

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

N TRANSIT
One Penn Plaza East
Newark, NJ 07105-2246
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December 18, 2012

Dear Governor Christie:

Pursuant to Chapter 150, Laws of 1979, I herein transmit the minutes of actions taken at the open session of the re-scheduled meetings of the New Jersey Transit Corporation, NJ Transit Rail Operations, Inc., NJ Transit Bus Operations, Inc., NJ Transit Mercer, Inc., and NJ Transit Morris, Inc., Board of Directors held on Thursday, December 13, 2012.

Sincerely,

Original Signed By

Joyce J. Zuczek
Acting Board Secretary

Enclosures

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

Minutes of the actions taken at the Open Session of the re-scheduled Board of Directors' meetings of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. held at NJ TRANSIT Headquarters, One Penn Plaza East, Newark, New Jersey on Thursday, December 13, 2012.

Present:

James S. Simpson, Chairman
Bruce M. Meisel, Vice Chairman
Regina M. Egea, Governor's Representative
Robert Romano, Treasurer's Representative
Myron P. Shevell, Board Member
Flora M. Castillo, Board Member (By Telephone)

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

Chairman Simpson convened the Open Session at 9:08 a.m. in accordance with the Open Public Meetings Act. Chairman Simpson welcomed Board Member Shevell to the meeting. He said Board Member Shevell has been attending the monthly board meetings via telephone but it is great to have him back in person and feeling better. Board Member Shevell said it was great to be back.

Chairman Simpson asked for a motion to adopt the minutes of the October 15, 2012 meetings. A motion was made by Vice Chairman Bruce M. Meisel, seconded by Board Member Myron P. Shevell and unanimously adopted.

Public Comments on Agenda Items and Other Matters

There were 16 public comments. Acting Board Secretary Zuczek announced the public comments would be limited to five minutes in order to give everyone an opportunity to be heard.

Neile Weissman of the New York Bicycle Organization, said he was there in solidarity with his New Jersey counterparts. Mr. Weissman said last month, global warming, rising sea levels and extreme weather events were abstractions relegated to a select bandwidth of the political spectrum. He said last week, the agency asked Washington

for \$1.2 billion in remediation and in enhancements. Mr. Weissman said post-Hurricane Sandy, Lower Manhattan lost power for four days, subways were out, buses were jammed, cabs queued for gas, and four hour commutes on the Long Island Railroad. Mr. Weissman said yet, swiftly moving down the Second Avenue bike paths to Brooklyn for the evening rush were hundreds of cyclists. The most seasoned commuters were suddenly absent a viable transport system.

Mr. Weissman said the requisite infrastructure preceded its need by a decade of relentless and methodical implementation. He said in that context, cyclists submit to NJ TRANSIT that the integration of human-powered is a necessary component of any disaster-hardened infrastructure. He said short term, that means strengthening the tether collector systems which funneled daily ridership that can also ramp up to replicate assets that are offline. Long term, the goal, if not the moral imperative, must be to induce people out of cars to the extent possible to replace travel by private motor vehicle with human powered and mass transit. In this context again, Mr. Weissman said the cyclists suggest four categories of improvements; bikes to trains, bikes in trains, bikes with trains and cyclo-tourism.

Mr. Weissman said with regard to bikes to trains, upgrade parking at the stations, including franchises for staff and full-service facilities awarded to local bike shops and interested community groups. Increase funding for the "Safe Streets to Transit" to communities beyond the one-out-of-ten-who-apply.

With regard to bikes in trains, Mr. Weissman said if NJ TRANSIT implements vertical bike storage on its multilevel vehicles, thereby increasing per car capacity from 8 to as much as 28, capacity will boost for group excursions and create the options to narrow peak restrictions.

With regard to bikes with trains, a rail trail is a shared path built on the right-of-way of a former railroad. He said less common, but recognized by the American Association of Safety and Highway Traffic Officers, is a rail with trail built on the right-of-way of an active railroad. Typically, these are recreational facilities, but where right-of-way allows sufficient separation and in conjunction with on-road routing, rail with trail could service connectors to supplement per capacity and/or substitute for assets temporarily offline.

Cyclo-tourism is marketing that would boost local economies, build constituencies and mindshare and justify the expansion of weekend service to remote regions of the system.

Mr. Weissman noted that this past summer, he and dozens of cyclists conducted a series of rides that looped out of Denville. He said last week, taking advantage of the new bike aboard policy, the New York Cycling Club filed a first-time request to move 90 cyclists on one day from Denville for a ride this spring. Mr. Weissman said NJ TRANSIT has a great mix of assets, density of population, and a wealth of human capital ready to assist. NJ TRANSIT is the right idea at the right time.

Pat Reilly of the United Transportation Union (UTU) represents approximately 1,150 Conductors and Assistant Conductors, Mr. Reilly voiced his dissatisfaction with several reports that he read in the news media over the last few weeks criticizing the action of

NJ TRANSIT management in the wake of Hurricane Sandy. Mr. Reilly said he started on the railroad in Hoboken in 1971, over 41 years ago. He worked in several positions during his time, including an accident investigator for the National Transportation Safety Board and as an Inspector and Supervisor for the Federal Railroad Administration. He worked in and around the railroads of the New York Metropolitan Area his entire railroad career. He also worked in Kearny, New Jersey before NJ TRANSIT built the shop. Mr. Reilly said at no time in his career did he see the magnitude of flooding that occurred during Hurricane Sandy. It was the worst flooding in the history of the Hoboken Terminal, and this was the first ever flooding of such magnitude at the Meadows Maintenance Complex.

Mr. Reilly said many of the employees that were on duty lost their vehicles because the water rose so quickly. They could not take action to move their vehicles, although many Monday morning quarterbacks now say NJ TRANSIT should have relocated its rolling stock to prevent damage. Again he said, this area never flooded before. The majority of the equipment was there because it had mechanical defects. Some of the equipment would take hours before it could be moved. The equipment would also require inspections prior to the movement and the majority of the equipment could not be moved out of the shop due to the current Federal regulations. He said it is easy for someone to say that the equipment should have been moved, but they do not understand all of the detail that is involved in movement of trains. Mr. Reilly did not hear one accolade for the preparations NJ TRANSIT took before the storm. Mr. Reilly believes that Executive Director Weinstein and his staff did a fine job prior to, during and after the storm. Mr. Reilly said he is retiring in two weeks and his comments are from the heart. He said the news media berated NJ TRANSIT and as a railroader and as an official, he said that Executive Director Weinstein is one of the top people that he has worked with and the news media does not understand the circumstances.

Orrin Getz said he lives in Rockland County near the Pascack Valley Line. The Ronkonkoma Branch of the Long Island Railroad is a single track branch with grade crossings and passing siding. He also said NJ TRANSIT's Pascack Valley Line is a single track line with grade crossings and passing sidings. The Ronkonkoma Branch is much longer than the Pascack Valley Line and runs electric trains on third rail power. Hurricane Sandy hit Long Island much harder than the Pascack Valley Line with stronger winds, much more rain and flooding. Also, the storm did more damage on Long Island with high winds and heavy snows than it did in the Pascack Valley. Long Island Power Authority still had more customers without power. Ten days after, Orange & Rockland Utilities were able to restore power to 99 percent of its customers. With all of that, service was restored on the Ronkonkoma Branch ten days before any power service was restored on the Pascack Valley Line.

Mr. Getz said now full service has been restored on all branches of the Long Island Railroad including the Ronkonkoma Branch, but full service is yet to be restored on the Pascack Valley Line. Only ten train sets are required to operate the Pascack Valley Line service, but NJ TRANSIT still cannot get enough equipment to provide that service. Mr. Getz said he had to drive into New York City because NJ TRANSIT had not restored the train service. Mr. Getz said it is a very bad situation and he needs to know when full service will be restored, not only on the Pascack Valley Line, but the Bergen County Line and Port Jervis Lines as well. The three hour schedule gaps are

unacceptable. He said not only are NJ TRANSIT's cars and locomotives damaged by the flooding from Hurricane Sandy, but also seven Metro-North locomotives and six Metro-North cars were also damaged in the flooding.

Mr. Getz requested that NJ TRANSIT provide information about the damaged Metro-North locomotives and cars and he intends to bring this matter to the attention of the MTA Metro-North Committee at its next meeting. Mr. Getz said NJ TRANSIT has yet to provide a complete status of all of its cars and locomotives, the status includes all of its equipment in its active rail fleet, such as the Comet IIs, Comet IVs, Comet Vs, Arrow IIs, multilevel coaches and the ALP44 locomotives. NJ TRANSIT's management has stated that 100 percent of its damage on cars and locomotives is covered by insurance. Since most insurance companies have deductible discounts, it is necessary to know exactly how much will be received from the insurance carriers and how much NJ TRANSIT will actually have to pay to repair its damaged cars and locomotives. In 1991, a storm flooded Hoboken Terminal and the entire east end interlocking system with all the tracks and switches. With the storm of Hurricane Sandy predicted to be much higher than the previous storm, Mr. Getz cannot understand why NJ TRANSIT would have stored its cars and locomotives in the Hudson Hoboken Rail Yards and expect it to be safe from flooding. The Long Island Railroad has extensive repair facilities on its Hillside Maintenance Facilities. In 1996, the Long Island Railroad rebuilt 142 traction motors for Metro-North that were damaged in a winter storm. Metro-North operates a fleet of Bombardier coaches on the Hudson and New Haven Lines similar to what NJ TRANSIT operates on its lines. Mr. Getz cannot understand why NJ TRANSIT has not reached out to the MTA to help repair its cars and locomotives that were damaged by Hurricane Sandy. Mr. Getz said the MTA did a much better job than NJ TRANSIT in the timely restoration of service following Hurricane Sandy. The MTA Chairman Joseph Lhota was out in front of the public explaining what was going on and what was being done to restore the service. Mr. Getz said unfortunately he did not hear much from Chairman Simpson on this matter and did not remember him ever having a news conference and that was a big difference of the quality of what the MTA did versus NJ TRANSIT.

Kathryn Murray, customer, asked have you ever been given a ride and been dropped off at a location you have never been before? Have you felt completely lost? Ms. Murray said it is very disorienting and this is often the experience of NJ TRANSIT customers. She asked how many of you have the entire NJ TRANSIT system memorized? Many customers do not have this information. Ms. Murray said communication is key and a large amount of information has to be communicated quickly. She said she has never found a comprehensive detailed map of the NJ TRANSIT system available to the public. Ms. Murray requested that NJ TRANSIT create a detailed system-wide map to make NJ TRANSIT more customer-friendly. A comprehensive detailed map should show all bus, light rail and train stops with local and express stops and all local streets so a customer knows where to stand and wait for a bus, which stop is closest to their destination and connecting routes and where they are when they get off the bus, train or light rail. On bus trips, a detailed map with local streets would help a customer to know where they are and when to signal for a stop without having to bother the bus driver. A comprehensive detailed map would also help customers know where to wait for a bus for their return trip. She said waiting for a bus in the cold rain and watching it pass by because a person is in the wrong spot is

frustrating to customers. A good map could make the customer experience much better. It would also help customers know where they are in relation to where they are trying to go and also help find connecting routes more easily and provide an overview of the NJ TRANSIT system. Ms. Murray said a map would allow a customer to plan their own trip in one step where the trip planner currently takes over nine steps to complete.

She said a map online would allow instant communication of outages and work-arounds during Hurricane Sandy in a much clearer way than it was handled. The routes that were out of service could have been shown in red on the map and work-around routes could have been shown in blue. Ms. Murray said please keep in mind those customers who cannot afford to own a car or smartphone and they would appreciate the map. She said once it is created, print versions should be made available to customers and NJ TRANSIT would spend less time and money explaining the same information over and over. She said there would be a more satisfied customer base.

Jerry Foster is a bicycle and walking advocate in West Windsor and commented on the resilient transportation infrastructure. Mr. Foster said during Hurricane Sandy when the power went down and when the trees covered the roads, people were biking and walking to get around. When the power remained down and the gas pumps stopped working, people were biking and walking to get around. Biking and walking is a key part of a resilient transportation infrastructure and biking and walking to transit can be an even more key part of getting people around New Jersey more quickly. It can also provide a competitive advantage over having to pay for so many cars. According to AAA, there could be \$8,000 per year per car savings. Mr. Foster said everyone appreciates smaller government and less taxes, but no one thinks about lowering taxes by \$8,000 a year. If people avoid buying that second, third, or fourth car, there could be a tremendous amount of savings and New Jersey would be a great place to live and work. It could also provide a competitive advantage over the other States in terms of attracting jobs and people. Biking and walking has increased in West Windsor. The West Windsor Bicycle and Pedestrian Alliance count the number of people biking and walking around the Princeton Junction train station. This year, there are 18 percent more people biking and walking between the hours of 5:00 pm to 7:00 pm. There were 355 people so that is 355 less cars on the road, less congestion, and less pollution.

Mr. Foster asked how do you support biking and walking in transit and he said the answer is sidewalk connections. He said generally sidewalks are a municipal responsibility. He said sheltered bike racks are one way to improve biking at transit stops and another is more capacity to carry bikes on trains. Mr. Foster suggested a hanging bike rack so only one seat would have to be flipped up. Mr. Foster also suggested that if there were 90 cyclists taking the train, NJ TRANSIT could create one car that holds just bikes. He said other transit systems in California have done this. He said a transit system between Oakland and San Francisco actually have built a trailer that is hauled by a pick-up truck back and forth between Oakland and San Francisco because they do not allow bikes on bridges. Mr. Foster suggested the buses could have the trailers that carry all of the bikes.

Mr. Foster said if NJ TRANSIT is looking for ways to be more resilient, new ways to support people biking and walking and less congestion and less pollution, they should look to improve bikes on trains.

James Raleigh commented that he is speaking as an individual, based on his personal experiences. Mr. Raleigh discussed three areas of concern: 1) communications regarding causes of flooding and recovery following Hurricane Sandy; 2) Passenger Rail Infrastructure and Improvement Act (PRIIA); and 3) Planning and building a better Northeast Corridor future in partnership with Amtrak. Mr. Raleigh said these remarks are intended to build on the Chairman's March 2012 meeting instructions to NJ TRANSIT staff and repeated at the October 2012 meeting, to determine the cost of bringing the Northeast Corridor up to the performance standards of the NJ TRANSIT-owned rail network.

Mr. Raleigh said he is particularly concerned about the need for NJ TRANSIT communications with Amtrak and The Port Authority of New York and New Jersey about the causes of flooding and recovery of the Amtrak tunnels and the PATH tunnels and stations at Hoboken and The World Trade Center, the only access NJ TRANSIT rail customers have to Manhattan. Mr. Raleigh provided the Board with graphics of the forecast and the actual Hurricane Sandy storm surge flooding that showed the vulnerability of the facilities.

Next, Mr. Raleigh said there are two ongoing parts of the Passenger Rail Infrastructure and Improvement Act that are more important since Hurricane Sandy: the Federal Railroad Administration's Northeast Corridor Future Study and the Northeast Corridor cost allocation planning. The Northeast Corridor Future Study team has been unwilling or unable to share New Jersey or New York States' municipal planning organization's input to the study. Mr. Raleigh, along with the other advocates, are concerned that the study team chooses alternatives for study that include "lessons learned" from Hurricane Sandy and their suggestions for improvements to Amtrak's Gateway plan that provide affordable New Jersey access to Grand Central Terminal, the coveted one-seat ride to the East Side. Mr. Raleigh said Section 212 requirements imply that the cost allocation of the Northeast Corridor operating/capital expenses will change in the near future, in the favor of Amtrak, resulting in higher costs to the States with regional operations on the Northeast Corridor. This may force a change in operations and NJ TRANSIT would benefit from a proactive effort to establish more Northeast Corridor control as Northeast Corridor costs rise.

Next, Mr. Raleigh said New Jersey needs to establish a true partnership with Amtrak, to improve the Northeast Corridor between Trenton and New York in a manner most beneficial to New Jersey rail riders and taxpayers. He said New Jersey has the most pressing need and the best resources to take the lead in building a new affordable Trans-Hudson tunnel to New York Penn Station, in strong partnership with Amtrak.

David Peter Alan, member of the Senior Citizen and Disabled Resident Transportation Assistance Program, appreciated the importance of the grants for senior citizens and people with disabilities. Mr. Alan, speaking on behalf of the Lackawanna Coalition, said at the last Board Meeting, the Multilevel Power car item was sent back to Committee even though it was a management initiative. Mr. Alan complimented the Board on that move and recognized it in his column in "Destination Freedom". Mr. Alan again complimented the Board on their independent thought.

On behalf of the Lackawanna Coalition, the riders and communities, Mr. Alan complimented the NJ TRANSIT employees who worked tirelessly to repair the damage caused by Hurricane Sandy and recognized it must have been difficult for many of them. However, Mr. Alan addressed NJ TRANSIT's performance in light of the storm. Mr. Alan's constituents ride the Morris & Essex, Montclair-Boonton and Gladstone Lines. He said they went without any rail service at all for at least two weeks and some had to endure a total shutdown for five weeks. Service is not back to pre-Hurricane Sandy levels on any of the primary lines of concern. The Coalition is deeply concerned about the reduced level of service since the storm, the difficulty in getting any relevant information from NJ TRANSIT and the failure to remove essential rolling stock from the Hoboken and Meadowlands Yards, which resulted in flood damage to much of it.

Mr. Alan understands what can happen in an emergency, but New York City was hit by the same storm and most of the service on the subways, Metro-North and the Long Island Railroad were running again within one week. On NJ TRANSIT Rail, the same could only be said of the Atlantic City Rail Line. The Morris & Essex Line was out of service for two weeks and the Montclair-Boonton Line for slightly longer. It was an especially hard time for transit-dependent riders, since many of the "emergency" buses left from locations with no transit or which were not near their stations.

For Gladstone Branch riders, the situation was much worse. They had no trains at all for five weeks and they still have much less service than they had at any time since 1984. Although NJ TRANSIT mentioned the lack of electrical power on the line, there were no diesel trains until last week. Substitute bus service did not run outside of peak commuting hours or duplicate the line's stops, even though there has always been parallel service during a planned rail service outage. The structure was in place; all that was needed were a few buses.

Mr. Alan said unfortunately, almost no information was provided about why service was not running, problems with restoring it, or when it would be back. Essentially everything he knew about storm damage to the railroad had to be gleaned from the media or other third-party sources. Mr. Alan said this is unacceptable under any circumstances. Despite its status as a public representative of counties and towns, the Lackawanna Coalition was told nothing more than the general public. He said a person with no line authority told him that he would not be given any information that had not been released to the general public, even though the Lackawanna Coalition is the official representative of the counties and municipalities on their lines.

Mr. Alan said the public was not told much either. For several weeks the automated phone system gave erroneous information, while old, pre-storm schedules were still posted at stations and kept in schedule racks. There were no storm-recovery schedules posted, except at Summit and only after Lackawanna Coalition member John Bobsin complained. Much of the available information was actually misleading. This level of indifference to riders is intolerable although not surprising. Mr. Alan said NJ TRANSIT has become more secretive and less transparent in recent months than it was before. Under these conditions, it is no surprise that NJ TRANSIT management was not forthcoming with information that riders and their representatives should have had.

Mr. Alan said one of management's worst actions was leaving valuable rolling stock in Hoboken and Meadowlands Yards, which flooded. Mr. Alan said the National Weather Service maps which were available on Sunday, October 28, 2012, more than 36 hours before Hurricane Sandy made landfall, which predicted that both yards would flood. New York's MTA had comparable information and emptied Coney Island, Far Rockaway, Long Beach and other low-lying yards, which saved essentially all of its equipment. Mr. Alan does not accept a defense that these places did not flood before. There is a first time for everything and NJ TRANSIT senior management should have recognized that risk and moved the equipment to safety. Mr. Alan said the riders are still suffering due to this lack of equipment. Peak hour service is reduced, especially to and from Hoboken. Off-peak service is sharply reduced, especially on the Gladstone Line. Mr. Alan said this is not acceptable and needs to know when full levels of service will be restored.

Gary Kazin, Lackawanna Coalition, quoted a familiar line "What we have here is failure to communicate". Mr. Kazin said NJ TRANSIT could not even do a good job of showing how mushrooms are grown because they kept the customers in the dark after Hurricane Sandy, but gave the customers nothing. Mr. Kazin said no notices have been posted at stations. When service was suspended, no notices were posted to tell people trains were not running. When service resumed, no interim schedules were posted at stations. Even today, no notices indicate trains are not going to Hoboken Terminal nor are there any about PATH problems.

Mr. Kazin said no official estimates were published to tell when the Morristown Line service would resume until temporary schedules were posted late on a Sunday evening, effective Monday, about eight hours before the first train. He said surely management had an idea earlier that it just might happen and a press release could have been issued a few days or a week earlier. Mr. Kazin said customers would have been happier if they were told "we are making progress in clearing trees and restoring catenary between Morristown and Denville and hope to resume service next Monday". He said the same thing happened on the Gladstone Branch. The website continued to show a message that service was suspended until further notice, even on Sunday after it had been announced Friday that service would resume Monday.

Mr. Kazin said not everyone has a cell phone or computer access so those media do not reach a significant portion of NJ TRANSIT's riders. News 12 does not report in Spanish. Mr. Kazin met two men at Morris Plains who did not understand the "no service" message that was on the phone service and the system gave them schedule information for trains that are not running. There were no signs at the station.

Mr. Kazin said notices posted at the stations are a sure way to get the word out. At Morristown and Boonton Line stations, there is still no indication that most Hoboken trains are not running and none of them run between Summit and Dover. The Boonton Line is at about 40 percent, Gladstone Line at about 50 percent - - 90 percent between them.

Mr. Kazin said maybe it is time to tell the public how many rail cars and locomotives were damaged, to what degree and when NJ TRANSIT thinks when they might be fixed so normal schedules can resume. He also said maybe it is time to tell the public when

through service to Hoboken Terminal might resume and maybe that can be done in more than a day before it happens.

Mr. Kazin said he would not hold it against NJ TRANSIT if the estimates are off, but they do resent not being told anything. Mr. Kazin said NJ TRANSIT continues to fail Communications 101.

Donald Winship, Resident of Mount Tabor on the Morristown Line, is a public transit dependent student at the New Jersey Institute of Technology and he is Webmaster at the Lackawanna Coalition. Mr. Winship discussed a number of issues. First, concerning the current schedule, it is difficult to get here. He said train 872, the 7:26 am departure from Mount Tabor is not running and the next train, 20 minutes later, did not stop at the station. Mr. Winship cannot understand why that is the case. Mr. Winship said by not running that heavily used train affects morning peak hour service.

Mr. Winship said after Hurricane Sandy, it took about two weeks for the Morris & Essex Line to resume and it took about one week for the New Jersey Institute of Technology to get back in service. During that week, he used buses to get there. Mr. Winship has no problem with the buses not stopping in the immediate vicinity of Mount Tabor, at least the buses that can get him to Newark. The problem is that the connectivity is terrible, at least in terms of time. The connection, between the 880 and the 872 buses, which was necessary to get to Newark, was 30 minutes. On the weekend, it was an hour. He said that connectivity is vital in circumstances such as Hurricane Sandy's recovery and he respectfully submits that those buses need to connect better to each other and to any buses that go significant distances from their end points, such as the 29 and 79 from Parsippany and the 28 and 11 from Willowbrook. Mr. Winship found another opportunity to get to those buses and that was using Lakeland, a private bus carrier.

Mr. Winship said initially during the immediate recovery, NJ TRANSIT was cross-honoring with Lakeland and it was clearly stated that private carrier buses were cross-honoring. However, as time went on that was not clearly stated and when he asked whether Lakeland was still cross-honoring, he was directed to call Lakeland. He said NJ TRANSIT should know this information. In addition, Mr. Winship has some issues with the way cross-honoring was implemented by Lakeland. He did not know how much of the cross-honoring was following the official policy, but he said it needs to be fixed and the policy needs to be fixed. The policy they were enforcing was that if you boarded anywhere near a station stop, they will cross-honor. But if you were boarding at another location, they would not cross honor. The net result of that was when he was going from Denville he was able to have his pass cross-honored. His return trip was boarding at Parsippany-Beverwyck Road, not near a train station, and he was not allowed to cross-honor his pass. Instead, he had to pay Lakeland's fare. Again, Mr. Winship said the policy needs to be reviewed because it needs to take into account circumstances that provide the ability to get from one train station to another that involves midpoints that are not train stations.

Steve Thorpe commented on an article in a railroad publication. He read that Metra in Chicago was providing outlets for electronic devices on commuter trains. He said it is interesting because he knows Amtrak provides this service. Mr. Thorpe asked in the

future, when considering purchasing equipment, that it might be something to look at because many people carry smartphones and electronics.

Mr. Thorpe commented on Hurricane Sandy and said as the union official previously said hindsight is 20/20. There are a lot of Monday morning quarterbacks and given the circumstances, he believes NJ TRANSIT did an excellent job of preparing for the storm. He was coming back from Pennsylvania by Amtrak on Sunday night before the storm, and he saw some of those preparations taking place.

Mr. Thorpe said as he boarded a train in Trenton he heard equipment would be moved but no matter where you put the equipment, there still could be damage. He said there were a lot of trees damaged, and he doesn't think there were any safe places in the State of New Jersey to put the equipment. Mr. Thorpe commended NJ TRANSIT and its staff for doing the best job they could. He said perhaps in hindsight and in looking ahead, that may not be the best place to keep things in the future.

Mr. Thorpe also commended NJ TRANSIT for restoring service. It is not all back yet, it is still a little short on the Raritan Valley Line but it is slowly coming back. Regarding Communication, Mr. Thorpe said there was a lot of information on the internet and he is an active user of the internet. The schedules post-Hurricane Sandy are on the internet, although they may not be available at the stations, they are on the internet. Mr. Thorpe thinks the Communications, at least via the internet, have been very good.

Jon Carnegie, Executive Director of the Voorhees Transportation Center at Rutgers University said he is also Project Director for an initiative called Together North Jersey and was speaking on behalf of Board Item 1212-62, Capital Planning and Programs Task Order Consultant Contracts: Amendment to 2009 Program. Mr. Carnegie said Together North Jersey is a partnership of jurisdictions, organizations, and agencies that have all signed Memorandum of Understanding to work together to develop an original plan for strategic and resilient economic and community development in 13 counties in North Jersey.

Mr. Carnegie said the initiative has gained a lot of momentum recently as they advance the planning process towards developing that plan. He said NJ TRANSIT is a strategic and important partner there, as well as the Christie Administration through the Lieutenant Governor's Office, and many other states agencies that are playing a significant role in the project in terms of leadership, as well as bringing resources to the table.

Mr. Carnegie told the Board that their support for the item will help them maintain the momentum they have gained in recent months. He said they are developing what is intended to be a very specific and actionable strategic plan for the Region that will, in the end, hopefully provide a road map of regional priorities that can help to bring funding resources and other resources to the region to support sustainable resilient community development as they move forward.

Mr. Carnegie said since Hurricane Sandy, they have been coordinating very closely with the U.S. Department of Housing and Urban Development, who is providing the grant funding for the initiative, and other partners to adjust their schedules to support the

recovery and rebuilding efforts. He said the consultant contract will help them ensure that Together North Jersey effectively supports the participating counties and cities as they plan for a more resilient future and protect the community resources against future disasters.

Joseph Clift first commented on the board package for the meeting. He said the two bus items do not have justifications and he did not see the age of the fleet being replaced. Mr. Clift said he understands that the Governor has already told all departments to look at cuts to cover Hurricane Sandy costs and Mr. Clift would think one would want to know that the buses being replaced are at the end of their useful life, not their accounting useful life.

Mr. Clift said it would be sad to have to cut the \$2 million for paratransit after it was increased. He said he doesn't know what the base service is and how this affects it but he wonders, in the midst of trying to recover from Sandy, if increasing budgets at this point is a wise thing to do.

Mr. Clift said the top half of his handout is a bibliography prepared by Bob Scheurle, a fellow rail advocate, and it is a very good list of flooding forecasts all the way back to the slosh maps that were prepared for a Category One Hurricane. Mr. Clift thinks this list shows very clearly that Sunday morning, 36 plus hours before Sandy hit, that everybody was saying this was going to be a record storm surge, not a rainfall problem with rivers flooding, and the problem was low lying areas that were going to be hit with a storm surge. He said the bottom half of the page shows what happens when people don't plan ahead.

Mr. Clift said the Westside Yard that serves the Long Island Railroad is the cause of the flooding of NJ TRANSIT's tunnels into the Hudson River. He said it is a very simple problem that opened 25 years ago. Mr. Clift said they did not adequately safeguard the yard, which is basically below the level of the Westside Highway, to separate that from the Penn Station Complex. Mr. Clift said the water came into the yard and as shown on the picture, made a U-Turn, and flooded the tunnels. He said it's not the tunnels or the 100 year old tunnels; it's the current efforts that have not been done to safeguard. Mr. Clift said this is a simple fix that is not expensive.

Mr. Clift said the last thing is his testimony from Monday's Assembly Hearing. He said there are two charts in there that show very simply that the forecast of flooding at Kearny would be six feet if you took the information that was made available. Mr. Clift said the flooding was just around five feet so the forecasts were good.

Mr. Clift said his main concern with the Sandy response is NJ TRANSIT management is still saying they made the right decision. He thinks it would be better if people said they made a mistake and will learn from that mistake. Mr. Clift said people are very forgiving when told upfront that there is a problem, but that hasn't happened. Mr. Clift said he worries when somebody says if they had the same information they would do the same thing again. He said you have to learn from your experiences in a way that really does make the future different.

Mr. Clift asked the Board to become an activist Board. He said they have been through, over and over again, asking for changes in spending, service, and direction but hasn't seen it. Mr. Clift said they have reached a point where future issues are coming up that are going to be tough. He said they have to recover from Hurricane Sandy, figure out how to spend a lot of federal money, and it needs to be spent wisely.

Mr. Clift said Northeast Corridor changes in cost allocation are coming up. He said NJ TRANSIT is going to be hit with a big bill, but he doesn't see NJ TRANSIT staff working hard to setup a real partnership with Amtrak. Mr. Clift said there are actions going on at Penn Station that NJ TRANSIT is not heavily involved in. He said Moynihan phase one is going to only benefit about a quarter of NJ TRANSIT riders because of lack of involvement. Mr. Clift thinks that is sad and there needs to be a change in direction.

Mr. Clift said at this point, the only place he needs to go to is the Board. He said the Board needs to take an active effort, asking hard questions, and taking the time to find out the answers and not accept half answers. Mr. Clift said he doesn't know where else to go and he is kind of at the end of his rope.

Mr. Clift said Hurricane Sandy is just the latest in a series of management decisions that people question. He said a lot of employees did hard work, and should be congratulated. Mr. Clift said management needs to work smart. He said without the media, they would not have known anything. Mr. Clift said NJ TRANSIT needs to get ahead of the game. He said if you tell people what your problems are upfront, they are much more forgiving.

Albert Papp, President of the New Jersey Association of Railroad Passengers (NJ ARP), said NJ ARP is aware of the criticism which has been directed at NJ TRANSIT from many quarters, including that from previous speakers. He said he does not appear to recite individual stories of problems encountered during the aftermath of the storm, or to apportion blame for what has occurred, but rather their principal concern is forward looking. Mr. Papp said that NJ TRANSIT and the State of New Jersey need to develop, test, and put in place effective emergency operating procedures to preclude any recurrence of the circumstances which led to such a prolonged service cessation of rail services in large measure because of extraordinary damage to a substantial percentage of NJ TRANSIT's rolling stock, both locomotives and coaches.

Mr. Papp said the expense to immunize NJ TRANSIT's Rail and Bus Operations from future storm damage has been estimated by the agency at some \$800 million. He said this is a sizeable sum and will be almost impossible to raise under present governmental policies and protocols. Mr. Papp said the Executive Director, as recently as Monday of that week, testified before the New Jersey Assembly Transportation Committee that as long as he is Executive Director, there will not be an increase in bus and rail fares to cover the damage sustained by the Hurricane Sandy. Therefore, at the New Jersey Assembly Transportation Hearing held Monday in Trenton, Mr. Papp challenged the New Jersey Assembly to develop a new financing model to fund rail and bus transportation infrastructure as well as operating expenses. He said the current transportation budget model is broken and clearly inadequate with a declining

percentage of its appropriations devoted to transit every year and it is top heavy with debt that his grandson will be paying for decades in the future.

Mr. Papp said one avenue to pursue is to raise the motor fuels tax which is currently the third lowest in the country. He said for over 25 years, advocates have asked legislators to consider such an option. Mr. Papp said other ways exist to address this deficiency as well, yet despite these clarion calls, elected representatives from both sides of the aisle have steadfastly refused to stand up and initiate a dedicated, secure and stable mechanism for funding transit and road improvements. He said if last year's Hurricane Irene was insufficient to drive the point home, then Hurricane Sandy was the ultimate wake up call.

Mr. Papp said there's an old saying: if you want the same results, continue to act in the same way that you have been doing. He said the challenge before all of us then is to acknowledge the mistakes that were made, develop appropriate policies and procedures to prevent a repetition and put in place a permanent funding mechanism for the state's mass transit operators. Mr. Papp said if not now, when?

Mr. Papp said he noticed from the Executive Director's Report that 80 percent of bus service was back online 48 hours after Hurricane Sandy hit, and that the transportation network was actually carried on the back of Bus Operations. Mr. Papp said he was one of those who had to seek transit across the Hudson River and took a bus. He said one of the things he found out, as he has mentioned to this Board before, is that there is a problem getting buses into New York City's Port Authority Bus Terminal in the evening.

Mr. Papp said as recently as last Wednesday at the Northeast Corridor Future Hearing, he spoke to Lou Venech of the Port Authority and again mentioned to him that for 10 years now, they have been asking for a study to investigate the possibility of a dedicated bus lane; an extra bus lane inbound to New York City for the evening peak to allow riders in the city to get on and off the buses. Mr. Papp asked NJ TRANSIT, especially Joyce Gallagher, to go ahead and begin a study. He said it doesn't take much for this and all you need to do is stand on Kennedy Boulevard and take a peek at traffic because the evening rush outbound is more diversified than in the morning. Mr. Papp said the inbound extra bus lane could be used as a peak extra bus lane in the evening and this would eliminate a lot of the problems Hurricane Sandy only exacerbated.

Dan O'Connell, New Jersey State Legislative Director for the United Transportation Union (UTU) echoed Chairman Simpson's sentiments that it is awful nice to see Board Member Shevell back in person. Mr. O'Connell said the UTU represents more than 1,000 train and engine service employees at NJ TRANSIT. He said since Hurricane Sandy struck New Jersey, meetings and discussion have been taking place across New Jersey at various levels of government to determine what worked well and what didn't during and in the aftermath of the storm. Mr. O'Connell said from utility companies to emergency response, a review is the right and necessary step to take to prepare for such emergencies in the future.

Mr. O'Connell said what we know now is that Sandy is the worst storm to hit the region. He said in his 38 years in the railroad industry, and 13 years as a locomotive engineer

at NJ TRANSIT, previous hurricanes, snowstorms and other weather events make what happened with Sandy unprecedented. Mr. O'Connell said they attended Monday's Hearing of the Assembly Transportation Committee and listened to the testimony of NJ TRANSIT Executive Director James Weinstein as well as senior management and other interested parties. Mr. O'Connell said everyone wishes the damage and destruction hadn't happened. He said they agree with Executive Director Weinstein that storing the amount of rail equipment that NJ TRANSIT has is not easy and it is an issue of capacity.

Mr. O'Connell said having seen the picture of NJ TRANSIT equipment and infrastructure after the Hurricane, they are amazed at how quickly service resumed. He said NJ TRANSIT's employees and management deserve a pat on the back.

Mr. O'Connell noted concerned critics say the equipment should have been moved to areas where there was less likelihood of flooding as if just saying that would have accomplished the fact. Mr. O'Connell said Executive Director Weinstein, in response to questions by members of the Assembly Transportation Committee, was direct in his testimony and said that decisions were made with the best available information at the time.

Mr. O'Connell said he attended a meeting of the New Jersey Society for Environmental and Economic Development (NJ SEED), a business and labor coalition. Mr. O'Connell said a representative of the utility companies presented what they were told prior to the storm; to expect a six foot storm surge in Newark bay from the Hurricane. Mr. O'Connell said they ended up getting 13 feet.

Mr. O'Connell said that in addition to the storm surge, there was the speed of it. He said UTU Chairman Pat Reilly talked about how employees' cars were damaged because the water came up so quick. Mr. O'Connell said these factors worked against NJ TRANSIT and other agencies' planning.

Mr. O'Connell said Executive Director Weinstein has served this state and its residents with distinction over many years; first as transportation commissioner and now as executive director of NJ TRANSIT. Mr. O'Connell said they know his concern for the agency, its employees and the riding public. He said they find the second guessing taking place of him and his management staff to be misplaced. Mr. O'Connell said next to the riding public, their members were impacted most by the storm. He said this is their livelihood and they take great pride in the service they provide the residents of New Jersey. Mr. O'Connell said it has been hard for many of them to see the extent of the damage to NJ TRANSIT equipment and infrastructure. He said they think time is better spent getting the agency back on the path to recovery and making the necessary improvements to secure the system from future weather events.

Matthew Walsh said Hurricane Sandy provided a window of opportunity. He said it showed NJ TRANSIT's vulnerabilities and that we are well into the age of climate change. Mr. Walsh said the future does not belong to the automobile, it belongs to public transportation, town centers, and redevelopment of cities. He said the outlying suburbs are declining in value.

Mr. Walsh said the New Jersey Department of Transportation has no problem getting approval to put in a clover leaf or an extra highway lane. Mr. Walsh said that is done quickly and the construction is completed within months and suggested it is a good time for New Jersey Department of Transportation to work with NJ TRANSIT to look at reviving some branch lines through town centers and partnering with organizations like Main Street New Jersey.

Patricia Winship, a member of the Lackawanna Coalition, said she is a user of the worst served stop on the Morris & Essex Line, Mount Tabor. She said she is transit dependent and the railroad did not run. Ms. Winship said she was home during Hurricane Sandy for 36 hours without power and after that she followed the NJ TRANSIT Facebook page with great interest. She said what she saw was a lot of NJ TRANSIT users saying a lot and NJ TRANSIT was saying very little. She said it was her impression that NJ TRANSIT did not want to communicate until they had something happy to relay. Ms. Winship said her son had great difficulty getting to school because the substitute bus service that NJ TRANSIT provided was geared to people going into New York. She said if you were not going to New York, you were out of luck.

Ms. Winship said there is absolutely no excuse for the lack of communication with NJ TRANSIT's ridership. She said if NJ TRANSIT confided in its customers, they might have been sympathetic. Ms. Winship said she saw a lot of closed mouth; you are too dumb to get it so we are not talking to you, releases online. She said there was one excellent release recently regarding the Gladstone Branch that said what was going on and she wished she had seen that all along. She suggested the person who wrote that release should write the releases in the future.

Ms. Winship said Mount Tabor needs more service, particularly now. She said trains run between Morris Plains and Denville and they don't stop. Ms. Winship said poor ridership at poorly served stops is a self-fulfilling prophecy.

Board Member Comments

No Board Member Comments.

Advisory Committee Report

There was no Advisory Report at this meeting.

Senior Citizen and Disabled Resident Transportation Advisory Committee Report

Maryann Mason, Vice-Chairperson of the NJ TRANSIT Senior Citizen and Disabled Resident Transportation Advisory Committee, spoke on behalf of Chairman Sam Podietz. Ms. Mason thanked the NJ TRANSIT Board of Directors, Chairman Simpson and Executive Director Weinstein for the opportunity to speak and also thanked them for their consideration of items on today's board agenda that provide vehicles and funding for community transit programs across the State.

Ms. Mason said the devastating effects of Hurricane Sandy were felt to varying degrees throughout the State, but most intensely in four counties bordering the Atlantic Ocean.

While the efforts of NJ TRANSIT and the county Offices of Emergency Management have been well chronicled in newspapers across the State, less known is the fact that the 21 county community transit systems and, particularly, the community transit systems in Monmouth, Ocean, Atlantic and Cape May counties, provided a variety of mobility services before, during and after the storm. These systems, receiving a large part of their funding from the Casino Revenue Tax Fund, provided emergency transportation services beyond their normal hours and serving more than their usual customers.

Working under the direction of their County Office of Emergency Management, staff began preparations on the Friday before the storm, working throughout the weekend to move vehicles to high ground and arrange for drivers to be available for resident evacuations, particularly, vulnerable older persons and people with disabilities who would require more intensive support but also providing services to the general public.

In each of the counties, evacuation transports, emergency meal deliveries and transportation to life sustaining non-emergency medical therapies including radiation, chemo-therapy and kidney dialysis were provided on Sunday and continued until noon on Monday. On Tuesday and for the remainder of the week, the counties continued to provide transfers from emergency shelters to longer term shelter and returns to homes that were habitable, all the while bringing back their regular medical, food-shopping and congregate nutrition transportation services as roads were cleared and commercial and social services began to reopen.

In Ocean and Monmouth counties, these relocation transports continued into the week following the storm as major facilities including Monmouth University re-opened, requiring transport of evacuees without homes to new emergency shelters.

The close working relationship between the county systems and their Office of Emergency Management have expanded over the past decade and they are now an integral part of the mobility response to major emergency incidents.

Ms. Mason said it is important for the Board to recognize that these systems, which have expanded the amount of connecting transportation to the NJ TRANSIT bus and rail system, are also an important partner in the provision of emergency response transportation services.

Ms. Mason appreciated the opportunity to address the Board and will continue to work with Executive Director Weinstein and NJ TRANSIT staff to maintain these needed services.

Board Administration Committee Report

Board Member Myron P. Shevell presented the Administration Committee report to the Board. Board Member Shevell said the Administration Committee discussed a very important contract for Access Link service for Region 6 to provide paratransit services for people with disabilities. In addition, the State budget increased the funding level for the Senior Citizen and Disabled Resident Transportation Assistance Program by an additional \$2,000,000. All of the additional money will be distributed to the Counties for

their use in providing transportation for senior citizens and people with disabilities. The Committee also reviewed the Motor Coach Industries Service Parts item as well as the Actuarial Services board item.

Board Member Myron P. Shevell commented about the viability and life of bus repairs. Board Member Shevell said this was heavily discussed during committee and he was insistent that if NJ TRANSIT could utilize the buses further, it should.

Board Capital Planning, Policy & Privatization Committee Report

Vice Chairman Bruce Meisel presented the Capital Planning, Policy & Privatization report to the Board. Vice Chairman Meisel said the Capital Planning, Policy and Privatization Committee discussed two board items related to Community Mobility and Local Programs. Both of these items request the purchase of transit-style buses, mini-buses and vans. In addition, the Committee reviewed items related to task order consultant contracts as well as the need to replace underground storage tanks at the Washington Township Garage. Further, in compliance with the Federal Railroad Administration regulations, in-depth bridge inspections, evaluations and ratings will be performed on undergrade railroad bridges.

Executive Director's Monthly Report

Executive Director Weinstein presented his monthly business report and said his comments before the Legislative Committees regarding Hurricane Sandy have been widely reported. Executive Director Weinstein emphasized some of the points he heard from the public about communications. He said their comments, views and constructive criticism of the actions over the course of Hurricane Sandy are appreciated.

Executive Director Weinstein said this has been a challenging time for everyone, including Chairman Simpson who not only has to think about transit, but also the entire transportation network in the State. Executive Director Weinstein said he has listened, learned and will continue to learn from this process. He said as part of a Federal Homeland Security Grant, the Texas A & M Organization has been working with NJ TRANSIT assisting with safety, security and incident management. They will do an objective, professional and constructive critique of how NJ TRANSIT reacted to Hurricane Sandy and what can be done better. Executive Director Weinstein noted the extraordinary efforts of the men and women of NJ TRANSIT who worked to get the service running as quickly as possible. NJ TRANSIT Bus Operations provided service within 48 hours of the storm and the railroad provided service during that week on some of the lines. Executive Director Weinstein said next Monday, the Raritan Valley Line will have full service restored. Overall starting Monday with the Raritan Valley Line Service, there will be about 95 percent of all service restored. He said it does not mean it is that level on every line, but repairs are being made as quickly as possible.

Executive Director Weinstein said there are challenges. The Meadows Maintenance Complex is still on back-up generator power which continues to be an issue. The Complex flooded and damaged equipment but it also damaged machines that are needed to repair equipment. He said Hoboken Terminal is still without catenary power because the substation was destroyed. It will be about four to six weeks until there is

an interim replacement. Once that happens, the electric service will be addressed since currently the service is limited to diesel. Executive Director Weinstein said NJ TRANSIT is working diligently and doing the best job possible to restore complete service. At the same time, NJ TRANSIT is working with the Federal Emergency Management Association (FEMA), Federal Transit Administration (FTA) and the United States Department of Transportation to collect all damage information, quantify it and present it to support Governor Christie's efforts and the efforts of the Congressional Delegation to secure funding for the damage that was done as a result of the worst storm in this region and certainly the worst storm in his lifetime.

Executive Director Weinstein said the next time NJ TRANSIT is faced with an even like this, it will be better prepared because of what was learned from this storm and what will be learned. Executive Director Weinstein heard that Communications could have been better. When many people don't have power and don't have the ability to access information, it is difficult to communicate. He said NJ TRANSIT is committed to figure out a way to work around that situation in the future.

Executive Director Weinstein said NJ TRANSIT launched "MyBus Now", the first real-time service information system for bus customers. MyBus Now uses "smart bus" technology to provide customers with access to real-time bus arrival estimates to a specific bus stop within a 30 -minute window. This pilot program will be on 16 Mercer County area bus routes out of the Hamilton Bus Garage, which will enable NJ TRANSIT to address any issues prior to a full systemwide rollout this coming spring. Executive Director Weinstein said from a technology standpoint, a customer service standpoint and a customer convenience standpoint, this is a huge quantum leap.

Executive Director Weinstein said at the last Board Meeting, Chairman Simpson addressed a number of follow-up items such as Northeast Corridor investments and Off-peak fare analysis. Executive Director Weinstein said the Chairman has been briefed or will be briefed on all of these issues. Executive Director Weinstein wished everyone a Happy Holiday Season and said NJ TRANSIT is grateful to its customers, supporters, and critics.

Chairman Simpson requested that Executive Director Weinstein brief the public at the next board meeting on follow-up items: Northeast Corridor investments, Off-peak fare analysis and bus strategy for Port Authority Bus Terminal.

Action Items:

Executive Director Weinstein presented the following Action Items for approval:

1212-56: ACCESS LINK CONTRACTED SERVICE FOR REGION 6 (BERGEN, HUDSON, PASSAIC AND PARTS OF ESSEX COUNTIES)

To ensure compliance with the federal law, NJ TRANSIT provides Access Link paratransit service to individuals with disabilities who cannot use the fixed route bus service. Authorization is requested to enter into a contract with First Transit, Inc. to provide ADA paratransit service in Region 6 which is Bergen, Hudson, Passaic and parts of Essex Counties, for an

84-month period from June 16, 2013 to June 27, 2020, a three-year base contract with four one-year options, at a cost not to exceed \$76,639,931.50.

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

1212-57: MOTOR COACH INDUSTRIES SERVICE PARTS (MCISP) – AGREEMENT AMENDMENT

The maintenance of the bus fleet is a critical component of the overall experience in terms of safety, reliability and comfort. Previously, the Board authorized a sole source contract with Motor Coach Industries Service Parts, Inc. for the purchase of maintenance parts and supplies required to support the Motor Coach Industries manufactured cruiser bus fleet. This authorization will allow Bus Operations to take advantage of economies of scale purchases and volume discounts of up to 30 percent.

Authorization is requested to amend the existing sole source contract with Motor Coach Industries Service Parts, Inc. to provide additional authorization of \$67,000,000, plus five percent contingency to ensure uninterrupted parts availability for the fleet of cruiser buses enabling them to be kept in a state-of-good repair through June 2016.

Board Member Flora M. Castillo moved the resolution, Vice Chairman Bruce M. Meisel seconded it and it was unanimously adopted.

1212-58: AMENDED BOARD ITEM 1207-37: NJ TRANSIT GRANT PROGRAMS: LOCAL TRANSPORTATION FOR SENIOR CITIZENS, PERSONS WITH DISABILITIES, RURAL AND ECONOMICALLY DISADVANTAGED RESIDENTS

An amendment to the New Jersey State Budget for Fiscal Year 2013, signed in late June 2012, increased the total amount authorized by \$2,000,000 for the Senior Citizen and Disabled Resident Transportation Assistance Program. All of the additional \$2,000,000 is being distributed to the Counties for their use in providing transportation for senior citizens and people with disabilities.

Authorization is requested to amend Board Item Number 1207-37 to increase the total amount authorized for the Senior Citizen and Disabled Resident Transportation Assistance Program for Fiscal Year 2013 by \$2,000,000. The total funding level for this program has increased from \$22,632,000 to \$24,632,000.

Board Member Myron P. Shevell moved the resolution, Board Member Robert Romano seconded it and it was unanimously adopted.

1212-59: COMMUNITY MOBILITY AND LOCAL PROGRAMS: VEHICLE PURCHASE CONTRACTS FOR TRANSIT-STYLE BUSES AND CUTAWAY MINIBUSES WITH LIFTS

The Federal Transit Administration makes available a variety of funding programs and grants that allow for the purchase of vehicles for local community transit services. As the grant recipient, NJ TRANSIT procures vehicles under these programs on behalf of local subrecipients in order to maximize purchasing power as well as to ensure compliance with Federal procurement regulations. These vehicles will be used to provide transit services to senior citizens and persons with disabilities, rural residents and low income transit-dependent residents.

As a result of a competitive procurement process, authorization is requested to award a contract to Alliance Bus Group for the purchase of five Category 1 Buses, seven Category 2 Buses and four Category 3 Buses in an amount not to exceed \$2,042,500.00, plus five percent for contingencies.

Authorization is also requested to award a Contract to Rohrer Bus Sales for the purchase of four Category 4 Cutaway Minibuses in an amount not to exceed \$477,684.00, plus five percent for contingencies.

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

1212-60: COMMUNITY MOBILITY AND LOCAL PROGRAMS: AMENDMENTS TO VEHICLES PURCHASE CONTRACTS FOR VANS AND MINIBUSES

The Federal Transit Administration makes available a variety of funding programs and grants that allow for the purchase of vehicles for local community transit services.

Authorization is requested to amend the contract with Alliance Bus Group to exercise options for the purchase of 13 Category 1 Vehicles and 18 Category 3 Vehicles in an amount not to exceed \$1,629,450.00, plus five percent for contingencies.

Authorization is also requested to amend the contract with Rohrer Bus Sales to exercise options for the purchase of six Category 2 Vehicles in an amount not to exceed \$294,015.00, plus five percent for contingencies.

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

1212-61: CAPITAL PLANNING AND PROGRAMS TASK ORDER CONSULTANT CONTRACTS: ARCHITECTURAL/ENGINEERING, BRIDGE AND RAILWAY ENGINEERING, AND TRAVEL DEMAND FORECASTING

There is an on-going need for consultant services in various planning and engineering disciplines. Task Order Contracts allow for the retention of specialized expertise that is rarely cost-effective to maintain in-house.

Authorization is requested to enter into contracts with the firms listed in Exhibit A of the Board Item for engineering and forecasting support services on a task order basis in three disciplines: Architectural/Engineering, Bridge and Railway Engineering and Travel Demand Forecasting at a total cost for all 11 contracts not to exceed \$12,050,000.

Board Member Myron P. Shevell moved the resolution, Board Member Robert Romano seconded it and it was unanimously adopted.

1212-62: CAPITAL PLANNING AND PROGRAMS TASK ORDER CONSULTANT CONTRACTS: AMENDMENT TO 2009 PROGRAM

Authorization is requested to increase the total authorization amount for the 2009 Capital Planning and Programs Task Order Consultant Contracts Program for the Transit-Friendly Planning, Land Use and Development contract to allow for task order assignments in support of the Sustainable Communities program funded by the United States Department of Housing and Urban Development in the amount of \$2,523,810, plus five percent for contingencies.

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

1212-63: UNDERGRADE RAILROAD BRIDGES: ENGINEERING SERVICES TO PERFORM IN-DEPTH INSPECTIONS, EVALUATIONS AND RATINGS

NJ TRANSIT is responsible for maintaining undergrade bridges which carry rail traffic over roadways and waterways. The Bridge Management Program requires that every undergrade bridge that NJ TRANSIT operates over will have an in-depth bridge inspection and rating performed on a five year cycle. These inspections and ratings address the regulations mandated by the Federal Railroad Administration.

Authorization is requested to enter into three separate contracts with TranSystems; LS Engineering Associates Corp. and Greenman-Pedersen Inc. to perform in-depth structural inspections, evaluations, and load ratings of 129 undergrade bridges and interim underwater diving inspections of 9 undergrade bridges, for a total cost of \$2,497,343, plus five percent for contingencies.

Vice Chairman Bruce M. Meisel moved the resolution, Board Member Flora M. Castillo seconded it and it was unanimously adopted.

1212-64: WASHINGTON TOWNSHIP GARAGE: CONTRACT FOR UNDERGROUND STORAGE TANK REPLACEMENT

The replacement of underground diesel fuel storage tanks and related piping and distribution systems at the Washington Township Garage are nearing the end of their projected service life. They will be replaced with state-of-the-art double-walled tanks and piping.

Authorization is requested to enter into a contract with A & J Construction for the replacement of the Washington Township Garage underground storage tanks at a cost not to exceed \$1,184,470.00 plus five percent for contingencies.

Board Member Myron P. Shevell moved the resolution, Board Member Robert Romano seconded it and it was unanimously adopted.

1212-65: ACTUARIAL SERVICES FOR NJ TRANSIT'S DEFINED BENEFIT PENSION PLANS

NJ TRANSIT's defined benefit pension plans require the assistance of an actuary for the purpose of preparing annual valuations and certifications, preparing individual annual pension benefit statements and providing actuarial advice related to amendments to the agency's plans. This mandatory actuarial service provides for the efficient and effective administration of the defined benefit pension plans.

Authorization is requested to enter into a contract with The Segal Company for actuarial services for the three-year period from January 1, 2013 until December 31, 2015, with two additional one-year options to extend to December 31, 2017 for a total cost of \$1,217,018, plus five percent for contingencies.

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

1212-66: APPOINTMENT OF CHIEF FINANCIAL OFFICER AND TREASURER

Authorization is requested to appoint Kathleen M. Sharman as Chief Financial Officer and Treasurer of NJ TRANSIT and its subsidiaries to perform the functions of the Office of the Treasurer in accordance with the NJ TRANSIT By-Laws effective February 2013. Ms. Sharman has 25 years of progressive accounting and financial management experience for both private and public sector organizations in transportation and related industries.

Vice Chairman Meisel asked Executive Director Weinstein what date in February would Ms. Sharman begin employment and Executive Director Weinstein said in the beginning of February.

Chairman Simpson said Ms. Sharman was rated first by the selection committee and has tremendous experience in the private sector. Ms. Sharman is a Certified Public Accountant and graduated with Honors in Accounting. Her experience includes 11 years as a Treasurer, Staff Accountant at Arthur Andersen, and working the private sector as a Controller. She has tremendous P3 Experience and the Chairman worked with her at the South Jersey Transportation Authority.

Chairman Simpson thanked Michael Lihvarcik for Acting as the Chief Financial Officer & Treasurer for almost a year, in addition to doing his own job. Chairman Simpson praised Michael Lihvarcik for everything he continues to do at NJ TRANSIT and for wearing multiple hats and helping NJ TRANSIT keep everything together.

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

Executive Director Weinstein presented the following Consent Calendar for approval:

1212-67: AMENDED BOARD ITEM 1204-13: AMENDMENT NO. 2 TO THE AGREEMENT FOR A NEW BERGEN COUNTY LINE STATION AT WOOD-RIDGE AND RELATED MAINTENANCE FACILITY

Board Item 1204-13 Amendment No. 2 to the Agreement for a New Bergen County Line Station at Wood-Ridge and Related Maintenance Facility is hereby corrected as shown in Exhibit A of the Board Item.

The Consent Calendar was moved in its entirety by Board Member Flora Castillo, seconded by Board Member Myron P. Shevell and unanimously adopted.

Adjournment

Since there were no further comments or business, Chairman Simpson called for adjournment and a motion to adjourn was made by Board Member Myron P. Shevell, seconded by Board Member Flora Castillo and unanimously adopted. The meeting was adjourned at approximately 10:45 a.m.

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

DECEMBER 13, 2012

MINUTES

➤ CALL TO ORDER	--
➤ APPROVAL OF MINUTES OF PREVIOUS MEETINGS	45090
➤ PUBLIC COMMENTS ON AGENDA ITEMS AND OTHER MATTERS	--
➤ BOARD MEMBER COMMENTS	--
➤ ADVISORY COMMITTEE REPORT	--
➤ SENIOR CITIZEN AND DISABLED RESIDENT TRANSPORTATION ADVISORY COMMITTEE REPORT	--
➤ BOARD COMMITTEE REPORTS	--
*Administration Committee	
*Capital Planning, Policy & Privatization Committee	
➤ EXECUTIVE DIRECTOR'S MONTHLY REPORT	45091

ACTION ITEMS

PAGE

1212-56	ACCESS LINK CONTRACTED SERVICE FOR REGION 6 (BERGEN, HUDSON, PASSAIC AND PARTS OF ESSEX COUNTIES)	45108
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Authorization to enter into NJ TRANSIT Contract No. 12-064 with First Transit, Inc. of Cincinnati, Ohio, to provide ADA paratransit service in Region 6 (Bergen, Hudson, Passaic and parts of Essex Counties) for an 84-month period from June 16, 2013 to June 27, 2020, a three-year base contract with four one-year options, at a cost not to exceed \$76,639,931.50, plus five percent for contingencies, for a total contract authorization of \$80,471,928.08, subject to the availability of funds and adoption of future NJ TRANSIT Operating Budgets.

1212-57 MOTOR COACH INDUSTRIES SERVICE PARTS (MCISP) – AGREEMENT AMENDMENT 45114

Authorization to amend the existing sole source contract (No. 01-622) with Motor Coach Industries Service Parts, Inc. (MCISP) of Louisville, Kentucky to provide additional authorization of \$67,000,000, plus five percent contingency, for a total authorization not to exceed \$213,750,000, subject to future approval of operating budgets, to ensure uninterrupted parts availability for our fleet of cruiser buses, enabling them to be kept in a state of good repair through June 2016.

1212-58 AMENDED BOARD ITEM 1207-37: NJ TRANSIT GRANT PROGRAMS: LOCAL TRANSPORTATION FOR SENIOR CITIZENS, PERSONS WITH DISABILITIES, RURAL AND ECONOMICALLY DISADVANTAGED RESIDENTS 45118

Authorization to amend Board Item Number 1207-37, *NJ TRANSIT FY2013 Grant Programs: Local Transportation for Senior Citizens, Persons with Disabilities, Rural and Economically Disadvantaged Residents*, to increase the total amount authorized for the Senior Citizen and Disabled Resident Transportation Assistance Program for FY2013 by \$2,000,000 from \$22,632,000 to \$24,632,000. The allocation of these funds is set forth in Exhibit A.

1212-59 COMMUNITY MOBILITY AND LOCAL PROGRAMS: VEHICLE PURCHASE CONTRACTS FOR TRANSIT-STYLE BUSES AND CUTAWAY MINIBUSES WITH LIFTS 45122

Authorization to award NJ TRANSIT Contract No. 12-048A to Alliance Bus Group of Carlstadt, New Jersey, for the purchase of five Category 1 Buses, seven Category 2 Buses (five base order and two option vehicles), and four Category 3 Buses in an amount not to exceed \$2,042,500.00, plus five percent for contingencies, for a total contract authorization of \$2,144,625.00, subject to the availability of funds.

Authorization to award NJ TRANSIT Contract No. 12-048B to Rohrer Bus Sales of Duncannon, Pennsylvania, for the purchase of four Category 4 Cutaway Minibuses in an amount not to exceed \$477,684.00, plus five percent for contingencies, for a total contract authorization of \$501,568.20, subject to the availability of funds.

1212-60 COMMUNITY MOBILITY AND LOCAL PROGRAMS: AMENDMENTS TO VEHICLES PURCHASE CONTRACTS FOR VANS AND MINIBUSES 45133

Authorization to amend NJ TRANSIT Contract No. 12-033A with Alliance Bus Group of Carlstadt, New Jersey, to exercise options for the purchase of 13 Category 1 Vehicles and 18 Category 3 Vehicles in an amount not to exceed \$1,629,450.00, plus five percent for contingencies, for a total contract authorization of \$9,086,962.50, subject to the availability of funds.

Authorization to amend NJ TRANSIT Contract No. 12-033B with Rohrer Bus Sales of Duncannon, Pennsylvania, to exercise options for the purchase of six Category 2 Vehicles in an amount not to exceed \$294,015.00, plus five percent for contingencies, for a total contract authorization of \$3,613,813.35, subject to the availability of funds.

1212-61 CAPITAL PLANNING AND PROGRAMS TASK ORDER CONSULTANT CONTRACTS: ARCHITECTURAL/ENGINEERING, BRIDGE AND RAILWAY ENGINEERING, AND TRAVEL DEMAND FORECASTING 45142

Authorization to enter into NJ TRANSIT Contract Nos. 13-006 through 13-008 with the firms listed in Exhibit A for engineering and forecasting support services on a task order basis in three disciplines: Architectural/Engineering, Bridge and Railway Engineering, and Travel Demand Forecasting at a total cost for all 11 contracts not to exceed \$12,050,000, subject to the availability of funds. Each contract will extend for a period of three years from the date of contract execution; the maximum task and contract limits are shown in Exhibit B.

1212-62 CAPITAL PLANNING AND PROGRAMS TASK ORDER CONSULTANT CONTRACTS: AMENDMENT TO 2009 PROGRAM 45152

Authorization to increase the total authorization amount for the 2009 Capital Planning and Programs Task Order Consultant Contracts Program for NJ TRANSIT Contract No. 09-092 Transit-Friendly Planning, Land Use and Development to allow for task order assignments in support of the Sustainable Communities program funded by the US Department of Housing and Urban Development in the amount of \$2,523,810, plus five percent for contingencies, for a maximum authorization amount for the 2009 Task Order Consultant Program of \$34,700,000, subject to the availability of funds.

1212-63 UNDERGRADE RAILROAD BRIDGES: ENGINEERING SERVICES TO PERFORM IN-DEPTH INSPECTIONS, EVALUATIONS AND RATINGS 45158

Authorization to enter into three separate contracts with TranSystems of Paramus, New Jersey (12-053A); LS Engineering Associates Corp. of Montville, New Jersey (12-053B); and Greenman-Pedersen Inc. of Lebanon,

New Jersey (12-053C) to perform in-depth structural inspections, evaluations, and load ratings of 129 undergrade bridges and interim underwater diving inspections of nine undergrade bridges, at costs not to exceed \$765,084, \$844,431 and \$887,828, respectively, for a total cost of \$2,497,343, plus five percent for contingencies, subject to the availability of funds.

1212-64 WASHINGTON TOWNSHIP GARAGE: CONTRACT FOR UNDERGROUND STORAGE TANK REPLACEMENT 45163

Authorization to enter into NJ TRANSIT Contract No. 13-020X with A & J Construction of Farmingdale, New Jersey, for the replacement of the Washington Township Garage underground storage tanks at a cost not to exceed \$1,184,470.00 plus five percent for contingencies, subject to the availability of funds.

1212-65 ACTUARIAL SERVICES FOR NJ TRANSIT'S DEFINED BENEFIT PENSION PLANS 45167

Authorization to enter into NJ TRANSIT Contract No. 12-035 with The Segal Company of New York, New York for actuarial services in an amount not to exceed \$715,020, for the three-year period from January 1, 2013 until December 31, 2015, with two additional one-year options to extend to December 31, 2017 at an additional cost of \$501,998, for a total cost of \$1,217,018, plus five percent for contingencies, subject to the availability of funds.

1212-66 APPOINTMENT OF CHIEF FINANCIAL OFFICER AND TREASURER 45171

Authorization and concurrence to appoint Kathleen M. Sharman as Chief Financial Officer and Treasurer of NJ TRANSIT and its subsidiaries to perform the functions of the Office of the Treasurer in accordance with the NJ TRANSIT By-Laws, Article IV, Section 5.

CONSENT CALENDAR

1212-67 AMENDED BOARD ITEM 1204-13: AMENDMENT NO. 2 TO THE AGREEMENT FOR A NEW BERGEN COUNTY LINE STATION AT WOOD-RIDGE AND RELATED MAINTENANCE FACILITY 45175

Board Item 1204-13 *Amendment No. 2 to the Agreement for a New Bergen County Line Station at Wood-Ridge and Related Maintenance Facility* is hereby corrected as shown in Exhibit A.

➤ **ADJOURNMENT**

APPROVAL OF MINUTES


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

WHEREAS, pursuant to Section 4(f) of the New Jersey Public Transportation Act of 1979, the minutes of actions taken at the October 15, 2012 Board meetings of the New Jersey Transit Corporation, NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. were forwarded to the Governor on October 23, 2012;

NOW, THEREFORE, BE IT RESOLVED that the minutes of actions taken at the October 15, 2012 New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. Board of Directors' meetings are hereby approved.

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

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

TO: BOARD OF DIRECTORS
FROM: JAMES W. WEINSTEIN 
DATE: DECEMBER 13, 2012
SUBJECT: EXECUTIVE DIRECTOR'S REPORT – DECEMBER 2012

In the aftermath of Superstorm Sandy, NJ TRANSIT remains focused on our recovery efforts, as well as an analysis of our pre-storm preparations and response. We are all familiar with the unprecedented devastation Sandy left in her wake throughout the state and the region, including on the NJ TRANSIT system. Like our sister agencies, we began monitoring and planning for Sandy days in advance. We also completed the successful shutdown of our entire transit network prior to the storm's arrival—a complex and time-consuming task that must be done in a way that keeps our customers and employees safe and our equipment protected.

As soon as the storm subsided, NJ TRANSIT crews began working around the clock to inspect more than 500 miles of track, equipment yards, buses and train sets, making repairs or clean-ups where necessary as the first step toward restoring New Jersey's public transportation network to normal operations. In fact, it should be noted that our transportation network was actually carried on the back of our Bus Operations, which had 80 percent of its service back on line just 48 hours after Sandy hit. In addition, led by Governor Christie and incorporating assets made available by the federal government, regional transportation partners, and New Jersey's statewide transit system, we implemented an extensive, wide-reaching emergency bus and ferry plan to help provide additional trans-Hudson options to get customers back to work.

Thanks to the dedication of our employees, I am proud to report that NJ TRANSIT's 12 rail lines are again running more than 90 percent of full service, and that we are back to full, pre-hurricane service levels on our bus, light rail and Access Link Para transit modes. I also want to express my thanks to our hundreds of thousands of daily customers, for their patience and understanding while NJ TRANSIT and the entire state of New Jersey continue to rebuild after this terrible storm.

In our densely populated state, a higher percentage of New Jersey residents commute by public transit than any other state in the nation, with approximately ten percent of the state's population using public transportation to get to work. The significance of that figure is difficult to measure until we are faced with an event like Hurricane Sandy. Nothing provides a better demonstration of the true value of public transportation than when you take it out of the equation. By restoring public transportation options as soon as we've been safely able to do so following the storm, we have helped the people of the region get back to normal and conduct life's daily business.

Although the system has returned to near normal for our customers, repairs are continuing and will go on for a number of months due to the complexity of transit infrastructure and equipment. Moving forward, we are looking to make our system more resilient to future storms as we go about repairing our transit system.

Switching gears, in keeping with our ongoing effort to put technology to work to improve the overall customer experience, today NJ TRANSIT launched "MyBus Now," our first real-time service information system for bus customers. The system kicked off today as a pilot program on 16 Mercer County-area bus routes, which will enable NJ TRANSIT to address any issues prior to a full systemwide rollout this coming spring.

MyBus Now uses "smart bus" technology to provide customers with access to real-time bus arrival estimates to a specific bus stop within a 30-minute window. Customers can access the information in three ways: from a desktop computer through njtransit.com, from a web-enabled smartphone through the mobile website, and via SMS-text messaging directly to their cell phones. With access to real-time bus location and arrival information literally at their fingertips, bus customers will be able to make informed decisions about their travel, even while on the go.

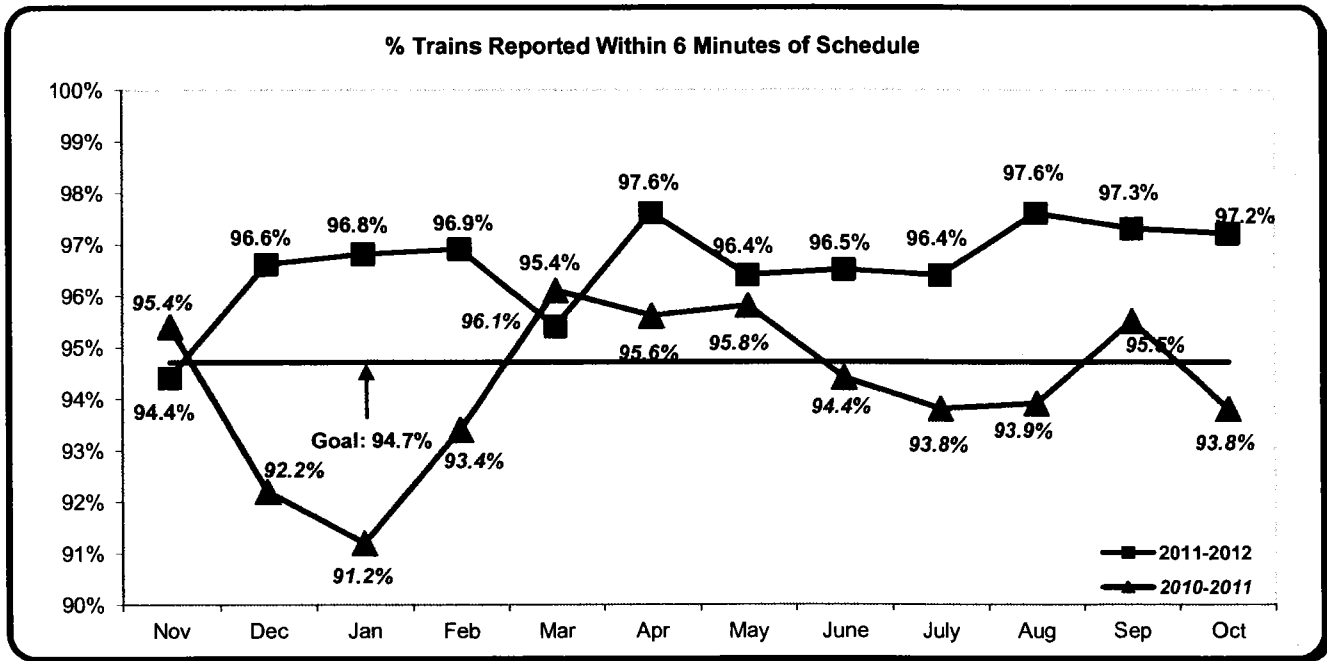
We are currently taking delivery of 1,145 new buses that are already equipped with smart bus technology provided by Clever Devices LTD, and we have procured additional smart bus platforms to retrofit the remaining buses in our fleet. I look forward to updating the Board as we get closer to the systemwide rollout.

EXECUTIVE DIRECTOR'S MONTHLY REPORT DECEMBER 2012

- 1. PERFORMANCE MEASURES**
- 2. DBE/MBE PROGRAM**
- 3. EMPLOYEE RECOGNITION**

PERFORMANCE MEASURES

NJ TRANSIT ON-TIME PERFORMANCE RAIL NOVEMBER 2010 - OCTOBER 2012



	2011	2012	# Change
October Comparison	93.8%	97.2%	3.4%

	2010-2011	2011-2012	# Change
12-Month Average November - October	94.3%	96.6%	2.3%

Analysis:

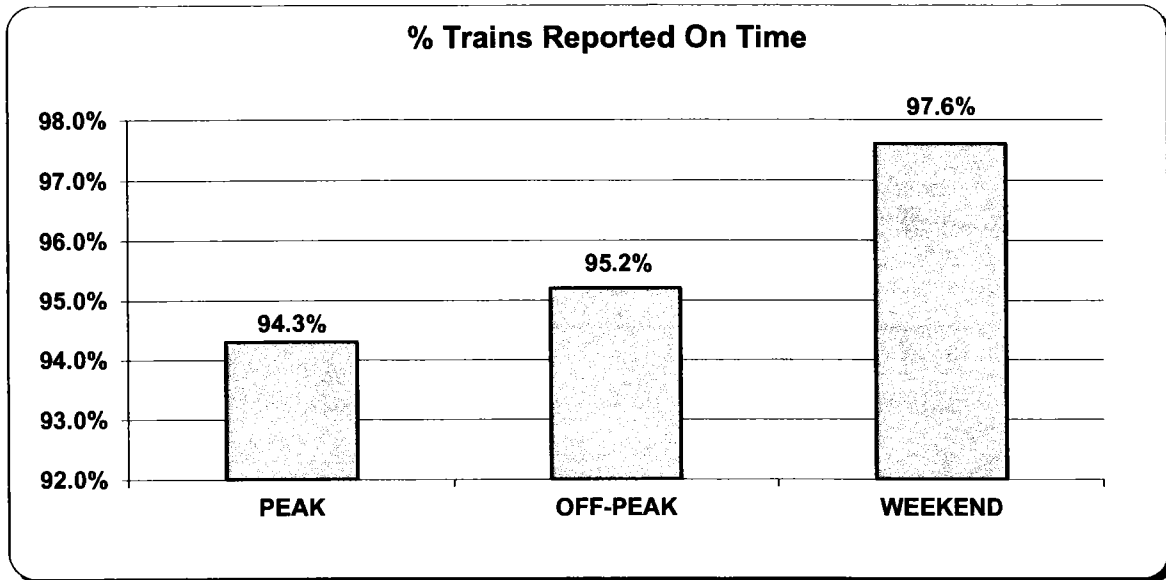
Rail On-Time Performance was 97.2% for October 2012. Of the 17,082 trains scheduled to operate, 16,598 were on time, while 484 trains (or 2.8%) were delayed. Key causes included:

- Amtrak signal failure on October 4.
- Opening of Portal Bridge on October 22.
- No service due to Hurricane Sandy from October 29 through October 31.

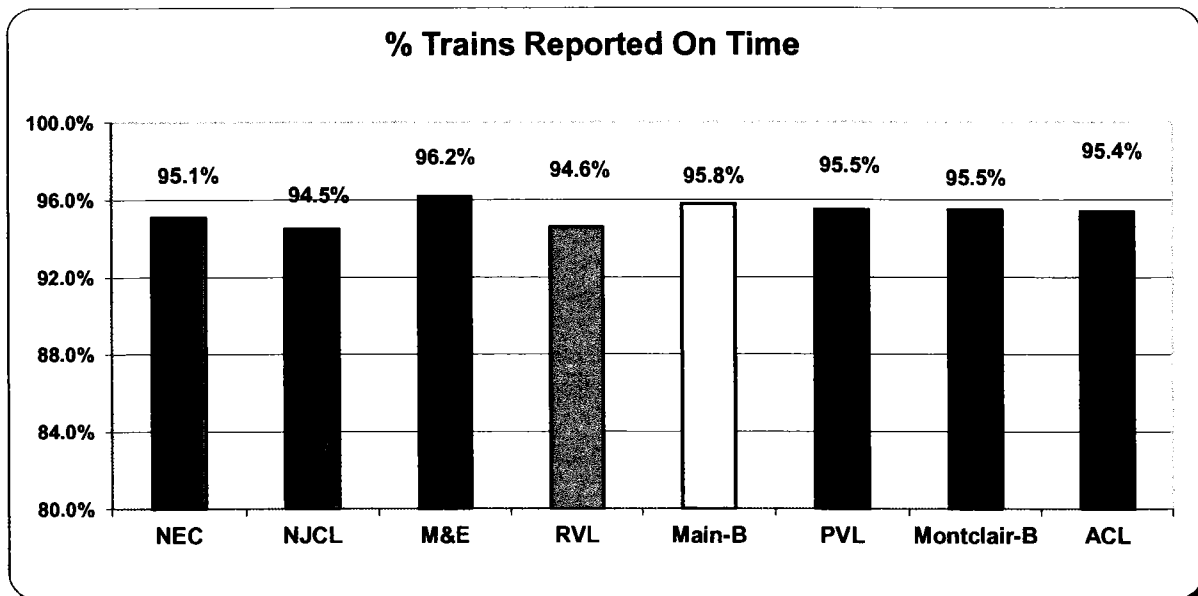
The 12-month average for Rail On-Time Performance for November 2011-October 2012 was 96.6%.

ON-TIME PERFORMANCE RAIL

SUMMARY BY TIME PERIOD OCTOBER 2012

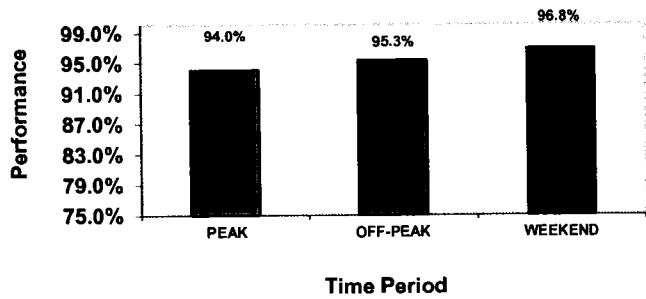


SUMMARY BY LINE OCTOBER 2012

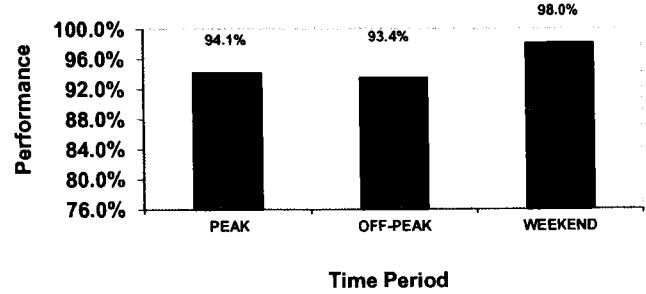


ON-TIME PERFORMANCE BY RAIL LINE & TIME PERIOD OCTOBER 2012

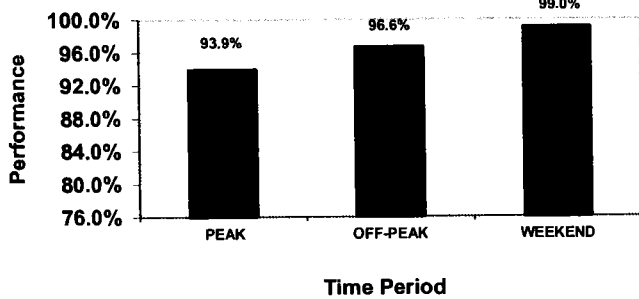
NORTHEAST CORRIDOR



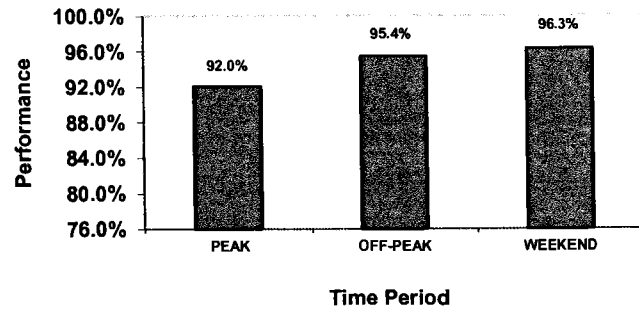
NORTH JERSEY COAST LINE



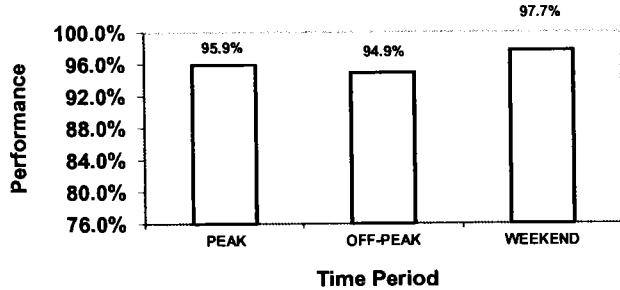
MORRIS & ESSEX



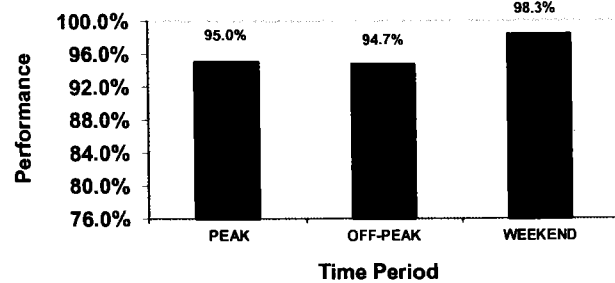
RARITAN VALLEY LINE



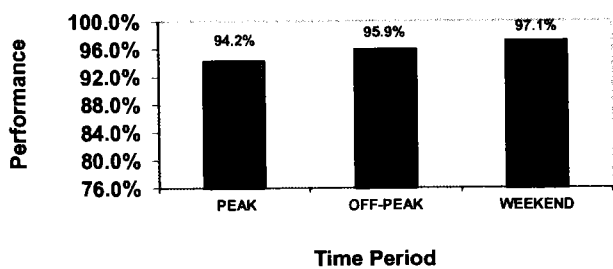
MAIN-BERGEN



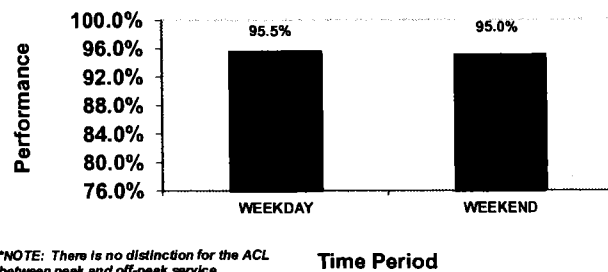
PASCACK VALLEY



MONTCLAIR-BOONTON

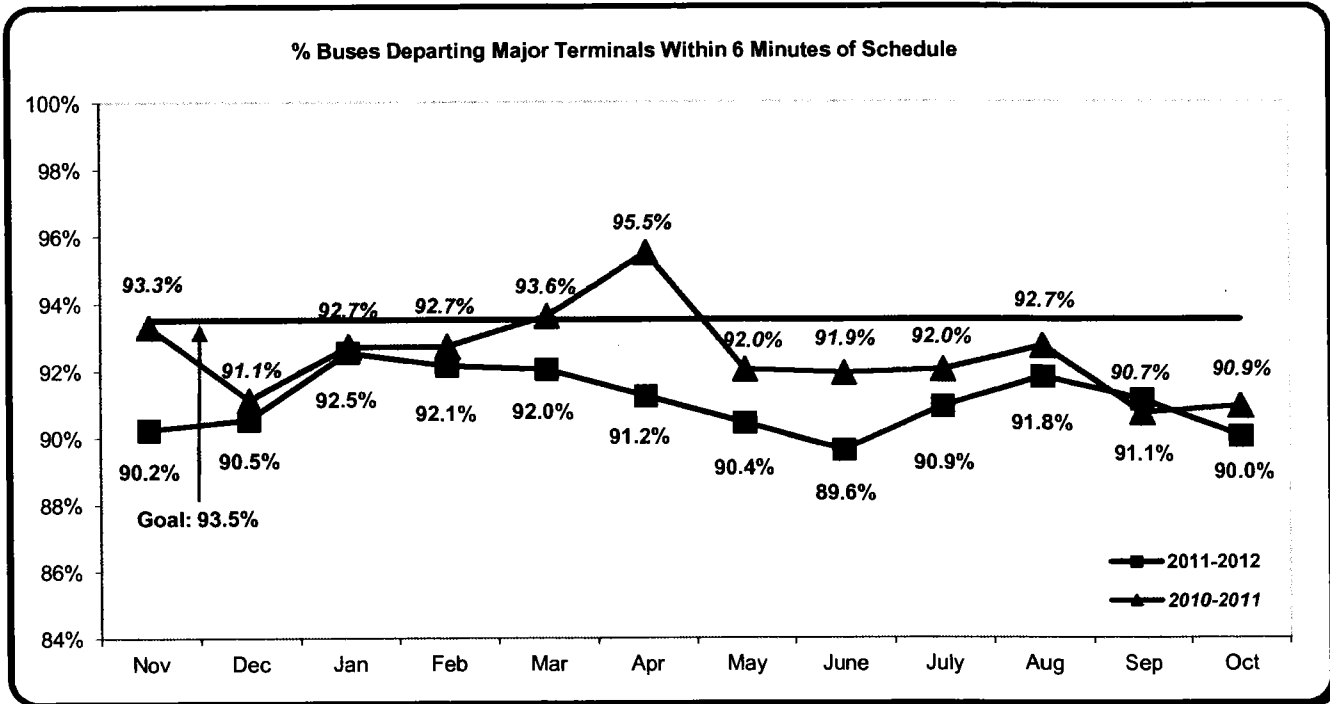


ATLANTIC CITY*



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

NJ TRANSIT ON-TIME PERFORMANCE BUS NOVEMBER 2010 - OCTOBER 2012



	2011	2012	% Change
October Comparison	90.9%	90.0%	-0.9%

	2010-2011	2011-2012	% Change
12-Month Average November - October	92.4%	91.0%	-1.4%

Analysis:

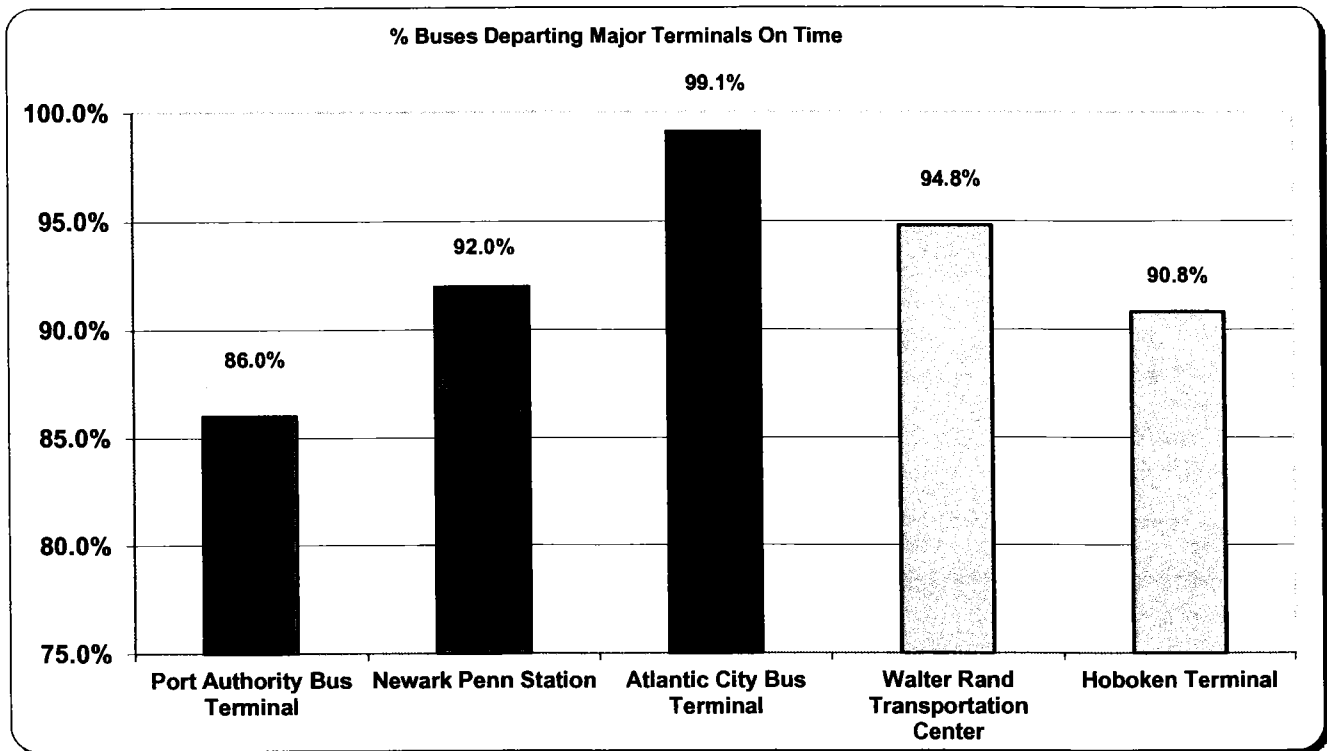
Bus On-Time Performance was 90.0% for October 2012. Of the 35,519 monitored departures, 3,565 (or 10%) experienced delays. Key causes included:

- Ongoing construction on an entrance ramp delaying Port Authority buses during the month of October.
- Mechanical issues and congestion around Newark Penn Station throughout the month.
- Heavy traffic, detours and congestion affecting Hoboken buses throughout the month.

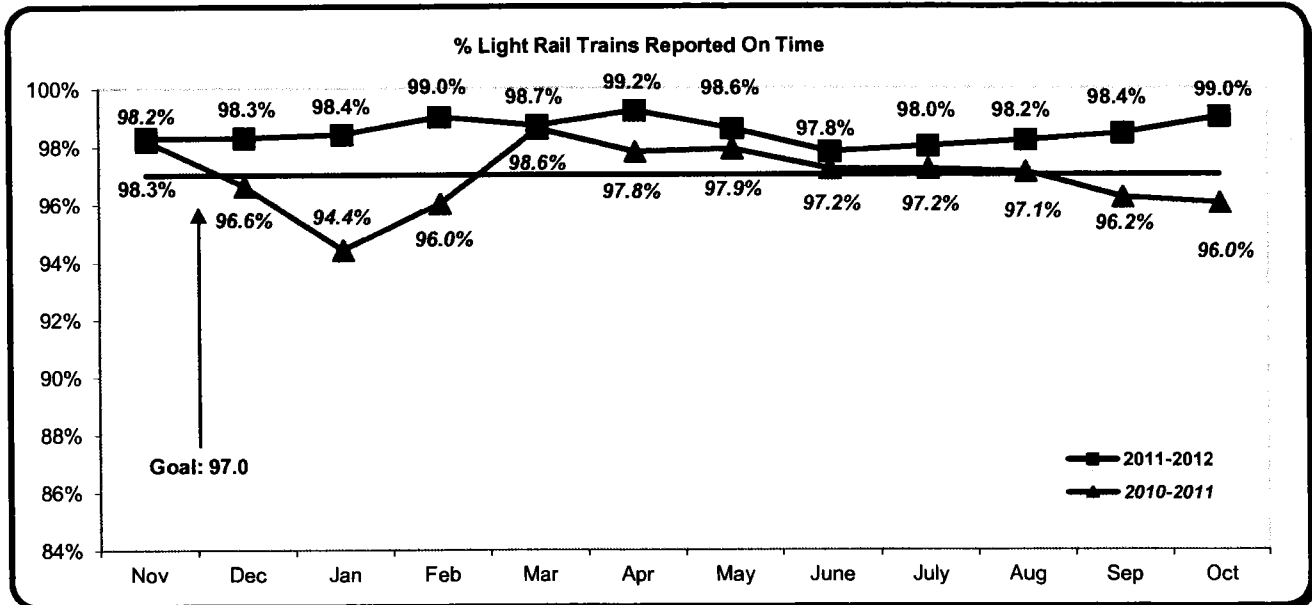
The 12-month average for Bus On-Time Performance for November 2011 - October 2012 was 91.0%.

ON-TIME PERFORMANCE BUS

SUMMARY BY TERMINAL OCTOBER 2012



NJ TRANSIT ON-TIME PERFORMANCE LIGHT RAIL NOVEMBER 2010 - OCTOBER 2012



*Note: Starting May 2007

	2011	2012	# Change
October Comparison	96.0%	99.0%	3.0%

	2010-2011	2011-2012	# Change
12-Month Average November - October	96.9%	98.5%	1.6%

Analysis:

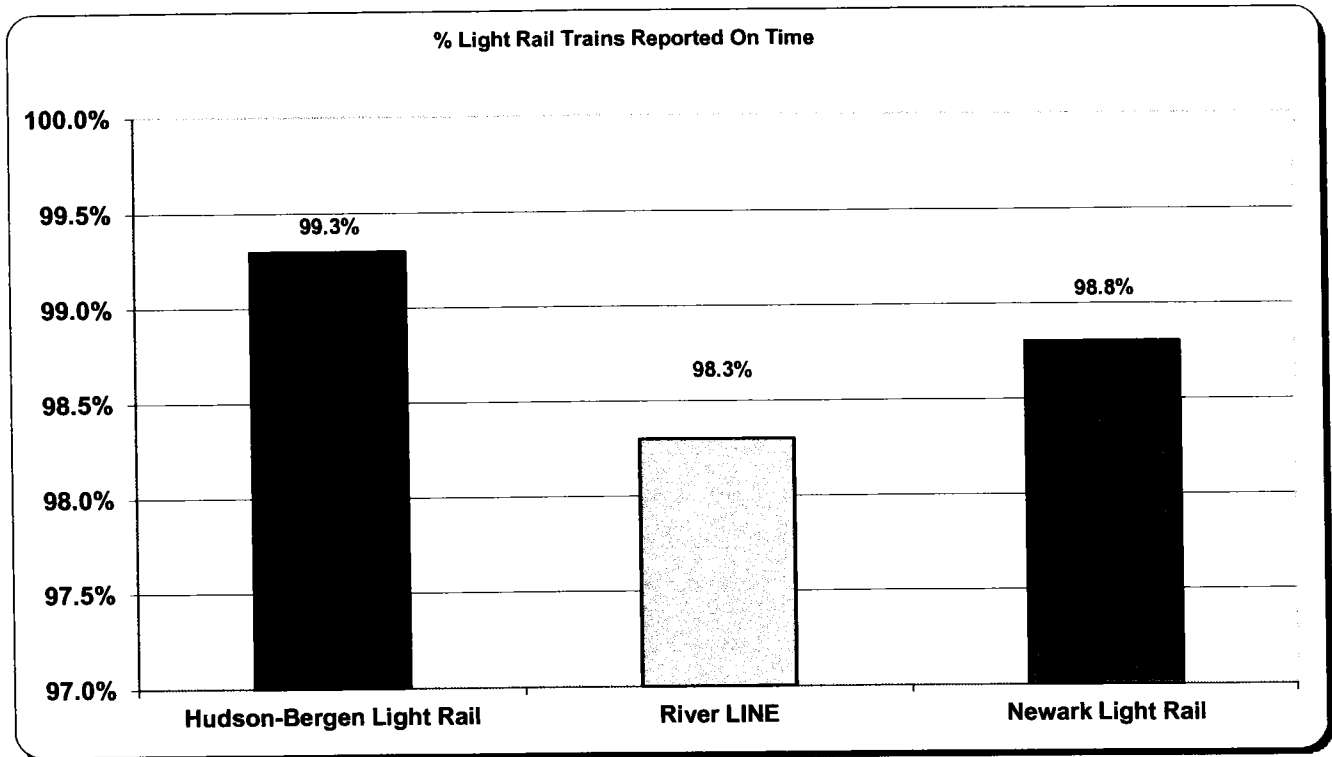
Light Rail On-Time Performance systemwide was 99.0% for the month of October 2012. Of the 24,965 scheduled trains, 256 (or 1.0%) experienced delays. Key causes included:

- An automobile blocking the tracks affecting River Line service on October 2.
- An accident involving a trespasser on the tracks in Jersey City affecting Hudson-Bergen Light Rail service on October 11.
- Switch problems at Newark Penn Station affecting Newark Light Rail service on October 22.

The 12-month average for Light Rail On-Time Performance for November 2011 - October 2012 was 98.5%.

ON-TIME PERFORMANCE LIGHT RAIL

SUMMARY BY LINE OCTOBER 2012



DBE/MBE PROGRAM

NJ TRANSIT – Office of Business Development DBE/SBE Participation

Federally Funded Contracts

NJ TRANSIT awarded \$5,178,450.00 in federal funds October through November FY 13.* Disadvantaged Business Enterprises (DBEs) received \$225,189.00 or 4.34 percent in federal-funded contract dollars during this period from either race conscious and race neutral awards.

DBE Goal Attainment FY 2011 to Date November 30, 2012 10.15%

Contracts awarded \$322,376,237.77
DBEs Received \$32,724,215.87

State Funded Contracts

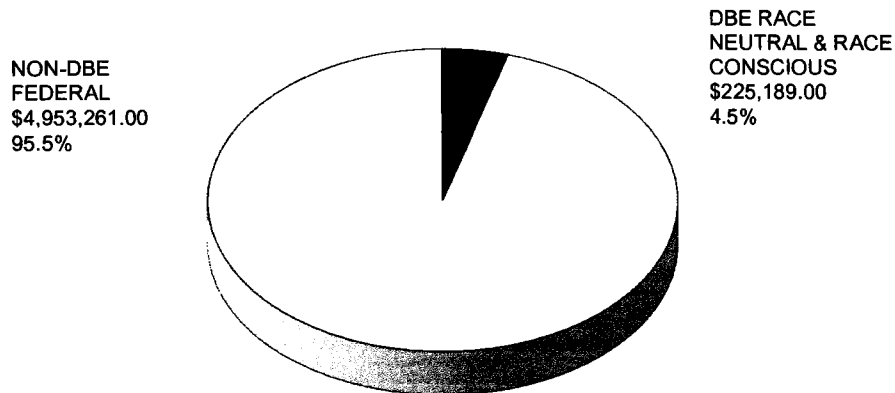
NJ TRANSIT awarded **\$98,712,705.09** in state-funded contract dollars July through November FY 13. ** Of that total, Small Business Enterprises (SBEs) received **\$11,397,967.15** or **11.54** percent.

Category 1 SBEs received **\$0** or **.0** percent.
Category 2 SBEs received **\$204,864.00** or **0.20** percent.
Category 3 SBEs received **\$0** or **.0** percent.
Category 4 SBEs received **\$0** or **.0** percent.
Category 5 SBEs received **\$3,870,175.00** or **3.92** percent.
Category 6 SBEs received **\$0** or **.0** percent.

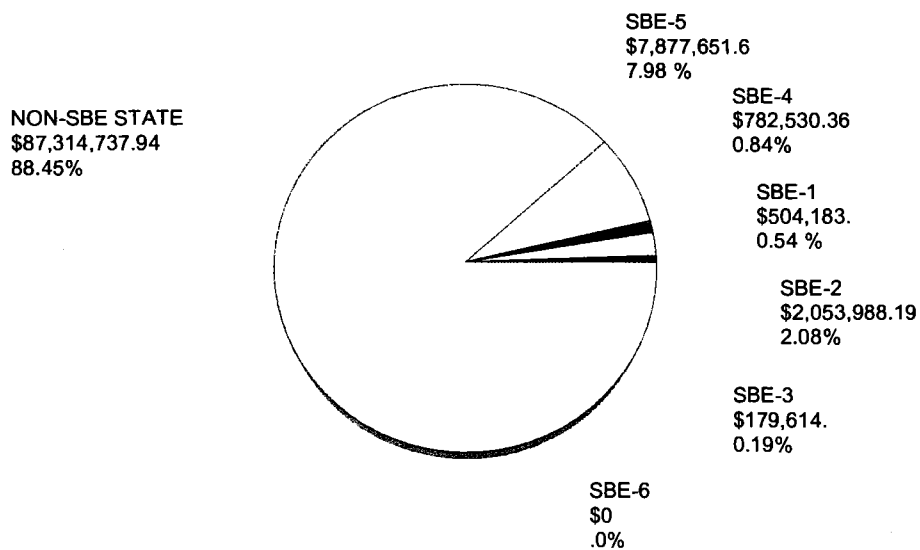
Federal & State Contracts Total

NJ TRANSIT awarded **\$10,881,822.13** in federal and state contract dollars during December reporting period. Of that total, **\$4,300,228.00** or **39.5** percent of federal and state contract dollars were won by DBEs and SBEs.

DBE PARTICIPATION FEDERAL CONTRACTS FEDERAL FYTD (NOVEMBER FY13)*



SBE PARTICIPATION STATE CONTRACTS STATE FYTD (THROUGH NOVEMBER FY13) **



Federal Fiscal Year 2013 Beginning October 1, 2012*
State Fiscal Year 2013 Beginning July 1, 2012**
(This report covers contracts above \$29,000)

EMPLOYEE RECOGNITION

NJ TRANSIT employees bid farewell after outstanding careers

Eighteen NJ TRANSIT employees retired in October with careers ranging from 7 to 38 years of service:

1. Richard L. Krason (Linden) Sr. Dir. Sys. Ops., ROC – 38 years
2. Paul Newman (Trenton) Maintenance "A," Hamilton Garage – 38 years
3. Cliff A. Garbaccio (Waldwick) Director Rail Comm., ROC – 36 years
4. Ronald Blazinski (Bethlehem, PA) Depot Master "A," VBF Bloomfield – 32 years
5. Silvia Defilippo (East Hanover) Manager Prop Mgmt., Penn Plaza – 31 years
6. Michael Sanchez (Union City) Instructor, Ferry Street – 31 years
7. James J. Caltabiano (Cherry Hill) Stg. Staff Partner, Newton Avenue – 30 years
8. William Selobyt (Bayville) Repairman "A," Howell Garage – 30 years
9. John Kwatkoski (Jamesburg) Dir. Rail Infr. Maint., Penn Plaza – 29 years
10. Regina Griffin (Howell) Clerk Dist. & Garage, Howell Garage – 28 years
11. Antonio McNeill (Galloway) Repairman "A," Orange Garage – 26 years
12. Margie M. Newlander (Cedar Grove) Clerk Dist., Market Street Garage – 25 years
13. Nancy B. Spence (Elizabeth) Full-Time Delegate, Ironbound Garage – 25 years
14. Patricia L. Carroll (Budd Lake) Sr. Train Master, Dover Station – 24 years
15. Aristides M. Portal (Union City) Bus Operator, Wayne Garage – 24 years
16. Dianne Rowe (Glassboro) Bus Operator, Washington Township Garage – 18 years
17. Julio C. Garay (Clifton) Bus Operator, Wayne Garage – 14 years
18. William D. Hom (Franklin Park) LD Operator Sys PR, Penn Plaza – 7 years

Fourteen NJ TRANSIT employees retired in November with careers ranging from 10 to 41 years of service:

1. Doris Bowers (Fort Lee) Administrative Assistant, Fairview Garage – 41 years
2. Frank S. Gomane (Ewing) Bus Operator, Hamilton Garage – 36 years
3. Sergio F. Cortes (Edison) Bus Operator, Meadowlands Garage – 33 years
4. John Costa (Scotch Plains) Mechanic Class AG, City Subway – 31 years
5. Katherine Collier (Passaic) Bus Operator, Market Street Garage – 26 years
6. Curtis Payton (Paterson) Bus Operator, Oradell Garage – 26 years
7. Louis V. Capadona (Toms River) Asst. Manager Job Acct. Tra., Penn Plaza – 25 years
8. Beatrice R. Cooper (Irvington) Chief Clerk/Telephone, GOB – 25 years
9. Jeffrey Stafford (Howell) Bus Operator, Howell Garage – 19 years
10. Lester Rome (Irvington) Repairman "A," Orange Garage – 16 years

11. Bruce A. Trestka (Clifton) Starter, PABT – 16 years
12. Ana M. Aviles (Jersey City) Cleaner, Greenville Garage – 11 years
13. Bruce W. Miller (Lynbrook, NY) Forman Shops I, NBC – 10 years
14. Alfredo Pastoriza (Pennsauken) Cleaner, Newton Avenue Garage – 10 years

ACTION ITEMS

ITEM 1212-56: ACCESS LINK CONTRACTED SERVICE FOR REGION 6 (BERGEN, HUDSON, PASSAIC AND PARTS OF ESSEX COUNTIES)

BENEFITS

In July 1990, the Americans with Disabilities Act (ADA) was signed into federal law requiring public entities operating fixed-route transportation systems to provide paratransit services for individuals with disabilities who cannot use the fixed-route service. NJ TRANSIT provides paratransit service (known as Access Link) everywhere in the State where fixed-route local bus transportation systems operated by NJ TRANSIT, or private carriers under contract to NJ TRANSIT, are offered.

NJ TRANSIT contracts with vendors to provide service in different regions throughout the State. In Region 6, which includes Bergen, Hudson, Passaic and parts of Essex Counties, 5,363 people are certified to use Access Link and approximately 622 average weekday passenger trips are provided.

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

Staff seeks authorization to enter into NJ TRANSIT Contract No. 12-064 with First Transit, Inc. of Cincinnati, Ohio, to provide ADA paratransit service in Region 6 (Bergen, Hudson, Passaic and parts of Essex Counties) for an 84-month period from June 16, 2013 to June 27, 2020, a three-year base contract with four one-year options, at a cost not to exceed \$76,639,931.50, plus five percent for contingencies, for a total contract authorization of \$80,471,928.08, subject to the availability of funds and adoption of future NJ TRANSIT Operating Budgets.

PURPOSE

Authorization of this contract will ensure that NJ TRANSIT remains in compliance with its federal obligation to provide ADA paratransit service to residents and visitors. It will ensure that those who are unable to use NJ TRANSIT's fixed-route local bus service have the opportunity to become more independent and increase their community participation. The existing contract for Access Link paratransit service in Region 6 expires on June 15, 2013.

BACKGROUND

History

The public transit provisions of the Americans with Disabilities Act of 1990 (ADA) (42 U.S.C. 1210 et sq.) call for mandatory accessible fixed-route systems and comparable complementary paratransit services for individuals with disabilities who cannot use accessible fixed-route systems. NJ TRANSIT provides paratransit service (known as Access Link) everywhere in the State where fixed-route local bus transportation

systems are operated by NJ TRANSIT, or by private carriers under contract to NJ TRANSIT. NJ TRANSIT contracts with private vendors to provide service in five separate regions throughout the State.

The current Access Link contracts are as follows:

- Region 2 Burlington, Camden, Salem and Gloucester Counties
Service provider: First Transit, Inc.
Contract period: 07/14/12 – 07/12/19

- Region 3 Atlantic, Cumberland, Cape May and Southern Ocean Counties
Service provider: First Transit, Inc.
Contract period: 12/01/05 – 07/06/13 (includes 8-month extension)

- Region 4 Mercer, Middlesex, Monmouth and Northern Ocean Counties
Service provider: First Transit, Inc.
Contract period: 03/07/07 – 05/07/14

- Region 5 Essex, Union, Somerset, Morris and Western Hudson Counties
Service provider: First Transit, Inc.
Contract period: 06/13/09 – 04/09/16

- Region 6 Bergen, Hudson and Passaic Counties
Service provider: First Transit, Inc.
Contract period: 06/10/06 – 06/15/13

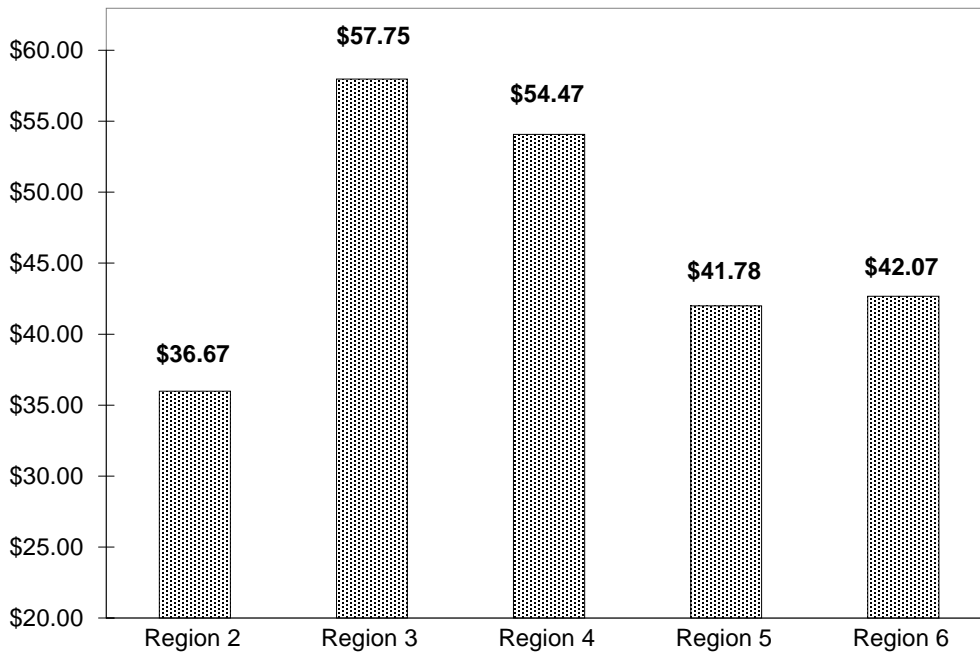
Each current contract has a three-year base period. Contracts for Regions 2, 3 and 5 have four one-year option periods, and contracts for Regions 4 and 6 have two two-year option periods.

From June 2006 through June 2012, 835,687 ADA passenger trips in Region 6 alone were delivered, at a cost of approximately \$42.70 per trip (assumes an average fare of \$1.35 per passenger), with an average growth of 14 percent per year.

As of October 1, 2012, 28,919 people are eligible to ride Access Link statewide, 5,363 of which live in the Region 6 service area: Bergen (2,410), Hudson (1,747) and Passaic (1,199). On average, Access Link provides 622 weekday trips per day to this region.

The following chart illustrates the actual cost per trip (including fuel costs and excluding NJ TRANSIT administration costs) for FY2012 by Access Link Region.

Access Link FY 2012 Cost per Trip (Actual) by Region



Procurement

On July 9, 2012, NJ TRANSIT advertised a Request for Proposals (RFP) for paratransit service in Region 6 in *The Star-Ledger* and *The Trenton Times* on July 9, 2012. A Pre-Proposal Conference was held on August 6, 2012 at NJ TRANSIT Headquarters.

The RFP required prospective carriers to provide a proposed price for both the base contract period (three years) and the four one-year option periods. Proposals were due on September 7, 2012 and NJ TRANSIT received responses from three companies: First Transit, Inc., MV Transportation, Inc., and Ride Right, LLC. The responses included a technical proposal and a cost proposal.

MV Transportation, Inc. submitted a letter formally rescinding their bid after their proposed facility was found to be inadequate and an alternate facility could not be located in the allotted timeframe. Ride Right, LLC's technical proposal was also deemed non-responsive due to the inadequacy of their proposed facility. Ride Right, LLC was given a two-day period to locate an alternate facility, which was not found.

The Technical Proposal from First Transit, Inc. was reviewed by the Technical Evaluation Committees (TECs) comprised of:

- CP&P ADA Services (three members)
- CP&P Local Programs & Minibus Support (one member)

The Technical Proposal from First Transit, Inc. was deemed responsive and the Cost Proposal was opened. A Best and Final Offer (BAFO) was submitted on October 19, 2012.

VENDOR	BAFO PRICE
First Transit, Inc. Cincinnati, Ohio	\$76,639,931.50

Contract Performance Standards

The contract contains performance standards for Access Link regarding customer service, system efficiency, performance incentives, operator development, vehicle maintenance, and quality safeguards. These performance standards are shown below:

Customer Service – Customer Service initiatives include monthly financial awards earned by the Service Provider when there are no confirmable customer complaints and financial awards payable to vehicle operators who go one year working full time without being involved in a confirmed complaint or preventable accident. Also included are standards for customer pick-ups, drop-offs, securement and requirements for the use of the electronic external vehicle arrival announcement feature

System Efficiency – System Efficiency is fostered through the establishment of minimum staffing levels to ensure adequate service control, constant monitoring of Provider service schedules, the use of Mobile Data Terminals (MDT) on all vehicles, annual computer system proficiency certification requirements for operations staff and a Productivity Incentive that financially rewards Providers for achieving efficiency goals

Performance Incentives/Assessments – Performance Incentives include Operator Excellence Incentives, Productivity Incentives and On-time Performance Incentives. Performance Assessments, which are included in the contract to enable NJ TRANSIT to recoup funds paid for services not rendered per specifications, cover a myriad of circumstances including missed trips, late trips, improperly maintained vehicles, customer complaints, unsafe operation, missing or incomplete reports, etc. Assessments associated with the Performance Incentives are levied in terms of multipliers of the Provider's variable rate. For example, the assessment for the most egregious violation could result in a payment of up to 25 times the variable rate, per incident, depending on the operational impact and severity of the incident. For a provider whose hourly variable rate is \$35, that could mean \$875.

Operator Development – Basic driver skills are developed and maintained through 104 hours of vehicle operator training, Behind-the-Wheel (BTW) Driver Trainer certification and the use of the Drive-Cam system utilization standards

Vehicle Maintenance – Fleet condition is ensured through daily reporting of vehicle availability status, the capabilities for NJ TRANSIT staff to access the Provider’s computerized vehicle maintenance system and random audits of fleet condition and maintenance records.

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

FISCAL IMPACTS

Requested Authorization: \$ 76,639,931.50 + 5% contingency

Total Project Cost: \$ 76,639,931.50

Projected Date of Completion: June 2020

Anticipated Source of Funds: NJ TRANSIT FY2014 to FY2020 Operating Budgets

DBE/SBE Goal: 2% SBE Category 6

NJ Build Amount: None

Related/Future Authorizations: Purchase of Access Link Vehicles

Impacts on Subsequent Operating Budgets:	FY2014	\$ 8,858,349.51
	FY2015	\$ 9,303,559.86
	FY2016	\$ 9,984,086.08
	FY2017	\$10,604,037.90
	FY2018	\$11,475,548.23
	FY2019	\$12,267,483.91
	FY2020	<u>\$14,146,866.01</u>
	Total	\$76,639,931.50

RESOLUTION

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

WHEREAS, the existing contract for Access Link paratransit service in Region 6 (Bergen, Hudson, Passaic and parts of Essex Counties) will expire on June 15, 2013; and

WHEREAS, providing uninterrupted Access Link service is an ongoing requirement of the Federal Government; and

WHEREAS, upon completion of a competitive procurement process, it was determined that First Transit, Inc. submitted the proposal that provides the best value and is in the best interest of NJ TRANSIT;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to enter into NJ TRANSIT Contract No. 12-064 with First Transit, Inc. of Cincinnati, Ohio, to provide ADA paratransit service in Region 6 (Bergen, Hudson, Passaic and parts of Essex Counties) for an 84-month period from June 16, 2013 to June 27, 2020, a three-year base contract with four one-year options, at a cost not to exceed \$76,639,931.50, plus five percent for contingencies, for a total contract authorization of \$80,471,928.08, subject to the availability of funds and adoption of future NJ TRANSIT Operating Budgets.

ITEM 1212-57: MOTOR COACH INDUSTRIES SERVICE PARTS (MCISP) – AGREEMENT AMENDMENT

BENEFITS

The maintenance of the 2,179 buses in the NJ TRANSIT Bus Operations fleet is a critical component of the overall experience of our Bus customers in terms of safety, reliability and comfort. Fully \$170 Million or 26 percent of the FY2013 Bus operating budget is made up of the parts, materials and labor required to perform that maintenance. Approximately 50 percent of those expenses are associated with the maintenance of the 1,076 Cruiser buses in our fleet. All of those cruiser buses were manufactured by Motor Coach Industries (MCI).

In previous actions, the NJ TRANSIT Board of Directors authorized a sole source contract with Motor Coach Industries Service Parts, Inc. (MCISP) of Des Plaines, IL (now Louisville, Kentucky), for the purchase of maintenance parts and supplies required to support the Motor Coach Industries (MCI) manufactured cruiser bus fleet.

Authorization of the additional requested funding will allow NJ TRANSIT Bus Operations to continue to benefit from this unique sole source arrangement with MCISP which allows NJ TRANSIT Bus Operations to take advantage of economies of scale purchases and volume discounts of up to 30 percent.

ACTION (Scorecard: Customer Experience, Corporate Accountability)

Staff seeks authorization to amend the existing sole source contract (No. 01-622) with Motor Coach Industries Service Parts, Inc. (MCISP) of Louisville, Kentucky to provide additional authorization of \$67,000,000, plus five percent contingency, for a total authorization not to exceed \$213,750,000, subject to future approval of operating budgets, to ensure uninterrupted parts availability for our fleet of cruiser buses, enabling them to be kept in a state of good repair through June 2016.

PURPOSE

The original sole source contract with Motor Coach Industries Service Parts, Inc. (MCISP) for service parts for the MCI manufactured buses was extended, in previous Board actions, for the anticipated life of the fleet. At the time, it was anticipated that the cost of parts, and therefore the authorization required to support this contract, would not exceed \$143,400,000. That estimate was based, in large part, on the assumption that there would be a separately funded reliability program for this fleet at its half life. The reliability program was not funded and the majority of the components that would have been replaced during that program are now being replaced at the operating garages and are being obtained through this contract. As a result, expenditures are approaching the funding authorization and there are still almost four years remaining on the contract.

Additional funding authorization will allow us to continue to secure MCI parts through this beneficial contractual arrangement. Staff is not requesting an increase in the operating budget, but is requesting increased authorization to spend operating budget funds on this sole source contract.

BACKGROUND

In 2002, the NJ TRANSIT Board of Directors authorized the award of a sole source contract with Motor Coach Industries Service Parts, Inc. (MCISP) of Des Plaines, IL (now Louisville, Kentucky), for the purchase of maintenance parts and supplies required to support the Motor Coach Industries (MCI) manufactured cruiser bus fleet. The contract required MCI to establish a centrally located New Jersey MCISP warehouse and implement daily garage deliveries and interactive MCISP system parts look-up and ordering features. MCISP provides daily and emergency "just in time" deliveries and maintains a 98 percent fill rate. The contract provisions allowed NJ TRANSIT to receive preferential pricing, reduce inventory, increase efficiency of delivery, reduce the risk of obsolete parts in inventory and reduce the cost associated with the purchasing, distribution and storage of the bus parts inventory at the central storeroom facility. The authorization covered an eight-year contract period with a base contract of five years and three one-year options. The authorized amount of the contract was \$45,400,000.

In 2007, the NJ TRANSIT Board of Directors authorized the exercise of the three one year options, and the extension of the contract term for an additional six years for a total of fourteen years to 2016 commensurate with the anticipated retirement of the fleet. The Board authorized an additional expenditure of \$98,000,000, bringing the total authorization for the 14-year contract to \$143,400,000. Approximately 1,000 buses were being supported by the contract at the time of this Board action.

Since then, additional MCI cruisers have been purchased and added to the service support contract. Also, in 2007, upon the demise of the Flexible bus manufacturing company, MCI purchased the tooling and engineering drawings to manufacture parts for Flexible Metro-B and Metro-D model buses, of which NJ TRANSIT had 526. Parts for these buses were purchased through the MCISP contract. At the peak, parts for up to 1,589 buses were being purchased through the MCISP contract. Additionally, when the 2007 cost estimate was being prepared, it was envisioned that there would be a separately funded reliability program for this fleet at its half life. The reliability program was not funded and the majority of the components that would have been replaced during that program are now being replaced at the operating garages and are being obtained through this contract. For example, an MCI seat program, an HVAC Motor Program, and a CNG Reliability Program have resulted in more than \$7,000,000 that would have been included in the mid-life overhaul. As a result, at current levels, expenditures will exceed authorization before the end of the contract period.

The additional \$67,000,000 plus five percent contingency in authorization requested in this action is based on current spending levels which are predicated on routine maintenance activities, the age of the fleet and the expectation that parts for major fleet-wide activities will be purchased through this contract.

The contract with MCISP was first awarded in 2002 to insure parts availability with minimum exposure to parts inventory for NJ TRANSIT. This program has been successful in that NJ TRANSIT inventory has continued to be considerably less than what was required for past fleets. Also, as the fleet nears the end of its service life, exposure to obsolete inventory will be drastically reduced in comparison to past fleets.

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

FISCAL IMPACTS

Requested Authorization:	\$67,000,000 plus 5% contingency
Total Project Cost:	\$213,750,000
Projected Date of Completion:	June 1, 2016
Anticipated Source of Funds:	FY2013-FY2016 Operating Budget
DBE/SBE Goal:	N/A
<i>NJ Build</i> Amount:	N/A
Related/Future Authorizations:	None
Impacts on Subsequent Operating Budgets:	Reduced inventory and overhead cost for Central Stores and Garages and reduced obsolete inventory exposure

RESOLUTION

WHEREAS, the maintenance of the 1,076 MCI Cruiser buses in the NJ TRANSIT Bus Operations fleet is a critical component of the overall experience of our Bus customers in terms of safety, reliability and comfort; and

WHEREAS, NJ TRANSIT continues to require preventative maintenance parts, general repair parts, and proprietary parts to support the operation of the 1,076 bus fleet manufactured by Motor Coach Industries (MCI); and

WHEREAS, Motor Coach Industries Service Parts, Inc., (MCISP) provides a high level of maintenance support and greatly reduces the cost associated with the purchase and storage of inventory; and

WHEREAS, additional authorization of funds is required to purchase the parts necessary to support maintenance activities on the buses for their remaining service life;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to amend the existing sole source contract (No. 01-622) with Motor Coach Industries Service Parts, Inc. (MCISP) of Louisville, Kentucky to provide additional authorization of \$67,000,000, plus five percent contingency, for a total authorization not to exceed \$213,750,000, subject to future approval of operating budgets, to ensure uninterrupted parts availability for our fleet of cruiser buses, enabling them to be kept in a state of good repair through June 2016.

ITEM 1212-58: AMENDED BOARD ITEM 1207-37: NJ TRANSIT GRANT PROGRAMS: LOCAL TRANSPORTATION FOR SENIOR CITIZENS, PERSONS WITH DISABILITIES, RURAL AND ECONOMICALLY DISADVANTAGED RESIDENTS

BENEFITS

This amendment will allow NJ TRANSIT to administer the Senior Citizen and Disabled Resident Transportation Assistance Program at the fully authorized level for FY 2013 of \$21,237,200 for County subrecipients and \$24,632,000 in total. An amendment to the New Jersey State Budget for FY2013, signed in late June 2012, increased the total amount authorized for this program by \$2,000,000 above the amount originally anticipated. All of the additional \$2,000,000 is being distributed to the Counties for their use in providing transportation for senior citizens and people with disabilities.

ACTION (Scorecard: Corporate Accountability, Customer Experience)

Staff seeks authorization to amend Board Item Number 1207-37, *NJ TRANSIT FY2013 Grant Programs: Local Transportation for Senior Citizens, Persons with Disabilities, Rural and Economically Disadvantaged Residents*, to increase the total amount authorized for the Senior Citizen and Disabled Resident Transportation Assistance Program for FY2013 by \$2,000,000 from \$22,632,000 to \$24,632,000. The allocation of these funds is set forth in Exhibit A.

PURPOSE

On July 11, 2012, the NJ TRANSIT Board of Directors authorized the FY2013 Senior Citizen and Disabled Resident Transportation Assistance Program in the amount of \$22,632,000, the anticipated funding level for the program. The amended FY2013 New Jersey State Budget, signed in late June 2012, increased the funding level for this program to \$24,632,000. The allocation of the increased funding had not been agreed to by the subrecipients at the time of the Board's July meeting.

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

FISCAL IMPACTS

Requested Authorization: Amend Board Item Number 1207-37 to include additional funding for the FY2013 Senior Citizen and Disabled Resident Transportation Assistance Program

Total Project Cost: \$ 2,000,000

Projected Date of Completion: July 31, 2013

Anticipated Source of Funds: Casino Revenue Funds

DBE/SBE Goal: 0% SBE

***NJ Build* Amount:** None

Related/Future Authorizations: NA

**Impacts on Subsequent
Operating Budgets:** None

RESOLUTION

WHEREAS, the New Jersey Senior Citizen and Disabled Resident Transportation Assistance Act provides 100 percent State funding for the counties or their designees to provide community-based transportation services, as well as for NJ TRANSIT to administer the program, to provide technical assistance to the counties, and to develop, provide and maintain accessible improvements to fixed route systems; and

WHEREAS, Board Item Number 1207-37, dated July 11, 2012, authorized the execution of contracts with Counties under this program for a total program amount of \$22,632,000; and

WHEREAS, the amended FY2013 New Jersey State Budget, signed in late June 2012, allocated a total of \$24,632,000 for this program;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is hereby authorized to amend Board Item Number 1207-37, *NJ TRANSIT FY2013 Grant Programs: Local Transportation for Senior Citizens, Persons with Disabilities, Rural and Economically Disadvantaged Residents*, to increase the total amount authorized for the Senior Citizen and Disabled Resident Transportation Assistance Program for FY2013 by \$2,000,000 from \$22,632,000 to \$24,632,000. The allocation of these funds is set forth in Exhibit A.

EXHIBIT A

**SENIOR CITIZEN AND DISABLED RESIDENT
TRANSPORTATION ASSISTANCE PROGRAM
FY2013 – REVISED**

County	Original FY2013 Allocation	Revised FY2013 Allocation
Atlantic	\$ 622,964	\$ 686,403
Bergen	1,698,400	1,865,541
Burlington	1,002,891	1,105,023
Camden	1,065,517	1,174,025
Cape May	410,000	460,517
Cumberland	410,000	460,517
Essex	1,471,408	1,621,252
Gloucester	585,845	645,506
Hudson	1,071,822	1,180,973
Hunterdon	410,000	460,517
Mercer	747,098	823,180
Middlesex	1,595,817	1,758,329
Monmouth	1,409,227	1,552,738
Morris	1,100,198	1,212,239
Ocean	1,698,400	1,865,541
Passaic	975,699	1,075,061
Salem	410,000	460,517
Somerset	649,381	715,512
Sussex	410,000	460,517
Union	1,082,533	1,192,775
Warren	410,000	460,517
Total Counties	\$ 19,237,200	\$ 21,237,200
NJ TRANSIT	3,394,800	3,394,800
TOTAL	\$ 22,632,000	\$ 24,632,000

100% State funds from the Casino Revenue Tax funds.

ITEM 1212-59: COMMUNITY MOBILITY AND LOCAL PROGRAMS: VEHICLE PURCHASE CONTRACTS FOR TRANSIT-STYLE BUSES AND CUTAWAY MINIBUSES WITH LIFTS

BENEFITS

The Federal Transit Administration (FTA) makes available a variety of funding programs and grants that allow for the purchase of vehicles for local community transit services. NJ TRANSIT, as the grant recipient, procures vehicles under these grant programs on behalf of local subrecipients in order to maximize purchasing power as well as to ensure compliance with Federal procurement regulations.

Under this procurement vehicles purchased will benefit the elderly, the disabled, rural resident, and low-income transit-dependent residents. Specific Federal programs are: Section 5310 Transportation for Elderly Persons and Persons with Disabilities Program; Section 5311 Formula Grants for Other than Urbanized Areas Program which includes American Recovery and Reinvestment Act of 2009 (ARRA); and Congestion Mitigation and Air Quality (CMAQ) Program. Transportation Trust Fund monies are used for NJ TRANSIT's required match of Section 5310 funds.

ACTION (Scorecard: Corporate Accountability, Customer Experience)

As a result of a competitive procurement process, staff seeks authorization to award NJ TRANSIT Contract No. 12-048A to Alliance Bus Group of Carlstadt, New Jersey, for the purchase of five Category 1 Buses, seven Category 2 Buses (five base order and two option vehicles), and four Category 3 Buses in an amount not to exceed \$2,042,500.00, plus five percent for contingencies, for a total contract authorization of \$2,144,625.00, subject to the availability of funds.

Staff also seeks authorization to award NJ TRANSIT Contract No. 12-048B to Rohrer Bus Sales of Duncannon, Pennsylvania, for the purchase of four Category 4 Cutaway Minibuses in an amount not to exceed \$477,684.00, plus five percent for contingencies, for a total contract authorization of \$501,568.20, subject to the availability of funds.

PURPOSE

Authorization of these contracts will provide transit-style and cutaway minibuses to be used by two private non-profit organizations and nine designated public bodies to provide transit services to senior citizens and persons with disabilities, low income, and the general public.

BACKGROUND

Federal Transit Administration Programs

Section 5310 Transportation for Elderly Persons and Persons with Disabilities

This program (49 U.S.C. 5310) provides formula funding annually to States for the purpose of assisting private non-profit groups in meeting the transportation needs of the elderly and persons with disabilities when the transportation service provided is unavailable, insufficient, or inappropriate to meeting these needs. Funds are apportioned based on each State's share of population for these groups of people.

Funds are obligated based on the annual program of projects included in a statewide grant application. The State agency (in New Jersey it is NJ TRANSIT) ensures that local applicants and project activities are eligible and in compliance with Federal requirements that private not-for-profit transportation providers have an opportunity to participate as feasible, and that the program provides for coordination of Federally-assisted transportation services assisted by other Federal sources. Once the FTA approves the application, funds are available for State administration of its program and for allocation to individual subrecipients with the State.

States are direct recipients. Eligible subrecipients are private non-profit organizations; governmental authorities where no non-profit organizations are available to provide service; and governmental authorities approved to coordinate services.

Title 49 U.S.C. 5310, as amended by the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), requires a recipient of Section 5310 funds to certify that projects selected are derived from a locally-developed, coordinated public transit-human services transportation plan.

Section 5311 Formula Grants for Other than Urbanized Areas

This program (49 U.S.C. 5311) is a rural program that is formula-based and provides funds to States for the purpose of supporting public transportation in rural areas, with populations of less than 50,000. The goal of the program is to provide the following services to communities with populations less than 50,000:

- Enhance the access of people in nonurbanized areas to health care, shopping, education, employment, public services, and recreation.
- Assist in the maintenance, development, improvement, and use of public transportation systems in nonurbanized areas.
- Encourage and facilitate the most efficient use of all transportation funds used to provide passenger transportation in nonurbanized areas through the coordination of programs and services.
- Assist in the development and support of intercity bus transportation.
- Provide for the participation of private transportation providers in nonurbanized transportation.

Title 49 U.S.C. 5311, as amended by SAFETEA-LU, defines eligible recipients to include a State or Indian tribe that receives a Federal transit program grant directly from the Federal Government. A subrecipient of the program includes a local government authority, a non-profit organization, or an operator of public transportation or intercity bus service that receives Federal transit program grant funds indirectly through a recipient.

Congestion Mitigation and Air Quality (CMAQ)

This program (23 U.S.C. 149) is a section of the Federal Highway Program that can be used for public transit purposes. Decisions over which projects and programs to fund under CMAQ are made through the appropriate metropolitan and/or statewide planning process, which includes the involvement of State and local air quality agencies. The Federal Highway Administration (FHWA) and FTA recommend that States and MPOs develop their transportation/air quality programs using complementary measures that simultaneously provide alternatives to single-occupant vehicle (SOV) travel while reducing demand through pricing parking management, regulatory or other means. Further, the FHWA and FTA urge States and MPOs to develop a full and open public process for the solicitation and selection of meritorious projects to be funded through the CMAQ program. States may transfer CMAQ funds to other programs, including transit programs.

NJ TRANSIT's Administrative Role

NJ TRANSIT's authorizing legislation, known as the New Jersey Public Transportation Act of 1979, states "As a matter of public policy, it is the responsibility of the State to establish and provide for the operation and improvement of a coherent transportation system in the most efficient and effective manner." (NJSA 27:25-2)

Furthermore, under the Senior Citizen and Disabled Resident Transportation Assistance Act, which became effective January 17, 1984, the New Jersey Legislature stated that "it is appropriate that the New Jersey Transit Corporation, in conjunction with its advisory bodies, representatives or associations of counties, and other interested parties, develop a plan for transportation assistance to senior citizens and the disabled; that the instrumentalities of local government, particularly the counties of this State, should play a major role in facilitating the provision of that transportation assistance; and that the New Jersey Transit Corporation in conjunction with the New Jersey Department of Transportation's Office of Coordination, as well as the counties, should coordinate the assistance with existing transportation services, including but not limited to those services funded by any other State agency, at the local level and coordinate inter-county transportation services." (NJSA 27:25-26)

NJ TRANSIT has developed a State Management Plan, most recently updated in June 2012, for these programs, which describes the process by which funds are administered and which includes the process for selecting subrecipients to receive vehicles.

Selection Process

Federal funds were made available for the purchase of vehicles to be allocated to subrecipients under the programs described above. NJ TRANSIT worked with subrecipients to determine appropriate vehicle types and quantities. NJ TRANSIT developed specifications for the vehicles, consistent with the subrecipients' needs and the available funding.

Selection Process for Section 5310 and CMAQ

Under these two programs, Federal funding is made available annually and a competitive grant process is undertaken. The Section 5310 application process for subrecipients is directly administered by NJ TRANSIT with input from other groups and organizations, including Metropolitan Planning Organizations (MPOs), during the review and selection process. The CMAQ program applicants are solicited directly by MPOs with NJ TRANSIT then submitting the Federal grant and administering the program. The Section 5310 program is predominantly a capital (vehicle) program and requests usually exceed available funds. CMAQ can be used for operating or capital. This Board item only reflects capital fund requests for minibuses contained in approved grants.

Section 5310 applications are reviewed and evaluated in five major areas:

- Description of service, which includes a description of the service area, explanation of current transportation challenges for consumers, impact of not receiving the award, and the un-met need being filled with the award.
- Vehicle utilization and appropriateness of service, including the number of trips and hours of operation as well as the trip purposes proposed.
- Coordination and cooperation, which considers whether the applicant or service presented as an un-met need is specifically identified in a locally-developed human services coordination plan.
- Financial and management capabilities, which include a consideration of fiscal resources set aside for the proposed service as well as the agency's experience in providing transportation services.
- Operating plan, which includes the depth of driver training, maintenance program, storage of equipment, and scheduling and dispatching of vehicles.

In addition to the above factors, the availability of other transit options in the area, and the degree to which the Section 5310 proposed service will complement the other options, is considered. For those who are current subrecipients of NJ TRANSIT, timely submittal of required reports and certifications, and maintenance of vehicles is also considered.

This process is explained in greater detail in NJ TRANSIT's State Management Plan for the Section 5310 program, most recently revised in June 2012.

Selection Process for Section 5311 ARRA-Funded Vehicles

In March, 2009, NJ TRANSIT sent a letter to each of the counties eligible for Section 5311 funding advising that the ARRA legislation provided funding for new vehicle purchases. NJ TRANSIT requested the counties to submit a vehicle equipment request form with their requests. The counties were advised of several conditions regarding the use of these funds:

- The vehicle(s) would be used for rural/non-urbanized service;
- The service be a non-prioritized trip service open to the general public although services could be designed to meet the particular needs of a particular targeted population;
- All the requirements of FTA-funded equipment would apply including FTA drug and alcohol testing, reporting, etc.;
- No operating dollars would be available under this stimulus program; and
- NJ TRANSIT would purchase all vehicles.

Once the requests were received, NJ TRANSIT staff determined whether the available funding would be sufficient for the number of vehicles requested. In all, NJ TRANSIT received requests for 64 vehicles at a total cost approximately \$1,600,000 higher than the grant amount. Staff then discussed with the various counties that had requested multiple vehicles to develop a consensus regarding the total number of vehicles.

Due to receiving lower than estimated bid prices for the original ARRA-funded vehicle purchase, there are funds remaining in ARRA grants sufficient to purchase additional vehicles. NJ TRANSIT asked the original ARRA vehicle recipients for their additional vehicle needs and is purchasing the additional vehicles through this procurement.

It should be noted that only county providers in the 17 counties with rural areas were invited to participate. The four urban counties (Bergen, Essex, Hudson and Union) are not eligible for rural/non-urbanized funding under this program.

Funding

Funds to be used in this vehicle purchase have already been awarded to NJ TRANSIT through FTA grants. NJ TRANSIT's costs for administering these programs are also funded through these grants.

Funding Source	Alliance Bus Group Contract 12-048A (Category 1, 2, 3) 16 Buses	Rohrer Bus Sales Contract 12-048B (Category 4) 4 Buses	Total
FTA Section 5310 matched with TTF	\$ 1,130,000	\$ 380,147	\$ 1,510,147
TTF match for FTA Section 5310	\$ 280,000	\$ 97,537	\$ 377,537
FTA Section 5311 (CMAQ Flex)	\$ 250,800		\$ 250,800
FTA Section 5311 (ARRA) – FY09	\$ 255,000		\$ 255,000
CMAQ	\$ 126,700		\$ 126,700
Total	\$ 2,042,500	\$ 477,684	\$ 2,520,184

Procurement

An Invitation for Bid was advertised in *The Star-Ledger* and *The Trenton Times* on June 15, 2012. A Pre-Bid Conference was held on July 2, 2012. Bids were opened on August 29, 2012 at 2:30 p.m.

The Federal Transit Administration (FTA) requires that each Transit Vehicle Manufacturer, as a condition of authorization to bid on Transit Vehicle procurements utilizing FTA funds, establish a DBE Program including overall goals which is then submitted to FTA for approval. The Office of Business Development has assigned a Transit Vehicle Manufacturer goal for this procurement. The Engineer's Estimate for the base order vehicles is \$2,606,500.00.

The distribution of vehicles is shown in Exhibit A.

IFB 12-048 RESULTS

Category 1 – 5 Type G Vehicles

COMPANY	TOTAL EVALUATED PRICE
Alliance Bus Group Carlstadt, New Jersey	\$ 629,300.00
Rohrer Bus Sales Duncannon, Pennsylvania	\$ 644,721.00

Category 2 – 5 Type H Vehicles

COMPANY	TOTAL EVALUATED PRICE
Alliance Bus Group Carlstadt, New Jersey	\$ 645,700.00
Rohrer Bus Sales Duncannon, Pennsylvania	\$ 658,587.00

Category 3 – 1 Type I and 3 Type L Vehicles

COMPANY	TOTAL EVALUATED PRICE
Alliance Bus Group Carlstadt, New Jersey	\$ 508,100.00
Rohrer Bus Sales Duncannon, Pennsylvania	\$ 521,588.00

Category 4 – 4 Cutaway Minibuses with Lift

COMPANY	TOTAL EVALUATED PRICE
Rohrer Bus Sales Duncannon, Pennsylvania	\$ 477,684.00
Alliance Bus Group Carlstadt, New Jersey	\$ 488,000.00

Options for Additional Vehicles

The bid documents for the vehicles included the provision for additional vehicles to be exercised by NJ TRANSIT within 150 days of contract notice to proceed. The provision would allow for the purchase of the following additional vehicles at the same price as the base vehicles:

Contract 12-048A 2 Category 1 Type G Buses
 2 Category 2 Type H Buses
 2 Category 3 Type I or L Buses

Contract 12-048B 2 Category 4 Cutaway Minibuses

This authorization request includes two Category 2 Type H option vehicles. Additional Board authorization may be requested for the purchase of the remaining option vehicles (two Category 1 Type G Buses, two Category 3 Type I or L Buses and two Category 4 Cutaway Minibuses) if funding becomes available.

All buses purchased through this contract have a useful life of seven years or 200,000 miles. Typical vehicles are shown in Exhibit B.

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

FISCAL IMPACTS

Requested Authorization:

Contract 12-048A (Categories 1, 2 and 3)

Alliance Bus Group \$ 2,042,500.00 + 5% contingency

Contract 12-048B (Category 4)

Rohrer Bus Sales \$ 477,684.00 + 5% contingency

Total Project Cost: \$ 2,520,184

Projected Date of Completion: July 2014

Anticipated Source of Funds: Federal Transit Administration
Transportation Trust Fund

DBE/SBE Goal: Transit Vehicle Manufacturer

NJ Build Amount: N/A

Related Future Authorization: Annual Community Mobility and Local Programs
authorization

**Impacts on Subsequent
Operating Budgets:** None

RESOLUTION

WHEREAS, the State of New Jersey has applied for and funded local transit services throughout the State through a variety of Federal Transit Administration (FTA) grant programs; and

WHEREAS, funding is available to purchase vehicles for local transportation programs under FTA Section 5310, the FTA Section 5311, and CMAQ; and

WHEREAS, the American Recovery and Reinvestment Act of 2009 (ARRA) has also made capital funding available under the FTA Section 5311 Program; and

WHEREAS, upon completion of a competitive procurement process, Alliance Bus Group was determined to be the lowest responsive, responsible bidder for the Category 1 Buses, Category 2 Buses, and Category 3 Buses; and

WHEREAS, upon completion of a competitive procurement process, Rohrer Bus Sales was determined to be the lowest responsive, responsible bidder for the Category 4 Cutaway Buses;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to award NJ TRANSIT Contract No. 12-048A to Alliance Bus Group of Carlstadt, New Jersey, for the purchase of five Category 1 Buses, seven Category 2 Buses (five base order and two option vehicles), and four Category 3 Buses in an amount not to exceed \$2,042,500.00, plus five percent for contingencies, for a total contract authorization of \$2,144,625.00, subject to the availability of funds; and

BE IT FURTHER RESOLVED that the Chairman or Executive Director is authorized to award NJ TRANSIT Contract No. 12-048B to Rohrer Bus Sales of Duncannon, Pennsylvania, for the purchase of four Category 4 Cutaway Buses in an amount not to exceed \$477,684.00, plus five percent for contingencies, for a total contract authorization of \$501,568.20, subject to the availability of funds.

RECIPIENTS OF VEHICLES

Section 5310 Transportation for Seniors and Persons With Disabilities Program

Atlantic	Atlantic City Senior Citizens Transportation	1 Category 3 Type L
Gloucester	Township of Washington	1 Category 3 Type I
Hunterdon	Hunterdon County Human Services	2 Category 1 Type G
Middlesex	Middlesex County	5 Category 2 Type H
Ocean	Ocean County	4 Category 4 Cutaway Minibuses
Sussex	Sussex County	2 Category 3 Type I
Total		15 Vehicles

Section 5310 (CMAQ-FLEX) Transportation for Seniors and Persons With Disabilities Program

Camden	Senior Citizens United Community Services (SCUCS)	1 Category 1 Type G
Cape May	Cape May County	1 Category 2 Type H
Total		2 Vehicles

Section 5311 Formula Grants for Other Than Urbanized Areas Program (ARRA)

Cape May	Cape May County	1 Category 2 Type H
Hunterdon	Hunterdon County	1 Category 1 Type G
Total		2 Vehicles

CMAQ Program

Camden	South Jersey Transportation Authority (SJTA)	1 Category 1 Type G
Total		1 Vehicle

VEHICLE TYPES



**TRANSIT STYLE BUS
(Categories 1, 2 and 3)**



**CUTAWAY MINIBUS
(Category 4)**

**ITEM 1212-60: COMMUNITY MOBILITY AND LOCAL PROGRAMS:
AMENDMENTS TO VEHICLES PURCHASE CONTRACTS FOR
VANS AND MINIBUSES**

BENEFITS

The Federal Transit Administration (FTA) makes available a variety of funding programs and grants that allow for the purchase of vehicles for local community transit services. NJ TRANSIT, as the direct grant recipient, has taken the lead in procuring vehicles under these grant programs on behalf of local sub-recipients in order to maximize purchasing power as well as maintain better oversight of Federal procurement regulations and compliance issues.

Vehicles purchased by exercising these options will benefit the elderly and disabled residents of New Jersey. The specific Federal programs are the Section 5310 Transportation for Elderly Persons and Persons with Disabilities Program and the Section 5317 New Freedom Program. Both of these programs provide transportation for senior citizens and people with disabilities. The New Freedom program provides transportation that is targeted to help people with disabilities access job opportunities. Transportation Trust Fund monies are used for NJ TRANSIT's match of Section 5310 funds.

ACTION (Scorecard: Corporate Accountability, Customer Experience)

Staff seeks authorization to amend NJ TRANSIT Contract No. 12-033A with Alliance Bus Group of Carlstadt, New Jersey, to exercise options for the purchase of 13 Category 1 Vehicles and 18 Category 3 Vehicles in an amount not to exceed \$1,629,450.00, plus five percent for contingencies, for a total contract authorization of \$9,086,962.50, subject to the availability of funds.

Staff also seeks authorization to amend NJ TRANSIT Contract No. 12-033B with Rohrer Bus Sales of Duncannon, Pennsylvania, to exercise options for the purchase of six Category 2 Vehicles in an amount not to exceed \$294,015.00, plus five percent for contingencies, for a total contract authorization of \$3,613,813.35, subject to the availability of funds.

PURPOSE

Authorization of these contract amendments will provide vans and minibuses to be used by one private non-profit organization and fifteen designated public bodies to provide transit services to senior citizens, persons with disabilities, and the general public statewide.

BACKGROUND

Federal Transit Administration Programs

Section 5310 Transportation for Elderly Persons and Persons with Disabilities

This program (49 U.S.C. 5310) provides formula funding annually to States for the purpose of assisting private non-profit groups in meeting the transportation needs of the elderly and persons with disabilities when the transportation service provided is unavailable, insufficient, or inappropriate to meeting these needs. Funds are apportioned based on each State's share of population for these groups of people.

Funds are obligated based on the annual program of projects included in a statewide grant application. The State agency (in New Jersey it is NJ TRANSIT) ensures that local applicants and project activities are eligible and in compliance with Federal requirements that private not-for-profit transportation providers have an opportunity to participate as feasible, and that the program provides for coordination of Federally-assisted transportation services assisted by other Federal sources. Once the FTA approves the application, funds are available for State administration of its program and for allocation to individual subrecipients with the State.

States are direct recipients. Eligible subrecipients are private non-profit organizations; governmental authorities where no non-profit organizations are available to provide service; and governmental authorities approved to coordinate services.

Title 49 U.S.C. 5310, as amended by the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), requires a recipient of Section 5310 funds to certify that projects selected are derived from a locally-developed, coordinated public transit-human services transportation plan.

Section 5317 New Freedom

This program (49 U.S.C. 5317) aims to provide additional tools to overcome existing barriers facing Americans with disabilities seeking integration into the work force and full participation in society. The New Freedom formula grant program seeks to reduce barriers to transportation services and expand the transportation mobility options available to people with disabilities beyond the requirements of the Americans with Disabilities Act (ADA) of 1990.

States and public bodies are eligible designated recipients. Eligible subrecipients are private non-profit organizations, local governments, and operators of public transportation services including private operators of public transportation services.

Federal Transit Law, as amended by SAFETEA-LU, requires that projects selected for funding under the Elderly Individuals and Individuals with Disabilities (Section 5310), Job Access and Reverse Commute (JARC), and New Freedom programs be derived from a locally-developed, coordinated public transit-human services transportation plan and that the plan be developed through a process that includes representatives of public, private, and non-profit transportation and human services providers and

participation by members of the public. These plans identify the transportation needs of individuals with disabilities, older adults, and people with low incomes, provide strategies for meeting these needs, and prioritize transportation services for funding and implementation.

NJ TRANSIT's Administrative Role

NJ TRANSIT's authorizing legislation, known as the New Jersey Public Transportation Act of 1979, states "As a matter of public policy, it is the responsibility of the State to establish and provide for the operation and improvement of a coherent transportation system in the most efficient and effective manner." (NJSA 27:25-2)

Furthermore, under the Senior Citizen and Disabled Resident Transportation Assistance Act, which became effective January 17, 1984, the New Jersey Legislature stated that "it is appropriate that the New Jersey Transit Corporation, in conjunction with its advisory bodies, representatives or associations of counties, and other interested parties, develop a plan for transportation assistance to senior citizens and the disabled; that the instrumentalities of local government, particularly the counties of this State, should play a major role in facilitating the provision of that transportation assistance; and that the New Jersey Transit Corporation in conjunction with the New Jersey Department of Transportation's Office of Coordination, as well as the counties, should coordinate the assistance with existing transportation services, including but not limited to those services funded by any other State agency, at the local level and coordinate inter-county transportation services." (NJSA 27:25-26)

NJ TRANSIT has developed a State Management Plan, most recently updated in June 2012, for these programs, which describes the process by which funds are administered and which includes the process for selecting subrecipients to receive vehicles.

Selection Process

Federal funds were made available for the purchase of vehicles to be allocated to subrecipients under the programs described above. NJ TRANSIT worked with subrecipients to determine appropriate vehicle types and quantities. NJ TRANSIT developed specifications for the vehicles, consistent with subrecipients needs and available funding.

Selection Process for Section 5310 and Section 5317

Under these programs, federal funding is made available annually and a competitive grant process is undertaken. The Section 5310 application process for subrecipients is directly administered by NJ TRANSIT with input from other groups and organizations, including Metropolitan Planning Organizations (MPOs), during the review and selection process. The Section 5317 New Freedom program applicants are solicited directly by MPOs with NJ TRANSIT then submitting the Federal grant and administering the program. The Section 5310 program for senior and disabled transportation programs is predominantly a capital (vehicle) program and requests usually exceed available funds. Section 5317 can be used for operating or capital. This Board item only reflects capital requests for minibuses contained in approved grants.

Section 5310 applications are reviewed and evaluated in five major areas:

- Description of service, which includes a description of the service area, explanation of current transportation challenges for consumers, impact of not receiving the award, and the un-met need being filled with the award.
- Vehicle utilization and appropriateness of service, including the number of trips and hours of operation as well as the trip purposes proposed.
- Coordination and cooperation, which considers whether the applicant or service presented as an un-met need is specifically identified in a locally-developed human services coordination plan.
- Financial and management capabilities, which include a consideration of fiscal resources set aside for the proposed service as well as the agency's experience in providing transportation services.
- Operating plan, which includes the depth of driver training, maintenance program, storage of equipment, and scheduling and dispatching of vehicles.

In addition to the above factors, the availability of other transit options in the area, and the degree to which the section 5310 proposed service will complement the other options, is considered. For those who are current subrecipients of NJ TRANSIT, timely submittal of required reports and certifications, and maintenance of vehicles is also considered.

This process is explained in greater detail in NJ TRANSIT's State Management Plan for the Section 5310 program, most recently revised in June 2012.

Due to lower than anticipated prices for the vehicles previously approved for purchase under several Section 5310 grants, there are funds remaining in Section 5310 grants sufficient to purchase additional vehicles. NJ TRANSIT has awarded additional vehicles to subrecipients included in those grants on the basis of need.

One subrecipient previously awarded a vehicle under a Section 5317 New Freedom grant has notified NJ TRANSIT that it no longer wishes to accept that vehicle. Therefore, NJ TRANSIT reallocated the funds for that vehicle to other subrecipients providing New Freedom service under that grant, and is purchasing those vehicles under these options. Twenty percent match for vehicles awarded under the New Freedom program is paid by the subrecipients.

Funding

Funding Source	Contract 12-033A (Categories 1 and 3)		Contract 12-033B (Category 2)	Total
	5 Vans	26 Minibuses	6 Minibuses	
FTA Section 5310 matched with TTF	\$ 179,000	\$ 890,240	\$ 196,700	\$ 1,265,940
TTF Match for Section 5310	\$ 44,750	\$ 222,560	\$ 49,175	\$ 316,485
FTA Section 5317 – New Freedom		\$ 226,320	\$ 38,512	\$ 264,832
Local Match		\$ 56,580	\$ 9,628	\$ 66,208
Total	\$ 233,750	\$ 1,395,700	\$ 294,015	\$ 1,923,465

Procurement

In September 2012, the NJ TRANSIT Board of Directors approved the award of two contracts for the purchase of vans and minibuses (Item 1207-38). The bid documents for the vehicles included the provision for additional vehicles to be exercised by NJ TRANSIT within 150 days of contract notice to proceed. The provision allowed for the purchase of the following additional vehicles:

Contract 12-033A	8 Type A or Type B Vans 8 Type C Minibuses 8 Type J Extended Minibuses with rear wheelchair lift 8 Type J Extended Minibuses with front wheelchair lift 8 Type R Extended Minibuses with rear wheelchair lift
Contract 12-033B	8 Type F Extended Minibuses with rear wheelchair lift

This Board item requests authorization for the purchase of additional vehicles under these options. The notice to proceed on the base contract has not yet been issued.

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

FISCAL IMPACTS**Requested Authorization:**

Contract 12-033A (Categories 1 and 3)

Alliance Bus Group	This Authorization	\$1,629,450.00 + 5% contingency
	Total Authorization	\$9,086,962.50

Contract 12-033B (Category 2)

Rohrer Bus Sales	This Authorization	\$ 294,015.00 + 5% contingency
	Total Authorization	\$ 3,613,813.35

Total Project Cost: \$ 2,019,638

Projected Date of Completion: July 2014

Anticipated Source of Funds: Federal Transit Administration
Transportation Trust Fund

DBS/SBE Goal: Transit Vehicle Manufacturer

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

Related Future Authorization: Annual Community Mobility and Local Programs
authorization

**Impacts on Subsequent
Operating Budgets:** None

RESOLUTION

WHEREAS, the State of New Jersey has applied for and funded local transit services throughout the State through a variety of Federal Transit Administration (FTA) grant programs; and

WHEREAS, funding is available to purchase vehicles for local transportation programs under FTA Section 5310 and FTA Section 5317; and

WHEREAS, upon completion of a competitive procurement process, Alliance Bus Group was determined to be the lowest responsive, responsible bidder for the Category 1 Vehicles and the Category 3 Vehicles; and

WHEREAS, upon completion of a competitive procurement process, Alliance Bus Group was determined to be the lowest responsive, responsible bidder for the Category 2 Vehicles; and

WHEREAS, NJ TRANSIT Contract No. 12-033A with Alliance Bus Group included the option to purchase additional Category 1 and Category 3 vehicles; and

WHEREAS, NJ TRANSIT Contract No. 12-033B with Rohrer Bus Sales included the option to purchase additional Category 2 Vehicles;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to amend NJ TRANSIT Contract No. 12-033A with Alliance Bus Group of Carlstadt, New Jersey, to exercise options for the purchase of 13 Category 1 Vehicles and 18 Category 3 Vehicles in an amount not to exceed \$1,629,450.00, plus five percent for contingencies, for a total contract authorization of \$9,086,962.50, subject to the availability of funds; and

BE IT FURTHER RESOLVED that the Chairman or Executive Director is authorized to amend NJ TRANSIT Contract No. 12-033B with Rohrer Bus Sales of Duncannon, Pennsylvania, to exercise options for the purchase of six Category 2 Vehicles in an amount not to exceed \$294,015.00, plus five percent for contingencies, for a total contract authorization of \$3,613,813.35, subject to the availability of funds.

RECIPIENTS OF OPTION VEHICLES

Section 5310 Transportation for Seniors and Persons With Disabilities Program

Atlantic	Atlantic County	1 Type B Van
Camden	SCUCS	3 Type B Vans 2 Type C Minibuses
Cape May	Cape May County	2 Type R Extended Minibuses
Essex	Essex County	1 Type A Van
Gloucester	Gloucester County	2 Type J Extended Minibuses
Hudson	Hudson County	2 Type C Minibuses
Hunterdon	Hunterdon County	1 Type F Extended Minibus
Mercer	Mercer County	1 Type C Minibus
Monmouth	Monmouth County	1 Type J Extended Minibus
Morris	Morris County	1 Type C Minibus
Ocean	Ocean County	3 Type F Extended Minibuses
Salem	Salem County	2 Type J Extended Minibuses
Somerset	Somerset County	1 Type J Extended Minibus
Sussex	Sussex County	1 Type C Minibus 1 Type J Extended Minibus 1 Type R Extended Minibus
Union	Union County	1 Type J Extended Minibus 1 Type F Extended Minibus
Warren	Warren County	1 Type C Minibus 2 Type J Extended Minibus

Total **31 Vehicles**

New Freedom FY2009

Bergen/Hudson	Meadowlink	2 Type R Extended Minibus
Middlesex	Middlesex County	1 Type R Extended Minibus
Ocean	Ocean County	1 Type R Extended Minibus
Sussex	Sussex County	1 Type F Extended Minibus 1 Type J Extended Minibus

Total **6 Vehicles**

ITEM 1212-61: CAPITAL PLANNING AND PROGRAMS TASK ORDER CONSULTANT CONTRACTS: ARCHITECTURAL/ENGINEERING, BRIDGE AND RAILWAY ENGINEERING, AND TRAVEL DEMAND FORECASTING

BENEFITS

NJ TRANSIT has an on-going need for consultant services in various planning and engineering disciplines. The volume of work increases and decreases in response to needs and available funding and, as a result, it is costly and impractical to retain an in-house work force sufficient to meet maximum workloads. Task order contracts also allow retention of specialized expertise that is rarely cost-effective to maintain in-house. Additionally, the availability of task order contracts affords the opportunity to use consultants already pre-qualified for specific work efforts, thus minimizing the time and cost needed to initiate and complete work. Contracting with a limited number of consultants also provides a greater measure of control over the work being performed.

ACTION (Scorecard: Corporate Accountability)

Staff seeks authorization to enter into NJ TRANSIT Contract Nos. 13-006 through 13-008 with the firms listed in Exhibit A for engineering and forecasting support services on a task order basis in three disciplines: Architectural/Engineering, Bridge and Railway Engineering, and Travel Demand Forecasting at a total cost for all 11 contracts not to exceed \$12,050,000, subject to the availability of funds. Each contract will extend for a period of three years from the date of contract execution; the maximum task and contract limits are shown in Exhibit B.

PURPOSE

Authorization of these task order contracts will provide available labor as needed to support NJ TRANSIT's Capital Program, handle specialized work loads, address critical issues, ensure environmental compliance, and engage specialized engineering and planning expertise not available in-house.

BACKGROUND

History

In 1992 staff requested and the Board authorized the first task order contracts for environmental services, architecture and engineering design, and bridge and structural engineering design. Based on the success of these contracts, the Board authorized subsequent contracts for these services as well as adding task order contracts for facility and site planning/conceptual engineering, market research, transit demand modeling and analysis, bus and rail service planning, construction management services, site planning and engineering, transit-friendly general planning, public transit planning, and vertical transportation services.

The following table shows the authorizations for the various task order contracts for the 2009 program.

2009 TASK ORDER CONSULTANTS PROGRAM

Contract No.	Discipline	Task Limit	Contract Limit (per firm)
09-085	Construction Management	\$ 600,000	\$ 5,500,000
09-086	Architectural/Engineering	\$ 500,000	\$ 5,000,000
09-087	Bridge and Railway Engineering	\$ 500,000	\$ 3,000,000
09-088	Environmental Engineering	\$ 500,000	\$ 5,000,000
09-089	Vertical Transportation	\$ 400,000	\$ 3,000,000
09-090	Site Planning and Transit Analysis	\$ 350,000	\$ 4,500,000
09-091	Stations, Access and Parking Planning	\$ 350,000	\$ 3,000,000
09-092	Transit-Friendly Planning, Land Use and Development	\$ 500,000	\$ 3,000,000
09-093	Rail Operations and Infrastructure Planning	\$ 500,000	\$ 4,000,000
09-094	Travel Demand Forecasting	\$ 450,000	\$ 4,000,000
09-095	Vehicle and Equipment Engineering	\$ 350,000	\$ 3,000,000
09-096	Qualitative and Quantitative Research	\$ 500,000	\$ 3,000,000
Total Authorization – All Contracts		\$ 32,050,000	

Justification

The planning, design and engineering effort required to implement NJ TRANSIT's Capital Program can be provided in three ways: in-house forces, traditional competitive procurements (Request for Proposal), and task order contracts.

NJ TRANSIT staff generally is responsible for the design of routine projects such as station rehabilitation work. Traditional competitive procurements are used for planning and engineering projects that are complex, requiring several different disciplines to interact, and have schedules compatible with the time required for contracting with consultants through this process.

Currently, under the traditional competitive procurement process, professional services contracts valued at \$36,000 or more require the solicitation of offers through a publicly advertised Request for Proposal. The Request for Proposal (RFP) includes a description of the services to be purchased, all significant evaluation factors and their relative importance, and any other relevant information such as schedule dates and deadlines for the completion of the work. Staff prepares a Technical Specification package, which includes pertinent details, a project summary, and a scope of work for

inclusion in the RFP. The scope of work describes the technical requirements to be met as well as what services are to be completed for each milestone from inception to completion.

The introduction of task order contracts resulted from the recognition that

- it is not practical to staff in-house capabilities to meet maximum needs;
- it is more cost-effective to supplement core staff resources with outside consultants when workloads increase;
- some design tasks require specialized expertise that is not cost-effective to maintain in-house as it is needed only occasionally; and,
- many of the tasks need to be completed on a schedule that is not achievable with the required procurement process.

Without the task order consultant contracts to supplement in-house forces, implementing the Capital Program could require an increase of in-house design staff as well as Procurement staff. Bidding each assignment separately would delay program implementation.

Procurement

Early in 2012 staff assessed the current Task Order Consultant Contracts to determine if the program should be continued. The assessment included a review of whether the disciplines addressed future needs. As a result, staff recommended that the Vehicle and Equipment Engineering discipline be included under the Architectural/Engineering discipline, two disciplines be combined (Site Planning and Transit Analysis and Stations, Access and Parking Planning is now Stations, Access and Site Planning) and two disciplines be added (Corridor Planning and Community Transportation). In addition, staff recommended that the resulting 12 disciplines be procured as three separate packages, based on the expiration dates of the current Task Order Consultant Contracts, to reduce the burden on the consultant community as well as on staff. In September 2012, consulting services for Access Link was added as a discipline. The three Task Order Consultant Contract packages are:

Package One

- Corridor Planning
- Environmental Consulting Services
- Qualitative and Quantitative Research
- Rail Operations and Infrastructure Planning
- Stations, Access and Site Planning

Package Two

- Architectural/Engineering
- Bridge and Railway Engineering
- Travel Demand Forecasting

Package Three

- Community Transportation
- Construction Management Services
- Transit-Friendly Planning, Land Use and Development
- Vertical Transportation
- Access Link

A Request for Proposals for the Task Order Consultant Contracts second package was advertised in *The Star-Ledger* and *The Trenton Times* on August 8, 2012 and Pre-Proposal Conferences were held on August 14, 2012. Proposals were received on September 7, 2012 and were evaluated by Technical Evaluation Committees (TECs) assembled with knowledge relevant to each discipline. The TECs are listed below.

TECHNICAL EVALUATION COMMITTEES

RFP	Discipline	Technical Evaluation Committees
13-006	Architectural/Engineering	CP&P Design & Environmental Services CP&P Budget & Administration CP&P Construction Management CP&P New Starts Projects
13-007	Bridge and Railway Engineering	Rail Operations Infrastructure Engineering – Structures (two members) Rail Operations Infrastructure Engineering – Right-of-Way/Facilities CP&P Construction Management
13-008	Travel Demand Forecasting	CP&P Travel Demand Forecasting (three members) Finance Market Analysis & Pricing

At the Pre-Proposal Conferences and in the RFP materials, the interested firms were advised that the Task Order Consultant Contract Program would be advertised as three separate packages. Prime Consultants could submit proposals for more than one discipline; however, a Prime Consultant would be limited to receiving two contract awards, with a combined total contract limit of \$5,000,000. Firms responding as a Prime Consultant were not allowed to respond as a subconsultant on another team within the same discipline, but were not precluded from responding as a subconsultant on another team within a different discipline. Firms submitting proposals as a Prime Consultant for more than one discipline under this Task Order Consultant Contract Program were advised to clearly state in the cover letters of each proposal their order of preference for award of a contract should the firm be evaluated as one of the most qualified for more than one discipline.

Firms were also advised of the additional future advertisement for proposals. The first package was approved by the NJ TRANSIT Board of Directors in October 2012 (Item 1210-48). The third package is scheduled to be advertised in December 2012. The total authorization for all three packages will be \$32,050,000.

Based on the written submissions, firms were short-listed for oral interviews which were held in early October and those firms judged most responsive by the TECs were selected for the 2012 Task Order Consultant Contract Program.

The Office of Business Development assigned a 25 percent DBE goal for each contract in the Architectural/Engineering discipline and a 20 percent DBE goal for each contract in the Bridge and Railway Engineering and Travel Demand Forecasting disciplines.

**SELECTION PROCESS
(Number of Firms)**

Discipline	Proposals Submitted	Oral Interviews	Selected
Architectural/Engineering	14	5	4
Bridge and Railway Engineering	14	6	4
Travel Demand Forecasting	3	3	3

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

FISCAL IMPACTS

Requested Authorization: \$ 12,050,000 (Total – 11 three-year contracts)

Total Project Cost: \$ 12,050,000

Projected Date of Completion: March 2016

Anticipated Source of Funds: Federal Transit Administration
Transportation Trust Fund

DBE/SBE Goal: 25% DBE for each contract in Architectural/
Engineering
20% DBE for each contract in Bridge and Railway
Engineering
20% DBE for each contract in Travel Demand
Forecasting

***NJ Build* Amount:** None

Future Related Authorizations: Task Order Consultant Contracts Package 3

**Impacts on Subsequent
Operating Budgets:** None

RESOLUTION

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

WHEREAS, NJ TRANSIT has a continuing need for consultant services in the fields of architecture and engineering; bridge and railway engineering; and travel demand forecasting; and

WHEREAS, Task Order Consultant Contracts will be used on an as-needed basis to supplement in-house staff; and

WHEREAS, Task Order Consultant Contracts are needed to support NJ TRANSIT's capital program, address critical issues and ensure environmental compliance; and

WHEREAS, Task Order Consultant Contracts will provide specialized expertise which is rarely cost-effective to maintain in-house; and

WHEREAS, following the completion of a competitive procurement process, it was determined that 11 firms submitted the most advantageous proposals for the three disciplines;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is hereby authorized to enter into NJ TRANSIT Contract Nos. 13-006 through 13-008 with the firms listed in Exhibit A for engineering and forecasting support services on a task order basis in three disciplines: Architectural/Engineering, Bridge and Railway Engineering, and Travel Demand Forecasting at a total cost for all 11 contracts not to exceed \$12,050,000, subject to the availability of funds. Each contract will extend for a period of three years from the date of contract execution; the maximum task and contract limits are shown in Exhibit B.

SELECTED FIRMS

CONTRACT NO. 13-006 ARCHITECTURAL/ENGINEERING – 4 FIRMS

Gannett Fleming, Inc. (Newark, New Jersey) with Sowinski Sullivan Architects; SJH Engineering; JCMS, Inc.; SA Engineering; BEM Systems; and Naik Consulting Group.

Jacobs Engineering Group, Inc. (Morristown, New Jersey) with Burns Engineering, Inc.; Sowinski Sullivan Architects; GTS Consultants; Matrix New World Engineering Inc.; Lynn Drobbin & Associates; Richard Grubb & Associates; Malick & Scherer; and Maintenance Design Group.

STV, Inc. (Newark, New Jersey) with Parsons Brinckerhoff; KS Engineering, PC; GTS Consultants; Naik Consulting Group; DeBiase & Seminara Architects; Intertech Associates; Garg Consulting Services; JCMS, Inc.; Lynn Drobbin & Associates; and Matrix New World Engineering, Inc.

Systra Consulting, Inc. (Little Falls, New Jersey) with AECOM; Hatch Mott MacDonald; Matrix New World Engineering, Inc.; JCMS, Inc.; Sowinski Sullivan Architects, PC; Malick & Scherer, PC; and A.G. Consulting Engineering, PC.

CONTRACT NO. 13-007 – BRIDGE AND RAILWAY ENGINEERING – 4 FIRMS

HDR Engineering, Inc. (Newark, New Jersey) with LTK Engineering Services; AmerCom Corporation; Mueser Rutledge Consulting Engineers; Richard Grubb & Associates, Inc.; Integrated Strategic Resources LLC; W.J. Castle Group; and Storm Water Management Consulting

HNTB Corporation (New York, New York) with BET Engineering Consultants, Inc.; JCMS, Inc.; Jersey Boring & Drilling Co., Inc.; LTK Engineering Services; Lynn Drobbin & Associates; Matrix New World Engineering, Inc.; McCormick Taylor, Inc.; Storm Water Management Consulting; and W.J. Castle Group

Parsons Transportation Group Inc. (New York, New York) with Matrix New World Engineering, Inc.; Oweis Engineering Inc.; GEOD Corporation; LTK Engineering Services; JCMS, Inc.; and Arch², Inc.

TranSystems Corporation (Paramus, New Jersey) with Parsons Brinckerhoff; LTK Engineering Services; Brinkerhoff Environmental Services, Inc.; AmerCom Corporation; Churchill Consulting Engineers; Garg Consulting Services; JCMS, Inc.; Lynn Drobbin & Associates; Naik Consulting Group; and Stafford Bandlow Engineering, Inc.

SELECTED FIRMS

CONTRACT NO. 13-008 – TRAVEL DEMAND FORECASTING – 3 FIRMS

AECOM Technical Services, Inc. (Newark, New Jersey) with Gallop Corporation; Resource Systems Group; and Vanasse Hangen Brustlin.

Michael Baker Jr., Inc. (Linthicum, Maryland) with Resource Systems Group, Inc.; Stantec Consulting Services, Inc.; Stump/Hausman Partnership; and Gallop Corporation.

URS Corporation (New York, New York) with Nelson/Nygaard Consulting Associates Inc.; Gallop Corporation, Resource Systems Group, Inc.; and TechniQuest Corporation.

**CONTRACT AND TASK LIMITS
(By Discipline)**

Contract No.	Discipline	Task Limit	Contract Limit (per firm)
13-006	Architectural/Engineering	\$ 500,000	\$ 3,500,000
13-007	Bridge and Railway Engineering	\$ 600,000	\$ 2,000,000
13-008	Travel Demand Forecasting	\$ 400,000	\$ 2,000,000
Total Authorization – All Contracts		\$ 12,050,000	

**ITEM 1212-62: CAPITAL PLANNING AND PROGRAMS TASK ORDER
CONSULTANT CONTRACTS: AMENDMENT TO 2009
PROGRAM**

BENEFITS

The U.S. Department of Housing and Urban Development (HUD) Sustainable Communities Regional Planning Grant Program supports metropolitan and multijurisdictional planning efforts that integrate housing, land use, economic and workforce development, transportation, and infrastructure investments in a manner that empowers jurisdictions to consider the interdependent challenges of: (1) economic competitiveness and revitalization; (2) social equity, inclusion, and access to opportunity; (3) energy use and climate change; and (4) public health and environmental impact. The Program places a priority on investing in partnerships, including nontraditional partnerships (e.g., arts and culture, recreation, public health, food systems, regional planning agencies and public education entities) that translate the Federal Livability Principles into strategies that direct long-term development and reinvestment, demonstrate a commitment to addressing issues of regional significance, use data to set and monitor progress toward performance goals, and engage stakeholders and residents in meaningful decision-making roles.

The Sustainable Communities Regional Planning Grant Program was initiated in close coordination with the U.S. Department of Transportation (USDOT) and the U.S. Environmental Protection Agency (USEPA), co-leaders with HUD in the Partnership for Sustainable Communities.

In the aftermath of Superstorm Sandy, HUD is taking a leading role in the identification of long-term priorities to help communities rebuild and recover, coordinating Federal support as States design individual redevelopment plans, identify priorities, and, over time, work to implement them. HUD has already held "listening sessions" in New Jersey and New York to determine what needs to be done and how much funding is needed. It is anticipated that the *Sustainable Communities Regional Planning Grant Program* will be used to focus the strategic planning process on rebuilding and adapting post-Superstorm Sandy.

ACTION (Scorecard: Corporate Accountability)

Staff seeks authorization to increase the total authorization amount for the 2009 Capital Planning and Programs Task Order Consultant Contracts Program for NJ TRANSIT Contract No. 09-092 Transit-Friendly Planning, Land Use and Development to allow for task order assignments in support of the Sustainable Communities program funded by the US Department of Housing and Urban Development in the amount of \$2,523,810, plus five percent for contingencies, for a maximum authorization amount for the 2009 Task Order Consultant Program of \$34,700,000, subject to the availability of funds.

PURPOSE

Authorization of this task order consultant contract amendment will provide the necessary consultant support for the HUD Sustainable Regional Grant Program. Task Order Consultant Contracts were originally awarded after a competitive procurement process. Three firms were selected for the Transit-Friendly Planning, Land Use and Development discipline. A maximum value of \$32,050,000 was authorized for the entire Task Order Consultant program, with contracts for this discipline limited to a maximum value of \$3,000,000.

Authorization of this amendment will increase the overall authorized amount of the 2009 Task Order Consultant Contracts Program.

BACKGROUNDHistory

In 1992 staff requested and the Board authorized the first task order contracts for environmental services, architecture and engineering design, and bridge and structural engineering design. Based on the success of these contracts, the Board authorized subsequent contracts for these services as well as adding task order contracts for facility and site planning/conceptual engineering, market research, transit demand modeling and analysis, bus and rail service planning, construction management services, site planning and engineering, transit-friendly general planning, public transit planning, and vertical transportation services.

The following table shows the authorizations for the various task order contracts for the 2009 program.

2009 TASK ORDER CONSULTANTS PROGRAM

Contract No.	Discipline	Task Limit	Contract Limit (per firm)
09-085	Construction Management	\$ 600,000	\$ 5,500,000
09-086	Architectural/Engineering	\$ 500,000	\$ 5,000,000
09-087	Bridge and Railway Engineering	\$ 500,000	\$ 3,000,000
09-088	Environmental Engineering	\$ 500,000	\$ 5,000,000
09-089	Vertical Transportation	\$ 400,000	\$ 3,000,000
09-090	Site Planning and Transit Analysis	\$ 350,000	\$ 4,500,000
09-091	Stations, Access and Parking Planning	\$ 350,000	\$ 3,000,000
09-092	Transit-Friendly Planning, Land Use and Development	\$ 500,000	\$ 3,000,000
09-093	Rail Operations and Infrastructure Planning	\$ 500,000	\$ 4,000,000
09-094	Travel Demand Forecasting	\$ 450,000	\$ 4,000,000
09-095	Vehicle and Equipment Engineering	\$ 350,000	\$ 3,000,000
09-096	Qualitative and Quantitative Research	\$ 500,000	\$ 3,000,000
Total Authorization – All Contracts		\$	32,050,000

As of November 2012, tasks totaling approximately \$29,211,080 have been authorized with additional tasks (not including those associated with the HUD Grant) totaling \$2,150,345 awaiting approval. The planning grant from HUD was not anticipated when the 2009 Task Order Consultants Contracts Program was authorized.

Justification

Rutgers University's Edward J. Bloustein School for Policy and Planning was awarded \$5,000,000 by HUD to develop a *Regional Plan for Sustainable Development* for the 13-county North Jersey Transportation Authority region. The plan will be both "place-based" and "issue-based" and will use sustainability, transit system connectivity, and transit-oriented development as the central framework for integrating plans, regulations, investments, and incentive programs at all levels of government to improve economic and environmental conditions, while promoting regional equity and resource efficiency. The outcome of plan implementation will be a more sustainable future for the region that invests in existing communities where housing, jobs, educational, cultural, and recreational opportunities are made more easily accessible to most residents of the region.

Anticipated Project Benefits:

- Break down silos and engage a broader range of regional stakeholders in the planning process to develop a shared vision for the future and to integrate plans across jurisdictions, functional areas and organizations.
- Prioritize redevelopment as the primary means of accommodating future growth in population and employment ensuring land use planning throughout the region.
- Advance sustainable development by seeking to change the current trajectory of growth patterns in the region away from continued sprawl to a more equitable and sustainable pattern of land development that supports existing communities and healthy, economically productive lives for the region's citizens.
- Harmonize existing plans, to foster a new, integrated regional vision for where future housing development (including housing affordable to a range of income levels), employment and education centers, transportation infrastructure, water infrastructure, and other investments should be made.

North Jersey Sustainable Communities Consortium (NJSCC):

- Rutgers University Bloustein School of Planning and Policy
- New Jersey Transportation Planning Authority (NJTPA)
- NJ TRANSIT
- New Jersey Office of Planning Advocacy
- Housing and Community Development Network of New Jersey
- Municipal Land Use Center at the College of New Jersey
- New Jersey Future
- New Jersey Regional Coalition
- Plan Smart NJ
- Regional Plan Association

The NJSCC's collaborative grant application was filed with HUD in fall 2011 and the grant was awarded in November 2011. The consultant teams included in the 2009 Task Order Consultant Contracts Program for the Transit-Friendly Planning, Land Use and Development discipline were approved by HUD as part of the grant application review.

NJ TRANSIT's Role

NJ TRANSIT's work will be targeted toward (1) assisting NJTPA with regional "visioning" and scenario planning with counties, communities and interested parties in the planning process; (2) assisting NJTPA with writing and editing the Transportation Topic Report which will detail current conditions; and (3) delivering up to 18 "Local Demonstration Projects" in support of the creation of the Regional Plan. The Local Demonstration Projects will focus on assessing and revising local land-use entitlements, identifying market conditions, engaging communities, and determining local capacity to sustain Transit Oriented Development (TOD) planning and redevelopment. Targeted sites and/or places will be identified and made ready as part of the regional planning strategy so actual project development can occur in the future and be supported by key State and Federal programming administered by HUD, USDOT and USEPA.

Post-Superstorm Sandy Planning Efforts

Rutgers University, as lead partner of the NJSCC, is working with HUD to incorporate into the grant workplan analysis of storm-related issues and development of recommendations to safeguard against future events. NJ TRANSIT will use the 18 Local Demonstration Projects to address the needs of the included communities, developing specific action plans for implementation.

The resulting action plans will be used by HUD and its partners (USDOT and USEPA) to prioritize future targeted Federal investments. Due to the impacts of Superstorm Sandy, additional consideration for Federal investment will be given to projects in this region.

Funding

NJ TRANSIT will receive \$1,150,000 from the HUD grant for consultant support services over the three-year life of the program. NJ TRANSIT will provide a local match of \$2,148,154 during that same three-year period, which consists of \$1,500,000 to be used for consultant support services and \$648,154 for NJ TRANSIT staff time. The budgeted amount of \$2,650,000 includes \$2,523,810 for consultant support plus five percent (\$126,190) for contingency.

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

FISCAL IMPACTS

Requested Authorization: This Authorization \$ 2,523,810 + 5% contingency
Total Authorization \$ 34,700,000

Total Project Cost: \$ 2,650,000 (North Jersey Sustainable
Communities Consortium Consultants)

Projected Date of Completion: October 2014

Anticipated Source of Funds: U.S. Department of Housing and Urban Development
Transportation Trust Fund

DBE/SBE Goal: 25% DBE/SBE Category 3 overall program goal

***NJ Build* Amount:** None

Future Related Authorizations: None

**Impacts on Subsequent
Operating Budgets:** None

RESOLUTION

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

WHEREAS, NJ TRANSIT has received funding from the U.S. Department of Housing and Urban Development Sustainable Communities Regional Planning Grant Program to develop a *Regional Plan for Sustainable Development* for the 13-county North Jersey Transportation Authority region; and

WHEREAS, the *Regional Plan for Sustainable Development* provides a framework for identifying recommendations to address infrastructure issues post-Superstorm Sandy; and

WHEREAS, Task Order Consultant Contracts will be used on this program to supplement in-house staff; and

WHEREAS, Task Order Consultants were previously selected through a competitive procurement process;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is hereby authorized to increase the total authorization amount for the 2009 Capital Planning and Programs Task Order Consultant Contracts Program for NJ TRANSIT Contract No. 09-092 Transit-Friendly Planning, Land Use and Development to allow for task order assignments in support of the Sustainable Communities program funded by the US Department of Housing and Urban Development in the amount of \$2,523,810, plus five percent for contingencies, for a maximum authorization amount for the 2009 Task Order Consultant Program of \$34,700,000, subject to the availability of funds.

ITEM 1212-63: UNDERGRADE RAILROAD BRIDGES: ENGINEERING SERVICES TO PERFORM IN-DEPTH INSPECTIONS, EVALUATIONS AND RATINGS

BENEFITS

NJ TRANSIT is responsible for maintaining 659 undergrade bridges, which carry rail traffic over roadways, waterways, and other features. These in-depth bridge inspections, evaluations and ratings are part of NJ TRANSIT's asset management strategy which emphasizes capital investments to restore critical aging infrastructure to a state of good repair and ultimately ensure safe and reliable service for customers. Also these in-depth inspections and ratings satisfy one element of NJ TRANSIT's Bridge Management Program which is mandated by the Federal Railroad Administration.

NJ TRANSIT uses information from these inspections to plan and prioritize future capital investments. Recent bridge inspections indicate that approximately 79 percent are in a state of good repair and 21 percent are classified as in poor condition. Approximately 25 percent of the structures in the poorest of condition have either been repaired or are programmed in the current capital program. These in-depth inspections and ratings will be used to identify the next level of bridges in poor condition that will have to be placed on the capital program.

ACTION (Scorecard: Corporate Accountability, Safety and Security)

Staff seeks authorization to enter into three separate contracts with TranSystems of Paramus, New Jersey (12-053A); LS Engineering Associates Corp. of Montville, New Jersey (12-053B); and Greenman-Pedersen Inc. of Lebanon, New Jersey (12-053C) to perform in-depth structural inspections, evaluations, and load ratings of 129 undergrade bridges and interim underwater diving inspections of nine undergrade bridges, at costs not to exceed \$765,084, \$844,431 and \$887,828, respectively, for a total cost of \$2,497,343, plus five percent for contingencies, subject to the availability of funds.

PURPOSE

NJ TRANSIT is responsible for maintaining safe and reliable bridges throughout its rail system. NJ TRANSIT's Bridge Management Program requires that every undergrade bridge that NJ TRANSIT operates over will have an in-depth bridge inspection and rating performed on a five year cycle. This board item is for authorization for the next cycle of inspections and ratings to meet these requirements.

Further, these in-depth inspections and ratings addresses the regulations mandated by the Federal Railroad Administration (FRA) in 49 CFR Part 237, which calls for the owner of the track on a railroad bridge to implement a bridge management program which must include inspections and the determination of the safe load capacity (ratings) of all of their railroad bridges.

This bridge inspection program is an integral part of NJ TRANSIT's asset management strategy and important to the long-term planning and prioritization of future capital investments.

These contracts will provide in-depth structural and underwater inspections, evaluations, and ratings for 129 undergrade railroad bridges as well as interim underwater diving inspections of nine undergrade railroad bridges included in NJ TRANSIT's Bridge Scour Monitoring Program.

BACKGROUND

History

In 1971, the National Bridge Inspection Standards (NBIS) came into being and set policy regarding inspection frequency, inspector qualifications, report format, and inspection and rating procedures. The in-depth inspection frequency was set at a two-year cycle for highway bridges.

Although NJ TRANSIT does not come under the jurisdiction of the Federal Highway Administration (FHWA), it implemented some of the guidelines and procedures when it started its bridge inspection program in the mid-eighties. It was felt that the two year in depth inspection and rating cycle was too burdensome and that a five year cycle of in-depth inspection and rating would be satisfactory since it would also continue the practice of the predecessor railroads of having annual visual bridge inspections with its in-house bridge inspectors/engineers which would identify any issues between cycles. Also having a five year cycle meant that roughly twenty percent of the bridges would be inspected every year.

On July 15, 2010, the FRA adopted 49 CFR Part 237 – Bridge Safety Standards, this regulation required that all railroads formally implement bridge management programs. The two main elements of the bridge management program is load carrying capacity determination (ratings) of all in-service bridges and annual bridge inspections.

NJ TRANSIT's utilizes outside consultant engineers for its in-depth bridge inspections which generates the safe load carrying capacity (ratings) and its in-house bridge inspectors/engineers for the annual bridge inspections to satisfy the FRA requirements. The FRA has the right to audit and evaluate these bridge management programs. NJ TRANSIT's Bridge Management Program was audited by the FRA in July 2011. This audit resulted in no FRA violations; as policy the FRA does not issue a formal approval of these bridge management programs.

Justification

Failure to comply with the FRA regulation can result in significant civil penalties.

Procurement

The intent of the Request for Proposal (RFP) was to select six consultants to perform in-depth inspection, evaluation and rating services over a two year period. This authorization will allow the first three contracts to be awarded by the end of 2012. The remaining contracts will be awarded in July 2013 for another cycle of inspections, which will consist of 122 undergrade bridges.

The chronology of the procurement is as follows:

- Advertised: July 9, 2012
- Pre-proposal conference: July 18, 2012
- Technical proposals received: August 3, 2012
- Selection of six (6) highest rated firms: August 21, 2012
- Cost Proposals received for Contracts 12-053A, B & C: September 12, 2012
- Award Contracts 12-053A, B & C: December 2012

Cost Proposals will be received for Contracts 12-053D, E & F in March 2013 and are anticipated to be awarded in July 2013.

The Office of Business Development assigned 100% SBE, Category 1, 2, and 3 goals to contract 12-053B and future contract 12-053D.

The Engineer's Estimate for the total scope of work is \$2,576,790.

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

FISCAL IMPACTS

Requested Authorization: \$765,084 (Contract No. 12-053A)
\$844,431 (Contract No. 12-053B)
\$887,828 (Contract No. 12-053C)
\$2,497,343 plus 5% contingencies

Total Project Cost: (continuing project)

Projected Date of Completion: Dec 2013

Anticipated Source of Funds: TTF- FY13/14

DBE/SBE Goal:	SBE 100% for Contract 12-053B (Category 1, 2 & 3) 0% for Contracts 12-053A & 12-053C
<i>NJ Build</i> Amount:	None
Future/Related Authorizations:	None
Impact on Subsequent Operating Budgets:	None

RESOLUTION

WHEREAS, NJ TRANSIT is responsible for maintaining 659 rail-carrying (undergrade) bridges; and

WHEREAS, periodic evaluation of all undergrade bridges is necessary to ensure service reliability and safe train operations; and

WHEREAS, the in-depth bridge inspections are part of NJ TRANSIT's asset management strategy which emphasizes capital investments to restore critical aging infrastructure to a state of good repair; and

WHEREAS, these in-depth bridge inspections and ratings are main elements of NJ TRANSIT's Bridge Management Program as mandated by Federal Railroad Administration Regulation 49 CFR Part 237 – Bridge Safety Standards; and

WHEREAS, upon completion of a competitive procurement process, it was determined that TranSystems, LS Engineering Associates Corp. and Greenman-Pedersen Inc. submitted the most advantageous proposals that provided the best value and were in the best interest of NJ TRANSIT;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to award separate contracts to TranSystems of Paramus, New Jersey (12-053A); LS Engineering Associates Corporation of Montville, New Jersey (12-053B); and Greenman-Pedersen Inc. of Lebanon, New Jersey (12-053C) to perform in-depth structural inspections, evaluations, and load ratings of 129 undergrade bridges and interim underwater diving inspections of nine undergrade bridges, at costs not to exceed \$765,084, \$844,431 and \$887,828 respectively, for a total cost of \$2,497,343, plus five percent for contingencies, subject to the availability of funds.

ITEM 1212-64: WASHINGTON TOWNSHIP GARAGE: CONTRACT FOR UNDERGROUND STORAGE TANK REPLACEMENT

BENEFITS

This contract will provide for the replacement of underground diesel fuel storage tanks and related piping and distribution systems at Washington Township Garage in Turnersville, New Jersey. The existing tanks are single-walled, and are nearing the end of their projected service life. They will be replaced with state-of-the-art double-walled tanks and piping. In addition, a number of smaller underground storage tanks will be removed as they have already been replaced by above-ground tanks located inside the garage building, thereby reducing NJ TRANSIT's compliance costs and potential risk of discharge directly into the ground. New underground storage tanks being installed include two 20,000-gallon diesel tanks for fueling vehicles and one 1,000-gallon emergency generator diesel tank

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

Staff seeks authorization to enter into NJ TRANSIT Contract No. 13-020X with A & J Construction of Farmingdale, New Jersey, for the replacement of the Washington Township Garage underground storage tanks at a cost not to exceed \$1,184,470.00 plus five percent for contingencies, subject to the availability of funds.

PURPOSE

This project includes the removal of all existing underground storage tanks (USTs) at Washington Township Garage, and the replacement of selected tanks with state-of-the-art double-walled tanks and piping. Underground storage tanks that are not replaced in-kind will be replaced with above-ground tanks or not at all. In addition, both above- and underground storage tanks will be properly sized to reflect the facility's present rates of consumption for the various bulk liquids stored in them.

BACKGROUND

History

There are presently seven active USTs at Washington Township Garage. All of these tanks are of single-walled fiberglass construction, and were installed in 1987, when the facility was constructed. The underground piping associated with these tanks is also single-walled fiberglass.

The petroleum storage industry generally accepts 25 years as the useful life for an underground tank system, and most insurance companies will not issue liability insurance for USTs that are over 25 years old. NJ Department of Environmental Protection (NJDEP) UST regulations do not permit the use of any regulated UST that is not covered by liability insurance. The tanks at Washington Township Garage will exceed their 25-year lifespan in 2013.

Project Justification

Approval of this contract will allow NJ TRANSIT to proceed with the removal of seven underground storage tanks at Washington Township Bus Garage, and the replacement of three of those tanks with new tanks incorporating state-of-the-art technology to prevent and contain potential leaks. The remaining four tanks will either be replaced with above-ground tanks located inside the garage, or eliminated entirely. The project will afford the following benefits to NJ TRANSIT:

- Removal of all USTs at the facility, which are reaching the end of their projected service life, and replacement of three of those tanks with new USTs that incorporate the latest technology to detect and contain leaks. This will not only reduce the potential environmental liability to the corporation, but reduce the cost of providing mandatory liability insurance required by NJDEP to operate the tanks.
- The total number of active USTs at Washington Township will be reduced from seven to three. This further reduces potential liability, and will reduce annual compliance costs by eliminating NJDEP-mandated annual testing and periodic inspections on the four tanks that will be removed. Three of the tanks will be replaced by above-ground storage tanks, which have significantly lower compliance requirements.
- Capacities of the various tank systems have been rationalized based on present consumption rates. Experience has shown that excessively large tanks result in condensation and bacterial growth that can ruin the product stored in the tanks and potentially damage equipment if that product is dispensed into vehicles. "Right sizing" the tanks will reduce contamination and promote more frequent inventory turnover, reducing losses due to product contamination.

Procurement

The E-Bid Invitation for Bid was advertised on BID EXPRESS, NJ TRANSIT's electronic bid system, and in *The Star-Ledger* and *The Trenton Times* on September 14, 2012. A Pre-Bid Conference was held on September 25, 2012, at the Washington Township Bus Garage. Bids were received electronically and opened on October 16, 2012 at 2:00 p.m.

The Office of Business Development assigned a 10 percent SBE, Category 6 goal for this project. A & J Construction is a certified Small Business Enterprise (SBE). The Engineer's Estimate for this scope of work is \$1,300,000.

E-BID 13-020X RESULTS

Company	Total Bid Price
A & J Construction Farmingdale, New Jersey	\$ 1,184,470.00
T Slack Environmental Kenilworth, New Jersey	\$ 1,283,845.00
DeMaio's Inc. Egg Harbor, New Jersey	\$ 1,799,807.00
Miniscalco Construction LLC Skippack, Pennsylvania	\$ 1,896,993.00

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

FISCAL IMPACTS

Requested Authorization: \$ 1,184,470.00 + 5% contingency

Total Project Cost: \$ 1,729,000

Projected Date of Completion: May 2013

Anticipated Source of Funds: Transportation Trust Fund

DBE/SBE Goal: 10% SBE Category 6

NJ Build Amount: \$ 5, 922

Related Future Authorizations: None

Impacts on Subsequent Operating Budgets: Reduced UST compliance costs of \$34,250 annually (estimated)

RESOLUTION

WHEREAS, NJ TRANSIT seeks to reduce its environmental liability by ensuring that its underground storage tank systems are state-of-the-art and comply with all regulations; and

WHEREAS, the underground storage tanks at the Washington Township Garage are nearing the end of their 25-year service life; and

WHEREAS, replacement of the underground storage tanks at Washington Township Garage will enable NJ TRANSIT to employ the latest technologies for leak detection and containment; and

WHEREAS, upon completion of a competitive procurement process, A & J Construction was determined to be the lowest responsive, responsible bidder for the replacement of the underground storage tanks;

NOW, THEREFORE, BE IT RESOLVED, that the Chairman or Executive Director is authorized to enter into NJ TRANSIT Contract No. 13-020X with A & J Construction of Farmingdale, New Jersey, for the replacement of the Washington Township Garage underground storage tanks at a cost not to exceed \$1,184,470.00, plus five percent for contingencies, subject to the availability of funds.

ITEM 1212-65: ACTUARIAL SERVICES FOR NJ TRANSIT'S DEFINED BENEFIT PENSION PLANS

BENEFITS

This mandatory actuarial service provides for the efficient and effective administration of the NJ TRANSIT defined benefit pension plans. The actuary formulates measurements in accordance with generally accepted actuarial principles and practices which are used to annually value the pension plans. The annual valuation establishes the annual pension cost and net pension obligations for NJ TRANSIT.

ACTION (Scorecard: Financial Performance)

Staff seeks authorization to enter into NJ TRANSIT Contract No. 12-035 with The Segal Company of New York, New York for actuarial services in an amount not to exceed \$715,020, for the three-year period from January 1, 2013 until December 31, 2015, with two additional one-year options to extend to December 31, 2017 at an additional cost of \$501,998, for a total cost of \$1,217,018, plus five percent for contingencies, subject to the availability of funds.

PURPOSE

NJ TRANSIT's defined benefit pension plans require the assistance of an actuary for the purpose of preparing annual valuations and certifications, preparing individual annual pension benefit statements and providing actuarial advice related to amendments to the agency's plans, as required. The consultant will act in an advisory capacity with respect to services normally provided by actuarial firms but will not provide legal opinions.

BACKGROUND

History

NJ TRANSIT sponsors five defined benefit pension plans for its employees. The Non-Agreement Employees Retirement Plan, which was closed to new employees effective July 1, 2006, is provided to non-agreement employees. As a function of collective bargaining agreements, there are four bus union plans known as the Amalgamated Transit Union Employees Retirement Plan, Transport Workers Union Employees Retirement Plan, Utility Workers Union Employees Retirement Plan and Mercer Employees Retirement Plan.

The defined benefit plans provide for a specified monthly benefit upon retirement that is predetermined by a formula based on the employee's earnings history, tenure of service, age, and the pension multiplier. The pension trust is funded by both employer and employee contributions. Each plan has an individually appointed committee which acts as fiduciaries in the administration of the pension plans.

It is contractually required in the four bus agreement pension plans that the funding shall be determined by the plan actuary. NJ TRANSIT employs a certified actuarial firm in order to determine the annual pension cost and funding status of each individual plan. An annual actuarial valuation is reported each fiscal year to determine the scheduled contribution requirement by NJ TRANSIT for the plan year, as well as the various liability and asset values used to determine the contribution level. This information is used to generate separate audited financial statements for the five pension plans.

Procurement

The existing contract with The Segal Company for actuarial services with regard to NJ TRANSIT's defined benefit pension plans will expire on December 31, 2012. A Request for Proposal (RFP) which required an evaluation of both technical and cost proposals was advertised on July 5, 2012 to provide actuarial services for an initial three-year period with two additional one-year options. The RFP required prospective firms to provide a proposed price for both the base contract period and the two one-year options. As a result of the advertisement, twenty-two firms received the solicitation documents. A pre-proposal conference was held on July 17, 2012 to review proposal requirements and on August 13, 2012, four proposals were received and subsequently evaluated by the Technical Evaluation Committee comprised of five NJ TRANSIT employees from Human Resources, Bus Operations and Finance. In addition, Oral Presentations were held on October 17 and 18, 2012.

The proposal weights were:

Cost Proposal	60%
Technical Proposal	<u>40%</u>
	100%

Technical Proposals were evaluated using the following criteria:

- Major actuarial tasks
- Minor actuarial tasks
- Qualification of firm
- Qualification of individuals

The final score and total cost per firm are as follows:

Firm	Score			Cost
	Cost	Technical	Total	
The Segal Company	53.36	40.00	93.36	\$ 1,217,018
Hay Group, Inc.	58.11	29.27	87.38	\$ 1,130,217
Cheiron	60.00	27.09	87.09	\$ 1,095,700
Gabriel, Roeder, Smith & Co.	58.24	28.43	86.67	\$ 1,127,900

Upon completion of a competitive procurement process, it was determined that The Segal Company received the highest overall combined Technical and Cost Evaluation Score for actuarial services with regard to NJ TRANSIT's defined benefit pension plans.

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

FISCAL IMPACTS

Requested Authorization: \$715,020 – January 1, 2013 to December 31, 2015
(three-year period) + 5% contingency
\$501,998 – January 1, 2016 to December 31, 2017
(two one-year options) + 5% contingency

Total Project Cost: \$1,217,018

Projected Date of Completion: December 31, 2017

Anticipated Source of Funds: NJ TRANSIT Pension Plans

DBE/SBE Goal: 0%

***NJ Build* Amount:** None

Related/Future Authorizations: None

**Impacts on Subsequent
Operating Budgets:** None

RESOLUTION

WHEREAS, the existing contract with The Segal Company for actuarial services with regard to NJ TRANSIT's defined benefit pension plans will expire on December 31, 2012; and

WHEREAS, on July 5, 2012, a Request for Proposal was advertised to provide actuarial services; and

WHEREAS, four proposals were received and subsequently evaluated; and

WHEREAS, upon completion of a competitive procurement process, it was determined that The Segal Company received the highest overall combined Technical and Cost Evaluation Score for actuarial services with regard to NJ TRANSIT's defined benefit pension plans;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to enter into NJ TRANSIT Contract No. 12-035 with The Segal Company of New York, New York for actuarial services in an amount not to exceed \$715,020, for the three-year period from January 1, 2013 until December 31, 2015, with two additional one-year options to extend to December 31, 2017 at an additional cost of \$501,998, for a total cost of \$1,217,018, plus five percent for contingencies, subject to the availability of funds.

ITEM 1212-66: APPOINTMENT OF CHIEF FINANCIAL OFFICER AND TREASURER

BENEFITS

Appoint a Chief Financial Officer and Treasurer of NJ TRANSIT and its subsidiaries in order to ensure adequate administrative ability for NJ TRANSIT to manage its finances.

The selection of a Chief Financial Officer of NJ TRANSIT will ensure the financial obligations of the corporation are met by reducing costs, maximizing revenues, and lessening dependence on taxpayer subsidy.

PURPOSE

The Executive Director seeks to appoint Kathleen M. Sharman, CPA to serve as NJ TRANSIT's Chief Financial Officer and Treasurer effective February 2013.

Ms. Sharman has 25 years of progressive accounting and financial management experience for both private and public sector organizations in transportation and related industries. During the course of her distinguished career, Ms. Sharman has served as the Treasurer for two transportation agencies for over 17 years.

Ms. Sharman is currently serving in the position of Chief Financial Officer for the Georgia State Road and Tollway Authority (SRTA) and previously was the Chief Financial Officer for the South Jersey Transportation Authority, the operator of the Atlantic City Expressway and the Atlantic City Airport.

Ms. Sharman has a business degree from George Washington University and has spent the major portion of her career in a variety of finance roles within the State of New Jersey's transportation network.

Kathleen M. Sharman's appointment as Chief Financial Officer and Treasurer of NJ TRANSIT is at an annual salary of \$180,000.

ACTION

Staff seeks concurrence and authorization to appoint Kathleen M. Sharman as Chief Financial Officer and Treasurer of NJ TRANSIT and its subsidiaries to perform the functions of the Office of the Treasurer in accordance with the NJ TRANSIT By-Laws, Article IV, Section 5.

FISCAL IMPACTS

Requested Authorization: Appointment of Chief Financial Officer and Treasurer

Anticipated Source of Funds: N/A

RESOLUTION

WHEREAS, Article III, Section 1 of the By-Laws provides that there shall be a Treasurer who shall serve as an officer of NJ TRANSIT and its subsidiaries; and

WHEREAS, it is necessary for the Board to appoint a Treasurer in order to ensure adequate administrative ability for NJ TRANSIT to manage its finances;

NOW, THEREFORE, BE IT RESOLVED that Kathleen M. Sharman, CPA is hereby appointed Chief Financial Officer and Treasurer of NJ TRANSIT and its subsidiaries and to perform the functions of the Office of the Treasurer in accordance with the NJ TRANSIT By-Laws, Article IV, Section 5.

CONSENT CALENDAR

ITEM 1212-67: AMENDED BOARD ITEM 1204-13: AMENDMENT NO. 2 TO THE AGREEMENT FOR A NEW BERGEN COUNTY LINE STATION AT WOOD-RIDGE AND RELATED MAINTENANCE FACILITY

BENEFITS

This item corrects Board Item 1204-13 *Amendment No. 2 to the Agreement for a New Bergen County Line Station at Wood-Ridge and Related Maintenance Facility* to accurately reflect the material modification related to the construction of the parking lot to be used by NJ TRANSIT's employees.

ACTION (Scorecard: Customer Service)

Board Item 1204-13 *Amendment No. 2 to the Agreement for a New Bergen County Line Station at Wood-Ridge and Related Maintenance Facility* is hereby corrected as shown in Exhibit A.

PURPOSE

Board Item 1204-13 was approved on April 11, 2012 and authorized NJ TRANSIT to execute Amendment No. 2 to the subject Agreement.

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

FISCAL IMPACTS

Requested Authorization: Authorization to correct language in Board Item 1204-13 *Amendment No. 2 to the Agreement for a New Bergen County Line Station at Wood-Ridge and Related Maintenance Facility*

Total Project Cost:	NA
Projected Date of Completion:	NA
Anticipated Source of Funds:	NA
DBE/SBE Goal:	NA
NJ Build Amount:	NA
Related/Future Authorizations:	NA
Impacts on Subsequent Operating Budgets:	NA

RESOLUTION

WHEREAS, in 2008 NJ TRANSIT and Wood-Ridge Development, LLC entered into an Agreement for the design and construction of the proposed Wesmont Station and parking facility and for the relocation of the Wood-Ridge Maintenance-of-Way Facility to Clifton; and

WHEREAS, the Agreement was amended in April 2012 by Amendment No. 2 which modified certain terms and conditions of the Agreement; and

WHEREAS, the language regarding the Employee Parking Lot incorrectly stated that Wood-Ridge Development, LLC would be responsible for the construction of the parking lot to be used by NJ TRANSIT employees;

NOW, THEREFORE, BE IT RESOLVED, that Board Item 1204-13 *Amendment No. 2 to the Agreement for a New Bergen County Line Station at Wood-Ridge and Related Maintenance Facility* is hereby corrected as shown in Exhibit A.

ITEM 1204-13: AMENDMENT NO. 2 TO THE AGREEMENT FOR A NEW BERGEN COUNTY LINE STATION AT WOOD-RIDGE AND RELATED MAINTENANCE FACILITY

BENEFITS

The principles of smart growth and transit-oriented development call for returning inactive industrial properties, known as brownfields, to productive economic use with compact, mixed-use development. NJ TRANSIT has actively supported and encouraged this by sponsoring planning studies for redevelopment around transit facilities and targeting associated capital investments.

The Curtiss-Wright industrial site in Wood-Ridge, on which NJ TRANSIT owns and operates a five-acre rail maintenance facility, offers an opportunity to transform an underutilized 78-acre industrial property into a pedestrian-friendly neighborhood with convenient access to NJ TRANSIT rail service. To that end, NJ TRANSIT, the Borough of Wood-Ridge, and the municipally-designated master developer, Wood-Ridge Development, LLC of Lakewood, New Jersey (the Developer), have worked together to develop a plan that will provide a new, fully-accessible rail station and parking facility on NJ TRANSIT's Bergen County Line from which to serve a new Transit-Oriented Development mixed-use community. The new train station, which will be known as the Wesmont Station, is expected to generate 800 daily trips by the year 2015.

The plan further provides the opportunity for NJ TRANSIT to benefit from the Developer constructing a replacement rail maintenance facility on an NJ TRANSIT-owned site in Clifton, to which NJ TRANSIT forces would relocate, leaving the existing Wood-Ridge site free for additional redevelopment by the Developer. To that end, NJ TRANSIT and Wood-Ridge Development, LLC entered into an agreement entitled *Agreement Regarding Funding and Construction of a Railroad Station and Railroad Maintenance Facilities, and Regarding Conveyance of Real Estate* (Agreement) in June 2008 after Board approval.

ACTION (Scorecard: Customer Service)

Staff seeks authorization to take any and all actions necessary to execute Amendment No. 2 to the Agreement with Wood-Ridge Development, LLC of Lakewood, New Jersey, to modify certain terms and conditions of the current Agreement.

Staff also seeks authorization to take any and all actions necessary to acquire an easement from Wood-Ridge Industrial, LLC necessary for construction of the Wesmont Station project. No additional funding authorization is being requested.

PURPOSE

This Board Item seeks approval of the terms of Amendment No. 2 to the Agreement which modifies the terms and conditions of the current Agreement. The material modifications to the Agreement being requested include the following:

- a) The parties agree to move the planned Wesmont Station platform location approximately 750 feet to the south (railroad east).
- b) NJ TRANSIT will build, operate and maintain a commuter parking lot on land owned by NJ TRANSIT currently in use by NJ TRANSIT employees at the Wood-Ridge Maintenance-of-Way Facility. The commuter parking lot was originally planned to be built entirely on land owned by the Developer.
- c) ~~Wood-Ridge Development, LLC~~ NJ TRANSIT will also construct a parking lot on land owned by a related entity of Wood-Ridge Development, LLC, called Wood-Ridge Industrial, LLC, to be used by NJ TRANSIT's employees working in the Wood-Ridge Maintenance-of-Way Facility. ~~and, as a consequence, As a consequence, Wood-Ridge Industrial, LLC,~~ will convey an easement to NJ TRANSIT to allow its employees to park and store equipment and materials within this lot (the employee parking lot). Relocating the employee parking is necessitated by the conversion of the current employee/storage lot to the Station commuter parking lot.
- d) The parties will remove the Pedestrian Overpass from the current Easement Agreement due to the relocation of the rail station from its original proposed location. The Pedestrian Overpass will now be constructed by the Developer entirely on NJ TRANSIT property.
- e) The Developer's right to relocate the Wood-Ridge Maintenance-of-Way Facility to property owned by NJ TRANSIT in Clifton (Clifton Property) will be modified. The deadline for the Developer to decide to construct the Clifton Maintenance-of-Way Facility will be extended by one year from March 1, 2012 to March 1, 2013. However, if NJ TRANSIT finds a buyer for the Clifton Property prior to March 1, 2013, the Agency will notify the Developer who must then advise NJ TRANSIT within 30 days of such notice whether it intends to construct the Clifton Maintenance-of-Way Facility.
- f) Wood-Ridge Development, LLC will design and construct a "privacy wall" on NJ TRANSIT right-of-way to address concerns voiced by residents residing closest to the new Wesmont Station.
- g) Wood-Ridge Development, LLC will design and construct the privacy wall at its sole cost and expense.
- h) In the event that Wood-Ridge Development, LLC determines that it will not construct the Clifton Maintenance-of-Way Facility, then NJ TRANSIT agrees that the entire Federal Funding amount of \$4,325,000 may be utilized by the Developer to offset costs of the Wesmont Station Project.

BACKGROUND

Previous Board Authorizations

Board Item 0806-36 was approved on June 11, 2008 and authorized NJ TRANSIT to enter into an agreement with Wood-Ridge Development, LLC that defined the terms, including cost-sharing, by which the Developer would design and build a new train station and parking facility on the Bergen County Line, and a new rail maintenance facility adjacent to the Main Line in Clifton. Under the terms of that Agreement, NJ TRANSIT agreed to pay the Developer for certain elements of the station project at a cost not to exceed \$10,350,000. Additionally, the Agreement stated that Wood-Ridge Development, LLC had until March 1, 2010 to advise whether it would construct the Clifton Maintenance-of-Way Facility.

Board Item 1009-49 was approved on September 10, 2010 and authorized NJ TRANSIT to execute Amendment No. 1 to the subject Agreement. This Amendment provided for the conveyance of additional Federal funding to the Developer for the project in the amount of \$637,500 that had previously been earmarked, amending the total NJ TRANSIT payment to the Developer to a not-to-exceed amount of \$10,987,500. Additionally, the Amendment modified the date upon which Wood-Ridge Development, LLC must notify NJ TRANSIT of its intent to construct the Clifton Maintenance-of-Way Facility from March 1, 2010 to March 1, 2012. Developer obligated \$35,000 a year to offset NJ TRANSIT's maintenance expenses on the site of the proposed Clifton Maintenance-of-Way Facility.

Scope of Work – New Wesmont Station

The scope of work for the Wesmont Station Project includes the construction of a fully-accessible, center-island high-level platform. The platform will initially be 285 feet in length, but can be extended to 710 feet in the future if needed to meet operational demands. Access to the platform will be via a pedestrian overpass that connects the platform to a sidewalk which provides direct, walkway access to a nearby 215-space parking lot. Elevators and stairs will be utilized to convey customers between the parking lot, sidewalk and the platform via the pedestrian overpass. The design will incorporate station components, including the lighting, landscaping, public address, closed-circuit television, and static and dynamic signage systems. The design will accommodate a future connection to the platform from the other side of the railroad right-of-way which is bordered by the Town of Wallington.

Constructing the center-island platform will require the realignment of one of the two existing tracks for a distance of approximately 2,150 feet. This will require the construction of a new railroad embankment and a drainage system of equal length. Additional trackwork modifications include the installation of a new turnout and the removal of one existing crossover.

NJ TRANSIT will be responsible for the maintenance of the Wesmont Station.

Scope of Work – Privacy Wall

Wesmont Station was originally contemplated to be built on a curved portion of the Bergen County Line. Due to safety concerns, decisions were made by NJ TRANSIT to relocate the station to a straight (or tangent) portion of track, the result of which placed the station closer to a nearby residential neighborhood. To address some of the concerns voiced by the local residents, Wood-Ridge Development, LLC will also construct a large “privacy wall” on the right-of-way line. Dimensionally, the privacy wall may measure approximately 500 feet in length by approximately 20 to 25 feet in height. Wood-Ridge Development, LLC will design and construct the privacy wall at its sole cost and expense.

Scope of Work – Parking Lots and Privacy Wall

A commuter parking lot of 215 spaces proximate to the new station will be built on a portion of the Wood-Ridge Maintenance-of-Way Facility property (the Commuter Parking Lot). The Commuter Parking Lot will be constructed, maintained and operated by NJ TRANSIT at its sole cost and expense. NJ TRANSIT will receive all revenues from the operation of the Commuter Parking Lot.

The paved area where the Commuter Parking Lot is to be built is currently used for employee parking and to store railroad equipment and materials. ~~Wood-Ridge Development, LLC~~ NJ TRANSIT will build a new parking lot on land that is owned by a related entity of Wood-Ridge Development, LLC, called Wood-Ridge Industrial, LLC, in order to facilitate employee parking as well as equipment and material storage (the Employee Parking Lot). Wood-Ridge Development, LLC will design ~~and construct~~ the Employee Parking Lot ~~as a Wesmont Station Project cost~~. Wood-Ridge Industrial, LLC will be required to provide an easement to NJ TRANSIT to allow for the Agency’s employee vehicles, equipment and materials to be parked and/or stored on this land and for access to and from this property.

Scope of Work – Clifton Maintenance-of-Way Facility

Under the terms of the Agreement executed on August 6, 2008, the Developer has the option to relocate the Wood-Ridge Maintenance-of-Way (MOW) Facility to property owned by NJ TRANSIT in Clifton (Clifton Property). Should the Developer exercise its option, it will construct a new rail maintenance of way facility at its sole cost and expense and is responsible for securing all permits and approvals for the Clifton Maintenance-of-Way Facility. The MOW facility will be approximately 97,000 sf in size and, will include a small rail yard consisting of 4 to 5 tracks for rail car storage. NJ TRANSIT Rail forces will connect the facility to the Main Line and construct associated equipment storage tracks on the existing right-of-way.

Project Funding

Under the terms of the Agreement executed on August 6, 2008, NJ TRANSIT and Wood-Ridge Development, LLC agreed to apportion the costs of the Westmont Station project.

As originally planned, federal funding in the amount of \$3.05 million was made available for this project through the Bergen Intermodal Bus & Bus Facility earmarks (FY2002-FY2006). Of this amount, \$2.05 million is to be paid to Wood-Ridge Development, LLC by NJ TRANSIT (as the grant recipient) and \$1 million is to be used by NJ TRANSIT for the Agency's costs related to the project.

In 2011, an additional \$1.275 million was allocated to the project from the FY2010 earmark for Northern New Jersey Intermodal Bus and Bus Facilities. The additional funds will be shared equally by Wood-Ridge Development, LLC and NJ TRANSIT to defray costs for the project.

Wood-Ridge Development, LLC is responsible for all costs associated with the design, permitting and construction of the Wesmont Station. NJ TRANSIT is responsible for all costs associated with trackwork and flagging for both the Wesmont Station and the Clifton Maintenance-of-Way Facility; for limited environmental remediation if required at the Clifton Maintenance-of-Way site; and for relocation of its operations to the new Clifton Maintenance-of-Way Facility. NJ TRANSIT is responsible for all costs associated with construction of the commuter parking lot.

Under the terms of the Agreement, Wood-Ridge Development, LLC will design and construct the station as the first phase of work. NJ TRANSIT's contribution to such work will be a maximum of \$10,987,500. Any costs exceeding that value are the responsibility of Wood-Ridge Development, LLC.

Should the Clifton Maintenance-of-Way Facility not be constructed, Wood-Ridge Development, LLC would be responsible for the reimbursement of NJ TRANSIT costs for the Wesmont Station project, including design, permitting, force account, flagging and administrative costs, in addition to construction costs. Wood-Ridge Development, LLC is also responsible for any costs above the agreed-upon NJ TRANSIT contribution for the station. NJ TRANSIT is responsible for all cost associated with construction of the commuter parking lot.

Relocation Option – Wood-Ridge Maintenance-of-Way Facility

Under the terms of Amendment No. 1 to the Agreement, Wood-Ridge Development LLC must notify NJ TRANSIT of its election to construct the Clifton Maintenance-of-Way Facility by March 1, 2012. Under the terms of this Amendment No. 2, the election date would be extended by one year, from March 1, 2012 until March 1, 2013. However, notwithstanding the foregoing, if NJ TRANSIT finds a purchaser for the Clifton property prior to March 1, 2013, then NJ TRANSIT will notify Wood-Ridge Development, LLC of such event and Wood-Ridge Development, LLC would have 30 days from such notice to advise NJ TRANSIT whether it intends to construct the Clifton Maintenance-of-Way Facility.

If Wood-Ridge Development, LLC does not elect to notify NJ TRANSIT of its intention to construct the Clifton Maintenance-of-Way Facility within such 30-day time period, or it does

not elect to construct the Clifton Maintenance-of-Way Facility by March 1, 2013, then its right to build the Clifton Maintenance-of-Way Facility would terminate and it would be obligated to reimburse NJ TRANSIT's costs, including design, permitting, force account, flagging and administrative costs. NJ TRANSIT would have no further obligation to convey the Wood-Ridge Maintenance-of-Way Facility property, and the existing Wood-Ridge Maintenance-of-Way Facility would then remain at its current location at the Curtiss-Wright site. NJ TRANSIT would continue to have an easement for the Maintenance-of-Way Facility employee parking lot.

Letters of Credit

To guarantee its ability to repay NJ TRANSIT, Wood-Ridge Development, LLC is required to submit irrevocable Letters of Credit covering all costs the Agency incurs on the project. The value of the Letters of Credit is to be increased over time, up to a maximum value of \$12 million, so that the cumulative value of the Letters of Credit is at all times sufficient to cover NJ TRANSIT's past and anticipated future costs. Upon the Developer's decision not to build the Clifton Maintenance-of-Way Facility, NJ TRANSIT will then be able to call upon the Letter of Credit to cover its costs should the Developer be unable or unwilling to repay NJ TRANSIT.

Should Wood-Ridge Development, LLC choose to construct the Clifton Maintenance-of-Way Facility, the aforementioned Letter of Credit would endure through the full term of construction of both the Station and the new Maintenance-of-Way Facility. The value of the Letter of Credit would decline as the construction progresses.

Additionally, if Wood-Ridge Development, LLC constructs the new Maintenance-of-Way Facility on the Clifton site, it will also be required to post a Construction Completion Bond in NJ TRANSIT's name in addition to the Letter of Credit. The Bond will provide funding by which NJ TRANSIT can, in the event of default during the construction, either complete or demolish the facility.

Procurement of Design Consultant and Construction Contracts

Under the terms of the Agreement, NJ TRANSIT conducted the solicitation process for the consulting services design contract, up to the point of award, in order to ensure compliance with Federal Transit Administration requirements. Jacobs Engineering, Inc. was determined to be the highest-ranked proposer. A contract was executed between Jacobs Engineering, Inc. and Wood-Ridge Development, LLC on January 12, 2010.

Similarly, for the construction phase, NJ TRANSIT will conduct the solicitation process for the construction contract, up to the point of award. The construction contract will then be executed between the successful bidder and Wood-Ridge Development, LLC.

Principals of Wood-Ridge Development, LLC

FBE Holding LLC – Abe Fruchthandler
Garden State Management – Rubin Schron
Somerset Development – Ralph Zucker
Bruce Federman
Joshua Safrin

Principals of Wood-Ridge Industrial, LLC

FBE Holding LLC – Abe Fruchthandler
Garden State Management – Rubin Schron
Lakewood Development, LLC – Garden State Management (Rubin Schron), Ralph Zucker
Somerset Development – Ralph Zucker
Bruce Federman
Joshua Safrin

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

FISCAL IMPACTS

Requested Authorization: Authorization to amend the agreement with Wood-Ridge Development, LLC of Lakewood, New Jersey under Amendment No. 2

Previous Authorizations:
June 2008 Authorization to enter into an agreement with Wood-Ridge Development, LLC of Lakewood, New Jersey for the construction of the Wesmont Rail Station and Clifton Maintenance-of-Way Facility

September 2010 Authorization to amend the agreement with Wood-Ridge Development, LLC of Lakewood, New Jersey under Amendment No. 1

Expenditures to Date: \$ 2,007,537 (as of 02/29/12)

Total Project Cost: \$ 38,000,000 (New Wesmont Station with Clifton Maintenance-of-Way Facility)

\$ 11,800,000 (New Wesmont Station without Clifton Maintenance-of-Way Facility)

Projected Date of Completion: Fall 2013/Winter 2014 (New Station only)

RESOLUTION

WHEREAS, the Borough of Wood-Ridge has approved plans for the redevelopment of the former Curtiss-Wright industrial plant which includes a proposed train station and parking facility on NJ TRANSIT's Bergen County Line (hereafter the Wesmont Station Project); and

WHEREAS, NJ TRANSIT currently operates the Wood-Ridge Maintenance-of-Way Facility on portions of this property; and

WHEREAS, in 2008 NJ TRANSIT and Wood-Ridge Development, LLC entered into an Agreement for the design and construction of the proposed Wesmont Station and parking facility and for the relocation of the Wood-Ridge Maintenance-of-Way Facility to Clifton; and

WHEREAS, the Agreement was amended in September 2010 by Amendment No. 1 which modified certain terms and conditions of the Agreement; and

WHEREAS, the New Jersey Public Transportation Act of 1976, P.L. 1979, c. 150, authorizes NJ TRANSIT to lease, purchase and sell or dispose of, on terms which NJ TRANSIT may prescribe, real and personal property; and

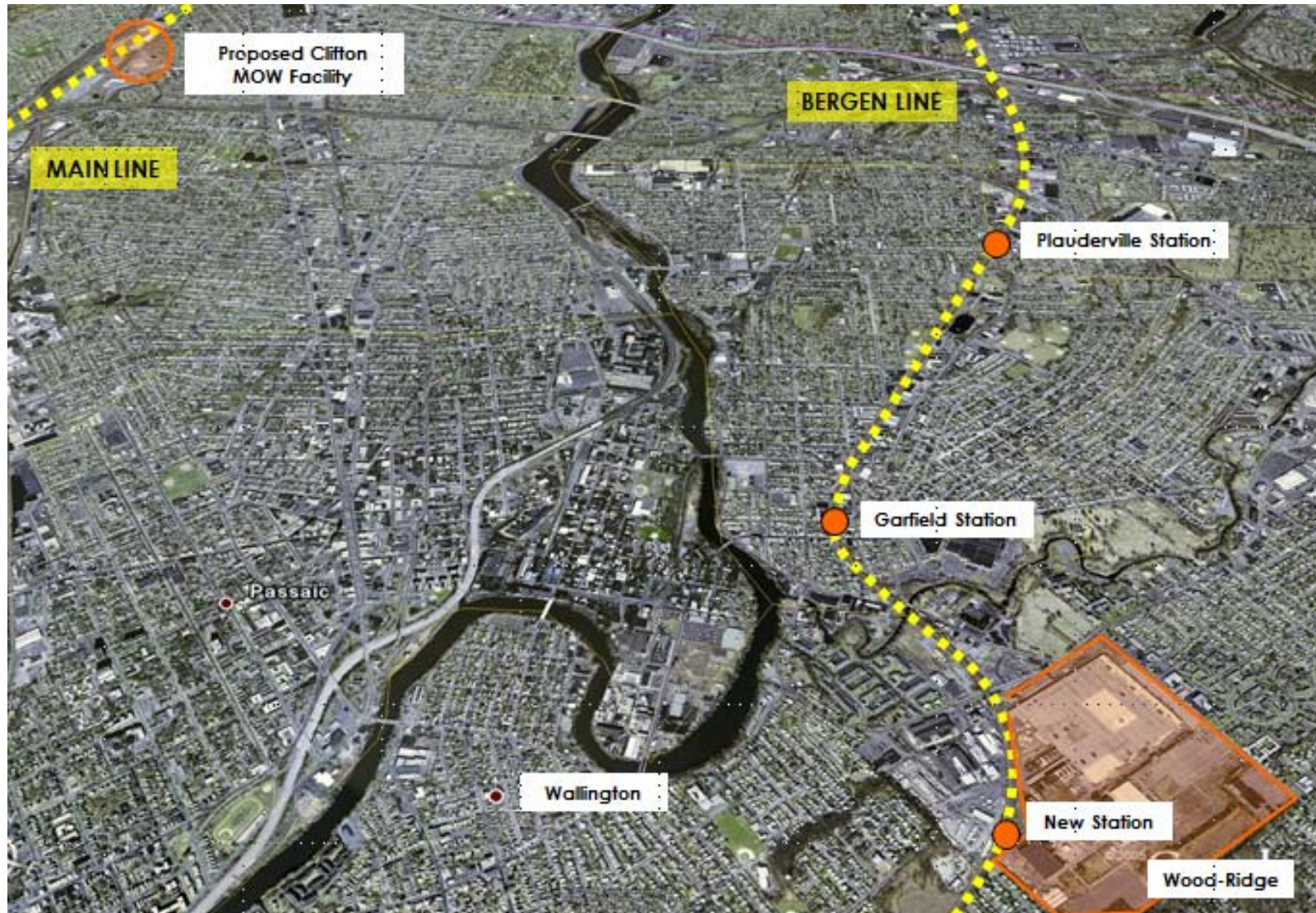
WHEREAS, due to safety considerations, NJ TRANSIT and Wood-Ridge Development, LLC have agreed to move the Wesmont Station platform 750 feet south (railroad east) of the original proposed location to mitigate those safety concerns; and

WHEREAS, as a result of moving the Wesmont Station platform, the design, schedule and property agreements need to be modified;

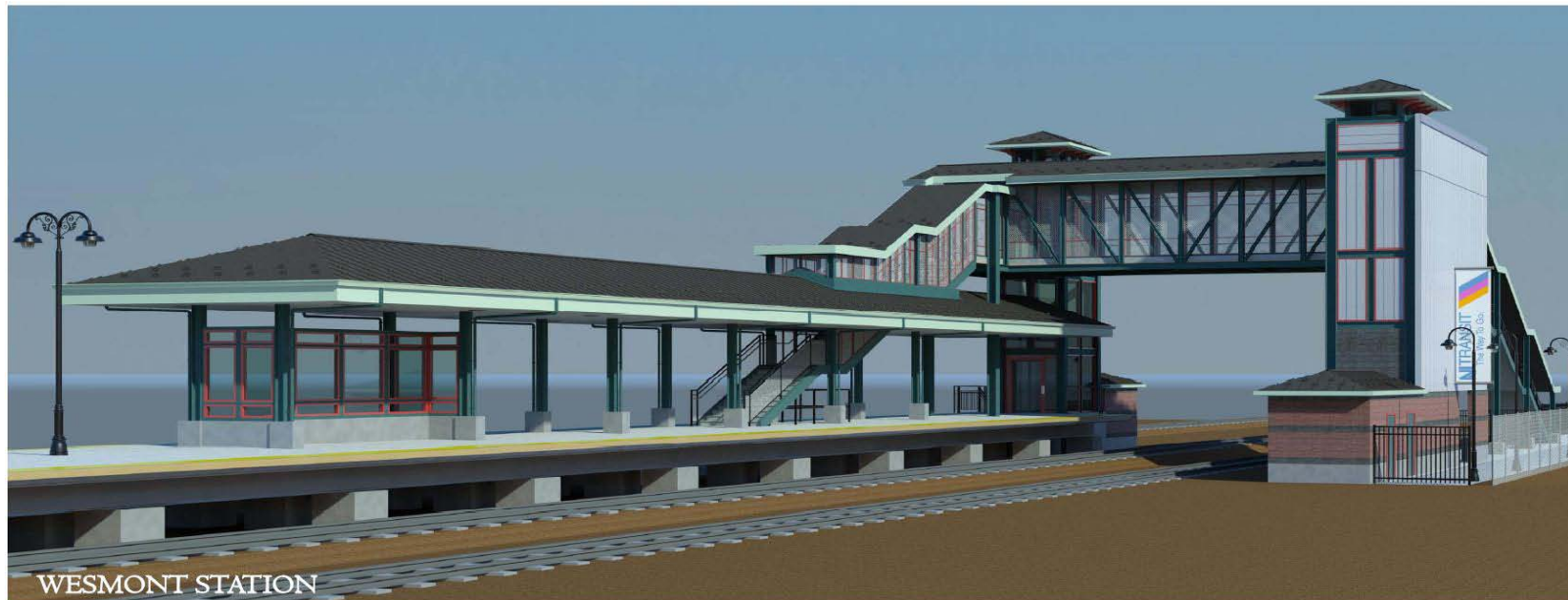
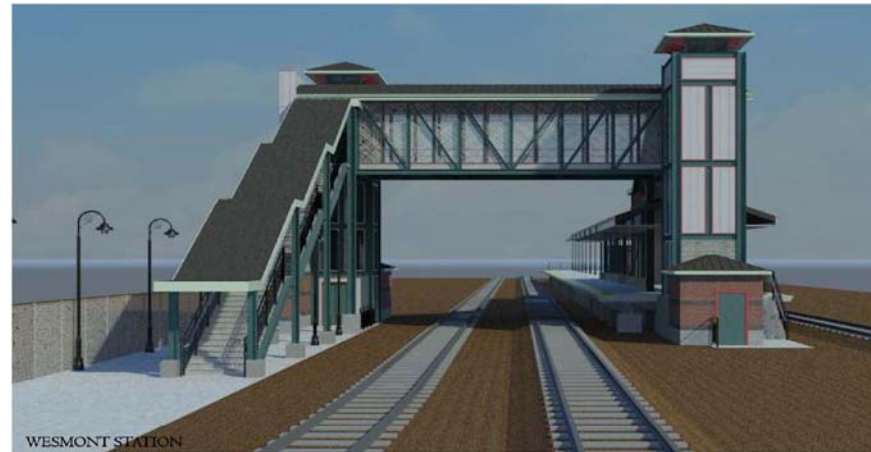
NOW, THEREFORE, BE IT RESOLVED, that the Chairman or Executive Director is authorized to take any and all actions necessary to execute Amendment No. 2 to the Agreement with Wood-Ridge Development, LLC of Lakewood, New Jersey, to modify certain terms and conditions of the current Agreement consistent with this Board Item; and

BE IT FURTHER RESOLVED, that the Chairman or Executive Director is authorized to take any and all actions necessary to acquire an easement from Wood-Ridge Industrial, LLC necessary for construction of the Wesmont Station project. No additional funding authorization is being requested.

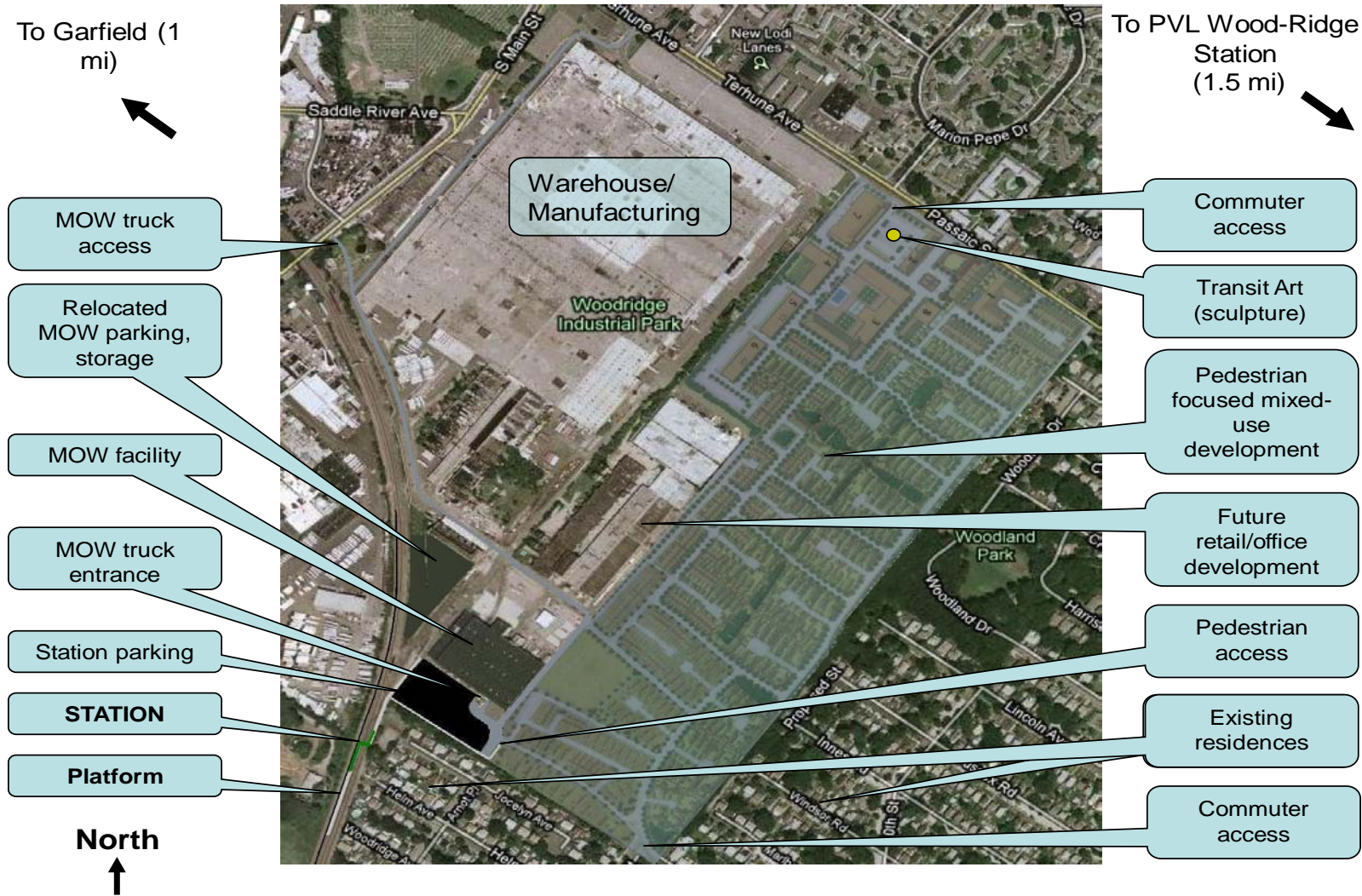
WESMONT STATION AND CLIFTON MAINTENANCE-OF-WAY FACILITY – AREA MAP



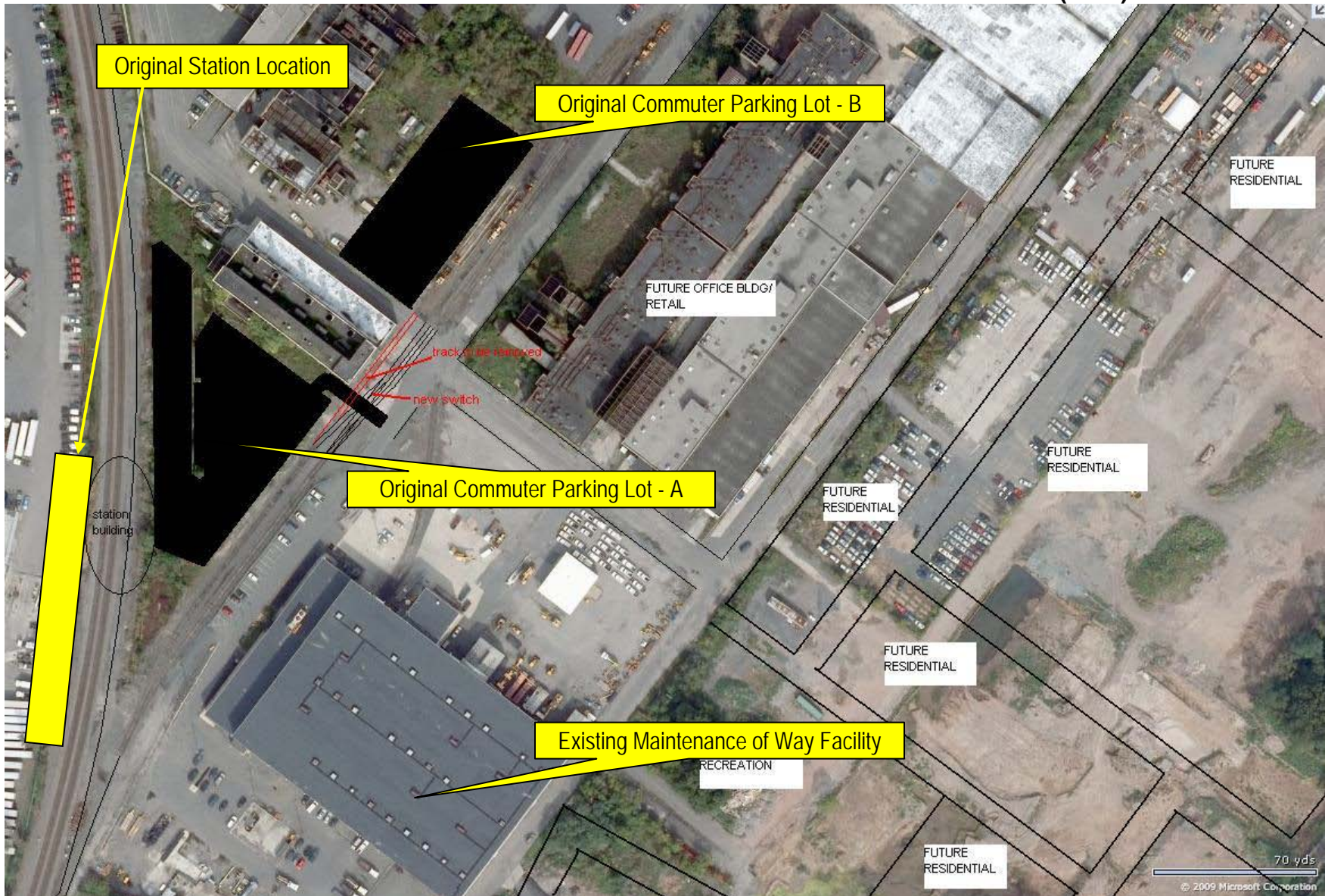
WESMONT STATION – ARTIST RENDERINGS



WESMONT STATION – OVERALL STATION AND COMMERCIAL DEVELOPMENT (2012)



WESMONT STATION – “ORIGINAL” STATION and PARKING LOT LAYOUT (2008)



WESMONT STATION – “NEW” STATION and PARKING LOT LAYOUT (2012)



PROPOSED CLIFTON MAINTENANCE-OF-WAY FACILITY – LOCATION MAP



ATTACHMENT A
New Wesmont Station With a New Clifton Maintenance-of-Way Facility
(in millions)

Item	Total Project Costs	Developer Costs	NJ TRANSIT Costs	NJ TRANSIT Property
Station (including pedestrian overpass)	\$ 8.40	\$ 0.10	\$ 8.30	
Station Flagging & Trackwork	\$ 1.20		\$ 1.20	
Clifton Maintenance-of-Way Facility	\$ 17.50	\$ 17.50		
Clifton Environmental Remediation	\$ 0.50		\$ 0.50	
Clifton Flagging & Trackwork	\$ 1.00		\$ 1.00	
Clifton Relocation	\$ 0.70		\$ 0.70	
NJ TRANSIT Project Administration & Construction Oversight	\$ 0.50		\$ 0.50	
Construction Management	\$ 0.40	\$ 0.40		
Privacy Wall	\$ 0.30	\$ 0.30		
Parking Lots	\$ 1.00		\$ 1.00	
Subtotal	\$ 31.50	\$ 18.30	\$ 13.20	
Wood-Ridge Property	\$ 6.50			\$ 6.50
Total including Property	\$ 38.00	\$ 18.30	\$ 13.20	\$ 6.50

Sources of Funds	Current Allocation (Board Item 1009-49)			Proposed Modification (Amendment No. 2)		
	Developer	NJ TRANSIT	NJ TRANSIT Payment to Developer (Total)	Developer	NJ TRANSIT	NJ TRANSIT Payment to Developer (Total)
Federal	\$ 2.6875	\$ 1.6375	\$ 2.6875	\$ 2.6875	\$ 1.6375	\$ 2.6875
State		\$ 10.5625	\$ 8.3000		\$ 11.5625	\$ 8.3000
Developer	\$ 16.1125			\$ 15.6125		
TOTAL	\$ 18.8000	\$ 12.2000	\$ 10.9875	\$ 18.3000	\$ 13.2000	\$ 10.9875

Capital Program Amount of \$15,887,500 is equal to NJ TRANSIT funding of \$13,200,000 plus Federal funding of \$2,687,500, which will flow through NJ TRANSIT to the Developer.

ATTACHMENT B
New Wesmont Station Without a New Clifton Maintenance-of-Way Facility
(in millions)

Item	Total Project Costs	Developer Costs	NJ TRANSIT Costs	NJ TRANSIT Property
Station (including pedestrian overpass)	\$ 8.40	\$ 8.40		
Station Flagging & Trackwork	\$ 1.20	\$ 1.20		
Clifton Maintenance-of-Way Facility				
Clifton Environmental Remediation				
Clifton Flagging & Trackwork				
Clifton Relocation				
NJ TRANSIT Project Administration & Construction Oversight	\$ 0.50	\$ 0.50		
Construction Management	\$ 0.40	\$ 0.40		
Privacy Wall	\$ 0.30	\$ 0.30		
Parking Lots	\$ 1.00	\$ 0.00	\$ 1.00	
Subtotal	\$ 11.80	\$ 10.80	\$ 1.00	
Wood-Ridge Property				
Total including Property	\$ 11.80	\$ 10.80	\$ 1.00	

Sources of Funds	Current Allocation (Board Item 1009-49)			Proposed Modification (Amendment No. 2)		
	Developer	NJ TRANSIT	NJ TRANSIT Payment to Developer (Total)	Developer	NJ TRANSIT	NJ TRANSIT Payment to Developer (Total)
Federal	\$ 2.6875		\$ 2.6875	\$ 4.3250		\$ 4.3250
State					\$ 1.0000	
Developer	\$ 8.3625			\$ 6.4750		
TOTAL	\$ 11.0500		\$ 2.6875	\$ 10.8000	\$ 1.0000	\$ 4.3250

Capital Program Amount of \$5,325,000 is equal to NJ TRANSIT funding of \$1,000,000 plus Federal funding of \$4,325,000, which will flow through NJ TRANSIT to the Developer.

ATTACHMENT C
Planning, Design and Construction Chronology

Station on Curved Track

- 09-Apr-04 Wood-Ridge Development, LLC (WRDLLC) submits a proposal to NJ TRANSIT for building a new rail station on the Bergen County Line; includes 2 side platforms
- 12-Jun-06 WRDLLC completes 60% design plans for a Maintenance of Way facility to be built on Kuller Road in the Town of Clifton, NJ
- 31-Jul-06 WRDLLC completes 30% design plans for a new station to be built on “curved track” with side platforms and, 2 station parking lots built on its property
- 20-Mar-07 The City of Clifton, NJ passes a resolution consenting to the construction of a new Maintenance of Way (MOW) facility at 95-100 Kuller Road
- 12-Apr-07 The State Historic Preservation Office issues a “Finding of No Adverse Effect” to build the Wesmont station project subject to certain recommendations
- 16-Jul-07 NJ TRANSIT completes an “Environmental Evaluation” and seeks the concurrence of the FTA that the project meets the criteria for a Categorical Exclusion
- 17-Mar-08 The initial “Categorical Exclusion” issued by FTA signaling its approval that the project’s environmental impacts were analyzed in conformance with NEPA
- 11-Jun-08 Board Item 0806-36 authorized NJ TRANSIT to enter into an Agreement with WRDLLC setting forth the rights, responsibilities and obligations of each party
- 06-Aug-08 NJ TRANSIT formally executes an Agreement with Wood-Ridge Development, LLC to design and construct the proposed new Wesmont Station
- 07-Nov-08 RFP No. 09-030 was jointly advertised by NJ TRANSIT and WRDLLC to solicit Final design & construction assistance services for the Wesmont Station Project

- 17-Dec-08 An Access Easement Relocation Agreement executed with WRD LLC to allow for the relocation of easements NJ TRANSIT entered into with Curtiss-Wright in 1990
- 19-Feb-09 Jacobs Engineering Group, Inc. was deemed by NJ TRANSIT and WRD LLC to be the top-rated firm to provide the consulting engineering services required.
- 12-Jan-10 After extended year-long negotiations, a contract was executed between Jacobs Engineering Group and WRD LLC to complete the design of the project
- 01-Mar-10 The original date in the Agreement for WRD LLC to “elect” to construct a MOW facility in Clifton, should the existing MOW facility be vacated by NJ TRANSIT

Relocation of Station onto Tangent Track

- 09-Jul-10 Initial design kickoff meeting held with several departments; a decision was made to relocate the station from “curved” to “tangent” track for safety
- 01-Sep-10 A Temporary Access Permit was executed with WRD LLC that allowed its agents to enter upon NJ TRANSIT property for the purposes of building the project
- 02-Sep-10 WRD LLC began the initial phase of construction of “Wesmont Station”, a commercial / residential complex located in the Borough of Wood-Ridge, NJ
- 10-Sep-10 Board Item 1009-49 authorized the execution of Amendment 1 which delayed the date for WRD LLC to “elect” to build the Clifton MOW by 2 years
- 15-Oct-10 NJ TRANSIT authorizes Langan Engineering Consultants to conduct a pre-construction site assessment of the proposed new location of the station
- 08-Dec-10 Langan Engineering Consultants completes its pre-construction site assessment of the proposed new location of the planned station

EXHIBIT B
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- 03-Jan-11 The Public Outreach campaign began with the issuance of letters to residents residing nearest the station informing them of the impending station work
- 21-Jan-11 NJ TRANSIT submits to FTA an amended Environmental Evaluation based on an updated study to support the station being built closer to the residential area
- 14-Mar-11 Jacobs completes the 100% design plans and submits the same for NJ TRANSIT's final review; the plans include building a "center island" platform
- 15-Mar-11 An amended Categorical Exclusion issued by FTA, finding that the impacts caused by relocating the station closer to the residential area were negligible
- 16-Mar-11 A meeting was held with the municipal leadership of the Borough of Wood Ridge to discuss the reasons for relocating the station to tangent track
- 17-Mar-11 The "Pre-Final" design plans and specifications were submitted to NJ TRANSIT by Jacobs Engineering and distributed for internal review and comment
- 01-Apr-11 All engineering work generally ceased due to the need to address the concerns of the local residents raising privacy issues over the location of the station
- 18-Apr-11 A follow-up meeting with the Mayor, Town Council and the residents was held to discuss the concerns which primarily centered on the location of the station
- 16-Jun-11 Public Information Session was held to elicit public opinion regarding NJ TRANSIT's overall FY 2012 capital program; Wesmont Station was on the agenda
- 18-Aug-11 NJ TRANSIT sends a letter to the Mayor's Office outlining NJ TRANSIT's need to relocate the station while proposing other improvements that will be made
- 23-Aug-11 Meeting was held with the Borough's municipal leaders to discuss various track alignment schemes that NJ TRANSIT had been evaluating over the Summer 2011

- 02-Sep-11 NJ TRANSIT receives a letter from WRDLLCC outlining several modifications to the design plans that will need to be undertaken in order to complete the plans
- 14-Sep-11 NJ TRANSIT responds to the WRDLLC letter commenting upon but generally agreeing to the proposed design modifications

Re-Start of Design Activities

- 16-Sep-11 WRDLLCC authorized Jacobs to re-start and complete the project's design activities which had been suspended since April over the resident's concerns
- 27-Sep-11 NJ TRANSIT receives a letter from the owner of a building adjacent to the facility in Clifton inquiring about the possibility of buying the Clifton property
- 26-Oct-11 Jacobs submits the new revised version of the Final 100% plans to NJ TRANSIT for review and comment
- 15-Nov-11 NJ TRANSIT contracts with Hatch Mott McDonald (HMM) to take additional soil samples to ascertain the presence of any hazardous materials in the r-o-w
- 22-Dec-11 NJ TRANSIT completes its review of the 100% design plans & returns comments back to Jacobs to incorporate the same into the next iteration of the plans
- 05-Jan-12 WRDLLC submits the design plans of the station to the NJ Department of Community Affairs (DCA) for review and comment
- 12-Jan-12 HMM report of preliminary findings confirms the presence of PCB's in the r-o-w. Additional details are provided by EPA on a prior cleanup effort in 1999
- 09-Feb-12 All comments to the 100% design plans are returned back from the DCA to WRDLLC and Jacobs Engineering Group.
- 01-Mar-12 Date by which WRDLLC had to elect to build the Clifton MOW. NJ TRANSIT offers to extend the election date by 1 additional year, under certain conditions

09-Mar-12 Initial draft of Amendment No. 2 to the Agreement was submitted to WRD LLC for their review and comment