

Richard J. Codey
Acting Governor

Jack Lettiere
Board Chairman

George D. Warrington
Executive Director

N TRANSIT 
One Penn Plaza East
Newark, New Jersey 07105-2246
973-491-7000

October 13, 2005

Dear Governor Codey:

Pursuant to Chapter 150, Laws of 1979, I herein transmit the minutes of actions taken at the open session of the regularly scheduled meetings of the New Jersey Transit Corporation, NJ Transit Rail Operations, Inc., NJ Transit Bus Operations, Inc., and NJ Transit Mercer, Inc. Board of Directors held on Wednesday, October 12, 2005.

Sincerely,



Gwen A. Watson
Board Secretary

Enclosures

Honorable Richard J. Codey
Acting Governor, State of New Jersey
State House
Trenton, NJ 08625

Minutes of the actions taken at the Open Session of the regularly scheduled Board of Directors' meetings of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc. and NJ TRANSIT Mercer, Inc. held at NJ TRANSIT Headquarters, One Penn Plaza East, Newark, New Jersey on Wednesday, October 12, 2005.

Present:

Jack Lettiere, Chairman
Myron P. Shevell, Vice Chairman
Verice Mason, Governor's Representative
Robert Smartt
Kenneth E. Pringle
Flora Castillo
Patrick W. Parkinson

George D. Warrington, Executive Director
Lynn Bowersox, Assistant Executive Director, Corporate Commun. & External Affairs
James Gigantino, Acting Vice President & General Manager, Bus Operations
William Duggan, Vice President & General Manager, Rail Operations
Kenneth Worton, Deputy Attorney General
Vincent Soleo, Assistant Executive Director, Procurement & Support Services
James Redeker, Assistant Executive Director, Policy, Technology & Customer Services
Richard Sarles, Assistant Executive Director, Capital Planning and Programs
James Zullo, Senior Director, Real Estate (Acting for Chief Financial Officer & Treas.)
Alma Scott-Buczak, Assistant Executive Director, Human Resources
Gwen A. Watson, Board Secretary
Robert Guarneri, Auditor General

Chairman Jack Lettiere convened the Open Session at 9:10 am in accordance with the Open Public Meetings Act and asked for a motion to enter Executive Session to discuss contract negotiations and litigation matters. A motion was made by Patrick Parkinson, seconded by Flora Castillo and unanimously adopted.

Chairman Jack Lettiere reconvened the Open Session at 10:00 am and asked for a motion to adopt the minutes of the September 22, 2005 meeting. A motion was made by Myron P. Shevell, seconded by Flora Castillo and unanimously adopted.

Executive Director George Warrington highlighted the following from his monthly business report.

Executive Director Warrington said NJ TRANSIT rail, bus and light rail employees are preparing for the fall and winter months to ensure that service is as weather proof as possible. He said two years ago NJ TRANSIT introduced Aqua Track to help combat the challenge of slippery rails created by wet leaves. Executive Director Warrington said NJ TRANSIT will again be using it to keep the rails clear this season primarily on the Morris & Essex Line, where the combination of falling leaves and the 1.5 percent

grade at Summit Hill and 1.3 percent grade at Glen Ridge have historically conspired to delay trains. He said Aqua Track began running this weekend on the Pascack Valley Line and on the Morris & Essex Line. To supplement the high-pressure washer, NJ TRANSIT will run sand trains ahead of peak-period trains to increase traction. NJ TRANSIT expects these steps will help keep seasonal delays to a minimum.

Executive Director Warrington said that last year, NJ TRANSIT announced a pilot program with the US Coast Guard to test the impact of limiting the openings of the Portal Draw Bridge during the peak periods to reduce delays particularly going into New York City in the morning peak period. He said the test clearly demonstrated that there was a substantial drop in the number of peak period train delays. In fact, the cumulative delays to trains dropped dramatically. Trains were delayed for a total of 20 hours before the test in 2003, compared to less than an hour during the first test in 2004. During the peak season for shippers in the winter months, a second test showed that train delays were cut in half. Executive Director Warrington said that the cooperation between all of the parties makes a big difference for customers.

Executive Director Warrington said based on the success of the pilot program and a public comment period where all 47 letters received were supportive of the change, the Coast Guard recently announced that they will permanently limit bridge openings beginning November 4, 2005.

Executive Director Warrington thanked Amtrak, the Coast Guard and most importantly, the shippers, in particular Amerada Hess, The Bergen County Utilities Authority, Hornbeck Off Shore and Moran Towing for their cooperation and support.

Executive Director Warrington also thanked DC Agrawal and John Leon of the Corporate Strategy, Policy and Contracts Department for their hard work on behalf of customers.

Executive Director Warrington said last month, he made a commitment to return to the Board with the Fiscal Year 2006 first quarter ridership results. There are nearly 40,000 more average daily trips on the system in Fiscal Year 2005. Systemwide trends continued in the first quarter with preliminary numbers showing ridership up more than five percent over the same quarter last year. In particular, New York bound bus service grew by more than six percent and rail lines serving New York posted increases ranging from five to seven percent.

Executive Director Warrington said that on the River LINE, NJ TRANSIT saw a new high with weekday trips averaging more than 8,000.

Executive Director Warrington said that also noteworthy is what did not occur after the July fare increase, which was a diversion assumption of between two to three percent. He said the diversion apparently has not occurred, and the good news is not only has the diversion not happened, but the ridership trend has continued.

Executive Director Warrington said that there was some concern that NJ TRANSIT would lose customers as a result of reducing the RTX discount. He said the situation would be monitored.

He said that rail off-peak ridership remains strong even with a lower discount on roundtrip tickets. In fact, off peak ticket sales increased by nearly two percent in the first quarter and as demand grows, NJ TRANSIT will continue to aggressively maximize efficiency of the fleet and of the operation to increase capacity.

Executive Director Warrington said on October 30, 2005 new rail schedules will go into effect, which reflect some notable improvements thanks to a very creative scheduling effort. Executive Director Warrington thanked Bill Duggan's team who worked closely and cooperatively with Amtrak to continue to increase capacity.

Executive Director Warrington said what they continue to achieve is no small feat given physical plant constraints, traffic density, and the aggressive equipment manipulations that are required.

Executive Director Warrington highlighted a few improvements customers will see with the new timetables. In July, four Clockers were replaced with NJ TRANSIT trains in response to Amtrak's need to reprogram its equipment. With the upcoming timetable change, the four remaining Clockers will be replaced with NJ TRANSIT express trains. This action advances the transition of Clockers to NJ TRANSIT service, enabling NJ TRANSIT to save \$6 million in payments to Amtrak and put more seat capacity in those timeslots, as each of the Corridor trains typically has about 300 more seats than a Clocker.

Like the Clockers, the four NJ TRANSIT replacement trains will operate as express trains. Unlike the Clockers, the new trains will honor single and ten-trip tickets, as well as monthly passes.

Overall, on the Northeast Corridor, many train departure times will change by a couple of minutes to enable NJ TRANSIT to increase the number of trains. While NJ TRANSIT recognizes that even a couple of minutes can be a minor inconvenience to customers, realigning the schedule permits: an addition of a total of five more trains in the morning, two of which are the Clocker replacements with 600 more seats. In the evening peak, two more trains will be added, improving the frequency of peak period service from every 20 minutes to every 12 minutes for middle zone customers boarding between Jersey Avenue and Metropark; and from every 20 minutes to every 15 minutes in the outer zone between Trenton and Princeton Junction.

Executive Director Warrington said these actions contribute to a net increase of 3,000 seats on New York-bound trains during the morning peak period. He said NJ TRANSIT is offering eight Northeast Corridor and eight Morris & Essex weekend and holiday express trains through January for customers to take advantage of shopping and entertainment in New Jersey and New York City. Executive Director Warrington said

this year, NJ TRANSIT continues the partnership with a dozen new restaurants and Broadway shows offering discounts to transit customers.

Executive Director Warrington said that on the bus side, on November 5, 2005, NJ TRANSIT will add service on three routes to New York, the 131, from Sayreville; 137, from Toms River; and the 139 serving Lakewood. In fact, on the Lakewood route, five new morning trips will be added.

Executive Director Warrington said that while bus service has already been increased on about 100 routes so far this year, NJ TRANSIT is working toward additional trips on a number of targeted routes early next year.

Executive Director Warrington gave a presentation on the Master Development Agreement: Hoboken Terminal and Yard (Attachment A).

Executive Director Warrington said the Hoboken terminal and yard complex was built around the turn of the last century, providing Hoboken with a seaport and railroad terminal that established a gateway to New Jersey.

Today, the complex features six different modes of motorized transportation, as well as providing pedestrian and cyclist access. It is truly one of the system's premiere intermodal hubs and serves more than 50,000 weekday commuters making it the second largest station in the NJ TRANSIT network.

While investments have been made over the years, particularly with the introduction of light rail, much of the complex has been neglected and many sections of the complex are in very poor condition.

This fallow 65-acre property is the most underutilized site on the Hudson waterfront. While the surrounding communities have evolved into substantial local and regional destinations that attract employers and residents, this asset has been relatively dormant until now.

The irony is that if there is one location on the network that is ideal for transit-oriented development, it is this terminal complex. It is literally a diamond in the rough that is long overdue for a transformation.

There is an opportunity to maximize the potential of this property not just as an economic win for NJ TRANSIT and for commuters, but also as a win for the surrounding communities and for the region.

Instead of taking a small approach, NJ TRANSIT needs to create a blueprint for the entire site. A plan that will improve the site's function as a transportation facility, and enable NJ TRANSIT to leverage the asset to generate revenue for NJ TRANSIT, Hoboken and Jersey City.

In addition to benefits for commuters such as improved flow and better connections, there is an opportunity to create a gateway to the waterfront that is in keeping with the character of the community and reinforces local commerce.

Following a competitive process, LCOR was selected as master planner and developer for the 65-acre site. LCOR has an extraordinary team uniquely experienced in transit-oriented development.

LCOR and members of its team have been involved in the planning, design, and development of premiere transportation projects including the international terminal at JFK, Grand Central Terminal, Washington Union Station, and the transit-oriented residential complex at South Orange Station.

The Board's action today enables NJ TRANSIT to begin a process to map out a vision for the Hoboken site. This master planning process will evaluate the entire complex and its potential for adaptive reuse, transit-oriented development and related intermodal and pedestrian connectivity.

LCOR will take on the role of master planner and will prepare a blueprint for the site at its own expense. LCOR will work not only with NJ TRANSIT on the plan, but also in close consultation with Hoboken and Jersey City to determine the most appropriate uses for the site that optimize its utility and its value.

Executive Director Warrington said he is confident this master planning process will provide the road map needed in order to establish a grand gateway to the waterfront that will meet the needs of commuters and the communities. A well-conceived transit-oriented development plan can and will generate substantial operational, community, and economic benefits for all and he looks forward to working with the LCOR team, Hoboken and Jersey City to develop this important objective.

Executive Director Warrington recognized, employee, David Blanding, who recently risked his own life to save a motorist. Mr. Blanding, who is Car Appearance Maintainer, was driving home two weeks ago on the Garden State Parkway when he witnessed a small truck hit a guard rail, flip on its side and burst into flames.

Mr. Blanding ran to the car and after several attempts and explosions inside the car, was able to break through the windshield to pull the driver to safety. The driver is still in the hospital from burns suffered in the accident.

Executive Director Warrington congratulated Mr. Blanding for his heroism.

Chairman Lettiere thanked and congratulated Mr. Blanding on his bravery and courage in that critical situation.

Suzanne Mack presented the Advisory Committee report to the Board. Ms. Mack thanked Executive Director Warrington and Jack Kanarek for an enlightening presentation on the Monmouth-Ocean-Middlesex (MOM) project. Ms. Mack said she agreed with Mayor Roberts comments regarding the Master Development Agreement

with Hoboken Terminal and Yard Master Developer and said this is a key item for the system.

There were four public comments on agenda items.

Mayor David Roberts, City of Hoboken, commented on the item, Master Development Agreement with Hoboken Terminal & Yard Master Developer. Mayor Roberts also congratulated Mr. Blanding on his remarkable act of courage. Mayor Roberts said he supports the redevelopment of Hoboken Terminal and thanked Chairman Lettiere, the Board and Executive Director Warrington for all of their efforts to meet the transit needs of commuters. Mayor Roberts said with the approval of the item today, Hoboken could be a destination. He said he was also pleased to see the item, Hoboken Ferry Terminal Rehabilitation construction contract on the agenda. He said the work includes restoration of the clocktower which is a symbol of past and future growth. Mayor Roberts said the master development plan has tremendous economic potential for jobs and he is pleased to work with LCOR and NJ TRANSIT.

Chairman Lettiere thanked Mayor Roberts and said he looks forward to working with him. Chairman Lettiere said transportation is not just moving people; it is building communities to make them strong and a better place to live.

Kurt M. Eichler, LCOR, commented on the item, Master Development Agreement with Hoboken Terminal & Yard Master Developer. Mr. Eichler said LCOR is looking forward to tackling this exciting project and he commended NJ TRANSIT on this plan. Mr. Eichler said LCOR has expertise in transit-oriented development. They are currently working on a project in Maryland. Mr. Eichler said that the Hoboken Terminal & Yard is an ideal location for redevelopment.

Board Member Pringle commented that he saw the redevelopment of Union Station in Washington and the positive effects on the neighboring communities and said the Hoboken redevelopment is a very exciting initiative.

Margarite Ann Petrillo commented on the item, Newark Penn Station: Police Facilities Improvements. Ms. Petrillo asked when the work would begin and the projected date of completion. Mr. Sarles replied work would begin in about a month and the approximate date of completion would be one year.

David Peter Alan commented on the item, Master Development Agreement with Hoboken Terminal & Yard Master Developer. Mr. Alan said the Lackawanna Coalition is a loyal friend to this project.

Executive Director Warrington presented the following Action Items for approval:

0510-89: MASTER DEVELOPMENT AGREEMENT WITH HOBOKEN TERMINAL & YARD MASTER DEVELOPER

Authorization is requested to designate LCOR Hoboken Rail Station Redevelopment LLC as the master developer for the Hoboken Terminal and Yard property. LCOR will prepare a master development plan, subject to NJ TRANSIT approval, to maximize the economic development potential of this property as a model of transit-oriented development, a regional destination, and an enhanced intermodal transportation hub. This is the beginning of a long-overdue development planning process that will benefit both NJ TRANSIT, customers, and the communities of Hoboken and Jersey City. Once approved, NJ TRANSIT will execute the master development agreement authorizing LCOR to (1) prepare a master development plan for NJ TRANSIT's approval identifying property available for development (2) seek all necessary local, state and federal governmental approvals as necessary for the implementation of the development plan, and (3) enter into long-term ground leases or sales agreements for parcels available for private development subject to the terms and conditions of the Master Development Agreement.

Myron P. Shevell moved the resolution, Patrick W. Parkinson seconded it and it was unanimously adopted.

0510-90: TRANS-HUDSON EXPRESS TUNNEL – FINAL ENVIRONMENTAL IMPACT STATEMENT: CONSULTANT CONTRACT AMENDMENT

THE Tunnel project requires several steps to comply with the National Environmental Protection Act and qualify for federal funding. NJ TRANSIT completed the Draft Environmental Impact Statement and submitted it to the Federal Transit Administration for review prior to public hearings. Authorization is requested to begin the next step with the existing team, Transit Link Consultants, and move on to the next major milestone by preparing the Final Environmental Impact Statement to advance the design and operations analysis as well as address comments received during DEIS public hearings and review. Next year NJ TRANSIT expects to issue a request for proposals for preliminary engineering and will return to the Board for approval. The amendment to the Transit Link contract will not exceed \$13.7 million plus five percent for contingencies.

Kenneth E. Pringle moved the resolution, Verice Mason seconded it and it was unanimously adopted.

0510-91: HOBOKEN FERRY TERMINAL REHABILITATION - PHASE 2: CONSTRUCTION CONTRACT AWARD AND AMENDMENT OF CONTRACTS TO ADD CONSTRUCTION ASSISTANCE AND CONSTRUCTION MANAGEMENT

Authorization is requested to advance the ongoing construction in the Terminal building to enable restoration of ferry service at the Terminal. In July 2001, the Board authorized the just-completed first work phase which included restoration of the northern-most portion of the Terminal structure. Authorization is sought to continue this work and move closer to NJ TRANSIT resuming ferry operations in the Terminal from its current temporary location south of the terminal complex. Authorization is requested to approve a contract with Hall Construction to include renewing the lighting and copper fascia, comprehensive substructure repairs, including piles, steel repair and concrete encasement, dredging, demolition of finger piers and repair of the superstructure. This work also includes reconstruction of the original clock tower which was destroyed by a hurricane in 1950. The contract will not exceed \$53,877,000 plus five percent for contingencies. In addition, authorization is requested to continue the construction assistance work with STV Inc. at a cost not to exceed \$1.3 million and a contract with Tishman Construction, Inc. for construction management services at a cost of \$3.5 million, both with five percent for contingencies.

Flora Castillo moved the resolution, Patrick W. Parkinson seconded it and it was unanimously adopted.

0510-92: MORRISVILLE YARD PHASE 2: CONSTRUCTION AND CONSTRUCTION ASSISTANCE SERVICES

Morrisville Yard Phase 1 opened for operation in March 2004 and provides storage capacity to accommodate train service on the Northeast Corridor originating in Trenton. The Phase 2 expansion of Morrisville Yard will provide the additional train storage planned for over the next decade while improving operational efficiency. The project will provide storage for the new multi-level rail cars, capacity for future service increases and enable NJ TRANSIT to enhance service reliability on the Northeast Corridor. Specifically, the Phase 2 project will include construction of ten electrified tracks to accommodate 120 rail cars, a service and inspection facility with two elevated inspection tracks, a wheel-truing facility and expansion of the crew quarter facilities and employee parking area. Authorization is requested to contract with Slattery Skanska of Whitestone, NY for the construction of the Morrisville Yard Phase 2 project at a cost not to exceed \$97,877,000, plus five percent for contingencies. Authorization is also requested to amend an existing contract with STV, Inc. of New York, NY for construction assistance services at a cost not to exceed \$1,500,000,

plus five percent for contingencies for a total contract to STV Inc. for \$6,918,800. STV Inc. previously completed 100 percent of the architectural and engineering design documents for this project.

Verice Mason moved the resolution, Patrick W. Parkinson seconded it and it was unanimously adopted.

0510-93: NEWARK PENN STATION – POLICE FACILITIES IMPROVEMENTS: CONSTRUCTION CONTRACT AWARD

Newark Penn Station opened in 1935 and serves many thousands of bus, rail and light rail riders each day. The NJ TRANSIT Police Department has provided the necessary security at this highly traveled station and since 2001, the police force has grown to meet the increased security needs. The police are currently housed at Newark Penn Station in a support facility which is undersized, poorly organized and requires renovation to address the progression of continued deterioration. Authorization is requested to contract with Hall Construction Co., Inc. of Farmingdale, NJ, to provide the necessary renovations and improvements of the police space at Newark Penn Station that will insure that the police force can properly support NJ TRANSIT's operations at this facility. The contract will also provide minor renovation work to the existing Amtrak ticket area and customer service center in consideration for Amtrak ceding space for the expansion of the NJ TRANSIT police facilities. The cost will not exceed \$2,047,000, plus five percent for contingencies.

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

0510-94: ACCESS LINK SERVICE PROVIDER CONTRACT FOR REGIONS 5 AND 6, NEW JERSEY

The Americans with Disabilities Act requires NJ TRANSIT to provide demand responsive curb-to-curb paratransit service to individuals with disabilities who cannot use fixed route service due to their disabilities. NJ TRANSIT has strict eligibility screening, yet there has been continued growth each year. The average cost per trip in Fiscal Year 2004 was \$53,000,000 and the approximate cost in FY 2005 was \$44,000,000. Access Link currently provides over 2,000 trips per day in the 18-county service area. Authorization is requested to contract with MV Contract Transportation, Inc. of Fairfield, CA. for two contracts, one for Region 5, which covers Essex, Union, Somerset and Morris Counties and one for Region 6, which includes Bergen, Hudson and Passaic Counties. The contract term for each region is seven years. The contract amount for Region 5 will not exceed \$51,000,000 plus five percent for contingencies for the period January 14, 2006 to March 29, 2013; the Region 6 contract

will not exceed \$41,000,000 plus five percent for contingencies for the period April 15, 2006 to June 7, 2013. Both of these contracts will serve a total of 4790 individuals.

Flora Castillo moved the resolution, Patrick W. Parkinson seconded it and it was unanimously adopted.

0510-95: ADDITIONAL AUTHORIZATION FOR RECORD MANAGEMENT ARCHIVAL SERVICES

Following a competitive procurement process, the Board authorized a contract in 1998 to Iron Mountain Inc. to maintain a comprehensive system of storage, retrieval and distribution of NJ TRANSIT records for a total of \$960,000. NJ TRANSIT is mandated by law to retain and dispose of its public records in accordance with the State approved records retention schedule. Most of the records must be retained for an average of seven years, while others, such as the Hudson-Bergen Light Rail project records, have been deemed to be Historic by the State Division of Archives and Records Management, so we must keep these and other similar records permanently. The need for the use of these services has grown and has resulted in cost increases which exceed the original estimate. Authorization is requested to amend the existing contract with Iron Mountain Inc. to increase the funding for Records Management Services at a cost not to exceed \$150,000 for a total contract of \$1,110,000.

Verice Mason moved the resolution, Flora Castillo seconded it and it was unanimously adopted.

Executive Director Warrington presented the following Consent Items for approval:

0510-96: DEVELOPMENT OF STRATEGIES FOR FINANCING, REVENUE ENHANCEMENT AND MAXIMIZING REAL ESTATE RETURN

Authorization to enter into a three-year procurement-by-exception consulting contract (No. 00128C) with Public Private Initiatives, L.L.C. (PPI) of Montclair, NJ to provide strategic advice and assistance to NJ TRANSIT management concerning revenue enhancement initiatives including support of the Company's leveraged lease program. PPI will also continue to advise management regarding real estate development opportunities. The contract, which would be effective November 1, 2005, will not exceed an annual cost of \$145,000, with a total three-year authorization not to exceed \$435,000. PPI will be compensated on an hourly basis and at NJ TRANSIT's discretion on a contingency basis from the proceeds of specific leveraged lease transactions in an amount reflecting the time and value of the services rendered.

0510-97: SALE OF LAND IN CAMDEN FOR TRANSIT-ORIENTED DEVELOPMENT

Authorization to enter into all necessary agreements with, and take all necessary actions with regard to the sale of approximately 34,441 square feet depicted as Block 72, Lot 9 on the tax map of Camden, New Jersey, to Dranoff Properties, Inc., of Philadelphia, Pennsylvania, for \$495,000 and subject to the a requirement that the City of Camden or the developer, Dranoff, provide adequate alternative parking to the general public in perpetuity.

The Consent Calendar was moved in its entirety by Robert Smartt, seconded by Kenneth E. Pringle and unanimously adopted.

There were three public comments on non-agenda items.

Margarite Anne Petrillo commented on several topics. Ms. Petrillo said that Flora Castillo's term expired on December 6, 2003 and Pat Parkinson's term expired on December 6, 2004 and asked that this matter be brought to the Governor's attention so replacements could be appointed. Chairman Lettiere said the Board serves at the pleasure of the Governor and the members will continue to serve until another reappointment is made.

Ms. Petrillo requested a copy of all expenses paid within the past year. Ms. Petrillo was given an Open Public Records Act (OPRA) request form to specifically request this information.

Ms. Petrillo said at the last Board Meeting, she requested information, but did not receive it, regarding the route from Penn Station to Broad Street Station. Board Secretary Watson said a letter was sent to Ms. Petrillo on September 28, 2005 that included information and map. Ms. Watson said provided another copy of the letter to Ms. Petrillo.

Ms. Petrillo commented that the MTA ordered 100 electric buses from Daimler Chrysler that will be delivered next year and asked if NJ TRANSIT has any electric buses. Executive Director Warrington said there is a pilot program underway to test electric buses. He said once the pilot program is complete, determinations will be made with regard to the electric buses.

David Peter Alan on behalf of the Lackawanna Coalition said the fall issue of Railgram is available. Mr. Alan said events are happening quickly on the passenger rail scene. He said the Lackawanna Coalition joins the New Jersey Association of Railroad Passengers and the New York Regional Rail Working Group in advocating rail service improvements to the entire region. Mr. Alan noted that NJ TRANSIT would be assuming the Amtrak "clocker" services after October 28, 2005. Mr. Alan urged NJ

TRANSIT to consider a joint operation with SEPTA for through-running trains between New York and Philadelphia using available commuter equipment. He said such an agreement could serve as a model to the entire Northeast region on issues as revenue sharing, cost sharing, scheduling and operation of through trains.

Mr. Alan said representatives from three organizations met with NJ TRANSIT management on issues concerning the proposed new Hudson River Tunnel. Mr. Alan requested that management prepare cost and ridership figures for a configuration of the "ARC" project that has not yet been evaluated. He said this configuration would include two new tracks in a tunnel under the river, but exclude the "Loop" that would take Main-Bergen riders directly to New York Penn Station.

Mr. Alan said he has been informed that the certain Morris & Essex Line MidTown Direct trains would be directed over part of the proposed "Loop" by continuing east to West End over the Hoboken Line, then turning north over the current Bergen County Line to Secaucus Junction, finally joining the "Loop" at that point for continuation of travel into New York. He said specific Morris & Essex MidTown Direct trains will not join the Northeast Corridor as they do now at "CP Swift", but would instead stay on the Hoboken and Bergen County Lines until Secaucus Junction. He said it appears the reason is because the track capacity between Newark, CP Swift and Secaucus Junction will not be expanded to four tracks from the existing two. He said because of this the Northeast Corridor will become overly congested with the additional trains NJ TRANSIT intends to run once the tunnel is completed. The Morris & Essex MidTown Direct service will be impaired because the tracks are not expanded. He said the Lackawanna Coalition, New Jersey Association of Railroad Passengers and the Regional Rail Working group find this unacceptable. Mr. Alan also expressed concern that a change in operational patterns could remove the Morris & Essex trains from Penn Station which would deprive easy connectivity with Amtrak.

Mr. Alan also commented that he looks forward to the TEA-LU dollars that will soon fund the capital program.

Mr. Alan personally complimented Chairman Lettiere on his accomplishments during his term as Chair of AASHTO, the American Association of State Highway and Transportation Officers. He said at an APTA Convention, the past Chair talked about highway construction but at the most recent APTA Convention, the new Chair (Chairman Lettiere) talked about rail. Mr. Alan thanked Chairman Lettiere personally and as a rail rider and advocate for speaking up for a balanced transportation policy.

Chairman Lettiere thanked and acknowledged Mr. Alan for his comments.

Kimberly Cardinal commented that there is a mural on Observer Highway that displays a mushroom cloud. Ms. Cardinal said she and other concerned citizens find the display offensive and inappropriate in light 9/11. Ms. Cardinal asked if a mural could be created that would represent the spirit of the lives lost in 9/11. She said there are many talented school children and artists that could create such a positive mural. Executive Director

Warrington said he appreciates Ms. Cardinal's comments and asked Bill Duggan to replace the mural and make a recommendation on the future of the building structure.

Since there were no further comments or business, the Chairman called for adjournment and a motion to adjourn was made by Myron P. Shevell, seconded by Flora Castillo and unanimously adopted.

The meeting was adjourned at approximately 11:00 am.

NJ TRANSIT Master Development Agreement: Hoboken Terminal and Yard

36733

(NJ Transit Board - 10/12/05)

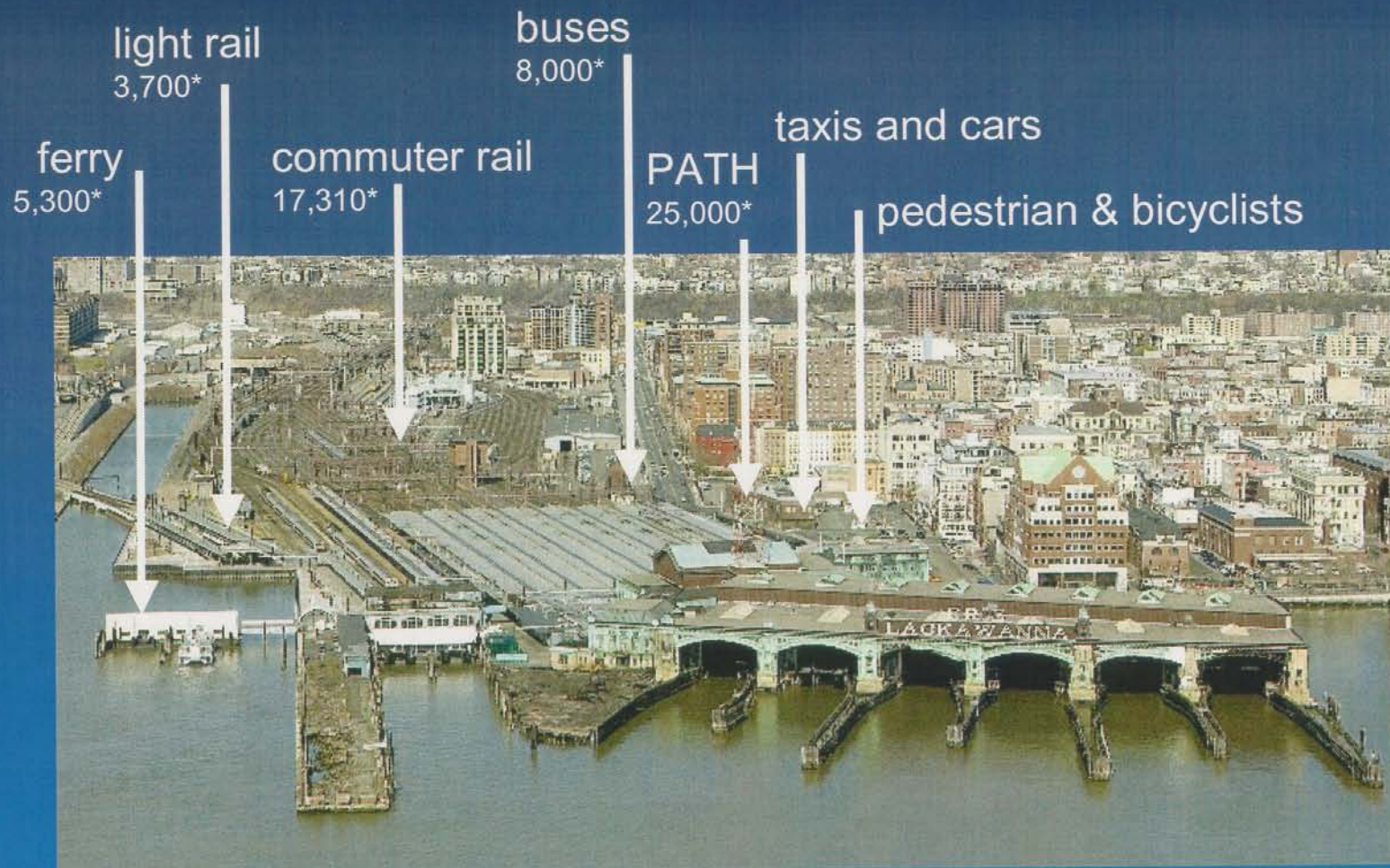


Hoboken Terminal: The First 100 Years

- When constructed in 1907, Hoboken Terminal primarily served rail and ferry passengers.

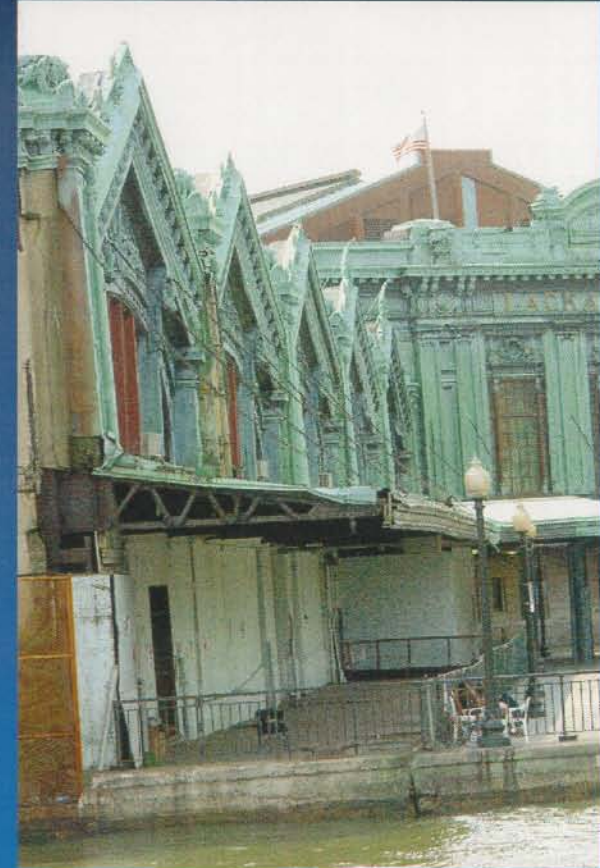


- Today, Hoboken Terminal is one of NJ TRANSIT's flagship stations, serving more than 50,000 commuters using multiple transit modes.

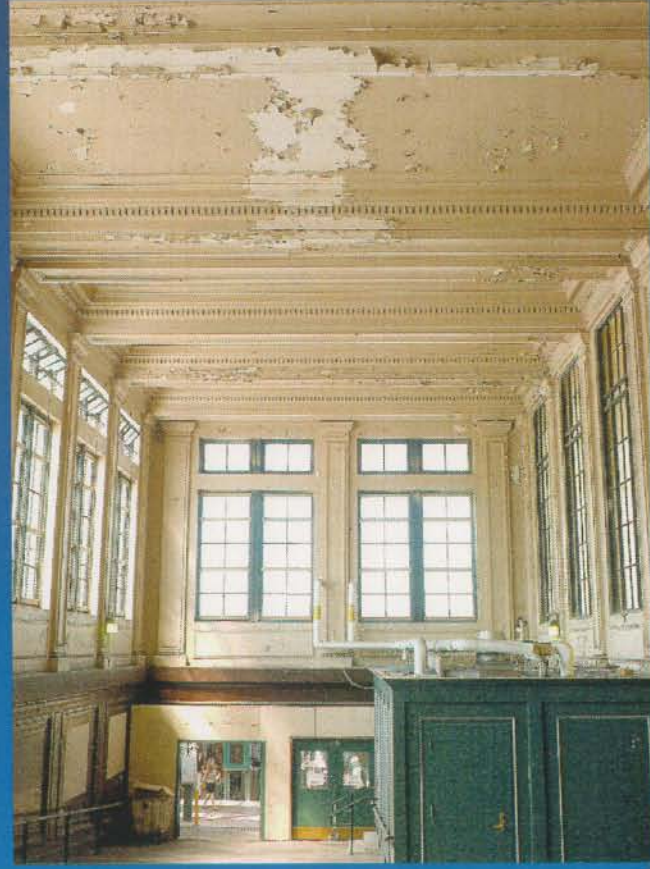
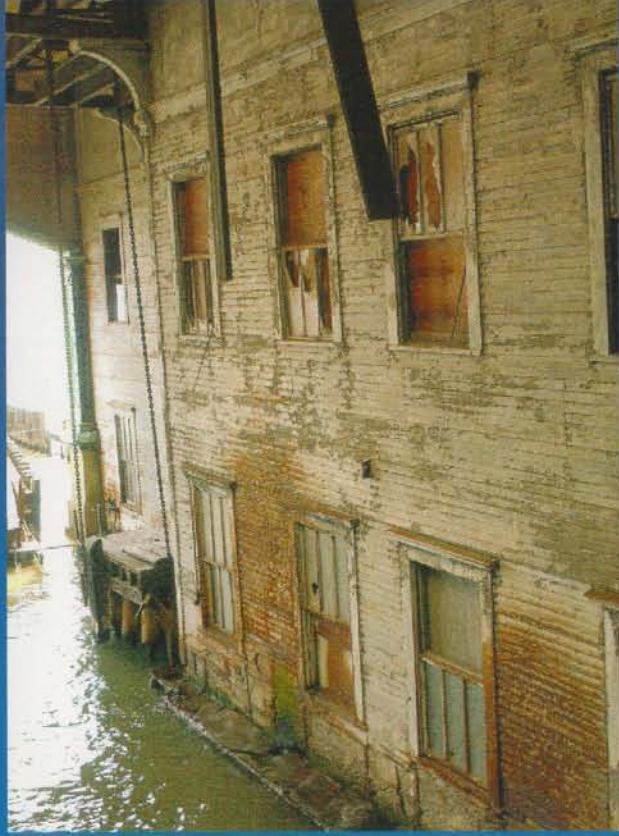


* average weekday boardings

- While NJ TRANSIT has made substantial transportation investments, it has not addressed the facility as a whole since it was purchased about 25 years ago. Many sections of the 65-acre facility have been neglected and are long overdue for restoration.



36737



(NJT Board-10/12/05)

- The facility needs to be designed to optimize the potential of the entire asset, including modal integration.
- While the City of Hoboken and Jersey City have become destinations in their own right, Hoboken Terminal and Yard remains one of the largest underutilized properties on the Hudson Waterfront.
- More than any destination on our system, this complex is incredibly ripe for transit-oriented development. We see this fallow property as a “diamond in the rough” that can and should be a nexus for transportation and commerce.



Rethinking Hoboken Terminal and Yard

- Hoboken Terminal and Yard can and should work better for...
 - ◆ Commuters
 - ◆ City of Hoboken
 - ◆ Jersey City
 - ◆ Northern New Jersey
 - ◆ **The entire region**

NJ TRANSIT's Objectives

- **Improve intermodal functionality** by enhancing customer experience and operational efficiency: rail, light rail, bus, PATH, and ferry
- **Maximize economic return** from underutilized real estate asset through transit-oriented development for NJ TRANSIT, Hoboken and Jersey City
- **Reactivate historic terminal** as a waterfront gateway, well-conceived transportation terminal and community hub for the next 100 years
- **Promote economic development** and leverage substantial public investment in transportation modes



Benefits

- **Commuters** would experience better passenger traffic flow, smoother and safer connections, enhanced amenities and service improvements from operational efficiencies
- **The local community** (Hoboken/Jersey City) will benefit from a new gateway destination that extends the appeal of the business district and adds public space, as well as leisure activity options.
- **Local communities and NJ TRANSIT** would derive revenue.



LCOR selected as Master Planner and Developer

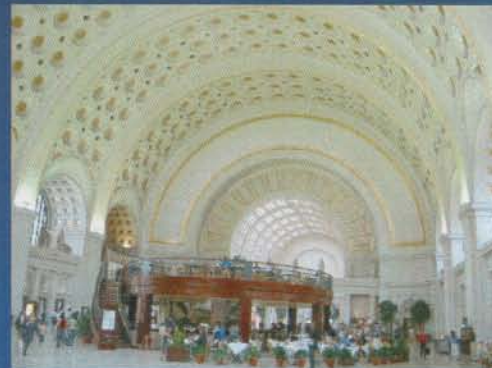
- LCOR selected by NJ TRANSIT through competitive process
- LCOR team brings unique experience with major transit-oriented projects
- World-renowned LCOR team includes: Skidmore Owings and Merrill (SOM), William Jackson Ewing, Loheed Design, DMJM+Harris, Langan Engineering

LCOR Team selected as Master Planner and Developer

- LCOR Team has unique experience in public-private development of admired transportation and related facilities



JFK International Terminal 4



Washington Union Station



Grand Central Terminal



Gaslight Commons, So. Orange
2002 Smart Growth Award Winner

Creating a Master Blueprint

- LCOR to prepare comprehensive Master Development Plan for 65-acre site at no expense to NJ TRANSIT

- **Master Development Plan**
Comprehensive analysis and blueprint of site and terminal for development and adaptive reuse:
 - ◆ Recommendations for intermodal passenger flow and connections
 - ◆ Reactivation of terminal and ferry concourse with new uses and amenities
 - ◆ Identification of building sites for mixed-use, transit-oriented development

Commercial Terms

- As master planner and developer, LCOR, in consultation with the Cities and NJ TRANSIT, will develop a master plan to ensure maximum potential of site.
- LCOR shall be responsible for securing all necessary local, state and federal approvals to implement the plan.
- The plan will enhance economic value associated with the project for NJ TRANSIT and the Cities.

Going Forward

- Create a master blueprint for a grand gateway that meets the needs of commuters and the community
- Work closely with the City of Hoboken and Jersey City to ensure the plan delivers the right mix of opportunities
- Dimension economic benefits of this public-private project

NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS, INC.
NJ TRANSIT RAIL OPERATIONS, INC.
NJ TRANSIT MERCER, INC.
REGULARLY SCHEDULED BOARD OF DIRECTORS MEETING

OCTOBER 12, 2005

MINUTES

▶ EXECUTIVE SESSION AUTHORIZATION	36751
▶ APPROVAL OF MINUTES OF PREVIOUS MEETINGS	36752
▶ EXECUTIVE DIRECTOR'S MONTHLY REPORT	36753
▶ ADVISORY COMMITTEE REPORTS	36754
▶ PUBLIC COMMENTS ON AGENDA ITEMS	36755

ACTION ITEMS

0510-89:	MASTER DEVELOPMENT AGREEMENT WITH HOBOKEN TERMINAL & YARD MASTER DEVELOPER	36776
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Authorize the Chairman or Executive Director to take all necessary actions to execute with LCOR Hoboken Rail Station Redevelopment LLC, of Berwyn, Pennsylvania, a master development agreement ("MDA") and all other necessary agreements pursuant to which LCOR (a) shall conduct all Studies necessary to prepare an analysis and recommendation as to the private development potential of those portions of the Site not required for transportation operations, (b) shall produce for NJ TRANSIT's approval a master development plan for Hoboken Terminal & Yard, (c) shall seek governmental approvals as deemed necessary to implement the development plan, (d) shall have the right -- if it has received NJ TRANSIT's approval of the plan and local, state and federal governmental approvals as necessary -- to enter into long-term ground leases and/or sales agreements, subject to Board review and determination that the terms of the particular transaction, as presented by the Executive Director, are consistent with the MDA, for those portions of the Site that NJ TRANSIT determines to be available for private development which provides an appropriate economic return to NJ TRANSIT.

- 0510-90: TRANS-HUDSON EXPRESS TUNNEL – FINAL ENVIRONMENTAL IMPACT STATEMENT: CONSULTANT CONTRACT AMENDMENT 36781

Staff seeks authorization to amend an existing contract (No. 03-115) with Transit Link Consultants of Bloomfield, NJ, a joint venture of Parsons Brinckerhoff of Newark, NJ and SYSTRA Consulting of Bloomfield, NJ, for preparation of the Final Environmental Impact Statement for THE Tunnel Project at a cost not to exceed \$13,700,000 plus five percent for contingencies for a total contract authorization of \$22,155,000, subject to the availability of funds.

- 0510-91: HOBOKEN FERRY TERMINAL REHABILITATION – PHASE 2: CONSTRUCTION CONTRACT AWARD AND AMENDMENT OF CONTRACTS TO ADD CONSTRUCTION ASSISTANCE AND CONSTRUCTION MANAGEMENT 36784

Staff seeks authorization to contract (No. 05-045) with Hall Construction of Farmingdale, NJ for the construction of Hoboken Ferry Terminal Rehabilitation – Phase 2, at a cost not to exceed \$53,877,000, plus five percent for contingencies, for a total contract authorization of \$56,570,850.

Staff also seeks authorization to amend professional services contract (No. 94CA035) with STV, Inc. of New York, NY, for construction assistance services to support construction in the amount of \$1,300,000, plus five percent for contingencies, for a total contract authorization of \$22,838,420.

Staff also seeks authorization to amend professional services contract (No. 97CM022) with Tishman Construction, Inc. of Newark, New Jersey, for Construction Management services related to the construction contract in the amount of \$3,500,000, plus five percent for contingencies, for a total contract authorization of \$9,633,559.

- 0510-92: MORRISVILLE YARD PHASE 2: CONSTRUCTION AND CONSTRUCTION ASSISTANCE SERVICES 36787

Staff seeks authorization to contract (No. 05-121X) with Slattery Skanska of Whitestone, NY for the construction of the Morrisville Yard, Phase 2 in Falls Township, PA at a cost not exceed \$97,877,000, plus five percent for contingencies.

Staff also seeks authorization to amend the existing professional services contract (No. 02-074) with STV, Inc. of New York, NY for the Construction Assistance Services required for the Morrisville Yard Phase 2, at a cost not to exceed \$1,500,000, plus five percent for contingencies for a total contract authorization of \$6,918,800.

0510-93: NEWARK PENN STATION – POLICE FACILITIES 36790
IMPROVEMENTS: CONSTRUCTION CONTRACT AWARD

Staff seeks authorization to contract (No. 06-003X) with Hall Construction Co., Inc. of Farmingdale, NJ for the construction of interior renovations for the NJ TRANSIT Police at Newark Penn Station at a cost not to exceed \$2,047,000, plus five percent for contingencies, for a total contract authorization of \$2,149,350.

0510-94: ACCESS LINK SERVICE PROVIDER CONTRACT FOR 36793
REGIONS 5 AND 6, NEW JERSEY

Staff seeks authorization to contract (No. 06-008) with MV Contract Transportation, Inc. of Fairfield, CA, for the provision of ADA paratransit service, one for each of the following two regions of service:

Region 5 – Essex, Union, Somerset and Morris Counties, the communities of East Newark, Harrison and Kearny in Hudson County, Lyndhurst and North Arlington in Bergen County. This is a seven-year contract (three-year base and two two-year options). The contract amount will not exceed \$51,000,000 plus five percent for contingencies, for the period January 14, 2006 to March 29, 2013.

Region 6 – Bergen, Hudson and Passaic Counties; this is a seven-year contract (three-year base and two two-year options). The contract amount will not exceed \$41,000,000 plus five percent for contingencies, for the period April 15, 2006 to June 7, 2013.

0510-95: ADDITIONAL AUTHORIZATION FOR RECORD 36798
MANAGEMENT ARCHIVAL SERVICES

Staff seeks authorization to amend the contract (No. 98CX117) with Iron Mountain Inc. to increase the funding for Records Management Services at a cost not to exceed \$150,000, for a total contract cost of \$1,110,000.

CONSENT CALENDAR

0510-96: DEVELOPMENT OF STRATEGIES FOR FINANCING, REVENUE ENHANCEMENT AND MAXIMIZING REAL ESTATE RETURN 36802

Staff seeks authorization to enter into a three-year procurement-by-exception consulting contract (No. 00128C) with Public Private Initiatives, L.L.C. of Montclair, NJ to provide strategic advice and assistance to NJ TRANSIT management concerning revenue enhancement initiatives, including support of the Company's leveraged lease program. PPI will also continue to advise management regarding real estate development opportunities. The contract, which would be effective November 1, 2005, will not exceed an annual cost of \$145,000, with a total three-year authorization not to exceed \$435,000. PPI will be compensated on an hourly basis and at NJ TRANSIT's discretion on a contingency basis from the proceeds of specific leveraged lease transactions in an amount reflecting the time and value of the services rendered.

0510-97: SALE OF LAND IN CAMDEN FOR TRANSIT-ORIENTED DEVELOPMENT 36805

Authorize the Chairman or Executive Director to enter into all necessary agreements with, and take all necessary actions with regard to the sale of approximately 34,441 square feet depicted as Block 72, Lot 9 on the tax map of Camden, New Jersey, to Dranoff Properties, Inc., of Philadelphia, Pennsylvania, for \$495,000 and subject to a requirement that the City of Camden or the developer, Dranoff, provide adequate alternative parking to the general public in perpetuity.



PUBLIC COMMENTS ON NON-AGENDA ITEMS

EXECUTIVE SESSION AUTHORIZATION

BE IT HEREBY RESOLVED pursuant to N.J.S.A. 10:4-12 and N.J.S.A. 10:4-13 that the Board of Directors of the New Jersey Transit Corporation hold an executive session to discuss litigation matters and contract negotiations; and

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

APPROVAL OF MINUTES

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

WHEREAS, pursuant to Section 4(f) of the New Jersey Public Transportation Act of 1979, the minutes of actions taken at the September 22, 2005 Board meeting of the New Jersey Transit Corporation, NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Rail Operations, Inc. and NJ TRANSIT Mercer, Inc. were forwarded to the Governor on September 27, 2005;

NOW, THEREFORE, BE IT RESOLVED that the minutes of actions taken at the September 22, 2005 New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc. and NJ TRANSIT Mercer, Inc. Board of Directors' meetings are hereby approved.

Richard J. Codey
Acting Governor

Jack Lettiere
Board Chairman

George D. Warrington
Executive Director



TO: BOARD OF DIRECTORS
FROM: GEORGE D. WARRINGTON
DATE: OCTOBER 12, 2005
SUBJECT: EXECUTIVE DIRECTOR'S REPORT – OCTOBER 2005

On October 30, new rail schedules will go into effect, and I am pleased to report a number of schedule improvements as the result of our continued efforts to meet growing ridership demand.

Back in July we replaced four Clockers with NJ TRANSIT trains in response to Amtrak's need to reprogram its equipment. With this timetable change, we will replace all four of the remaining Clocker trains. While this action advances the planned 2006 transition of Clocker service, it enables us to get more seating capacity on the Northeast Corridor now and saves about \$6 million in payments to Amtrak. The four new Clocker replacements, which retain the same express schedules, will—unlike Clocker trains honor not just NJ TRANSIT monthly passes but single and 10-trip tickets as well. We will add a total of five morning trains—two of which are Clocker replacements—and two additional Clocker replacement trains in the evening, contributing to an additional 3,000 peak period seats for New York-bound customers.

We will also make schedule adjustments to provide more frequent service and more capacity at some of the system's busiest stations, including the "middle-zone" of the Northeast Corridor—Jersey Avenue, New Brunswick, Edison, Metuchen and Metropark—which accounts for approximately 20,000 boardings per day. Customers boarding at these stations will find more peak-period trains—three more trains stopping at Jersey Avenue, five more trains serving New Brunswick, and four more trains stopping at Edison, Metuchen and Metropark.

We are also adding 16 weekend "holiday express" trains—eight on the Northeast Corridor and eight Morris & Essex Lines—for customers who take advantage of shopping and entertainment in New Jersey and Manhattan. Other schedule improvements include the addition of a new early morning MidTOWN DIRECT train to the Montclair-Boonton Line service, and new weekend service to and from Plauderville Station on the Bergen County Line.

On the bus side, next month we will add service on three routes to New York, the 131, from Sayreville; the 137, from Toms River; and the 139 from Lakewood. In fact, on the Lakewood route, we are adding five new morning trips to meet demand. While we have already increased bus service on about 100 routes so far this year, we are working toward additional trips on a number of targeted routes next year.

Last year, we announced a pilot with the U.S. Coast Guard to test the impact of limiting the openings of the Portal Draw Bridge during the peak periods to reduce delays—particularly going into NYC in the morning peak period. As a result of this pilot program we have seen a dramatic decrease in the number of delays caused by Portal's opening. In fact, the length of train delays went from an average of 27 minutes during a three-month period in 2003 to 2004 to 14 minutes during the same period in 2004/2005. Based on the success of the pilot, the Coast Guard recently announced that they would permanently limit bridge openings beginning November 4.

Finally, I want to recognize one of our employees who recently risked his own life to save a motorist. David Blanding, who has worked for NJ TRANSIT as a Car Appearance Maintainer more than a year, was driving home September 22 when he witnessed a small truck hit a guide rail, flip on its side and burst into flames. Dave ran to the car and was able to break through the windshield to pull the driver to safety. I want to congratulate Dave for his heroism.

EXECUTIVE DIRECTOR'S MONTHLY REPORT OCTOBER 2005

- 1. HIGHLIGHTS**

- 2. CUSTOMER AND COMMUNITY INITIATIVES**

- 3. EMPLOYEE RECOGNITION**

- 4. DBE/MBE PROGRAM**

- 5. PERFORMANCE MEASURES**

HIGHLIGHTS

Board takes action to improve NJ TRANSIT public address systems and dynamic signage

NJ TRANSIT's ongoing effort to improve the quality of public address announcements and dynamic signage took a step forward on September 22, as the NJ TRANSIT Board of Directors approved an \$846,000 engineering services contract.

The contract authorizes preliminary engineering for new communications systems at 22 bus, rail and light rail facilities that will bring them into compliance with the Americans with Disabilities Act (ADA) for audio and visual communications. The work at each facility will involve the replacement of the existing public address system, including speakers, wiring, back-end equipment and network interface.

In addition to clearer announcements, the project will provide for the replacement or addition of dynamic signage systems to provide customers with visual information.

The following locations were selected for the first phase of upgrades based on ridership, ADA status, transfer opportunities, operational issues and current conditions:

- Atlantic City Bus Terminal
- Branch Brook Park (Newark City Subway)
- Broadway Bus Terminal
- Chatham
- Denville
- Dover
- Edison
- Elizabeth
- Hackensack Bus Terminal
- Hoboken Terminal
- Irvington Bus Terminal
- Journal Square (Jersey City)
- Long Branch
- Matawan
- Metuchen
- New Brunswick
- Old Bridge Park/Ride
- Princeton Junction
- Rahway
- South Orange
- Westfield
- Walter Rand Transportation Ctr.

In addition, the following locations have been previously upgraded or are scheduled to be upgraded as part of other ongoing capital projects:

- Newark Broad Street
- Newark Penn Station (Subway)
- Madison
- Metropark
- Montclair State University
- New York Penn Station
- Newark Penn Station Bus
- Newark Penn Station Rail
- Port Authority Bus Terminal
- Ramsey Route 17
- Red Bank
- Ridgewood
- Secaucus Junction
- South Amboy
- Summit
- Trenton
- Woodbridge

NJ TRANSIT Board approves state-of-good-repair projects in South Jersey

On September 22, the NJ TRANSIT Board of Directors approved \$2.4 million for two projects that will improve transportation infrastructure in South Jersey: a \$1 million contract to rehabilitate Camden's Walter Rand Transportation Center (WRTC) and a \$1.4 million contract to rehabilitate the Beach Thorofare Waterway Drawbridge on the Atlantic City Rail Line.

The Walter Rand contract will address water infiltration at one of South Jersey's busiest transportation hubs serving nearly 20,000 customers on bus, River LINE and PATCO services. Since the WRTC opened in 1987, the structure has suffered from deterioration due to water infiltration from the parking deck and stair towers. The work authorized today will repair existing damage and stop further infiltration.

Construction is expected to be completed in approximately 12 months.

Rehabilitation approved for 83-year-old drawbridge

The Board also approved a rehabilitation project for the Beach Drawbridge on the Atlantic City Rail Line. Built in 1922 and last rehabilitated in 1988, the swing bridge carries 35 Atlantic City Rail Line daily trains and 3,000 passenger trips over the Beach Thorofare Waterway in Atlantic County.

The repair work will positively impact NJ TRANSIT customers, as well as marine users of the Beach Thorofare Waterway, by extending the bridge's lifespan. Crews will repair underwater concrete piers, remove deteriorated protective timber sheeting and install of new vinyl sheeting below the water line to protect the piers from erosion.

Construction will begin next month with completion expected in December. During the project—which was scheduled during the “off season” to minimize impact to boaters—some short, temporary closures of the waterway will be necessary. There will be no impact to NJ TRANSIT service between Atlantic City and Philadelphia.

CUSTOMER AND COMMUNITY INITIATIVES

NJ TRANSIT and American Red Cross team up for emergency preparedness and hurricane relief effort

In support of National Emergency Preparedness Month, NJ TRANSIT and the American Red Cross teamed up on Thursday, September 22 to increase commuters' level of emergency preparedness. The system-wide event—which included outreach efforts at more than three dozen NJ TRANSIT rail stations, bus terminals and light rail stops—also provided an opportunity for the American Red Cross to collect donations for their Disaster Relief Fund.

Representatives distributed information on a number of emergency preparedness topics, including terrorism preparedness, how to prepare an emergency kit and alternate travel options in the event of a transportation service disruption.

In addition, as part of the American Red Cross' ongoing effort to raise funds to assist the victims of Hurricane Katrina and other natural disasters, representatives accepted donations at Newark Penn Station, Hoboken Terminal and Burlington Towne Center. All proceeds went to the American Red Cross Disaster Relief Fund.

NJ TRANSIT police officers participated in the effort at Newark Penn Station, the state's largest transportation hub, by distributing emergency preparedness guides and security alert cards. The cards provide NJ TRANSIT's toll-free number for reporting unattended packages or suspicious activity—1-888-TIPS-NJT—as well as other transit security tips.

Since 2001, NJ TRANSIT has significantly enhanced its emergency preparedness capabilities, including:

- Improving communication between control centers and NJ TRANSIT crews
- Creating regional "Go Teams" consisting of specially trained NJ TRANSIT managers who will be immediately deployed to incidents
- Creating "Emergency Response Teams" to report to major terminals to assist customers during incidents
- Training nearly 50 Emergency Response Team members in Community Emergency Response Training (CERT), in conjunction with NJTPD and New Jersey State Police, to assist emergency responders at an incident scene
- Improving visibility of emergency procedures on all vehicles, with accompanying panel cards available at major terminals and stations
- Equipping trains and stations with bullhorns

- Improving broadcast emergency alerts to keep the public informed
- Implementing the "My Transit Alert" system, which provides NJ TRANSIT service information to customers' pagers, cell phones and PDAs
- Created the Trans-Hudson Emergency Task Force in the wake of the 2003 blackout to improve interagency coordination and response to regional incidents
- Improving public address systems throughout the system
- Conducting full-scale field emergency drills on an annual basis
- Conducting smaller table-top exercises on a quarterly basis

In addition, NJ TRANSIT has enhanced system security in the following ways:

- Increased the size of the NJ TRANSIT Police Department by more than 70 percent
- Tripled the number of K9 explosive detection teams
- Made investments in state-of-the-art electronic countermeasures
- Implemented random baggage inspections
- Increased the number of uniformed and plainclothes officers on patrol
- Implemented a toll-free number for reporting unattended packages or suspicious activity (1-888-TIPS-NJT)
- Activated an intelligence-based crime analysis center
- Installed a new police central communications center
- Deployed radiological pagers throughout the system
- Created security zones around major stations and terminals, including barriers and checkpoints

Secaucus Junction to connect employers and job seekers on October 19

On Wednesday, October 19, the Frank R. Lautenberg Rail Station at Secaucus Junction will be used for more than connections between trains on 10 of New Jersey's 11 commuter rail lines; it will provide connections between job seekers and prospective employers as NJ TRANSIT hosts its first major job fair at the station. The event will take place from noon until 5 p.m., with a special preview hour for military personnel starting at 11 a.m.

EMPLOYEE RECOGNITION

NJ TRANSIT employee saves a life on way to work

On the evening of September 22, David Blanding, a Long Branch mechanical employee, saved a life on his way to work.

Blanding was driving southbound on the Garden State Parkway when he came upon an automobile accident on the Raritan River Bridge. He was one of the first to arrive on the scene, finding a pick-up truck in flames and on its side.

Blanding got out of his vehicle and ran up to the scene. Originally, he thought there was no one in the burning truck, but moments later noticed a man banging on the window. Mr. Blanding first tried opening the driver's door, but it was too damaged to budge. By that point, the driver was incoherent and in serious danger. Blanding managed to break the window and pull the burning driver from the truck. He covered him with his NJ TRANSIT jacket as EMS and fire personnel arrived on the scene.

Shortly before a MedEvac helicopter arrived to transport the victim to a nearby trauma center for burns and other injuries, Blanding was able to get a phone number to call the victim's mother.

DBE/MBE PROGRAM

NJ TRANSIT – Office of Business Diversity DBE/SBE Participation

Federally Funded Contracts

\$35,570,820 in federal funds was awarded during October thru September of FY 05*. Disadvantaged Business Enterprises (DBEs) were awarded \$4,909,974 or 13.8 percent, which includes both race conscious and race neutral awards.

State Funded Contracts

\$147,237,240 in state-funded contract dollars was awarded during July thru September FY 06. ** Of that total, Small Business Enterprises (SBEs) received \$16,317,229 or 11.1 percent. Category 1 SBEs received \$1,893,697 or 1.3 percent. Category 2 SBEs received \$0. Category 3 SBEs received \$8,124,302 or 5.5 percent. Category 4 SBEs received \$3,366,885 or 2.3 percent. Category 5 SBEs received \$2,932,345 or 2 percent. ***

Federal & State Contracts Total

\$182,808,060 in federal and state contract dollars was awarded by NJ TRANSIT during this reporting period. Of that total, \$21,227,203 or 11.6 percent of federal and state contract dollars was won by DBEs and SBEs.

Hudson-Bergen Light Rail Transit System Project

Of \$1,433,024,411 in contract dollars awarded for the Hudson-Bergen Light Rail Transit System project****, \$180,729,496 or 12.6 percent has been received by DBEs. Of the \$180,729,496, 6 percent or \$86,823,647 has been won by Women Business Enterprises (WBEs) who are classified as DBEs.

* Fiscal year beginning October 1, 2004

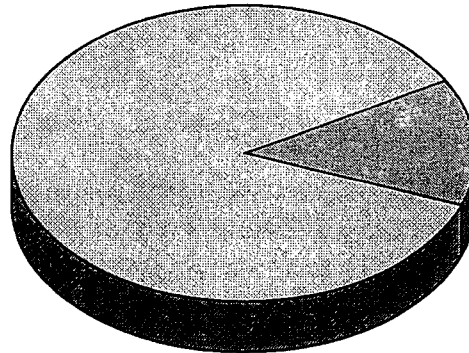
** Fiscal year beginning July 1, 2005

*** Cat 1-Less than \$500,000 gross revenues, Cat 2-Less than \$5 million, Cat 3-Less than \$12 million, Cat 4 (construction)-Less than \$1 million, Cat 5 (construction)-Less than \$17,420,000

**** This YTD figure reflects federal dollars expended on an annual basis; including change orders, for the period from December, 1996 through April 2005

**DBE PARTICIPATION
FEDERAL CONTRACTS
FEDERAL FYTD (THRU SEPTEMBER 2005)**

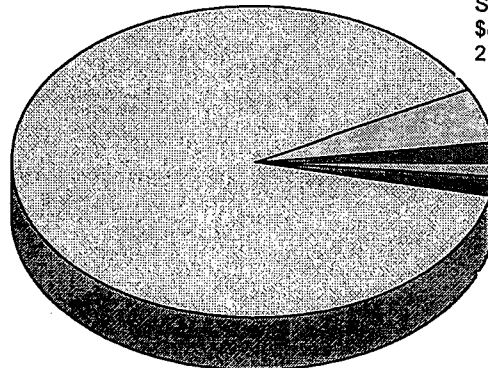
NON-DBE
FEDERAL
\$30,660,846
86.2%



DBE
RACE
NEUTRAL
& RACE
CONSIDERATION

**SBE PARTICIPATION
STATE CONTRACTS
STATE FYTD (THRU SEPTEMBER 2005)**

NON-SBE STATE
\$130,920,011
88.9%



SBE-3
\$8,124,30
2

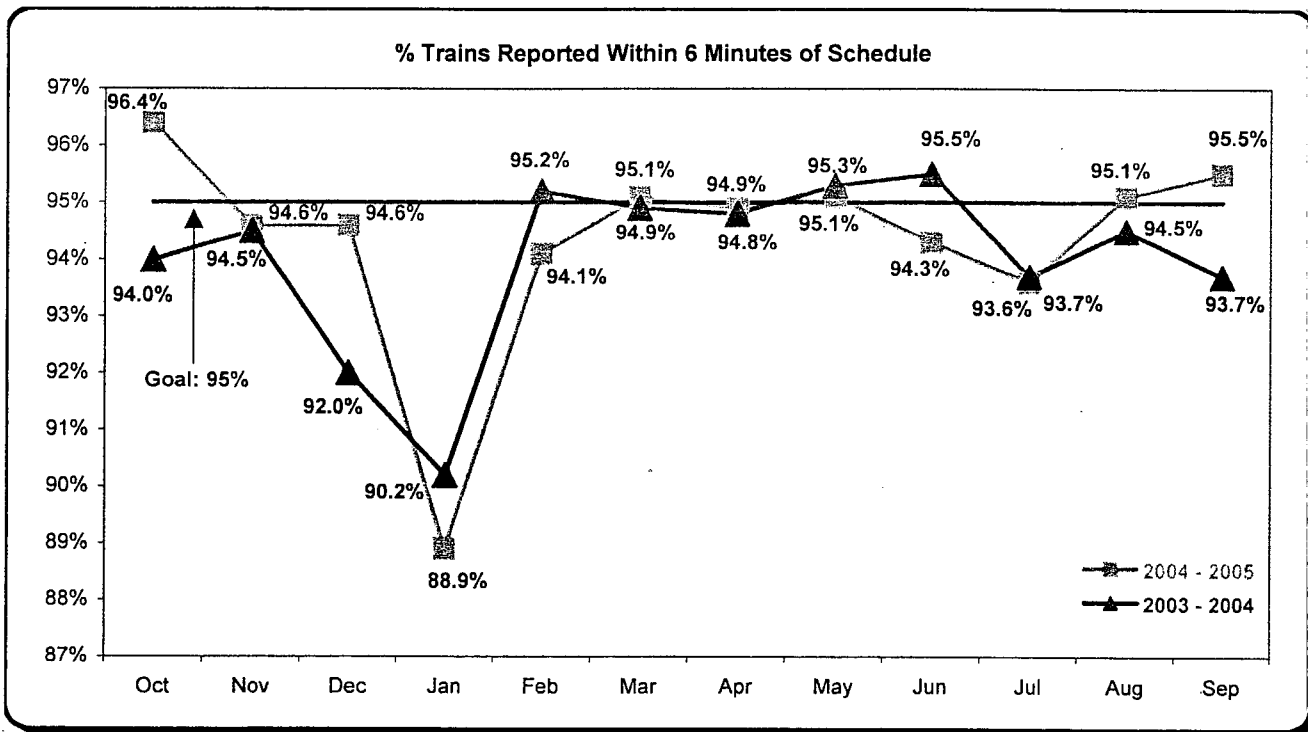
SBE-4
\$3,366,88
5

SBE-1
\$1,893,69
7

SBE-5
\$2,932,34
5

PERFORMANCE MEASURES

NJ TRANSIT ON-TIME PERFORMANCE RAIL OCTOBER 2003 - SEPTEMBER 2005



	2004	2005	# Change
September Comparison	93.7%	95.5%	1.8%

	2003 - 2004	2004 - 2005	# Change
12-Month Average October - September	94.0%	94.4%	0.4%

Analysis:

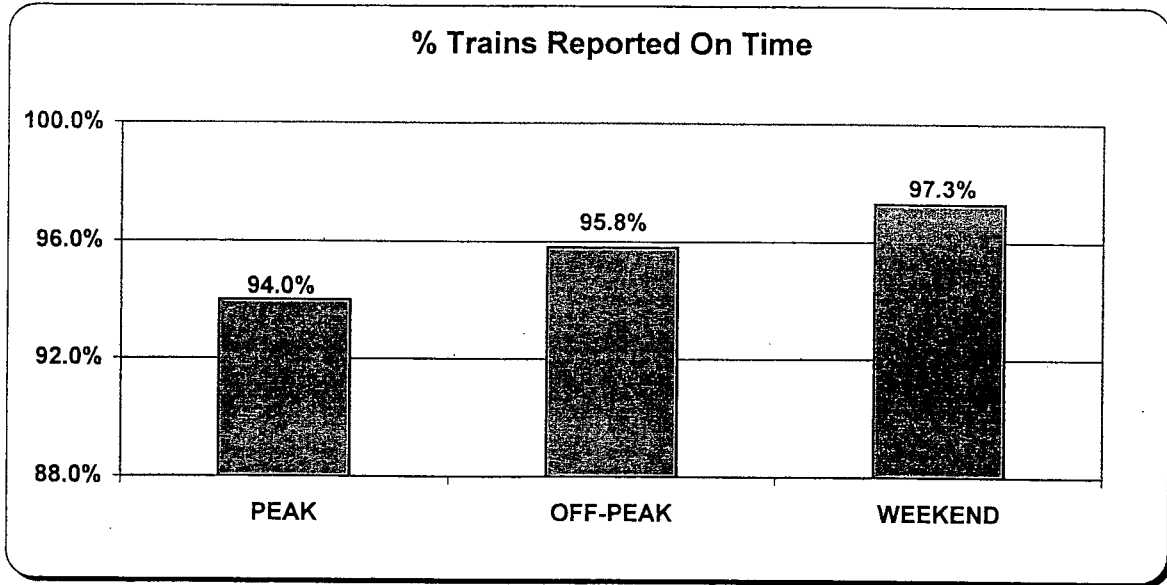
Systemwide, Rail On-Time Performance for September 2005 was 95.5%, above the goal of 95%. Of the 18,530 trains that were scheduled to operate, 17,700 were on time, while 830 trains (or 4.5%) were delayed. Key causes of delay included:

- A delay in closing the Morgan Drawbridge on the evening of September 2nd;
- A track fire at Penn Station New York on September 8th;
- A disabled train in the tunnel leading from Penn Station New York on September 12th; and
- Amtrak problems with overhead wires on September 24th and 30th.

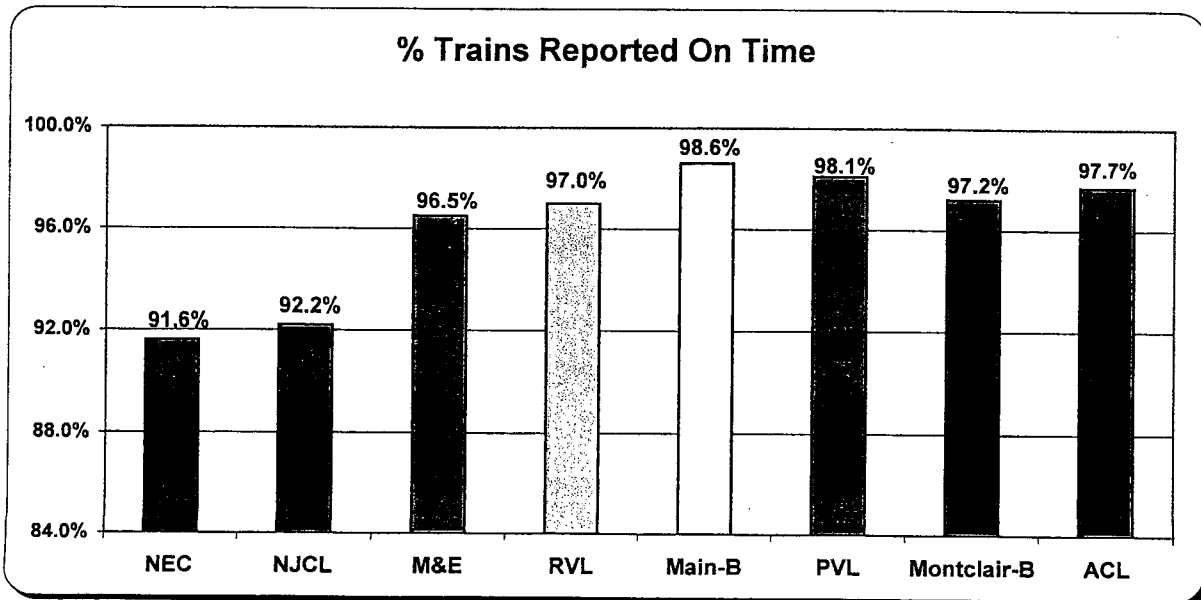
The 12-month average for Rail On-Time Performance systemwide for October 2004 - September 2005 was 94.4%, above the average for the previous 12-month period of 94.0%.

ON-TIME PERFORMANCE RAIL

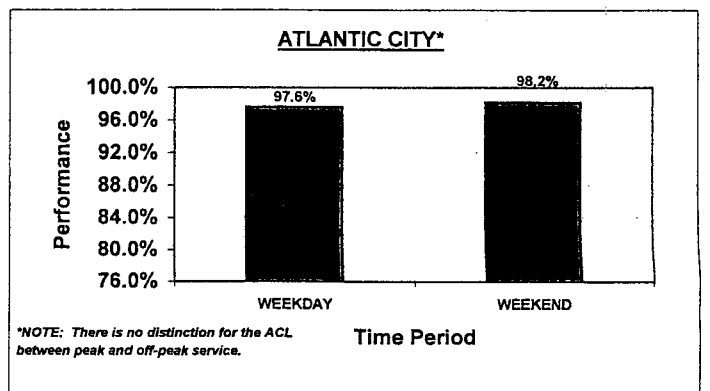
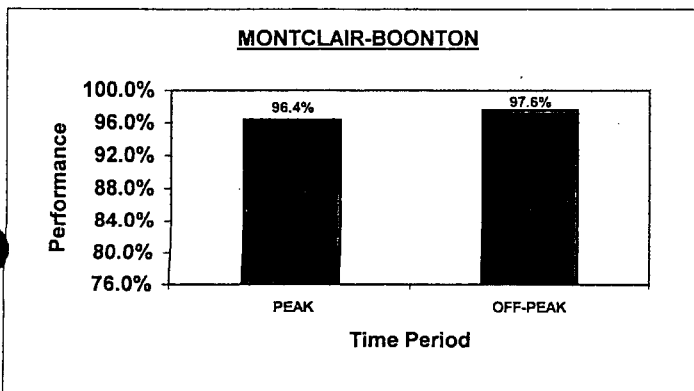
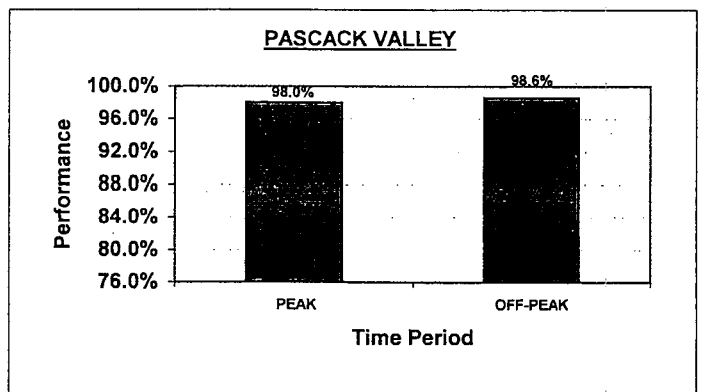
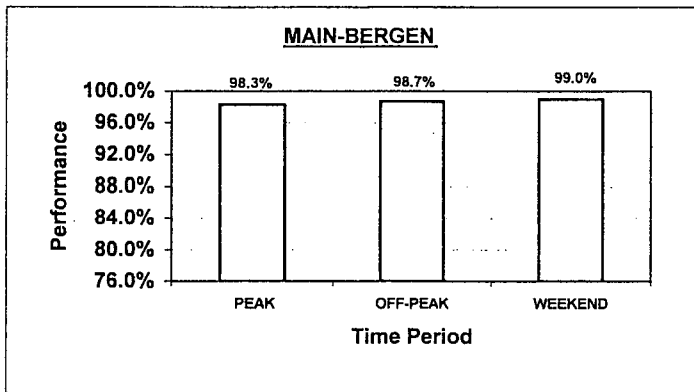
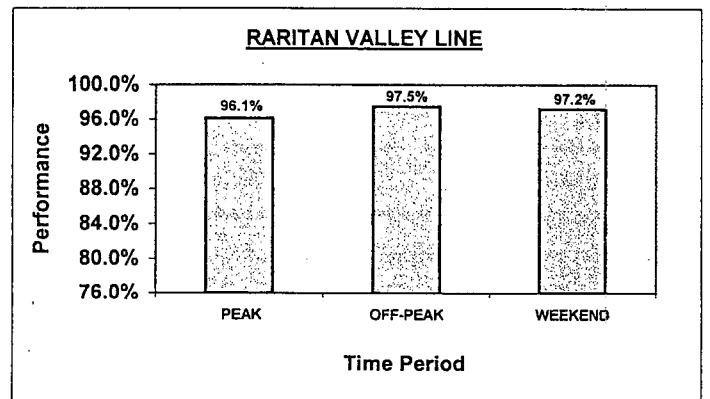
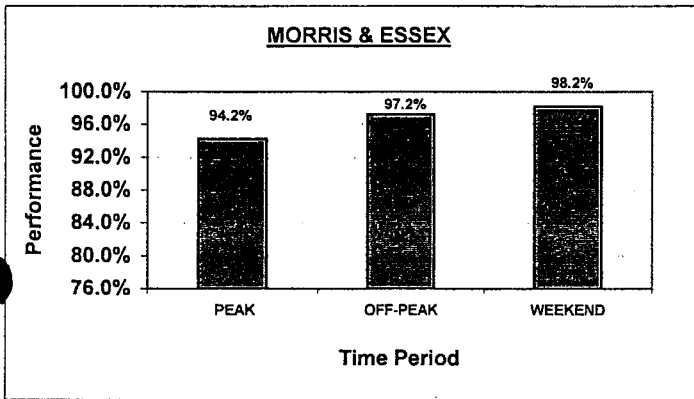
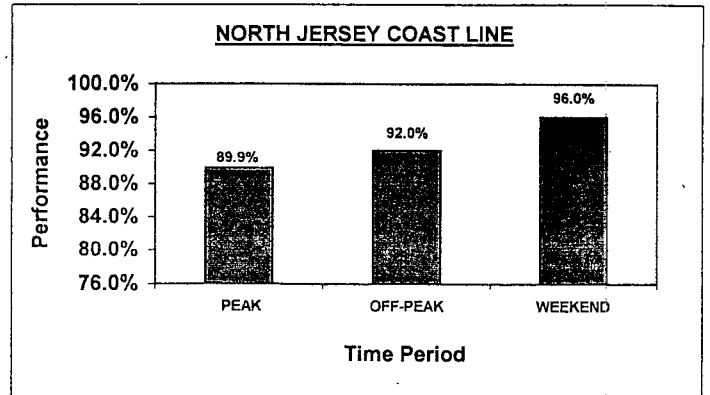
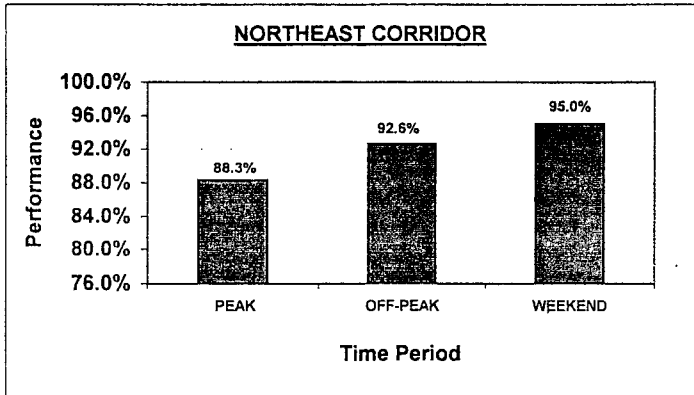
SUMMARY BY TIME PERIOD SEPTEMBER 2005



SUMMARY BY LINE SEPTEMBER 2005

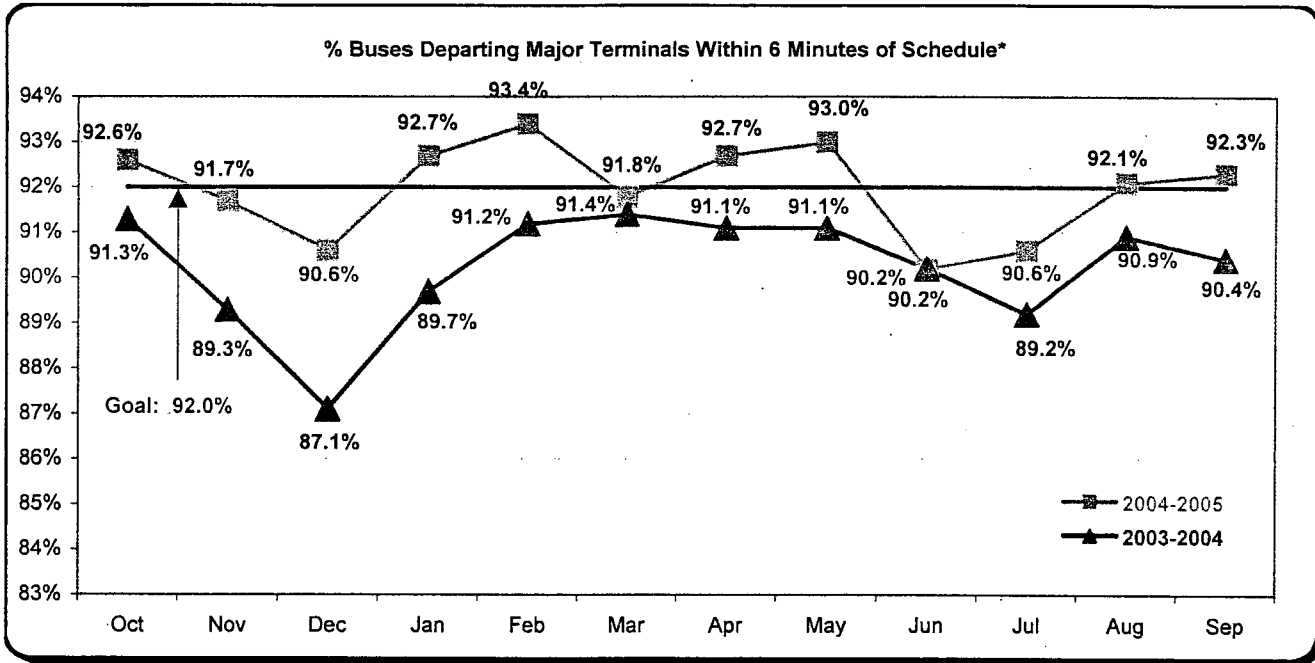


ON-TIME PERFORMANCE BY RAIL LINE & TIME PERIOD SEPTEMBER 2005



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

NJ TRANSIT ON-TIME PERFORMANCE BUS OCTOBER 2003 - SEPTEMBER 2005



*Note: Includes the Walter Rand Transportation Center, Atlantic City Bus Terminal, Port Authority Bus Terminal and Newark Penn Station

	2004	2005	# Change
September Comparison	90.4%	92.3%	1.9%

	2003-2004	2004-2005	# Change
12-Month Average October - September	90.2%	92.0%	1.8%

Analysis:

Bus On-Time Performance for September 2005 was 92.3%, surpassing the goal of 92%. Of the 30,600 monitored departures, 2,345 (or 7.7%) experienced delays. Key sources of delay included:

Heavy traffic during Labor Day weekend;

A car fire in the north tube of the Lincoln Tunnel on September 15th; and

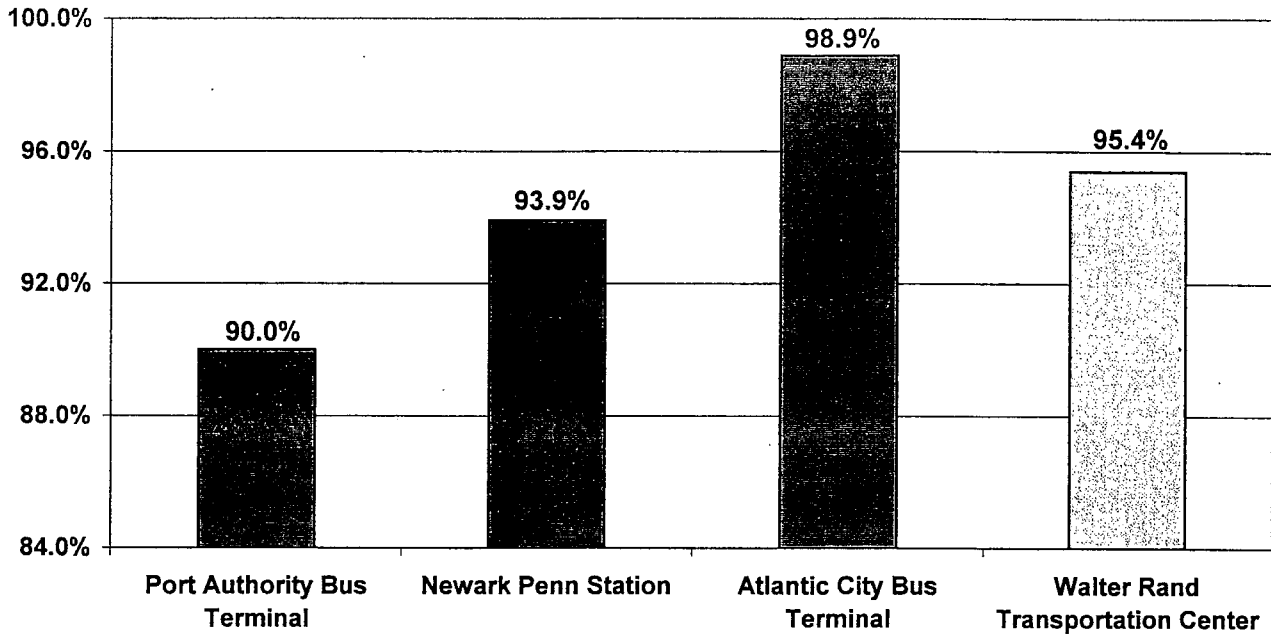
Numerous traffic delays on the Atlantic City Expressway during the month.

The 12-month average for Bus On-Time Performance for October 2004 - September 2005 was 92.0%, 1.8 percentage points above the average for the previous 12-month period.

ON-TIME PERFORMANCE BUS

SUMMARY BY TERMINAL SEPTEMBER 2005

% Buses Departing Major Terminals On Time

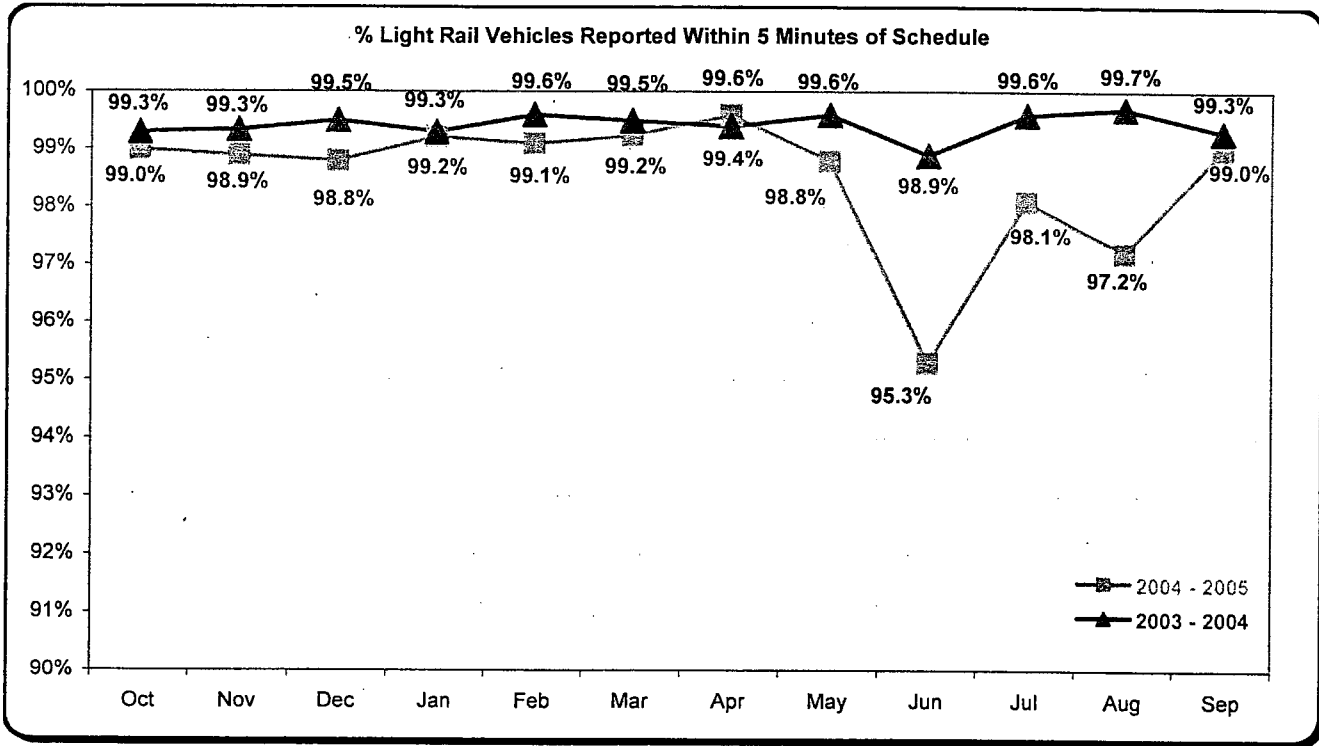


NJ TRANSIT

ON-TIME PERFORMANCE

HUDSON-BERGEN LIGHT RAIL

OCTOBER 2003 - SEPTEMBER 2005



	2004	2005	# Change
September Comparison	99.3%	99.0%	-0.3%

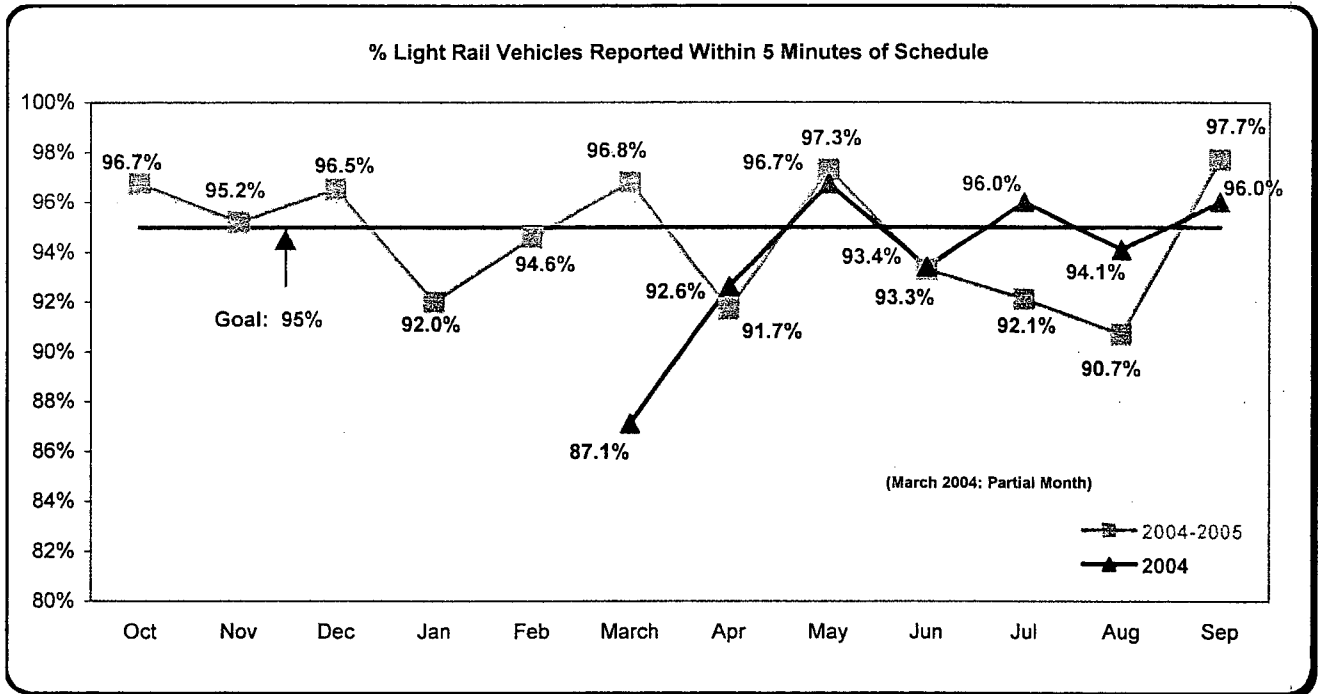
	2003 - 2004	2004 - 2005	# Change
12-Month Average October - September	99.4%	98.5%	-0.9%

Analysis:

Hudson-Bergen Light Rail (HBLR) On-Time Performance for September 2005 was 99.0%. Of the 15,906 scheduled trips for the month, 163 (or 1.0%) were delayed.

The 12-month average for HBLR On-Time Performance for October 2004 - September 2005 was 98.5%, 0.9 of a percentage point below the average for the previous 12-month period.

NJ TRANSIT ON-TIME PERFORMANCE River LINE MARCH 2004 - SEPTEMBER 2005



	2004	2005	# Change
September Comparison	96.0%	97.7%	1.7%

	2004	2004 - 2005	# Change
12-Month Average October - September	N/A	94.6%	N/A

Analysis:

River LINE On-Time Performance for September 2005 was 97.7%, above the goal of 95%. Of the 2,926 trips scheduled for the month, 66 (2.3%) were delayed.

Delays on most days of the month were minor, with the exception of September 7th, when 31 delays were caused by a signal failure.

The 12-month average for River LINE On-Time Performance for October 2004 - September 2005 was 94.6%.

ACTION ITEMS

**ITEM 0510-89: MASTER DEVELOPMENT AGREEMENT WITH
HOBOKEN TERMINAL & YARD MASTER DEVELOPER**

BENEFITS

Execution of a Master Development Agreement ("MDA") will facilitate improvement of intermodal passenger flow and convenience, the maximization of NJ TRANSIT's real estate assets at the Hoboken Terminal and Yard in Hoboken and Jersey City, economic return on the property, and advancement of transit-oriented development and will build upon previous and on-going NJ TRANSIT infrastructure and rehabilitation investments in the Hoboken Terminal and Yard facility.

PURPOSE

Execution of an MDA with LCOR Hoboken Rail Station Redevelopment LLC ("LCOR"), a subsidiary of LCOR, Inc. will (a) obligate LCOR to produce a master development plan ("MDP") and studies ("Studies") for the entire 65-acre Hoboken Terminal and Yard site ("Site") in consultation with Hoboken and Jersey City, (b) obligate LCOR to seek NJ TRANSIT and local, state and federal governmental approvals as necessary for implementation of the MDP and (c) give LCOR the right -- subject to NJ TRANSIT's approval of the MDP and local, state and federal governmental approvals as necessary -- to implement the MDP. The MDP will identify intermodal enhancements to improve passenger convenience and operational efficiency and strategies to adaptively reuse Hoboken Terminal and other structures to create a vibrant reactivation of the facility. In exchange for preparing the Studies and MDP and obtaining all approvals at its expense, LCOR will receive from NJ TRANSIT exclusive rights to develop those portions of the property not required for NJ TRANSIT's transportation operations as per the terms and conditions of the MDA.

NJ TRANSIT views the 1907 Hoboken Terminal and associated rail yard as highly valuable property that can be a regional destination with the potential to spur new real estate and economic development in Hoboken and Jersey City, the two municipalities in which the site is located. The terminal anchors seven NJ TRANSIT rail lines, the Hudson-Bergen Light Rail (HBLR) line, PATH trains, trans-Hudson ferries and local buses. The terminal is one of NJ TRANSIT's most active facilities, with approximately 72,000 weekday passenger trips, and its unique architecture and strategic location make it a regional historic landmark with tremendous potential for development and adaptive reuse. NJ TRANSIT has invested and continues to invest in the restoration and improvement of the site to better serve NJ TRANSIT's customers and with the execution of the MDA, NJ TRANSIT seeks to capitalize on its previous investment and maximize the site's transit-oriented development potential.

LCOR, which was selected through a competitive RFP process, and NJ TRANSIT have negotiated an MDA under which LCOR will be required, at its sole cost and expense, to conduct various studies that will comprehensively evaluate and identify opportunities for mixed-use, adaptive-reuse and transit-oriented development at the 65-acre Hoboken Terminal and Yard facility and thereafter to prepare a master development plan, all of which has an estimated value of approximately \$1.5 million. The execution of the MDA and the potential implementation of the approved development plan in consultation with Hoboken and Jersey City is expected to enhance the value of underutilized NJ TRANSIT property, generate revenue to NJ TRANSIT through the potential sale or ground lease of high value property, increase ridership of NJ TRANSIT bus, rail and light rail with-transit oriented development in immediate proximity to mass transit, and reactivate the historic terminal, concourse and other underutilized structures through adaptive reuse.

Upon approval of the master development plan by NJ TRANSIT, LCOR will subsequently be required, at its sole cost and expense, to seek local, state and federal governmental approvals as necessary for the property development plan and, in exchange, if LCOR receives such approvals, LCOR will receive exclusive development rights for certain portions of the property subject to terms of the MDA.

NJ TRANSIT selected LCOR in part on the basis of its experience and that of its corporate affiliates with designing, building and managing transit-oriented development and intermodal projects that incorporate mass transit facilities. LCOR developed the new Terminal 4 at John F. Kennedy International Airport with AirTrain access within the terminal and with significant retail space. LCOR built Gaslight Commons in South Orange, a residential project within walking distance of NJ TRANSIT's South Orange station, and 101 Hudson Street in Jersey City, a 1.2 million-square-foot commercial building next to the Hudson Bergen light rail line. LCOR is the developer of the 32-acre White Flint transit-oriented development project adjacent to a Metrorail station in North Bethesda, Maryland. LCOR has assembled an experienced team including Skidmore Owings and Merrill LLP (architects and planners), Williams Jackson Ewing, Inc., (retail experts) and DMJM+Harris (transportation specialists).

ACTION (Capital Program Justification: Capacity, Customer Service Improvements, Economic Development)

Authorize the Chairman or Executive Director to take all necessary actions to execute with LCOR Hoboken Rail Station Redevelopment LLC, of Berwyn, Pennsylvania, a master development agreement ("MDA") and all other necessary agreements pursuant to which LCOR (a) shall conduct all Studies necessary to prepare an analysis and recommendation as to the private development potential of those portions of the Site not required for transportation operations, (b) shall produce for NJ TRANSIT's approval a master development plan for Hoboken Terminal & Yard, (c) shall seek local, state and federal governmental approvals as deemed necessary to implement the development plan, (d) shall have the right -- if it has received NJ TRANSIT's of the plan and local, state and federal

governmental approvals as necessary -- to enter into long-term ground leases and/or sales agreements, subject to Board review and determination that the terms of the particular transaction, as presented by the Executive Director, are consistent with the MDA, for those portions of the Site that NJ TRANSIT determines to be available for private development which provides an appropriate economic return to NJ TRANSIT.

The Board Capital Planning, Policy and Privatization Committee and The Board Administration Committee have reviewed and recommended this item.

FISCAL IMPACTS

Requested Authorization	Approval of the master development agreement
Total Project Cost:	NA
Projected Date of Completion:	NA
Anticipated Source of Funds:	NA
SBE Goal:	NA
Related/Future Authorizations:	Long-term ground leases and/or conveyances in fee simple of developable property consistent with the terms of the MDA

Impacts on Subsequent Operating Budgets	<p>LCOR has paid a \$25,000 option fee and \$75,000 extended option fee.</p> <p>Upon execution of the MDA, LCOR will make an additional payment to NJ TRANSIT of \$100,000 ("MDA Payment") and a deposit of \$250,000 ("MDA Deposit") to secure LCOR's completion of the master development plan.</p> <p>Economic benefits to NJ TRANSIT will be negotiated as part of the Master Development Agreement with LCOR and realized with development of the site.</p>
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RESOLUTION

WHEREAS, the New Jersey Public Transportation Act of 1979, P.L. 1979, c. 150 authorizes NJ TRANSIT to sublease, purchase and sell, or otherwise dispose of, on terms which NJ TRANSIT may prescribe, real and personal property; and

WHEREAS, NJ TRANSIT seeks to improve intermodal-passenger connections to benefit its customers and operations, maximize NJ TRANSIT's economic return on its property, and promote transit-oriented, mixed-used development; and

WHEREAS, the complexity of the 65-acre site Hoboken Terminal & Yard site (the "Site") requires comprehensive analysis of the Site and the opportunities for intermodal enhancements, private development, and adaptive reuse of the underutilized historic structures (the "Studies"); and

WHEREAS, upon the completion and outcome of the Studies, NJ TRANSIT requires that a master development plan (the "MDP") for the Site be created in consultation with the City of Hoboken and the City of Jersey City, which together with the Studies would require NJ TRANSIT to expend substantial funds; and

WHEREAS, NJ TRANSIT deemed it an appropriate cost savings to enter into an agreement with a qualified third party to perform the Studies and create the MDP at such third party's sole cost and expense in return for which NJ TRANSIT would approve such third party to act as the master developer of any portion of the Site that NJ TRANSIT determines to be appropriate for private development; and

WHEREAS, NJ TRANSIT selected LCOR, through a competitive process, in part due to its experience with transit-oriented development and intermodal projects, to conduct the Studies, prepare the MDP and act as master developer; and

WHEREAS, NJ TRANSIT and LCOR Hoboken Rail Station Redevelopment LLC negotiated a

memorandum of understanding ("MOU") outlining terms and conditions to be addressed in the MDA;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to take all necessary actions to execute with LCOR Hoboken Rail Station Redevelopment LLC, of Berwyn, Pennsylvania, a master development agreement ("MDA") and all other necessary agreements pursuant to which LCOR (a) shall conduct all Studies necessary to prepare an analysis and recommendation as to the private development potential of those portions of the Site not required for transportation operations, (b) shall produce for NJ TRANSIT's approval a master development plan for Hoboken Terminal & Yard, (c) shall seek local, state and federal governmental approvals as necessary to implement the development plan, (d) shall have the right -- if it has received NJ TRANSIT's approval of the plan and local, state and federal governmental approvals as necessary -- to enter into long-term ground leases and/or sales agreements, subject to Board review and determination that the terms of the particular transaction, as presented by the Executive Director, are consistent with the MDA, for those portions of the Site that NJ TRANSIT determines to be available for private transit-oriented development which provides an appropriate economic return to NJ TRANSIT.

ITEM 0510-90: TRANS-HUDSON EXPRESS TUNNEL - FINAL ENVIRONMENTAL IMPACT STATEMENT: CONSULTANT CONTRACT AMENDMENT

BENEFITS

The Trans-Hudson Express (THE) Tunnel project will double commuter rail capacity to New York City by construction of two new single-track tunnels under the Hudson River, a new station in New York City, rail yard, signal, and track improvements in New Jersey and New York. The project will open new opportunities for direct rail service from the existing commuter rail system to Midtown Manhattan and build upon recent transit investments in New Jersey, including Secaucus Junction, MidTOWN Direct, and Montclair Connection. The project will further provide capacity to support rail expansion projects in development.

The Final Environmental Impact Statement (FEIS) will refine the recommendations made and incorporate comments received during the public review of the Draft Environmental Impact Statement (DEIS). The Federal Transit Administration (FTA) will ultimately issue a Record of Decision based on the FEIS to enable the project to advance to final design, construction and become eligible for federal funding.

PURPOSE

The FEIS will incorporate comments received during the public review and subsequent public hearings on the DEIS. The FEIS will include advanced conceptual engineering needed to identify and resolve the constructability of the project, to identify the potential impacts, and to ensure the practicality of mitigating the impacts. Finally, the FEIS will include capital, operating, and other cost estimate refinements to minimize future design and construction risks.

ACTION

Staff seeks authorization to amend an existing contract (No. 03-115) with Transit Link Consultants of Bloomfield, NJ, a joint venture of Parsons Brinckerhoff of Newark, NJ and SYSTRA Consulting of Bloomfield, NJ, for preparation of the Final Environmental Impact Statement for THE Tunnel Project at a cost not to exceed \$13,700,000 plus five percent for contingencies for a total contract authorization of \$22,155,000, subject to the availability of funds.

The Board Capital Planning, Policy and Privatization Committee and The Board Administration Committee have reviewed and recommended this item.

FISCAL IMPACTS

Requested Authorization: \$13,700,000 + 5% contingency (Amendment)
\$22,155,000 (Total Contract)

Total Project Cost: \$6,000,000,000 (full project cost)

Projected Date of Completion: 2007 (FTA Record of Decision)

Anticipated Source of Funds: FTA

DBE Goal: 25%

Related/Future Authorizations: Authorizations will be sought for preliminary and final design and for construction

Impacts on Subsequent Operating Budgets: TBD

RESOLUTION

WHEREAS, NJ TRANSIT is completing the Trans-Hudson Express (THE) Tunnel Draft Environmental Impact Statement (DEIS) and will initiate the Final Environmental Impact Statement (FEIS) to prepare the project for federal review; and

WHEREAS, the FEIS will incorporate comments received during the public review of the DEIS; and

WHEREAS, the FEIS will include advanced conceptual engineering and refined capital, operating, and other cost estimates to minimize future design and construction risks;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to amend an existing contract with Transit Link Consultants of Bloomfield, NJ, a joint venture of Parsons Brinckerhoff of Newark, NJ and SYSTRA Consulting of Bloomfield, NJ for preparation of the Final Environmental Impact Statement for THE Tunnel Project at a cost not to exceed \$13,700,000, plus five percent for contingencies for a total contract authorization of \$22,155,000, subject to the availability of funds.

**ITEM 0510-91: HOBOKEN FERRY TERMINAL REHABILITATION –
PHASE 2: CONSTRUCTION CONTRACT AWARD AND
AMENDMENT OF CONTRACTS TO ADD
CONSTRUCTION ASSISTANCE AND CONSTRUCTION
MANAGEMENT**

BENEFITS

The Hoboken Ferry Terminal Building is being rehabilitated to restore ferry service to the historic building and prepare it for future adaptive reuse. This project is part of NJ TRANSIT's master plan to rehabilitate and restore all facilities at Hoboken Terminal for customer comfort and convenience, to maintain reliable operations, and to protect and enhance historic assets. The Hoboken Ferry Terminal Rehabilitation – Phase 2 project includes reconstruction of the terminal substructure and superstructure which are most in need of repair. The structural repairs will protect the facility for continued use as a multi-modal transportation facility.

Construction Assistance and Construction Management Services will support staff in preparation of responses to bidder questions on the design shop drawings and material submittals, response to design related questions, evaluation of alternate products and methods, and construction inspection.

PURPOSE

Authorization of this contract will allow for the construction of structural repairs to the Hoboken Ferry Terminal Building. The scope of work includes structural repairs, installation of copper fascia and galvanized siding, utility work, remediation of lead paint and asbestos, roof repairs, demolition of the finger piers and fender systems, removal of the existing wood fender system, and marine construction (dredging, piles).

Authorization of the amendment to the Hoboken General Design Contract will allow for construction assistance services for Hoboken Ferry Terminal Rehabilitation – Phase 2.

Authorization of the amendment to the Hoboken General Construction Management contract will allow for construction management services for Hoboken Ferry Terminal Rehabilitation – Phase 2.

ACTION (Justification: State-of-Good-Repair)

Staff seeks authorization to contract (No. 05-045) with Hall Construction of Farmingdale, NJ for the construction of Hoboken Ferry Terminal Rehabilitation – Phase 2, at a cost not to exceed \$53,877,000, plus five percent for contingencies, for a total contract authorization of \$56,570,850.

Staff also seeks authorization to amend professional services contract (No. 94CA035) with STV, Inc. of New York, NY, for construction assistance services to support construction in the amount of \$1,300,000, plus five percent for contingencies, for a total contract authorization of \$22,838,420.

Staff also seeks authorization to amend professional services contract (No. 97CM022) with Tishman Construction, Inc. of Newark, New Jersey, for Construction Management services related to the construction contract in the amount of \$3,500,000, plus five percent for contingencies, for a total contract authorization of \$9,633,559.

The Board Capital Planning, Policy and Privatization Committee has reviewed and recommended this item.

FISCAL IMPACTS

Requested Authorization: Construction - \$53,877,000 + 5% contingency for a total contract authorization of \$56,570,850

Construction Management - \$3,500,000 + 5% contingency (Tishman) for a total contract authorization of \$9,633,559

Construction Assistance - \$1,300,000 +5% contingency (STV, Inc.) for a total contract authorization of \$22,838,420

Total Project Cost: \$71,110,000 – Phase 2 (\$129,400,000 – all phases)

Projected Date of Completion: July 2007

Anticipated Source of Funds: PANYNJ, FTA, FHWA (\$750,000), TTF

DBE Goal: Construction: 20%
Hoboken General CM: 20%
STV, Inc. CA: 30%

Future/Related Authorizations: Design, construction, construction assistance and construction management for the Phase 3 construction

Impact on Subsequent Operating Budget: None

RESOLUTION

WHEREAS, the restoration of the Hoboken Ferry Terminal Building will continue NJ TRANSIT'S work to stabilize and improve the historic Hoboken Terminal Complex for operational reliability and customer convenience; and

WHEREAS, construction of the Phase 2 improvements to the Hoboken Ferry Terminal Building will repair the substructure and superstructure and prepare the building for ferry service and adaptive reuse; and

WHEREAS, upon completion of a competitive procurement process, Hall Construction was determined to be the most responsive and responsible bidder for construction of the Phase 2 improvements to the Hoboken Ferry Terminal Building; and

WHEREAS, NJ TRANSIT is currently contracting with STV, Inc. and Tishman Construction for construction assistance services and construction management services respectively for the Hoboken Terminal project;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to contract (No. 05-045) with Hall Construction of Farmingdale, NJ for the construction of Hoboken Ferry Terminal Rehabilitation – Phase 2 at a cost not to exceed \$53,877,000, plus five percent for contingencies, for a total contract authorization of \$56,570,850; and

BE IT FURTHER RESOLVED that the Chairman or Executive Director is authorized to amend the existing professional services contract with STV, Inc. of New York, NY, for construction assistance to support construction in the amount of \$1,300,000, plus five percent for contingencies, for a total contract authorization of \$22,838,420, subject to the availability of funds; and

BE IT FURTHER RESOLVED that the Chairman or Executive Director is authorized to amend the existing professional services contract with Tishman Construction Inc, of Newark, New Jersey, for construction management services related to the construction contract in the amount of \$3,500,000, plus five percent for contingencies, for a total contract authorization of \$9,633,559, subject to the availability of funds.

ITEM 0510-92: MORRISVILLE YARD PHASE 2: CONSTRUCTION AND CONSTRUCTION ASSISTANCE SERVICES**BENEFITS**

Construction of Morrisville Yard Phase 2 will provide additional train storage capacity to accommodate the planned growth of the rail fleet including a portion of the new multi-level rail cars in production. The additional yard capacity will help maintain service reliability on the Northeast Corridor line by reducing non-revenue train moves from other, more distant rail yards. At completion of Phase 2, Morrisville Yard will provide overnight storage and light maintenance for 250 rail cars. Morrisville Yard Phase 1 was completed in March 2004 providing storage for the current fleet of electric multiple-unit rail cars and improving service reliability and operational efficiency of Northeast Corridor train service.

Construction assistance services will support staff in response to contractor requests for information and resolution of technical matters during construction.

PURPOSE

Authorization of the construction contract for the Morrisville Yard Phase 2 will provide additional overnight storage and light maintenance for the trains serving the Northeast Corridor line.

Authorization of the requested contract amendment will provide construction assistance services for construction of Morrisville Yard Phase 2.

ACTION (Capital Program Justification – Capacity)

Staff seeks authorization to contract (No. 05-121X) with Slattery Skanska of Whitestone, NY for the construction of the Morrisville Yard, Phase 2 in Falls Township, PA at a cost not exceed \$97,877,000, plus five percent for contingencies.

Staff also seeks authorization to amend the existing professional services contract (No. 02-074) with STV, Inc. of New York, NY for the Construction Assistance Services required for the Morrisville Yard Phase 2, at a cost not to exceed \$1,500,000, plus five percent for contingencies for a total contract authorization of \$6,918,800.

The Board Capital Planning, Policy and Privatization Committee has reviewed and recommended this item.

FISCAL IMPACTS

Requested Amount: Construction Services \$97,877,000 + 5% contingency

Construction Assistance Services
\$1,500,000 + 5% contingency, for a total
authorization of \$6,918,800

Total Project Cost: \$121,860,000
(\$206,450,000 for phases 1, 2 and 3)

Projected Date of Completion: August 2006: Train Storage Yard
February 2007: S&I and wheel truing
facilities
December 2007: Traction Power Substation

Anticipated Source of Funds: TTF

DBE Goals: 25% - Construction
30% - Construction Assistance

Related/Future Authorization: N/A

**Impact on Subsequent
Operating Budgets:** Annual Operating Cost: \$300,000

RESOLUTION

WHEREAS, NJ TRANSIT seeks to improve and expand its transportation facilities; and

WHEREAS, construction of Morrisville Yard Phase 2 will provide storage for new multi-level rail cars, capacity for future service increases and enable NJ TRANSIT to enhance service reliability on the Northeast Corridor line; and

WHEREAS, NJ TRANSIT is currently contracting with STV, Inc. for Construction Assistance Services required for the construction of Morrisville Yard; and

WHEREAS, upon completion of a competitive procurement process, Slattery Skanska of White Stone, NY, was determined to be the most responsive and responsible bidder; and

WHEREAS, NJ TRANSIT has contracted with STV, Inc. of New York, NY for Construction Assistance Services for the Morrisville Yard Phase I;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to contract (No. 05-121X) with Slattery Skanska of Whitestone, NY for the construction of the Morrisville Yard, Phase 2 in Falls Township, PA at a cost not exceed \$97,877,000, plus five percent for contingencies, subject to the availability of funds.

BE IT FURTHER RESOLVED that the Chairman or Executive Director is authorized to amend the existing professional services contract (No. 02-074) with STV, Inc. of New York, NY for the Construction Assistance Services required for the Morrisville Yard Phase 2, at a cost not to exceed \$1,500,000, plus five percent contingencies for a total contract authorization of \$6,918,800, subject to the availability of funds.

ITEM 0510-93: NEWARK PENN STATION – POLICE FACILITIES IMPROVEMENTS: CONSTRUCTION CONTRACT AWARD

BENEFITS

Newark Penn Station is a transportation hub for northern New Jersey serving bus, rail, and light rail customers daily. Since 2001, police forces have grown to meet increased security requirements. Presently, back office space and support facilities for the NJ TRANSIT Police Department are undersized and poorly equipped to support the police force stationed at Newark Penn Station. The renovated and improved facilities provided by this construction contract will provide the appropriate facilities to meet today's security needs.

This contract will also provide minor renovation work to the existing Amtrak ticket area and customer service centers, in consideration for Amtrak ceding space for expansion of the NJ TRANSIT police facilities.

PURPOSE

Renovation and improvement of the police space at Newark Penn Station will ensure that the police force can properly support NJ TRANSIT's operations at this facility and throughout New Jersey. The proposed improvement will add space for police operations and will include a roll call center, armory and evidence storage, lockers, showers, and restrooms.

ACTION (Capital Program Justification: State of Good Repair)

Staff seeks authorization to contract (No. 06-003X) with Hall Construction Co., Inc. of Farmingdale, NJ for the construction of interior renovations for the NJ TRANSIT Police at Newark Penn Station at a cost not to exceed \$2,047,000, plus five percent for contingencies, for a total contract authorization of \$2,149,350 subject to the availability of funds.

The Board Capital Planning, Policy and Privatization Committee has reviewed and recommended this item.

FISCAL IMPACTS

Requested Authorization:	\$2,047,000 + 5% contingency
Total Project Cost:	\$2,584,000
Projected Date of Completion:	October 2006

Anticipated Source of Funds:	TTF
DBE Goal:	20%
Future Related Authorizations:	None
Impacts on Subsequent Operating Budgets:	None

RESOLUTION

WHEREAS, NJ TRANSIT has experienced increases in the size of its police force operating from Newark Penn Station and the existing space currently occupied by the NJ TRANSIT Police is poorly organized and insufficient in size to support the present work force; and

WHEREAS, NJ TRANSIT seeks to improve the capacity and organization of these spaces within Newark Penn Station; and

WHEREAS, upon completion of a competitive procurement process, Hall Construction Co., Inc. was determined to be the most responsive and responsible bidder;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to contract (No. 06-003X) with Hall Construction Co., Inc. of Farmingdale, NJ for the construction of interior renovations for the NJ TRANSIT Police Department at Newark Penn Station at a cost not to exceed \$2,047,000, plus five percent for contingencies, for a total contract authorization of \$2,149,350 subject to the availability of funds.

ITEM 0510-94: ACCESS LINK SERVICE PROVIDER CONTRACT FOR REGIONS 5 AND 6, NEW JERSEY**BENEFITS**

Authorization of this contract will ensure that NJ TRANSIT remains in compliance with its federal obligation to provide the Americans with Disabilities Act (ADA) paratransit service to residents and visitors. It will continue to allow people with disabilities, who are unable to use NJ TRANSIT's fixed route local bus service, to become more independent, productive and increase their community participation. Approval of this contract will continue support of NJ TRANSIT's initiatives in the critical area of serving customers. The contract contains enhanced standards for Access Link, regarding customer service, performance incentives, operator development, system efficiency, vehicle maintenance, and quality safeguards. The contract incorporates recommendations from the Efficiency Study recently completed by TranSystems Corporation.

Contract approval allows NJ TRANSIT to work cooperatively with the private sector to deliver competitively procured paratransit service. Growth and management over time facilitates higher productivity in delivering the service and longer contract terms enable economies of scale. This results in a lower cost per trip. (Average cost per trip including administrative costs in FY 2004 was \$53.00, approximate cost in FY 2005 was \$44.00).

PURPOSE

In July 1990, the ADA was signed into law. This federal law requires public entities operating fixed route transportation systems to provide unconstrained paratransit services for individuals with disabilities. It is expressly for those customers who cannot use the fixed route service because of their disability or a combination of environmental barriers and their disability or due to a lack of accessible equipment. Therefore, as required by the ADA, NJ TRANSIT must provide complementary paratransit service everywhere in the state where operating fixed route local bus transportation systems are available. Access Link currently provides over 2,000 trips per day in the 18-county service area.

ADA paratransit must be provided according to a strict set of federally mandated operating guidelines that continuously challenge the availability of resources. ADA paratransit is a curb to curb, demand responsive service reserved 1-14 days in advance and as such, new vehicle schedules are created daily to ensure the most efficient and productive service possible as dictated by the origin and destination requests of our passengers. As demanding and labor intensive as this type of service is, NJ TRANSIT is continuously seeking new ways to improve efficiency. Presently, a computerized reservations/scheduling/dispatching is being implemented in phases to maximize productivity, enhance customer service and to ensure that the service is as efficient as possible. Equipped with better tools, staff can better manage and administer the

program including the rigors of an in-person assessment/eligibility process for new prospective riders. Approximately 153 new assessments are conducted monthly and approximately 76 percent of all potential customers are found eligible for the service.

The demands upon the operation, due to the population carried, requires a higher level and a more personalized customer service relationship, specialized accessible vehicles for people using mobility devices, a higher degree of driver sensitivity and passenger assistance techniques. With on-time and ride time constraints coupled with a complex coordinated multi-region bus to bus transfer operation, much effort, attention to detail and resources are necessary to move our passengers with disabilities across our unique statewide service area.

NJ TRANSIT's plan for this service calls for contractors to provide service in different regions throughout the State. These contracts will enable NJ TRANSIT to contract with service providers to continue service in Essex, Union, Morris, Somerset, Morris, Bergen, Hudson and Passaic Counties in New Jersey.

ACTION (Justification: Mandate)

Staff seeks authorization to contract (No. 06-008) with MV Contract Transportation, Inc. of Fairfield, CA, for the provision of ADA paratransit service, one for each of the following two regions of service:

- Region 5 – Essex, Union, Somerset and Morris Counties, the communities of East Newark, Harrison and Kearny in Hudson County, Lyndhurst and North Arlington in Bergen County. This is a seven-year contract (three-year base and two two-year options). The contract amount will not exceed \$51,000,000 plus five percent for contingencies, for the period January 14, 2006 to March 29, 2013.
- Region 6 – Bergen, Hudson and Passaic Counties; this is a seven-year contract (three-year base and two two-year options). The contract amount will not exceed \$41,000,000 plus five percent for contingencies, for the period April 15, 2006 to June 7, 2013.

The Board Administration Committee has reviewed and recommended this item.

FISCAL IMPACTS

Requested Authorization: Not to exceed \$51,000,000 + 5% contingency (Region 5)

Not to exceed \$41,000,000 + 5% contingency (Region 6)

Total Project Cost:

Region 5: Not to exceed \$51,000,000 + 5% contingency (7 year contract - 3-year base, two 2-year options)

Region 6: Not to exceed \$41,000,000 + 5% contingency (7 year contract - 3-year base, two 2-year options)

Projected Date of Completion: Project is ongoing.

Anticipated Source of Funds: FY 2006-07-08-09-10-11-12-13 Operating Budgets

DBE Goal: 5%

Related/Future Authorization: In FY 05, \$1,400,000 has been provided to bring the Access Link Computer system in-house to the NJ TRANSIT Data Center, (currently hosted in Virginia by Bearing Point Consulting). This authorization will also maintain the computer system and support its growth. The total estimated cost of the new computer system is \$14,300,000, authorized by the Board in March 2000.

In FY 2006, \$2,000,000 is authorized for the statewide purchase of 32 vehicles (sedans and vans) for fleet expansion and vehicle replacement.

RESOLUTION

WHEREAS, in July 1990, the Americans with Disabilities Act (ADA) was signed into law requiring public entities operating fixed route transportation systems to provide paratransit services for individuals with disabilities; and

WHEREAS, the existing contract for Access Link paratransit service in Region 5, Essex, Union, Somerset and Morris Counties, the communities of East Newark, Harrison and Kearny in Hudson County, Lyndhurst and North Arlington in Bergen County, will expire January 13, 2006; and the existing contract for Access Link paratransit service in Region 6, Bergen, Hudson and Passaic Counties, will expire on April 14, 2006; and

WHEREAS, the requirement to provide Access Link service is an ongoing requirement of the Federal Government which must be provided continuously without interruption; and

WHEREAS, following completion of a competitive procurement process, MV Contract Transportation, Inc. provided the most advantageous proposals for the Region 5 contract and the Region 6 contract;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to contract (No. 06-008) with MV Contract Transportation, Inc. for the provision of ADA paratransit service for the following two regions of service:

- Region 5 – Essex, Union, Somerset and Morris Counties, the communities of East Newark, Harrison and Kearny in Hudson County, Lyndhurst and North Arlington in Bergen County. This is a seven-year contract (three-year base and two two-year options). The contract amount will not exceed \$51,000,000 plus five percent for contingencies, for the period January 14, 2006 to March 29, 2013.

- Region 6 – Bergen, Hudson and Passaic Counties; this is a seven-year contract (three-year base and two two-year options). The contract amount will not exceed \$41,000,000 plus five percent for contingencies, for the period April 15, 2006 to June 7, 2013.

**ITEM 0510-95: ADDITIONAL AUTHORIZATION FOR RECORD MANAGEMENT
 ARCHIVAL SERVICES**

BENEFITS

Provide NJ TRANSIT with the ability to organize, retain, store, access, and destroy its Public Records at a secure, off site facility enabling the Corporation to continue to meet its legal and regulatory obligations and fulfill its business needs for archived information.

Contracting with an outside company to provide these services has proven to be more cost effective and efficient than maintaining almost 50,000 cubic feet of paper records in house. The records presently archived comprise documents from throughout the Corporation, and include information directly related to operations, finances, legal issues, contractual obligations and a myriad of other business needs.

Since most of the records are financial, legal or grant related, NJ TRANSIT is obligated to retain them for a minimum of seven years. Some records, for example, the Hudson Bergen Light Rail project records have been deemed to be Historic by the State Division of Archives and Records Management (DARM), thus requiring that most be retained permanently.

The history of the many capital projects are also protected and supported by the records archived.

PURPOSE

In 1998, after a competitive procurement, the Board authorized the award of a five year professional services contract with one three year option to Iron Mountain Inc. to maintain a comprehensive system of storage, retrieval and distribution of NJ TRANSIT records for a total of \$960,000. These funds have been used to support the program for seven years, enabling NJ TRANSIT to systematize the storage, retrieval and destruction of its Public Records on a continual basis, and with the knowledge that records are safe and secure for access when needed. The need for and use of these services grew resulting in cost increases exceeding the original estimate.

Continued financial support for this program will allow NJ TRANSIT to build on its success and continue to meet the Record Management needs of all departments. To provide for these costs, it is necessary to increase the authorization previously approved by the Board so the last year of the contract can be fully funded.

Fully funding the last year of the contract on the same cost basis presently in place will enable the work to continue seamlessly, while initiating efforts for a new procurement to purchase future Records Management Services.

ACTION (Justification: Business Efficiencies)

Staff seeks authorization to amend the contract (No. 98CX117) with Iron Mountain Inc. to increase the funding for Records Management Services at a cost not to exceed \$150,000, for a total contract cost of \$1,110,000.

The Board Administration Committee has reviewed and recommended this item.

FISCAL IMPACTS

Requested Authorization:	\$150,000 (Amendment) \$1,110,000 (Total contract - eight year period)
Total Project Cost:	\$1,110,000
Projected Date of Completion:	September 30, 2006
Anticipated Source of Funds:	FY 99-06 Operating Budgets 85% Transportation Trust Fund 15%
DBE Goals:	NA (Does not lend itself to subcontracting opportunity)
Related/Future Authorizations:	New Competitive Procurement to be initiated
Impacts on Subsequent Operations Budgets:	Ongoing Records Management Archival Services are anticipated at \$160 - \$185,000 per year

RESOLUTION

WHEREAS, NJ TRANSIT is mandated by law to retain and dispose of its public records in accordance with a State approved records retention schedule; and

WHEREAS, most of NJ TRANSIT's records are legal, financial or grant-related in nature and these records must be retained for an average of seven years; and

WHEREAS, the need to store, retrieve and dispose of these records on a timely basis is required to meet legal requirements; and

WHEREAS, NJ TRANSIT's current contract for records management is reliable and cost effective; and

WHEREAS, NJ TRANSIT's use of these services has increased and the existing authorization is almost exhausted;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or the Executive Director is authorized to amend the contract with Iron Mountain Inc. to increase the funding for Records Management Services at a cost not to exceed \$150,000, for a total contract cost of \$1,110,000, subject to the availability of funds.

CONSENT CALENDAR

ITEM 0510-96: DEVELOPMENT OF STRATEGIES FOR FINANCING, REVENUE ENHANCEMENT AND MAXIMIZING REAL ESTATE RETURN

BENEFITS

Public Private Initiative, L.L.C.'s (PPI) unique management, financial and technical expertise has previously benefited NJ TRANSIT with regard to identifying funding options for rail transit improvements and assisting in evaluating and assessing the redevelopment opportunities for the Corporation's Hoboken Terminal and Yard.

Although NJ TRANSIT's real estate holdings are of significant value, many of these properties are underdeveloped and not providing an appropriate economic return to the Corporation. Aggressively advancing the State's "smart growth" agenda through transit-oriented development at and around existing facilities with assistance from an experienced consultant should significantly increase non-farebox revenue and transit ridership.

NJ TRANSIT's leveraged lease program has generated benefits in excess of \$150 million since 1990. As Federal legislation has limited this activity to certain cross border leases in the future, outside advisory services to identify leveraged lease opportunities and support and enhance NJ TRANSIT's leveraged lease program could be of significant value.

PURPOSE

This contract will provide management with strategic support through PPI's unique expertise with regard to opportunities for real estate development and other revenue enhancement prospects. PPI will act as advisors for developing strategies to increase non-farebox revenue, including support and enhancement of the Company's limited cross border leveraged lease opportunities. This contract will continue PPI's assistance to provide special expertise not available in-house and will allow NJ TRANSIT to secure assistance as workloads and circumstances dictate.

ACTION

Staff seeks authorization to enter into a three-year procurement-by-exception consulting contract (No. 00128C) with Public Private Initiatives, L.L.C. of Montclair, NJ to provide strategic advice and assistance to NJ TRANSIT management concerning revenue enhancement initiatives, including support of the Company's leveraged lease program. PPI will also continue to advise management regarding real estate development opportunities. The contract, which would be effective November 1, 2005, will not exceed an annual cost of \$145,000, with a total three-year authorization not to exceed \$435,000. PPI will be compensated on an hourly basis and at NJ TRANSIT's discretion

on a contingency basis from the proceeds of specific leveraged lease transactions in an amount reflecting the time and value of the services rendered.

The Board Administration Committee has reviewed and recommended this item.

FISCAL IMPACTS

Requested Authorization:	\$145,000 (One year) \$435,000 (Three-year total)
Total Project Cost:	\$435,000
Projected Date of Completion:	October 30, 2008
Anticipated Source of Funds:	Fiscal Year 2006-2008 Operating Budgets
DBE Goal/Participation:	N/A
Future Expected Authorizations:	N/A
Impact on Subsequent Operating Budgets:	N/A

RESOLUTION

WHEREAS, the current fiscal situation has resulted in increased pressure on NJ TRANSIT's operating and long term capital budgets; and

WHEREAS, NJ TRANSIT is currently developing new commercial revenue opportunities, including the maximization of economic returns from real estate assets, which will benefit from special expertise; and

WHEREAS, NJ TRANSIT's successful leveraged lease program has been substantially curtailed and could be enhanced with the use of experienced outside advisory services; and

WHEREAS, Public Private Initiatives' unique expertise relative to innovative financial structures will provide NJ TRANSIT management with strategic support to maximize non-farebox revenues;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to enter into a three-year procurement-by-exception consulting contract with Public Private Initiatives, L.L.C. (PPI) of Montclair, NJ to provide strategic advice and assistance to NJ TRANSIT management concerning revenue enhancement initiatives, including support of the Company's leveraged lease program. PPI will also continue to advise management regarding real estate development opportunities. The contract, which would be effective November 1, 2005, will not exceed an annual cost of \$145,000 with a total three-year authorization not to exceed \$435,000. PPI will be compensated on an hourly basis and at NJ TRANSIT's discretion on a contingency basis from the proceeds of specific leveraged lease transactions in an amount reflecting the time and value of the services rendered.

ITEM 0510-97: SALE OF LAND IN CAMDEN FOR TRANSIT-ORIENTED DEVELOPMENT**BENEFITS**

The sale of property that NJ TRANSIT owns on the River LINE in Camden will generate additional non-farebox revenue, reduce operating costs and support transit-oriented development that will increase ridership on the River LINE.

PURPOSE

The purpose of this item is to authorize the sale of approximately 34,441 square feet (4/5 acre), known as Tax Block 72, Lot 9, that NJ TRANSIT owns at the southwest corner of Cooper Street and Second Street along the River LINE in Camden to Dranoff Properties, Inc. (Dranoff), of Philadelphia, PA. Dranoff plans to use the property to provide the parking spaces required for the residential units that it intends to develop, the "Camden Radio Lofts" project, adjacent to NJ TRANSIT's property within a former factory (RCA Building Number 8). The potential purchaser, Dranoff, already has converted the nearby "Nipper Building," a former RCA factory, into rental residential units known as "The Victor" and has been designated as the redeveloper by the Camden Redevelopment Agency ("CRA") for the Radio Lofts property (Block 72 , Lot 28,38), which they intend to develop as a transit-oriented residential project adjacent to the River LINE.

NJ TRANSIT purchased its property in 2000 to provide off-street parking to replace parking spaces on Cooper Street that NJ TRANSIT's light-rail line displaced. The CRA and the Coopers Ferry Development Agency recently asked NJ TRANSIT to sell the property to Dranoff to advance the referenced redevelopment project. The CRA and Coopers Ferry Development Agency stated that the original use of NJ TRANSIT's property, as a lot to mitigate the loss of street parking, has become unnecessary in light of low demand for the spaces and the availability of alternative parking options and agreed, in conjunction with the City of Camden, to identify and provide alternative parking options to the residents using the lot.

NJ TRANSIT and Dranoff have negotiated a sale price of \$495,000. The proceeds will be directed to the Capital Program.

ACTION (Justification: Business Efficiencies)

Authorize the Chairman or Executive Director to enter into all necessary agreements with, and take all necessary actions with regard to the sale of approximately 34,441 square feet depicted as Block 72, Lot 9 on the tax map of Camden, New Jersey, to Dranoff Properties, Inc., of Philadelphia, Pennsylvania, for \$495,000 and subject to a requirement that the City of Camden or the developer, Dranoff, provide adequate alternative parking to the general public in perpetuity.

The Board Capital Planning, Policy and Privatization Committee has reviewed and recommended this item.

FISCAL IMPACTS

Requested Authorization:	Authorization to enter into all necessary agreements with, and take all necessary actions with regard to the sale of approximately 34,441 square feet depicted as Block 72, Lot 9 on the tax map of Camden, New Jersey, to Dranoff Properties, Inc., of Philadelphia, Pennsylvania, for \$495,000.
Total Project Cost:	None
Projected Date of Completion:	NA
Anticipated Source of Funds:	NA
SBE Goal:	NA
Related/Future Authorizations:	NA
Impacts on Subsequent Operating Budgets	None

RESOLUTION

WHEREAS, the New Jersey Public Transportation Act of 1979, P.L. 1979, C.150, authorizes NJ TRANSIT to lease, purchase and sell or otherwise dispose of, on terms which NJ TRANSIT may prescribe, real and personal property; and

WHEREAS, NJ TRANSIT owns approximately 34,441 square feet at the southwest corner of Cooper Street and Second Street (depicted as Block 72, Lot 9 on the tax map of the City of Camden) along the right of way of the River LINE; and

WHEREAS, an adjacent property owner, Dranoff Properties, Inc., of Philadelphia, PA, is the designated redeveloper for Block 72, Lots 28 and 38 and wishes to purchase NJ TRANSIT's property to satisfy a parking requirement for conversion of a former factory on its property into residential units; and

WHEREAS, the Camden Redevelopment Agency and Coopers Ferry Development Agency have encouraged NJ TRANSIT to sell its property as a means of advancing transit-oriented redevelopment along the River LINE in downtown Camden and along the Camden waterfront; and

WHEREAS, The City of Camden, the Camden Redevelopment Agency and Coopers Ferry Development Agency have stated to NJ TRANSIT that demand for the property as replacement parking for on-street parking-displaced by the River LINE is minimal and that the City of Camden and or the Developer will provide alternative parking options to satisfy the existing demand; and

WHEREAS, selling the property to facilitate residential development will benefit NJ TRANSIT in the form of a lump-sum payment, reduced maintenance and risk-management responsibilities, and increased ridership on the River LINE;

NOW, THEREFORE, BE IT RESOLVED, the Chairman or Executive Director is authorized to enter into all necessary agreements with, and take all necessary actions with regard to the sale of approximately 34,441 square feet

depicted as Block 72, Lot 9 on the tax map of Camden, NJ, to Dranoff Properties, Inc., of Philadelphia, PA, for \$495,000 and subject to a requirement that the City of Camden or the developer, Dranoff, provide adequate alternative parking to the general public in perpetuity. The proceeds will be directed to the Capital Program.