

Chris Christie, Governor
Kim Guadagno, Lieutenant Governor
James S. Simpson, Board Chairman
James Weinstein, Executive Director

N TRANSIT
One Penn Plaza East
Newark, NJ 07105-2246
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September 16, 2013

Dear Governor Christie:

Pursuant to Chapter 150, Laws of 1979, I herein transmit the minutes of actions taken at the open session of the re-scheduled meetings of the New Jersey Transit Corporation, NJ Transit Rail Operations, Inc., NJ Transit Bus Operations, Inc., NJ Transit Mercer, Inc., and NJ Transit Morris, Inc., Board of Directors held on Thursday, September 12, 2013.

Sincerely,

Original Signed By

Joyce J. Zuczek
Acting Board Secretary

Enclosures

Honorable Chris Christie
Governor, State of New Jersey
State House
Trenton, NJ 08625

Minutes of the actions taken at the Open Session of the re-scheduled Board of Directors' meetings of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. held at NJ TRANSIT Headquarters, One Penn Plaza East, Newark, New Jersey on Thursday, September 12, 2013.

Present:

James S. Simpson, Chairman
Bruce M. Meisel, Vice Chairman
Regina M. Egea, Governor's Representative
James C. Finkle, Jr., Board Member
Myron P. Shevell, Board Member (By Telephone)
Flora M. Castillo, Board Member (By Telephone)
Steven Petrecca, Treasurer's Representative (By Telephone)
Raymond W. Greaves, Board Member (Absent)

James Weinstein, Executive Director
Joyce J. Zuczek, Acting Board Secretary
Penny Bassett Hackett, Acting Assistant Executive Director, Communications & Customer Service
Joyce Gallagher, Vice President & General Manager, Bus Operations
Kevin O'Connor, Vice President & General Manager, Rail Operations
Christopher Trucillo, Chief of Police
Kathleen M. Sharman, Chief Financial Officer & Treasurer
Steve Santoro, Assistant Executive Director, Capital Planning & Programs
Alma Scott-Buczak, Assistant Executive Director, Human Resources
Leotis Sanders, Vice President Civil Rights & Diversity Programs
Carlos Ramirez, Assistant Executive Director, Corporate Affairs
Warren Hersh, Auditor General
Michael Gonnella, Deputy Attorney General

Chairman Simpson convened the Open Session at 9:05 a.m. in accordance with the Open Public Meetings Act. Acting Board Secretary Zuczek took Roll Call and announced that four Board Members were present at the meeting and three Board Members were participating by telephone and that the Board Meeting was being video recorded.

Chairman Simpson asked for a motion to adopt the minutes of the August 14, 2013 Board Meeting. A motion was made by Board Member Myron P. Shevell seconded by Board Member James C. Finkle Jr. and unanimously adopted.

Public Comments on Agenda Items and Other Matters

There were seven public comments. Acting Board Secretary Zuczek announced the public comments would be limited to five minutes in order to give everyone an opportunity to be heard.

Orrin Getz said the track work on the Pascack Valley Line that was extended until October 4, 2013, is very important but the downside is the severe impact on ridership. He said it is going to be very important for NJ TRANSIT and Metro North to work together after the

work is complete to create programs to let riders know full service has been restored and promote ridership.

Mr. Getz said there is a problem with the busing. He said the first time he took the substitute bus service, it was great. He said the buses were well marked and there were dispatchers in Secaucus assisting passengers. Mr. Getz said the second time he took the substitute service, no one was there and passengers had to go around to the bus drivers to ask where they go and the drivers didn't want to tell them where they were going. Mr. Getz said that's a problem and NJ TRANSIT needs to look at how that's being run and follow up with the carrier to make sure that works better.

Mr. Getz said he left the Chairman an article. He said Amtrak Chief Tom Pendergast has committed Amtrak to the Secaucus Loop Project. Mr. Getz said he thinks that is fantastic because this would provide a one seat ride for Bergen and Passaic County riders. He said this is a great opportunity for NJ TRANSIT to work with Metro North, the MTA, and Amtrak. He said it is important to move this project full speed ahead because it's very beneficial to New Jersey and New York.

Mr. Getz said the upcoming Super Bowl provides NJ TRANSIT with a unique opportunity to work with the MTA to improve services that could possibly be retained for the future. He suggested through service from Secaucus through points on Long Island. Mr. Getz said NJ TRANSIT has the ALP-45 Dual Powered engines that can run electric from Secaucus through New York Penn Station to Sunny Side Yard, and switch to diesel to run to Hicksville and Ronkonkoma. He said he brought this issue up to the Long Island Railroad, and they sounded interested in working with NJ TRANSIT on that. Mr. Getz said this is a unique opportunity and since NJ TRANSIT has the equipment this would be a great way to try it out and see if it can be retained for the future.

Mr. Getz said the conductors on the train should have flexibility regarding what announcements they can make. He said sometimes conditions change and the conductors are reluctant to make announcements except for what they are specifically told to say. Mr. Getz said sometimes it's a great benefit if they can enhance what they are able to say and should be able to make announcements, especially when there is a problem. He thinks NJ TRANSIT Rail Operations should work with the conductors to allow the conductors more freedom to make announcements in response to customers bringing something to the conductors' attention.

Ralph White said he was requesting a bus stop in the heart of Trenton be put back on NJ TRANSIT's bus line. He said the State and Broad bus stop was in the center of town and for the elderly and handicap going to town to buy groceries, food, or clothing, they have to walk one block in the opposite direction or three blocks in the other direction to get it home. When they come to town, they have to walk one block to go to town or three blocks to come to town going east. Mr. White said basically for the elderly individuals and the handicap individuals, it is hard. He said he is handicapped and will be 62 years old this year. Mr. White said it is definitely hard to carry a package if you are going shopping and walk to a bus stop.

Mr. White said NJ TRANSIT stated the bus stop was a courtesy stop, not a real bus stop. He said from what he can remember during all his time as a Trentonian, he paid to ride the

bus from that stop. He said when he was young he paid a quarter at that stop NJ TRANSIT said was a courtesy stop. Mr. White asked NJ TRANSIT to please reconsider replacing the bus stop in the heart of downtown Trenton for senior citizens and handicapped. He said he had a petition with him, and he only accepted senior citizens and handicap names on the petition about the bus stop. Mr. White said it is very hard, and he would just ask NJ TRANSIT to look into the situation and reconsider.

Jack May said he is the Vice President of the New Jersey Association of Railroad Passengers. Mr. May said the New Jersey Association of Railroad Passengers supports the NJ TRANSIT Mid-Line Loop Project encompassing North Brunswick Station. He said they believe that the justification for this project and the benefits to riders of the Northeast Corridor are well stated in the action before the Board.

Mr. May said the New Jersey Association of Railroad Passengers observes that the proposed location of the Mid-Line Loop is but four miles north of Monmouth Junction, where NJ TRANSIT's long-discussed Monmouth-Ocean-Middlesex (MOM) rail line would join the Northeast Corridor. He said one of the considerations that have delayed proceeding with the MOM Project has been the expense of creating an underpass for southbound commuter trains at Monmouth Junction. Mr. May said this would be required to avoid a level interlocking that would have NJ TRANSIT's MOM trains crossing Amtrak's 160 mile per hour Northeast Corridor "Raceway," currently in the process of implementation between New Brunswick and Trenton.

Mr. May said they urge NJ TRANSIT to include in the design of the Mid-Line Loop provisions for future track connections to the MOM Line, which could be brought north from Monmouth Junction parallel to Amtrak's Northeast Corridor tracks. He said doing so at this time may provide the key to getting the MOM Line Project moving again at an affordable investment cost.

Mr. May said over the past year, a number of speakers have talked about the reinstatement of off-peak discount fares, specifically the creation of one-way lower priced tickets during time periods of comparatively reduced rail ridership. Mr. May said Commissioner Simpson has recognized this and indicated at previous Board Meetings that this is something he wants the management and staff of NJ TRANSIT to study. Mr. May said they believe that now is a good time to revisit the subject and reminded the Board and management of the corporation of this commitment.

Mr. May said there are many reasons it is desirable for both the resident of New Jersey and NJ TRANSIT to consider this initiative. He said it has been proven that reduced fares during non-rush hour periods can change the habits of passengers and prospective passengers. Mr. May said because of the lower fares, ridership will increase. For example, with regard to families in particular, the cost of traveling to an event in New York City, the Meadowlands, or other venues throughout the state, such as a ball game, theatrical presentation or concert, can be prohibitive when there are as many as two adults plus children in the party.

Mr. May said having lower fares during one time of day as compared to another, shifts a portion of the passengers to the period of less cost. He said this is very important during rush hours, when NJ TRANSIT's passenger carrying capacity is strained. Mr. May said it's

been stated often that the rationale for having commuter rail service in the first place is the large volume of passengers that has to be moved. He said the commuter carriers, whether rail or bus, must gear up with the highest number of vehicles, locomotives and on train personnel in the morning and afternoon, Monday to Friday rush hours. Mr. May said the costs of operating service outside of these periods are significantly less than at peak time, because not all these resources are needed.

Mr. May said thus shifting existing passengers to where current trains are not operating at capacity is desirable, and as a result, NJ TRANSIT may save significantly on operating costs. He said when these new passengers move to lower cost times, additional capacity in the heaviest ridership periods will be created without any capital costs. Mr. May said it is a double edged sword reducing overcrowding to make it possible to carry even more revenue passengers.

Mr. May said NJ TRANSIT will acknowledge that there are times that not all seats in the passenger vehicles are occupied. He asked wouldn't it be desirable to put bodies in those seats? Mr. May said NJ TRANSIT's mission statement reads as follows: "to provide safe, reliable, convenient, and cost-effective transit service with a skilled team of employees dedicated to our customers' needs and committed to excellence." He said he particularly wanted to reference the "dedicated to our customers needs" portion of the statement. Mr. May said he interprets these "needs" to be the opportunity for residents to be able to ride NJ TRANSIT's trains instead of driving or being forced to stay at home because of the cost.

Mr. May said he also believes one of NJ TRANSIT's policies, as a public transportation agency, should be to carry as many passengers as possible. He said if that can be met without significantly increasing net cost, all the better. Mr. May said they believe the empty rush hour seats can be filled by re-instituting lower fares in off-peak hours.

Mr. May said they understand there are revenue implications in offering lower fares, as was illustrated and debated during their initiative for the elimination of weekend parking fees on the light rail lines. He said revenue from fares is important, especially in these days of austere budgets. But, he said, an organization with a staff of planners and revenue accountants such as NJ TRANSIT's should be able to evaluate how best to implement such a system, testing discount amounts and percentages, as well as which times of days and on which days off-peak fares should be in effect. Mr. May said they believe working out various "what if" strategies is NJ TRANSIT's job, and that's why the New Jersey Association of Railroad Passengers is not making detailed suggestions for off-peak fares at this time. He said they will trust NJ TRANSIT's dedicated employees to work out the nitty-gritty details of off-peak fares and offer various scenarios that will hopefully meet the requirements of NJ TRANSIT's policies. Mr. May said they would not be adverse to a test of off-peak fares on one or more of NJ TRANSIT's rail lines.

Mr. May said Metro North, the Long Island Railroad and SEPTA all offer one-way off-peak fares, probably for the exact reasons he mentioned. He said it is now time to move forward as Commissioner Simpson has asked, and set a timetable for the evaluation of how off-peak fares can work for NJ TRANSIT and then put these fares into effect for the benefit of the people of New Jersey.

Chairman Simpson thanked Mr. May and asked for a copy of his remarks regarding off-peak fares to use in the future. He said as Chairman of the Board for NJ TRANSIT, he didn't think there was a Board Member that philosophically and ideologically disagreed with Mr. May on that because that is their mission. Chairman Simpson said they are at the tail end of evaluating it. He said initially they were concerned about the revenue side, but the concern has become one of operationally handling it, and they are trying to work through it.

Chairman Simpson said they tasked NJ TRANSIT staff with evaluating it and consultants have come in and crunched operational numbers. Chairman Simpson said he met with Executive Director Weinstein and high level operational staff on the rail side and staff has expressed concerns about the operational side of implementing the off-peak fare. Chairman Simpson said they have not concluded. He said they will brief interested stakeholders in a public forum, but they are not quite there yet.

Murray Bodin said he wanted to talk about red fire engines. He said they have always been red because a hundred years ago red was associated with fire and so they were painted red. Mr. Bodin said there is only one problem. He said the lime green and white fire engines are safer because they can be seen better and as a result there are fewer accidents. Mr. Bodin said why we don't paint them all lime green and white. He said it was because of tradition. Mr. Bodin said we like red; it's not safer, but we still like red. He asked how we deal with that. Are we into safety or are we into tradition?

Mr. Bodin asked how that affects NJ TRANSIT. He said NJ TRANSIT has all these railroad crossings with two flashing red lights. Drivers are taught red, yellow, and green. Mr. Bodin said one hundred years ago there were no traffic lights so we used two flashing lights.

Mr. Bodin said nobody asks why because it is tradition and we are used to it. He asked why we don't have red, yellow, and green lights at railroad crossing. Mr. Bodin said these guys are now texting and Twittering and everything else. He asked why don't we stop something that is tradition but not safe.

Mr. Bodin said we hear train whistles when the train is a quarter mile from the stations and crossings. He said there is only one problem: when you have two crossings, a quarter of a mile apart, nobody knows which train whistle is for which crossing. Mr. Bodin suggested a sign and horn be put on the crossing so people know which crossing the horn belongs to because when you hear that repetitive sound all the time, you block it out and it becomes useless.

Mr. Bodin said this is why he says it is time to think differently and changes need to be made. He said these are just a couple of examples and asked whose job it is to start changing the way we think for the future. Mr. Bodin said he is 80 years old and his time is over and he has given up his control to the next generation, his grandchildren in particular. He said it is time to pass the baton onto other younger people who are going to have to live with this.

Dan O'Connell said he is the State Legislative Director for the Smart Transportation Division, the former United Transportation Union. He said his office received a call about

an assault on one of their train members. Mr. O'Connell said he was talking to the Chief this morning and he informed him that three juveniles had been arrested. Mr. O'Connell thanked Chief Trucillo and the men and women of NJ TRANSIT's police force for the quick action. Chairman Simpson asked how the employee is and was told he is fine.

Mr. O'Connell said during the last 39 years, unfortunately, he has heard too many stories that didn't turn out fine. He said they would like to offer suggestions for both rail and bus. Mr. O'Connell said when there are arrests, 1) they should be well publicized and 2) they should be prosecuted to the fullest extent of the law. He said these three individuals in the most recent case are juveniles. Mr. O'Connell said they are afraid that they won't be charged, they will just be given a slap on the wrist, and they will show up on the railroad again. He said they will do whatever they can to partner with NJ TRANSIT on that, such as speak with legislators or have legislation enacted such as an assault bill, they are willing to do that and they urge NJ TRANSIT to take action.

David Peter Alan said he had several items to cover and he would begin by speaking in his individual capacity, and later he would speak for the Lackawanna Coalition. Mr. Alan commended the crew of Train #66 on September 11, 2013. He said the train originated at Walkill, near Middletown, New York. The unit which pulled the train lost its head-end power. The crew managed to bring the train, operating on battery power, to Suffern. Mr. Alan said there was another train ready to take them to Hoboken. Mr. Alan said even with this unscheduled change of trains, they arrived in Hoboken only 16 minutes late and he was able to make his Morris & Essex Line train that he was planning on taking. He said that crew should be commended.

Mr. Alan said the "Lehigh Limited" special train on August 24, 2013 was a great example of cooperation between the Morristown & Erie Railway, NJ TRANSIT and Norfolk Southern. He complemented everyone for this cooperation and said if this kind of cooperation extended to all matters on our railroad, and also between management and the representatives of the riding public, the result would be a larger and more comprehensive transit mobility network for everybody, along with the monetary and political benefits that would come to NJ TRANSIT from that high level of public support.

Mr. Alan said this was not in his prepared statement, but on behalf of the Lackawanna Coalition, they agree with everything Jack May had to say about off-peak fares. Mr. Alan said they appreciate the Commissioner's support of off-peak fares and they will do everything they can to whomever necessary to see off-peak fares come back.

Mr. Alan said the Lackawanna Coalition commends NJ TRANSIT for bringing back service so quickly after the wash out on the Gladstone Branch. He said they remember how long it took to repair the Port Jervis Line after Hurricane Irene and they know there are still problems from Hurricane Sandy. He said they are glad to see the Gladstone service came back but they are concerned that although there was substitute bus service on the day of the wash out, there was no bus service for the next three days. They do not understand why NJ TRANSIT did not find two buses to run those three days.

Mr. Alan said they are also deeply disappointed in what happened to their initiative for increased transparency and citizen participation at NJ TRANSIT. He said at the May Board Meeting, Commissioner Simpson requested that Mr. Alan provide written

recommendations. In response to the request, he said they sent their recommendations for improvement in citizen participation and transparency. Mr. Alan said the reply they got was from a staff member, but to please correct him if he was wrong about that, and the reply basically defended all existing policies and did not hint at further inclusion of public comment. He said they know where they stand and will continue to fight for the riders. Mr. Alan said if there should come a time in the future when the Board and management should wish to expand citizen participation at NJ TRANSIT they will be available to help make such expansion a reality.

Mr. Alan said in that vein, they also express profound disappointment that NJ TRANSIT has begun to remove the end of the Dinky Line, despite the fact that the legal challenges and administrative challenges initiated by their colleagues at New Jersey Association of Railroad Passengers have not yet been resolved. He said this is an action against mobility and action against the mobility of some transit riders and is an action against the mobility of all transit riders.

Mr. Alan said the primary relief sought by the New Jersey Association of Railroad Passengers and members of the Princeton community was public hearings. He said this is not the first time that NJ TRANSIT has litigated against someone who wanted a public hearing. Mr. Alan said ten years ago, a man named Jim Wilson wanted to run service to stations on the old Greenwood Lake Line that had lost their service when the Montclair Connection opened. He said NJ TRANSIT wasted the taxpayers' money litigating against him. Mr. Alan said Mr. Wilson eventually won and got his hearing and nothing changed, but it took that for the public to get their say. Mr. Alan said he does not know why NJ TRANSIT does not like to allow public hearings. He said it is a very negative policy. Mr. Alan said while NJ TRANSIT is constantly showing everybody who is boss about transit, their members and many members of the public believe that they should be allowed to say something about transit and be taken seriously.

Mr. Alan said New Jersey must change this policy now. He said it costs little to allow the public to participate in decisions concerning their mobility, and the benefits to NJ TRANSIT can be significant, especially now that every transit agency in the nation needs all the political support and all the public support they can get. Mr. Alan said when you lord it over your riders, they will fight against you. He said when you listen to your riders and respect their needs, they will fight on your side.

Joseph Clift said the off-peak, 10-trip punch tickets come right out of the MTA machines and he hopes NJ TRANSIT is looking at those as well as individual tickets.

Mr. Clift said Item 1309-41, Northeast Corridor Mid-Line Loop Project: Contract Award for Design, Engineering, and Other Technical Services is asking for authorization to enter a \$13 million contract for design and preliminary engineering, but this is actually a \$363 million project.

Mr. Clift said this is a really large project. He said in a perfect world he would say absolutely go right ahead, spend the money. Mr. Clift said unfortunately we are in what everybody recognizes as a financially constrained environment. He asked the Board to defer the item until they receive a really comprehensive Northeast Corridor capital improvement overview. Mr. Clift said that has not happened yet. He said in February,

Mr. Meisel asked him what he thought of this project, but he didn't know enough to comment and he still doesn't know enough to comment.

Mr. Clift said one of the issues he thinks should be reviewed first is whether this project is going to crowd out other projects. He said there is \$378 million available for the next five years after you take out the \$22.5 million annually which is put in the Joint Benefit Program on the Northeast Corridor. Mr. Clift said almost all of that money, \$363 million is being asked to be spent on this one project which is going to definitely crowd out other projects.

Mr. Clift said there are missing costs. He said if NJ TRANSIT is going to run trains to the new station at Adams, NJ TRANSIT will have to rebuild and upgrade Jersey Avenue which means two-side platforms with ADA access and the project is going to push the cost up towards about \$400 million.

Mr. Clift questioned whether this project is too early. He said the project's true need occurs when more NJ TRANSIT or Amtrak Northeast Corridor peak hour trains are put in service, which is likely not until the new Gateway Hudson River tunnels are built, a minimum of 10 to 15 years in the future because currently the Northeast Corridor is at capacity into New York City. He suggested including it as part of the Gateway Project. Mr. Clift said this project has benefits for both Amtrak and for NJ TRANSIT and yet it's a 100 percent NJ TRANSIT project.

Mr. Clift asked whether the new Adams Station in North Brunswick was driving this project. He said that is the only benefit NJ TRANSIT will have initially and this is a \$400 million investment. He said it is only two miles from Jersey Avenue and four miles from New Brunswick. He doesn't think that is a good investment.

Mr. Clift said at a congressional hearing in June, Amtrak President Joe Boardman talked about the decapitalization of the Northeast Corridor. Mr. Clift said NJ TRANSIT's \$22.5 million annual contribution to the Northeast Corridor Joint Benefits Program is not enough. He said it is depreciating physically. Mr. Clift said twice last year, in February and August, the Commissioner asked to get a complete review of the Northeast Corridor needs to bring it up to NJ TRANSIT standards. Mr. Clift said that has yet to be done and this needs to be looked at really carefully. He said if NJ TRANSIT expands the network, it will be at the expense of maintaining it. Mr. Clift said NJ TRANSIT got off easy in terms of heat-related problems this year.

Mr. Clift said he questions the priority of spending \$400 million for the Mid-Line Loop. He thinks the Raritan Valley Line should get priority. He said NJ TRANSIT bought the dual powered locomotives and there should be an expectation that they get priority. Mr. Clift said PRIIA is going to force NJ TRANSIT to pay more for less. He thinks NJ TRANSIT should know what those costs are before they go out and look at spending money on this expansion. Mr. Clift said NJ TRANSIT has four short tracks in Penn Station New York that should be extended to give everyone access. Mr. Clift said the bottom line is he doesn't think there is enough information. He thinks basically the Board just learned a constrained situation. Mr. Clift said here are projects that are going to take everything and they should ask to get a full picture before starting this project.

Chairman Simpson said they appreciate his comments because they are well thought out. Chairman Simpson said this Board and the CP3 Committee spent hours discussing this project and the benefits. He said they also have many of the concerns that Mr. Clift has with how Amtrak is going to do this investment. Chairman Simpson said there is dialogue going on with Amtrak's leadership and NJ TRANSIT's leadership. With respect to the loop itself they have concerns about the price but the engineering is important and they decided to move it forward with the engineering for now. He said they will see how it plays out in the future, including PRIIA. Chairman Simpson said they will keep the public posted on this project. He said staff did a really good job discussing the immediate operational savings as a result of this loop, without Gateway.

Board Member Comments

There were no Board Member comments.

Advisory Committee Report

There was no Advisory Committee Report.

Board Capital Planning, Policy & Privatization (CP3) Committee Report

Vice Chairman Bruce M. Meisel presented the Capital Planning, Policy and Privatization Committee report. Vice Chairman Meisel said the Committee discussed the contract for remediation of the Hoboken Terminal Waiting Room and the contract for dredging Port Imperial Intermodal Ferry Terminal.

In addition, the Committee discussed the contract for design, engineering and other technical services for the Northeast Corridor Mid-Line Loop project.

Board Customer Service and Administration Committee Report

Board Member James C. Finkle Jr. presented the Customer Service and Administration Committee Report. The Committee reviewed the extension of the existing Covenant Not to Compete Agreement on the #300 bus route with Olympia Trails Bus Company which ensures NJ TRANSIT an annual payment of 5.5 percent of the gross revenue, with a minimum annual payment of \$450,000.

Executive Director's Monthly Report

Executive Director Weinstein presented the monthly report:

CUSTOMER SURVEYS

Executive Director Weinstein began with a brief note about NJ TRANSIT's latest *Scorecard* customer survey, which just concluded last week on September 3. For the survey covering the 1st quarter of Fiscal Year 2014, NJ TRANSIT reached its highest level of participation to date, at a total of 19,161 customers. He said NJ TRANSIT hasn't seen this level of participation since the baseline survey in 2011, when 18,752 customers

participated. Additionally, for the first time since the surveys launched, the survey was offered in Spanish to encourage additional customer participation and it will continue in the future.

HBLR CAPACITY

Executive Director Weinstein said speaking of customer surveys; they have heard from NJ TRANSIT's Hudson-Bergen Light Rail customers that additional capacity on weekday evening trains is a top priority. Last week, to provide for a more comfortable trip during the busy weekday evening period, the Hudson-Bergen Light Rail's two-car service on the Bayonne-Hoboken branch and West Side Avenue-Tonnelle Avenue branch was extended to include 12 additional weekday trips. By converting trains that previously operated as single cars into two-car trains, NJ TRANSIT has doubled capacity on these trips, which operate between approximately 8 p.m. and 10 p.m. on weekdays.

Since the launch of Hudson-Bergen Light Rail in 2000, ridership on the line has grown steadily. In the past seven years alone, passenger trips have doubled to more than 45,000 per day. In June, July, and August of this year, passenger trips averaged nearly 48,000 per day. Executive Director Weinstein said they want NJ TRANSIT's customers to know that we are listening to their feedback regarding capacity and taking action to address their needs.

SANDY UPDATE

Executive Director Weinstein said at last month's meeting, he promised to provide further updates on NJ TRANSIT's ongoing Superstorm Sandy recovery and resiliency progress. He said much of NJ TRANSIT's work has focused on Hoboken Terminal, which was perhaps the facility most significantly impacted in terms of operations, infrastructure and of course from the customer perspective.

Executive Director Weinstein said the scene that greeted them at Hoboken in the initial aftermath of Sandy was quite similar to what homeowners in the most heavily-affected areas of the state experienced: it was one of complete devastation. But instead of feeling the personal attachment that homeowners felt looking at their damaged photos and belongings, the attachment was a professional one.

After all, here was a facility that the Corporation and its employees have poured a tremendous amount of work into over two decades, particularly with the restoration of the majestic main waiting room. So to see the high water mark on the walls from five feet of floodwaters, and benches and terrazzo flooring moved by the power of the flood, was nothing less than devastating.

Recovery at Hoboken Terminal has not been a simple fix. For one, NJ TRANSIT was tasked not just with drying out the facility, but cleaning it up as well. The rising river brought with it not just saltwater—which in itself is a powerful corrosive—but all of the pollutants and bacteria of the river as well as the oil, gas, and garbage as it swept through the city streets, along with sediment and debris. All of this ended up in NJ TRANSIT's facility. In addition, because the terminal is a historic landmark, all work has had to meet

with the State Historic Preservation Office's approval to ensure the work is historically correct.

Executive Director Weinstein said we have come a long way with progress at Hoboken Terminal, including the ongoing process of cleaning the limestone, gutting and reconstructing the vendor space using mold-resistant materials, and repairing and restoring the restrooms, which are now open, also using mold-resistant and corrosion-resistant products. Within the next few weeks, work on the vendor spaces will be done, at which time NJ TRANSIT will be able to turn it back over to the vendors for final outfitting.

The next public milestone will take place in October, when NJ TRANSIT will close the main waiting room in order to fully clean the limestone walls and remove salt, as well as remediate the benches and all woodwork surfaces. As mentioned last month, during this time, NJ TRANSIT will be making special arrangements to keep the newly restored restrooms open to customers. NJ TRANSIT's goal is to have this work completed by the end of the year, if not sooner.

While the remaining work on the waiting room is the last that affects the public, NJ TRANSIT will continue with behind-the-scenes repair and remediation related to operations and infrastructure. Design work for these repairs has already begun, and customers can check the Progress Page on njtransit.com to stay up to date.

Executive Director Weinstein also added that they have been focused not just on repairing and restoring Hoboken Terminal, but on reducing the effects of the next storm. For example, as part of this forward thinking, NJ TRANSIT has installed nearly 60 access panels throughout the terminal that will enable us to place fans within the walls to dry the space out after a flood event.

Executive Director Weinstein said he is very proud of the efforts made by NJ TRANSIT's staff as they've focused not just on restoring our system, but on making it stronger in the face of future storms.

TRAP BAGS

Also as part of storm preparation efforts, NJ TRANSIT has purchased "Trap Bag" flood barriers to provide protection at the Meadows Maintenance Complex in the event of a major storm. Trap Bags, which are flexible and tear-resistant, are installed and filled with sand to create dams to hold back water. They have been used successfully in other areas of the country from North Dakota to Louisiana, are being installed in this region in places such as Staten Island and Long Island, to minimize damage from flooding.

NJ TRANSIT has purchased 3,100-linear feet of trap bags, which come in 100 foot lengths and are sewn together. The trap bags are four to six feet in height in order to match the flood threat of an area. A total of 4,300 tons of sand are estimated to be used for this project—the equivalent of 8,600,000 pounds. At a total project cost of approximately \$500,000, the Trap Bags will provide interim protection until NJ TRANSIT raises its power substations within the next two to three years. They are already being installed strategically around the MMC facility to help protect critical electrical components against flood damage.

NJ TRANSIT GRID

And speaking of resiliency, two weeks ago, Governor Christie announced a partnership between the State of New Jersey and the U.S. Department of Energy to design a new power source for NJ TRANSIT that will help make our infrastructure more resilient in the wake of disasters such as Superstorm Sandy. Called NJ TRANSITGrid, it will be a first-of-its-kind electrical microgrid capable of supplying highly-reliable power during storms or other times when the traditional centralized grid is compromised.

A Memorandum of Understanding has been signed between the U.S. Department of Energy, NJ TRANSIT and the New Jersey Board of Public Utilities to collaborate with Sandia National Laboratories to study and design NJ TRANSITGrid, which could help keep hundreds of thousands of customers on the move each day by increasing the resilience and reliability of our electrical systems. NJ TRANSIT is excited to be part of this ground-breaking endeavor under Governor Christie's leadership.

BOB FRANKS RESOLUTION

Executive Director Weinstein the Board to join him for the honor of presenting a resolution to Fran Franks as a tribute to her husband, the late Congressman Bob Franks. Bob Franks was a national transportation advocate who devoted 21 years of his life to elected public service—13 years in the New Jersey State Assembly and eight years as a Member of Congress. He was an ally and untiring supporter of NJ TRANSIT from its very earliest days. And he was a personal friend to many in this agency.

Among his many achievements, he wrote the state law creating the transportation trust fund; he created the Raritan Valley Rail Coalition – an advocacy group for transit riders; and he pushed for the Union Train Station to be included in NJ TRANSIT's Capital Program and continued to push forward until the station was completed. He was also an advocate for expanding parking and jitney services at commuter rail stations, procuring multi-level train cars for NJ TRANSIT, advancing the Lackawanna Cut-Off project, and modernizing and improving NJ TRANSIT's bus fleet.

On behalf of everyone at NJ TRANSIT, Executive Director Weinstein said they are honored to recognize Bob Franks for the lasting positive impact he had on public transportation here in New Jersey. Executive Director Weinstein said they are honored to have Fran Franks present to accept the resolution.

Fran Franks thanked NJ TRANSIT, on behalf of the Franks Family, for dedicating the Union Train Station to Bob's memory. Throughout his career in public service Bob was a tireless advocate for expanding rail service as a way of promoting economic development and creating great opportunities for people to find work and attend college. That's why, as a member of the House Transportation and Infrastructure Committee, he made access to train service in Union of his top priorities. He worked with Union Township, Kean University, local companies, including Schering Plough, and NJ TRANSIT to get Union Station built.

Ms. Franks said their family is toughed and honored that Bob's contributions and commitment to improving public transportation in New Jersey will be remembered by his friends and colleagues, as well as those who pass through Union Station each and every day. She thanked Governor Christie and NJ TRANSIT for this wonderful tribute to Bob.

Executive Director Weinstein said that concludes his remarks.

Action Items:

Executive Director Weinstein presented the following Action Items for approval:

1309-39: SUPERSTORM SANDY DISASTER RECOVERY PROGRAM: HOBOKEN TERMINAL WAITING ROOM REMEDIATION AND SANITARY SEWER SYSTEM REPAIR – PROCUREMENT-BY-EXCEPTION CONSTRUCTION CONTRACT AWARD

Superstorm Sandy caused significant damage to a large portion of our transportation assets, including Hoboken Terminal, which experienced record-level floods that left at least five feet of water in the building. Since then, contractors have power-washed the walls, replaced heaters and electrical panels, stripped the floors, and rewired outlets. In addition, all of the wood structures within the waiting room have been covered with plywood and plastic until mold remediation work can be completed. The Terminal waiting room opened again in January 2013.

Emergency repairs to rehabilitate two of the Hoboken Terminal vendor spaces, main waiting room, and public restrooms are currently underway. It is anticipated that these emergency repairs will be completed by September 2013. Concurrently, Rail Operations forces are working to rehabilitate the ticket offices, customer service, and station and transportation operations areas. In addition to its importance to commuters to provide heated space during the winter months while waiting for trains and in restroom facilities, Hoboken Terminal will serve as a critical transportation hub for Super Bowl 48 in February 2014. Therefore, completion of the repair work at the Terminal before the end of December 2013 is of the utmost importance.

In order to immediately address conditions related to mold growth and water infiltration and the need to rehabilitate the Hoboken Terminal waiting room, authorization is requested to enter into NJ TRANSIT Contract No. 13-094X with John O'Hara Company, Inc. of East Orange, New Jersey, for construction services related to the rehabilitation of the Hoboken Terminal waiting room and the repair of the sanitary sewer system at a cost not to exceed \$1,899,999.00, plus five percent for contingencies, subject to the availability of funds.

Authorization is also requested to make an Early Completion Incentive Payment not to exceed \$300,000 if the Contractor achieves the milestone "Waiting Room Open to the Public with Heat" as specified in the Contract.

Board Member Myron P. Shevell moved the resolution, Board Member Flora M. Castillo seconded it and it was unanimously adopted.

1309-40: SUPERSTORM SANDY DISASTER RECOVERY PROGRAM: PORT IMPERIAL INTERMODAL FERRY TERMINAL – CONTRACT AWARD FOR DREDGING

In 2004, NJ TRANSIT constructed the Port Imperial Intermodal Ferry Terminal, in Weehawken, New Jersey. With the Hudson-Bergen Light Rail station and local feeder bus services, the ferry service is an important intermodal transit hub for trans-Hudson River travelers. It also provides critical trans-Hudson transportation relief capacity to augment trans-Hudson rail, bus and automobile services, and is prominent in emergency evacuations from Manhattan.

Authorization is requested to enter into a contract with the lowest responsive responsible bidder for the dredging and disposal of sediment in the ferry channel and commuter docking area in an amount not to exceed the budgeted amount, plus five percent for contingencies, subject to the availability of funds.

Board Member Myron P. Shevell recused himself from voting on this item. Chairman Simpson asked whether there was a lowest responsive responsible bidder. Executive Director Weinstein said two bids were received and they are undergoing legal review and they will go with the lowest responsive responsible bidder. Chairman Simpson said if something happens with the lowest responsive responsible bidder and NJ TRANSIT is going to go with the second bid, he would like to be notified before the contract is executed.

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

1309-41: NORTHEAST CORRIDOR MID-LINE LOOP PROJECT: CONTRACT AWARD FOR DESIGN, ENGINEERING, AND OTHER TECHNICAL SERVICES

The Mid-Line Loop Project Study evaluated options to eliminate the at-grade crossing conflict that exists on the Northeast Corridor in the vicinity of Jersey Avenue Station/County Yard facility. A grade-separated Mid-Line Loop track would allow trains from the eastbound track at Jersey Avenue to reach the inbound side without interfering with train movements on express tracks in either direction. It also would facilitate increased rail service along the Corridor as well as save in deadheading and crew costs and allow for future Amtrak track expansion/upgrades.

Authorization is requested to enter into a contract with HNTB of New York, New York, to provide Phase I consulting services, including preliminary

engineering, and other technical services for the Northeast Corridor Mid-Line loop project at a cost not to exceed \$12,500,600, plus five percent for contingencies, subject to the availability of funds.

Board Member James C. Finkle Jr. moved the resolution, Vice Chairman Bruce M. Meisel seconded it and it was unanimously adopted.

1309-42: PURCHASE OF 84 COMPRESSED NATURAL GAS (CNG) CRUISER BUSES

The proposed purchase of 84 forty-five foot Compressed Natural Gas cruiser buses will replace existing CNG buses that are nearing the end of their useful life as well as improve service reliability and reduce operating costs. The purchase will be paid for with federal funds under a TIGER grant specifically for CNG buses. These new buses will be equipped with wheelchair lifts and will be compliant with Americans with Disabilities Act requirements. The new buses will also incorporate technologies to reduce exhaust emissions as prescribed by the Clean Air Act Amendment.

Authorization is requested to enter into a contract with Motor Coach Industries of Schaumburg, Illinois, the lowest responsive responsible bidder for the purchase of 84 Compressed Natural Gas cruiser buses at a cost not to exceed \$57,140,514.21, plus five percent for contingencies.

Vice Chairman Bruce M. Meisel moved the resolution, Board Member James C. Finkle Jr seconded it and it was unanimously adopted.

1309-43: EXTENSION OF COVENANT NOT TO COMPETE AGREEMENT ON THE #300 BUS ROUTE

Olympia Trails Bus Company has been operating the #300 Bus Route under the current Covenant Not to Compete Agreement since 1997. The route runs between Newark Liberty International Airport and the Port Authority Bus Terminal.

Authorization is requested to extend that agreement with Olympia Trails Bus Company of Elizabeth, New Jersey for a 72-month period from October 1, 2013 through September 30, 2019 for an annual payment of 5.5 percent of the gross revenue, with a minimum annual payment of \$450,000. The duration of this agreement consists of a 36-month base period and a 36-month option period which is exercisable solely at NJ TRANSIT's option.

Board Member Myron P. Shevell moved the resolution, Vice Chairman Bruce M. Meisel seconded it and it was unanimously adopted.

Adjournment

Since there were no further comments or business, Chairman Simpson called for adjournment and a motion to adjourn was made by Vice Chairman Bruce M. Meisel seconded by Board Member James C. Finkle Jr. and unanimously adopted. The meeting was adjourned at approximately 10:05 a.m.

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

SEPTEMBER 12, 2013

MINUTES	PAGE
➤ CALL TO ORDER	-
➤ APPROVAL OF MINUTES OF PREVIOUS MEETINGS	45915
➤ PUBLIC COMMENTS ON AGENDA ITEMS AND OTHER MATTERS	-
➤ BOARD MEMBER COMMENTS	-
➤ ADVISORY COMMITTEE REPORT	-
➤ SENIOR CITIZEN AND DISABLED RESIDENT TRANSPORTATION ADVISORY COMMITTEE REPORT (NEXT SCHEDULED REPORT DUE DECEMBER 2013)	-
➤ BOARD COMMITTEE REPORTS	-
*Customer Service Committee	
*Administration Committee	
*Capital Planning, Policy and Privatization Committee	
➤ EXECUTIVE DIRECTOR'S MONTHLY REPORT	45916

ACTION ITEMS

1309-39	SUPERSTORM SANDY DISASTER RECOVERY PROGRAM: HOBOKEN TERMINAL WAITING ROOM REMEDIATION AND SANITARY SEWER SYSTEM REPAIR – PROCUREMENT-BY-EXCEPTION CONSTRUCTION CONTRACT AWARD	45936
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Authorization to enter into NJ TRANSIT Contract No. 13-094X with John O'Hara Company, Inc. of East Orange, New Jersey, for construction services related to the rehabilitation of the Hoboken Terminal waiting room and the repair of the sanitary sewer system at a cost not to exceed \$1,899,999.00, plus five percent for contingencies, subject to the availability of funds.

Authorization to make an Early Completion Incentive Payment not to exceed \$300,000 if the Contractor achieves the milestone "Waiting Room Open to the Public with Heat" as specified in the Contract.

NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS, INC.
NJ TRANSIT RAIL OPERATIONS, INC.
NJ TRANSIT MERCER, INC.
NJ TRANSIT MORRIS, INC.
RE-SCHEDULED BOARD OF DIRECTORS' MEETINGS
SEPTEMBER 12, 2013
MINUTES
PAGE 2

1309-40 SUPERSTORM SANDY DISASTER RECOVERY PROGRAM: PORT IMPERIAL INTERMODAL FERRY TERMINAL – CONTRACT AWARD FOR DREDGING 45945

Authorization to enter into NJ TRANSIT Contract No. 13-085X with the lowest responsive responsible bidder for the dredging and disposal of sediment in the ferry channel and commuter docking area in an amount not to exceed the budgeted amount, plus five percent for contingencies, subject to the availability of funds.

1309-41 NORTHEAST CORRIDOR MID-LINE LOOP PROJECT: CONTRACT AWARD FOR DESIGN, ENGINEERING, AND OTHER TECHNICAL SERVICES 45951

Authorization to enter into NJ TRANSIT Contract No. 13-022 with HNTB of New York, New York, to provide Phase I consulting services, including preliminary engineering, and other technical services for the NEC Mid-Line loop project at a cost not to exceed \$12,500,600, plus five percent for contingencies, subject to the availability of funds.

1309-42 PURCHASE OF 84 COMPRESSED NATURAL GAS (CNG) CRUISER BUSES 45959

Authorization to enter into NJ TRANSIT Contract No. 13-029 with Motor Coach Industries of Schaumburg, Illinois, the lowest responsive responsible bidder for the purchase of 84 CNG cruiser buses at a cost not to exceed \$57,140,514.21, plus five percent for contingencies.

1309-43 EXTENSION OF COVENANT NOT TO COMPETE AGREEMENT ON THE #300 BUS ROUTE 45962

Authorization to extend the Covenant Not to Compete Agreement with Olympia Trails Bus Company, Inc. (a Coach USA Company) of Elizabeth, New Jersey, for a 72-month period from October 1, 2013 through September 30, 2019 (a 36-month base period and a 36-month option period) for the #300 Bus Route between Newark Liberty International Airport and the Port Authority Bus Terminal, for an annual payment of 5.5 percent of the gross revenue, with a minimum annual payment of \$450,000.

➤ **ADJOURNMENT**

APPROVAL OF MINUTES

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

WHEREAS, pursuant to Section 4(f) of the New Jersey Public Transportation Act of 1979, the minutes of actions taken at the August 14, 2013 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 August 15, 2013;

NOW, THEREFORE, BE IT RESOLVED that the minutes of actions taken at the August 14, 2013 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.

(NJT Board - 09/12/2013)

Chris Christie, Governor

Kim Guadagno, Lieutenant Governor

James S. Simpson, Board Chairman

James Weinstein, Executive Director

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

TO: BOARD OF DIRECTORS
FROM: JAMES W. WEINSTEIN *jm*
DATE: SEPTEMBER 12, 2013
SUBJECT: EXECUTIVE DIRECTOR'S REPORT – SEPTEMBER 2013

Last week, we concluded our latest *Scorecard* customer survey, covering the 1st quarter of Fiscal Year 2014. We reached our highest level of participation to date, at a total of 19,161 customers. We haven't seen this level of participation since our baseline survey in 2011, when we had 18,752 customers participate. For the first time since the surveys launched, we also offered the survey in Spanish to encourage additional customer participation, which we will continue to do in the future.

Speaking of customer surveys, we have heard from our Hudson-Bergen Light Rail customers that additional capacity on weekday evening trains is a top priority. Starting September 3, to provide for a more comfortable trip during the busy weekday evening period, we extended the Hudson-Bergen Light Rail's two-car service on the Bayonne-Hoboken branch and West Side Avenue-Tonnelle Avenue branch to include 12 additional weekday trips. By converting trains that previously operated as single cars into two-car trains, we have doubled capacity on these trips, which operate between approximately 8 p.m. and 10 p.m. on weekdays. We want our customers to know that we are listening to their feedback regarding capacity and taking action to address their needs.

Turning to our ongoing Superstorm Sandy recovery and resiliency progress, we have come a long way at Hoboken Terminal, including the ongoing process of cleaning the limestone, gutting and reconstructing the vendor space using mold-resistant materials, and repairing and restoring the restrooms, which are now open—also using mold-resistant and corrosion-resistant products. Within the next few weeks, we will be done with work on the vendor spaces, at which time we will be able to turn it back over to the vendors for final outfitting. The next milestone will take place in October, when we will close the main waiting room in order to fully clean the limestone walls and remove salt, as well as remediate the benches and all woodwork surfaces. We have been focused not just on repairing and restoring Hoboken Terminal, but on reducing the effects of the next storm. As part of this forward thinking, we have installed nearly 60 access panels throughout the terminal that will enable us to place fans within the walls to dry the space out after a flood event.

Also as part of our storm preparation efforts, we have purchased "TrapBag" flood barriers to provide protection at the Meadows Maintenance Complex in the event of a major storm. TrapBags, which are flexible and tear-resistant, are installed and filled with sand to create dams to hold back water. They have been used successfully in other areas of the country from North Dakota to Louisiana to minimize damage from flooding. We have purchased 3,100-linear feet of TrapBags, which come in 100 foot lengths and are sewn together, and are four to six feet in height in order to match the flood threat of an area. The TrapBags are already being installed strategically around the MMC facility to help protect critical electrical components against flood damage.

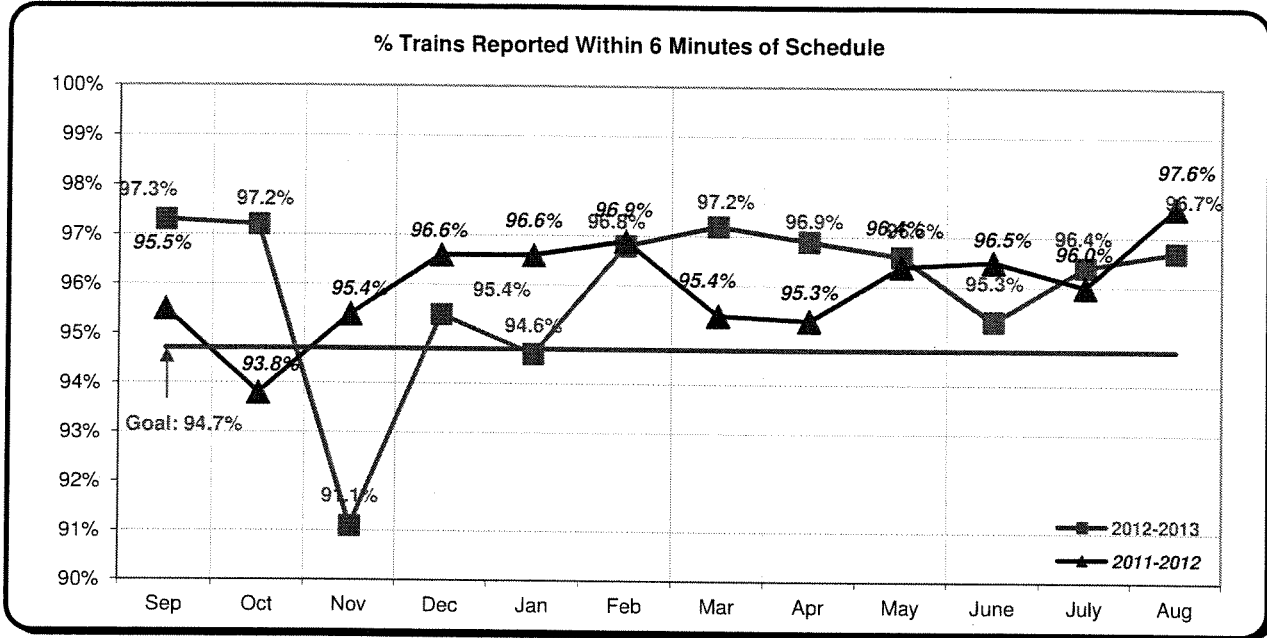
Lastly, two weeks ago, Governor Christie announced a partnership between the State of New Jersey and the U.S. Department of Energy to design a new power source for NJ TRANSIT that will help make our infrastructure more resilient in the wake of disasters such as Superstorm Sandy. Called NJ TRANSITGrid, it will be a first-of-its-kind electrical microgrid capable of supplying highly-reliable power during storms or other times when the traditional centralized grid is compromised. A Memorandum of Understanding (MOU) has been signed between the U.S. Department of Energy, NJ TRANSIT and the New Jersey Board of Public Utilities to collaborate with Sandia National Laboratories to study and design NJ TRANSITGrid, which could help keep hundreds of thousands of customers on the move each day by increasing the resilience and reliability of our electrical systems. We are excited to be part of this ground-breaking endeavor under Governor Christie's leadership.

EXECUTIVE DIRECTOR'S MONTHLY REPORT SEPTEMBER 2013

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

PERFORMANCE MEASURES

NJ TRANSIT ON-TIME PERFORMANCE RAIL SEPTEMBER 2011 - AUGUST 2013



August Comparison	2012	2013	# Change
	97.6%	96.7%	-0.9%

12-Month Average September-August	2011-2012	2012-2013	# Change
	95.5%	96.0%	0.5%

Analysis:

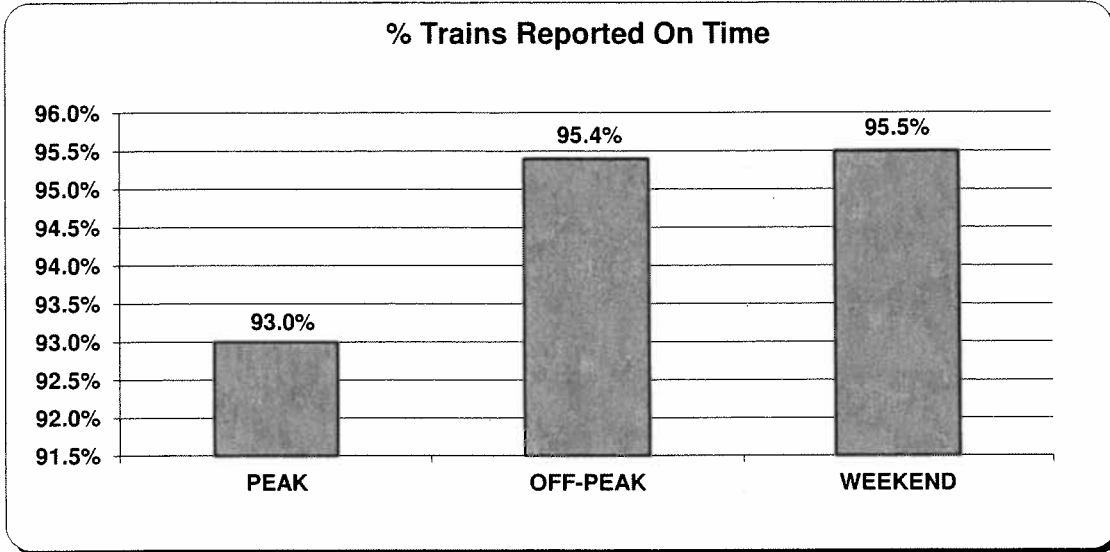
Rail On-Time Performance was 96.7% for August 2013. Of the 18,530 trains scheduled to operate, 17,544 were on time, while 986 trains (or 3.3 %) were delayed. Key causes included:

- Overhead power problems causing congestion on August 13.
- Inclement weather resulting in track washout on the Gladstone Branch on August 22.
- Overhead wire failure causing delays on the Northeast Corridor on August 29.

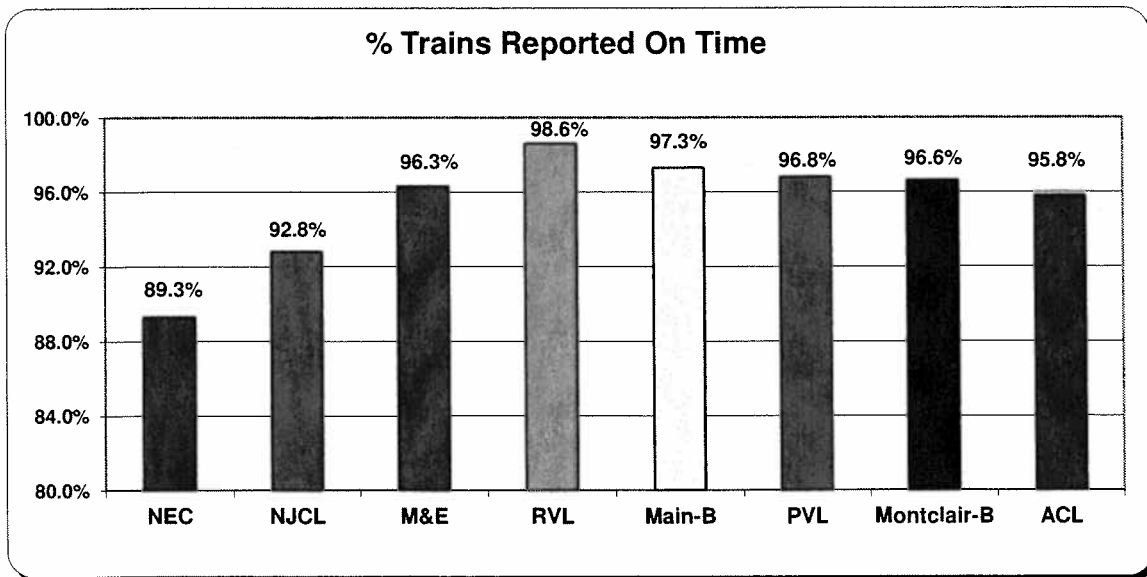
The 12-month average for Rail On-Time Performance for September 2011 - August 2013 was 95.8%.

ON-TIME PERFORMANCE RAIL

SUMMARY BY TIME PERIOD AUGUST 2013

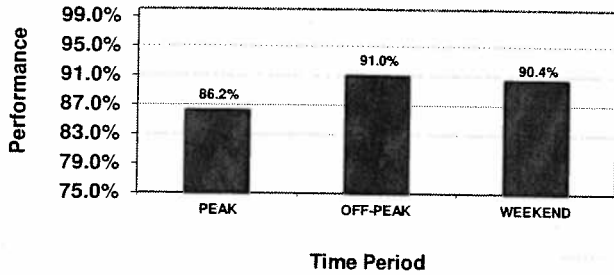


SUMMARY BY LINE AUGUST 2013

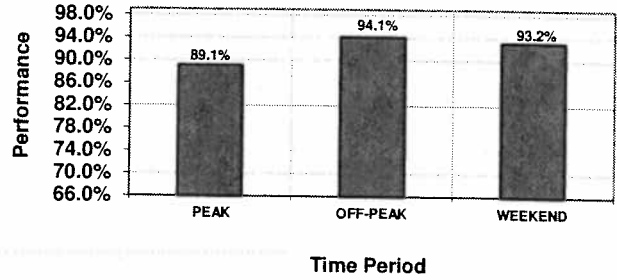


ON-TIME PERFORMANCE BY RAIL LINE & TIME PERIOD AUGUST 2013

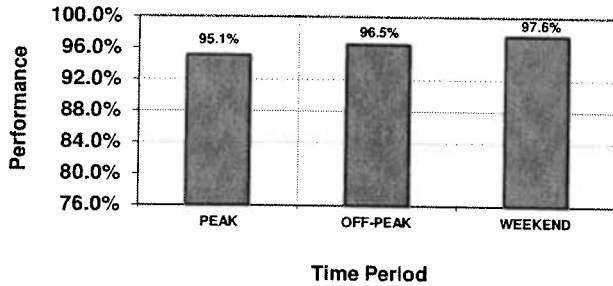
NORTHEAST CORRIDOR



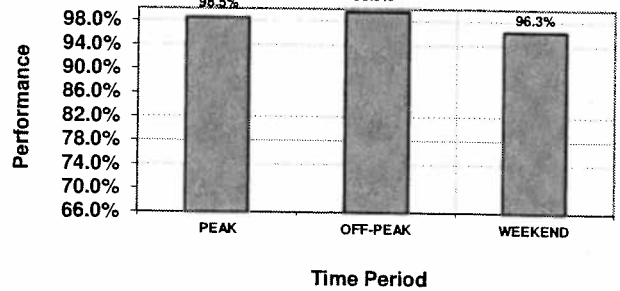
NORTH JERSEY COAST LINE



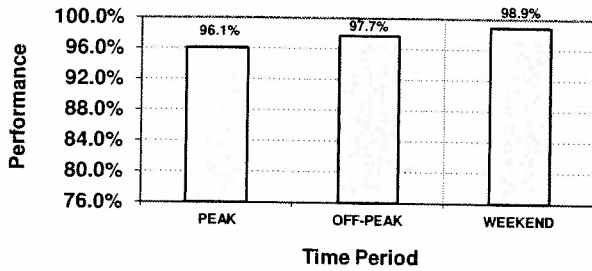
MORRIS & ESSEX



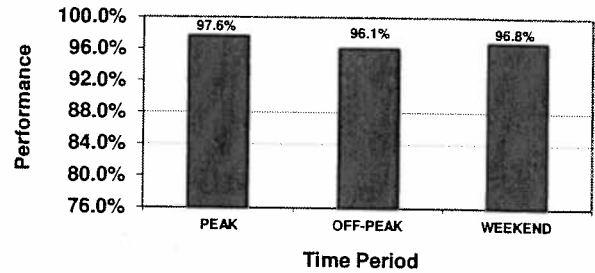
RARITAN VALLEY LINE



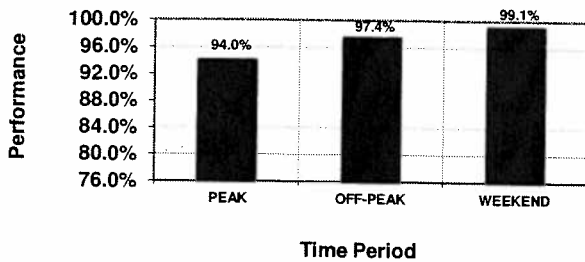
MAIN-BERGEN



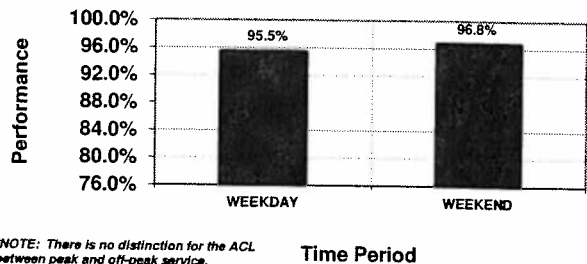
PASCACK VALLEY



MONTCLAIR-BOONTON

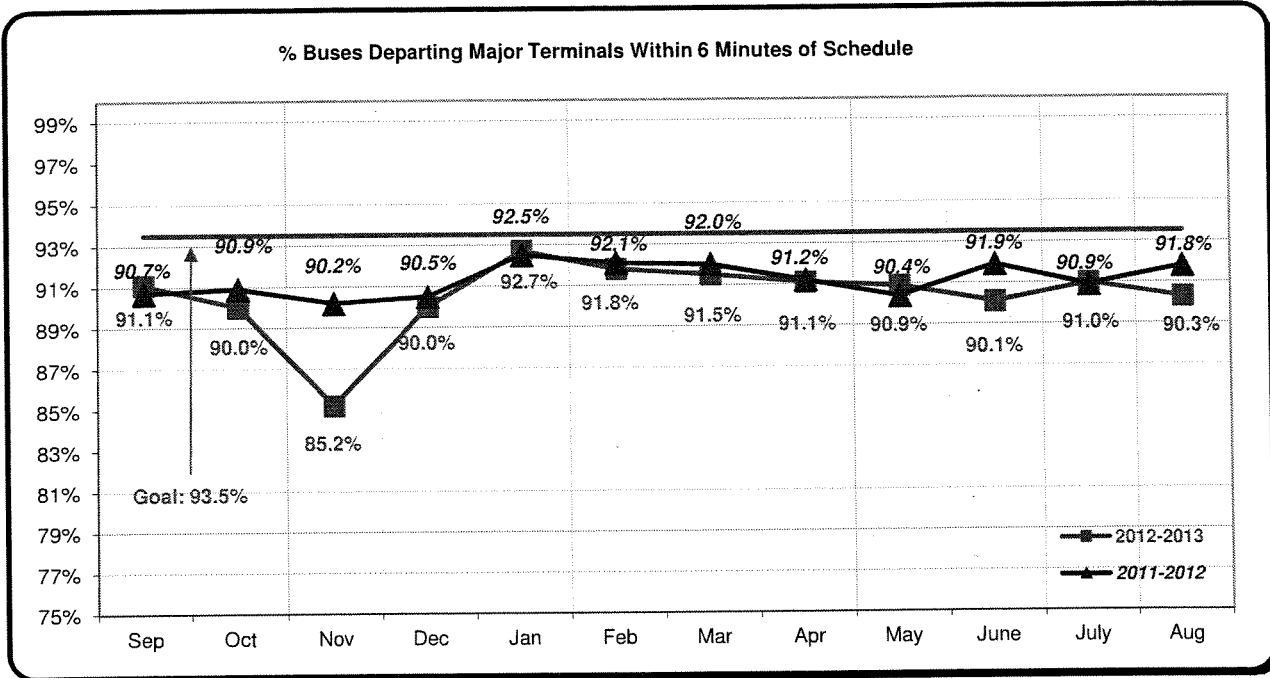


ATLANTIC CITY*



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

NJ TRANSIT ON-TIME PERFORMANCE BUS SEPTEMBER 2011 - AUGUST 2013



	2012	2013	% Change
August Comparison	91.8%	90.3%	-1.5%

	2011-2012	2012-2013	% Change
12-Month Average September-August	91.3%	90.5%	-0.8%

Analysis:

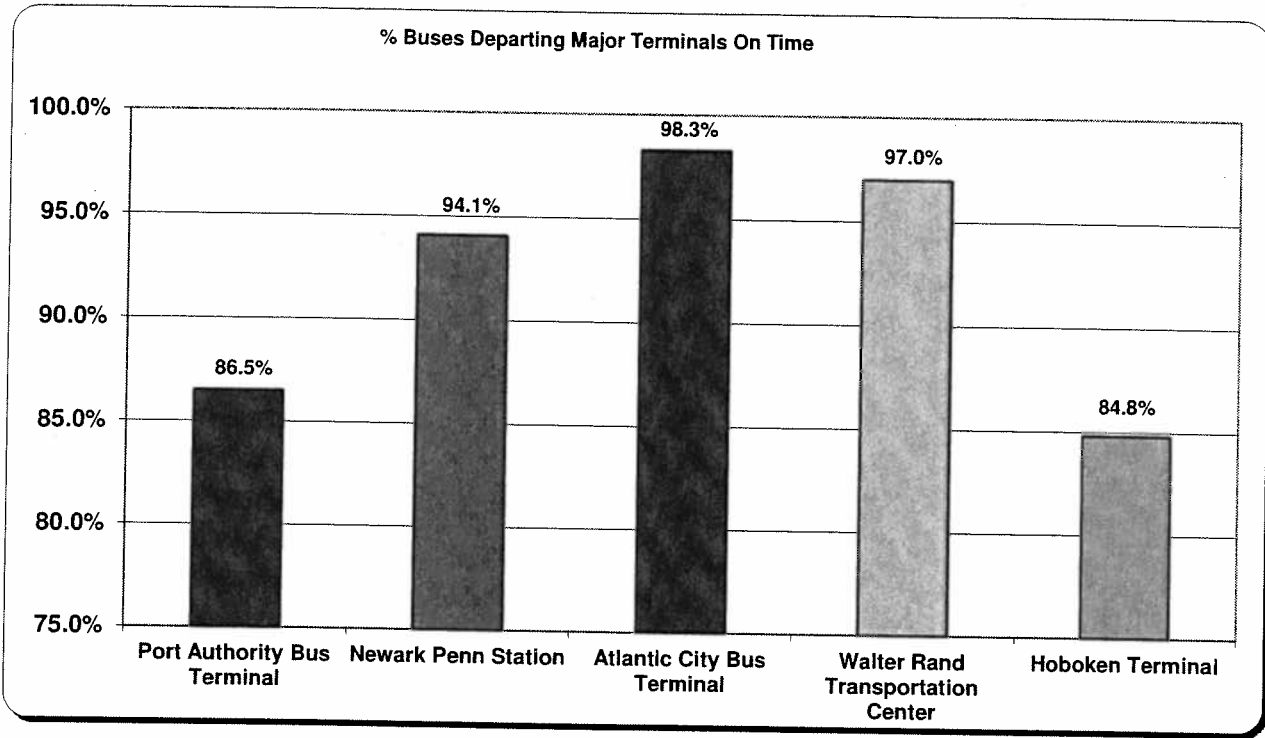
Bus On-Time Performance was 90.3% for August 2013. Of the 39,416 monitored departures, 3,834 (or 9.7%) experienced delays. Key causes included:

- Ongoing construction on the Pleasant Ave. Bridge impacting Port Authority Bus Terminal buses during peak periods.
- Accidents, detours, congestion and mechanical issues impacting Newark Penn Station buses.
- Traffic in Hudson County and New York affecting Hoboken buses.

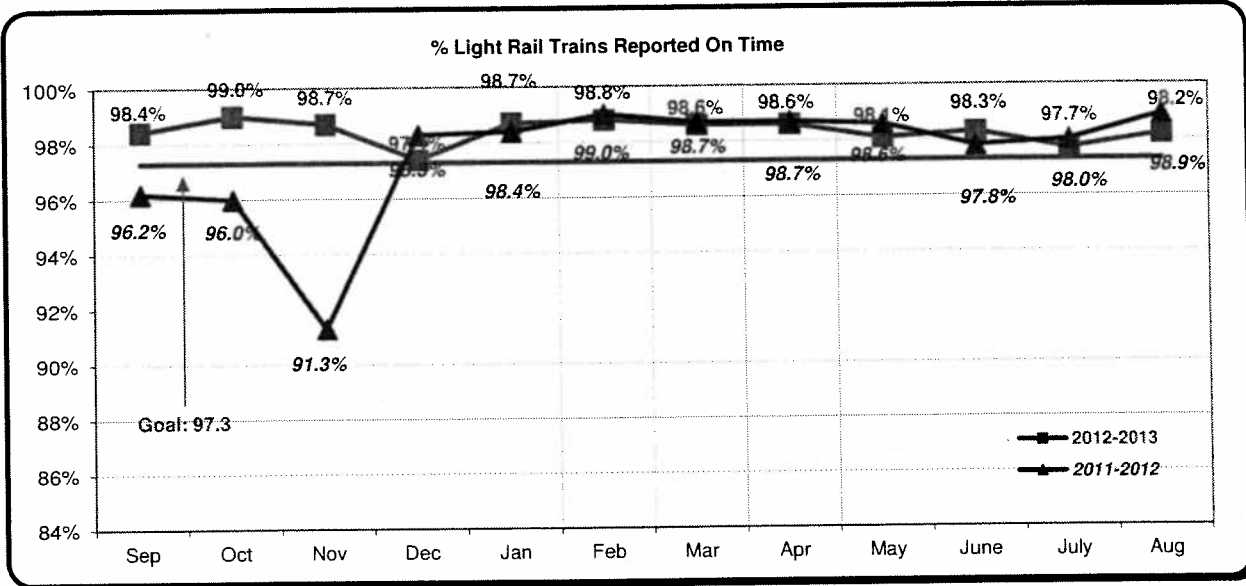
The 12-month average for Bus On-Time Performance for September 2011 - August 2013 was 90.8%.

ON-TIME PERFORMANCE BUS

SUMMARY BY TERMINAL AUGUST 2013



NJ TRANSIT ON-TIME PERFORMANCE LIGHT RAIL SEPTEMBER 2011 - AUGUST 2013



	2012	2013	# Change
July Comparison	98.2%	98.9%	0.7%

	2011-2012	2012-2013	# Change
12-Month Average August - July	97.5%	98.4%	0.9%

Analysis:

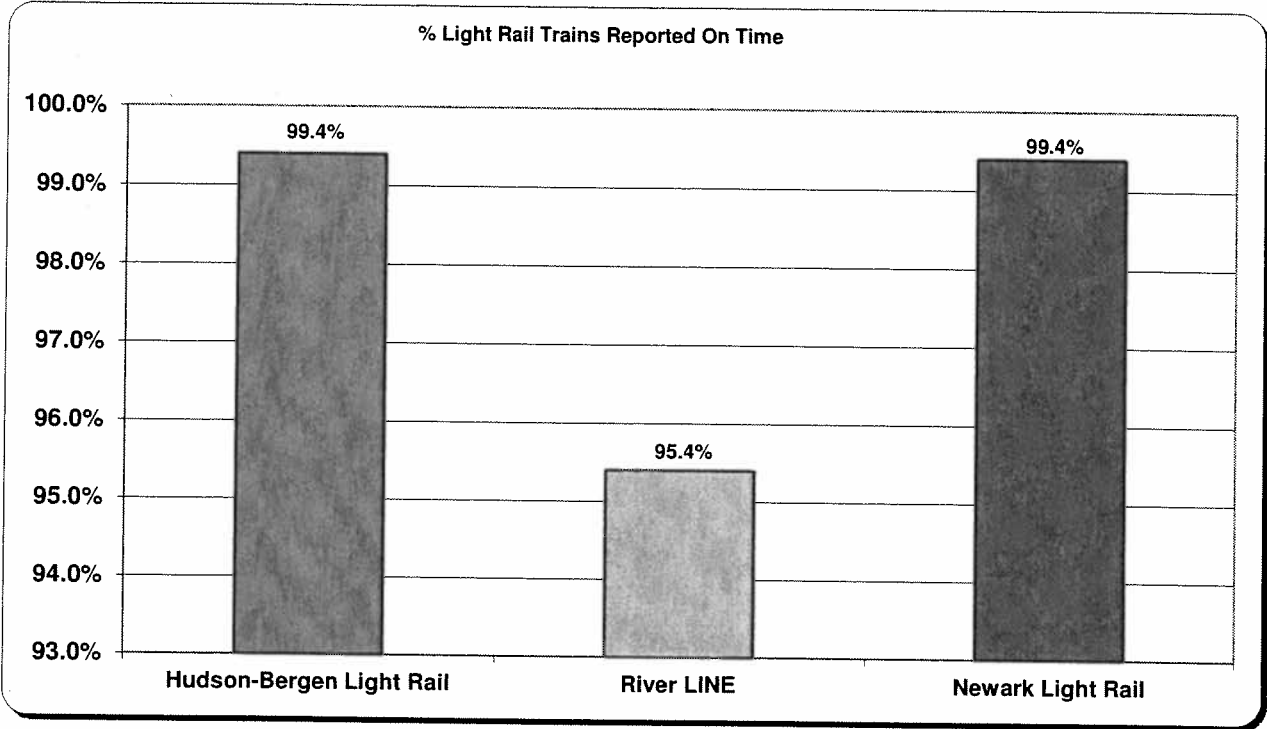
Light Rail On-Time Performance systemwide was 98.9% for the month of August 2013. Of the 26,930 scheduled trains, 273(or 1.1%) experienced delays. Key causes included:

- Equipment problems affecting Hudson-Bergen Light Rail service on August 2.
- Flooding in Camden impacting River Line service on August 9.
- Signal and power problems at Branch Brook Park affecting Newark Light Rail service on August 15.

The 12-month average for Light Rail On-Time Performance for September 2011 - August 2013 was 98.0%.

ON-TIME PERFORMANCE LIGHT RAIL

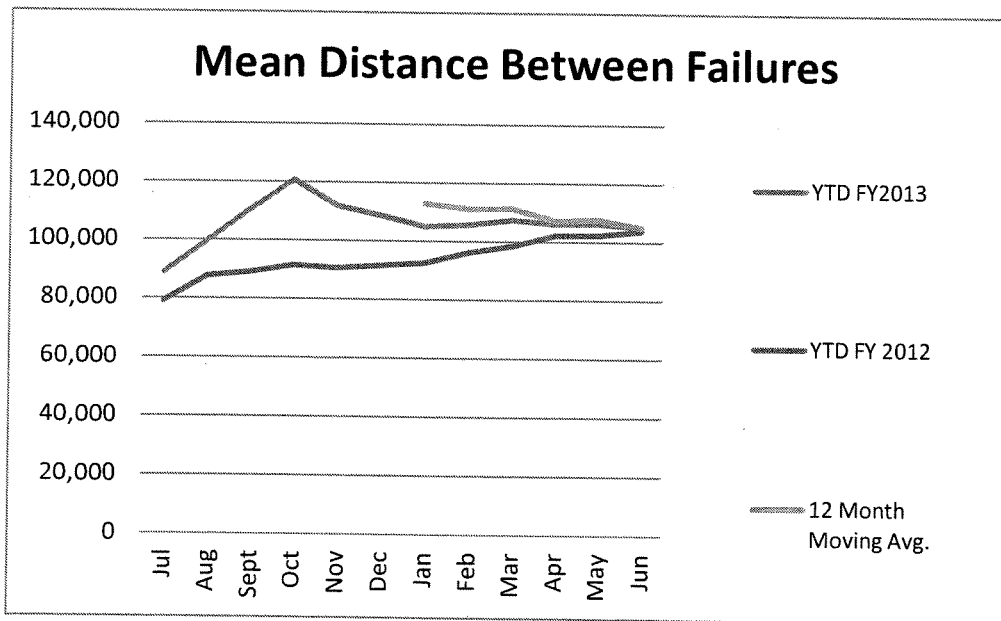
SUMMARY BY LINE AUGUST 2013



MEAN DISTANCE BETWEEN FAILURES

NJ Transit Rail
Mean Distance Between Failures

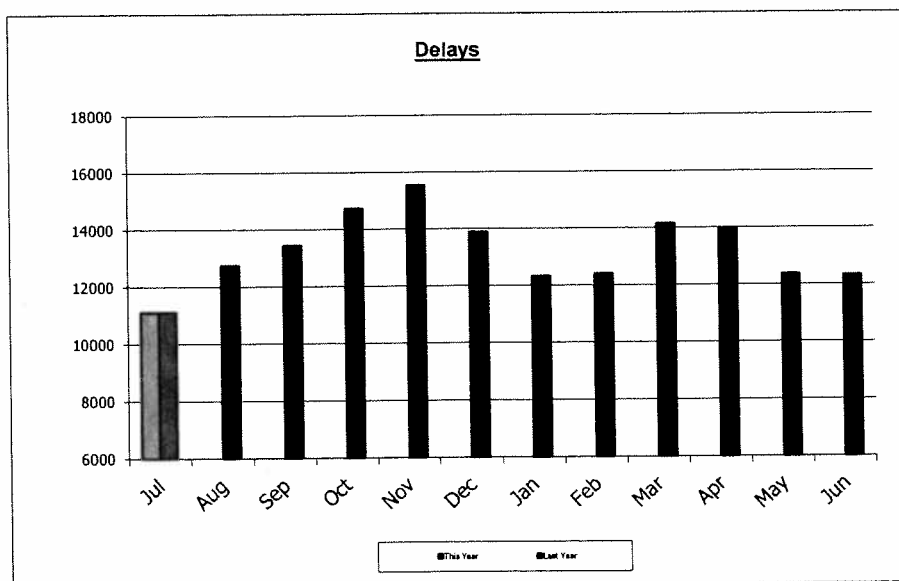
Month	YTD FY2014	YTD FY2013	YTD FY 2012	12 Month Moving Avg.
Jul	85097	88,735	78,933	104,485
Aug		99,585	87,525	
Sept		110,530	89,028	
Oct		120,591	91,327	
Nov		111,758	90,518	
Dec		108,579	91,523	
Jan		104,917	92,489	112,736
Feb		105,580	96,166	111,055
Mar		107,335	98,412	111,230
Apr		106,048	102,149	107,133
May		106,287	102,237	107,612
Jun		104975	103,748	104,975



Garage Performance Parameters

July 2013

Location	Miles Between In-Service Delays			
	FY2013 Goal	This Month	FY2013 YTD	FY2012 YTD
Fairview	9,000	7,574	7,574	7,188
Greenville	10,000	8,073	8,073	14,302
Market Street	12,500	12,363	12,363	9,846
Meadowlands	11,300	7,155	7,155	9,455
Oradell	15,500	10,014	10,014	13,057
Wayne	15,500	9,402	9,402	11,807
Northern Division	-	9,023	9,023	10,780
Big Tree	9,000	11,886	11,886	7,293
Hilton	8,500	15,089	15,089	7,203
Howell	16,500	12,097	12,097	12,161
Ironbound	12,500	8,351	8,351	11,023
Orange	6,200	9,346	9,346	6,282
Morris	11,000	52,581	52,581	51,469
Central Division	-	10,582	10,582	9,036
Egg Harbor	15,800	19,444	19,444	13,313
Hamilton	24,500	20,068	20,068	45,884
Newton Avenue	14,500	14,137	14,137	17,714
Washington Twp.	18,225	15,176	15,176	16,000
Southern Division	-	16,622	16,622	16,489
Bus Operations		11,110	11,110	11,112

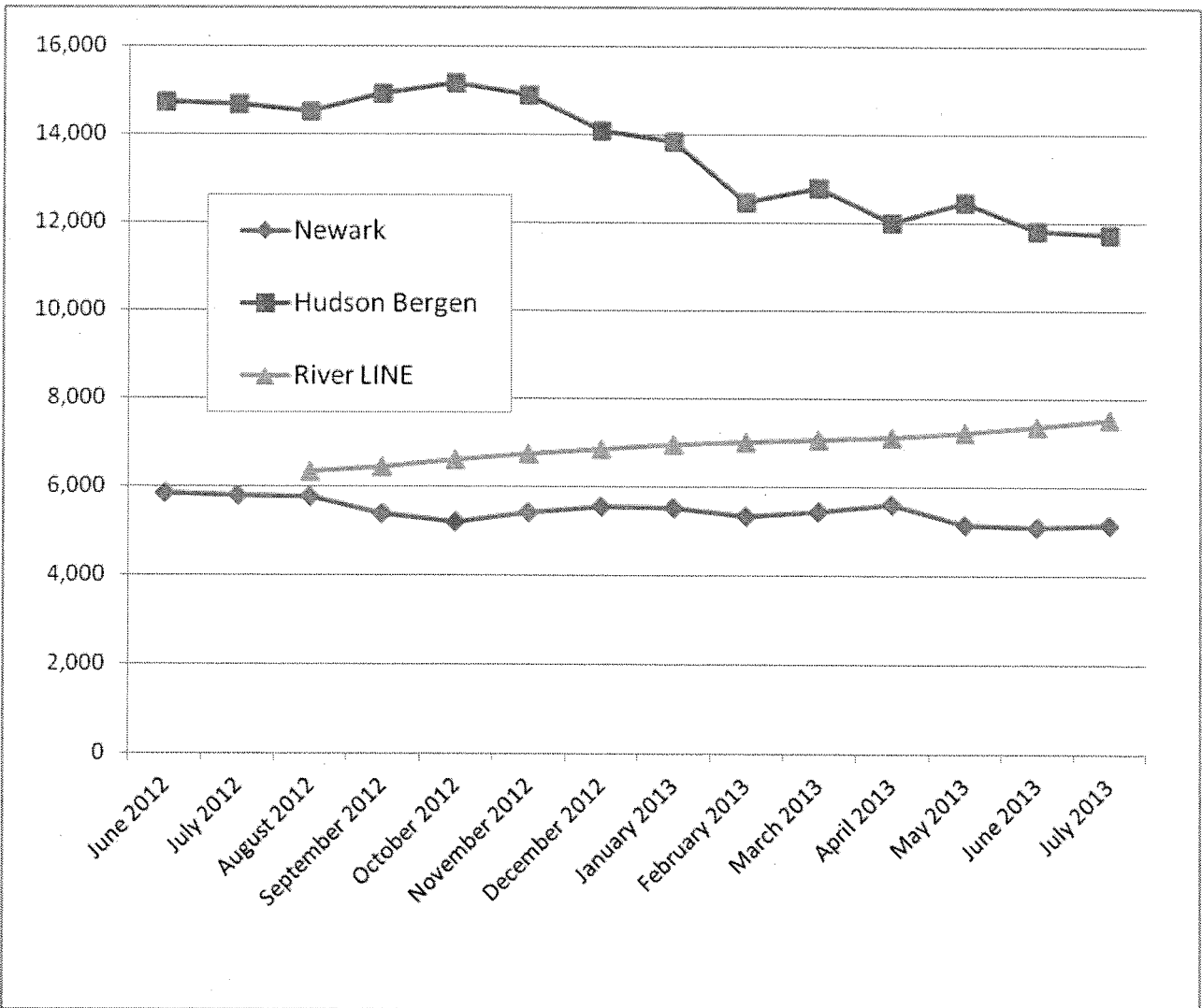


NJ TRANSIT - LIGHT RAIL, July 2013

Miles Between In-Service Delays (Delayed Trains)

Light Rail System	July 2013 (Current Month)	12 Month Moving Average
Newark	4,634	5,141
Hudson Bergen	12,173	11,731
River LINE	8,169	7,512

MEAN DISTANCE MILES BETWEEN IN-SERVICE DELAYS (DELAYED TRAINS)



Notes: Newark Light Rail's totals are impacted by the short 5 mile alignment distance and single car consists.

DBE/MBE PROGRAM

NJ TRANSIT Office of Business Development DBE/SBE Participation through August

FTA Funded Contracts

During the 3rd Quarter of Federal Fiscal Year 2013 (April – June 2013), the FTA funded share of NJ TRANSIT's federal contracts awarded was **\$21,071,575.82**. Of that total, Disadvantaged Business Enterprises (DBEs) received **\$4,252,396.06** or **20.18%**.

DBE Goal Attainment from October 1, 2010 (FFY 2011) through August 31, 2013 (FFY 2013)		
Contracts awarded	\$86,627,303.47	
DBEs received	\$16,340,297.01	or 18.86%

State Funded Contracts

During the month of August 2013, NJ TRANSIT awarded **\$1,708,383.25** in state funded contracts. Of that total, Small Business Enterprises (SBEs) received **\$1,555,178.00** or **91.03%**.

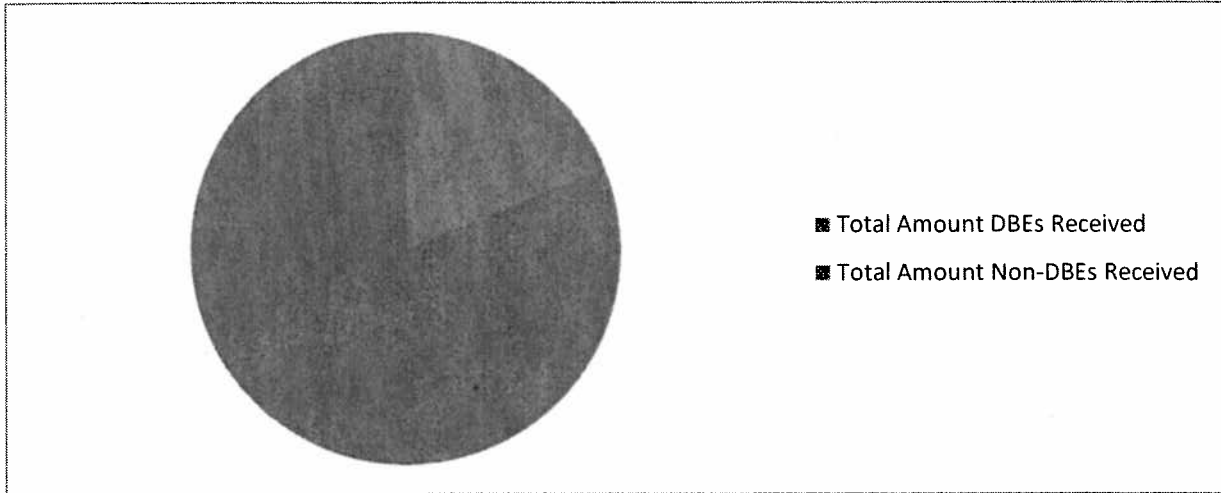
During the State Fiscal Year 2014 (August 1, 2013 through August 31, 2013) NJ TRANSIT awarded **\$613,692.25** in state funded contracts. Of that total, SBEs received **\$0.00** or **0.00%**.

SBE Goal Attainment from July 1, 2013 through August 31, 2013 (FY 2014)

Category 1 SBEs received	\$0	or 0.00%
Category 2 SBEs received	\$89,800.00	or 4.01%
Category 3 SBEs received	\$0	or 0.00%
Category 4 SBEs received	\$843,433.00	or 37.62%
Category 5 SBEs received	\$621,945.00	or 27.74%
Category 6 SBEs received	\$0	or 0.00%

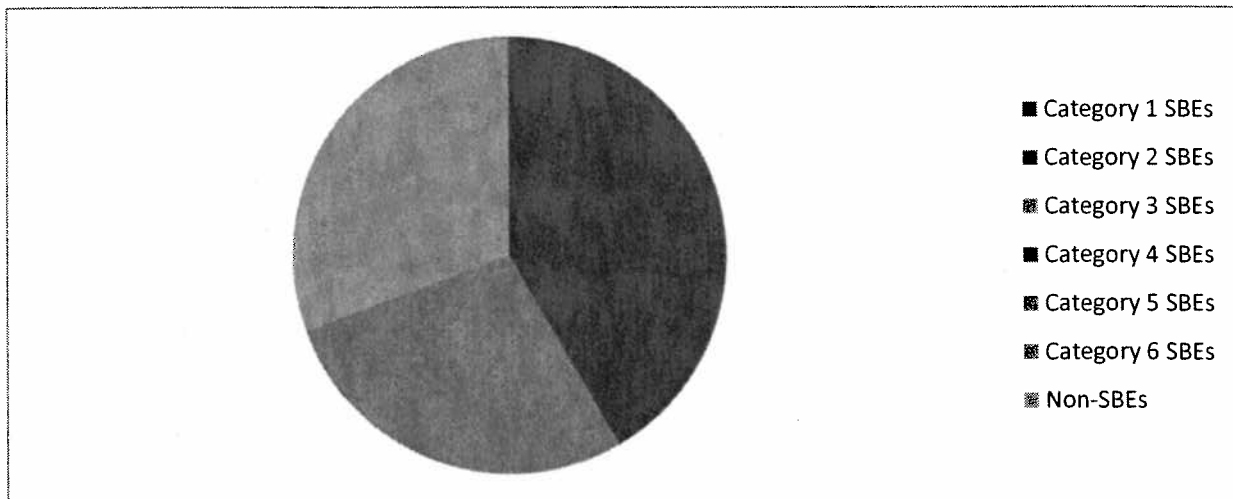
**DBE PARTICIPATION
FEDERAL CONTRACTS
TRIENNIAL YEARS 2011-2013**

Total Amount DBEs Received	\$16,340,297.01
Total Amount Non-DBEs Received	\$70,287,006.46



**SBE PARTICIPATION
STATE CONTRACTS
STATE FYTD 2014**

<i>Category 1 SBEs</i>	\$0.00
<i>Category 2 SBEs</i>	\$89,800.00
<i>Category 3 SBEs</i>	\$0.00
<i>Category 4 SBEs</i>	\$843,433.00
<i>Category 5 SBEs</i>	\$621,945.00
<i>Category 6 SBEs</i>	\$0.00
<i>Non-SBEs</i>	\$686,897.50



EMPLOYEE RECOGNITION

NJ TRANSIT employees bid farewell after outstanding careers

Sixteen NJ TRANSIT employees retired in August with careers ranging from 11 to 33 years of service:

1. Richard J. Bogin (Old Bridge) Repairman Class "A" – Howell Garage – 33 years
2. Timothy J. McWalters (Spring Lake) Dir. Rail Infra Constr – Penn Plaza – 33 years
3. Sidney D. Fussell (Berlin) Mechanic Class "A" – Washington Twp. Garage – 30 years
4. Edward Gladis (Cliffwood Beach) Director Corp Data – Penn Plaza – 30 years
5. Harry M. Chewing (East Rutherford) Manager Stations Field – Newark Penn – 27 years
6. Elizabeth Hargrove-Jackson (Parlin) Marketing Analyst – Penn Plaza – 27 years
7. Patricia Charles (Newark) Bus Operator – Hilton Garage – 25 years
8. Delois Landrum (Jersey City) Sr. Contract Specialist – Penn Plaza – 25 years
9. Arnold E. Braunstein (Whippany) Sr. System Analyst – Penn Plaza – 22 years
10. Carlos Negrillo (Paterson) Bus Operator – Market Street Garage – 22 years
11. Joseph Aristote (Irvington) Bus Operator – Ironbound Garage – 21 years
12. Sylvia Carthan (Hamilton) Bus Operator – Hamilton Garage – 18 years
13. Kehinde D. Borishade (East Orange) Bus Operator – Orange Garage – 17 years
14. Debra L. Haven (Bloomfield) Contract Claims – Penn Plaza – 15 years
15. Johnny R. Strozier (East Orange) Serviceman – Orange Garage – 13 years
16. Israel Ferrer (North Bergen) Bus Operator – Meadowlands Garage – 11 years

ACTION ITEMS

**ITEM 1309-39: SUPERSTORM SANDY DISASTER RECOVERY PROGRAM:
HOBOKEN TERMINAL WAITING ROOM REMEDIATION AND
SANITARY SEWER SYSTEM REPAIR – PROCUREMENT-BY-
EXCEPTION CONSTRUCTION CONTRACT AWARD**

BENEFITS

Superstorm Sandy struck the State of New Jersey with high winds and torrential rains producing unprecedented severe weather conditions, including enormous storm surges and devastating flooding. Superstorm Sandy caused significant damage to a large portion of NJ TRANSIT's transportation assets, including Hoboken Terminal, which experienced record-level floods that left at least five feet of water in the building. As a result, more than six inches of mud and debris covered the surfaces, including the historic benches and terrazzo floor. The flooding damaged the ticket offices, station and transportation operations, public restrooms, and the vendor spaces.

The Terminal waiting room re-opened soon after the Storm but without heat. However, in December 2012, the building was again closed due to the discovery of mold. Since then, contractors have power-washed the walls, replaced heaters and electrical panels, stripped the floors, and rewired outlets. In addition, all of the wood structures within the waiting room have been covered with plywood and plastic until mold remediation work can be completed. The Terminal waiting room opened again in January 2013.

The flooding also damaged components of the Terminal's sewage ejector system. Repairs were made to support the limited operation of bathrooms on the site and additional work is required to provide pumping capacity for the return to service of the public restrooms and the operation of the temporary boilers for heating the Terminal building.

Emergency repairs to rehabilitate two of the Hoboken Terminal vendor spaces, main waiting room, and public restrooms are currently underway. It is anticipated that these emergency repairs will be completed by September 2013. Concurrently, NJ TRANSIT Rail Operations forces are working to rehabilitate the ticket offices, customer service, and station and transportation operations areas.

Additional work is still required to rehabilitate the historic benches, including the heating and electrical wiring housed within the benches, the terrazzo floor and limestone walls, as well as the woodwork in the main waiting room.

In addition to its importance to NJ TRANSIT commuters to provide heated space during the winter months while waiting for trains and in restroom facilities, Hoboken Terminal will serve as a critical transportation hub for Super Bowl XLVIII in February 2014. Therefore, completion of the repair work at the Terminal before the end of December 2013 is of the utmost importance.

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

In order to immediately address conditions related to mold growth and water infiltration and the need to rehabilitate the Hoboken Terminal waiting room, staff seeks authorization to enter into NJ TRANSIT Contract No. 13-094X with John O'Hara Company, Inc. of East Orange, New Jersey, for construction services related to the rehabilitation of the Hoboken Terminal waiting room and the repair of the sanitary sewer system at a cost not to exceed \$1,899,999.00, plus five percent for contingencies, subject to the availability of funds.

Staff seeks further authorization to make an Early Completion Incentive Payment not to exceed \$300,000 if the Contractor achieves the milestone "Waiting Room Open to the Public with Heat" as specified in the Contract.

PURPOSE

The proposed award of the construction contract to the lowest bidder to which an invitation to bid was provided is for the remediation/rehabilitation of the interior of the Hoboken Terminal Waiting Room including, but not limited to, the historic benches and the heating systems within, woodwork, limestone walls, terrazzo floor and electrical wiring as well as the repair and replacement of the sanitary sewer ejector pump system and rehabilitation of additional vendor space. The Terminal's wooden benches and woodwork were inundated with salt water that contained sewage, bacteria and water-borne pollutants. Moreover limestone walls and terrazzo flooring were infiltrated with water which damaged the floor and walls. All of this, combined with other factors, has caused an exigent condition to exist. At present the mold and bacteria in the benches and woodwork are contained behind plywood and plastic to safely isolate the contaminants from passengers and workers using the waiting room. Shielded from sunlight and in a sealed environment where rising summer temperatures will only accelerate the growth of damaging organics, the condition of the benches and woodwork will continually deteriorate until they are disassembled and treated. To prevent further damage this condition must be addressed as soon as practicable under the circumstances.

Furthermore, flood waters inundated Lift Stations 4 and 5 of the sewage ejector system, causing damage to the pumps and pump controls equipment such that only a limited number of employee bathroom facilities are being served. The demands on this system will increase significantly when the public restroom facilities are returned to service in August, and later when the kitchen facilities for the bar and food court retail spaces are returned to service in September, and when the temporary boiler is placed back in service in early November. Full service of these lift stations with new pumps and pump controls is required to accommodate this increased demand. This replacement work will rehabilitate both lift stations to their normal two pump operation that provides both back-up and dual-pump pumping capacity. This work will relocate power and control equipment above flood levels and install submersible pumps that function when

submerged underwater. Inability to complete this work in the near future could result in system shut-down or overload in the event the current operating pumps fail or are damaged by another flood event. Such an occurrence would severely impact the functionality of the terminal and the newly rehabilitated public bathrooms.

BACKGROUND

Public Transportation is a critical imperative to minimize traffic congestion, to provide commutation and accessibility services, to restore commerce, to enable citizens to obtain the necessities of life, as well as access to essential services such as police, fire, and first aid, and to preserve much needed resources such as fuel. The damage caused from Superstorm Sandy to NJ TRANSIT's equipment and other assets was extensive and repairs are on-going.

Project Justification

The Hoboken Terminal waiting room benches are considered by the State Historic Preservation Office (SHPO) to be historic and integral to the character of the station and are constructed of old-growth oak. The benches and all matching surfaces, including all the woodwork surrounding the doors, windows and kiosks within the waiting room, were saturated with bacteria-infested salt water. Because of their large size and the fact that they are integral with the heating and lighting system for that area, the benches cannot be simply removed from the waiting room. They and their attendant woodwork must be completely disassembled on-site and in a manner that protects both the workers and customers from the bacteria and organic pollutants they carry. Ultimately, the wood must be treated, cleaned and decontaminated in a negative-pressure environment and air-dried before being reinstalled.

Aside from their obvious use by riders, the benches also act as the covers for the Terminal's fan-forced heating equipment which is part of the radiant floor heating system. The electrical components of the original fan-forced equipment were severely damaged by the salt water and will be replaced with a radiant system which is more resilient to future floods. These repairs and improvements can only be accomplished when the benches have been removed from the site and completely remediated and rehabilitated.

The corrosive effects of salt water are particularly evident on the waiting room limestone walls where they caused the surface of the stone to partially dissolve, and in some areas flake off. The damage is so great that in some areas the marks made by the original masons when the stones were first quarried have been eroded by the salt water. As in the case of the benches, the limestone walls are also considered a historic resource and must be treated, cleaned and rehabilitated in a manner that is consistent with SHPO's requirements. Other hard surfaces damaged by the salt water include the Terminal's terrazzo flooring. Hydrostatic pressure caused the flooring to lift from its substrate and resettle in an uneven manner. Cleaning and restoring it to its original level condition is critical since it currently poses a significant tripping hazard for passengers and workers.

Final repairs needing immediate attention include the replacement of Ejector Pumps in Lift Stations 4 and 5, located in the plaza area. All sanitary sewer waste generated by the station and yard converges at the plaza area. The plaza was under several feet of salt water which overwhelmed and damaged the pumps and associated controls preventing them from pumping waste from the Terminal to the municipal system. They will be replaced by sealed pumps with controls relocated to a higher permanent location. As the restoration of the public restrooms nears completion, the return to service of the Terminal's waste removal system is a critical component.

The Terminal's liquor store and bakery were also damaged by the polluted salt water and require similar treatment and repair before they can be opened for public use. Rising summer temperatures will promote the growth of organic material in these spaces and possibly lengthen the time it will take to remediate and rehabilitate them. And, while access to these spaces must be preserved for workers, protective measures must be undertaken to maintain a safe environment for the public.

Any contractor working in Hoboken Terminal, a National Historic Landmark needs to be preapproved for this type of work.

Status of Hoboken Terminal Repair Work

Restoration work on the waiting room benches, including electrical and mechanical subcomponents; woodwork, including all kiosks, doors and windows; terrazzo floor; and limestone walls are to be carried out as part of this contract. Also included in this contract is rebuilding the bakery and liquor store.

The sanitary sewer ejector pumps and associated power and controls which were also damaged by the flood waters will be replaced to allow for immediate use. Long-term improvement of the sanitary sewer system is the subject of a separate effort.

The restoration of the ticket office, customer service area, and mail room/lost and found will be completed by NJ TRANSIT Rail Operations forces.

Funding

Anticipated source of funds include insurance proceeds, Federal Transit Administration (FTA) and Transportation Trust Fund dollars. However, NJ TRANSIT anticipates a significant portion of the costs associated with this work may be reimbursed from insurance proceeds.

On February 4, 2013, the U.S. Department of Transportation (USDOT) announced the availability of \$2 billion through the FTA's new Emergency Relief Program to help protect, repair, reconstruct, and replace public transit equipment and facilities that were badly damaged by Superstorm Sandy. The funds are the first installment of up to \$10.9 billion appropriated to the FTA through the Disaster Relief Appropriations Act of 2013, which President Obama signed into law on January 29.

FTA's new Emergency Relief Program was established under the two-year surface transportation law, *Moving Ahead for Progress in the 21st Century* (MAP-21). The funds will be awarded through the program on a rolling basis, in the form of grants to states, local governments, transit agencies and other organizations that own or operate transit systems damaged by the storm.

Following the storm, the USDOT developed a rapid-response strategy to assist transit providers in the near-term, while laying the foundation for the responsible administration of federal-aid transit funds available now. Notably, FEMA and FTA have conducted damage assessments and cost-validation work for both operating and capital costs associated with restoring and rebuilding transit in the impacted areas. These early joint efforts support FTA's ability to compensate the affected transit agencies promptly while ensuring that taxpayer dollars are being spent responsibly.

On May 23, 2013, FTA announced a Second Allocation of Public Transportation Emergency Relief Funds in Response to Hurricane Sandy: Response, Recovery & Resiliency providing an additional \$3.7 billion under the Public Transportation Emergency Relief Program, bringing the total amount of Hurricane Sandy Emergency Relief funds allocated to-date to \$5.7 billion. Within the \$3.7 billion, FTA is allocating \$2.4 billion for additional recovery and rebuilding projects and \$1.3 billion for project elements or freestanding projects that increase the resiliency of the affected transit systems to future disasters.

In the *Federal Register* notice, published on May 29, 2013, FTA recommends that recipients should consider identifying and prioritizing resiliency projects using the following considerations:

1. the identification of and assessment of the reasonable likelihood of a potential hazard or disaster;
2. the vulnerability of a particular system or asset to a particular hazard or disaster, and the criticality of that asset to the overall performance of the transit system;
3. the potential extent of damage to the asset or system from the identified hazard(s);
4. the total cost of implementing the proposed hazard mitigation or resiliency improvement; and
5. the anticipated reduction in damage or other negative impacts that will result from the proposed project.

Resiliency funding is intended primarily for local priority improvements that can be implemented in tandem with restoration and recovery projects; as well as lower cost stand-alone projects that can be implemented relatively quickly.

Procurement

A modified bidding process without formal advertisement was carried out in accordance with Executive Order No. 37 Paragraph 16 exception. Bids were solicited from multiple contractors pre-qualified for this type of work as recommended by a Technical Evaluation Committee. An Early Completion Incentive Payment has been added to this procurement for achieving the milestone "Waiting Room Open to the Public with Heat" earlier than required under the Contract Documents. This Early Completion Incentive payment, which shall not exceed \$300,000, is conditioned upon the Contractor fully meeting the requirements set forth under the Contract Documents.

A Pre-Bid Conference was held on Wednesday, August 21, 2013, at 11:00 a.m. at Hoboken Terminal. Four Contractors attended this conference. Bids were received electronically and opened on September 5, 2013 at 2:00 p.m.

IFB 13-094X RESULTS

Company	Total Bid Price
John O'Hara Company Inc. East Orange, New Jersey	\$ 1,899,999.00
Hall Construction Company Inc. Farmingdale, New Jersey	\$ 2,211,000.00
Conti Construction Edison, New Jersey	\$ 2,422,242.00
Yonkers Contracting Company, Inc. Yonkers, New York	\$ 4,511,000.00

The Office of Business Development has assigned a Race Neutral goal for this contract. OSC's review under EO125 was completed and NJ TRANSIT was approved to proceed with this procurement on August 7, 2013. The Engineer's Estimate for this work is \$2,800,000.00.

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

FISCAL IMPACTS

Requested Amount: This Authorization \$1,899,999.00 + 5% contingency
Incentive Payment \$ 300,000.00
Total Authorization \$2,294,998.95

Total Project Cost: Part of Superstorm Sandy Disaster Recovery Program

Projected Date of Completion: December 2013

Anticipated Source of Funds: Insurance Proceeds
Federal Transit Administration
Transportation Trust Fund

DBE/SBE Goal: Race Neutral

***NJ Build* Amount:** None

Future/Related Authorizations: None

**Impact on Subsequent
Operating Budgets:** None

RESOLUTION

WHEREAS, NJ TRANSIT serves a vital role in the State's transportation network and in the State's economy; and that Superstorm Sandy jeopardized the public safety and welfare by obstructing safe transportation in New Jersey thereby making it difficult or impossible for citizens to obtain the necessities of life, limiting access to essential emergency services and restricting restoration of business and commerce vital to the region's economy; and

WHEREAS, Superstorm Sandy damaged NJ TRANSIT's transportation assets requiring continued repair to rehabilitate the transportation system to pre-storm conditions; and

WHEREAS, the remediation and restoration of the waiting room elements damaged by Superstorm Sandy, remediation of additional vendor space and the repair or replacement of the sanitary sewer pumps is vital to the traveling public that use the multi modal Hoboken Terminal and that there exists a public exigency under N.J.A.C. 16:72-1.5 (d) and NJ TRANSIT Board By Laws; and

WHEREAS, pursuant to Executive Order 37 Paragraph 16 competitive procurement requirements may be waived or relaxed; and

WHEREAS, it has been certified that requesting bids from multiple contractors pre-qualified for the proposed scope of work as recommended by a Technical Evaluation Committee is in accordance with Executive Order No. 37 Paragraph 16 exceptions; and

WHEREAS, an Early Completion Incentive Payment has been added to this procurement in the event the Contractor achieves the milestone "Waiting Room Open to the Public with Heat" fully in accord with the Contract Documents earlier than is contractually required;

NOW, THEREFORE, BE IT RESOLVED, in order to immediately address conditions related to mold growth and water infiltration and the need to rehabilitate the Hoboken Terminal waiting room, the Chairman or Executive Director is authorized to enter into NJ TRANSIT Contract No. 13-094X with John O'Hara Company, Inc. of East Orange, New Jersey, for construction services related to the rehabilitation of the Hoboken Terminal waiting room and the repair of the sanitary sewer system at a cost not to exceed \$1,899,999.00, plus five percent for contingencies, subject to the availability of funds; and

BE IT FURTHER RESOLVED that the Chairman or Executive Director is authorized to make an Early Completion Incentive Payment not to exceed \$300,000 if the Contractor achieves the milestone "Waiting Room Open to the Public with Heat" as specified in the Contract.

**ITEM 1309-40: SUPERSTORM SANDY DISASTER RECOVERY PROGRAM:
PORT IMPERIAL INTERMODAL FERRY TERMINAL –
CONTRACT AWARD FOR DREDGING**

BENEFITS

With US Federal Highway Administration (FHWA), State and private funding, NJ TRANSIT constructed the Port Imperial Intermodal Ferry Terminal, in Weehawken, Hudson County, New Jersey in 2004. Together with the adjacent Hudson-Bergen Light Rail station and local feeder bus services, the ferry service forms an important intermodal transit hub for trans-Hudson River travelers. Since its opening, the Ferry Terminal and associated transportation services have contributed to significant ancillary transit-oriented development in the immediate area and adjacent towns. The ferry also provides critical trans-Hudson transportation relief capacity to augment trans-Hudson rail, bus and automobile services, and has figured prominently in emergency evacuations from Manhattan and from a downed passenger plane several years ago.

Dredging at the Ferry Terminal will permit continued ferry service from this location and avoid damage to ferry engines from silt infiltration.

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

Staff seeks authorization to enter into NJ TRANSIT Contract No. 13-085X with the lowest responsive responsible bidder for the dredging and disposal of sediment in the ferry channel and commuter docking area in an amount not to exceed the budgeted amount, plus five percent for contingencies, subject to the availability of funds.

PURPOSE

Authorization of this contract will allow for the dredging and disposal of material at the Port Imperial Intermodal Ferry Terminal, including related water containment, decanting, sediment transportation and conditioning, and treatment and disposal of the dredged material.

BACKGROUND

Superstorm Sandy adversely affected the ferry channel and docking slips where there were failures of the channel side slopes, mud waves, shoals and a consequent lessening of the water depth necessary to allow ferry operation without risk of river mud impacts to engines and propellers. Investigations and bathymetric surveys have documented the extent of the impacts and the channel dredging and re-profiling necessary to restore the required 10- to 11-foot draft depth below mean low water that is necessary to safely accommodate ferry operations.

Scope of Work - Dredging

This work, shown as Area 1 on Exhibit A, comprises dredging of the original ferry channel and docking slips around the two loading dock areas east of the Ferry Terminal to restore the waterway areas to the original 2004 condition. The size of the area is approximately 400 feet by 1000 feet.

The initial US Army Corps of Engineers (USACOE) Section 404 permit granted in 2004 in support of the original construction remains in effect and allows the dredging in Area 1 to be accomplished if it can be completed by the end of 2013. Supplementing this federal permit, NJ TRANSIT has submitted a New Jersey Department of Environmental Protection (NJDEP) Waterfront Development Permit application for the Area 1 dredging work; this permit also covers disposal of the dredge spoils.

The dredging requirement of the original ferry channel and docking slips created as a result of Superstorm Sandy is an NJ TRANSIT obligation under the terms of the Ferry Terminal Project Agreement.

Funding

The anticipated source of funds to be used in this procurement of the Superstorm Sandy work for dredging is the Federal Transit Administration and Transportation Trust Fund dollars.

On February 4, 2013, the U.S. Department of Transportation (USDOT) announced the availability of \$2 billion through the FTA's new Emergency Relief Program to help protect, repair, reconstruct, and replace public transit equipment and facilities that were badly damaged by Superstorm Sandy. The funds are the first installment of up to \$10.9 billion appropriated to the FTA through the Disaster Relief Appropriations Act of 2013, which President Obama signed into law on January 29. FTA's new Emergency Relief Program was established under the two-year surface transportation law, *Moving Ahead for Progress in the 21st Century* (MAP-21). The funds will be awarded through the program on a rolling basis, in the form of grants to states, local governments, transit agencies and other organizations that own or operate transit systems damaged by the storm.

Following the storm, the USDOT developed a rapid-response strategy to assist transit providers in the near-term, while laying the foundation for the responsible administration of federal-aid transit funds available now. Notably, FEMA and FTA have conducted continuing damage assessments and cost-validation work for both operating and capital costs associated with restoring and rebuilding transit in the impacted areas. These early joint efforts support FTA's ability to compensate the affected transit agencies promptly while ensuring that taxpayer dollars are being spent responsibly.

On May 23, 2013, FTA announced a **Second Allocation of Public Transportation Emergency Relief Funds in Response to Hurricane Sandy: Response, Recovery & Resiliency** providing an additional \$3.7 billion under the Public Transportation Emergency Relief Program, bringing the total amount of Hurricane Sandy Emergency

Relief funds allocated to-date to \$5.7 billion. Within the \$3.7 billion, FTA is allocating \$2.4 billion for additional recovery and rebuilding projects and \$1.3 billion for project elements or freestanding projects that increase the resiliency of the affected transit systems to future disasters. In the *Federal Register* notice, published on May 29, 2013, FTA recommends that recipients should consider identifying and prioritizing resiliency projects using the following considerations:

1. the identification of and assessment of the reasonable likelihood of a potential hazard or disaster;
2. the vulnerability of a particular system or asset to a particular hazard or disaster, and the criticality of that asset to the overall performance of the transit system;
3. the potential extent of damage to the asset or system from the identified hazard(s);
4. the total cost of implementing the proposed hazard mitigation or resiliency improvement; and
5. the anticipated reduction in damage or other negative impacts that will result from the proposed project.

Resiliency funding is intended primarily for local priority improvements that can be implemented in tandem with restoration and recovery projects; as well as lower cost stand-alone projects that can be implemented relatively quickly.

Procurement

The E-Bid Invitation for Bid was advertised on BID EXPRESS, NJ TRANSIT's electronic bid system, as well as in *The Star-Ledger* and *The Trenton Times* on July 23, 2013. A Pre-Bid Conference was held on July 30, 2013 at NJ TRANSIT Headquarters; a site visit to the Port Imperial Intermodal Ferry Terminal followed the Pre-Bid Conference. Bids were received electronically and opened on September 3, 2013 at 2:00 p.m.

The Office of Business Development has assigned a Race Neutral goal for this contract. Office of State Comptroller approval was received on July 16, 2013.

Schedule

Regulations that protect migratory and spawning fish in the Hudson River require that all dredging work be completed between June 1 and December 31, and that no in-water work occur between January 1 and May 31, which defines the fish spawning and migration season. Therefore, any dredging that cannot be completed by December 31, 2013 must be suspended until it can be resumed on June 1, 2014. To minimize disruptions to ferry service and avoid the need for remobilization, the dredging work that is operationally critical must be completed in 2013.

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

FISCAL IMPACTS

Requested Amount: Budgeted Amount + 5% contingency

Total Project Cost: \$ 5,906,000

Projected Date of Completion: March 2014

Anticipated Source of Funds: Federal Transit Administration
Transportation Trust Fund

DBE/SBE Goal: Race Neutral

***NJ Build* Amount:** None

Future Related Authorizations: New York Waterway Lease

**Impacts on Subsequent
Operating Budgets:** None

RESOLUTION

WHEREAS, NJ TRANSIT is the owner of the Port Imperial Intermodal Ferry Terminal and the surrounding properties within the Hudson River in Weehawken; and

WHEREAS, NJ TRANSIT has an operating agreement with the operators of the New York Waterway Ferry and a lease agreement to maintain the ferry channel and docking areas to support safe commuter operations; and

WHEREAS, there is a need to restore the ferry channel and docking at the terminal and to support efficient ferry operations; and

WHEREAS, the Weehawken intermodal ferry and light rail complex is a significant element in the regional public transportation network and limited roadway capacity throughout the region requires the ferry service to maintain and enhance mobility for the region's residents, workers, and visitors;

NOW, THEREFORE, BE IT RESOLVED, that the Chairman or Executive Director is authorized to enter into NJ TRANSIT Contract No. 13-085X with the lowest responsive responsible bidder for the dredging and disposal of sediment in the ferry channel and commuter docking area in an amount not to exceed the budgeted amount, plus five percent for contingencies, subject to the availability of funds.

**ITEM 1309-41: NORTHEAST CORRIDOR MID-LINE LOOP PROJECT:
CONTRACT AWARD FOR DESIGN, ENGINEERING, AND
OTHER TECHNICAL SERVICES**

BENEFITS

The Mid-Line Loop Project Study investigated feasible options to improve NJ TRANSIT commuter rail service within the middle zone of the Northeast Corridor (NEC). Specifically, the Study evaluated options to eliminate the at-grade crossing conflict that exists on the (NEC) in the vicinity of Mile Post (MP) 32 at the Jersey Avenue Station/County Yard facility. Currently, NJ TRANSIT trains traveling eastbound toward New York from the Jersey Avenue Station and/or County Yard must cross NEC Tracks 4, 3 and 2 at-grade to access eastbound Track 1. A grade-separated Mid-Line Loop track would allow trains from the eastbound track at Jersey Avenue (and the associated County Yard) to reach the inbound side of the NEC (towards Newark/New York) without interfering with train movements on express tracks in either direction. Elimination of this at-grade conflict would facilitate increased rail service along the NEC and allow for future Amtrak track expansion/upgrades along the NEC. The “at-grade” crossing currently limits the number of trains that NJ TRANSIT would be able to operate to meet the future ridership growth on the NEC (horizon year of 2030).

The grade-separated Mid-Line Loop Project addresses the following needs:

- Improve NEC capacity (number of train slots) by eliminating the at-grade train movements across the NEC at MP 32.
 - Provision of a grade separated loop track at NEC MP 37 to MP 38 would eliminate the need for at-grade train movements and provide additional Amtrak and NJ TRANSIT train capacity along the NEC.
- Maximize operational efficiency and reliability.
 - A grade-separated Mid-Line loop track would enable NJ TRANSIT to expand train service from Jersey Avenue/County Yard without interfering with NEC train movements.
- Minimize travel time by permitting speeds as high as “reasonably” possible within the limits of the grade-separation project.
 - Provide a grade-separated Mid-Line loop track as close as possible to Jersey Avenue/County Yard and along an alignment that offers the most efficient train operating speeds and travel times for both revenue service and non-revenue service trains.
- Minimize property takings.
 - Provide a grade-separated Mid-Line loop track alignment that minimizes property impacts and required residential and business relocations.
- Minimize environmental impacts.

- Provide a grade-separated Mid-Line loop track alignment that minimizes environmental impacts.
- Minimize community impacts.
 - Provide a grade-separated Mid-Line loop track alignment that minimizes disruption to local communities and development.
- Reduce operating costs.
 - Provide a grade-separated Mid-Line loop track as close as possible to Jersey Avenue/County Yard to offer increased capabilities for storing and turning trains at County Yard versus dead-heading non-revenue service trains to Morrisville Yard and/or Sunnyside Yard. The ability to turn trains via the Mid-Line loop track versus requiring trains to travel to Morrisville Yard would result in significant financial savings to NJ TRANSIT.

Additionally, commuter parking facilities and a new train station are the subject of a non-binding Memorandum of Understanding with North Brunswick TOD Associates, LLC, the designated re-developer of the former Johnson & Johnson property in North Brunswick, known as 2300 Route 1. When the project is completed at 2300 Route 1, there will be 300,000 square feet of freestanding large retail establishments, 450,000 square feet of mixed-use retail and commercial space, 50,000 square feet of freestanding commercial space, 195,000 square feet of office space, a 250,000-square-foot hotel, and 1,875 residential units, for a total of 1.25 million square feet of development on the property. Phase I of the NJ TRANSIT station project will include a maximum of 1,300 surface parking spaces while Phase II will include the construction of one or more parking structures, with a maximum of 3,500 parking spaces.

The project study area is shown on Exhibits A and B.

ACTION (Safety and Security, Corporate Accountability, Financial Performance)

Staff seeks authorization to enter into NJ TRANSIT Contract No. 13-022 with HNTB of New York, New York, to provide Phase I consulting services, including preliminary engineering, and other technical services for the NEC Mid-Line loop project at a cost not to exceed \$12,500,600, plus five percent for contingencies, subject to the availability of funds.

PURPOSE

The Mid-Line Loop Project entails a new loop track with a grade-separated rail crossing of Amtrak's NEC at approximately Mile Post 37.5 along with a new passenger station in North Brunswick. Included in this work is upgrading a portion of the existing Delco Lead running from County Yard to a new North Brunswick station and loop track, and the design of a pocket track off the Delco Lead near the new North Brunswick station and associated commuter parking to facilitate the turn-back movements in the evening for trains returning to County Yard after their last stop at the new station.

The Mid-Line Loop Project will be implemented using a design, build, maintain, and finance procurement. This contract will include: preliminary design and engineering; environmental/regulatory compliance; construction financing options; and specifications.

BACKGROUND

Operations

NJ TRANSIT operates commuter rail service on the NEC between Trenton and New York City. The NEC is the most heavily-used line among NJ TRANSIT's rail service lines with trains operating at high speeds and volume. Much of the NEC peak-period service is operated in a "zoned express-local" pattern:

- The "Outer Zone Express" trains start in Trenton and make station stops at Hamilton and Princeton Junction, followed by Newark Penn Station. These trains use Midway interlocking, located at MP 41.3, to switch from eastbound local Track 1 to eastbound express Track 2; their "slots" are typically spaced closely behind eastbound Amtrak trains on Track 2. In the evening rush hours, the "Outer Zone Express" trains operate on westbound express Track 3 from Newark Penn Station and switch to westbound local Track 4 at Midway interlocking. Most westbound Amtrak trains operate on Track 3.
- The "Middle Zone Express" trains start at Jersey Avenue and make all station stops to Metropark and then operate express to Newark Penn Station. For passengers wishing to travel between the outer and middle zones, there is usually an hourly local train operating between Trenton and New York, which makes all stops including the "Inner Zone" between Rahway and Newark.

Ridership on NJ TRANSIT NEC Middle Zone trains is very high; and even higher growth is estimated in the future, which will require additional Middle Zone trains. Increases in train volumes will soon be limited with the existing infrastructure.

Scope of Work

The Scope of Work includes:

Phase I – Includes generation of Project Preliminary Engineering based upon previously-developed Concept Design Criteria, NJ Executive Order 215 (EO 215) and permitting requirements. Phase I support also requires the development and implementation support of Project market financing options and contract packaging. Phase I activities also include identification of Project task risks and a resulting mitigation program as well as procurement support during the bid process.

Environmental/regulatory compliance support and documents (and appropriate supporting material) for this project will be supplied by the Consultant during all contract phases as necessary and as directed by NJ TRANSIT.

Authorization is requested for Phase I services only. Authorization for Phase II services will be requested from the NJ TRANSIT Board of Directors at a later date.

Procurement

The Request for Proposals was advertised in *The Star-Ledger* and *The Trenton Times* on December 27, 2012. A Pre-Bid Conference was held on January 10, 2013 at 10:00 a.m. at NJ TRANSIT Headquarters. Proposals were received on February 15, 2013 from the following teams:

- AECOM/Systra with ARCH2; Envision; Interactive Elements, Inc.; Faithful + Gould; GTS Consultants; KPMG, JCMS; MBI-GluckShaw; O.R. Colan Associates; Sowinski and Sullivan Architects; and Urban Engineering
- HDR with Hatch Mott MacDonald; LTK Engineering Services; Radin Consulting; JCMS; Reichmann Frankle; AmerCom Corp.; Richard Grubb and Associates; O.R. Colan Associates; Interactive Elements; PFM Group; Griffin Engineering; and Paul Carpenter Associates
- HNTB with Gannett Fleming; AKRF; ARCH2; BEM Systems, Inc.; BET; Cambridge Systematics; Radin Consulting; JCMS; PACO Group; Sowinski and Sullivan Architects; Triad Associates; and Warren George
- Parsons Brinckerhoff with Amy S. Greene Environmental Consultants; BEM Systems, Inc.; Envision; Goldman Sachs; GTS Consultants; Jacobs Engineering Group; Nossaman; O.R. Colan Associates; Richard Grubb and Associates; Sowinski and Sullivan Architects; Christopher P. Statile, PC; and TranSystems Corporation

A Technical Evaluation Committee (TEC) evaluated the proposals and determined that all four teams were in the competitive range. Oral presentations by all four teams were held April 8-11, 2013. The TEC, comprised of the following members, ranked the consultant team led by HNTB as the highest for the technical proposal/oral presentation.

- Capital Planning & Programs Construction & Project Management (two members)
- Capital Planning & Programs Administration & Control (one non-voting member)
- Rail Operations Infrastructure Engineering (two members)

The Office of Business Development assigned a 20 percent SBE Category 6 goal to this contract.

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

FISCAL IMPACT

Requested Authorization: \$ 12,500,600 + 5% contingency

Total Project Cost: \$ 363,000,000 (Year of Expenditure Dollars)

Projected Date of Completion: 2018

Anticipated Source of Funds: Transportation Trust Fund
Other (TBD)

DBE/SBE Goal: 20% SBE Category 6

***NJ Build* Amount:** NA

Future Related Authorizations: Phase II Services
Construction
Property Acquisition
Amtrak General Construction Agreement
Construction Management Services

Impact on Future Operating Budgets: NA

RESOLUTION

WHEREAS, NJ TRANSIT seeks to construct a grade-separated rail crossing and associated rail infrastructure across the Northeast Corridor in North Brunswick to enhance rail service from NJ TRANSIT's County Yard; and

WHEREAS, NJ TRANSIT seeks to expand NEC service, reliability and performance, provide for future rail service expansion including a new North Brunswick Rail Station on the Northeast Corridor as well as reduce conflicts between NJ TRANSIT and AMTRAK rail operations and decrease rail service interruptions; and

WHEREAS, constructing a new grade-separated rail crossing, the Mid-Line Loop as well as improvements to the approaches requires engineering and design support and assistance for the Mid-Line loop project; and

WHEREAS, after the completion of a competitive procurement process, it was determined that HNTB submitted the proposal that provides the best value and is in the best interest of NJ TRANSIT;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is hereby authorized to enter into NJ TRANSIT Contract No. 13-022 with HNTB of New York, New York, to provide Phase I consulting services, including preliminary engineering, and other technical services for the NEC Mid-Line loop project at a cost not to exceed \$12,500,600, plus five percent for contingencies, subject to the availability of funds.

EXHIBIT A

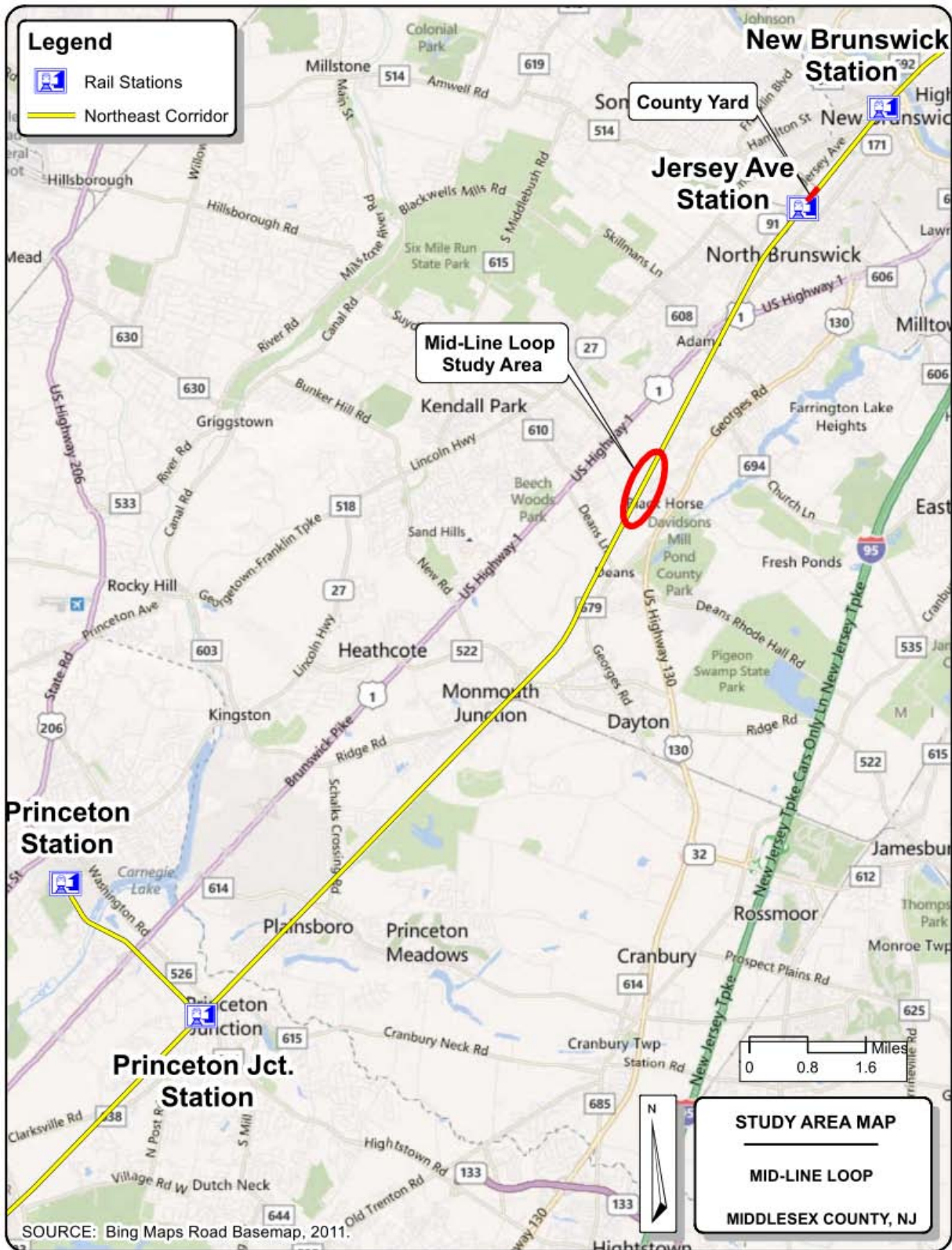
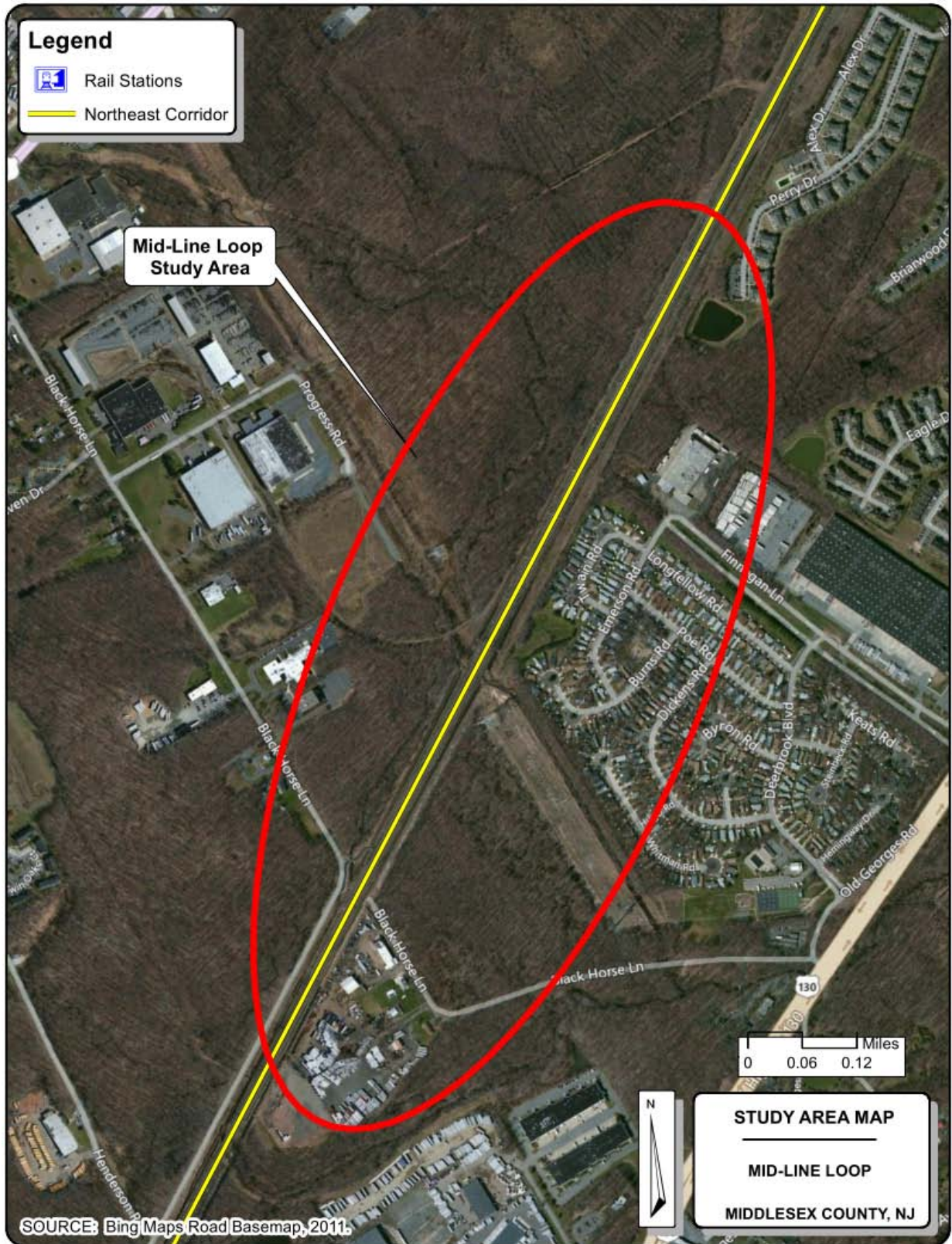


EXHIBIT B



ITEM 1309-42: PURCHASE OF 84 COMPRESSED NATURAL GAS (CNG) CRUISER BUSES

BENEFITS

The proposed purchase of 84 forty-five foot Compressed Natural Gas (CNG) cruiser buses will replace aging 1999, 2000 and 2002 MCI CNG and diesel cruiser buses and improve service reliability and reduce operating costs. The new buses will be equipped with wheelchair lifts and will be compliant with Americans with Disabilities Act (ADA) mandates. The new buses will also incorporate technologies to reduce exhaust emissions as prescribed by the Clean Air Act Amendment.

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

Staff seeks authorization to enter into NJ TRANSIT Contract No. 13-029 with Motor Coach Industries of Schaumburg, Illinois, the lowest responsive responsible bidder for the purchase of 84 CNG cruiser buses at a cost not to exceed \$57,140,514.21, plus five percent for contingencies.

PURPOSE

Authorization of this contract will allow for the purchase of 84 new CNG cruiser buses for use by NJ TRANSIT Bus Operations. This Contract will replace buses manufactured in 1999, 2000 and 2002. The older MCI cruiser buses will have exceeded their 12-year or 500,000 mile useful economic life and are or will soon be eligible for replacement under Federal Transit Administration guidelines. Additionally, the CNG buses manufactured in 1999 and 2000 have USDOT 15-year fuel tank certifications that have or will expire over the next year. The certifications cannot be extended.

All the new CNG buses will be 102 inches wide and 45 feet long. The operating life of the new buses is expected to be 12 years or 500,000 miles. Service life of the fuel tanks will be a minimum of twenty years from date of manufacture.

FISCAL IMPACTS

Requested Authorization:	\$57,140,514.21, plus 5% for contingencies
Total Project Cost:	\$58.8 Million
Projected Date of Completion:	December 2015
Anticipated Source of Funds:	FTA, Transportation Trust Fund
DBE/SBE Goal:	Transit Vehicle Manufacturer (TVM)

***NJ Build* Amount:** None

Future Related Authorizations: None

Impacts on Subsequent Operating Budgets: Reduced repair costs during warranty period.

RESOLUTION

WHEREAS, funding is available from the FTA and Transportation Trust Fund for the purchase of 84 CNG buses; and

WHEREAS, this procurement will replace 84 buses manufactured between 1999 and 2002 that are or will soon be overage and eligible for replacement; and

WHEREAS, an Invitation for Bids was advertised on June 7, 2013; and as a result of the procurement process, Motor Coach Industries of Schaumburg, IL has been deemed the lowest responsive bidder;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to contract with Motor Coach Industries of Schaumburg, Illinois for the acquisition of 84 CNG cruiser buses at a cost not to exceed \$57,140,514.21, plus five percent for contingencies, subject to the availability of funds.

ITEM 1309-43: EXTENSION OF COVENANT NOT TO COMPETE AGREEMENT ON THE #300 BUS ROUTE

BENEFITS

The extension of the existing Covenant Not to Compete Agreement on the #300 Bus Route with Olympia Trails Bus Company, Inc. (a Coach USA Company) ensures NJ TRANSIT an annual payment of 5.5 percent of the gross revenue, with a minimum annual payment of \$450,000. Olympia has been operating the #300 Bus Route under the current Covenant Not to Compete Agreement since 1997. The #300 Bus Route carries approximately 2,400 passengers daily.

ACTION (Scorecard: Financial Performance, Customer Experience)

Staff seeks authorization to extend the Covenant Not to Compete Agreement with Olympia Trails Bus Company, Inc. (a Coach USA Company) of Elizabeth, New Jersey, for a 72-month period from October 1, 2013 through September 30, 2019 (a 36-month base period and a 36-month option period) for the #300 Bus Route between Newark Liberty International Airport and the Port Authority Bus Terminal, for an annual payment of 5.5 percent of the gross revenue, with a minimum annual payment of \$450,000.

PURPOSE

Authorization of this item will extend the Covenant Not to Compete Agreement with Olympia Trails Bus Company, Inc. (a Coach USA Company) for the #300 Bus Route, ensuring continued service between Newark Liberty International Airport and the Port Authority Bus Terminal in New York City for a 36-month base period with an option to extend the Agreement for an additional 36 months.

BACKGROUND

History

In June 1996, NJ TRANSIT advertised a Request For Proposal (RFP) seeking to sublease NJ TRANSIT's Port Authority Air/Trans Center Space and Port Authority Platform Space, along with an Covenant Not to Compete Agreement with NJ TRANSIT on the #300 Bus Route, for the period from April 5, 1997 through April 6, 2002.

NJ TRANSIT established a minimum acceptable bid of \$11,460,000, representing the Agency's anticipated revenues less direct expenses for the five-year period. Two carriers, Olympia Trails Bus Company, Inc. (Olympia) and Academy Bus Tours (Academy) submitted bid proposals to NJ TRANSIT. Academy's proposal was less than the minimum bid requirement and was disqualified. Olympia's bid of \$16,000,250 exceeded the minimum requirement and was accepted. NJ TRANSIT's Board of Directors approved the Sublease and #300 Bus Route Covenant Not to Compete Agreement at the February 1997 Board Meeting (Item 9702-16).

In August 1999, the NJ TRANSIT Board of Directors authorized a 10.75-year extension (from April 6, 2002 until December 31, 2012) with Olympia to continue the terms and condition of the Covenant Not to Compete Agreement for an annual payment of 5.5 percent of Olympia's actual gross revenue for all Olympia's bus routes between Newark Liberty International Airport and the Borough of Manhattan, with a minimum annual payment of \$400,000 (Item 9908-120). During that time NJ TRANSIT was paid \$4,704,987, resulting in \$404,987 of additional revenue above the anticipated \$4,300,000 from the minimum annual payment. The lower value of the contract resulted from the decreased ridership on the #300 Bus Route after the opening of the Newark International Airport (now Newark Liberty International Airport) Station in 2001.

During the contract extension period, Olympia expanded the #300 Bus Route to begin at Grand Central Terminal in New York City, making stops at Bryant Park and the PABT before traveling to Newark Liberty International Airport. In addition, the PABT Air Transportation Center has since been closed; Olympia has returned the PABT gates to NJ TRANSIT for other routes and now picks up passengers on the street outside the PABT.

Olympia currently operates the #300 Bus Route seven days a week between the hours of 4:45 a.m. and 2:35 a.m. The one-way fare is \$16 and the round-trip fare is \$28. Olympia also offers a Senior Citizens/Persons with Disabilities half-fare program. Olympia's gross revenue from the #300 Bus Route averages \$745,000 per month (\$8,940,000 annually). NJ TRANSIT currently leases Olympia five buses under NJ TRANSIT's Bus Allocation Program, which are used for the existing service. Olympia's total peak bus requirement for the #300 Bus Route is nine buses. As a result, Olympia utilizes parts of its own fleet in order to operate the full #300 Bus Route schedule.

In March 2013, the NJ TRANSIT Board of Directors authorized a nine-month extension (from January 1, 2013 through September 30, 2013) to ensure continued service between Newark Liberty International Airport and the Port Authority Bus Terminal while NJ TRANSIT explored various options which included NJ TRANSIT operating the service, issuing a new Request For Proposal, or extending the agreement with the existing carrier.

This item has been reviewed and recommended by the Board Administration Committee and the Board Customer Service Committee.

FISCAL IMPACTS

Requested Authorization: Extension of the existing Covenant Not to Compete Agreement on the #300 Bus Route

Projected Date of Completion: March 2019

DBE/SBE Goal: N/A

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

Future Related Authorizations: None

**Impact on Subsequent
Operating Budgets:** \$2,700,000 in Revenue (72 months)

RESOLUTION

WHEREAS, in February 1997, the NJ TRANSIT Board of Directors authorized the award of a 60-month Covenant Not to Compete Agreement on the #300 Bus Route effective April 5, 1997 to Olympia Trails Bus Company, Inc.; and

WHEREAS, in August 1999, the NJ TRANSIT Board of Directors authorized an extension of the Covenant Not to Compete Agreement for an additional term which expires on December 31, 2012; and

WHEREAS, in March 2013, the NJ TRANSIT Board of Directors authorized an extension of the Covenant Not to Compete Agreement for an additional term which expired on September 30, 2013; and

WHEREAS, the extension of the current Covenant Not to Compete Agreement on the #300 Bus Route would provide NJ TRANSIT with minimum and maximum annual revenue based on Olympia Trails Bus Company, Inc.'s gross revenue from all of its services between Newark Liberty International Airport and Manhattan; and

WHEREAS, the continued operation of NJ TRANSIT's #300 Bus Route, as performed by Olympia Trails Bus Company, Inc., would continue to provide the public with Newark Liberty International Airport bus access to and from New York City;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is hereby authorized to take all actions necessary to extend the Covenant Not to Compete Agreement with Olympia Trails Bus Company, Inc. (a Coach USA Company) of Elizabeth, New Jersey, for a 72-month period from October 1, 2013 through September 30, 2019 (a 36-month base period and a 36-month option period) for the #300 Bus Route between Newark Liberty International Airport and the Port Authority Bus Terminal, for an annual payment of 5.5 percent of the gross revenue, with a minimum annual payment of \$450,000.