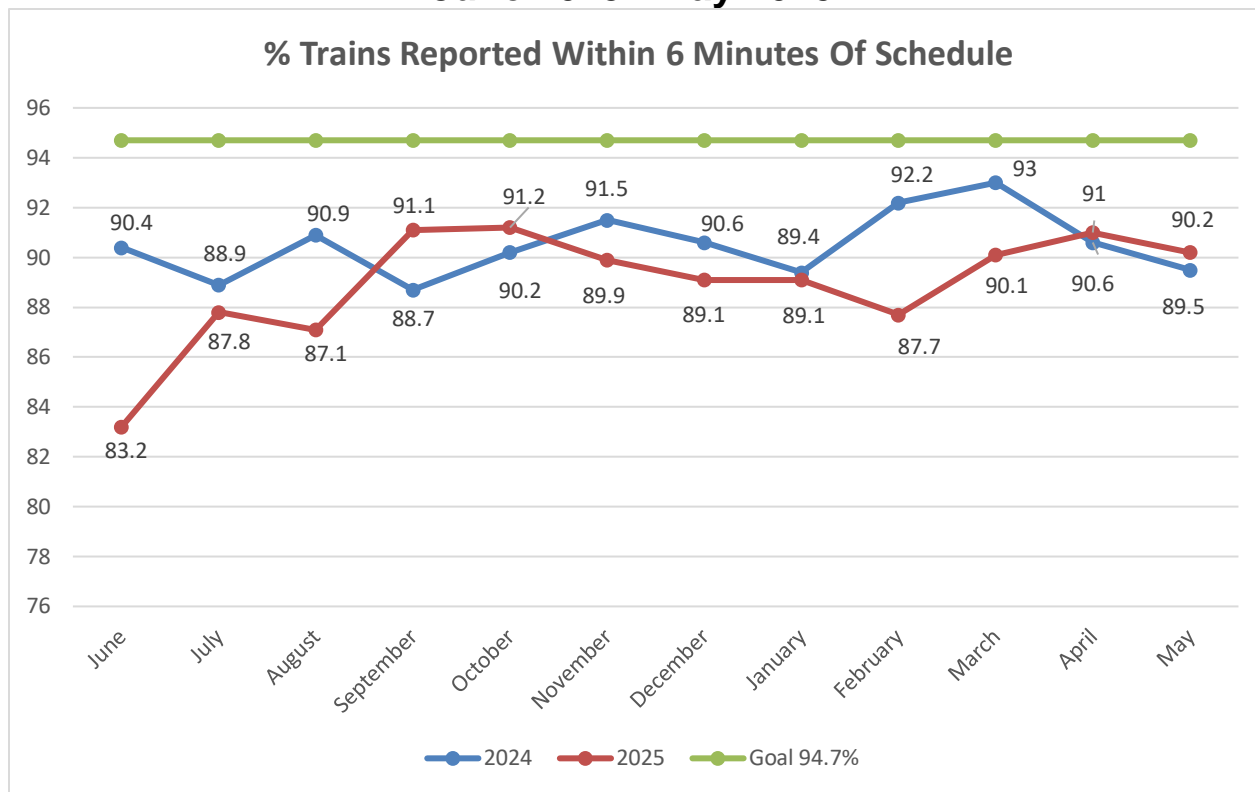
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June 11, 2025

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

PERFORMANCE MEASURES

NJ TRANSIT ON-TIME PERFORMANCE RAIL June 2023 –May 2025



	<u>2024</u>	<u>2025</u>	<u>%Change</u>
May. Comparison	89.5%	90.2%	0.7%
12-Month Average June 2023 – May 2025	90.5%	89.0%	-1.5%

Analysis:

Rail On-time Performance was 90.2% for the month of May 2025. Of the 16,250 trains scheduled to operate, 14,663 were on time, while 1,587 trains (or 9.8% were delayed).

Key Causes included:

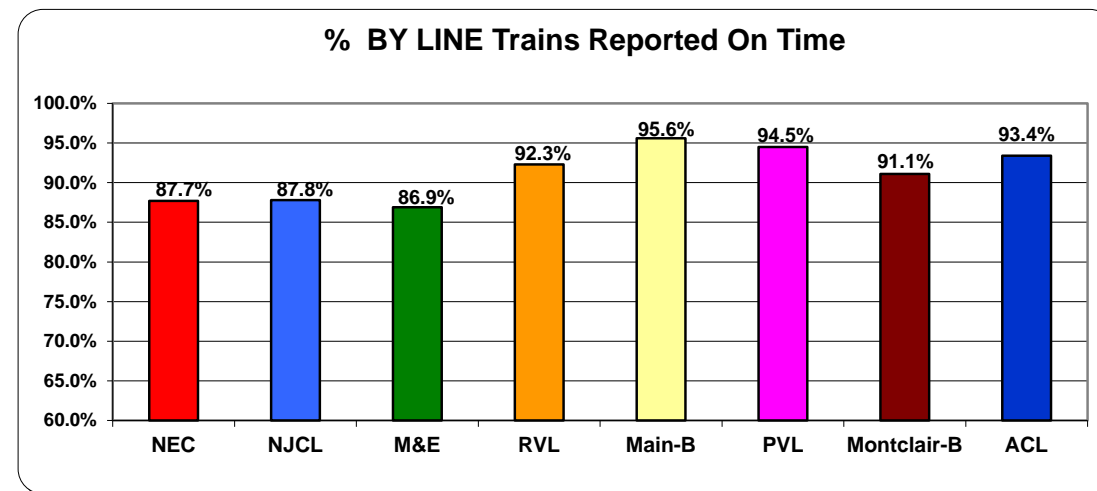
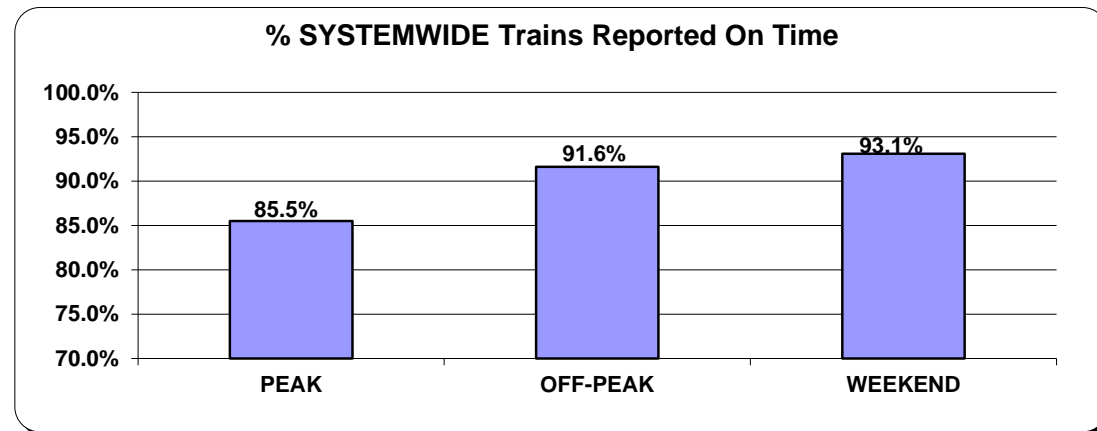
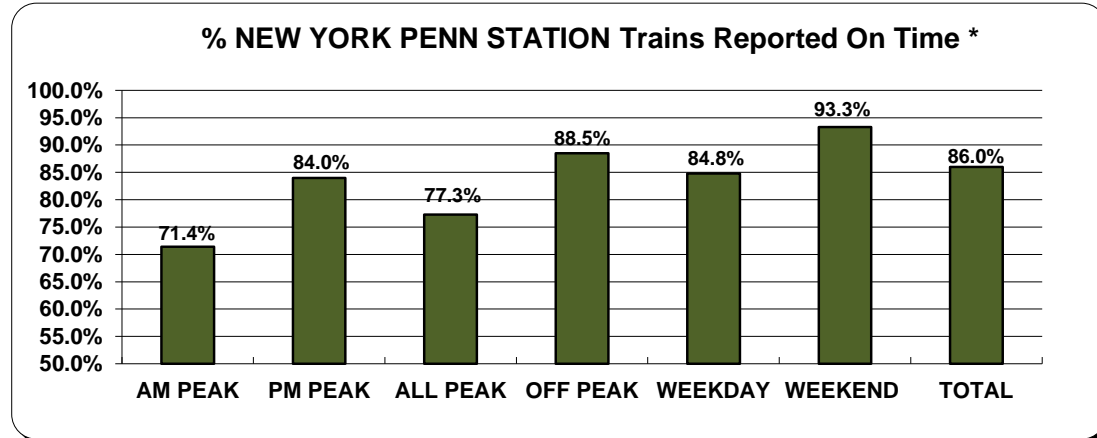
- Amtrak Portal bridge issue and NJT shortage of equipment contributed 158 delays on May 5.
- Amtrak switch issue, track issue, NJT event and PTC mechanical contributed to 85 delays on May 8.
- NJT man power shortage, trackside interference and programmed maintenance contributed to 51 delays on May 10

The 12-month Average for Rail On-Time Performance was 89.0%.

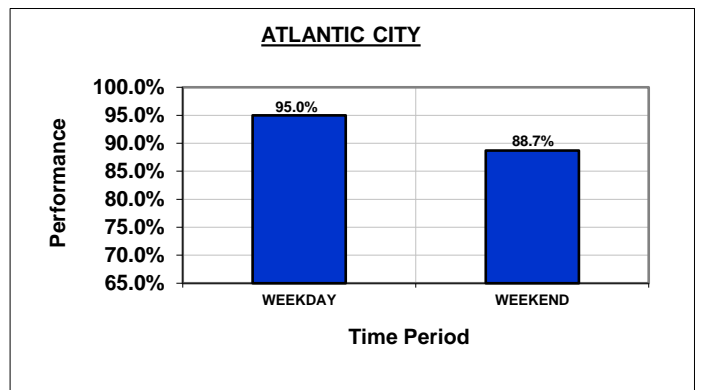
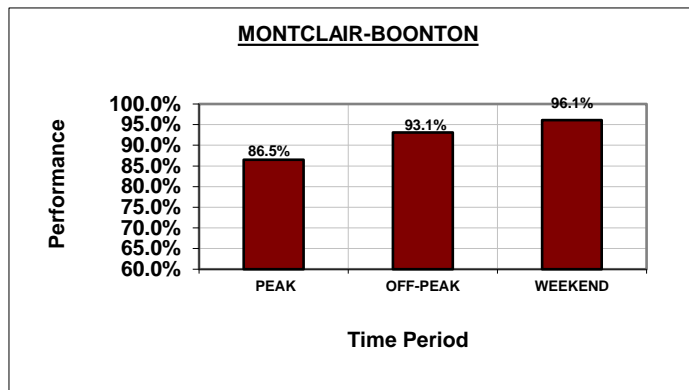
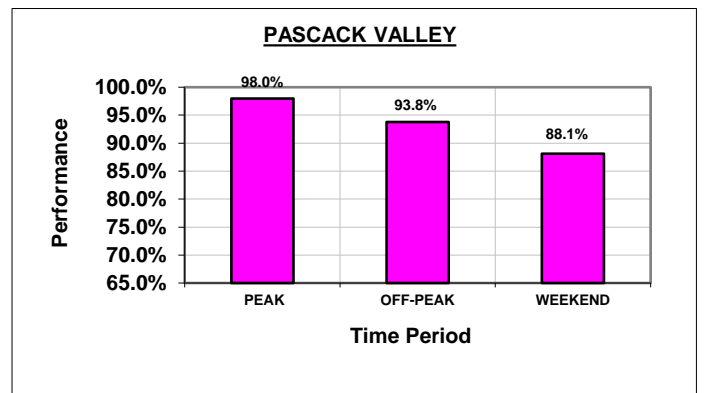
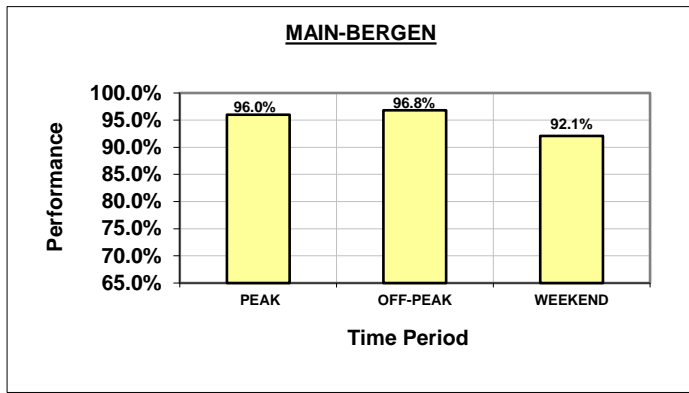
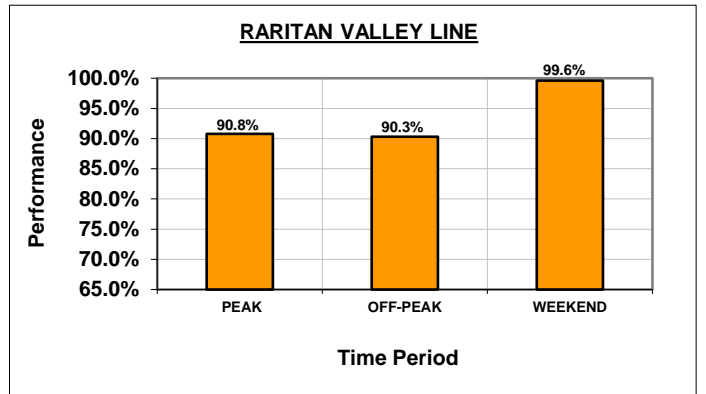
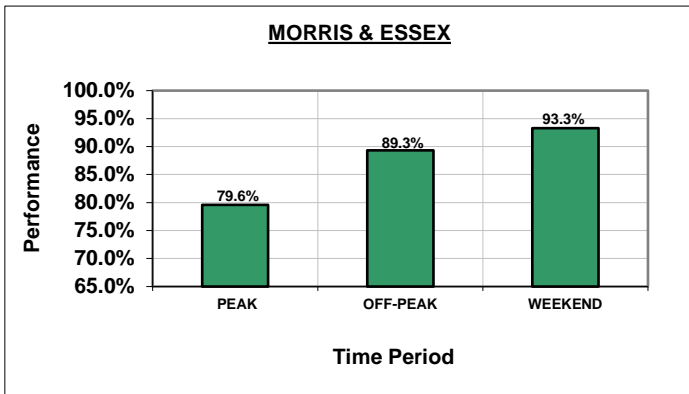
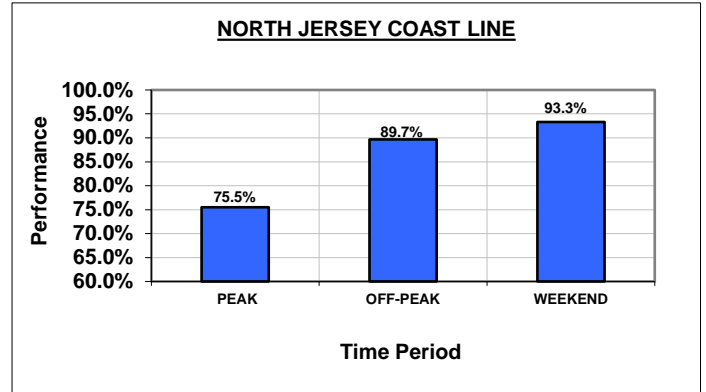
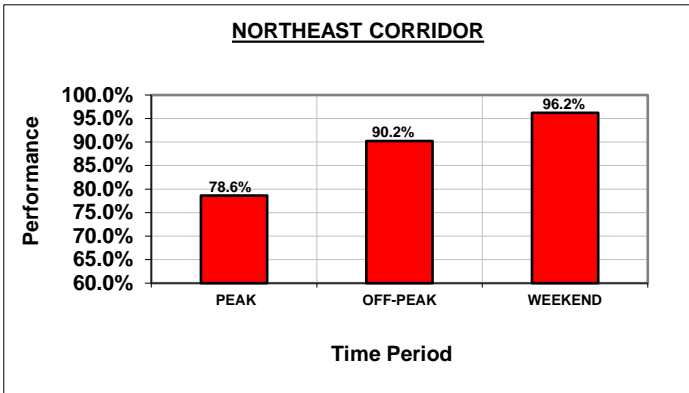
ON-TIME PERFORMANCE RAIL

SUMMARY BY TIME PERIOD MAY 2025

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



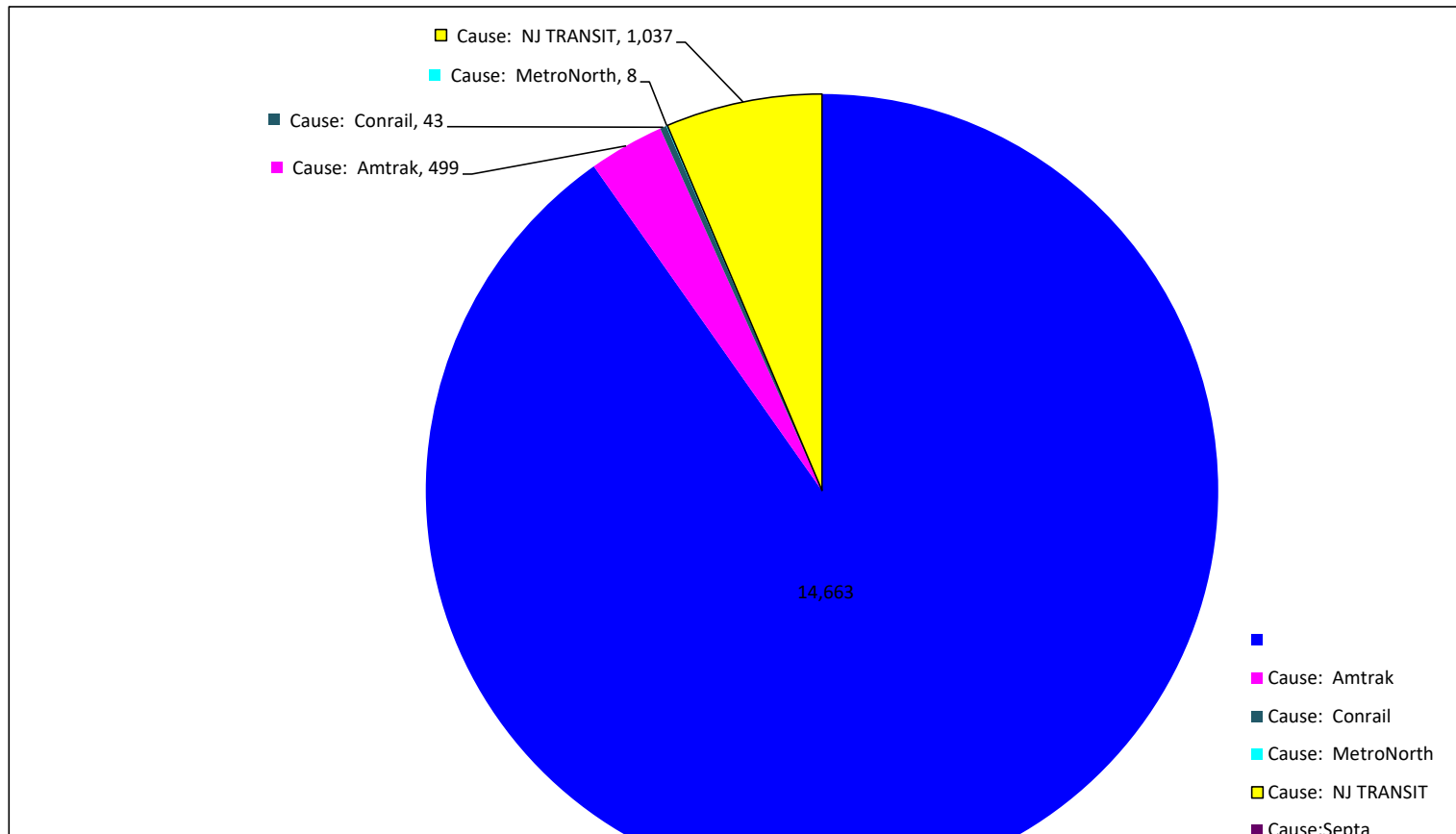
ON-TIME PERFORMANCE BY RAIL LINE & TIME PERIOD MAY 2025



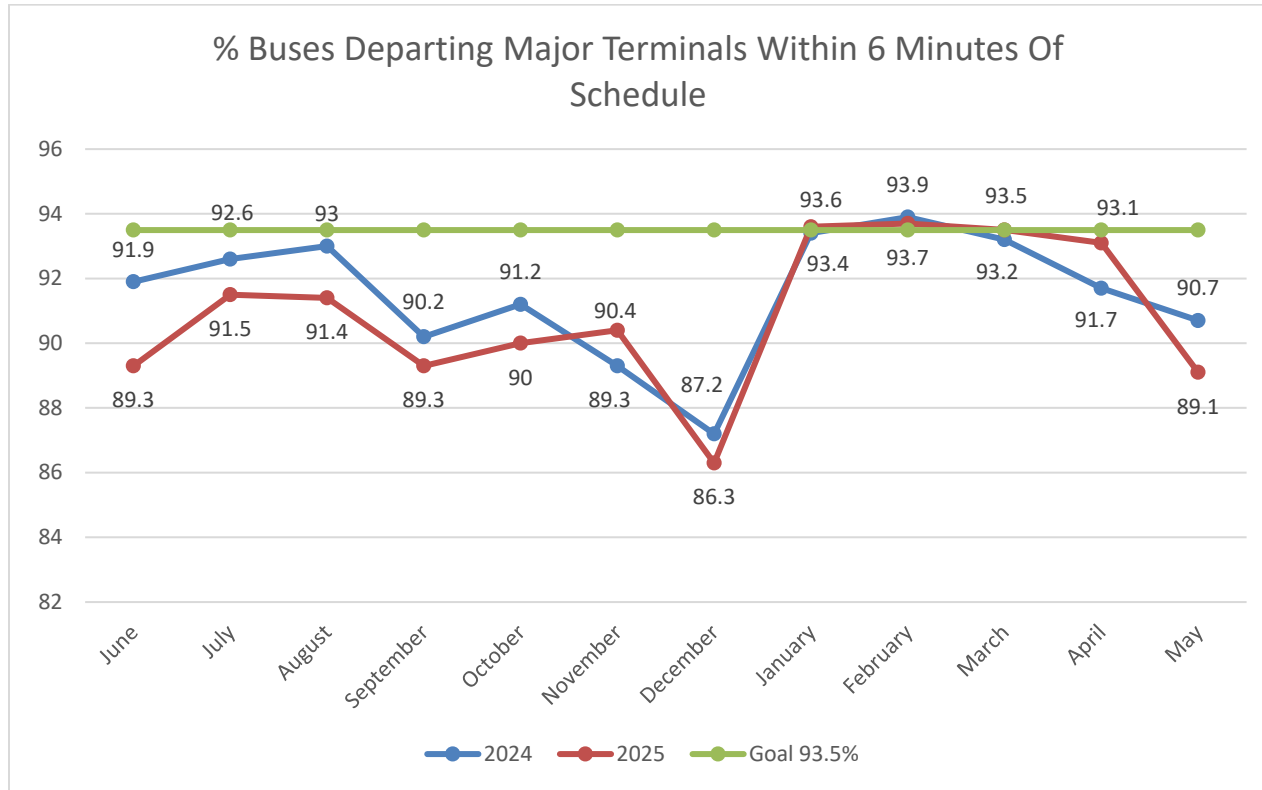
NJ TRANSIT Performance - May 2025

Late NJ TRANSIT Trains

		Cause: Amtrak	Cause: Conrail	Cause: MetroNorth	Cause: NJ TRANSIT	Cause:Septa	Cause: NS
# of Trains On Time	14,663	499	43	8	1,037		
# of Late Trains	1,587	3.07%	0.26%	0.05%	6.38%	0.00%	0.00%
Total # of Trains	16,250						
Percentage On Time	90.2%						



NJ TRANSIT ON-TIME PERFORMANCE BUS June 2023 – May 2025



	<u>2024</u>	<u>2025</u>	<u>%Change</u>
May Comparison	90.7%	89.1%	-1.6%
12-Month Average Jun 2024 – May 2025	91.5%	90.9%	-0.6%

Analysis:

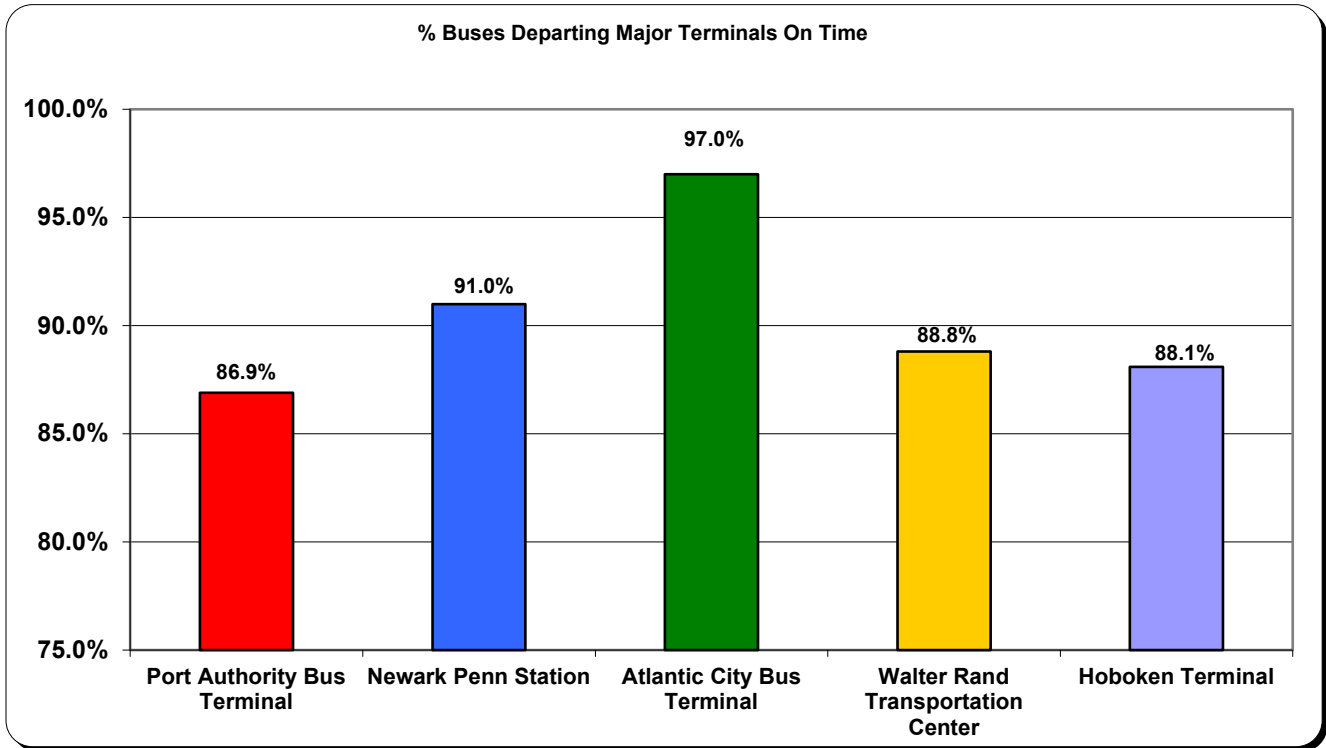
Bus On-Time Performance systemwide was 89.1% for the month of May 2025. Of the 46,490 monitored departures, 5,089 experienced delays.

Key Causes included:

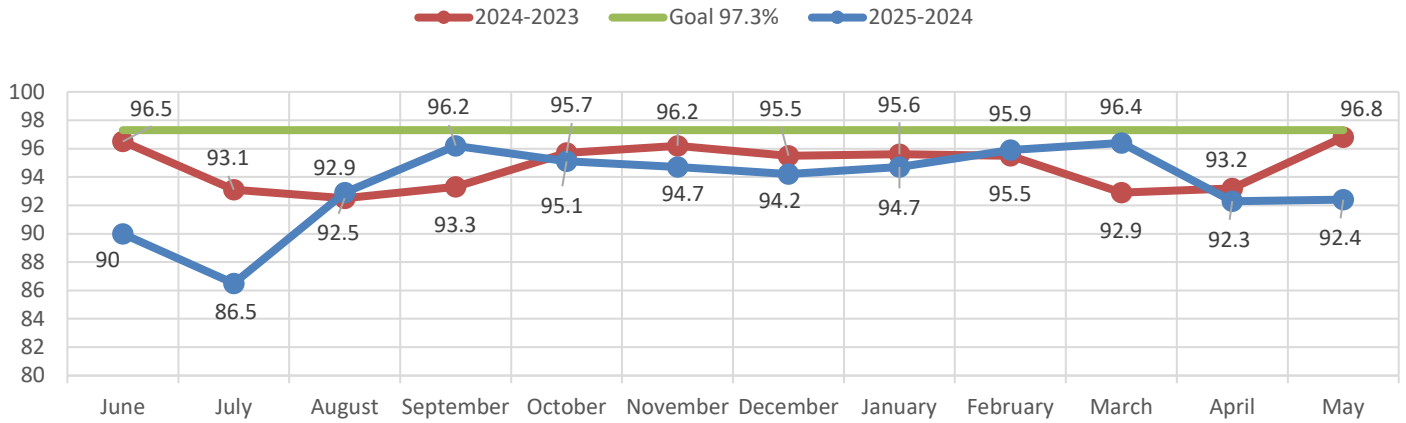
- At PABT, delays were caused by the following: on the 2nd, heavy traffic, on the 5th, weather and disabled bus in gate and minor accident on Rt. 495, on the 8th & 9th, heavy traffic due to concert, on the 12th -15th, accident on River Road, weather related heavy traffic, multiple car accidents on Rt. 495 WB, heavy IB traffic and Shakira concert, on the 16th – 19th rail strike and Shakira concert, on the 20th, heavy traffic, on the 28th & 29th, heavy rain and Beyonce concert, on the 30th, heavy traffic.
- At Newark Penn, delays were caused by the following: on the 13th, police activity, bus/ auto accident, road construction with road closures delays. On the 27th, mechanical issues, road construction/closures on multiple roads. On the 29th, police activity, road closures and detours due to construction.
- For various other locations, minor delays were caused due to weather, detours, traffic, and road construction on various days.
- The 12-month average for Bus On-Time Performance was 90.9%.

ON-TIME PERFORMANCE BUS

SUMMARY BY TERMINAL



NJ TRANSIT ON-TIME PERFORMANCE LIGHT RAIL June 2023 – May 2025



	<u>2024</u>	<u>2025</u>	<u>%Change</u>
May Comparison	96.8%	92.4%	-0.9%
12-Month Average June – May	95.0%	93.4%	-4.4%

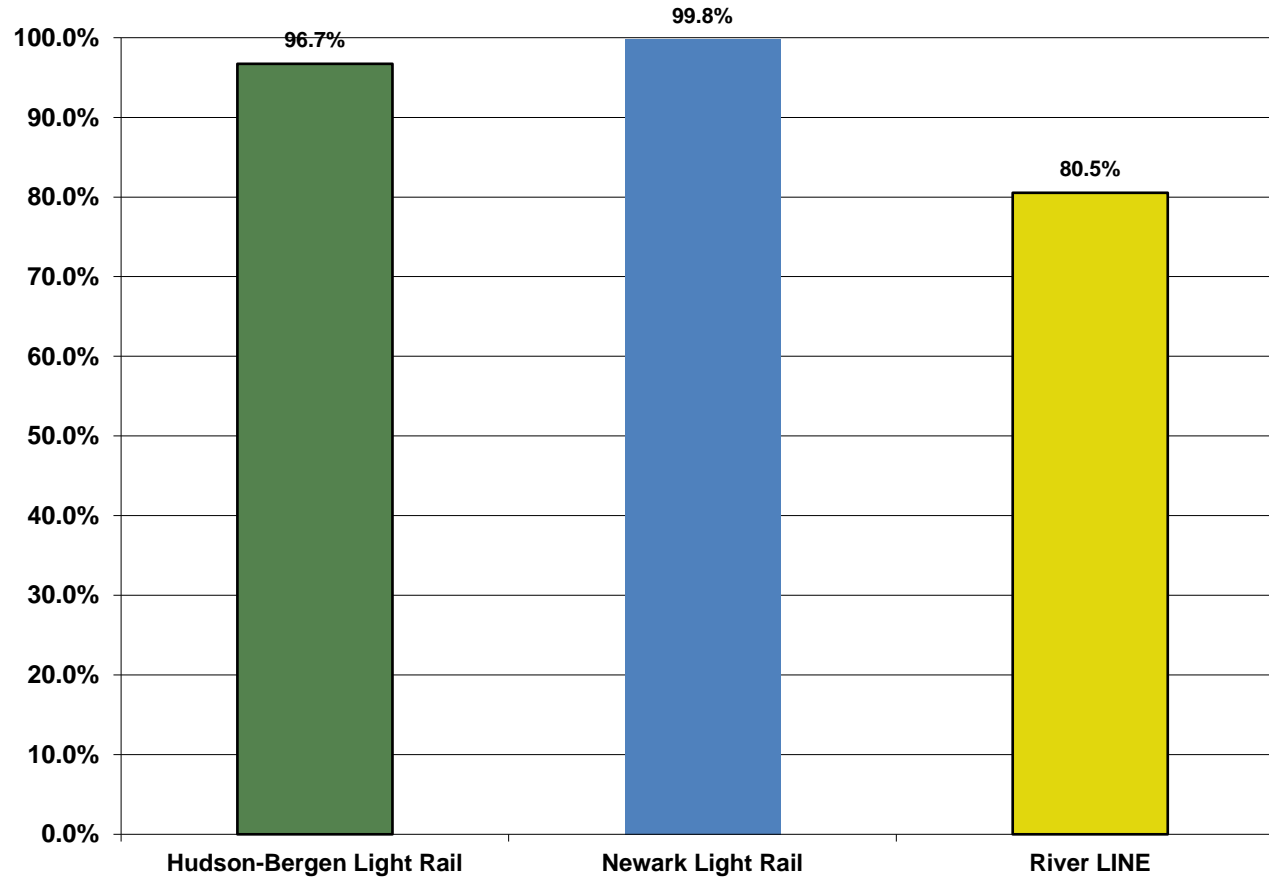
Key Causes included:

- **Newark Light Rail** – NLR OTP increased by .2% in May. A large source of affected trains was a tree that fell on the train tracks on 5/31 impacting 11 trains. Newark Light Rail had several days with no delayed trains leading to its high OTP.
- **River LINE** – River LINE OTP increased by .1% to 80.5%. Most incidents affecting OTP revolved around the equipment availability where 226 trains were impacted over the course of the month. Other Incidents consisted of issues with equipment, such as problems with traction, doors, turbo, generator, and diesel engines.
- **HBLR** – HBLR OTP stayed the same from April to May. On 5/1, 50 trains were impacted due to mechanical issues and door issues. On 5/5, 5/13, and 5/21, trains experienced mechanical issues, door issues and NJTPD activity.

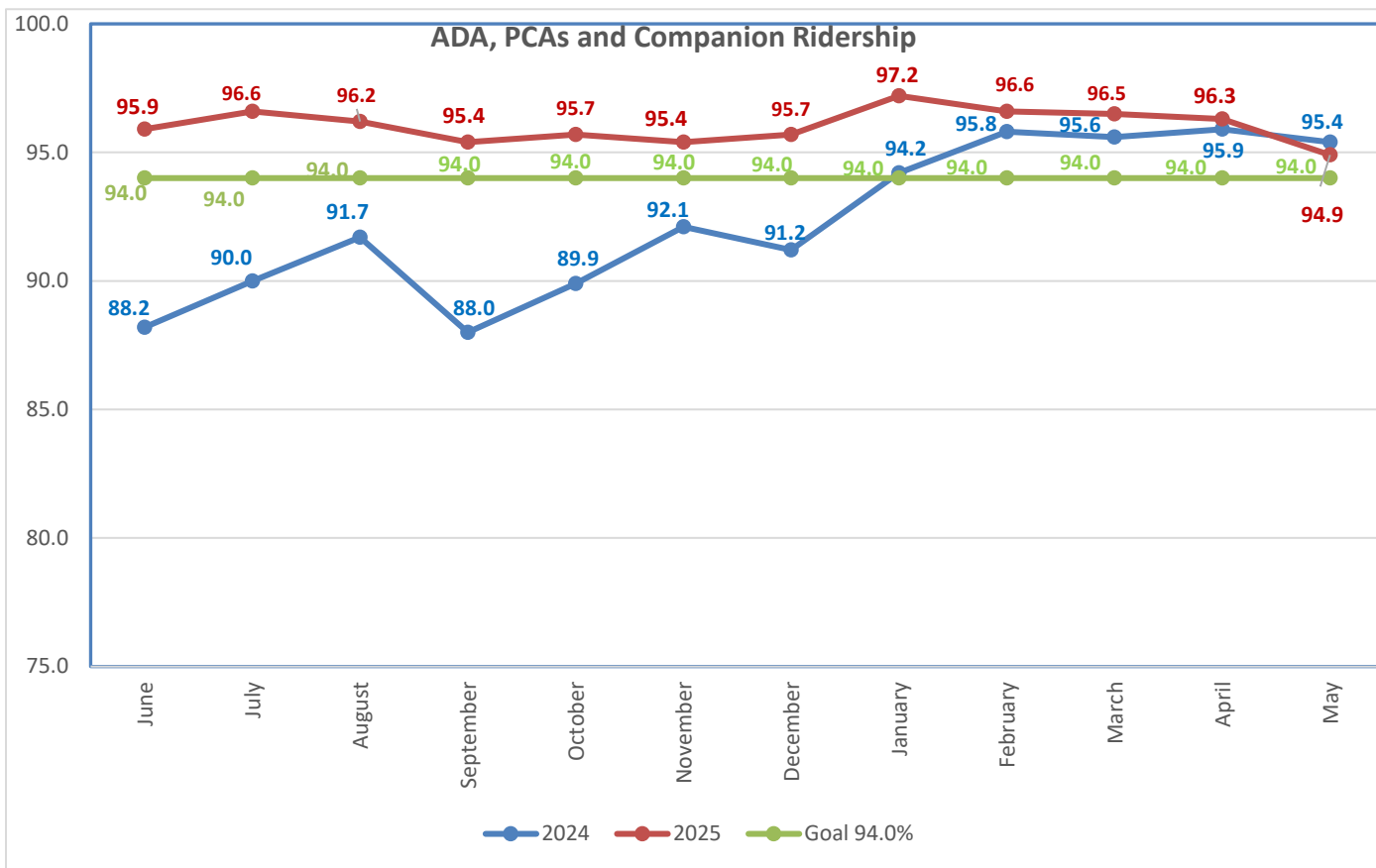
LIGHT RAIL

SUMMARY BY LINE May-25

% Light Rail Trains Reported On Time



NJ TRANSIT ON-TIME PERFORMANCE ACCESS LINK JUNE 2023–MAY 2025



	<u>2024</u>	<u>2025</u>	<u>% Change</u>
May Comparison	95.4%	94.9%	0.5%
May Ridership	141,126	145,445	4,319
12-Month Average June 2024–May 2025	92.3%	96.0%	3.7%

Analysis:

Access Link On-Time Performance was 94.9% for May 2025. In serving 151,305 total customers, for 145,445 ADA customers trips, 7,442 or (5.1%) experienced delays.

Key Causes included:

- Southern area Region 3 (Atlantic/Cumberland counties) delays - On 5/16, due to tornado warnings
- Delays due to driver availability
- Customer cancellations and no-shows

The 12-month Average for Access Link On-Time Performance was 96.0%.

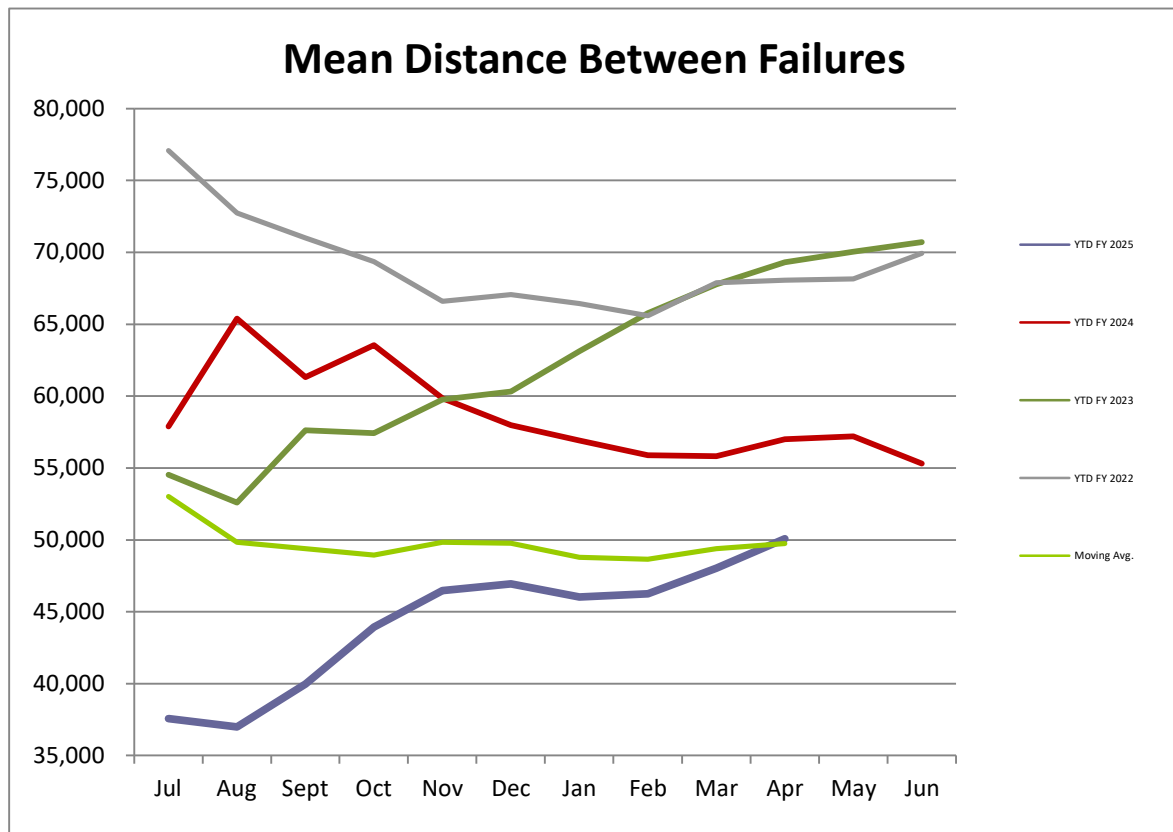
* Statistics comprise both dedicated and non-dedicated service.

MEAN DISTANCE BETWEEN FAILURES

April 2025

NJ TRANSIT Rail Operations
Mean Distance Between Failures

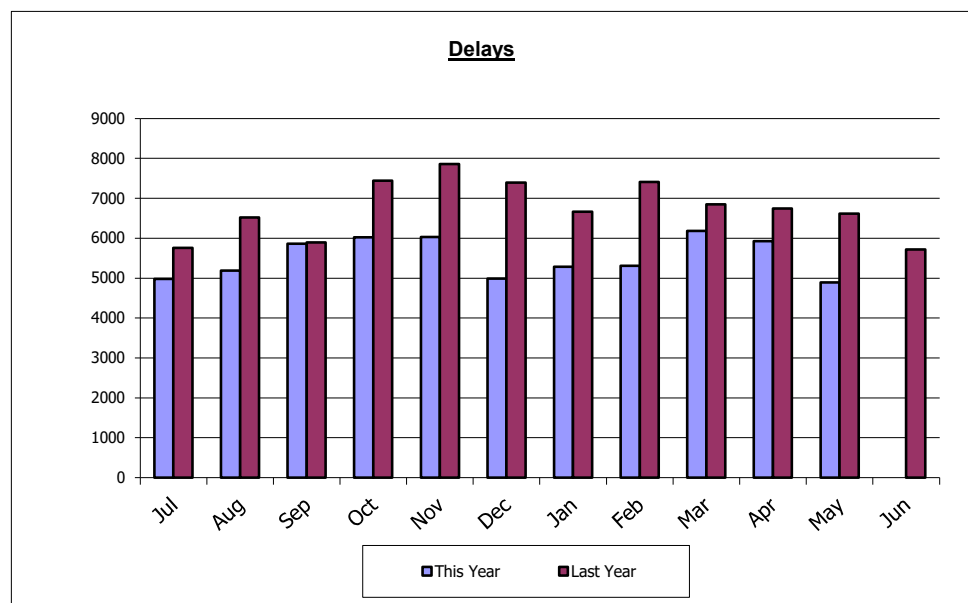
Month	YTD FY 2025	YTD FY 2024	YTD FY 2023	YTD FY 2022	12 Month Moving Avg.
Jul	37,549	57,875	54,531	77,087	53,024
Aug	36,992	65,403	52,602	72,743	49,833
Sept	39,979	61,324	57,623	71,005	49,378
Oct	43,929	63,539	57,410	69,368	48,959
Nov	46,462	59,844	59,761	66,597	49,826
Dec	46,944	57,968	60,315	67,060	49,770
Jan	46,027	56,904	63,121	66,433	48,781
Feb	46,251	55,888	65,780	65,594	48,656
Mar	48,032	55,822	67,778	67,894	49,372
Apr	50,066	57,014	69,327	68,050	49,734
May	-	57,197	70,045	68,153	-
Jun	-	55,317	70,712	69,949	-



Garage Performance Parameters

May 2025

Location	Miles Between In-Service Delays			
	FY2025 Goal	This Month	FY2025 YTD	FY2024 YTD
Fairview	6,500	9,621	6,606	6,533
Market Street	6,500	3,577	4,093	4,144
Meadowlands	10,000	2,154	2,236	3,673
Oradell	13,000	13,409	12,439	15,062
Wayne	12,000	8,554	10,655	9,137
WestWood	13,000	12,893	16,638	23,140
Northern Division	-	4,630	4,973	6,229
Big Tree	7,500	3,233	3,985	4,265
Greenville	6,000	2,630	4,163	4,051
Hilton	8,500	3,576	4,163	4,849
Howell	17,500	17,224	19,622	22,277
Ironbound	8,000	3,673	3,857	5,295
Kearny Point	-	1,858	2,121	-
Orange	7,800	1,959	2,378	2,823
Morris	10,500	9,773	14,849	22,105
Central Division	-	3,931	4,510	5,641
Egg Harbor	12,000	9,551	11,048	12,146
Hamilton	9,000	5,642	6,037	7,941
Newton Avenue	11,000	6,470	7,516	9,273
Washington Twp.	16,000	10,277	12,434	13,542
Southern Division	-	8,302	9,591	11,163
	-	-	-	-
Bus Operations	-	4,894	5,474	6,773

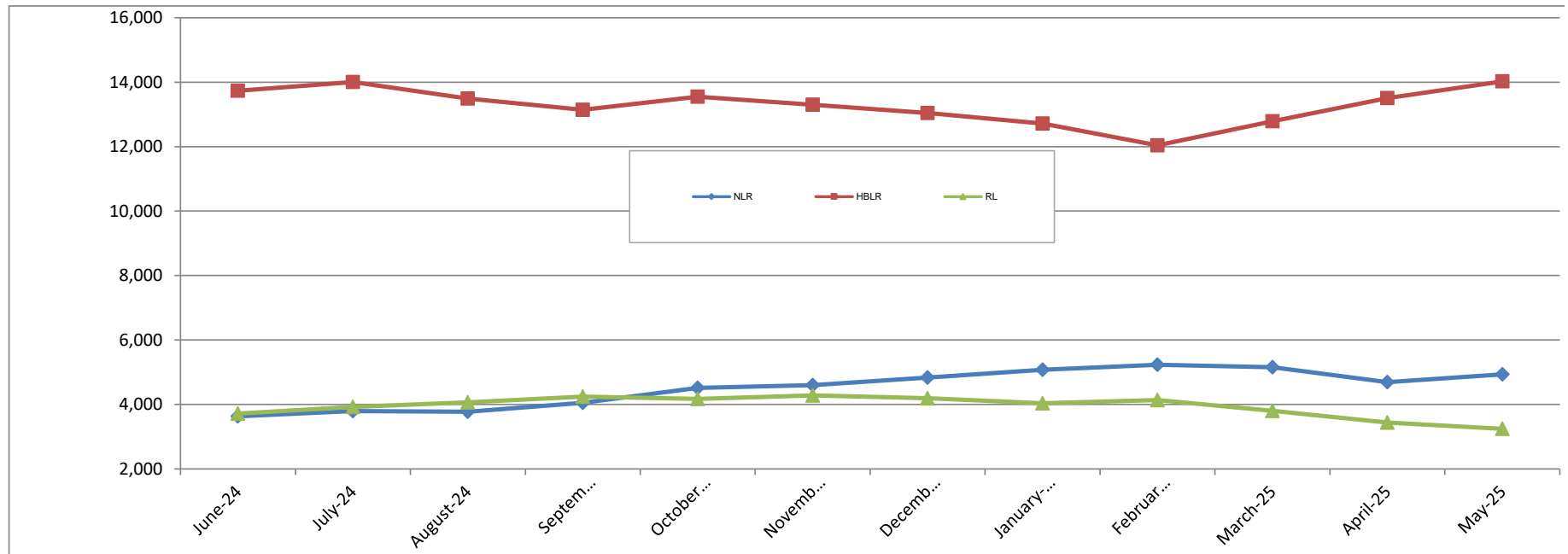


NJ TRANSIT - LIGHT RAIL, May 2025

12 Month Average Miles Between In Service Failures

NJT LIGHT RAIL	MDBSF *	MDBSF *
	April 2025	May 2025
Newark Light Rail	4,694	4,933
Hudson Bergen	13,504	14,023
River LINE	3,441	3,244

AVERAGE MILES BETWEEN IN-SERVICE MECHANICAL FAILURES



DBE/SBE PROGRAM

NJ TRANSIT - DBE/SBE/DVOB Participation for May 2025

State Funded Contracts

State Fiscal Year 2025 - July 1, 2024, through June 30, 2025

During the month of **May 2025**, NJ TRANSIT awarded **\$89,011,180.45** in state-funded contracts; of that total, Small Business Enterprises (SBE/DVOBs) received **\$17,921,962.75** or **20.13%**.

State Fiscal Year 2025 YTD (July 1, 2024, through June 30, 2025) NJ TRANSIT awarded **\$1,941,061,793.35** in state-funded contracts. Of that total, SBE/DVOBs received **\$35,862,344.55** or **1.85%**.

SBE/DVOB Goal Attainment from July 1, 2024, through June 30, 2025 (SFY 2025)

Goods & Services

Category 1 SBE/DVOBs	\$360,850.00	0.02%
Category 2 SBE/DVOBs	\$1,149,087.72	0.06%
Category 3 SBE/DVOBs	\$27,876,688.90	1.44%

Construction

Category 4 SBE/DVOBs	\$241,383.75	0.01%
Category 5 SBE/DVOBs	\$1,759,715.00	0.09%
Category 6 SBE/DVOBs	\$4,474,619.18	0.23%

FTA Funded Contracts - Updated on a quarterly basis

Federal Fiscal Year (FFY) 2025 - October 1, 2024 through September 30, 2025

During the 2nd Quarter (January 1, 2025 – March 31, 2025), the FTA-funded share of NJ TRANSIT’s federal contracts awarded was **\$334,158,077.70**. Of that total, Disadvantaged Business Enterprises (DBEs) received **\$14,725,503.49** or **4.28%**.

FFY 2023 through FFY 2025 (October 1, 2022 – September 30, 2025) NJ TRANSIT awarded **\$943,635,340.70**** in federally funded contracts. Of that total, DBEs received **\$120,327,134.36*** or **12.75%**.

**Numbers reflect federal share*

*** Number includes subrecipient awards*

Next update will occur in July 2025

Transit Vehicle Manufacturer (TVM)¹ Awards

During the 2nd Quarter (**January 1, 2025 – March 31, 2025**), NJ TRANSIT awarded **\$79,245.92*** in TVM Change Orders.

Next update will occur in July 2025

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

EMPLOYEE RECOGNITION

NJ TRANSIT employees bid farewell after outstanding careers

27 NJ TRANSIT employees retired recently:

1. Andrew Bedekovic, Director Rail Safety -- HQ -- 21 years
2. Mark Danks, Assistant Conductor -- Various -- 25 years
3. Frank Dedics, Class I Operator -- P/D -- 30 years
4. Albert Littlejohn, Sr. Training Specialist -- Ferry Street -- 37 years
5. Richard Metro, Locomotive Engineer -- Various -- 37 years
6. Nicholas Moschella, Conductor -- Various -- 31 years
7. Franklin Rojas, Conductor -- Various -- 28 years
8. Cosimo Roselli, Conductor -- Various -- 36 years
9. Anthony Smart, Machinist -- Hoboken -- 11 years
10. Joseph Stevenson, Car Appearance Maintainer -- PSNY -- 20 years
11. Stephen Stone, Locomotive Engineer -- Various -- 39 years
12. Anna Wleh, TVM Terminal Agent -- PSNY -- 23 years
13. Daniel Wood, Electrician -- Port Morris -- 16 years
14. Cyril Benjmain, Repairman A -- Wayne -- 26 years
15. Adalbert Fabian, Operator -- Washington Township -- 18 years
16. Azhar Iqbal, Operator -- Ironbound -- 22 years
17. Linda Mungin-Bey, Operator -- Orange -- 21 years
18. Daniel Osei, Operator -- Hilton -- 17 years
19. Marino Peluso, Electronics Tech -- Newark -- 42 years
20. Hung Cu, Electronics Tech -- Newark -- 16 years
21. Richard Davis, Operator -- Market St. -- 32 years
22. Shawn McKinnon, Parking Lot -- Weehawken -- 23 years
23. Arelis Ramirez, Operator -- Meadowlands -- 24 years
24. Paul Saint-Suline, Operator -- Hilton -- 23 years
25. Florence Mason, Sr. Legal Secretary -- HQ -- 20 years
26. Kimberly Bethea, Regional Supervisor -- Maplewood -- 34 years
27. Christopher Corasio, Chief Contract Services -- HQ -- 27 years

ACTION ITEMS

ITEM 2506-23: FISCAL YEAR 2026 SOLE, SINGLE, AND LIMITED QUALIFIED SOURCE PROCUREMENT BY EXCEPTION AUTHORIZATION

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

WHEREAS, NJ TRANSIT requires signal, electrical, and other right-of-way equipment, and parts to restore systems damaged by Superstorm Sandy, and maintain right-of-way equipment in general; and

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

WHEREAS, NJ TRANSIT requires the renewal and/or extension of various software maintenance contracts and licensing agreements; and

WHEREAS, NJ TRANSIT requires information technology products compatible with existing hardware, software and operating systems; and

WHEREAS, these contracts ensure the continued operation of both the hardware and software required to support NJ TRANSIT's business units, and rail and surface transit operations; and

WHEREAS, these products are being fully utilized throughout the corporation; and

WHEREAS, NJ TRANSIT staff has identified the vendors on Exhibits A1, A2, and A3, as the only current sources for these items and services; and

WHEREAS, pursuant to N.J.S.A. 27:25-11(g)(3)(c) 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)(3)(c) 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)(3)(c) 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)(3)(e) competitive procurement requirements may be waived to acquire or overhaul transit vehicles, major equipment and signal and fare collection systems; and

WHEREAS, the President & CEO certifies that these Sole, Single, and Limited Qualified Source acquisitions listed on Exhibits A1, A2, and A3 are consistent with and authorized by N.J.S.A. 27:25-11(g), and NJ TRANSIT's Regulations, including N.J.A.C. 16:72-1.5(e)(8),(9),(12) and (14);

NOW, THEREFORE, BE IT RESOLVED that the Chair or President & CEO is authorized to enter into procurement-by-exception contracts for the purchase of materials and services from approved vendors set forth in Exhibit A1 (subject to adjustments) to support Rail and Surface Transit operations at a cost not to exceed \$25,300,000, plus five percent for contingencies, subject to the availability of funds. The Board will be advised when actual spend is projected to exceed this allowance. New firms with material or services whose aggregate value exceeds \$250,000 within the fiscal year, will be submitted to the Board. This request will cover a 12-month period from July 1, 2025 to June 30, 2026; and

BE IT FURTHER RESOLVED that the Chair or President & CEO is authorized to enter into procurement-by-exception contracts for the purpose of purchasing, maintaining or upgrading hardware and software systems from approved vendors set forth in Exhibit A2 (subject to adjustments) to support NJ TRANSIT's Information Technology Systems at a total cost not to exceed \$29,560,000, plus five percent for contingencies, subject to the availability of funds. The Board will be advised when actual spend is projected to exceed this allowance. New firms with services whose aggregate value exceeds \$250,000 within the fiscal year, will be submitted to the Board. This request will cover a 12-month period from July 1, 2025 to June 30, 2026; and

BE IT FURTHER RESOLVED that the Chair or President & CEO is authorized to enter into procurement-by-exception contracts for the purchase of materials and services from approved vendors set forth in Exhibit A3 (subject to adjustments) to support NJ TRANSIT Infrastructure at a cost not to exceed \$3,750,000, plus five percent for contingencies, subject to the availability of funds, Federal Transit Administration approval and all other applicable requirements. The Board will be advised when actual spend is projected to exceed this allowance. New firms with services whose aggregate value exceeds \$250,000 within the fiscal year will be submitted to the Board. This request will cover a 12-month period from July 1, 2025 to June 30, 2026.

**FISCAL YEAR 2026 SOLE, SINGLE, AND LIMITED QUALIFIED SOURCE
PROCUREMENT BY EXCEPTION AUTHORIZATION**

VENDORS REPLACEMENT PARTS AND SERVICES

Vendor		City	State	Procurement Method (Sole/OEM, Single, Limited Source)
1.	ABBE-Mobility Inc	Tempe	AZ	Requisition / PO
2.	Airline Hydraulics	Bensalem	PA	Sole Source – Components for MMC Jacks
3.	Alstom Mass Transit	Plattsburgh	NY	OEM-Spherical Bearings, Vertical Shock Absorbers, etc.
4.	3a. Alstom Transportation Inc * (x). 3b. American Electrical Testing (AET)	Lisle Boonton	IL NJ	OEM Diesel Loco Comp High Voltage Transformers
5.	American Hose & Hydraulics Co	Paterson	NJ	OEM - Hydraulic, coolant, and oil fuel lines
6.	Apollo Video Technology LLC* (dba Luminator Technology Group, Inc.)	Bothell	WA	OEM-Surveillance SW
7.	ARVA Industries	St. Thomas	Ontario, Canada	OEM supplier of catenary maintenance machine parts
8.	BBM Railway Equipment LLC	Youngstown	OH	OEM- R/R Jacks
9.	Bentech	Philadelphia	PA	OEM- Barrier Doors
10.	Alstom-Bombardier Transit Corp. (x)	Ontario	Canada	OEM R/R Components
11.	C&W Meter Services (x)	Quaker	PA	Sole Source – MMC Fuel Pad /Fuel Meters Components
12.	Central Sales and Service Inc	Waverly	TN	Gasket
13.	Cleaveland/Price Inc. *	Westmoreland	PA	Sole Source -Catenary Eq
14.	Clever Devices*	Syosset	NY	OEM-Smart Bus HW/SW
15.	CNC Engineering Inc.	Enfield	CT	Sole Source- Components for AAR Wheel Shop
16.	Cubic Transportation Systems	Tullahoma	TN	OEM- Fare Collection
17.	Cummins, Inc.	Kearny	NJ	OEM- Engine Parts

**FISCAL YEAR 2026 SOLE, SINGLE, AND LIMITED QUALIFIED SOURCE
PROCUREMENT BY EXCEPTION AUTHORIZATION**

VENDORS REPLACEMENT PARTS AND SERVICES

18.	Dellner Couplers Inc.	Charlotte	NC	OEM- Couplers
19.	Eastec (SBE)	Wall	NJ	OEM Door Access Control
20.	Enertec Rail Equipment	Blainville	(QC) Canada	Protective heat, thresholds, Comets and Multilevels
21.	Ensco Rail Inc.	Springfield	VA	Sole Source -TGIV
22.	TransTech of SC (formerly) Faively Transtech/(Wabtec)* (x)	Greenville Charlotte	SC NC	OEM-Pantograph
23.	FallProof Systems LLC	Trenton	NJ	OEM- Components MMC Fall Protection
24.	Flowbird Transport Ltd.*	Poole	UK	OEM Fare Collection
25.	Foley Inc.	Piscataway	NJ	OEM- Engine Parts
26.	Fujitsu Network Communications	Richardson	TX	Sole Source- Door Control Components
27.	Geismar North America	Beaufort	SC	OEM supplier of replacement parts for Catenary equipment
28.	Hanning and Kahl LP	Bridgeport	PA	OEM- NLR Switches
29.	Harsco Rail	Charlotte	NC	OEM supplier of maintenance machine parts for TGIV
30.	HBL America	Manchester	CN	Batteries
31.	Henkels & McCoy, Inc.	Blue Bell	PA	Specialized Constr. Equip.
32.	Highline PC	Philadelphia	PA	Windows
33.	32a. Hitachi Energy USA	South Brunswick	NJ	OEM- Protective relay & Substation equipment
	32b. Hitachi Rail STS (formerlyAnsaldo)*	Pittsburgh	PA	OEM-Parts and Services Signal Components
34.	HiTran Corporation	Flemington	NJ	Sole Source- Transformer/Repair
	IS Technology Solutions			Automatic Brake Valve Tester
	Industrial Process Measurement Inc.			Annual calibration services
35.	Hudson Machine Works	Brewster	NY	Sole Source – Various parts for rolling stock
36.	Hutchinson Aerospace & Industry	Chicago	IL	RCND parts and Air Springs
37.	Integrated Power Service	Denver	CO	Arrow III main transformer – OEM

**FISCAL YEAR 2026 SOLE, SINGLE, AND LIMITED QUALIFIED SOURCE
PROCUREMENT BY EXCEPTION AUTHORIZATION**

VENDORS REPLACEMENT PARTS AND SERVICES

38.	Jamaica Bearings (x)	New Hyde Park	NY	Sole Source-wheel bearings
39.	Johnson & Towers, Inc.	Egg Harbor	NJ	Sole Source – Parts & Service ,Southern Division
40.	KB Signaling, Inc.	Grain Valley	MO	OEM Signals
41.	Khrone USA Inc.	Plattsburgh	NY	Interiors furnishings for Multi- levels and Comets
42.	Kiel NA LLC	Bellwood	IL	Passenger Seats
43.	Kinkisharyo International LLC	Jersey City	NJ	OEM-NLR Systems
44.	Knorr Air Brake (x)	Westminster	MD	OEM-Braking Systems NLR
45.	L.B. Foster	Pittsburgh	PA	OEM – Track Lubricators/Traction
46.	La Marche Manufacturing Co.*	Des Plaines	IL	OEM-Signal Comp
47.	Luminator Technology Group	Plano	TX	OEM-Signage Equip
48.	Lux Aeterna	Quebec	Canada	OEM- Stock interior comp
49.	Mac Impulse	Mt. Olive	NC	OEM-Catenary Parts
50.	Matrix Railway	West Babylon	NY	Interior and exterior light/led conversion various rolling
51.	McConway & Torley LLC	Pittsburgh	PA	(OEM) – Couplers Assemblies
52.	Merak North America LLC	Westminster	MD	OEM- Multilevel HVAC Units
53.	Mitsubishi	Mellville	NY	OEM ML HVAC
54.	Motive Equipment (x)	New Berlin	WI	OEM-HVAC
55.	MX Industrial	Warminster	PA	Sole Source – Components AAR Wheel NTD Machines
56.	Myers Controlled Power LLC	North Canton	OH	OEM-DC Electrical Breakers
57.	National Refrigerants Inc.	Philadelphia	PA	Sole Source-Refrigerants
58.	NSH USA Corporation ¹	Albany	NY	Sole Source – Components for Wheel Machines
59.	Nordco (a Wabtec Co.)	Oak Creek	WI	OEM supplier of track maintenance machine parts
60.	Omicron Electronics Corp. USA	Houston	TX	High voltage diagnostics/test equipment and software

¹ Simmons Machine Tool Corp., the company listed on previous Sole Source Board Items, changed its name to NSH USA Corporation.

**FISCAL YEAR 2026 SOLE, SINGLE, AND LIMITED QUALIFIED SOURCE
PROCUREMENT BY EXCEPTION AUTHORIZATION**

VENDORS REPLACEMENT PARTS AND SERVICES

61.	Omni Control Technology	Whitinsville	MA	Switch Heater elements
62.	Orgo Thermit, Inc	Manchester	NJ	OEM - Eddy Current testing units and welding kits
63.	ORX Railway Corporation	Tipton	PA	Sole Source gear motors
64.	Pandrol	Memphis	TN	Sole Source-Rail fastening
65.	Penn Machine Co.	Johnstown	PA	Sole Source -Tire Kits
66.	Plasser America	Chesapeake	VA	OEM supplier of catenary and track maintenance machine
67.	Power Trunk, Inc.*	Jersey City	NJ	OEM-Land Mobile Radio
68.	Precision Transmission	Colmar	PA	OEM Bus Transmissions
69.	Princeton Consultants	Princeton	NJ	Sole Source – Software for FRA Certified I-ETMS system
70.	Progress Rail* (x)	Albertville	AL	EMD Locomotive Engine Parts
71.	Pumping Services Inc.	Middlesex	NJ	Sole Source-Lift Sta Pumps & Controls
72.	Quester Tangent	Saanichton	Canada	OEM-Monitoring Control Units (MCUs)
73.	Rail Transit	Penn	PA	AF Flury Section Insulator Assemblies
74.	Railhead Corporation	Aslip	IL	Electronic Displays Sole Source-Camera Repair
75.	Railroad Friction Products (x)	Laurinburg	NC	OEM pads, shoes equip
76.	RasiCom LLC	Cherry Hill	NJ	Service Parts and Repairs for train washer
77.	Region Energy (Meenan Oil)	Dover	NJ	Sole Source-ULSDF with Dry-Break Refueling Nozzle
78.	Saft America Inc.* (x)	Cockeysville	MD	OEM-Battery Equip
79.	Scantron Corporation*	Irvine	CA	OEM-Scanning Software
80.	Schweitzer Engineering Labs/ RSI Inc.	Pullman	WA	OEM-Substation TiDL protection
81.	Seaboard Global	Ocean Township	NJ	Sole Source-Fire Supp
82.	Sherwood Electromotion	Ontario	Canada	Sole Source Traction Motors
83.	Siemens Industry, Inc.	Wendell	NC	OEM-Substation Protection
84.	Siemens Mobility, Inc.* (x)	Alpharetta Carol Stream Pittsburgh	GA IL PA	OEM-Software Signal/Comp On Board PTC PTC Components
85.	Spectrum	Brooklyn Heights	OH	OEM -Snow Heating Blower
86.	Stavola Construction Materials, Inc.	Tinton Falls	NJ	Ballast - Newark Division Stone Car Delivery

**FISCAL YEAR 2026 SOLE, SINGLE, AND LIMITED QUALIFIED SOURCE
PROCUREMENT BY EXCEPTION AUTHORIZATION**

VENDORS REPLACEMENT PARTS AND SERVICES

87.	Stewart & Stevenson Power	Lodi and Piscataway	NJ	Sole Source-Parts/Services
88.	Strato	Monmouth Junction	NJ	OEM Various intercar components, Radius Rods
89.	Tekdata Metal Solutions Inc.	Quebec	Canada	OEM-Door Parts & Assemblies
90.	Teknoware	Lahti	Finland	Sole Source- LED Light Assy
91.	The Aftermarket Parts Company	Delaware	OH	OEM Bus Fleet Comps
92.	Thermo King East Inc	Carlstadt	NJ	Requisition / PO
93.	The Okonite Company	Little Falls	NJ	Sole Source-Multi-Conductor Railroad Signal Cables
94.	TJ-H2B Analytical Services USA LLC	Chester County	PA	OEM - ALP 45/46 fleet analysis
95.	Turtle and Hughes/Rockwell	Linden	NJ	OEM – OTN XTRAN MPLS–PTC, Sig., SCADA
96.	UKM	Harleysville	PA	Various Components, Comet, Arrow and Multilevel Fleet
97.	USSC LLC	Exton	PA	OEM- Ergonomic Cab Seats
98.	Ultra-Tech UTE Calibration	New York	NY	Sole Source Cabin Signals PTC Cab Signal Test Boxes
99.	Vapor Stone Rail Systems	Plattsburgh	NY	OEM Doors
100.	Vecom USA	Tampa	FL	Sole Source- Controller Panels
101.	Voith Turbo Inc.	Sacramento	CA	OEM-Gear Box Comps
102.	Walker Engineering	Point Pleasant	NJ	Snow melter control panels and base unit.
103.	Westcode Inc.	Chadds Ford	PA	OEM ARROW3 Repair Kits
104.	Western- Cullen Hayes, Inc.	Chicago	IL	Limited Source- Hydraulics
105.	Whiting Corp. Whiting Services Inc	Monee	IL	OEM-Jacks
103.	Wabtec Global Service Center	Kansas City	MO	OEM Brake Controls
	Wabtec Locomotive Products *	Wilmerding	PA	OEM Compressors and kits
	Wabtec Passenger Transit *(x)	Spartanburg	SC	OEM Airbrakes
	Wabtec Components, LLC*(x)	Wilmerding	PA	OEM PTC Components
	Wabtec Railway Electronics	Pittsburgh	PA	Single Source PTC Software
104.	Winchester Interconnect	Winsted	CT	Single Source Cables

**FISCAL YEAR 2026 SOLE, SINGLE, AND LIMITED QUALIFIED SOURCE
PROCUREMENT BY EXCEPTION AUTHORIZATION**

VENDORS REPLACEMENT PARTS AND SERVICES

* *This vendor(s) provides materials and services across multiple Business Units of NJ TRANSIT.*

(x) Indicates sole source to maintain supply, items subject to stockout / logistical problems

**FISCAL YEAR 2026 SOLE, SINGLE, AND LIMITED QUALIFIED SOURCE
PROCUREMENT BY EXCEPTION AUTHORIZATION**

VENDORS COMPUTER HARDWARE AND SOFTWARE

	Vendor	City	State	Procurement Method (Sole/OEM, Single, Limited Source)
1.	Bach-Simpson	London	Canada	Sole-Event Recorders
2.	Baran Design Associates	Franklin Township	NJ	Sole-Pub Address
3.	Burns Engineering Design	Pittsburg	PA	Sole-Development/Integration of Safety Initiatives
4.	Clever Devices*	Woodbury	NY	Sole-Smart Bus
5.	Conduent Business Services, LLC	Somerset	NJ	Sole-Fare Collection
6.	CORYS Inc.	Jacksonville	FL	Manufacturer of PTC Simulators, and CGI
7.	Cubic Transportation Systems, Inc.	San Diego	CA	Sole-Fare Collection
8.	Eastec, Inc	Neptune City	NJ	Sole – Access Control
9.	Enghouse Interactive Inc. dba Enghouse Transportation LLC*	Markham	Canada	Sole-Time/Att/Dispatch
10.	Flowbird	Pittsburgh	PA	Sole-Fare Collection
11.	Giro Incorporated	Montreal	Canada	Sole-HASTUS SW
12.	Governmentjobs.com, Inc. DBA Neogov (Formerly Highline Software, Inc)	El Segundo	CA	Sole-HRMS
13.	Hasler Rail AG	Carnegie	PA	PTC Software
14.	Hired by Matrix	Oradell	NJ	Sole-Fare Collection
15.	HUB Parking Technology USA	Warrandale	PA	Sole- Parking Equip
16.	IBM Corporation	Armonk	NY	Sole-Mainframe-Op Sys
17.	Infobip, Inc.	Seattle	WA	Sole-My Bus
18.	UKG Kronos Systems, LLC	Lowell	MA	Sole-Time/Attendance SW
19.	LILEE Systems, Inc.	San Jose	CA	PTC Comms & Wireless Security Software
20.	Meteorcomm LLC	Renton	WA	PTC Software
21.	Power Trunk, Inc.*	Jersey City	NJ	Sole- Land Mobile Radio
22.	Hexagon (formerly Qognify)	Pearl River	NY	Sole- Video Surveillance
23.	Replicant Solutions Inc.	San Francisco	CA	Sole-Access Link SW
24.	Riskconnect Clear Sight	Kennesaw	GA	Sole-Risk Mgmt SW/HW
25.	Samsara Networks Inc.	San Francisco	CA	Sole- Video Surveillance
26.	Saucon Technologies	Bethlehem	PA	Sole- Video Surveillance
27.	Signature Rail Limited	York	UK	Sole-Scheduling SW
28.	Siemens PTC	Pittsburgh	PA	Safety Initiatives

**FISCAL YEAR 2026 SOLE, SINGLE, AND LIMITED QUALIFIED SOURCE
PROCUREMENT BY EXCEPTION AUTHORIZATION**

VENDORS COMPUTER HARDWARE AND SOFTWARE

29.	Software AG, Inc.	Reston	VA	Sole-Mainframe Apps
30.	Solari Corporation	Long Island City	NY	Sole -Station Signs HW/SWP
31.	Trapeze Software Group	Cedar Rapids	IA	Sole-PASS Software Suite
32.	Wabtec Transportation Systems (formerly Rockwell Collins AIRINC)	Pittsburgh	PA	Sole-Train Mgmt & Control & PTC Software
33.	Zensors Inc.	San Francisco	CA	Sole – AI Video Analytics

** This vendor(s) provides materials and services across multiple Business Units of NJ TRANSIT.*

EXHIBIT A3

**FISCAL YEAR 2026 SOLE, SINGLE, AND LIMITED QUALIFIED SOURCE
PROCUREMENT BY EXCEPTION AUTHORIZATION**

VENDORS INFRASTRUCTURE PROGRAM

Vendor	City	State	Procurement Method
AFL Telecommunications*	Jersey City	NJ	FTA Approved Sole Source 3/24/2022
Alstom Signaling, Inc.*	West Henrietta	NY	FTA Approved Sole Source 1/25/2023
Cleaveland Price, Inc.*	Westmoreland	PA	FTA Approved Sole Source 3/24/2022
Henkles & McKoy, Inc.	Blue Bell	PA	FTA Approved Sole Source 1/25/2023
Hitachi Rail Sts USA Inc.	Pittsburgh	PA	FTA Approved Sole Source 1/25/2023
La Marche Manufacturing	Des Plaines	IL	FTA Approved Sole Source 1/25/2023
Saft America, Inc.	Cockeysville	MD	FTA Approved Sole Source 1/25/2023
Siemens Mobility Inc.	Alpharetta	GA	FTA Approved Sole Source 1/25/2023
TransTech of SC Inc.	Piedmont	SC	FTA Approved Sole Source 3/24/2022
Wabtec Components, LLC	Wilmerding	PA	FTA Approved Sole Source 8/14/2024

* This vendor(s) provides materials and services across multiple Business Units of NJ TRANSIT.

ITEM 2506-24: RESOLUTION AUTHORIZING ENTERING INTO A FUNDING AGREEMENT BETWEEN NEW JERSEY TRANSIT CORPORATION AND THE GATEWAY DEVELOPMENT COMMISSION

WHEREAS, in July 2019, the States of New York and New Jersey created the Gateway Development Commission (GDC) through the enactment of parallel legislation by each state and codified as the Gateway Development Commission Act (GDC Act); and

WHEREAS, the GDC is a seven-member public authority and a government-sponsored authority (with three Commissioners from the State of New York, three Commissioners from the State of New Jersey, and one Commissioner directly appointed by Amtrak) that is empowered to facilitate and coordinate activities and encourage the actions of others to effectuate the Gateway Program; in particular, Phase 1 of the Program, which includes the Hudson Tunnel Project (HTP); and

WHEREAS, GDC established its operations in accordance with the requirements of the GDC Act and needs funding to support these organizational and establishment activities; and

WHEREAS, pursuant to the GDC Act, the State of New Jersey has agreed to fund one-third of the annual budget for the GDC as approved by the GDC Board; and

WHEREAS, on December 12, 2024, the GDC Board adopted the Final Annual Operating and Capital Budget for Fiscal Year 2025; and

WHEREAS, in December 2021, the New Jersey Turnpike's (NJTA) Board of Commissioners authorized the NJTA to enter into negotiations for a Funding Agreement (Turnpike Agreement) with the New Jersey Department of the Treasury (NJ Treasury) to fund the state's obligations in connection with the HTP; and

WHEREAS, in December 2022, the NJTA's Board of Commissioners authorized a resolution approving the terms of the Turnpike Agreement with NJ Treasury, and the parties executed the Turnpike Agreement on January 31, 2023; and

WHEREAS, the Turnpike Agreement provided that, beginning on or about January 1, 2023, and continuing on the first of each month thereafter, the NJTA agreed to start making payments to the NJ Treasury for the purpose of supporting GDC operations until completion of construction of the HTP; and

WHEREAS, the Turnpike Agreement is contingent on annual appropriations and requires the NJ Treasury to transfer the NJTA payments to NJ TRANSIT, which then will transfer such funds to the GDC for the sole purpose of fulfilling the state's obligations; and

WHEREAS, NJ TRANSIT would enter into a Funding Agreement with the GDC whereby NJ TRANSIT will convey the amount received from the New Jersey Department of the Treasury to the GDC, in an amount not to exceed \$10,370,026.68, for the purpose of supporting GDC's Fiscal Year 2025 budget; and

WHEREAS, once the Funding Agreement is executed and the NJTA payments are appropriated, NJ TRANSIT will proceed with the transfer of funds as provided in the Funding Agreement;

NOW, THEREFORE, BE IT RESOLVED, that the Chair or President & CEO is authorized to enter into a Funding Agreement with the Gateway Development Commission, whereby NJ TRANSIT will convey to the Gateway Development Commission, from funds received from the New Jersey Department of the Treasury, in an amount not to exceed \$10,370,026.68, for the purpose of supporting the Gateway Development Commission's Fiscal Year 2025 budget.

ITEM 2506-25: NJ TRANSIT CAPITAL PROGRAM: AGREEMENT WITH RUTGERS UNIVERSITY FOR SERVICES, INCLUDING APPLIED RESEARCH, TECHNICAL SUPPORT, AND WORKFORCE DEVELOPMENT

WHEREAS, Rutgers, The State University of New Jersey, is a specially chartered instrumentality of the State of New Jersey and a premier research and educational institution of higher education in New Jersey; and

WHEREAS, Rutgers is home to the School of Engineering, Center for Advanced Infrastructure and Transportation (CAIT), a United States Department of Transportation designated National Center for Infrastructure Transformation; and

WHEREAS, CAIT has agreed in principle to collaborate with NJ TRANSIT to develop the NJ TRANSIT Collaborative Program; and

WHEREAS, the mission of the NJ TRANSIT Collaborative Program, hosted at Rutgers CAIT is to provide short and long-term research, technical support, and workforce development assistance to NJ TRANSIT, to support the continuous improvement of its capital programming, State of Good Repair, rail and bus operational safety, efficiency, sustainability and resiliency, as well as developing a sustainable pipeline of talent for its future workforce; and

WHEREAS, The NJ TRANSIT Collaborative Program will integrate a portfolio of intellectual resources at Rutgers to address NJ TRANSIT's current and emerging needs in a variety of areas, including, but not limited to asset management, State of Good Repair, risk and resilience, sustainability, economic study and analysis, asset imaging, information science, track infrastructure, rolling stock, train operation, bus operation, system safety, logistics and capital planning, as well as assessment of emerging transit and rail-specific technologies and concepts;

NOW, THEREFORE, BE IT RESOLVED, that the Chair or President & CEO is authorized to enter into an agreement with Rutgers, The State University of New Jersey, for five years.

ITEM 2506-26: AMENDMENT OF REVENUE PROCESSING AND ARMORED CAR SERVICES CONTRACT

WHEREAS, NJ TRANSIT collects revenues of approximately \$160 million annually in currency and coins through bus exact fare revenue bins, bus and rail terminals and station revenue, Ticket Vending Machine (TVM) revenues, and pay station revenues at Park and Rides; and

WHEREAS, NJ TRANSIT requires the secure transportation and handling of its revenue via armored car service; and

WHEREAS, revenue collected by the armored car is delivered to a secure facility, where it is counted, reconciled, deposited, and transferred to NJ TRANSIT's primary banking accounts; and

WHEREAS, in March of 2021, the NJ TRANSIT Board of Directors approved the award of NJ TRANSIT Contract No. 18-034 to Wells Fargo Bank, N.A., and authorized funding for the initial three-year contract amount of \$14,043,448.56;

NOW, THEREFORE, BE IT RESOLVED that the Chair or President & CEO is authorized to add funding to NJ TRANSIT Contract No. 18-034 with Wells Fargo Bank, N.A. for revenue processing and armored car services, in the amount not to exceed \$5,147,920.66, plus five percent for contingencies, subject to the availability of funds.

ITEM 2506-27: REGULATIONS: PROPOSED INITIATION OF THE RULE-MAKING PROCESS FOR N.J.A.C. 16:72, NEW JERSEY TRANSIT PROCUREMENT POLICIES AND PROCEDURES

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

WHEREAS, NJ TRANSIT procures a wide spectrum of goods and services in order to support, operate and improve its public transportation system in furtherance of its statutory mission; and

WHEREAS, in accordance with N.J.S.A. 2A:44-143; 27:25-5(e) and 27:25-11, NJ TRANSIT has the authority to promulgate rules and regulations relating to procurements; and

WHEREAS, N.J.A.C. 16:72 contains the rules governing the procurement by NJ TRANSIT of goods and services through a competitive bidding process, as well as the debarment, suspension, and disqualification of persons and/or companies doing business with NJ TRANSIT; and

WHEREAS, staff reviewed the proposed rules for readoption with amendments and determined that the rules are necessary, adequate, reasonable, efficient, and responsive to the purposes for which they were originally promulgated, and should initiate the rulemaking process for the readoption with amendments of the proposed rules; and

NOW, THEREFORE, BE IT RESOLVED that the Chair or the President & CEO, or the appropriate designee, is hereby authorized to take all actions necessary to initiate the rule-making process for readoption with amendments of N.J.A.C. 16:72, New Jersey Transit Procurement Policies and Procedures, consistent with this Board item and corresponding Exhibit.

EXHIBIT A

TRANSPORTATION

NEW JERSEY TRANSIT CORPORATION

NEW JERSEY TRANSIT PROCUREMENT POLICIES AND PROCEDURES

Proposed Readoption with Amendments

Authorized By: New Jersey Transit Corporation, Kris Kolluri, President and CEO

Authority: N.J.S.A. 2A:44-143; 27:25-5(e) and 27:25-11

Calendar Reference: See summary below for explanation to calendar requirement.

Proposal Number: PRN2025-

Submit comments by , 2025 to:

Compliance Department

New Jersey Transit Corporation

283-299 Market Street

18th Floor

Newark, NJ 07102

Email: RuleProcurementComments@njtransit.com

The agency proposal follows:

Summary

The New Jersey Transit Corporation (hereinafter “NJ TRANSIT” or “Corporation”) was established by the New Jersey Public Transportation Act of 1979 (the “Act”), (N.J.S.A. 27:25-1 et seq.) as an instrumentality of the State government responsible to establish and provide for the operation and improvement of a coherent public transportation system in the most efficient and effective manner. NJ TRANSIT has evaluated the rules at N.J.A.C. 16:72, New Jersey Transit Procurement Policies and Procedures, scheduled to expire on June 11, 2026.

NJ TRANSIT has determined that the rules in Chapter 72 are necessary, adequate, reasonable, efficient, and responsive to the purposes for which they were originally promulgated, with the changes discussed below and, therefore, proposes to readopt the chapter with amendments.

EXHIBIT A

N.J.A.C. 16:72 contains the requirements governing the procurement by NJ TRANSIT of goods and services, as well as the debarment, suspension, and disqualification of persons and/or companies doing business with NJ TRANSIT. With certain exceptions, the rules proposed for readoption with amendments require all purchases, whether made as a result of formal advertising or otherwise, to be made on a competitive basis, to the maximum practical extent, and implement the procurement requirements set forth in N.J.S.A. 27:25-1 et seq.

A summary of each of the subchapters follows:

Subchapter 1, General Provisions, describes the general provisions, applicable to all procurements, including the method of procurement and the means by which the public may secure information about the bidding process conducted by NJ TRANSIT.

Subchapter 2, Procedures for Invitation for Bids, describes the procedures for public bidding.

Subchapter 3, Requests for Proposals, describes the procedure to be used in the request for proposal process.

Subchapter 4, Design-Build Projects, describes the process for soliciting design-build projects

Subchapter 5, Professional Services Contracts, defines and describes the process for soliciting professional services contracts.

Subchapter 6, Debarment, Suspension and Disqualification of Persons, formerly Subchapter 5, describes the process for debarment, suspension, and disqualification.

Subchapter 7, Complaints, formerly Subchapter 6, describes procedures for filing complaints related to contracts arising as a result of procurements.

The proposed amendments are as follows:

Minor corrective changes that have been made throughout include an updated address for NJ TRANSIT headquarters and replacing the title of “Executive Director” with “President and CEO”.

In Subchapter 1, a definition for “negotiations” has been added to N.J.A.C. 16:72-1.2. A more detailed discussion of the requirements for procuring via quotation has been added to N.J.A.C. 16:72-1.5(b). Changes are proposed for 16:72-1.5(e), adding justifications for procurements-by-exception for required technical “services” that must be compatible with existing technology and for situations where NJ TRANSIT has the opportunity to test or evaluate an innovative concept or technology that could benefit the agency. In N.J.A.C. 16:72-1.5(j), a reference to NJ TRANSIT’s contracting out regulations, permitting contracting with public or private entities when required for the operation of public transportation services, has also been added.

Subchapter 2, Invitations for Bids (“IFB”), and Subchapter 3, Requests for Proposals (“RFP”), have also been updated in various places to reflect that it is now permissible to advertise IFBs in digital versions of newspapers and to reflect that paper bids and proposals are no longer received and/or returned during the procurement process. N.J.A.C. 16:72-2.4 has been revised to specifically incorporate NJ TRANSIT’s ability to consider a contractor’s prequalification status from another State agency. N.J.A.C. 16:72-3.4 has been added to permit NJ TRANSIT to waive

EXHIBIT A

any minor informalities or irregularities in an RFP. Direction on the negotiability of contract terms has also been added to N.J.A.C. 16:72-3.9.

Subchapter 4, Design-Build (“DB”) Projects, has been edited to remove redundant language regarding Debarment, Suspension and Disqualification of Persons now contained in Subchapter 6.

Subchapter 5 has been amended to include language regarding professional architectural, engineering and land surveying services as required by N.J.S.A. 52:34-9.5(c).

Subchapter 6 has been amended to include language regarding Debarment, Suspension and Disqualification of Persons previously contained in Subchapter 5.

Subchapter 7 is recodified from subchapter 6 and describes procedures for filing complaints related to contracts arising from procurements.

Social Impact

The rules proposed for readoption with amendments will positively affect NJ TRANSIT’s ability to provide statewide transit services to the public and will continue NJ TRANSIT’s capital improvement program, resulting in a better quality of services to the public and the improvement and maintenance of infrastructure for the public’s future use. The procedures delineated in the rules protect the interests of the general public and bidders.

Economic Impact

The rules proposed for readoption with amendments, by continuing utilization of a competitive bidding system, will provide economic benefits to the State that are not available without such a system. A competitive and fair procurement process provides NJ TRANSIT with the ability to procure and contract for goods and services with reliable bidders at a better price, leading to cost savings for NJ TRANSIT. Bonding is required of certain bidders, based upon the specific contract. Although the cost of a bond may be included by a bidder in its bid price, the protection offered to the State from bid bonds, performance bonds, and payment bonds outweighs any potential higher bid price. The costs of preparing a bid or proposal would vary, depending upon the specifications of the individual RFPs and upon the specific contract.

NJ TRANSIT does not anticipate that the rules proposed for readoption with amendments will increase costs to bidders relative to the current rule. These rules are designed to endorse and promote high quality and efficient public transportation, thereby supporting employment of New Jersey residents by assisting with travel to and from places of employment.

Federal Standards Statement

A Federal standards analysis is not required because the rules proposed for readoption with amendments are governed by N.J.S.A. 27:25-11 and are not subject to any Federal procurement

EXHIBIT A

regulations or standards. To the extent that a complaint is filed against a Disadvantaged Business Enterprise in a Federally funded procurement, an alternate procedure consistent with Federal regulations is required.

Job Impact

NJ TRANSIT anticipates only favorable impact on the workforce in the State by the rules proposed for readoption with amendments. NJ TRANSIT will continue to provide opportunities for vendors to compete for goods and services contracts and such contracts will enable businesses to employ New Jersey citizens to perform the contract requirements.

Agriculture Industry Impact

The rules proposed for readoption with amendments will have no impact on the agriculture industry.

Regulatory Flexibility Analysis

The rules proposed for readoption with amendments apply to all entities who want to do business with NJ TRANSIT, some of which may be small businesses, as the term is defined in the New Jersey Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq. The rules require that bids be submitted in a specified manner, accompanied by bonds in certain cases, and that debarment occur in specified situations. Provisions in the rules allow for amendment and negotiation of bids, but no preferential treatment has been specifically provided for small businesses. In accordance with New Jersey's Small Business Set Aside Program, NJ TRANSIT sets goals and creates set-asides for Small Business Enterprises ("SBEs") certified by the State, as set forth in N.J.A.C. 17:13 and/or 14. Whether an SBE goal or set-aside is created, whether the business is large or small, the rules provide for equal treatment of businesses in the bidding process in the interest of high quality goods and services and fairness to all bidders. The professional services required to complete the bidding process are those services ordinarily required for the completion of any capital project, for example, engineering and design services. Other professional services would vary, depending upon the specifications of the individual RFPs. The costs of professional services will vary, depending upon the specifications of the individual RFPs. The costs of complying with the rules are discussed in the Economic Impact statement, but NJ TRANSIT does not anticipate that the rules proposed for readoption with amendments will increase costs to small businesses relative to the current rule.

Housing Affordability Impact

NJ TRANSIT does not anticipate that the rules proposed for readoption with amendments will have any impact on the affordability of housing in New Jersey or on the average costs of housing because the rules pertain to an efficient and robust procurement process for the bidding community. However, NJ TRANSIT provides bus, rail, light rail, and Access Link services throughout the State, which allows residents flexibility of choice for their place of residence.

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Smart Growth Development Impact

The rules proposed for readoption with amendments will have no impact on the achievement of smart growth or on housing production within Planning Areas 1 and 2, or within designated centers under the State Development and Redevelopment Plan because the procurement rules affected herein are limited to ensuring a competitive bid process for the bidding community.

Racial and Ethnic Community Criminal Justice and Public Safety Impact

The rules proposed for readoption with amendments will not have an impact on pretrial detention, sentencing, probation, or parole policies concerning adults and juveniles in the State. Accordingly, no further analysis is required.

Full text of the rules proposed for readoption may be found in the New Jersey Administrative Code at N.J.A.C. 16:72.

Full text of the proposed amendments follows (additions indicated in boldface **thus**; deletions indicated brackets [thus]):

SUBCHAPTER 1. GENERAL PROVISIONS

16:72-1.1 Source for public information

The public may receive information concerning NJ TRANSIT's procurement program by contacting the Procurement Department, NJ TRANSIT, **283-299 Market Street, Suite 1000, Newark, NJ 07102** [One Penn Plaza East, Newark, New Jersey 07105-2246] or www.njtransit.com/procurement.

16:72-1.2 Definitions

The following words and terms, when used in this chapter, shall have the following meanings unless the context clearly indicates otherwise:

"Affiliates" means persons having an overt or covert relationship such that any one of them directly or indirectly controls or has the power to control another.

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"Bid security" means a guarantee, in the form of a bond or deposit consisting of a cashier's check, certified check or irrevocable letter of credit that the bidder, if selected, will accept the contract as bid; otherwise, the bidder or its guarantor will be liable for the amount of the loss suffered by NJ TRANSIT, which loss may be partially or completely recovered by NJ TRANSIT in exercising its rights against the bond or deposit.

"Bidder" or "proposer" means any person, firm, corporation, or other entity that provides, or offers or proposes to provide, goods or services to, or performs, any contract for NJ TRANSIT.

"Chief Procurement Officer" means the person responsible for the management and administration of the procurement, purchasing, materials management, and central intake for NJ TRANSIT.

"Contracting" means any arrangement giving rise to an obligation to supply anything or perform any service for NJ TRANSIT, other than by virtue of employment, or to supply anything to or perform any service for a private or public person where NJ TRANSIT provides substantial financial assistance and retains the right to approve or disapprove the nature or quality of the goods or services or the persons who may supply or perform the same.

"Contracting officer" means the designee of the **President and CEO** [Executive Director] authorized to execute contracts and make determinations regarding all aspects of the procurement and contracting process.

"Days" means calendar days unless otherwise specified.

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"Debarment" means an exclusion from NJ TRANSIT contracting, on the basis of a lack of responsibility evidenced by an offense, failure or inadequacy of performance or lack of integrity, for a reasonable period of time commensurate with the seriousness of the offense, failure or inadequacy of performance or lack of integrity.

"Design-build (DB)" means a design-build project in which one single entity performs the design and construction for the project. The design-build firm may be a single firm, a joint venture, a general contractor, or a joint venture and an architect/engineer team.

"Design-build-finance-operate and maintain (DBFOM)" means a design-build project in which one single entity provides the financing, or a part thereof, for the project and performs the design and construction of a project, operates the project, and maintains the project for a specified period of time, all under one contract. The DBFOM may be a single firm, a joint venture, or a general contractor, or a joint venture and an architect/engineer team.

"Design-build project" means:

1. A project under which NJ TRANSIT enters into a contract with a seller, firm, or consortium of firms to design and build a public transportation system or an operable segment of such system; and
2. May include an option to finance, or operate and maintain for a period of time, the system or segment or any combination of designing, building, operating, or maintaining such system or segment.

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In addition, "design-build project" also means a construction project under which NJ TRANSIT enters into a contract with a firm, or consortium of firms, both to design and construct a public transportation facility that is the subject of the project.

"Design-build-operate and maintain (DBOM)" means a design-build project in which one single entity performs the design and construction of a project, operates the project, and maintains the project for a specified period of time all under one contract. The DBOM may be a single firm, a joint venture, a general contractor, or joint venture and an architect/engineer team.

"Disqualification" means a debarment or suspension which denies or revokes a qualification to bid or otherwise engage in NJ TRANSIT contracting which has been granted or applied for pursuant to statute, or rules and regulations.

"Line item" means a procurement item specified in the solicitation for which the bidder is asked to give individual pricing information.

“Negotiations” means discussions between NJ TRANSIT and bidders or proposers related to a procurement, proposal, or contract with the goal of reaching a mutually acceptable agreement.

"NJ TRANSIT" means the New Jersey Transit Corporation which was established by N.J.S.A. 27:25-1 et seq. and its subsidiaries.

"Payment bond" means a guarantee provided prior to execution of a contract in the form of a bond that the vendor will pay all of its obligations to its subcontractors and suppliers and that NJ TRANSIT subcontractors and suppliers will be protected from loss in the event that the vendor fails to make payment as agreed.

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"Performance bond" means a guarantee, provided prior to execution of a contract, in the form of a bond that the successful bidder will complete the contract as agreed and that NJ TRANSIT will be protected from loss in the event the vendor fails to complete the contract as agreed.

"Person" means any natural person, company, firm, association, corporation, or other entity.

"Procurement" means the awarding of contracts for construction, alterations, supplies, equipment, repairs or maintenance, goods, or for rendering any services to NJ TRANSIT.

"Procurement" shall include contracts that are awarded after advertisement, or other competitive process, as well as contracts that are awarded pursuant to N.J.A.C. 16:72-1.5(e) (procurement-by-exception).

"Procurement-by-exception" means a form of procurement in which the subject matter is excepted from the requirement of public advertisement.

"Publicly available," with respect to any procurement, either in printed or electronic format, means access to the record of any particular procurement or contract for review and/or copying, with the exception of any materials deemed by NJ TRANSIT to be proprietary, confidential, or subject to any privilege, or exclusion under the Open Public Records Act, N.J.S.A. 47:1A-1 et seq., the common law, and/or U.S. copyright law.

"Suspension" means an exclusion from NJ TRANSIT contracting for a temporary period of time, pending the completion of an investigation or legal proceedings.

"Term contract" means a contract in which a source or sources of supply are established for a specified period of time, usually characterized by an estimated or definite minimum quantity, with the possibility of additional requirements beyond the minimum, all at a predetermined unit price.

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"Vendor" or "contractor" means any person, firm, corporation or other entity which provides or offers or proposes to provide goods or services to or perform any contract for NJ TRANSIT.

16:72-1.3 Competition

All purchases, whether by formal advertising or otherwise, shall be made on a competitive basis to the maximum practicable extent.

16:72-1.4 Responsible contractors

(a) Procurements shall be made from, and contracts shall be awarded to, responsible contractors only. A responsible contractor is one who meets the following standards:

1. Has adequate financial resources, or the presently demonstrable ability to obtain such resources, as required during the performance of the contract;
2. Is able to comply with the required or proposed delivery or performance schedule;
3. Has a satisfactory record of performance or the equivalent;
4. Has a satisfactory record of integrity;
5. Is otherwise qualified and eligible to receive an award under applicable laws and regulations;
6. Has the necessary organization, experience, operational controls and technical skills, or the demonstrated ability to obtain them; and

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7. Has the necessary production, construction and technical equipment and facilities, or the demonstrated ability to obtain them.
- (b) NJ TRANSIT shall establish procedures for determining whether a prospective contractor has met the standards of a responsible contractor.
- (c) A prospective contractor may be deemed not responsible with respect to a specific matter for which bids are solicited when NJ TRANSIT has previously held it in default on a contract for that matter. In order to determine if a prospective contractor should be determined to be not responsible based on a previous contract default, the circumstances surrounding the default will be considered.
- (d) All contractors must be authorized to do business in the State of New Jersey.
- (e) Disclosure shall be made by all prospective contractors consistent with, and pursuant to, N.J.S.A. 52:25-24.2 of names and addresses of all owners, members, stockholders, and/or partners holding 10 percent or more interest in the firm.

16:72-1.5 Methods of procurement

- (a) Invitation for Bid: Except as provided in (c) and (d) below, the formal advertising procedures contained in N.J.A.C. 16:72-2 shall be followed for all purchases or contracts in excess of the amounts determined pursuant to Section 2 of P.L. 1954, c. 48 (N.J.S.A. 52:34-7) in which an award is made on the basis of cost, no negotiations are necessary with the bidders, and a firm-fixed priced contract is appropriate.

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(b) Quotation: Purchases or contracts not in excess of the amounts determined pursuant to Section 2 of P.L. 1954, c. 48 (N.J.S.A. 52:34-7) or section 13 of P.L. 2018, c. 162 (N.J.S.A. 27:25-11) shall be made **in accordance with the following procedures:**

- 1. For purchases not exceeding \$17,500 per fiscal year: A limited dollar order may be issued without price competition for a purchase less than or equal to \$17,500;**
- 2. For purchases over \$17,500 but not exceeding \$250,000 or the amount authorized by Section 2 of P.L. 1954, c. 48 (N.J.S.A. 52:34-7) or section 13 of P.L. 2018, c. 162 (N.J.S.A. 27:25-11) per fiscal year by soliciting up to three written quotes from an adequate number of qualified sources. A good faith effort shall be made to obtain the three quotes.**
- 3. For 2 above, a single response to a solicitation is sufficient to make an award provided the efforts to obtain additional quotes are documented.**
 - i. For goods and materials, award shall be made to the vendor offering the lowest price. However, NJ TRANSIT may award to a vendor offering a higher price but better serving the interest of NJ TRANSIT based upon qualitative factors including, but not limited to, a better-quality product, more robust warranty or support for the product(s) or related service(s), or a better return/replacement policy than was offered by the competition. [in accordance with the process published by the New Jersey Department of the Treasury, Circular No. 16-02-DPP, as amended and supplemented.]**

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- ii. For acquisitions primarily for the performance of services, award shall be made to the vendor whose proposal is most advantageous to NJ TRANSIT, price and other factors considered.
- (c) Request for proposals: The procurement of goods and services in excess of the amounts determined pursuant to Section 2 of P.L. 1954, c. 48 (N.J.S.A. 52:34-7), which will not be evaluated based solely on cost, shall be accomplished through the issuance of an advertised request for proposal or, for professional and technical services, to a minimum of three vendors, or where determined by the **President and CEO** [Executive Director], or his or her designee, in writing, that an alternative method of procurement is in NJ TRANSIT's best interest **or is in the public interest**.
- (d) An alternate method of advertised procurement may be used when the **President and CEO** [Executive Director], or his or her designee, determines in writing, that the alternative method is in NJ TRANSIT's best interest **or is in the public interest**.
- (e) Procurement-by-exception: The requirements of (a), (b), and (c) above may be waived under the following circumstances and the purchase or contract made in such manner as the **President and CEO** [Executive Director], or his or her designee, may determine is in the best interest of NJ TRANSIT **or is in the public interest**:
 1. The acquisition of public or private entities engaged in the provision of public transportation service, used public transportation equipment or existing public transportation facilities or rights of way;
 2. The purchase of perishable foods or subsistence supplies;

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3. The leasing of such office space, office machinery, specialized equipment, buildings or real property as may be required for the conduct of NJ TRANSIT's business;

4. The acquisition of any real property by gift, grant, purchase or any other lawful manner in the name of and for the use of NJ TRANSIT for the purpose of the administration of NJ TRANSIT's business in accordance with appropriations made therefor when moneys are required for the acquisition;

5. The procurement of supplies or services for which the bid prices after advertising therefor are not reasonable or have not been independently arrived at in open competition, provided that no negotiated purchase, contract, or agreement may be entered into under this paragraph after the rejection of all bids received unless:

i. Notification of the intention to negotiate and reasonable opportunity to negotiate shall have been given by NJ TRANSIT to each responsible bidder;

ii. The negotiated price is lower than the lowest rejected bid price of a responsible bidder; and

iii. Such negotiated price is the lowest negotiated price offered by any responsible supplier.

6. The purchase is to be made from, or the contract to be made with, the Federal or any State government or any agency or political subdivision thereof;

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7. The public exigency requires the immediate delivery of the articles or performance of the service;
8. Only one source of supply is available;
9. More favorable terms can be obtained from a primary source of supply;
10. Articles of wearing apparel are to be purchased which are styled or seasonal in character;
11. Commodities traded on a national commodity exchange are to be purchased and fluctuations of the market require immediate action;
12. The equipment **and related services** to be purchased [is] **are** 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;
13. The procurement of services to be performed by the contractor personally under the supervision of the **President and CEO** [Executive Director], or his or her designee, and paid for on a [timely] **time** basis;
14. To acquire or overhaul motorbuses, light rail vehicles, rail cars, locomotives, signal systems, or fare collection systems; [and]
15. To acquire goods or services related to homeland security and domestic preparedness, that is paid for or reimbursed by Federal funds awarded by the U.S. Department of Homeland Security or other Federal agency, from vendors that:

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i. Are holders of a current State contract for the equipment, goods, or services sought;

ii. Are participating in a Federal procurement program established by a Federal department or agency; or

iii. Have been approved by the State Treasurer in consultation with the New Jersey Domestic Security Preparedness Task Force; **and**[.]

16. To experiment, test, or evaluate a product, technology, or component, or experiment, test, or evaluate the service or reliability of a source for a product, technology, or component. The term for a contract issued according to this justification shall be a maximum of two years.

(f) For any procurement, for which negotiation is authorized, the **President and CEO** [Executive Director], or his or her designee, may negotiate with bidders or proposers, the final terms and conditions of any contract, including price. Such ability to so negotiate shall be expressly set forth in the applicable request for proposal, or other solicitation, and submitted proposals or bids shall not be publicly accessible until after negotiations have been completed and the notice of intent to award the contract has been issued.

(g) Authority for procurement-by-exception: The authority for procurement under the circumstances listed in (e) above rests with the **President and CEO** [Executive Director], or his or her designee, for procurement transactions not in excess of the amounts determined pursuant to Section 2 of P.L. 1954, c. 48 (N.J.S.A. 52:34-7).

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Transactions in excess of the amounts determined pursuant to Section 2 of P.L. 1954, c. 48 (N.J.S.A. 52:34-7) will require approval as may be set forth in the By-Laws of NJ TRANSIT.

(h) NJ TRANSIT may purchase through, or from, a Federal supply schedule or through other Federal procurement programs, including, but not limited to, online ordering systems, or through, or from, vendors who hold contracts with other states, or multistate authorities, or other governmental entities to operate:

1. Rail passenger service or portions or functions thereof; or
2. Motorbus regular route, paratransit, or motorbus charter services or portions or functions thereof.

(i) NJ TRANSIT may participate in cooperative purchasing to support its operations or capital program by purchasing from a contract that was publicly competed by a public or non-profit entity and pursuant to Section 13 of P.L. 2018, c. 162 (N.J.S.A. 27:25-11).

(j) Fragmentation of requirements: NJ TRANSIT's purchase requirements shall not be split into parts for the purpose of avoiding the provisions of (a), (b), or (c).

16:72-1.6 Records of procurement actions

In all procurement actions, each purchase order or contract file shall be supported by documentation of actions taken with respect to the procurement, including final disposition, sufficient to constitute a full history of the transactions. Records on bids and proposals shall be maintained for a period of seven years.

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16:72-1.7 Execution of contracts

Any contract or instrument shall be deemed properly executed when signed by the **President and CEO** [Executive Director], or his or her designee. No contract or purchase order shall be entered into unless all applicable requirements of law, this chapter, and NJ TRANSIT's By-Laws have been met, and the approval of the Board of NJ TRANSIT obtained, when required.

16:72-1.8 Specifications

Plans, drawings, or specifications shall permit full and free competition describing the work to be performed. Specifications, plans, and drawings shall be used to the maximum extent possible.

16:72-1.9 Purchase descriptions

- (a) A purchase description may be used in lieu of a specification, where the use of a specification is not feasible.
- (b) A purchase description should set forth the essential characteristics and functions of the item or materials required.
- (c) Where a "brand name or equal" purchase description is used, prospective bidders must be given the opportunity to offer products other than those specifically referenced by brand name, if such other products will meet the needs of NJ TRANSIT in essentially the same manner as those referenced.

16:72-1.10 Out-of-State vendors

All out-of-State vendors that wish to do business with NJ TRANSIT shall be afforded 10 working days to register with the State of New Jersey **as a foreign corporation, limited liability**

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company or partnership, as applicable, after notification by NJ TRANSIT of the intent to award that out-of-State firm a contract. Failure to provide either certification or notification of filing with the **New Jersey Department of the Treasury**, Division of Revenue and Enterprise Services within the 10 working-day period may constitute cause for rejection of that firm's bid or proposal.

16:72-1.11 Public Information

(a) After a contract is executed, all information submitted in response to a solicitation of proposals or bids is considered public information, notwithstanding any disclaimers to the contrary submitted by a proposer or bidder, except when a request for proposals (RFP) contains a negotiation component or as may be exempted from public disclosure by the Open Public Records Act (OPRA), N.J.S.A. 47:1A-1 et seq., and/or the common law. As a part of its proposal, each proposer or bidder may identify any data or materials it asserts are exempt from public disclosure under OPRA and/or the common law, explaining the basis for such assertion. Assertions that the entire bid or proposal, and/or prices contained therein, are exempt from public disclosure under OPRA, the common law, or the U.S. Copyright Act are overbroad and will not be honored by NJ TRANSIT. In the event that a public request is made for materials that the proposer or bidder has identified as confidential, NJ TRANSIT shall have the final authority to determine whether the materials are exempt from public disclosure under OPRA and shall take action as required by applicable law. The proposer or bidder may elect to defend its assertion of exemption from the public disclosure requirements of OPRA or the common law, but in doing so, all costs and expenses associated therewith shall be the responsibility of the bidder or contractor. NJ TRANSIT assumes no such responsibility or liability.

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(b) When a solicitation permits negotiation with proposers or bidders after the submission of proposals or bids, the proposals or bids shall be made publicly available only after a contract is executed.

SUBCHAPTER 2. PROCEDURES FOR INVITATION FOR BID (IFB)

16:72-2.1 Advertising of bids

The advertisement for bids shall be placed in such newspaper or newspapers, **including digital versions**, selected by NJ TRANSIT that will give best notice thereof to bidders and will be posted on NJ TRANSIT's website. Advertisements shall be made a minimum of 20 calendar days in advance of the bid opening; however, a lesser time period may be set by the Chief Procurement Officer in order to provide public transportation and transit operations without disruption. The advertisement shall designate the time and place, when and where sealed bids shall be received and publicly opened and read, or whether bids shall be received electronically, and such other terms as NJ TRANSIT may deem proper.

16:72-2.2 Bid bonds

A bid bond or a deposit consisting of a cashier's check, certified check, or irrevocable letter of credit drawn to the order of NJ TRANSIT in an amount to be determined by NJ TRANSIT, but not exceeding 10 percent of the bid, shall accompany all bids to serve as a guarantee that the bidder will, upon acceptance of its bid, execute such contractual documents as may be required within 10 working days after issuance of a notice of intent to award. Any bonds submitted pursuant to this section must be executed by surety companies licensed to do business in the State of New Jersey and licensed by the New Jersey Department of Banking and Insurance, in compliance with the New Jersey Producer Licensing Act of 2001, P.L. 2001, c. 210, as amended,

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and authorized by the U.S. Department of the Treasury, pursuant to Circular 570 as of the date of receipt of bids. Any letters of credit shall be issued by Federally insured financial institutions.

16:72-2.3 Performance and payment bond

(a) In accordance with N.J.S.A. 2A:44-143, a performance bond not to exceed 100 percent of the contract price shall be required of the successful bidder when a contract for public buildings, or other public works or improvements is awarded to secure fulfillment of the contractor's obligations specified in the contract. The bond percentage required, based upon NJ TRANSIT's assessment of the risks presented to the State by the type of contract and other relevant factors, shall be identified in the bid documents prior to the contract bidding date. NJ TRANSIT may waive the bond requirement consistent with N.J.S.A. 2A:44-143. In determining whether to waive the bond requirement, NJ TRANSIT shall consider the following:

1. The nature and extent of the work to be performed;
2. The availability of potential bidders to perform the work; and
3. The financial and other capabilities of the potential bidders.

(b) A performance bond of less than 100 percent of the contract or some other form of security as set forth in the bid specifications prior to bid opening may be required, at NJ TRANSIT's sole discretion, of the successful bidder when a contract for other procurements is awarded to secure fulfillment of the contractor's obligation specified in the contract.

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(c) In accordance with N.J.S.A. 2A:44-143, a payment bond not to exceed 100 percent of the contract price shall be required of the successful bidder when a contract for public buildings, or other public works or improvements is awarded to protect firms or persons supplying labor or materials to the contractor/subcontractor for the performance of work provided for in the contract. The bond percentage required, based upon NJ TRANSIT's assessment of the risks presented to NJ TRANSIT by the type of contract and other relevant factors, shall be identified in the bid documents prior to the contract bidding date. NJ TRANSIT may waive the bond requirement consistent with N.J.S.A. 2A:44-143. In determining whether to waive the bond requirement, NJ TRANSIT shall consider the following:

1. The nature and extent of the work to be performed;
2. The availability of potential bidders to perform the work; and
3. The financial and other capabilities of the potential bidders.

(d) A payment bond of less than 100 percent of the contract or some other form of security as set forth in the bid specifications prior to bid opening may be required, at NJ TRANSIT's sole discretion, of the successful bidder when a contract for other procurements is awarded to protect firms or persons supplying labor or materials to the contractor/subcontractor for the performance of work provided for in the contract.

(e) Performance and payment bonds must be executed by surety companies licensed to do business in the State of New Jersey and licensed by the New Jersey Department of Banking and Insurance, in compliance with the New Jersey Producer Licensing Act of

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2001, P.L. 2001, c. 210, as amended, and authorized by the U.S. Department of the Treasury pursuant to Circular 570.

16:72-2.4 Pre-qualification of firms for capital projects

(a) Prospective contractors, prior to bidding on improvements to capital facilities and equipment, must be pre-qualified as to the character or amount of work or both for which they are permitted to submit bids. Such pre-qualification shall be based on all factors relating to contractor responsibility as set forth in N.J.A.C. 16:72-1.4, and any pertinent information relating to the qualifications of contractors.

(b) Such pre-qualification, as noted in (a) above, shall be assigned contractors based on information submitted by them in response to a questionnaire provided by NJ TRANSIT. A prospective contractor dissatisfied with its pre-qualification classification may request an informal hearing to present additional information to justify a different classification. After hearing the additional evidence, NJ **TRANSIT** [Transit] may, in its discretion, change or modify the bidder's classification.

(c) In response to the pre-qualification questionnaire, prospective contractors who have been pre-qualified by the New Jersey Department of Transportation, New Jersey Turnpike Authority, Division of Property Management and Construction within the New Jersey Department of the Treasury and the New Jersey Schools Development Authority may submit proof of that pre-qualification, and the underlying documentation submitted to the other public entity, to support its application for pre-qualification to NJ TRANSIT. NJ TRANSIT has the sole

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discretion to decide whether or not to accept a prospective contractor's proof of such pre-qualification and may request additional information or documentation from the prospective contractor.

16:72-2.5 Amendment of Invitation for Bids

(a) If, after issuance of an Invitation for Bids, but before the time for bid opening, it becomes necessary to make changes in quantity, specifications, delivery schedules, opening dates, etc., or to correct a defective or ambiguous Invitation for Bid, such changes shall be accomplished by issuance of an amendment to the Invitation for Bids.

1. The amendment shall be sent to everyone to whom Invitations for Bids have been furnished or made available online.
2. The amendment shall be issued five calendar days before the scheduled bid opening. If necessary the bid opening will be rescheduled at the discretion of the Contracting Officer.

(b) Any information given to a prospective bidder concerning an Invitation for Bids shall be furnished promptly as an amendment to the Invitation for Bids to all other prospective bidders or made available online.

16:72-2.6 Cancellation of Invitations before opening

(a) Invitations for Bids [should not be] **may be** cancelled, [unless cancellation] **if [is]in NJ TRANSIT's best interest or is in the public interest.**

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(b) Where an Invitation for Bid is cancelled, bids **shall not be opened** [that have been received shall be returned, unopened, to the bidders] and a notice of cancellation shall be sent to all prospective bidders to whom Invitations for Bids were issued or made available online.

16:72-2.7 Time of bid submission

Bids shall be submitted, so as to be received as designated in the Invitation for Bids not later than the exact time set for opening of bids.

16:72-2.8 Receipt and safeguarding of bids

(a) All bids received prior to the time of opening shall be kept secure, and, except as provided in (b) below, unopened. [If an Invitation for Bids is cancelled, or if a bidder effectively withdraws a bid prior to the time set for opening of bids, all bids, or the withdrawn bid, as the case may be, shall be returned to the bidders].

(b) Unidentified bids may be opened solely for the purpose of identification and then immediately resealed. A record of this event shall be kept in the bid file.

16:72-2.9 Bid opening

All bids shall be publicly opened and, when practicable, read aloud. An abstract of all bids shall be prepared. Bids accepted electronically will also be available for viewing.

16:72-2.10 Late bids

Bids not received prior to or at the time designated for formal bid opening shall not be considered. [and shall be returned to the bidder unopened.]

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16:72-2.11 Responsive bids

To be considered for award, a bid must comply in all material respects with the Invitation for Bids so that, both as to the method and timeliness of submission and as to the substance of any resulting contract, all bidders may stand on an equal footing and the integrity of the formal advertising system may be maintained.

16:72-2.12 Cancellation of Bids after Opening

(a) Invitations for Bids may be cancelled after opening but prior to award and all bids rejected, where NJ TRANSIT determines that:

1. Inadequate or ambiguous specifications were given in the Invitation;
2. The supplies or services being purchased are no longer required;
3. The Invitation for Bids did not provide for consideration of all factors of cost to NJ TRANSIT;
4. Bids received indicate that the needs of NJ TRANSIT can be satisfied by a less expensive item differing from that for which bids were solicited;
5. All otherwise acceptable bids received are at unreasonable prices;
6. Bids were not independently arrived at in open competition, were collusive, or were submitted in bad faith; or
7. For other reasons, cancellation is in the best interest of NJ TRANSIT **or is in the public interest..**

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(b) A record of the cancellation of Invitations for Bids shall be kept in the bid file.

16:72-2.13 Rejection of individual bids

(a) Any bid which materially fails to conform to the requirements of the Invitation for Bids shall be rejected.

(b) Any bid which imposes conditions which would materially modify requirements of the Invitations for Bids or limit the bidder's liability to NJ TRANSIT shall be rejected.

(c) Bids received from firms determined to be not responsible shall be rejected.

(d) Where a bidder fails to furnish bid security in accordance with the material requirements of the Invitation for Bids, the bid shall be rejected.

(e) Where a bid fails to comply with all material Equal Employment Opportunity (EEO), Disadvantaged Business Enterprise (DBE), and Small Business Enterprise (SBE) requirements expressed in an Invitation for Bids, the bid shall be rejected.

(f) Where the bid line items are materially unbalanced and award would not be in the best interest of NJ TRANSIT **or is not in the public interest**, the bid **shall** [will] be rejected.

16:72-2.14 By-pass of low bidders

If the low bidder is by-passed, a memorandum stating the justification shall be prepared for the file and a letter explaining the decision shall be forwarded to the low bidder.

16:72-2.15 Mathematical calculations

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(a) After the bids are opened, they shall be compared on the basis of the correctly determined summation of the correctly determined products of all the quantities for contract line items shown in the bid multiplied by the unit prices bid. The results of such comparisons shall be made available to the public. Award shall be made on the basis of the correct total contract price.

(b) In the event of a discrepancy between the unit price bid for any contract line item and the extension shown for that item under the column of the bid designated "Amount," the unit price shall govern.

1. Where a unit price is bid for a contract line item, but no extension is provided,

NJ TRANSIT shall provide the extension based on the unit price bid and the estimated quantity for that contract item.

2. Where an extension is provided by the bidder in the "Amount" column, but no unit price appears in the "Unit Price" column of the bid, NJ TRANSIT shall provide the unit price by dividing the "Amount" figure provided by the bidder by the estimated quantity.

3. Where no figure is provided by the bidder in both the "Unit Price" and "Amount" columns for one or more contract line items or where no figure is provided in the "Amount" column for one or more "Lump Sum" contract line items, the amount bid shall be considered zero and the work included in that line item shall be considered included in the total contract price.

16:72-2.16 Initialing of price changes

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Price changes in bids shall be initialed or signed electronically by the vendor in the bid submitted to NJ TRANSIT.

16:72-2.17 Waiver of minor informalities or irregularities in bids

NJ TRANSIT reserves the right to waive any minor informalities or irregularities in a bid not in compliance with the specifications, terms, and conditions of the Invitation for Bids.

16:72-2.18 Tie bids

(a) In the event that the correct total contract prices submitted by two or more vendors are identical, NJ TRANSIT shall award the contract based on a relative comparison of the following factors:

1. Delivery advantage, considering time, distance, convenience, and facilities of vendor; and
2. History of vendor's performance.

(b) When none of the distinguishable characteristics in (a) above are available,

NJ TRANSIT shall, if practicable, provide for contract award by splitting the award. If splitting the award is not practicable, the award **shall** [will] be made according to the tie-breaking criteria in the solicitation document.

16:72-2.19 Bid errors

(a) While bidders normally shall be expected to be bound by their bids, circumstances exist where correction or withdrawal of bids is permitted.

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1. A bidder shall not be permitted to correct a bid mistake after bid opening that would cause the bidder to have the low bid, unless the mistake is clearly evident from examining the bid document, for example, clerical errors in extensions.
2. In lieu of bid correction, NJ TRANSIT may permit a low bidder alleging a material mistake of fact to withdraw its bid when there is reasonable proof that a mistake was made **in good faith** and the intended bid cannot be ascertained with reasonable certainty. Such bidder shall not be permitted to withdraw its bid for mistakes or errors in judgment.
3. Correction of bid mistakes after bid award shall be subject to the same proof as corrections before award and after bid opening, with the further requirement that no correction shall be permitted that would cause the contract price to exceed the next low bid.

16:72-2.20 Award

(a) Unless all bids are rejected, award shall be made by NJ TRANSIT within the time for acceptance specified in the bid or extension thereof, to the lowest responsible bidder for contracts for the construction or improvement of capital facilities. This provision shall not apply to any design-build project, including design, build or design, build, maintain and operate, or design, build, maintain, operate, and finance projects, or affect NJ TRANSIT's Disadvantaged Business Enterprise, [or] Small Business Enterprise, **or Disabled Veteran-Owned Business** programs or limit NJ TRANSIT's right to extend, add, or resume work on any project.

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(b) Unless all bids are rejected, award shall be made by NJ TRANSIT within the time for acceptance specified in the bid, or extension thereof, to that responsible bidder whose bid, conforming to the Invitation for Bids, will be most advantageous to NJ TRANSIT, price and other factors considered, for contracts other than contracts for the construction or improvement of capital facilities to which (a) above applies.

(c) NJ TRANSIT may request extensions of time for acceptance and award of bids.

16:72-2.21 Procedures and forms

NJ TRANSIT shall develop such procedures, forms and directives as may be necessary to carry out these regulations.

SUBCHAPTER 3. REQUESTS FOR PROPOSALS (RFP)

16:72-3.1 Solicitation of proposals

Proposals for goods and services shall be solicited in a manner that maximizes the opportunity for competition, unless otherwise provided in N.J.A.C. 16:72-1.5(c).

16:72-3.2 Form of proposal

Proposals shall be delivered to NJ TRANSIT in accordance with the RFP instructions.

16:72-3.3 Amendment of request for proposals

(a) If after issuance of a **RFP** [request for proposals (RFP)], but before the time of receipt, it becomes necessary to make changes in scope, delivery deadline, closing dates, or any other part of the RFP, or to correct a defective or ambiguous RFP, such changes shall be

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accomplished by issuance of an amendment of the RFP. The amendment shall be made available online or sent to everyone to whom NJ TRANSIT has furnished the RFP.

(b) Any information given to a prospective proposer concerning an RFP shall be furnished promptly to all other prospective proposers as an amendment to the RFP or made available online or sent to everyone to whom NJ TRANSIT has furnished the RFP.

16:72-3.4 Waiver of minor informalities or irregularities in proposals

NJ TRANSIT reserves the right to waive any minor informalities or irregularities in a proposal not in compliance with the specifications, terms, and conditions of the RFPs.

16:72-3.[4]5 Cancellation of requests before opening

[Requests for proposals (]RFPs[) should] **shall** not be cancelled, unless cancellation is in NJ TRANSIT's best interest **or is in the public interest**. Where an RFP is cancelled, proposals that have been received shall **not be opened** [be returned unopened to the proposers] and a notice of cancellation shall be sent to all prospective proposers to whom RFPs were furnished by NJ TRANSIT or be made available online. The notice of cancellation shall identify the RFP and briefly explain the reason the RFP is being cancelled.

16:72-3.[5]6 Receipt and safeguarding of proposals

(a) All proposals received prior to the time of opening shall be kept secure, and except as provided in (b) below, unopened. [If an RFP is cancelled, or if a proposer effectively withdraws its proposal, all proposals, or the withdrawn proposal, as the case may be, shall be returned to the proposers.]

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(b) Unidentified proposals may be opened solely for the purpose of identification and then immediately resealed. A record of this event shall be kept in the RFP file.

16:72-3.[6]7 Late proposals

Proposals not received prior to or at the time designated for formal receipt shall not be considered. Late proposals **shall not be opened.** [shall be returned to the proposer unopened.]

16:72-3.[7]8 Evaluation of proposals

Proposals shall be opened, evaluated and ranked consistent with State and/or Federal law. General evaluation criteria established by NJ TRANSIT shall be outlined in the RFP.

16:72-3.[8]9 Negotiations

(a) In its discretion, negotiations may be conducted with proposer(s) whose proposals are considered to be competitive in accordance with State and Federal law.

(b) If NJ TRANSIT intends to conduct negotiations, notice shall be given to competitive proposer(s), and may identify in general terms, the elements or factors upon which NJ TRANSIT intends to base its negotiations or may be tailored to each individual proposer.

16:72-3.[9]10 Rejection of all proposals

(a) Requests for proposals may be cancelled after opening but prior to award and all proposals rejected, where NJ TRANSIT determines in writing that:

1. Inadequate or ambiguous specifications were given in the RFP;

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2. The services being purchased are no longer required;
3. The RFP did not provide for consideration of all factors of cost to NJ TRANSIT.
4. All otherwise acceptable proposals received were at unreasonable prices;
5. Proposals were not independently arrived at in open competition, were collusive, or were submitted in bad faith; or
6. For other reasons, cancellation is in the best interest of NJ TRANSIT **or is in the public interest.**

16:72-3.[10]11 Rejection of individual proposals

(a) Any proposal that fails to meet a mandatory material requirement of the RFP shall be deemed non-responsive.

(b) Any proposal received from a firm determined to be not responsible shall be removed from consideration for award.

16:72-3.[11]12 Debriefing

Upon written request, unsuccessful offerors shall be informed in general terms, through a debriefing, only of reasons for non-acceptance of their proposals without disclosing other offerors' proprietary data.

16:72-3.[12]13 Award

Unless all proposals are rejected, award shall be made to that responsible proposer whose proposal, conforming to the request for proposals, is the most advantageous to the State, price

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and other factors considered, and/or provides the best value pursuant to the governing law applicable to the RFP.

16:72-3.[13]14 Procedures and forms

NJ TRANSIT shall develop such procedures, forms and directives as may be necessary to carry out these regulations.

[16:72-3.14 (Reserved)]

SUBCHAPTER 4. DESIGN-BUILD (DB) PROJECTS

16:72-4.1 Solicitation of design-build projects

(a) The solicitation of design-build projects may be by the issuance of an Invitation for Bid or a request for proposal, depending on the requirements of the specific project.

(b) As part of the solicitation for design-build projects, NJ TRANSIT may prescribe:

1. In the solicitation documents, essential project requirements in performance terms;
2. Criteria by which proposals will be evaluated by NJ TRANSIT;
3. The process that leads to contract award for design and construction services and, where applicable, maintenance and operation and finance of a project based on a firm schedule required by NJ TRANSIT; and
4. That members of a design-build team presented by the firm selected for award may be modified or substituted after the evaluation procedure is completed, but

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new or substituted members must be submitted to NJ TRANSIT prior to the execution of the contract, with supporting information as required by NJ TRANSIT. A prospective contractor **shall** [will] not be permitted to execute the contract with NJ TRANSIT until NJ TRANSIT deems the new or substituted member qualified. No modifications or substitutions to the design-build team **shall** [will] be permitted beyond execution of the contract for work and completion of design, except for exigent circumstances beyond the control of the contractor within the discretion of NJ TRANSIT.

(c) NJ TRANSIT may, within its discretion, depending upon the complexity and size of the project, prescribe payment of a lump sum stipend to those bidders/proposers, with satisfactory qualifications and a demonstrated technically satisfactory approach deemed to be within the competitive range of a two-step procurement process in order to:

1. Encourage quality teams to participate;
2. Provide some modicum of financial relief to offset costs of developing a preliminary design;
3. Motivate firms to achieve innovations and adequately develop designs and a competitive bid price;
4. Any bidder/proposer that accepts a stipend shall transfer all ownership and rights in the bidder's/proposer's design to NJ TRANSIT for use in this project. No stipend shall be paid to the firm that is awarded and executes a contract for the project. In order for a bidder/proposer to receive payment of a stipend, the

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bidder/proposer must have submitted a responsive and responsible complete proposal, including price. The NJ TRANSIT Board of Directors may prescribe limits as to the amount of the stipend to be paid to each bidder/proposer qualified to participate in the second stage, depending upon the size and complexity of the project and may limit the number of stipends to be paid per design-build contract.

(d) Notwithstanding the two-step solicitation process, NJ TRANSIT may also utilize a special prequalification process before the first step begins.

§ 16:72-4.2 Evaluation for design-build projects

(a) NJ TRANSIT may solicit bids/proposals for design-build projects and set forth the selection criteria in the solicitation documents, which may include either a one-step or two-step evaluation process depending on the size and complexity of the project.

(b) A one-step process for procuring a particular design-build project will solicit separate qualification and pricing packages and can be awarded, as described in the solicitation, based on either:

1. An award to the lowest priced proposal from a firm meeting the technical qualification requirements of the solicitation; or
2. An award to that firm whose proposal represents the best value, as determined based on a pre-determined combination of technical merit and price elements, which may include price, schedule, and technical approach.

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(c) A two-step evaluation process may be stated in the solicitation documents for a particular design-build project that separates the review of the technical proposal from the price as follows:

1. During the first step, the bidders'/proposer's' technical qualifications and overall technical approach to the project will be evaluated to determine those firms that fall within the competitive range of satisfactory qualifications and a demonstrated technically satisfactory approach. Those firms in the competitive range will be invited to proceed to the next step; and
2. During the second step, complete technical proposals and price proposals for the project will be solicited and evaluated.

[§ 16:72-4.3 Procedures, period of debarment, and scope

(a) The procedures, the period of debarment, and the scope of debarment to be followed by NJ TRANSIT are explained below:

1. NJ TRANSIT, when seeking to debar a person or his affiliates shall furnish such party with a written notice stating that debarment is being considered, setting forth the reasons for the proposed debarment, and indicating that such party will be afforded an opportunity for a hearing if he so requests within a stated period of time. All such hearings shall be conducted in accordance with the provisions of the Administrative Procedures Act. However, where another department or agency has

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imposed debarment upon a party, NJ TRANSIT may also impose a similar debarment without affording an opportunity for a hearing, provided that

NJ TRANSIT furnishes notice of the proposed similar debarment to that party, and affords that party an opportunity to present information [in] **on** its behalf to explain why the proposed similar debarment should not be imposed in whole or in part.

2. Debarment shall be for a reasonable, definitely stated period of time, which as a general rule shall not exceed five years. Debarment for an additional period shall be permitted provided that notice thereof is furnished and the party is afforded an opportunity to present information in its behalf to explain why the additional period of debarment should not be imposed.

3. Except as otherwise provided by law, a debarment may be removed or the period thereof may be reduced in the discretion of NJ TRANSIT upon the submission of a good faith application under oath, supported by documentary evidence, setting forth substantial and appropriate grounds for the granting of relief, such as newly discovered material evidence, reversal of a conviction or judgment, actual change of ownership, management or control, or the elimination of the causes for which the debarment was imposed.

4. A debarment may include all known affiliates of a person, provided that each decision to include an affiliate is made on a case by case basis after

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giving due regard to all relevant facts and circumstances. The offense, failure or inadequacy of performance of an individual may be imputed to a person with whom he is affiliated, where such conduct was accomplished within the course of his official duty or was affected by him with the knowledge or approval of such person.

§ 16:72-4.4 Causes for suspension of a person(s)

In the public interest, NJ TRANSIT shall suspend a person for any cause specified in [N.J.A.C. 16:72-4.1] **N.J.A.C. 16:72-4.1** or upon reasonable suspicion that such cause exists.

§ 16:72-4.5 Conditions for suspension of a person(s)

(a) The following conditions concerning suspension are to be adhered to:

1. Suspension shall be imposed only upon approval of the Executive Director and upon approval of the Attorney General, except as otherwise provided by law.
2. The existence of any cause for suspension shall not require that a suspension be imposed, and a decision to suspend shall be made at the discretion of the Executive Director and of the Attorney General, and shall be rendered in the best interest of the State.
3. Suspension shall not be based upon unsupported accusation, but upon adequate evidence that cause exists or upon evidence adequate to create a reasonable suspicion that cause exists.

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4. In assessing whether adequate evidence exists, consideration shall be given to the amount of credible evidence which is available, to the existence or absence of corroboration as to important allegations, and to inferences which may properly be drawn from the existence or absence of affirmative facts.

5. Reasonable suspicion of the existence of a cause described in N.J.A.C. 16:72-4.1(a)1 through 8 may be established by the rendering of a final judgment or conviction by a court or administrative agency of competent jurisdiction, by grand jury indictment, or by evidence that such violations of civil or criminal law did in fact occur.

6. A suspension invoked by another agency for any of the causes described in N.J.A.C. 16:72-4.1 may be the basis for the imposition of a concurrent suspension by NJ TRANSIT which may impose such suspension without the approval of the Attorney General.

§ 16:72-4.6 Procedures, period of suspension and scope of suspension affecting the suspension of a person(s)

(a) The following provisions regarding procedures, period of suspension and scope of suspension shall be adhered to by NJ TRANSIT.

1. NJ TRANSIT may suspend a person or his affiliates, provided that within 10 days after the effective date of the suspension, NJ TRANSIT provides such party with a written notice stating that a suspension has been imposed and its effective date; setting forth the reasons for the suspension to the extent that the Attorney

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General determines that such reasons may be properly disclosed; stating that the suspension is for a temporary period pending the completion of an investigation and such legal proceedings as may ensue; and indicating that, if such legal proceedings are not commenced or the suspension removed within 60 days of the date of such notice, the party will be given either a statement of the reasons for the suspension and an opportunity for an informal hearing if he so requests, or a statement declining to give such reasons and setting forth NJ TRANSIT's position regarding the continuation of the suspension. Where a suspension by another agency has been the basis for suspension by NJ TRANSIT, the latter shall note that fact as a reason for its suspension.

2. A suspension shall not continue beyond 18 months from its effective date unless civil or criminal action regarding the alleged violation shall have been initiated within that period, or unless debarment action has been commenced. Whenever prosecution of debarment action has been initiated, the suspension may continue until the legal proceedings are completed.

3. A suspension may include all known affiliates of a person, provided that each decision to include an affiliate is made on a case-by-case basis after giving due regard to all relevant facts and circumstances. The offense, failure or inadequacy of performance of an individual may be imputed to a person with whom he is affiliated, where such conduct was accomplished within the course of his official duty or was effectuated by him with the knowledge or approval of such person.

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The disqualification of a person shall conform to N.J.S.A. 27:25-1 et seq. and N.J.A.C. 16:72-1.1 et seq.

§ 16:72-4.8 Extent of debarment, suspension or disqualification

The exclusion from NJ TRANSIT contracting by virtue of debarment, suspension, or disqualification shall extend to all contracting and subcontracting within the control or jurisdiction of NJ TRANSIT, including any contracts which utilize State funds. When it is determined by the Executive Director to be essential to the public interest, and upon filing of a finding thereof with the Attorney General, an exception from total exclusion may be made with respect to a particular NJ TRANSIT contract.

§ 16:72-4.9 Prior notice by NJ TRANSIT

Insofar as practicable, prior notice of any proposed debarment or suspension shall be given to the Attorney General and the State Treasurer.

§ 16:72-4.10 List of debarred, suspended, or disqualified persons

NJ TRANSIT shall supply to the State Treasurer a list of all persons having been debarred, suspended, or disqualified in accordance with the procedures prescribed herein. Such list shall at all times be available for public inspection.

§ 16:72-4.11 Discretion

Nothing contained herein shall be construed to limit the authority of NJ TRANSIT to refrain from contracting within the discretion allowed by law.]

SUBCHAPTER 5. PROFESSIONAL SERVICES CONTRACTS

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§ 16:72-5.1 Purpose and scope

The provisions of this subchapter shall apply only to contracts for professional architectural, professional engineering and related design services, and professional land surveying services that involve development and construction of projects which are in excess of the amount prescribed pursuant to N.J.S.A. 52:34-7 and subject to the procurement provisions at N.J.S.A. 52:34-9.1 et seq. Nothing in this subchapter shall preclude NJ TRANSIT from using procurement processes other than those prescribed in this subchapter if those processes have been approved by the Federal government or other State statute, or if a public exigency or an emergency has been declared by the President and CEO of NJ TRANSIT.

§ 16:72-5.2 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings unless the context clearly indicates otherwise.

“Agency” or “State agency” means those entities as defined at N.J.S.A. 52:34-9.2 and shall also include any bi-State or multi-State entity to which New Jersey is a party, and which is authorized by law to contract for professional architectural, engineering and related design services, or land surveying services.

"Compensation" means the basis of payment by an agency for professional architectural, professional engineering, or professional land surveying services.

"Professional architectural, professional engineering and related design services, or professional land surveying services" means those services, including planning,

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environmental, and construction inspection services required for the development and construction of projects, within the scope of the practice of architecture, professional engineering and related design services, or professional land surveying as defined by the laws of this State or those performed by an architect, professional engineer, or professional land surveyor in connection with their other professional employment practice.

"Professional firm" means any individual, firm, partnership, corporation, association or other legal entity permitted by law to provide professional architectural, professional engineering and related design services, or professional land surveying services in this State.

§ 16:72-5.3 Criteria for the selection of the most highly qualified professional firms

(a) Prior to the solicitation of proposals or expressions of interest pertaining to the procurement of professional architectural, professional engineering and related design services, or professional land surveying services for the development and construction of projects, NJ TRANSIT shall publicly advertise its needs for such services, when in excess of the amount prescribed pursuant to N.J.S.A. 52:34-7 and subject to the procurement provisions at N.J.S.A. 52:34-9.1 et seq. The advertisement shall conform to the requirements of N.J.S.A. 52:34-12, or be publicly advertised through electronic means. The advertisement shall either include a statement of the criteria by which NJ TRANSIT shall evaluate the technical qualifications of professional firms and determine the order of preference to be used in designating the firms most highly qualified to

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perform the services or identify such criteria by reference to the provisions of this chapter.

(b) In selecting the most highly qualified professional firms with which to contract for professional architectural, professional engineering and related design services, or professional land surveying services, NJ TRANSIT, where applicable, shall consider the following criteria:

- 1. The experience and qualifications of the firm and designated project team in providing similar services;**
- 2. The experience of the firm and designated project team on projects of similar size and complexity;**
- 3. The experience and capability of the firm and designated project team with respect to any special technologies, techniques, or expertise the project may require;**
- 4. The past performance of the firm; and**
- 5. Any other criteria specified in NJ TRANSIT's public advertisement of the project.**

(c) In selecting and ranking the most highly qualified professional firms, NJ TRANSIT shall assign weights for the criteria applicable to each project. NJ TRANSIT may disqualify any firm determined to be unacceptably deficient in one or more of the applicable criteria, regardless of the firm's ranking or score on the remainder of the criteria.

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(d) All professional firms interested in being considered qualified to provide professional architectural, professional engineering and related design services, or professional land surveying services shall:

- 1. File, or shall have filed, with NJ TRANSIT, a current statement of qualifications and supporting data or provide a copy of the prequalification documents submitted to and approved by a State agency.**
- 2. For the purposes of this subsection, the current statement of qualifications or prequalification documents submitted to NJ TRANSIT shall expire two years from the date it was received by NJ TRANSIT.**

SUBCHAPTER 6[5]. DEBARMENT, SUSPENSION AND DISQUALIFICATION OF PERSONS

§ 16:72-6[5].1 Purpose and scope

The purpose of this subchapter is to set forth the procedures that apply to debarment, suspension, and disqualification of a person or persons from public contracting with NJ TRANSIT. Hearings arising as a result of this subchapter are contested cases subject to the requirements of the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq., and 52:14F-1 et seq., and the Uniform Administrative Procedure Rules, N.J.A.C. 1:1.

§ 16:72-6[5].2 Causes for debarment of a person(s)

- (a) In the public interest, NJ TRANSIT shall debar a person for any of the following causes:**

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1. Commission of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract, or subcontract thereunder, or in the performance of such contract or subcontract;
2. Violation of the Federal Organized Crime Control Act of 1970, or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, perjury, false swearing, receiving stolen property, obstruction of justice, or any other offense **relating to fraud or** indicating a lack of business integrity or honesty;
3. Violation of the Federal or State antitrust statutes, or of the Federal Anti-Kickback Act (18 U.S.C. 874, 40 U.S.C. 276b, c);
4. Violations of any of the laws governing the conduct of elections of the Federal government, the State of New Jersey, or of its political subdivisions;
5. Violation of the Law Against Discrimination, P.L. 1945, c. 169, as amended (N.J.S.A. 10:5-1 et seq.), or of the act banning discrimination in public works employment (N.J.S.A. 10:2-1 et seq.) or of the act prohibiting discrimination by industries engaged in defense work in the employment of persons therein (P.L. 1942, c. 114, N.J.S.A. 10:1-10 et seq.);
6. Violations of any laws governing hours of labor, minimum wage standards, prevailing wage standards, discrimination in wages, or child labor;
7. Violations of any laws governing the conduct of occupations or professions or regulated industries;

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8. Violations of any other laws which may bear upon a lack of responsibility or moral integrity;
9. Willful failure to perform in accordance with contract specifications or within contractual time limits;
10. A record of failure to perform or of unsatisfactory performance in accordance with the terms of one or more contracts, provided that such failure or unsatisfactory performance has occurred within a reasonable time preceding the determination to debar and was caused by acts within the control of the person debarred;
11. Violation of contractual or statutory provisions regulating contingent fees;
12. Any other cause affecting responsibility as a State contractor of such serious and compelling nature as may be determined by NJ TRANSIT to warrant debarment, including such conduct as may be proscribed by the laws or contracts enumerated in this paragraph even if such conduct has not been or may not be prosecuted as violations of such laws or contracts;
13. Debarment by some other department or agency in the executive branch;
14. Any offer or agreement by a vendor to pay or to make payment of, either directly or indirectly, any fee, commission, compensation, gift, gratuity, or other thing of value of any kind to any State office or employee or special State officer or employee as defined by N.J.S.A. 52:13D-13b and e, in the Department of the Treasury or any other agency with which such vendor transacts or offers or proposes to transact business, or to any member of the immediate family, as

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defined by N.J.S.A. 52:13D-13i, of any such officer or employee, or any partnership, firm, or corporation with which they are employed or associated, or in which such officer or employee has an interest within the meaning of N.J.S.A. 52:13D-13g;

15. Failure by a vendor to report to the Attorney General and to the State Ethics Commission in writing forthwith the solicitation of any fee, commission, compensation, gift, gratuity, or other thing of value by any State officer or employee or special State officer or employee;

16. Failure by a vendor to report in writing forthwith or failure to obtain a waiver from the State Ethics Commission, who may undertake, directly or indirectly, of any private business, commercial or entrepreneurial relationship with, whether or not pursuant to employment, contract, or other agreement, express or implied, or sale, directly or indirectly of any interest in such vendor to, any State officer or employee or special State officer or employee or special State officer or employee having any duties or responsibilities in connection with the purchase, acquisition, or sale of any property or services by, or to, any State agency or any instrumentality thereof, or with any person, firm, or entity with which he or she is employed or associated or in which he or she has an interest within the meaning of N.J.S.A. 52:13D-13.g. Any relationship subject to this paragraph shall be reported in writing forthwith to the State Ethics Commission, which may grant a waiver of this restriction upon application of the State officer or employee or special State officer

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or employee upon a finding that the present or proposed relationship does not present the potential, actuality, or appearance of a conflict of interest;

17. Influence, or attempt to influence or cause to be influenced, any State officer or employee or special State officer or employee in his or her official capacity in any manner that might tend to impair the objectivity or independence of judgment of said officer or employee; or

18. Cause or influence, or attempt to cause or influence, any State officer or employee or special State officer or employee to use, or attempt to use, his or her official position to secure unwarranted privileges or advantages for the vendor or any other person.

(b) The provisions set forth in (a)14 through 18 above shall be referenced in all Invitations for Bids and RFPs issued by or on behalf of NJ TRANSIT.

§ 16:72-6[5].3 Conditions affecting the debarment of a person(s)

(a) The following conditions shall apply concerning debarment:

1. Debarment shall be made only upon approval of the **President and CEO** [Executive Director], or his or her designee, except as otherwise provided by law.

2. The existence of any of the causes set forth in N.J.A.C. 16:72-6[5].2 shall not necessarily require that a person be debarred. In each instance, the decision to debar shall be made within the discretion of the **President and CEO** [Executive

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Director], unless otherwise required by law, and shall be rendered in the best interest of NJ TRANSIT **or in the public interest.**

3. All mitigating factors shall be considered in determining the seriousness of the offense, failure or inadequacy of performance and in deciding whether debarment is warranted.

4. The existence of a cause set forth in N.J.A.C. 16:72-6[5].2(a)1 through 8 shall be established upon the rendering of a final judgment or conviction, including a guilty plea or a plea of nolo contendere by a court of competent jurisdiction or by an administrative agency empowered to render such judgment. In the event an appeal taken from such judgment or conviction results in reversal thereof, the debarment shall be removed upon the request of the debarred person unless other cause for debarment exists.

5. The existence of a cause set forth in N.J.A.C. 16:72-6[5].2(a)9 through 18 shall be established by evidence that NJ TRANSIT determines to be clear and convincing in nature.

6. Debarment for the cause set forth in N.J.A.C. 16:72-6[5].2(a)13 shall be proper, provided that one of the causes set forth in N.J.A.C. 16:72-6[5].2(a)1 through 18 was the basis for debarment by the original debarring agency. Such debarment may be based entirely on the record of facts obtained by the original debarring agency, or upon a combination of such facts and additional facts.

§ 16:72-6[5].4 Procedures, period of debarment, and scope

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(a) The procedures, the period of debarment, and the scope of debarment to be followed by NJ TRANSIT are explained below:

1. NJ TRANSIT, when seeking to debar a person or his or her affiliates, shall furnish such party with a written notice stating that debarment is being considered, setting forth the reasons for the proposed debarment, and indicating that such party will be afforded an opportunity for a hearing if the person requests one within a stated period of time. All such hearings shall be conducted in accordance with the provisions of the Administrative Procedure Act. However, where another department or agency has imposed debarment upon a party, NJ TRANSIT may also impose a similar debarment without affording an opportunity for a hearing, provided that NJ TRANSIT furnishes notice of the proposed similar debarment to that party, and affords that party an opportunity to present information in its behalf to explain why the proposed similar debarment should not be imposed in whole or in part.

2. Debarment shall be for a reasonable, definitely stated period of time, which as a general rule shall not exceed five years. Debarment for an additional period shall be permitted provided that notice thereof is furnished and the party is afforded an opportunity to present information in its behalf to explain why the additional period of debarment should not be imposed.

3. Except as otherwise provided by law, a debarment may be removed or the period thereof may be reduced in the discretion of NJ TRANSIT upon the submission of a good faith application under oath, supported by documentary

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evidence, setting forth substantial and appropriate grounds for the granting of relief, such as newly discovered material evidence, reversal of a conviction or judgment, actual change of ownership, management or control, or the elimination of the causes for which the debarment was imposed.

4. A debarment may include all known affiliates of a person, provided that each decision to include an affiliate is made on a case-by-case basis after giving due regard to all relevant facts and circumstances. The offense, failure, or inadequacy of performance of an individual may be imputed to a person with whom he or she is affiliated, where such conduct was accomplished within the course of his or her official duty or was affected by him or her with the knowledge or approval of such person.

§ 16:72-6[5].5 Causes for suspension of a person(s)

In the public interest, NJ TRANSIT shall suspend a person for any cause specified in N.J.A.C. 16:72-6[5].2 or upon adequate evidence that such cause exists.

§ 16:72-6[5].6 Conditions for suspension of a person(s)

(a) The following conditions concerning suspension are to be adhered to:

1. Suspension shall be imposed only upon approval of the **President and CEO** [Executive Director and upon approval of the Attorney General], except as otherwise provided by law.

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2. The existence of any cause for suspension shall not require that a suspension be imposed, and a decision to suspend shall be made at the discretion of the **President and CEO** [Executive Director and of the Attorney General], and shall be rendered in the best interest of NJ TRANSIT **or in the public interest.**
3. Suspension shall not be based upon unsupported accusation, but upon adequate evidence that cause exists.
4. In assessing whether adequate evidence exists, consideration shall be given to the amount of credible evidence which is available, to the existence or absence of corroboration as to important allegations, and to inferences which may properly be drawn from the existence or absence of affirmative facts.
5. Reasonable suspicion of the existence of a cause described in N.J.A.C. 16:72-6[5].2(a)1 through 8 may be established by the rendering of a final judgment or conviction by a court or administrative agency of competent jurisdiction, by grand jury indictment, or by evidence that such violations of civil or criminal law did in fact occur.
6. A suspension invoked by another agency for any of the causes described in N.J.A.C. 16:72-6[5].2 may be the basis for the imposition of a concurrent suspension by NJ TRANSIT, which may impose such suspension **at the discretion of the President and CEO.** [without the approval of the Attorney General.]

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§ 16:72-6[5].7 Procedures, period of suspension, and scope of suspension affecting the suspension of a person(s)

(a) The following provisions regarding procedures, period of suspension, and scope of suspension shall be adhered to by NJ TRANSIT.

1. NJ TRANSIT may suspend a person or his or her affiliates, provided that within 10 days after the effective date of the suspension, NJ TRANSIT provides such party with a written notice stating that a suspension has been imposed and its effective date; setting forth the reasons for the suspension [to the extent that the Attorney General determines that such reasons may be properly disclosed]; stating that the suspension is for a temporary period pending the completion of an investigation and such legal proceedings as may ensue; and indicating that, if such legal proceedings are not commenced or the suspension removed within 60 days of the date of such notice, the party will be given either a statement of the reasons for the suspension and an opportunity for an informal hearing if the person requests, or a statement declining to give such reasons and setting forth NJ TRANSIT's position regarding the continuation of the suspension. Where a suspension by another agency has been the basis for suspension by NJ TRANSIT, the latter shall note that fact as a reason for its suspension.

2. A suspension shall not continue beyond 18 months from its effective date unless civil or criminal action regarding the alleged violation shall have been initiated within that period, or unless debarment action has been commenced. Whenever

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prosecution of debarment action has been initiated, the suspension may continue until the legal proceedings are completed.

3. A suspension may include all known affiliates of a person, provided that each decision to include an affiliate is made on a case-by-case basis after giving due regard to all relevant facts and circumstances. The offense, failure, or inadequacy of performance of an individual may be imputed to a person with whom he or she is affiliated, where such conduct was accomplished within the course of his or her official duty or was effectuated by him or her with the knowledge or approval of such person.

§ 16:72-6[5].8 Disqualification of a person(s)

The disqualification of a person shall conform to N.J.S.A. 27:25-1 et seq., and this chapter.

§ 16:72-6[5].9 Extent of debarment, suspension, or disqualification

The exclusion from NJ TRANSIT contracting by virtue of debarment, suspension, or disqualification shall extend to all contracting and subcontracting within the control or jurisdiction of NJ TRANSIT, including any contracts that utilize State funds. When it is determined by the **President and CEO** [Executive Director] to be essential to the public interest, an exception from total exclusion may be made with respect to a particular NJ TRANSIT contract. [A copy of said exception shall be filed with the Attorney General.]

§ 16:72-6[5].10 Prior notice by NJ TRANSIT

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Insofar as practicable, prior notice of any proposed debarment or suspension shall be given to the Attorney General and the State Treasurer.

§ 16:72-6[5].11 List of debarred, suspended, or disqualified persons

NJ TRANSIT shall supply to the State Treasurer a list of all persons having been debarred, suspended, or disqualified in accordance with the procedures prescribed herein. Such list shall at all times be available for public inspection.

§ 16:72-6[5].12 Discretion

Nothing contained herein shall be construed to limit the authority of NJ TRANSIT to refrain from contracting within the discretion allowed by law.

SUBCHAPTER 7[6]. COMPLAINTS

§ 16:72-7[6].1 Purpose and scope

The purpose of this subchapter is to set forth the procedure for NJ TRANSIT contract users to file complaints related to contracts arising as a result of procurements conducted under the provisions of N.J.S.A. 27:25-11 et seq. **and N.J.A.C. 16:72.** If this complaint process is not used, NJ TRANSIT does not waive any of its rights or remedies available at law or in equity.

§ 16:72-7[6].2 Applicability

The provisions of this subchapter deal specifically with means of assuring prompt action in cases where an NJ TRANSIT employee, by filing a formal complaint, claims that an NJ TRANSIT contractor's performance fails to meet contract requirements, and by establishing a record that documents a contractor's poor performance in cases where a contractor's performance fails to

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meet contract requirements. NJ TRANSIT may refrain from doing business with any contractor for repeated or excessive breaches of NJ TRANSIT contract terms, including, as necessary, to protect NJ TRANSIT's best interests. NJ TRANSIT may also use a record of contractor poor performance to bypass that contractor as low bidder on an Invitation for Bid or as an evaluation factor in a request for proposal solicitation.

§ 16:72-7[6].3 Filing of complaints; subject matter

(a) A complaint shall be in writing. Complaints are not required where a contract contains specific performance standards including, but not limited to, liquidated damages. Alleged breaches of contract provisions that may be reported include, but are not limited to:

1. Failure by the contractor to deliver goods or services at the time and place or in the manner, quantity, or quality specified;
2. Demand for prices other than those specified in the contract;
3. Delivery of unauthorized substitutes or ungraded material where grading is required;
4. Sale of goods that are not authorized by the contract;
5. Failure to install goods or improper installation;
6. Any other failure to comply with contract specifications or failure to achieve a satisfactory rating for the service provided under the contract if quality assurance surveys are performed;
7. A conflict of interest; and

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8. Failure to comply with any relevant legal or contractual requirement.

§ 16:72-7[6].4 Time frames

As soon as possible after receipt of the complaint, the Chief Procurement Officer, or his or her designee, will provide written notice to the contractor against which the complaint was filed. Once notified, the contractor must reply to the complaint within 10 business days of the contractor's receipt thereof, or prior to the deadline specified in the notice of complaint, whichever date is earlier. The contractor may cure or submit a corrective action plan for any defects during that period. A cure or corrective action plan may be taken into consideration by the Chief Procurement Officer's designee in determining whether a complaint is to be resolved against the contractor. The contractor shall notify the assigned designee of any cure or corrective action plan effectuated by the contractor. However, such a cure or corrective action plan shall not serve as cause for automatic invalidation of a meritorious complaint. The using department may file a response to the submission of the contractor and provide a copy of the using department's response to the contractor. As soon as practicable after receipt of the response provided, the Chief Procurement Officer's designee shall issue an initial determination to the contractor and using department regarding the merits of the complaint. The contractor or using department may file an appeal to the Chief Procurement Officer within 10 business days of receipt of

NJ TRANSIT's initial determination or, prior to the deadline specified in the initial determination, whichever date is earlier. If the Chief Procurement Officer finds that a complaint against a contractor is valid, the contractor shall be notified of the time by which corrections are to be made. Any time frame specified in this subchapter may be shortened or extended by the Chief Procurement Officer for good cause. In such instances, the Chief Procurement Officer shall give

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adequate notice to the parties involved. A pending complaint or an initial determination shall not prevent NJ TRANSIT from exercising any other right or seeking any remedy available at law or in equity.

§ 16:72-7[6].5 Resolution of complaints

(a) A complaint appealed to the Chief Procurement Officer, or his or her designee, shall be resolved by written decision on the basis of the Chief Procurement Officer's review of the written record including, but not limited to, the complaint and any attachments, the terms, conditions, and requirements of the contract that includes the proposal submitted by the contractor, pertinent administrative rules, statutes, and case law, and any associated documentation the Chief Procurement Officer deems appropriate. Such review of the written record shall, in and of itself, constitute an informal hearing.

(b) At the discretion of the Chief Procurement Officer, the using department and/or respondent may be required to make an in-person, **virtual, or telephonic** presentation, which may include an opportunity to submit additional documentation relevant to the issues set forth in the original complaint.

(c) The Chief Procurement Officer, or his or her designee, may perform a review of the written record or conduct an in-person presentation directly. A determination by the Chief Procurement Officer, or his or her designee, shall be a final agency decision, which shall be appealable to the Appellate Division of the Superior Court.

(d) Hearings arising under this subchapter are not contested cases subject to the requirements of the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq., and 52:14F-

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1 et seq., and the Uniform Administrative Procedure Rules, N.J.A.C. 1:1. The period during which a complaint is being handled administratively shall not toll the running of any limitations period in the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq.

(e) An initial decision pending an appeal before the Chief Procurement Officer, or his or her designee, or a final determination by the Chief Procurement Officer, or his or her designee, shall not prevent NJ TRANSIT from exercising any other right or seeking any other remedy available at law or in equity.

§ 16:72-7[6].6 Rejection of goods and/or services

Nothing in this subchapter shall preclude NJ TRANSIT from rejecting the goods or services in question if, upon delivery, defects are substantial and not curable by the contractor within a reasonable time.

§ 16:72-7[6].7 Emergency situations

When, in the discretion of the Chief Procurement Officer, or his or her designee, the non-compliance by the contractor affects or may affect health, safety, or jeopardize the assets of NJ TRANSIT, the Chief Procurement Officer, or his or her designee, shall immediately contact the contractor and attempt to obtain full compliance. If no resolution is immediately forthcoming, the Chief Procurement Officer may, without delay, engage a substitute contractor and charge the non-complying contractor any additional costs NJ TRANSIT incurs as a result of the substitution.

§ 16:72-7[6].8 Effect of contractor non-compliance with contract provisions

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(a) The Chief Procurement Officer may, in the following circumstances, terminate a contract with a non-complying contractor and immediately purchase goods or obtain services from another source and charge the defaulting contractor the difference in price, if any:

1. Refusal of a non-complying contractor to bring goods or services into compliance in the time or manner specified by the Chief Procurement Officer; or
2. Refusal of a contractor to answer inquiries by NJ TRANSIT or failure of a contractor to respond to a formal complaint within 10 business days of receipt or prior to the deadline specified in the notice of complaint.

(b) The Chief Procurement Officer may, upon continued or willful failure to perform, suspend or debar the contractor subject to the debarment, suspension, and disqualification procedures set forth in N.J.A.C. 16:72-6[5].

§ 16:72-7[6].9 Complaint discovery procedures

(a) NJ TRANSIT, either as part of discovery in connection with a complaint filed under this subchapter, or for any other reason, is entitled to request, receive, review, and audit copies of any and all records and documents related to a NJ TRANSIT contract at any time. Upon receipt of the request, the contractor shall promptly provide the requested records and documents free of charge in the time, place, and manner specified. Failure of the contractor to comply with the requirements of this section may, at the reasonable discretion of the Chief Procurement Officer:

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1. Constitute sufficient basis to resolve the issue(s) in the complaint against the non-compliant contractor; and/or
2. Be used by NJ TRANSIT to prove contract non-compliance and may be the basis for NJ TRANSIT to take any action or seek any remedy available under the contract, at law, or in equity.

§ 16:72-7[6].10 Complaint against disadvantaged business enterprise

Complaints filed against a disadvantaged business enterprise in a Federally funded procurement shall follow an alternate procedure consistent with 49 CFR Part 26.

CONSENT CALENDAR

ITEM 2506-28: CORPORATE INSURANCE PROGRAM ANNUAL RENEWAL

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 FY2026; and

WHEREAS, a competitive procurement process was completed, and NJ TRANSIT determined that Helmsman Management Services, LLC submitted the most competitive overall proposal for NJ TRANSIT's workers' compensation claims, handling, and administration;

NOW, THEREFORE, BE IT RESOLVED that the Chair or President & CEO is authorized to revise and renew the Corporate Insurance Program and to include services necessary to administer the program for the period July 1, 2025 through June 30, 2026, at an annual cost not to exceed an amount discussed in Executive Session, plus five percent for contingencies, subject to the availability of funds, and adoption of the FY2026 Operating Budget.

ITEM 2506-29: AUTHORIZATION TO DEPOSIT ADDITIONAL FUNDS INTO COURT IN CONNECTION WITH CONDEMNATION PROCEEDINGS RELATED TO THE ACQUISITION OF PROPERTY IN THE VILLAGE OF RIDGEFIELD PARK, NEW JERSEY, FORMERLY OWNED BY DEFENDANT, TP ACCESS, LLC

WHEREAS, NJ TRANSIT's Board of Directors approved the acquisition of properties for the construction of a new 500-bus capacity bus garage in 2020 under Board Item 2003-16 for the Northern Bus Maintenance Facility Project, including two parcels containing approximately 17.87 acres owned by TP Access, LLC, a limited liability company controlled by Mr. Gulshan Chhabra (TP Access), identified as 400 Bergen Turnpike, and 151 Route 46, aka Block 49.01, Lot 2, and Block 40.02, Lot 2, in the Village of Ridgefield Park (the Property); and

WHEREAS, NJ TRANSIT staff made an offer to purchase the property from TP Access in accordance with Board Item 2003-16 based on its appraised value as of September 11, 2019; and

WHEREAS, NJ TRANSIT staff and TP Access engaged in bona fide negotiations but were unable to reach an agreement by which NJ TRANSIT would purchase the Property; and

WHEREAS, NJ TRANSIT staff deposited into court the estimated fair market value of the Property, consistent with the property's appraised value as of September 11, 2019, and counsel for NJ TRANSIT filed a condemnation action in court on December 20, 2021, which ultimately transferred ownership of the property to NJ TRANSIT as of that date; and

WHEREAS, the Village of Ridgefield Park took actions aimed at rezoning the property, such that it was determined that there was a reasonable probability of a zoning change as of December 20, 2021; and

WHEREAS, NJ TRANSIT staff obtained an updated appraisal of the property, which indicated that the property's fair market value as of December 20, 2021, was substantially above the amount approved in Board Item 2003-16, which was based upon the appraisal dated September 11, 2019; this increase in appraised value was due to the reasonable probability of a zoning change as of December 20, 2021, as discussed in Executive Session; and

WHEREAS, counsel for TP Access filed a motion with the court seeking to compel NJ TRANSIT to deposit additional funds with the court in the amount of the difference between NJ TRANSIT's original and updated appraisals; and

WHEREAS, there is precedent for the court to issue an order to compel NJ TRANSIT to deposit the additional funds, and that this is the established practice of the New Jersey Department of Transportation; and

WHEREAS, counsel for both NJ TRANSIT and TP Access submitted a consent order to the court in which NJ TRANSIT agreed to deposit the additional amounts subject to the approval of NJ TRANSIT's Board of Directors; and

WHEREAS, staff has identified State Transportation Trust Funds from the Northern Bus Maintenance Facility Project sufficient to cover the required amount of the deposit;

NOW, THEREFORE, BE IT RESOLVED that the Chair or President & CEO are authorized to take any and all actions necessary to deposit additional funds with the court in accordance with the consent order submitted to the court, in line with established legal precedent and in accordance with the practice of the New Jersey Department of Transportation.

EXECUTIVE SESSION AUTHORIZATION

BE IT HEREBY RESOLVED pursuant to N.J.S.A. 10:4-12 and N.J.S.A. 10:4-13 that the Board of Directors of the New Jersey Transit Corporation hold an executive session to discuss personnel matters, contract negotiations, the status of pending and anticipated litigation, and matters falling within the attorney-client privilege, including, but not limited to the Penn Plaza Redevelopment.

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.