

Jon S. Corzine
Governor

Kris Kolluri, Esq.
Board Chairman

Richard R. Sarles
Executive Director



December 13, 2007

Dear Governor Corzine:

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, December 12, 2007.

Sincerely,

A handwritten signature in black ink, appearing to read "Gwen A. Watson". The signature is fluid and cursive, written in a professional style.

Gwen A. Watson
Board Secretary

Enclosures

Honorable Jon S. Corzine
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, December 12, 2007.

Present:

Kris Kolluri, Chairman
Myron P. Shevell, Vice Chairman
Robert Shane, Governor's Representative
Patrick O'Connor, Treasurer's Representative
Susan L. Hayes
Flora Castillo

Richard R. Sarles, Executive Director
Gwen A. Watson, Board Secretary
Warren A. Hersh, Auditor General
Lynn Bowersox, Assistant Executive Director, Corporate Communications & External Affairs
James Gigantino, Vice President & General Manager, Bus Operations
William Duggan, Vice President & General Manager, Rail Operations
Mala Narayanan, Deputy Attorney General
Vincent Soleo, Assistant Executive Director, Procurement & Support Services
James Redeker, Assistant Executive Director, Policy, Technology & Customer Services
Steve Santoro, Assistant Executive Director, Capital Planning and Programs
H. Charles Wedel, Chief Financial Officer & Treasurer
Alma Scott-Buczak, Assistant Executive Director, Human Resources
Jan Walden, Assistant Executive Director, Diversity

Chairman Kris Kolluri 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 attorney-client, litigation and personnel matters. A motion was made by Myron P. Shevell, seconded by Flora Castillo and unanimously adopted.

Chairman Kris Kolluri reconvened the Open Session at 10:00 am and asked for a motion to adopt the minutes of the November 19, 2007 meeting. A motion was made by Myron P. Shevell, seconded by Flora Castillo and unanimously adopted.

Executive Director Richard R. Sarles highlighted the following from his monthly business report.

Ridership

Executive Director Sarles said ridership continues to steadily increase systemwide. He said the weekday average is now 881,700 trips, an increase of more than 27,000 trips per day compared to a year ago. On weekends, NJ TRANSIT is averaging 712,800 customer trips, the highest ever and more than 31,000 trips above weekend totals from last year's first quarter.

Rail

Executive Director Sarles said rail ridership is up 5.4 percent in the first quarter for Fiscal Year 2008 compared to first quarter in Fiscal Year 2007. There are now 55 multi-level rail cars in service and another nine multi-level rail cars on the property to meet growing rail demand. There will continue to be adjustments in the fleet to reduce crowding.

Bus

Executive Director Sarles said gains primarily concentrated in the New York commuter routes and are up more than three percent.

Executive Director Sarles welcomed the Port Authority of New York and New Jersey's announcement of plans to add capacity to the Port Authority Bus Terminal which would give customers comfort and convenience at levels they deserve.

Light Rail

Executive Director Sarles said ridership is up 13.5 percent in first quarter for Fiscal Year 2008 compared to first quarter in Fiscal Year 2007. He said Hudson Bergen Light Rail ridership is up 18.4 percent, with most growth related to the Tonnelle Avenue extension. Newark Light Rail ridership is up 9.1 percent, with the Broad Street Extension ridership averaging 2,235 trips weekdays, up 35 percent from last year. River LINE ridership is up 2.9 percent with weekday trips averaging a record high of 7,900. High gas prices and strong regional economy are driving ridership and shows NJ TRANSIT is providing attractive service.

Executive Director Sarles said higher ridership requires more capacity. For the Board's consideration today is a proposal to purchase 27 new ALP-46 locomotives for delivery by early 2010. This allows NJ TRANSIT to operate more trains, up to a 12-car multi-level train set.

Access Link

Executive Director Sarles said Access Link ridership is up 79 percent in the last five years and 17 percent in the last year. There is a contract before the Board today that provides new systems to increase reliability and efficiency of the paratransit computer system which is more than ten years old to serve more than 3,200 trips per day for customers whose disabilities prevent them from using regular bus service.

Looking Forward

Executive Director Sarles said that in January, NJ TRANSIT will open the new Wayne/Route 23 Transit Center, which creates an intermodal bus and rail facility in Passaic County with 1,000 parking spaces. For customers, it will provide greater convenience and easier access to express bus service as well as local bus service and

to the Montclair-Boonton Line. Some of the amenities include heated shelters, electronic bus departure signs and improved frequency of service to Port Authority Bus Terminal. Other features include, highway advisory signs to alert customers to traffic conditions and to let them know when the lot is full.

Portal Drawbridge

Executive Director Sarles apologized for the inconvenience customers experienced on December 7, 2007 when the Portal Drawbridge malfunctioned after being opened for shipping traffic. The incident underscores the importance of replacing the bridge. In fact, in the last few years, it has been showing its age with 25 failures in 2006/2007, causing more than 300 delays. NJ TRANSIT is prepared to issue a Request for Proposals to begin preliminary design of a new Portal Bridge as soon as Amtrak approves.

Verice Mason

Executive Director Sarles recognized former Board Member Verice Mason who passed away last week and said his thoughts are with her family. Ms. Mason frequently took time out of her busy schedule to participate in events and most recently she helped coordinate and host the Black History program at Irvington High School.

Railmen For Children

Executive Director Sarles said that last week, he had the pleasure of recognizing the Railmen for Children Organization on its 25th year of bringing joy to hundreds of children with disabilities with gifts and a train ride. The group is made up of train personnel who volunteered their time to bring cheer to these children.

Executive Director Sarles wished everyone a safe and happy holiday season.

William Wright presented the Advisory Committee report. Mr. Wright wished everyone a happy holiday season. He said the joint North and South Jersey Transit Advisory Committees had an interesting meeting last week. The Committees are planning for the New Year and discussing ways to improve ridership. Mr. Wright said the committees heard an interesting presentation from the NJ TRANSIT Police regarding anti-terrorism measures. NJ TRANSIT is far ahead of any other property on this particular project. Mr. Wright said the committees are looking towards improving weekend ridership to make transit visible to more people. Mr. Wright said the committees were interested in the Port Authority announcement to revitalize the Port Authority Bus Terminal. He said the existing Bus Terminal is not compliant with the Americans with Disabilities Act and if it is rebuilt, it must be built in compliance with this Act.

Vice Chairman Myron P. Shevell presented the Capital Planning, Policy & Privatization (CP3) report to the Board. Mr. Shevell wished everyone a happy holiday season and expressed prayers and support for all of the troops serving and protecting this country. He said the committee received an update on NJ TRANSIT's work to plan to improve bus service in a number of areas including Springfield Avenue in Newark and in Bergen

and Passaic counties. In addition, the committee was pleased that, given the growing ridership demand, there is an item on today's agenda to acquire new electric locomotives that will enable NJ TRANSIT to continue expanding rail capacity with the new multi-level rail cars.

Board Member Flora Castillo presented the Administration Committee report to the Board. Ms. Castillo wished everyone happy holidays and a Merry Christmas and Feliz Navidad. Among the items the committee discussed was a new computer system for Access Link customers. She said it is important that riders who cannot use regular route service receive safe and reliable transportation, and the committee was pleased that staff is focusing on making sure the most efficient service for customers with disabilities is provided.

Chairman Kris Kolluri congratulated Vice Chairman Shevell on being named "Man of the Year" by the New Jersey Motor Truck Association. Chairman Kolluri said that is testament to the Vice Chairman Shevell's longevity in the business.

There was one public comment on agenda items.

James T. Raleigh commented on the item South Amboy Station High-Level Platform Contract. Perth Amboy started an accessibility improvement project years ago and it was completed in 2005 but the City has not done anything about accessibility. Mr. Raleigh said South Amboy and Middlesex County thought station improvements would be considered in the Monmouth-Ocean-Middlesex study rather than building other train stations. Mr. Raleigh was glad to see the action being taken today with regard to South Amboy Station.

Executive Director Sarles presented the following Action Items for approval:

0712-81: ELECTRIC LOCOMOTIVES: PURCHASE OF 27 LOCOMOTIVES

The rail fleet plan for the year 2010 calls for an additional 27 electric locomotives in order to accommodate anticipated ridership growth with the new multi-level rail cars. These will complement the 29 ALP-46 electric locomotives in service for over six years, pulling longer train lengths with better acceleration and reliability than other locomotives. Authorization is requested to enter into a procurement-by-exception contract with Bombardier Transit Corporation to purchase 27 new electric locomotives with upgraded technology and spare parts at a cost not to exceed \$244,649,000 plus five percent for contingencies.

Myron P. Shevell recused himself from voting on item #0712-81. Patrick O'Connor moved the resolution, Susan Hayes seconded it and it was adopted.

**0712-82: STATE CERTIFICATES OF PARTICIPATION (COPS): ALP-46
LOCOMOTIVES AND MULTI-LEVEL RAIL CARS**

In order to pay for these locomotives without burdening the already programmed capital budget, authorization is requested to finance \$310 million through the issuance of State of New Jersey Certificates of Participation, known as COPS. The financing will pay not only for the new locomotives but also for 37 of the new multi-level rail cars that were ordered from Bombardier. The State will act as lessee with NJ TRANSIT as sub-lessee and the funds generated from the sale of the COPS will pay for the equipment. The agency will repay the COPS over a 15-year period with estimated annual lease payments of approximately \$35 million. Approval of a sub-lease with the State of New Jersey is requested to finance this equipment and to pay fees associated with the transaction through the proceeds.

Patrick O'Connor moved the resolution, Flora Castillo seconded it and it was unanimously adopted.

**0712-83: SOUTH AMBOY STATION HIGH-LEVEL PLATFORM CONTRACT 2:
CONSTRUCTION CONTRACT AWARD AND CONTRACT
AMENDMENT FOR CONSTRUCTION ASSISTANCE SERVICES**

South Amboy train station on the North Jersey Coast Line is in the midst of a major improvement project which will transform the station into a modern, customer friendly transportation hub with a new climate controlled waiting room, canopies, ticket office, improved passenger information and level boarding onto trains. Authorization is requested for the next phase of this project, construction of a 1000 foot high level center island platform which will connect with the newly-installed pedestrian overpass to make boarding quicker for the 1300 daily riders and will reduce station dwell time. Authorization is also requested to contract with Hall Construction Company to construct this platform at a cost not to exceed \$20,747,000 plus five percent for contingencies. Authorization is also requested to approve the final amendment to a contract with Stantec for continued construction assistance during the platform work at a cost not to exceed \$302,451. Completion of work at the station is expected in late summer, 2009.

Patrick O'Connor moved the resolution, Myron P. Shevell seconded it and it was unanimously adopted.

0712-84: ACCESS LINK COMPUTER HARDWARE/SOFTWARE SUPPORT

NJ TRANSIT is required to provide paratransit service for people whose disabilities prevent them from using regular route service. Access Link is a curb-to-curb, shared-ride system provided statewide with over 3200

scheduled trips each day, 365 days each year. Every day of service is unique and requires that up to 275 custom routes be developed. Trips must be scheduled efficiently in order to contain costs, but all requirements of the Americans With Disabilities Act must also be met. These include providing service as soon as the next day, accepting and delivering each trip requested with no service limits, and providing all trips within the service area. The current system is more than ten years old and the hardware, software and network infrastructure must be replaced in order to continue to deliver service in a reliable and efficient manner. Authorization is requested to enter into procurement-by-exception contracts to procure computer hardware from DELL, SUN and HP and related software applications and services from Trapeze Software Group, Oracle, Mentor Engineering, Ontira Communications, Altura, SUN, Atlanticom and other minor suppliers to update, operate and maintain NJ TRANSIT's ADA Paratransit Computer System at a total cost not to exceed \$5,660,000 plus five percent for contingencies for the next four fiscal years.

Susan L. Hayes recused herself from voting on item #0712-84. Myron P. Shevell moved the resolution, Patrick O'Connor seconded it and it was adopted.

0712-85: REAL ESTATE AND ECONOMIC DEVELOPMENT: TASK ORDER CONTRACTS

NJ TRANSIT generates significant non-farebox revenue from leases, permits, licenses and property sales as well as from transit oriented development projects to increase our system's usage. Complex, high value or market sensitive real estate matters require the use of professional firms with special expertise in market analysis, development planning, leasing, licensing, property management, appraisal and evaluation services and financial analysis. Authorization is requested to contract on a task order basis with five firms with this expertise to maximize NJ TRANSIT's ability to leverage assets to generate revenue. After a competitive procurement process, the five firms proposed are Jones Lange LaSalle (No. 07-108A), Economics Research Associates (No. 07-108B), Basile Baumann Prost Cole & Associates (No. 07-108C), Doherty Associates (No. 07-108D), and HR&A Advisors (No. 07-108E). Cumulative contracts for any one firm during the three-year period ending December 31, 2010, will not exceed \$500,000 and the total authorization during the three year period shall not exceed \$1,500,000.

Susan L. Hayes recused herself from voting on item #0712-85. Flora Castillo moved the resolution, Myron P. Shevell seconded it and it was adopted.

0712-86: SALE OF COMMUNIPAW AVENUE PROPERTY, JERSEY CITY

During construction of the Hudson Bergen Light Rail Line, NJ TRANSIT purchased 1.1 acres as a staging area on Communipaw Avenue in Jersey City. The property has been deemed surplus with no future transportation use. Since the property has recently been re-zoned for housing, the value has increased greatly presenting an opportune time to sell the property. The new development will also generate new farebox revenue from new residents using the Liberty State Park light rail station. Authorization is requested to take all actions necessary to sell this property to MVP2 Enterprises, LLC for \$6,050,000 minus any remediation costs approved by the agency.

Robert Shane moved the resolution, Patrick O'Connor seconded it and it was unanimously adopted.

There were four public comments on non-agenda items.

Mayor Rose Heck thanked Executive Director Sarles for his help with regard to the traffic situation on Route 17. She also expressed a thank you on behalf of the Police Chief in Hasbrouck Heights to Executive Director Sarles and staff working on this project. Mayor Heck wished everyone a Merry Christmas and Happy Hannukah and looks forward to the New Year and hopes everyone will be enlightened about light rail. She said the Hudson Bergen Line is growing for Hudson County, but Bergen County is not getting its fair share of light rail.

Mayor Heck thanked Chairman Kolluri for his outstanding work in balancing all of his responsibilities of bridges, rail, public transportation and roadways. She also thanked Executive Director Sarles and appreciates his fairness.

James T. Raleigh commented that another traffic analysis is being conducted regarding the Monmouth-Ocean-Middlesex Study. Mr. Raleigh said rail service is needed now in Monmouth and Ocean counties instead of waiting for Access to the Region's Core to be completed. This rail service would provide people with an alternative instead of using the highways. Mr. Raleigh said the traffic study has nothing to do with the environmental impact study. This project has been ongoing for a couple of years. Waiting for Access to the Region's Core to be completed is a waste of money and time. Mr. Raleigh said Monmouth and Ocean county residents need to get to Grand Central Terminal.

Mr. Raleigh commented on the supplemental environmental statement regarding the Moynihan Train Station. The study states that it is anticipated that NJ TRANSIT will cooperate. Mr. Raleigh said he would like to see NJ TRANSIT definitively state that it will cooperate on this project. Mr. Raleigh said the study also addresses a pedestrian study which overlaps the subway connections between 6th, 7th, and 8th Avenues which are part of the Access to the Region's Core Plan but are not being considered. Mr. Raleigh attended public hearings this past Wednesday and said there is a repeated interest to include Connecticut in the Access to the Region's Core plan.

David Peter Alan, on behalf of the Lackawanna Coalition, said he was glad to hear about the growth in weekend ridership and offered suggestions to further improve ridership. Mr. Alan said he also attended the hearing regarding the Moynihan Station and said a regional rail station to the 34th Street area would serve all of the riders. Mr. Alan said his subject for today is open communication. Mr. Alan spoke with managers at the Light Rail Division about scheduling the Newark Light Rail Line between Penn Station and Broad Street Station to improve connections between the Morris & Essex Line trains and the Newark Division trains on weekends. He said the objective of the discussions was to save riders one hour per trip at no cost to NJ TRANSIT. Mr. Alan said this is an example of effective cooperation between management and the representatives of the riding public and said he and the Coalition are always prepared to work with management toward the goal of improving service for transit riders, including the Access to the Region's Core project.

Mr. Alan said he wished he could report that other efforts were equally successful. He said many suggestions were made to rail management in his capacity as the representative of the riders and their communities and said if any were actually implemented, he does not remember. Last month, a suggestion was made that the ALP-44 locomotives be adjusted to improve their pickup as part of the upcoming overhaul process and he said it was actually ridiculed. This reaction is inappropriate and unacceptable.

Mr. Alan said the Executive Director and his subordinates informed the Coalition that in their opinion, the only appropriate place to comment is during the "official" comment period in the federally mandated process. Mr. Alan said he will continue to do so even though every comment made during the "official" comment period was roundly ignored. Mr. Alan said he has no choice but to comment as strongly and as often as he can, including through the media, until this Board and management take the riders' representatives seriously.

Mr. Alan said on October 1, 2007, David Michaels reported in the Bergen Record that NJ TRANSIT spent \$675,000 for political operatives to lobby for a downgraded version of the Access to the Region's Core project that fails to provide east side access for riders and which management knew or should have known was objectionable to the representatives of the riding public. At the October Board Meeting, he asked the Board to report to the public on what steps will be taken to ensure that lobbying of this sort will never happen again if the article is correct and never happen at all if the article is incorrect. This is an issue of ethics and responsibility in government.

Mr. Alan announced that there will be an open house meeting to be held under the sponsorship of the Millburn Township Committee, representatives from the "Alliance for Access" composed of the Lackawanna Coalition, New Jersey Association of Railroad Passengers and rail advocates based in New York City along with NJ TRANSIT representatives to discuss and answer questions about the Access to the Region's Core project supported by the rider advocacy community and the Trans-Hudson Express Tunnel Project currently favored by NJ TRANSIT. Mr. Alan encouraged everyone to attend.

Chairman Kris Kolluri said the Board and Executive Director Sarles are open to any suggestions on how to improve service efficiency. He said the Board is very serious about the efficient operations of NJ TRANSIT services.

Mr. Alan thanked Chairman Kolluri for his comments and also complimented Joe North and Neil Fitzsimmons for working with him on his suggestions for Newark Light Rail. Mr. Alan distributed a copy of the fall 2007 issue of *Railgram*.

Al Cafiero commented on the progress on the Northern Valley Line and said it is going in the right direction towards Tenafly. Mr. Cafiero suggested that certain parking lots that are run by NJ TRANSIT should offer free parking at night and on weekends to encourage ridership. Mr. Cafiero commented on Secaucus Junction and said he opposed it from the beginning. He said NJ TRANSIT promised that it would not have any parking there because it is environmentally unsound. Mr. Cafiero said NJ TRANSIT is going back on its word and is now going to offer parking.

Chairman Kris Kolluri commented on Secaucus Junction and said that in the original design NJ TRANSIT was misguided on the parking issue. Chairman Kolluri said both he and Governor Corzine support parking long term and said it is a good idea for temporary parking in and around Secaucus Junction. Chairman Kolluri wished everyone a safe and happy holiday season.

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

The meeting was adjourned at approximately 10:35 am.

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

DECEMBER 12, 2007

MINUTES

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ACTION ITEMS

0712-81	ELECTRIC LOCOMOTIVES: PURCHASE OF 27 LOCOMOTIVES	39449
	Staff seeks authorization to enter into a procurement-by-exception contract with Bombardier Transit Corporation of Bensalem, Pennsylvania, for the purchase of 27 Electric Locomotives plus spare parts at a cost not to exceed \$244,649,000 plus five percent for contingencies, subject to the availability of funds.	
0712-82	STATE CERTIFICATES OF PARTICIPATION (COPS): ALP-46 LOCOMOTIVES AND MULTI-LEVEL RAILCARS	39452
	Staff seeks authorization to enter into a Certificates of Participation sublease with the State of New Jersey for the financing of approximately \$310 million of rolling stock and associated costs and to pay fees associated with the transaction.	

0712-83 SOUTH AMBOY STATION HIGH-LEVEL PLATFORM 39456
CONTRACT 2: CONSTRUCTION CONTRACT AWARD AND
CONTRACT AMENDMENT FOR CONSTRUCTION
ASSISTANCE SERVICES

Staff seeks authorization to contract (No. 08-026X) with Hall Construction Company of Howell, New Jersey, for the construction of a new center island platform at South Amboy Station on the North Jersey Coast Line at a cost not exceed \$20,747,000, plus five percent for contingencies, subject to the availability of funds.

Staff also seeks authorization to amend the existing professional services contract (No. 92CM0063) with Stantec of New York, New York, for construction assistance services related to the construction contract in the amount of \$302,451, plus five percent for contingencies, for a total contract authorization of \$7,302,562, subject to the availability of funds.

0712-84 ACCESS LINK COMPUTER HARDWARE/SOFTWARE 39459
SUPPORT

Staff seeks authorization to enter into a procurement-by-exception to procure computer hardware from DELL, SUN and HP and related software applications and services from Trapeze Software Group, Oracle, Mentor Engineering, Ontira Communications, Altura, SUN, Atlanticom and other minor suppliers to update, operate and maintain NJ TRANSIT's ADA Paratransit Computer System at a total cost not to exceed \$5,660,000 plus five percent for contingencies for the next four fiscal years.

0712-85 REAL ESTATE AND ECONOMIC DEVELOPMENT: TASK 39462
ORDER CONTRACTS

Staff seeks authorization to enter into Real Estate & Economic Development Consultants (RDC) Task Order Contracts with each of the following five firms: Jones Lange LaSalle (No. 07-108A), Economics Research Associates (No. 07-108B), Basile Baumann Prost Cole & Associates (No. 07-108C), Doherty Associates (No. 07-108D), and HR&A Advisors (No. 07-108E). Cumulative contracts for any RDC during the three-year period ending December 31, 2010, will not exceed \$500,000 and the total authorization during the three year period shall not exceed \$1,500,000.

0712-86 SALE OF COMMUNIPAW AVENUE PROPERTY, JERSEY CITY 39465

Staff seeks authorization for the Chairman and Executive Director, upon Federal Transit Administration approval, to take all necessary actions to sell NJ TRANSIT's Communipaw Avenue property (Jersey City Tax Block 2047, Lots 24.D and 25.D and part of Block 2044.3), consisting of approximately 48,395 square feet (approximately 1.1 acres) of vacant land, to MVP2 Enterprises, LLC, of 39 East Main Street, Little Falls, New Jersey for \$6,050,000, less any validated and NJ TRANSIT-approved costs to remediate the property.

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 contract negotiations and attorney-client, litigation and personnel matters; 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 November 19, 2007 Board meetings 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 November 21, 2007;

NOW, THEREFORE, BE IT RESOLVED that the minutes of actions taken at the November 19, 2007 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.

Jon S. Corzine
Governor

Kris Kolluri, Esq.
Board Chairman

Richard R. Sarles
Executive Director

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

39425

TO: BOARD OF DIRECTORS
FROM: RICHARD R. SARLES *Richard R. Sarles*
DATE: DECEMBER 12, 2007
SUBJECT: EXECUTIVE DIRECTOR'S REPORT – DECEMBER 2007

We continue to experience a steady increase in ridership, with the systemwide weekday average now at 881,700 trips—an increase of more than 27,000 trips per day compared to one year ago. Weekends are averaging the highest ridership ever with more than 712,800 trips—more than 31,000 trips above weekend totals from last year's first quarter. While high gas prices and a strong regional economy are driving ridership, these numbers also show that we are providing an attractive service to our customers.

Rail ridership is up 5.4 percent in the first quarter of FY08 compared to the same period last year. To meet this growing demand, we currently have 55 multilevel vehicles (MLVs) in service and will continue making adjustments to our fleet and schedules in an effort to provide more seating.

Bus ridership is also up, with a more than three percent gain in the New York commuter routes. We welcome the Port Authority of New York & New Jersey's announcement of plans to add capacity to the Port Authority Bus Terminal, which will give our customers the level of comfort and convenience that they deserve.

Light rail ridership is also up by 13.5 percent overall, with Hudson-Bergen Light Rail ridership up 18.4 percent and Newark Light Rail ridership up 9.1 percent, with ridership on the extension to Broad Street Station averaging 2,235 trips on weekdays. River LINE ridership is up 2.9 percent, with weekdays averaging nearly 8,000 trips.

As you know, higher ridership requires more capacity, and for the Board's consideration today is a proposal to purchase 27 new ALP-46 electric locomotives—which are needed to pull our growing fleet of high-capacity multilevel rail cars—for delivery in early 2010. To meet our capacity needs, our plan is to operate more trains with 12-car MLV sets.

Another item before the Board today will improve our Access Link service, which has seen a ridership increase of 79 percent in five years—17 percent in the last year alone. The Board will consider a contract that will provide new systems to increase the reliability and efficiency of our 10-year-old paratransit computer system to serve more than 3,200 trips per day for customers whose disabilities prevent them from using our regular route bus service.

Next month, we will open the new Wayne/Route 23 Transit Center, an intermodal bus and rail facility in Passaic County that will provide 1,000 parking spaces along the Rt. 23 corridor. With amenities such as heated shelters and electronic bus departure signs, this project will provide greater convenience for our customers, with easier access to express bus service and local bus service, as well as access to the Montclair-Boonton Line. In addition, the new facility will be equipped with Highway Advisory signs to alert customers to surrounding traffic conditions and if the lot is full.

I would like to recognize former Board Member Verice Mason, who passed away last week. Verice frequently took time out of her busy schedule to participate in our events. Our thoughts are with her family.

On a final note, last week, I had the pleasure of recognizing the Railmen for Children Organization on their 25th year of bringing joy to hundreds of children with disabilities by treating them to gifts and a train ride. The group is made up of train personnel who volunteer their time to bring holiday cheer to these children. With that, I wish everyone a safe and happy holiday season.

EXECUTIVE DIRECTOR'S MONTHLY REPORT DECEMBER 2007

- 1. HIGHLIGHTS**
- 2. CUSTOMER AND COMMUNITY INITIATIVES**
- 3. EMPLOYEE RECOGNITION**
- 4. DBE/MBE PROGRAM**
- 5. PERFORMANCE MEASURES**

HIGHLIGHTS

Solar panels to provide power at major NJ TRANSIT facility

NJ TRANSIT will create one of the largest solar-power installations in the state and produce clean, renewable-source electricity at its vast locomotive and railroad car maintenance facility in Kearny under a plan approved November 19 by the NJ TRANSIT Board of Directors.

The solar power system will reduce NJ TRANSIT utility bills by \$90,000 per year with no need for up-front capital funding and promotes New Jersey's clean air and energy policy goals. A \$1.57 million New Jersey Board of Public Utilities rebate will support construction costs.

NJ TRANSIT will enter into a contract with Alternity Power, a division of Conti Group of South Plainfield, to finance, design and install a photovoltaic solar-power system on the roof of a Meadows Maintenance Complex (MMC) building. The company will also operate and maintain the system over 20 years.

The 700kW direct-current power plant will produce about 800,000 kilowatt-hours of electricity per year, or about five percent of the power needs at the 78-acre MMC. All the solar power will be used on-site, eliminating the need for battery storage systems or sale of excess energy to the local utility.

Under the proposed 20-year power purchase procurement contract with Alternity Power, NJ TRANSIT will purchase the power generated by the solar panels for \$.01 per kWh with an annual 2 percent inflation adjustment, or about one-twelfth the current rate. The savings amounts to about \$90,000 per year for the life of the contract and about \$100,000 per year for another five years, which brings the rooftop system to the end of its anticipated 25-year useful lifespan.

The solar system is expected to be completed in the summer of 2008.

NJ TRANSIT further reduces locomotive idling

Responding to community noise concerns, NJ TRANSIT Executive Director Richard Sarles announced on November 19 that NJ TRANSIT would move to a new policy that will significantly reduce the historic practice of diesel locomotive idling effective January 1, 2008.

Earlier this year, NJ TRANSIT ended locomotive idling above 40 degrees, but is expanding the policy to include temperatures down to zero degrees to further reduce noise, diesel fuel consumption and emissions.

NJ TRANSIT has worked over the last six months to upgrade locomotive equipment and rail yard infrastructure to allow for the locomotive shutdowns. More than 100 diesel locomotives have been retrofitted with new starters, block heaters and batteries, and new external—or “wayside”— power stations have been installed in rail yards to enable maintenance work to continue, even with engines turned off.

The guidelines are in place for Raritan, Port Morris, Bay Head, Port Jervis, Spring Valley and Suffern yards.

The benefits of the new procedure will be especially noticeable in the overnight hours when more locomotives lay over in rail yards. While the new procedures will significantly reduce noise, residents near NJ TRANSIT may still notice some level of activity as trains arrive and depart the yard, and during short layovers.

NJ TRANSIT appoints Auditor General

On November 19, the NJ TRANSIT Board of Directors appointed Warren A. Hersh as Auditor General of the corporation. Hersh has served as Acting Auditor General since the post became vacant in July 2007, and has accepted the Board’s offer to serve in the position on a permanent basis.

Under NJ TRANSIT by-laws, the Auditor General reports directly to the Board of Directors through the Audit Committee. The AG is responsible for reviewing and monitoring the reliability of financial statements and the adequacy of financial controls, evaluating audit performance and monitoring the implementation of and compliance with policies set by the Board and the Executive Director.

Hersh, 51, of Freehold, earned an undergraduate degree in accounting from St. John’s University and an MBA from Adelphi University.

He has more than 25 years of experience in the field. Prior to coming to NJ TRANSIT, Hersh served as Internal Audit Director at Jefferson Wells International and at BDO Seidman, LLP.

Prior to those positions, Hersh held auditing positions at several companies in the telecommunications industry, including AT&T Business Services, TCG, Southern New England Telecommunications Corporation and NYNEX.

He serves on the Institute of Internal Auditors International Standards Board and is a frequent speaker at audit and industry conferences.

CUSTOMER AND COMMUNITY INITIATIVES

NJ TRANSIT hosts meetings on proposed West Trenton Rail Line

NJ TRANSIT invited the public to meetings in Somerset and Mercer counties to learn about and comment on a proposal to restore passenger rail service on the West Trenton Line.

The proposed 27-mile line would link the Southeastern Pennsylvania Transportation Authority (SEPTA) West Trenton Station in Ewing (Mercer County) to NJ TRANSIT's Raritan Valley Line in Bridgewater (Somerset County). Service on the Raritan Valley Line continues to Newark Penn Station.

New stations are proposed in Ewing, Hopewell Township, Hopewell Borough, Montgomery and Hillsborough. The line would provide additional transportation options in central New Jersey and promote Smart Growth planning and land-use principles near the stations, reducing roadway congestion.

The public meetings were scheduled for 4-8 p.m. on November 29 at the Hillsborough Township Municipal Complex, and December 6 at the Ewing Community/Senior Center.

Comments on the Draft Environmental Assessment were accepted at the meetings and can be submitted by mail or email until January 15, 2008 to NJ TRANSIT's Office of Government and Community Relations.

Funding has not been identified for the project, estimated to cost \$219 million.

NJ TRANSIT offers 'bring a friend free' promotion on Pascack Valley Line

During the first two weekends of December, NJ TRANSIT offered customers the chance to bring a friend on the Pascack Valley Line for free to try out the new weekend service.

To take advantage of the offer, customers needed only to download a "guest pass" from www.njtransit.com to present when riding the Pascack Valley Line on December 1-2 and December 8-9. The guest pass allowed for complimentary round-trip travel for any customer accompanied by a fare-paying adult, and also allowed the guest to transfer to other trains via Secaucus Junction. During the promotion, nearly 350 customers visited the Pascack Valley Line website to obtain the guest pass.

For maximum savings, families were able to combine the bring-a-guest-free offer with NJ TRANSIT's Family SuperSaver, which allows up to two children (11 and under) to ride free with a fare-paying adult. By combining both offers, a family of four traveling from Wood-Ridge could take a roundtrip to New York for \$7.75—a savings of more than \$18 off the full fare.

As an additional incentive to try the Pascack Valley Line, NJ TRANSIT is offering a family prize package that includes tickets to the hottest concert this holiday season— "Hannah Montana/Miley Cyrus: The Best of Both Worlds" at the Prudential Center in Newark.

Dubbed the "Hannah Montana Dreamstakes," one lucky winner will receive four tickets to the sold-out show courtesy of AEG Live, complimentary dinner for four at Spain Restaurant in Newark's Ironbound section and roundtrip transportation on NJ TRANSIT.

The Hannah Montana Dreamstakes continues until noon today, December 12, 2007. Customers can enter by printing out an entry form at www.njtransit.com/PVL and dropping it in entry boxes in Secaucus Junction, Hoboken Terminal, Newark Penn Station or New York Penn Station. To date, more than 600 customers have visited the Pascack Valley Line website to learn more about the sweepstakes.

NJ TRANSIT offers 'early getaway' and extra service for Thanksgiving holiday weekend

NJ TRANSIT offered "early getaway" rail and bus service on Wednesday, November 21 for the benefit of customers leaving work early for the Thanksgiving holiday, as well as extra trains on Thursday, November 22 to accommodate customers traveling to the Macy's Thanksgiving Day Parade.

On Friday, November 23, traditionally the busiest shopping day of the year, additional trains operated to New York and enhanced bus service was offered to shopping centers throughout New Jersey.

In addition, NJ TRANSIT's Family Super Saver Fare, which allows up to two children 11 and younger to travel free with each fare-paying adult, was extended for the Thanksgiving holiday and remained in effect from 7 p.m. Wednesday, November 21 until 6 a.m. Monday, November 26.

Systemwide, NJ TRANSIT carried 1.4 million passenger trips over the four-day holiday weekend on its bus, rail and light rail lines. Overall ridership was up by 23.6 percent on Thanksgiving Day.

Rail ridership over the four-day weekend was 2.5 percent higher than last year, with a total of 363,200 rail passenger trips. Ridership on Thanksgiving Day showed a substantial increase over last year of 24.4 percent.

On the bus side, ridership was up by 21.3 percent on Thanksgiving Day, and light rail was up by 40.9 percent on the holiday.

NJ TRANSIT providing additional bus service to malls this holiday season

NJ TRANSIT is making it even more convenient to take the bus to the state's many shopping malls during the busy holiday season by offering additional service on selected routes to help meet high ridership and to better serve employees working extended hours.

A total of 25 bus routes will offer additional service to 19 malls and other nearby retail destinations throughout the state. Trips will be added during peak shopping hours on some routes to help meet anticipated demand and additional early morning and late night trips will operate on certain routes to benefit shoppers and employees alike.

The additional service began Friday, November 23 – traditionally the busiest shopping day of the year – and will continue through Monday, December 24 on some routes.

North Jersey shopping destinations receiving additional bus service include Willowbrook Mall, Livingston Mall, Garden State Plaza, Elizabeth Center, Newport Centre Mall, Short Hills Mall, Woodbridge Mall, Bridgewater Commons, Harmon Meadows, IKEA Paramus and Mill Creek Mall.

In Central and South Jersey, destinations getting extra service include Hamilton Mall (Mays Landing), Cherry Hill Mall, Shore Mall, Mercer Mall, Nassau Park, Quaker Bridge Mall and Hamilton Marketplace.

NJ TRANSIT is advising customers to visit www.njtransit.com or consult special holiday timetables for complete schedule details.

EMPLOYEE RECOGNITION

25th annual 'Railmen for Children' Santa Claus Express delivers holiday cheer to special students

On Friday, December 7, Railmen for Children marked a milestone anniversary with their 25th annual "Santa Claus Express."

Railmen for Children, comprised of NJ TRANSIT conductors and trainmen, collect donations over the course of the year to fund the annual Santa Train, and in turn purchase gifts requested by the children through participating organizations. This year marks the organization's 25th anniversary of bringing joy to children with disabilities.

This year's Santa Train departed Hoboken at 10:30 a.m. on Friday, and traveled along NJ TRANSIT's Main and Metro-North's Port Jervis lines to Harriman, NY. More than 340 children with disabilities traveled with Santa on the scenic round-trip train ride, and were treated to their personalized gifts and entertainment along the way.

Students from schools in Jersey City, Hoboken, Pequannock and Caldwell boarded the train in Hoboken, while students from a Prospect Park school joined the trip in Hawthorne.

NJ TRANSIT employees bid farewell after outstanding careers

Six NJ TRANSIT employees retired in November with careers ranging from 6 to 31 years of service:

1. Arlene Waterman (Newark) Claims/GOB Senior Investigator – 31 years
2. Andrew J. Congemi (Honey Brook, PA) Washington Twp. Garage Facility Supt. Southern Div. – 29 years
3. Barry Baker (Newark) Newark Shops Mechanic "A" – 27 years
4. Arthur Murch (Sparta) Great Notch General Forman – 25 years
5. Bernice Platter (Hackensack) PABT Starter – 16 years
6. Michael Leibowitz (Monroe Township) General Office Building Revenue Sec. Agent – 6 years

DBE/MBE PROGRAM

NJ TRANSIT – Office of Business Diversity DBE/SBE Participation

Federally Funded Contracts

\$14,376,925 in federal funds were awarded during October through November of FY 08.* Disadvantaged Business Enterprises (DBEs) were awarded \$568,921 or 4 percent, which includes both race conscious and race neutral awards.

State Funded Contracts

\$139,866,107 in state-funded contract dollars were awarded during July through November FY 08. ** Of that total, Small Business Enterprises (SBEs) received \$14,652,909 or 10.4 percent. Category 1 SBEs received \$667,549 or 0.5 percent. Category 2 SBEs received \$1,282,772 or 0.9 percent. Category 3 SBEs received \$285,400 or 0.2 percent. Category 4 SBEs received \$529,355 or 0.4 percent. Category 5 SBEs received \$11,887,833 or 8.4 percent ***

Federal & State Contracts Total

\$154,243,032 in federal and state contract dollars were awarded by NJ TRANSIT during this reporting period. Of that total, \$15,221,830 or 10.8 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.

DBE Goals

On an annual basis, NJ TRANSIT is required to establish Goals for Disadvantaged Business Enterprises. For FY08, it is recommended that NJ TRANSIT establish a 21.74 percent overall DBE goal. These goals are based on an analysis of the "relative availability" of Disadvantaged Business Enterprises (DBEs) in the narrowly-defined geographical market and a comprehensive statistical analysis of recent NJ TRANSIT (NJT) contracts.

For additional information or a copy of the Final Recommendation for Establishing NJ TRANSIT'S FY08 DBE Goals, please contact the Office of Business Diversity at (973) 491-7530.

Fiscal year beginning October 1, 2007

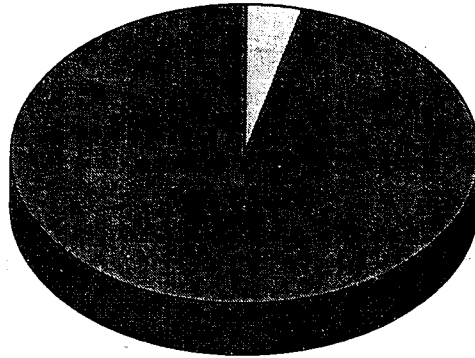
**Fiscal year beginning July 1, 2007

***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 (THROUGH NOVEMBER 07)***

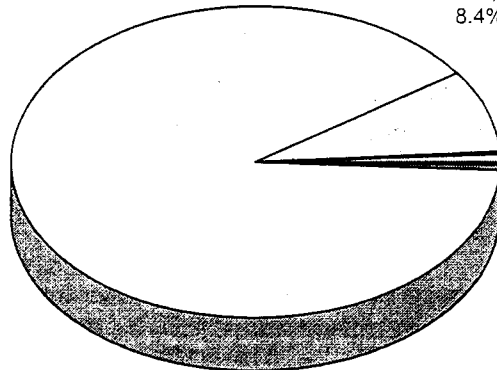
NON-DBE
FEDERAL
\$13,808,004
96%



DBE RACE
NEUTRAL &
RACE
CONSCIOUS
\$568,921
4%

**SBE PARTICIPATION
STATE CONTRACTS
STATE FYTD (THROUGH NOVEMBER 07)****

NON-SBE STATE
\$125,213,198
89.5%



SBE-5
\$11,887,833
8.4%

SBE-4
\$529,355
0.4%

SBE-2
\$1,282,772
0.9%

SBE-1
\$667,549
0.5%

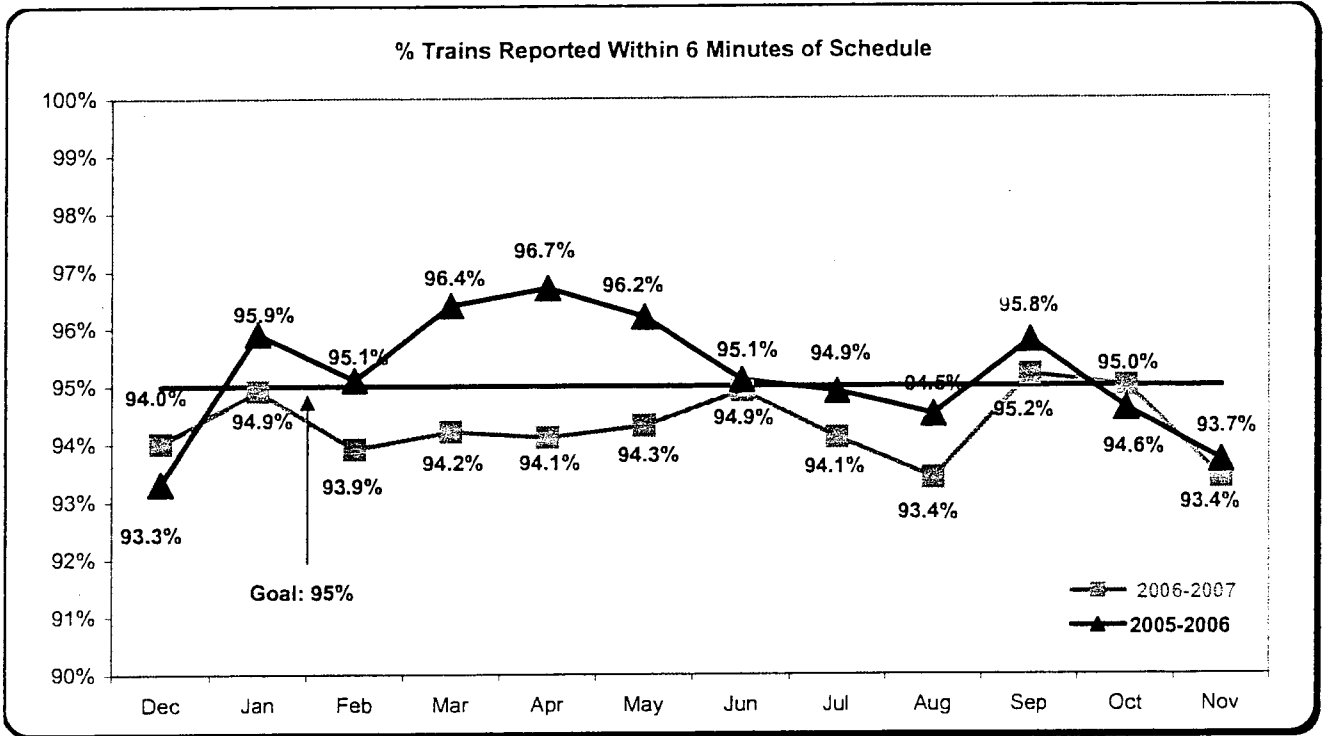
SBE-3
\$285,400
0.2%

Fiscal Year Beginning October 1, 2007*
Fiscal Year Beginning July 1, 2007**

PERFORMANCE MEASURES

(NJT Board-12/12/2007)

NJ TRANSIT ON-TIME PERFORMANCE RAIL DECEMBER 2005 - NOVEMBER 2007



November Comparison	2005-2006	2006-2007	# Change
	93.7%	93.4%	-0.3%

12-Month Average December-November	2005-2006	2006-2007	# Change
	95.2%	94.3%	-0.9%

Analysis:

Rail On-Time Performance for November 2007 was 93.4%. Of the 19,624 trains that were scheduled to operate, 18,331 were on time, while 1,293 trains (or 6.6%) were delayed. Key causes of delay included:

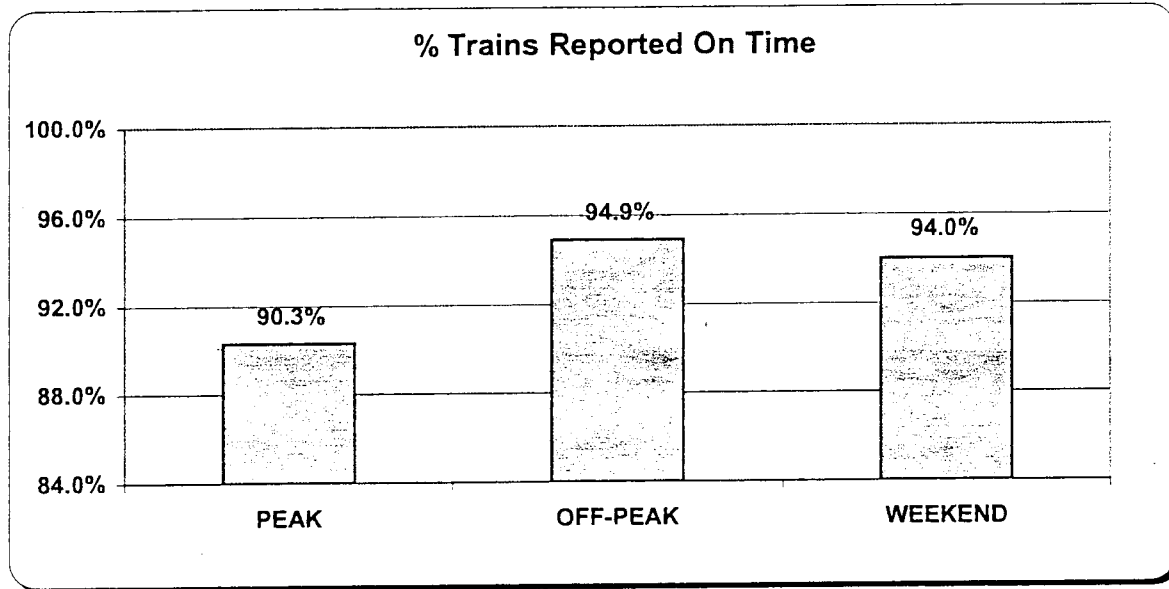
- An Amtrak failure of overhead wires in the tunnel leading from New York on November 18th.
- Heavy travel during the Thanksgiving holiday.
- Inclement weather on several days throughout the month.

The 12-month average for Rail On-Time Performance for December 2006-November 2007 was 94.3%.

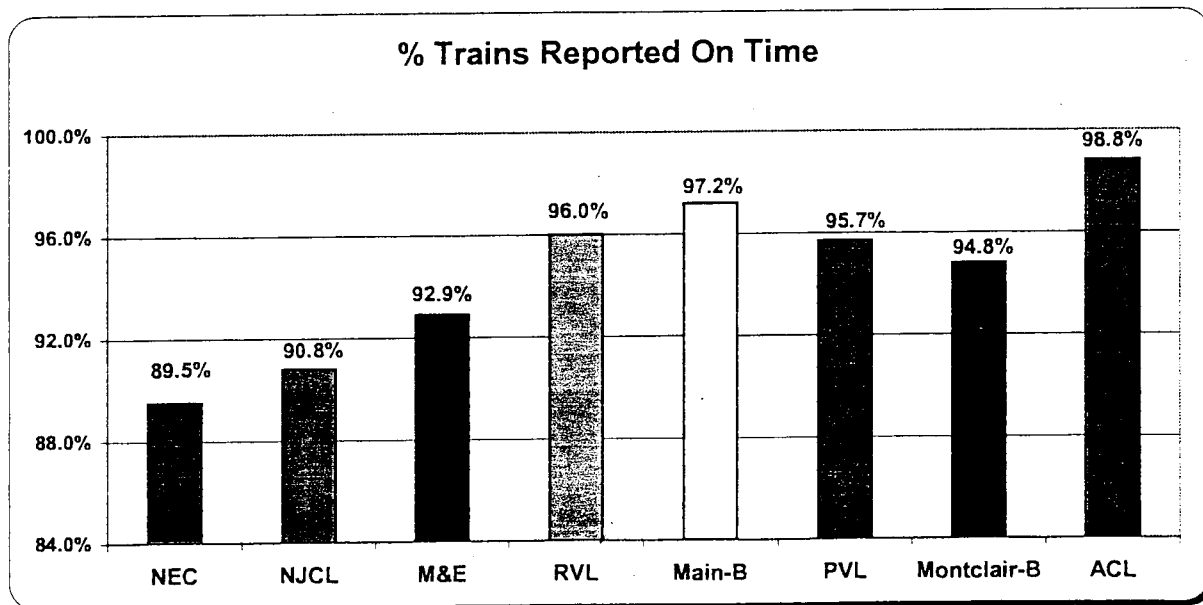
(NJT Board-12/12/2007)

ON-TIME PERFORMANCE RAIL

SUMMARY BY TIME PERIOD NOVEMBER 2007

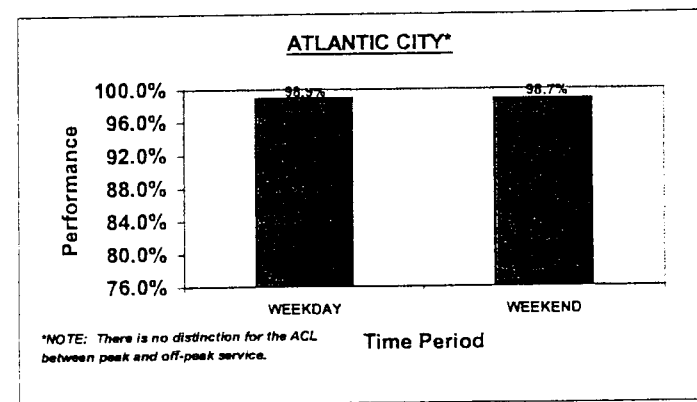
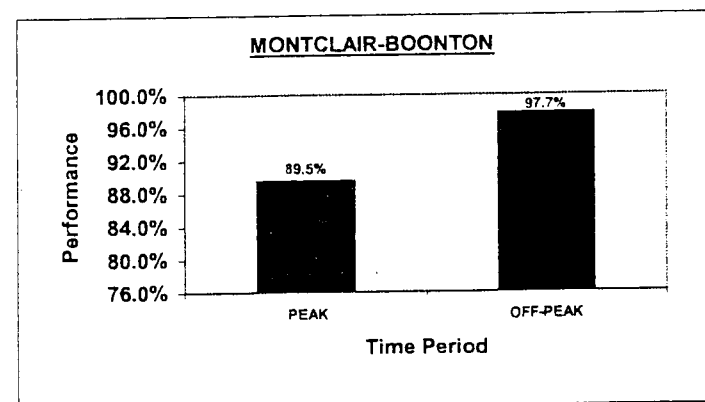
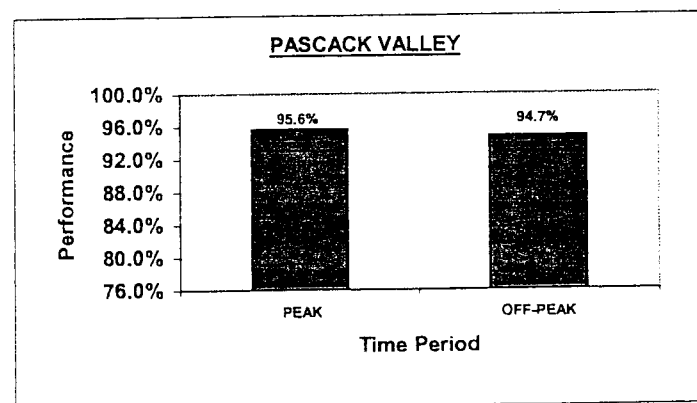
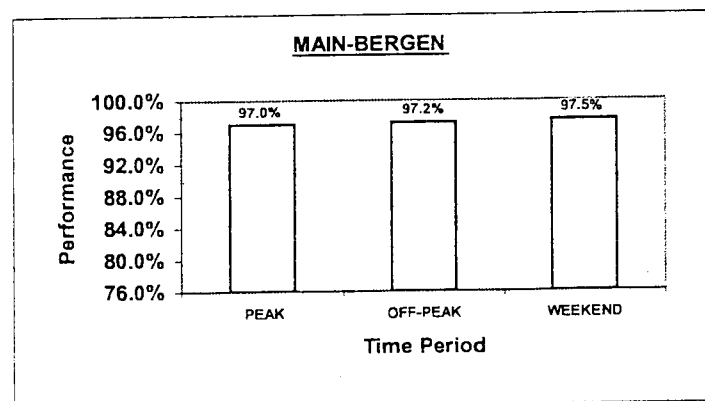
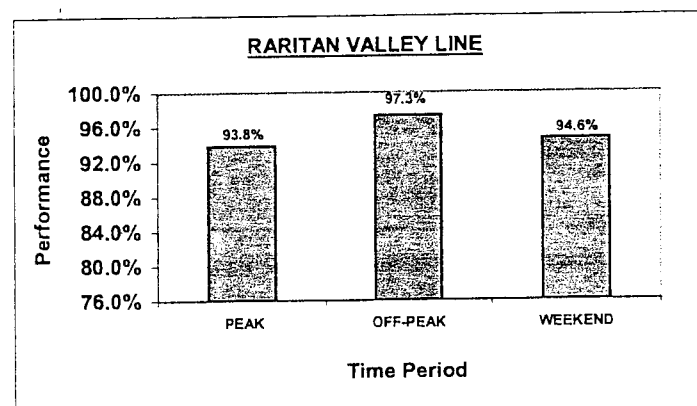
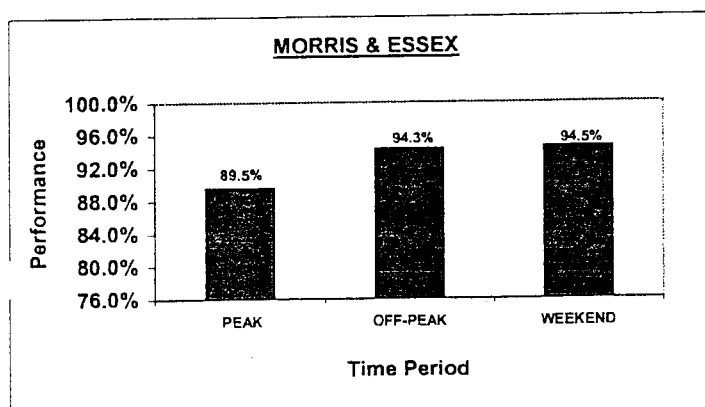
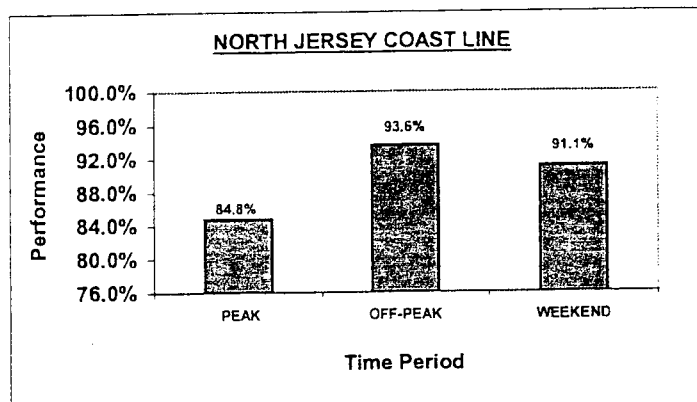
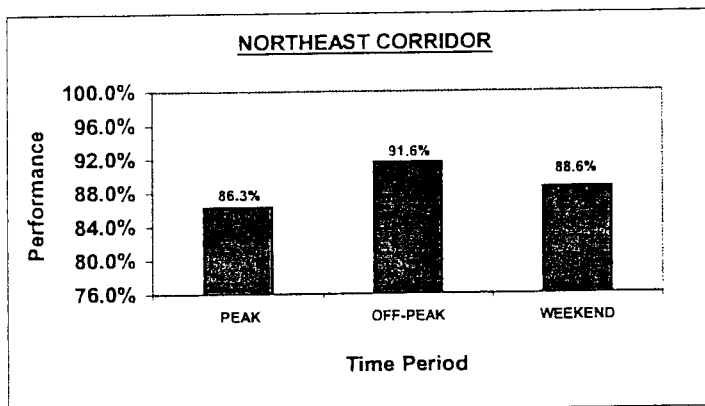


SUMMARY BY LINE NOVEMBER 2007



(NJT Board-12/12/2007)

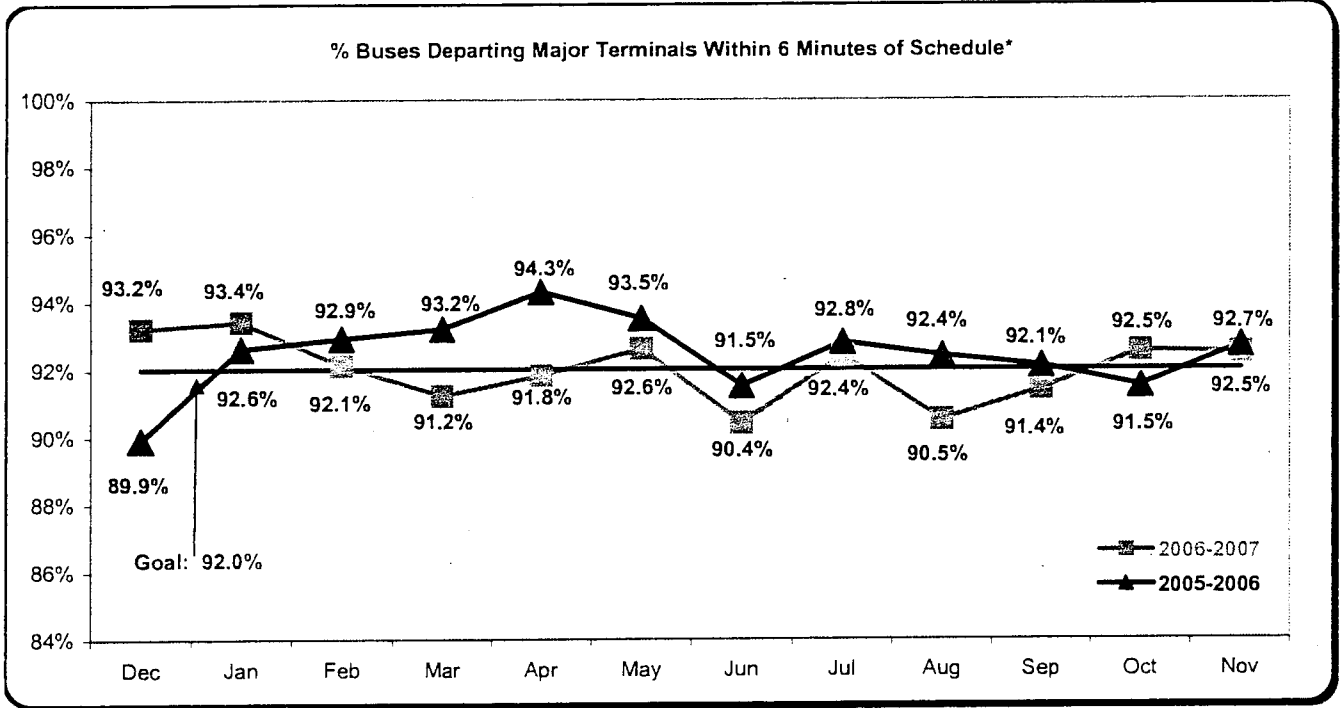
ON-TIME PERFORMANCE BY RAIL LINE & TIME PERIOD November 2007



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

(NJT Board-12/12/2007)

NJ TRANSIT ON-TIME PERFORMANCE BUS DECEMBER 2005 - NOVEMBER 2007



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

	2005-2006	2006-2007	# Change
November Comparison	92.7%	92.5%	-0.2%
12-Month Average December-November	92.5%	92.0%	-0.4%

Analysis:

Bus On-Time Performance for November 2007 was 92.5%. Of the 31,357 monitored departures, 2,359 (or 7.5%) experienced delays. Significant sources of delay included:

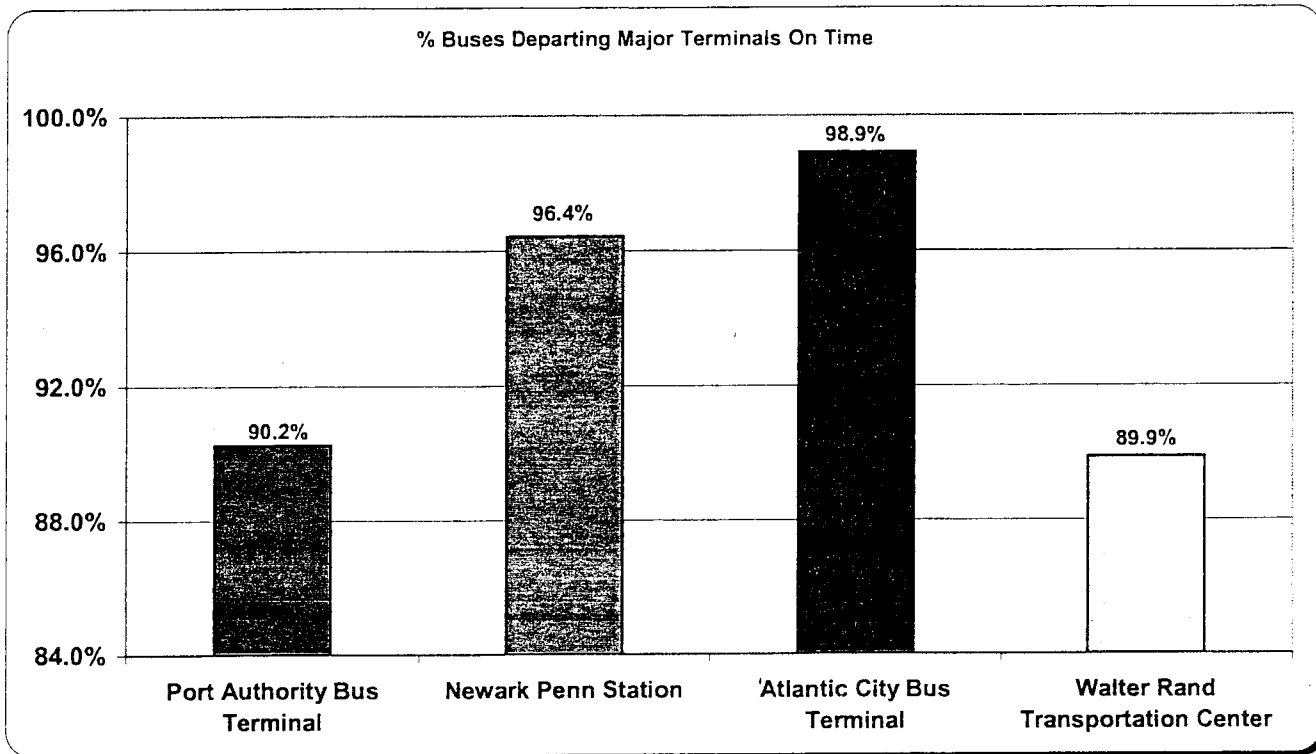
- A lane closure in the south tube of the Lincoln Tunnel on November 6th.
- Heavy traffic and rainy conditions on the Ben Franklin Bridge on several days of the month.

The 12-month average for Bus On-Time Performance for December 2006-November 2007 was 92.0%.

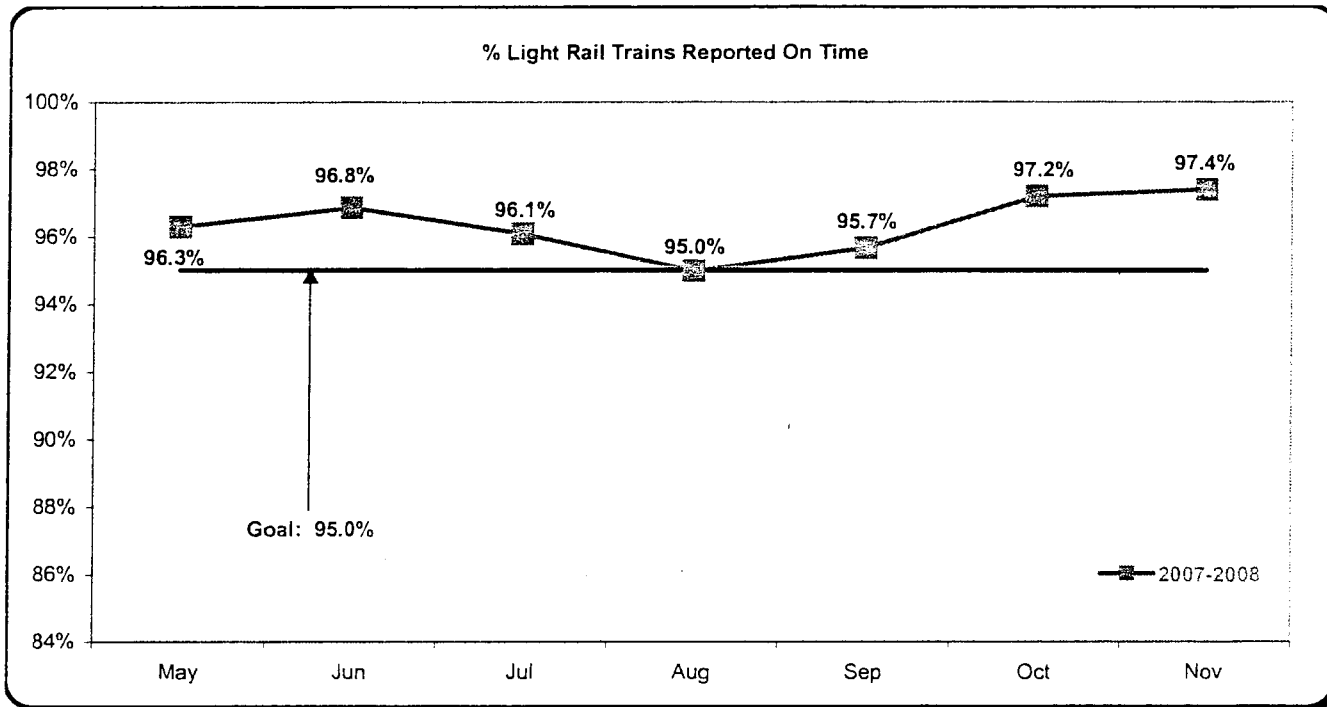
(NJT Board-12/12/2007)

ON-TIME PERFORMANCE BUS

SUMMARY BY TERMINAL NOVEMBER 2007



NJ TRANSIT ON-TIME PERFORMANCE LIGHT RAIL - SYSTEMWIDE MAY 2007-NOVEMBER 2007



*Note: Starting May 2007

	2006-2007	2007-2008	# Change
November Comparison	N/A	97.4%	N/A

	2006-2007	2007-2008	# Change
12-Month Average May-November	N/A	N/A	N/A

Analysis:

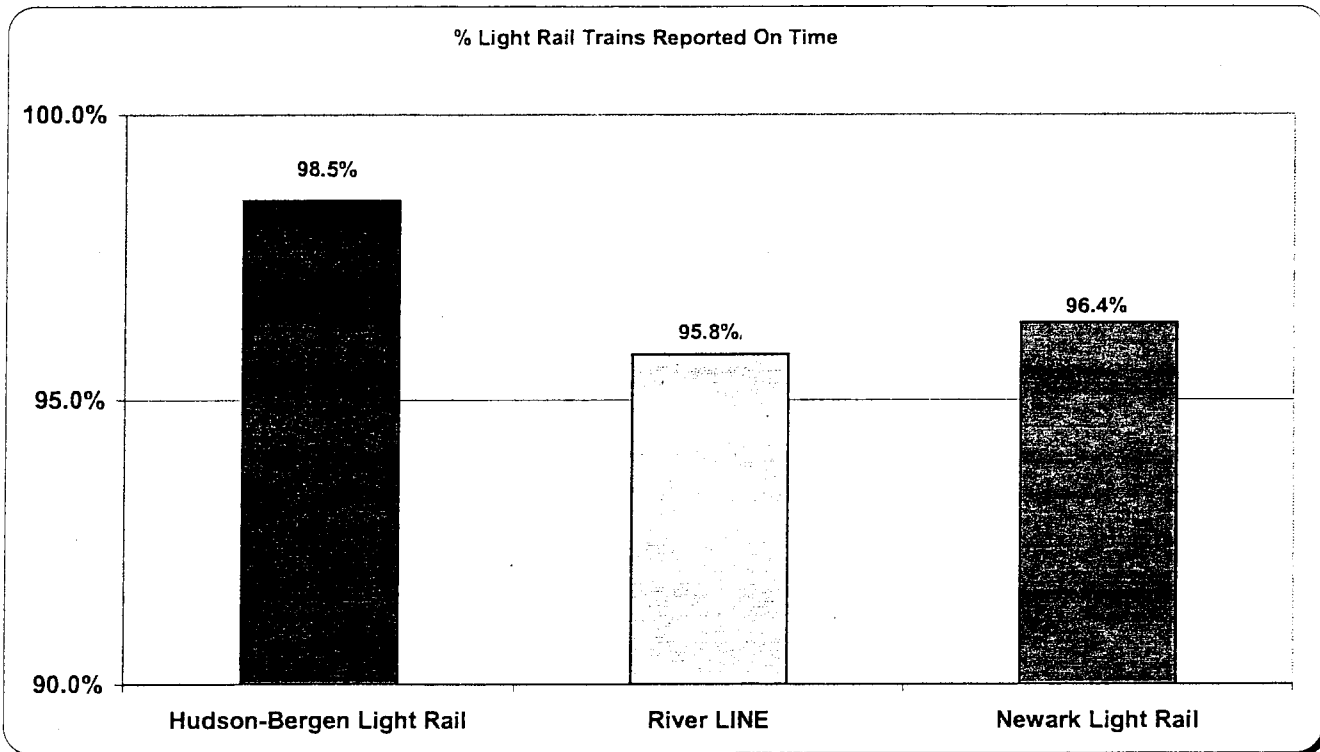
Light Rail On Time Performance systemwide was 97.4% for the month of November 2007. Of the 33,006 scheduled trains, 863 (or 2.6%) experienced delays. Causes of delay during the month included:

- A gas main leak near the HBLR on November 13th.
- A radio communication failure that delayed response to a mechanical problem at Bloomfield Ave. on the NLR on November 15th.
- A broken rail on the River LINE on November 29th.

(NJT Board-12/12/2007)

ON-TIME PERFORMANCE LIGHT RAIL

SUMMARY BY LINE NOVEMBER 2007



ACTION ITEMS

ITEM 0712-81: ELECTRIC LOCOMOTIVES: PURCHASE OF 27 LOCOMOTIVES

BENEFITS

NJ TRANSIT currently operates 32 ALP-44 and 29 ALP-46 electric locomotives to support its current rail service in electrified territories. The introduction of the multi-level vehicle fleet requires the purchase of additional locomotives. The new electric locomotives will have similar performance characteristics to the ALP-46 locomotive currently in service, while running more efficiently.

PURPOSE

This contract is for the purchase of electric locomotives to be utilized with the new multi-level vehicles currently being purchased. These electric locomotives are necessary to accommodate NJ TRANSIT's Rolling Stock Fleet Plan, which takes into account anticipated ridership growth and the replacement of aging single level coaches with Multi-level coaches.

NJ TRANSIT initiated a competitive procurement process for the purchase of these electric locomotives. As a result, Bombardier Transit Corporation was determined to be the only vendor capable of complying with the contract schedule requirements and is therefore entitled to a procurement-by-exception for these locomotives in accordance with NJ TRANSIT Procurement Regulations N.J.A.C. 16-72-1.6 and Executive order No. 37.

ACTION (Capital Program Justification: Capacity)

Staff seeks authorization to enter into a procurement-by-exception contract with Bombardier Transit Corporation of Bensalem, Pennsylvania, for the purchase of 27 electric locomotives plus spare parts at a cost not to exceed \$244,649,000 plus five percent for contingencies, subject to the availability of funds.

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

FISCAL IMPACTS

Requested Authorization:	\$244,649,000 + 5% contingency
Total Project Cost:	\$264,086,000
Projected Date of Completion:	Delivery of final locomotive – January 2011
Anticipated Source of Funds:	Certificates of Participation (subject to review by New Jersey Department of Treasury)

Diversity Goal: The Federal Transit Administration certifies Bombardier Transit Corporation as an approved transit vehicle manufacturer meeting business diversity goals.

Related/Future Authorizations: N/A

Impact on Subsequent Operating Budgets: \$8,500,000 annually

RESOLUTION

WHEREAS, NJ TRANSIT currently operates 32 ALP-44 and 29 ALP-46 locomotives on its electrified lines; and

WHEREAS, the introduction of the multi-level vehicle fleet requires additional locomotives; and

WHEREAS, the new locomotives will be capable of pulling longer train lengths with acceleration equivalent to the current ALP-46 locomotives and better than the ALP-44 locomotives; and

WHEREAS, NJ TRANSIT will procure 27 electric locomotives through a procurement by exception contract with Bombardier Transit Corporation; and

WHEREAS, NJ TRANSIT will benefit from an existing design, established manufacturing process, and existing qualification and acceptance testing, resulting in cost and schedule savings; and

WHEREAS, Bombardier Transit Corporation has been determined to be the only vendor capable of complying with the contract performance and schedule requirements and is therefore entitled to a procurement by exception for these locomotives in accordance with NJ Transit Procurement Regulations N.J.A.C. 16-72-1.6 and Executive Order No. 37.;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to enter into a procurement-by-exception contract with Bombardier Transit Corporation of Bensalem, Pennsylvania for the purchase of 27 electric locomotives plus spare parts at a cost not to exceed \$244,649,000 plus five percent for contingencies, subject to the availability of funds.

**ITEM 0712-82: STATE CERTIFICATES OF PARTICIPATION (COPS): ALP46
LOCOMOTIVES AND MULTILEVEL RAILCARS**

BENEFITS

The financing of approximately \$310 million of 27 ALP-46 locomotives plus spare parts and 37 multilevel railcars (the 'equipment') will enable NJ TRANSIT to expand its fleet to meet the continuing growth of rail ridership.

PURPOSE

To mitigate financial pressure on the capital program, staff is proposing financing the equipment through the issuance of State of New Jersey Certificates of Participation (COPs).

In this financing the State will act as lessee with NJ Transit as sub-lessee. Funds from the sale of the COPs will allow NJ Transit to enter into contracts with the Bombardier Transit Corporation for the equipment and for external engineering services. The COPs will also finance internal quality control and related costs directly related to the acquisition of the equipment. NJ TRANSIT will repay the Certificates with a final payment in 2023 with estimated annual lease payments of approximately \$35 million. All fees will be paid from the proceeds of the COPs.

The law firm of Blank Rome has been selected as the Department of Treasury's special counsel. Citibank will act as lead manager of the underwriting team.

ACTION (Justification: Business Efficiencies)

Staff seeks authorization to enter into a Certificates of Participation sublease with the State of New Jersey for the financing of approximately \$310 million of rolling stock and associated costs and to pay fees associated with the transaction.

FISCAL IMPACTS

Requested Authorization:	To enter into a State Certificates of Participation Sublease and to pay all associated transaction fees.
Projected Date of Completion:	Financing to be closed by February 2008
Anticipated Source of Funds:	Note Proceeds
Diversity Goal:	N/A

WHEREAS, the Corporation is authorized by the Act to enter into such contracts and take such other actions necessary, convenient or desirable to carry out any power expressly or implicitly given to the Corporation, including, without limitation, entering into the Sublease and the Assignment Agreement;

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

1. The Board hereby approves the entering into by the Corporation of a Sublease for a term not greater than 16 years and for annual lease payments of not more than \$35,000,000 and hereby authorizes the execution and delivery of a Sublease by an "Authorized Officer" of the Corporation, as such term is defined below.
2. The Corporation hereby approves entering into an Assignment Agreement and authorizes the execution and delivery of an Assignment Agreement by an Authorized Officer.
3. The Corporation hereby authorizes an Authorized Officer to make such determinations, to execute such other documents, instruments and papers and to do such acts and things as may be necessary or advisable with the execution and delivery of the Sublease and the Assignment Agreement and the sale, issuance and delivery of the COPs.
4. The Corporation hereby authorizes the payment of any costs incurred in connection with the issuance of the COPs that are not paid for from the proceeds of such COPs.
5. For the purposes of this Resolution an "Authorized Officer" shall mean the Chairman, Vice Chairman, Treasurer, Secretary or Executive Director of the Corporation and shall also mean any other person who shall be authorized by resolution of the Corporation to perform such act or to execute such document or any other person or persons who shall be authorized to act on behalf of the Corporation by the Chairman or Executive Director of the Corporation which certificate shall set forth such authorization and shall contain the specimen signatures of each such person.

RESOLUTION

AUTHORIZING THE EXECUTION AND DELIVERY OF A SUBLEASE AGREEMENT WITH THE STATE OF NEW JERSEY FOR THE LEASE/PURCHASE OF ROLLING STOCK

WHEREAS, pursuant to N.J.S.A. 27:25-1 et seq. (the "Act"), New Jersey Transit Corporation (the "Corporation") is authorized to purchase, lease as lessee, or otherwise acquire, own hold, improve, use and otherwise deal in and with real or personal property, or any interest therein, for any public or private entity; and

WHEREAS, the Corporation anticipates entering into a contract with the Bombardier Transit Corporation for 27 ALP-46 locomotives plus spare parts and 37 multilevel railcars (the "equipment") and external engineering services and associated internal quality control and related costs;

WHEREAS, the purchase of the equipment is to be financed through the issuance by the State of New Jersey (the "State") of Certificates of Participation ("COPs") in a lease purchase agreement (the "Lease") to be entered into between the State acting by and through the Director of the Division of Purchase and Property of the Department of the Treasury, as Lessee (the "Lessee"), and a Lessor (the "Lessor") to be determined; and

WHEREAS, the Corporation shall sublease the equipment from the State acting by and through both the Division of Purchase and Property of the Department of the Treasury and the New Jersey Department of Transportation and shall enter into a Sublease Agreement with the Lessee (the "Sublease") pursuant to which the Corporation shall agree to make lease payments, which payments shall be subject to and dependent upon appropriations being made from time to time by the State Legislature; and;

WHEREAS, in order to provide for the issuance of the COPs, the Corporation shall assign its rights, title and interest in and to those portions of the contracts to The Lessor, pursuant to one or more assignment agreements (collectively, the "Assignment Agreements"); and

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

**ITEM 0712-83: SOUTH AMBOY STATION HIGH-LEVEL PLATFORM
CONTRACT 2: CONSTRUCTION CONTRACT AWARD AND
CONTRACT AMENDMENT FOR CONSTRUCTION ASSISTANCE
SERVICES**

BENEFITS

The construction of the new center island high-level platform at South Amboy Station is the next phase in a major improvement project that will transform the station into a modern, customer-friendly transportation hub providing customers with level boarding to North Jersey Coast Line trains. The high-level platform will also enhance service reliability as customers will be able to board trains more quickly. This project will make the station fully accessible for all customers in compliance with the Americans with Disabilities Act (ADA).

This project will complement other recent capital investments aimed at improving pedestrian and customer safety including the new pedestrian overpass, a new grade crossing at John T. O'Leary Boulevard, closure of the Augusta Street grade crossing and Contract 1-Catenary Foundations & Structures. The final phase of the project is the construction of an 800-space surface park-and-ride lot. South Amboy Station serves approximately 1,300 customers per day.

PURPOSE

This action will authorize both construction and construction assistance for a new 1050-foot long center island platform at South Amboy Station, one component in the phased project at this location.

The original procurement process for the consultant services contract included three tasks: Phase 1, Preliminary Engineering; Phase 2 – Final Design and Phase 3 – Construction Assistance. Phases 1 and 2 are complete and Phase 3 will provide construction assistance services to support construction of the high-level platforms. Construction assistance includes preparation of responses to bidder questions during the bid process, shop drawing and material submittal review and approval, response to design related questions and evaluation of requests for approval of alternative products and methods. The initial consultant services contract was awarded to Stantec (formerly Vollmer Associates) through a competitive procurement process for design services and construction assistance for Newark Division high-level platform projects. This will be the final authorization for consultant services under this contract.

ACTION (Justification: Customer Accessibility)

Staff seeks authorization to contract (No. 08-026X) with Hall Construction Company of Howell, New Jersey for the construction of a new center island platform at South Amboy Station on the North Jersey Coast Line at a cost not exceed \$20,747,000, plus five percent for contingencies, subject to the availability of funds.

Staff also seeks authorization to amend the existing professional services contract (No. 92CM0063) with Stantec (formerly Vollmer Associates) of New York, New York, for construction assistance services related to the construction contract in the amount of \$302,451, plus five percent for contingencies, for a total contract authorization of \$7,302,562, subject to the availability of funds.

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

FISCAL IMPACTS

Requested Authorization:

Construction Vendor	This Authorization	\$ 20,747,000	+ 5% contingency
Stantec	This Authorization	\$ 302,451	+ 5% contingency
	Total Authorization	\$ 7,302,562	

Total Project Cost: \$ 41,888,000

Projected Date of Completion: July 2009

Anticipated Source of Funds: Federal Transit Administration
Transportation Trust Fund

Diversity Goal:	Construction	25% DBE
	Construction Assistance	14% DBE

Future/Related Authorizations: None

Impacts on Subsequent Operating Budgets: \$13,000 per year

RESOLUTION

WHEREAS, NJ TRANSIT seeks to enhance the capacity, and accessibility of its facilities and services; and

WHEREAS, the center island high-level platform will enhance rail service accessibility for all customers at South Amboy Station; and

WHEREAS, upon completion of a competitive procurement process it was determined that Hall Construction Company was the lowest responsive, responsible bidder; and

WHEREAS, NJ TRANSIT previously selected Stantec (formerly Vollmer Associates), through a competitive procurement process for design services and construction assistance for Newark Division high-level platform projects;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to contract (No. 08-026X) with Hall Construction Company of Howell, New Jersey for the construction of a new center island platform at South Amboy Station on the North Jersey Coast Line at a cost not exceed \$20,747,000, plus five percent for contingencies, subject to the availability of funds; and

BE IT FURTHER RESOLVED that the Chairman or Executive Director is authorized to amend the existing professional services contract (No. 92CM0063) with Stantec (formerly Vollmer Associates) of New York, New York, for construction assistance services related to the construction contract in the amount of \$302,451, plus five percent for contingencies, for a total contract authorization of \$7,302,562, subject to the availability of funds.

ITEM 0712-84: ACCESS LINK COMPUTER HARDWARE/SOFTWARE SUPPORT

BENEFITS

The procurement of hardware, software and network infrastructure will ensure that NJ TRANSIT will be able to deliver Access Link services in compliance with the Americans with Disabilities Act (ADA) in a reliable and efficient manner.

PURPOSE

NJ TRANSIT is required to provide paratransit service for people with disabilities which prevent them from using a route local bus. Access Link is a curb-to-curb, shared-ride system provided statewide. Access Link paratransit staff schedules over 3,200 trips a day. Each day of service is unique and requires up to 275 custom routes to be scheduled. Trips must be scheduled efficiently in order to contain costs, but all requirements of the ADA must also be met. These include providing service as soon as the next day, accepting and delivering every trip requested with no service limits, and providing all trips within the service area.

The ADA Paratransit Computer System supports Access Link operations in the processing of requests for Access Link service, the Certification of new customers, taking reservation 365 days a year, scheduling & dispatching 3000 unique trips a day, monitoring the service delivery by contractors, tracking and managing complaints, storing complex levels of data and processing payments in accordance with contracts.

Data Center operations for the ADA Paratransit Computer System are maintained by NJ TRANSIT. This separate network connects ADA Services headquarters operations with six regional service provider locations.

In this three year program, current system technologies will be maintained that support the existing Access Link operations, keep up with growth in ADA ridership demand and provide for the development of new applications to support customer services.

This includes replacement of Mobile Data Computers (MDC's) which provide real-time vehicle location in all Access Link vehicles, and replacement of computer equipment for offices in Newark and in six regional garages.

The growth of the system requires investments in upgraded database storage, as well as upgrades to the scheduling and dispatching software. Business continuity requirements also require installation of a backup storage and recovery system.

To provide better customer service, an automated interactive voice response telephone system and a web-enabled internet system to handle customer transactions will be implemented.

The hardware and software vendors required to support these basic operations are

currently in place providing these services, and were competitively selected as part of the implementation of Access Link services. To maintain these operational systems, a procurement-by-exception is required to procure these materials and services in accordance with NJ TRANSIT Procurement Regulations N.J.A.C. 16-72-1.6 and Executive Order No. 37.

ACTION (Justification: Continued ADA Compliance)

Staff seeks authorization to enter into a procurement-by-exception to procure computer hardware from DELL, SUN and HP; and related software applications and services from Trapeze Software Group, Oracle, Mentor Engineering, Ontira Commuications, Altura, SUN, Atlanticom and other minor suppliers to update, operate and maintain NJ TRANSIT's ADA Paratransit Computer System at a total cost not to exceed \$5,660,000 plus five percent for contingencies for the next four fiscal years.

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

FISCAL IMPACTS

Requested Authorization:	Not to exceed \$5,660,000 + 5% contingency
Projected Date of Completion:	December 2010
Anticipated Source of Funds:	FY08, FY09, FY10, FY11 Capital & Operating Funds
Diversity Goal:	Race Neutral
Future/Related Authorization:	N/A
Impacts of Subsequent Operating Budgets:	FY 08 - \$ 0 FY 09 - \$ 0 FY 10 - \$ 90,000 FY 11 - \$ 90,000

RESOLUTION

WHEREAS, Access Link paratransit service requires advanced computer technologies to operate efficiently and maintain compliance with the ADA; and

WHEREAS, these technologies continue to develop and evolve as computers and networks which support NJ TRANSIT's system applications continue to evolve; and

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

WHEREAS, the proposed vendors are the vendors used as a standard to maintain uniform support and maintenance of existing hardware and software systems currently in place and providing these services; it is required to procure by exception these materials and services in accordance with NJ TRANSIT Procurement Regulations N.J.A.C. 16-72-1.6 and Executive Order No. 37.

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to enter into a procurement-by-exception for ADA Services Access Link, during fiscal years 2008, 2009, 2010 and 2011 computer hardware from DELL, SUN and HP; and related applications and services from Trapeze Software Group, Oracle, Mentor Engineering, Ontira Communications, Altura, Atlanticom and other minor suppliers for a total contract amount not to exceed \$5,660,000 plus five percent for contingencies, subject to the availability of funds.

ITEM 0712-85: REAL ESTATE AND ECONOMIC DEVELOPMENT: TASK ORDER CONTRACTS

BENEFITS

NJ TRANSIT generates significant non-farebox revenue from leases, permits, licenses and property sales while also supporting Smart Growth and Transit-Oriented Development projects to increase mass transit utilization. For high value, complex, and market sensitive real estate matters, the Real Estate & Economic Development Department periodically requires the assistance of professional service firms with special expertise in the areas of real estate market analysis, development planning, leasing, licensing, property management, appraisal and evaluation services and financial analysis. The engagement of Real Estate & Economic Development Consultants (RDC's) on a Task Order basis will maximize NJ TRANSIT's ability to successfully leverage real estate assets to generate revenue and support critical projects.

PURPOSE

NJ TRANSIT is involved in numerous projects throughout the State of New Jersey that focus on development around existing transit centers in accordance with the principles of Smart Growth and Transit-Oriented Development. Also, NJ TRANSIT is regularly a party to major transactions and agreements for the lease, purchase and sale of high value real estate assets. Lastly, with the goal of maximizing the value of its real estate assets, there are opportunities for NJ TRANSIT to enter into management and financing agreements with private sector partners to significantly enhance revenue. As such, and given the fact that residential, commercial and retail real estate markets change rapidly, the RDC's bring a wealth of knowledge and expertise on current conditions, emerging trends and forecasts, and a deep understanding of complex financial arrangements and transactions that will economically benefit NJ TRANSIT.

Staff will engage the services of the RDC's for specific revenue enhancement projects, using the same procedures currently used by Capital Planning & Programming for Engineering Task Order Contracts. The maximum contract value that will be permitted over the three-year term for any single RDC is \$500,000. However, the combined expenditure for all RDC's will be limited to \$1.5 million. The RDC contracts will be funded in part from increased operating revenue generated by the enhancement projects.

ACTION (Justification: Business Efficiencies/Project Dependent)

Staff seeks authorization to enter into RDC Task Order Contracts with each of the following five firms: Jones Lange LaSalle (No. 07-108A), Economics Research Associates (No. 07-108B), Basile Baumann Prost Cole & Associates (No. 07-108C), Doherty Associates (No. 07-108D), and HR&A Advisors (No. 07-108E). Cumulative contracts for any RDC during the three-year period ending December 31, 2010, will not exceed \$500,000 and the total authorization during the three year period shall not exceed \$1,500,000.

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

FISCAL IMPACTS

Requested Authorization:	\$1,500,000 (3 Years)
Total Project Cost:	\$1,500,000
Projected Date of Completion:	December 2010
Anticipated Source of Funds:	Operating Budget
Diversity Goal:	25% SBE
Related/Future Authorizations:	None
Impacts on Subsequent Operating Budget:	Increased leasing and development revenue

RESOLUTION

WHEREAS, NJ TRANSIT is involved in numerous projects throughout the State of New Jersey that focus on development around existing transit centers in accordance with the principles of Smart Growth and Transit-Oriented Development; and

WHEREAS, NJ TRANSIT is regularly a party to major transactions and agreements for the lease, purchase and sale of high value real estate assets; and

WHEREAS, with the goal of maximizing the value of its real estate assets, there are opportunities for NJ TRANSIT to enter into management and financing agreements with private sector partners to significantly enhance revenue; and

WHEREAS, residential and commercial real estate markets change rapidly, and the assistance of specialized firms will increase the likelihood of NJ TRANSIT successfully leveraging its real estate assets to generate revenue and advance critical projects;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to enter into RDC Task Order Contracts with each of the following five firms: Jones Lange LaSalle, Economics Research Associates, Basile Baumann Prost Cole & Associates, Doherty Associates, and HR&A Advisors. Cumulative contracts for any RDC during the three-year period ending December 31, 2010, will not exceed \$500,000 and the total authorization during the three year period shall not exceed \$1,500,000.

ITEM 0712-86: SALE OF COMMUNIPAW AVENUE PROPERTY, JERSEY CITY

BENEFITS

Sale of approximately 1.1 acres of vacant land ("Property") in Jersey City along the Hudson Bergen Light Rail ("HBLR") right of way west of Communipaw Avenue and the Liberty State Park park-and-ride facility to MVP2 Enterprises, LLC, 39 East Main Street, Little Falls, NJ 07424, for \$6,050,000 will relieve NJ TRANSIT of the cost of maintaining and policing excess vacant land, and, after development of the site, will generate new farebox revenue from residents who will use the Liberty State Park light rail station.

PURPOSE

NJ TRANSIT bought the Property with federal assistance in 1996 and 1997 as part of acquiring rights of way for the HBLR. NJ TRANSIT used the Property for construction staging. NJ TRANSIT determined that the Property had no further transportation purpose and declared it excess property. NJ TRANSIT obtained an appraisal and offered the Property for sale by competitive bidding for a minimum bid amount of \$5.4 million. NJ TRANSIT received one bid, for \$6,050,000, from MVP2 Enterprises. NJ TRANSIT is seeking authorization from the Federal Transit Administration ("FTA") to sell the Property to MVP2 Enterprises, LLC for that amount minus any validated and NJ TRANSIT-approved costs to remediate the property. A portion of the sale proceeds will be applied to NJ TRANSIT's capital program.

ACTION (Justification: Business Efficiencies)

Staff seeks authorization for the Chairman and Executive Director, upon Federal Transit Administration approval, to take all necessary actions to sell NJ TRANSIT's Communipaw Avenue property (Jersey City Tax Block 2047, Lots 24.D and 25.D and part of Block 2044.3), consisting of approximately 48,395 square feet (approximately 1.1 acres) of vacant land, to MVP2 Enterprises, LLC, of 39 East Main Street, Little Falls, New Jersey 07424 for \$6,050,000, less any validated and NJ TRANSIT-approved costs to remediate the Property.

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

FISCAL IMPACTS

Requested Authorization: Sell NJ TRANSIT's Communipaw Avenue property under terms and conditions summarized above.

Total Project Cost: N/A

Projected Date of Completion: June, 2008 (estimated closing date)

Anticipated Source of Funds: N/A

Diversity Goal: N/A

Related/Future Authorizations: N/A

**Impacts on Subsequent
Operating Budgets:** Relief from maintenance and policing costs.

RESOLUTION

WHEREAS, NJ TRANSIT purchased approximately 48,395 square feet (approximately 1.1 acres) of vacant land in Jersey City adjacent to Communipaw Avenue, also known as Tax Block 2047, Lots 24.D and 25.D and part of Block 2044.3 (the "Property") with federal assistance for staging construction of the Hudson Bergen Light Rail Line ("HBLR"); and

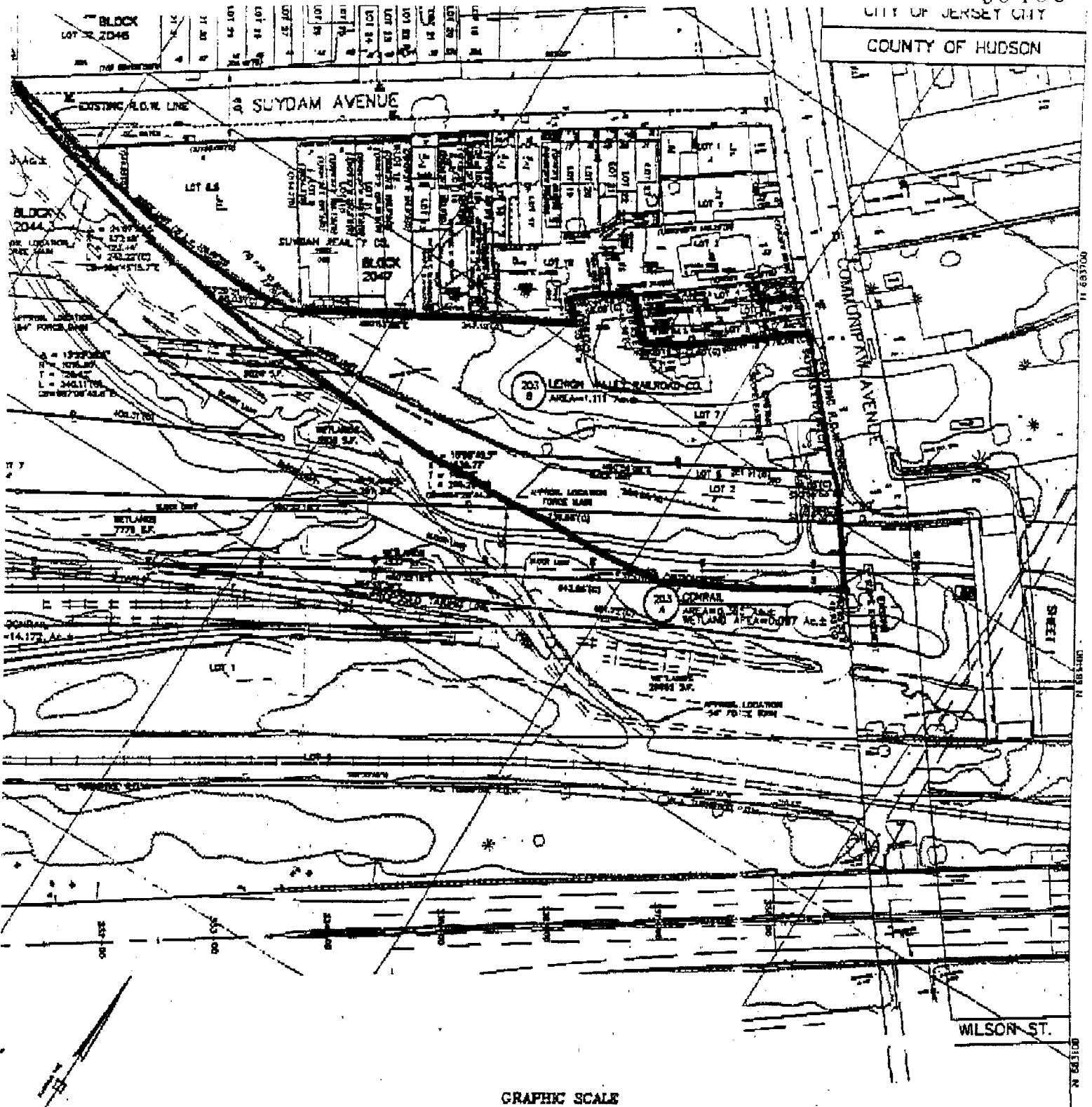
WHEREAS, NJ TRANSIT had no further use for the Property upon completion of the portion of the HBLR adjacent to the Property in 2000, and

WHEREAS, NJ TRANSIT seeks to maximize the value of excess real estate and reduce overhead costs by offering such assets for sale, and

WHEREAS, MVP2 Enterprises, LLC, responded to NJ TRANSIT's request for competitive bids by offering \$6,050,000 for the Property, and

WHEREAS, NJ TRANSIT is seeking authorization from the Federal Transit Administration to sell the Property to MVP2 Enterprises;

NOW, THEREFORE, BE IT RESOLVED, that the Chairman and Executive Director are authorized, upon Federal Transit Administration approval, to take all necessary actions to sell NJ TRANSIT's Communipaw Avenue property (Jersey City Tax Block 2047, Lots 24.D and 25.D and part of Block 2044.3), consisting of approximately 48,395 square feet (approximately 1.1 acres) of vacant land, to MVP2 Enterprises, LLC, of 39 East Main Street, Little Falls, New Jersey 07424, for \$6,050,000, less any valid and NJ TRANSIT-approved costs to remediate the Property.



GRAPHIC SCALE



(IN FEET)
1 inch = 100 ft.

Exhibit A Parcel Map

NEW JERSEY TRANSIT CORPORATION

GENERAL PROPERTY PARCEL MAP

Gateway Transit Hub

Gateway-Area Phase 1

(Cad Yard Property)

Showing Parcel 13. Acquired to the "

CITY OF JERSEY CITY

COUNTY OF HUDSON

SCALE: RIMMED

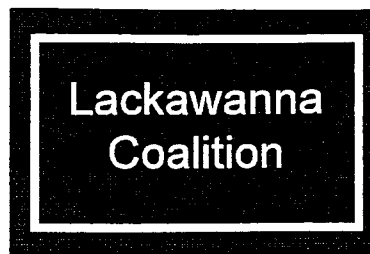
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P.O. Box 283
Millburn, NJ 07041



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Fall 2007

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advocating for better transit*

RAILGRAM

Alliance Forms to Defeat and Replace "T.H.E." Tunnel Project

By **PAUL BUBNY**

United by a common goal of defeating New Jersey Transit's current plans for adding capacity and improving the quality of service from New Jersey into New York, and replacing them with an alternative plan that truly accomplishes the goals of the Access to the Region's Core (ARC) project, four rail advocacy organizations have formed a bi-state alliance. They are the Lackawanna Coalition, the New Jersey Association of Railroad Passengers (NJ-ARP), NJ-ARP's sister organization the Empire State Passengers Association (ESPA) and the Regional Rail Working Group (RRWG).

The alliance's purpose is to communicate to municipal governments and elected representatives: original ARC project goals; drawbacks and dangers of the current T.H.E. (Trans-Hudson Express) Tunnel project—including recent downgrades that were made without consulting rider advocates; failure of the current project to meet most of ARC's goals; and existence of an alternative that achieves ARC's goals. Outreach to the riding public is also planned.

"Under NJT's current plan, we will not get the East Side access via Grand Central Terminal that was part of the original ARC project, and we will be kicked out of Penn Station into a 175-foot-deep 'dead end dungeon' annex, so our current West Side access will be severely restricted," said David Peter Alan, Lackawanna Coalition chair and spearhead of the alliance. "Therefore, we must oppose this project in its entirety."

The groups comprising the alliance are not opposed to the idea of improved rail capacity into Manhattan—a goal of both the original ARC plan and the current T.H.E. Tunnel project. Rather, they're asking NJT to return to a project "that NJT had advocated from 1995 until 2003," when bi-state political support for the ARC project alternative that connected New York Penn Station and Grand Central Terminal fell through.

Support for this initiative has come from rail advocates as far away as Chicago and Los Angeles. The National Association of Railroad Passenger's executive committee has voted in support of the alliance's position. There has also been media coverage

Report From The Chair

By **DAVID PETER ALAN**, Chair

A historic event in the annals of rail advocacy occurred on Saturday, August 25. On that day, representatives of

the Lackawanna Coalition, the New Jersey Association of Railroad Passengers, the Empire State Passengers' Association and the Regional Rail Working Group met to form an alliance to fight for the interests of New Jersey's rail riders.

The issue is the current version of the "T.H.E. Tunnel" project, formerly known as "Access to the Region's Core." On June 25, New Jersey Transit announced changes in the project that have downgraded the prospects for future commuters so severely that the current version is unacceptable. NJT did not consult with any of the organizations which comprise our new alliance in any meaningful way, and senior management has informed us that the appropriate time to comment is the "official" comment period, as prescribed under the rules of the Federal Transit Administration. NJT has requested a grant from the FTA to help pay for the project.

We strongly disagree. Our colleagues represent rail riders on both sides of the Hudson River, and the Lackawanna Coalition goes a step further. Our principal members are the towns and counties where our commuters and other riders live. This "official" status alone should give us a seat at the table, but every effort to negotiate with NJT management has been rebuffed. We have always been proud of the dialog that we have maintained with NJT management over the years. We wish this dialog to continue, and we expect that it will. However, we must strongly disagree with NJT's position on the issue of the proposed new tunnel and "deep cavern" terminal far below 34th Street in Manhattan. We have no personal animosity whatsoever with anyone at NJT, but we must support the interests of our riders by objecting to the plan that NJT now supports. Instead, we call for NJT to return to the original ARC proposal, which management promoted from 1995 to 2003. That plan called for M&E and Montclair-Boonton Line riders to have access to Grand Central Terminal, in addition to the existing Penn Station. The current plan calls for neither. As we have stated before, the current plan is overly expensive, it actually curtails transit mobility for our riders, and it is unsafe and inconvenient.

We are thoroughly familiar with the rail advocacy movement, both national and local organizations around the nation. We know of no previous occasion when several coalitions have formed an alliance to campaign on an issue this way, to protect the interest of the riders. To this writer, this is the "Seneca Falls" of the rail advocacy movement. We have received offers of support from other rail advocates around the nation, and we are prepared to fight for you. We invite you to learn more on our website, www.lackawannacoalition.net. We also invite you to join our campaign, because the New York commute you save will definitely be your own.

HELP MAKE A DIFFERENCE!

Come to a Lackawanna Coalition meeting!

Fourth Monday of the month, 7:30 p.m., Millburn Town Hall.

Find out how you can get involved!

NJT Capital Projects: An Update

By **GARY R. KAZIN**

1. T.H.E. Tunnel/Access to the Region's Core

In a project much changed from its initial concept, NJT now plans to build two tunnels under the Hudson, a new six-track station in a deep cavern under 34th Street in Manhattan and a train storage yard in Kearny. Features missing from the project: a link across Manhattan to Grand Central Terminal, easy access to existing passenger facilities in Penn Station, and connecting tracks between the new tunnels and the existing terminal at Penn Station. As the project has changed, its utility to riders has decreased. M&E riders could find their trains rerouted to the new station, with longer times required to reach the street and the trains.

2. PORTAL Bridge Capacity Enhancement Project

Amtrak's PORTAL drawbridge over the Hackensack River has been a maintenance problem for many years, as well as a bottleneck when the bridge opens for river traffic. This project will provide new bridges with higher clearance above the river, reducing the frequency of bridge openings. Added tracks will reduce delays between the SWIFT interlocking switch in the Hackensack Meadowlands and Secaucus station, connecting with the new Trans-Hudson Express (T.H.E.) Tunnel. However, the scope and cost of this project have mushroomed far beyond what was originally proposed.

3. SWIFT—Newark Improvements

NJT has not proposed a project to improve the railroad between SWIFT and Newark Penn Station, although it only has two tracks for most of this distance. It is, however, planning an "exclusive"—and expensive—eight-mile railroad to avoid having to share trackage into New York with Amtrak.

These three projects together will cost about \$10 billion.

4. Gladstone Branch Catenary Pole Replacement

NJT spent the summer of 2007 replacing catenary poles along the eastern portion of the Gladstone Branch, with trains replaced by buses. The work will continue next summer along the western portion of the line, replacing most of the wood poles with steel.

5. Morristown Line Concrete Ties

Over the summer, NJT replaced wood ties on the westbound track between Chatham and Dover with concrete ties. Working on weekends, regular service was maintained except for one weekend when service west of Morristown was reduced to alternate hours. Work continues between Chatham and Summit. Yet to do: the eastbound track.

6. Rail Cars and Locomotives

NJT is planning to replace the Arrow III electric multiple unit cars in the future. Specifications are being written to include Americans with Disabilities Act requirements, improved crash-worthiness safety improvements, and automatic dual-voltage capability.

Bilevel cars are arriving and being placed in service on the Northeast Corridor line.

NJT, in conjunction with the commuter transit agency serving Montreal, requested bids for a dual-mode locomotive capable drawing electric power from overhead catenary or operating as a diesel locomotive. This would allow trains to operate between New York and lines which are not electrified. No proposals were received and the due date was extended.

Coalition Website Launching Soon!

By **DAVID PETER ALAN**, Chair

You will soon be able to contact the Lackawanna Coalition online. We will soon be launching our web site, designed to keep you informed of developments that concern your rail service. Our site address will be www.lackawannacoalition.net.

We will present information about the Coalition, as well as an archive of the *Railgram* going back to the year 2000. In addition, we will have detailed statements and other information about issues that affect our riders and our communities. If you want more detail than space in the *Railgram* permits, go to the website.

We will also have links to New Jersey Transit and connecting rail service providers, including Amtrak. In addition, we will provide links to other local and national rail advocacy organizations.

The site was designed by Vincent Nascone, a senior at Seton Hall Preparatory School, who commutes to school from his home in Millburn. He plans to study electrical engineering and hopes to attend Stevens Institute of Technology in Hoboken.

At this writing, the site is almost ready for launch. We invite you to visit us online at www.lackawannacoalition.net and learn more about us.

Railgram

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Gary R. Kazin
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Weekend Service Coming to Pascack Valley: Is Montclair Next?

By **DAVID PETER ALAN**, Chair

New Jersey Transit has announced that off-peak weekday and weekend service is coming to the Pascack Valley Line, which operates from Hoboken to Spring Valley, New York through Bergen County. Trains will run approximately every 90 minutes, thanks to three new passing sidings built to accommodate off-peak trains. The line has run only during peak hours since 1939. Morris & Essex and Montclair-Boonton Line riders can connect with Pascack Valley Line trains at Hoboken, or from M&E Midtown Direct trains at Secaucus for a higher fare. The additional service will start with the schedule change coming on Oct. 28.

As of that time, only the Montclair-Boonton Line will have no service on weekends. An informed source at NJT has reported that weekend service as far as the Montclair State University station will begin when the Broad Street Station project is complete, sometime in 2008. Current plans call for Montclair trains to and from Hoboken, and M&E trains continuing to operate to and from Penn Station, New York. Trains in both directions will be scheduled to connect for a cross-platform connection at Broad Street Station in Newark.

RUN Schedules Dallas Conference

By **PAUL BUBNY**

The Rail Users' Network (RUN) has scheduled its 5th International Conference for Nov. 10-11 at the Hyatt Regency in Dallas, TX. "The focus will be on how citizen groups, politicians, railroads and others working together can make a difference in restoring, promoting and expanding rail passenger and rail transit service in this country," said Richard Rudolph, RUN chair.

Among the panels will be one moderated by David Peter Alan, chair of the Lackawanna Coalition, on advocating for new rail starts. There will also be tours of the Dallas-Fort Worth area's rail transit options. For more information, visit www.railusers.net or contact Richard Rudolph at (207) 642-5161.