

**Chris Christie**, Governor  
**Kim Guadagno**, Lieutenant Governor  
**Richard T. Hammer**, Acting Commissioner  
**Dennis J. Martin**, Interim Executive Director

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

February 16, 2016

Dear Governor Christie:

Pursuant to Chapter 150, Laws of 1979, I herein transmit the minutes of actions taken at the open session of the regularly scheduled meetings of the New Jersey Transit Corporation, NJ Transit Rail Operations, Inc., NJ Transit Bus Operations, Inc., NJ Transit Mercer, Inc., and NJ Transit Morris, Inc., Board of Directors held on Wednesday, February 10, 2016.

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 regularly 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 Wednesday, February 10, 2016.

**Present**

Richard T. Hammer, Acting Chairman  
Amy Herbold, Governor's Representative  
Anthony Longo, Treasurer's Representative  
James C. Finkle, Jr., Board Member  
Flora M. Castillo, Board Member  
Raymond W. Greaves, Board Member (Non-Voting)

**Also Present**

Dennis J. Martin, Interim Executive Director  
Michael P. Kilcoyne, Acting Vice President/General Manager, Bus Operations  
Robert M. Lavell, Vice President/General Manager, Rail Operations  
John F. Squitieri, Chief, Light Rail and Contract Services  
Alphonsus M. Stiehler, Acting Deputy Chief of Operations, NJ TRANSIT Police  
Frank Savino, Acting Auditor General  
Warren Hersh, Acting Chief Financial Officer & Treasurer  
Michael K. Slack, Chief Information Officer  
Penelope L. Bassett, Assistant Executive Director, Communications & Customer Service  
Steve H. Santoro, Assistant Executive Director, Capital Planning & Programs  
Alma Scott-Buczak, Assistant Executive Director, Succession Planning & Workforce Dev.  
Gardner C. Tabon, Chief, Office of System Safety  
Deborah L. Prato, Assistant Executive Director, Human Resources  
Michael Gonnella, Deputy Attorney General  
Joyce J. Zuczek, Acting Board Secretary

Acting Chairman Hammer convened the Open Session at 9:09 a.m. in accordance with the Open Public Meetings Act. Dale Sulpy, Office of System Safety, provided a Public Safety Announcement. The Pledge of Allegiance to the Flag was conducted. Acting Board Secretary Zuczek conducted a Roll Call.

Acting Board Secretary Zuczek announced that adequate notice of the regularly 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. was provided in accordance with the Open Public Meetings Act, Chapter 231, P.L. 1975, and the meetings were occurring concurrently. Notices were mailed to newspapers of general distribution, forwarded to the Secretary of State, Trenton, New Jersey, and sent to each individual, agency and organization that requested such notice. In addition, notices of the meetings were posted in the main lobby of NJ TRANSIT's Headquarters in Newark, New

Jersey. Acting Board Secretary Zuczek announced that the Board Meeting was being video recorded

Acting Chairman Hammer asked for a motion to adopt the minutes of the December 9, 2015 and December 23, 2015 Board meetings. A motion was made by Board Member James C. Finkle, Jr., seconded by Board Member Amy Herbold, and unanimously adopted. Board Member Flora M. Castillo was not present for the vote but returned to the meetings during the first public comment.

### **Public Comments on Agenda Items and Other Matters**

There were 11 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.

**Glenn McCrustie**, a signal supervisor for NJ TRANSIT and President for ARSA Local 5045, spoke about how much labor does for NJ TRANSIT and mentioned how well they did during the Super Bowl, Irene, Sandy and the blizzard a couple weeks ago. He said they were the first railroad back up and running after the blizzard. Mr. McCrustie said labor is always there for NJ TRANSIT and the public. He said he supervises a construction gang out of Orange, New Jersey and lately they have been working on a Sandy Resiliency project. As part of the project, they have installed about 14,000 feet of cable under the tracks throughout Hoboken Yard. Mr. McCrustie said they have worked during the middle of the night, minus zero winter weather, and the blazing sun in the summer. He said they are getting the job done and under budget. Mr. McCrustie said another job was the Amtrak curb speed restriction job during which they protected the public, helping to restrict the speed on 10 designated curbs on NJ TRANSIT property, and they brought the job in 57 days ahead of schedule.

Mr. McCrustie said they give up a lot of time with their families during nights and weekends and although they make overtime, they don't have a lot of extra cash because the cost of living has gone up and they have not kept up. He asked that somehow NJ TRANSIT find the money to pay the labor unions what they deserve to be paid to take care of the hands that are taking care of the public.

**Steve Thorpe** congratulated Interim Executive Director Dennis Martin and said he hopes he sticks around because he has done a lot of good for NJ TRANSIT riders, including untangling the mess at Port Authority Bus Terminal.

Mr. Thorpe discussed the enhanced security procedures for the Board meetings. He said he worked for 30 years in Union County government and jails, in different venues with different security measures. Mr. Thorpe said while minimally invasive, his opinion is that the measures are more than are needed for this venue, although he does not know all the inner workings. He does not think there has ever been cause for alarm like in the courts where judges and officials are threatened. Mr. Thorpe noted TSA and courts provide different levels of security, such as attorneys do not have as much as the general public. He suggested an

enhanced security program that would allow prescreening people who are at NJ TRANSIT often.

Mr. Thorpe expressed concern about skateboarders at Hoboken Terminal being an annoyance and posing safety concerns similar to the hoverboards. He understands NJ TRANSIT Police can't be there every day and when they are, they address it. Mr. Thorpe also expressed concern about doors to the ferry being chained open, causing blasts of cold air whenever a door is opened and making it uncomfortable for those waiting for a train for 20 to 30 minutes.

Mr. Thorpe does not think Item 1602-06 provides enough particulars and that it seems early to have to spend all that money on the ALP45s. He said some are three to five years old and it seems excessive to have to perform that expensive service every five years for a new product.

Mr. Thorpe commended Robert Lavell and Sean Dolan from the Hoboken Division for looking into a quiet car issue for him.

**Murray Bodin** believes the prior night there was a message for Republican and Democrats that they are not paying attention to what people need. Mr. Bodin said in Florida traffic lights control the canal gates but in Harrison, two flashing red lights control the railroad-crossing gate. He believes people are distracted and not paying attention so NJ TRANSIT needs to pay attention to what the drivers need now, instead of doing what was done years ago.

Mr. Bodin suggested buying lighter buses like those used by Mega Bus instead of the cruiser buses that have always been bought. He doesn't believe anyone uses the luggage area underneath and thinks the Port Authority Bus terminal needs a new building because the buses weigh too much. Mr. Bodin believes this is a case of not listening and buying the wrong bus because they have always used them.

**Ciro Scalera**, Director of Government Relations for New Jersey State Laborers-Employers Cooperation and Education Trust, strongly supports Item 1602-10 relating to the LCOR extension. He said he has worked the last two years on economic development for the union, specifically in Hoboken with the Mayor and NJ TRANSIT officials. Mr. Scalera believes this is a win-win-win for NJ TRANSIT, city jobs, and the State which will benefit from important regional economic development by maximizing the use of an important asset in Hoboken.

**Orrin Getz** said months ago the President of the New Jersey Senate and the Senate Majority Leader attended a Board meeting and pleaded with NJ TRANSIT to solve the problems at the Port Authority Bus Terminal. While Interim Executive Director Martin was the General Manager for Bus, NJ TRANSIT worked with the Port Authority and dramatically improved the situation and reduced complaints. Mr. Getz believes it is now time to go to Trenton to get help in return to properly fund NJ TRANSIT operations enough for an equitable settlement with labor. He believes five years without a contract is dead wrong and it would be devastating to have a strike.

Mr. Getz expressed support for Items 1602-01, 1602-02, and 1602-04. He believes they are important projects and was glad to see them moving ahead.

Mr. Getz wants NJ TRANSIT to meet with Rockland County officials. He said former NJ TRANSIT employee Jim McKenna used to meet regularly with Rockland County officials and expressed his belief that communications with them is very important.

Mr. Getz wants NJ TRANSIT to prevent the City of Cape May's plans to take over tracks to make a parking lot. He said the tracks are owned by NJ TRANSIT and leased to Cape May Seashore Lines. Mr. Getz thinks NJ TRANSIT should never give up any right of way because they never know when they will need it in the future, and urged NJ TRANSIT to preserve the right of way and fix it up so they can start summer excursions again.

**David Peter Alan** agrees with Steve Thorpe about security and thinks their welcome has deteriorated over the years. On behalf of the Lackawanna Coalition, he expressed optimism about the new leadership at NJ TRANSIT. He hopes Interim Executive Director Martin will be appointed beyond Interim status because he has demonstrated his ability by alleviating the delays at the Port Authority Bus Terminal. Mr. Alan believes this sort of result-oriented management is needed for the entire system.

Mr. Alan said history was made two months ago when a Board member voted "no" on a matter for the first time since 2003. While he is not crazy about it being for a personal injury settlement, he believes it is important that Chairman Hammer felt comfortable voting against an item.

Mr. Alan hopes to avoid the threatened work stoppage that would affect trains. He hopes elected officials who control funding will realize transit riders cannot shoulder the entire cost burden.

Mr. Alan wants restoration of the last trains of the evening that he said were eliminated in September without notice. He appreciates that Mr. Lavell gave back some of the minutes in November but wants more. Mr. Alan suggested the 11:30 inbound train from Dover should only discharge passengers from Morris County, other than at Newark, to save time. He thinks the train should not pick anyone up at these stops, similar to a best practice that has been successful in Chicago. Mr. Alan does not understand why he hasn't already received assurances that this will be implemented with the next schedule change.

Mr. Alan believes in two situations, running a bus will give back the mobility lost, at a very low cost. He suggested a bus meet the last outbound train at Summit and drop passengers off at Gladstone Branch stops. The bus would not pick up any passengers west of Summit to save time. Mr. Alan also believes this approach could be used south of Long Branch with a body-on-chassis vehicle, like the ones used by the county shuttles.

**Glenn Corbett** is a resident of Waldwick in Bergen County. He said it is home to the oldest signal tower on the Erie Line. Mr. Corbett said he is a self-appointed emissary for the North

Bergen Park and Ride. He has used it since the 1970s but now it fills up by 8:30 a.m. Mr. Corbett said he is a victim of its success because a lot of people started using it after 9/11, Sandy, and the PATH shutdown, but never left.

Mr. Corbett suggested some short-term solutions for this regional lot. He suggested expanding the number of buses at the underutilized Vince Lombardi Park and Ride, advertising it at the North Bergen Park and Ride. Additionally, Mr. Corbett suggested expanding into the area adjacent to the North Bergen Park and Ride that is owned by NJ TRANSIT and used for storage of buses and easements to the power companies because it is only half used. Mr. Corbett said he knows NJ TRANSIT does not own the North Bergen Park and Ride lot but said it needs new paving and a more efficient design could be achieved through striping. Additionally, he said some people park in the Walmart lot in Secaucus and suggested NJ TRANSIT look into a formal arrangement with Walmart.

**John Costa**, International Vice President for Amalgamated Transit Union (ATU), supports the merger proposed in Item 1602-08. He recognized the leadership of former Executive Director Ronnie Hakim before she left and her pick of Interim Executive Director Dennis Martin who has led negotiations to the final solution. Mr. Costa also recognized the leadership of ATU to accept the agreement. He noted they are not done because there are still labor issues open with the Rail and Police contracts not done and he hopes it is worked out.

**Steve Burkert**, General Chairman for the Smart Transportation Division, which represents the NJ TRANSIT conductors and trainmen, previously worked as a train conductor for 26 years. Mr. Burkert spoke on behalf of the New Jersey Transit Rail Labor Coalition, which is comprised of approximately 4,200 members and 17 different local unions. He said they have collectively gone almost five years without a new agreement through no fault of theirs and they have spent a year traveling back and forth to Washington, D.C. to meet with the National Mediation Board who tried to broker a deal. Mr. Burkert said the National Mediation Board finally gave up and released them from mediation because no one from Trenton was willing to approve a compromise.

Mr. Burkert said the Coalition asked for the creation of the first Presidential Emergency Board (PEB) #248 instead of seeking "self help" at that time. He said the four days of hearings were exhausting, with thousands of pages of evidence presented. Mr. Burkert said the Board asked numerous questions and they provided all of them in an effort for complete clarity. He said the Carrier was vague in answering some of the questions due to constraints from Trenton. Mr. Burkert noted the recommendations were not everything the members had asked of the PEB. He said the Board felt NJ TRANSIT asking for an almost 800 percent increase in insurance contributions along with a dismal 0.6 percent average net wage increase was not equitable. Mr. Burkert said half the Coalition members would actually take a pay cut on day one of that proposal. Even though the PEB findings were lower than the Coalition's proposal, Mr. Burkert said they accepted them in hopes of a mutual agreement but Trenton completely turned down the recommendations.

Mr. Burkert said the second PEB was formed under the premise that both sides turn in their rock bottom proposal and the Board would select the most reasonable offer. He said they

turned in a new lowered acceptance offer of the past PEB and the Carrier submitted the same offer that was rejected by Board, changing only its healthcare proposal. Mr. Burkert said the recommendations were accepted by the Coalition and trashed by NJ TRANSIT. He discussed the independent arbitrators' credentials and experience.

Mr. Burkert said the Coalition has accepted two PEB recommendations and called NJ TRANSIT again to see how they could bridge the gap. He believes one side has done everything it can and the other side has not even made an honest attempt because they do not have the authority, which lies in Trenton.

Mr. Burkert quoted an article by Jeff Tittel, the Director of the New Jersey Sierra Club, discussing NJ TRANSIT raising fares, cutting services, and now provoking a strike. According to Mr. Burkert, Jeff Tittel said, "Services have gone down, there are more delays and breakdowns, and now maybe a strike. This is hurting the commuters and hurts our economy. We once had one of the best transit systems in the country and now the wheels are about to fall off. The Christie Administration's mismanagement and failure to fund transportation has led us to this point." Mr. Burkert said a potential work stoppage would affect the Saint Patrick's Day Parade in New York City, Ringling Brothers Barnum and Bailey Circus in Newark, Big East Basketball at Madison Square Garden, Wall Street, and 906,708 daily commuters system wide.

Mr. Burkert said NJ TRANSIT has always stated they have no funding, not that the proposal was unfair or unjust. NJ TRANSIT has also said they appreciate the skilled and dedicated service they provide 24/7, in blizzards and superstorms, to keep service safe and efficient. Mr. Burkert said NJ TRANSIT understands that even if they agree to the proposal, they would still be far behind wages and benefits of counterparts in New York commuter service.

Mr. Burkert said they cannot accept a situation where the State willfully fails to budget for reasonable wage increases and then uses that as a rationale for bad faith bargaining. He hopes NJ TRANSIT's Board is aware of the effort put forth by the Coalition in trying to reach an agreement at a conference table and not a picket line. Mr. Burkert asked the Board to assist them in any way to avert a possible work stoppage.

**Dan O'Connell**, State Director for the Smart Transportation Division, said more than a year ago the union offered to work with NJ TRANSIT to find dedicated funding and no one responded. He said there have been a 90 percent subsidy cut, fare hikes, and elimination of the off-peak discount. Mr. O'Connell believes five years without an agreement is untenable and they need to reach a compromise at the conference table, not the picket line.

**Joe Clift** requested opening the CP3 Committee to the public and he believes the Board has a fiduciary duty to vote against or postpone action on Items 1602-01, 1602-02, and 1602-06 until more information is provided. Mr. Clift said there is not enough information to make an informed vote regarding Item 1602-06, Dual Power Locomotives Top Deck Overhaul. He said this requirement is a first and there was nothing in the item explaining why it was needed so soon, especially since some were not in service until recently due to Superstorm Sandy

damage. Mr. Clift said there was not information regarding the service when these were purchased, and apparently this is required every five years.

Mr. Clift does not think there is enough information to vote on Item 1602-01, NJ TRANSITGRID preliminary design. He said NJ TRANSIT would be responsible for overruns and asked for proof the investment is good for taxpayers and for information regarding the project scope. Mr. Clift complained that there was no press release or email to rail advocates about the February 3, 2016 public meeting, no information or documentation posted in the Resiliency Program webpages, and it took four clicks on the website to find the notice.

Mr. Clift complained about voting for Item 1602-02, Hudson Tunnel EIS, before the consultant team was selected. He thinks this is rubberstamping a blank check and asked why only two teams were approved for the work, which he believes, is common work. Mr. Clift does not understand why this was being rushed.

### **Advisory Committee Report**

Suzanne Mack did not have an Advisory Committee Report because they were not meeting until the following week. However, she reflected on some of the public comments. She noted there was a lot on the agenda. Ms. Mack said it included spending capital for bus replacement, which is always good, and she is sure the technical people looked into this. She noted NJ TRANSIT was receiving \$10 million for a Somerville transit project and working with LCOR to get more money.

Ms. Mack thinks it all goes back down to a failed policy at the federal level for transportation funding. She said there is not enough money anywhere to provide the service needed and NJ TRANSIT has about 32 days to solve a problem with the rail. Ms. Mack knows none of the Board members wants the system to go down. She said the last time the system went down was the strike in 1983 and they recovered from it to become a national transit system, but there was federal and Transportation Trust Fund money at that time to do what was necessary and expand the system.

Ms. Mack said she spoke to the Board in July 2015 when the budget was adopted and pleaded for them to start to figure out how they would not be in the same situation this coming July. She said there have been system disruptions caused by the weather, which are nature strikes, and reflected on how people were unable to get to work. Ms. Mack would like to know what the contingency plans are. She expressed great concern about the possibility of a strike. Ms. Mack wants the priority to be making sure the riders don't lose their service. She said they know the capacity is not there for everyone to take a bus or ferry. Ms. Mack hopes there will be an announcement at the March 9, 2016 meetings that a settlement has been reached to avoid a strike.

Board Member Greaves recognized all the work Ms. Mack does and her strong statements in July regarding the fare hike and recommending the Board should be more proactive in obtaining funding from Trenton. He said she discussed sending a letter and he would be in

favor of signing it. Noting there was a new Chairman, he would like the Board to put some pressure on Trenton to fight for dedicated funding for mass transit.

Board Member Greaves said there was a serious critical problem and noted police and rail have not had a contract for five years and they aren't making a lot of money. He would like the Board to be more proactive, working with advocates, to address the funding crisis. Board Member Greaves reminded the Board and public about the comments during the Fight the Hike campaign and suggested possibly looking at some properties to bring in the revenue. He knows they are not legislators and they don't make the laws but they work with the budget given by Trenton and the Federal government. Board Member Greaves thinks they need to work harder to find some dedicated funding for NJ TRANSIT.

Ms. Mack re-echoed that they do have new leadership who are career people who worked from the bottom up and tackled tough problems and had successes. She is counting on their experiences to get them through this.

**Board Customer Service Committee Report**

Board Member Flora M. Castillo presented the report for the Customer Service Committee. The Customer Service Committee received a report about the Fiscal Year 2016 2<sup>nd</sup> Quarter Customer Service Satisfaction Survey, a Customer Service update, and a report on the Social Media Dashboard.

**Board Administration Committee Report**

Board Member James C. Finkle, Jr. presented the report for the Administration Committee. The Administration Committee discussed the FTA Substance Abuse Management Oversight Program board item that will provide continued oversight professional services that enable NJ TRANSIT to remain in compliance with federal requirements. The Committee also received a Financial Update, which included an analysis of ridership trends.

**Executive Director's Monthly Report**

Interim Executive Director Martin started by thanking all of NJ TRANSIT's employees who worked tirelessly through the blizzard a few weeks ago. The men and women of NJ TRANSIT put in long and difficult hours over the course of that weekend to protect the system and then bring it back on line. This was a storm of historic proportions, dropping more than 30 inches of snow in some parts of the state. On that Saturday, January 23<sup>rd</sup> NJ TRANSIT's decision to suspend all bus, rail, light rail and Access Link service was to ensure the safety of its customers and employees and to take all of the necessary actions to secure the system.

Thanks to the extraordinary work of NJ TRANSIT's employees, they were able to resume partial service on Sunday morning, just hours after the last snowflakes fell. The success in dealing with this snowstorm was not merely luck or coincidence. It was a direct reflection of the preparation and dedication of union and management employees in each operating lines

and supporting business lines. Interim Executive Director Martin also highlighted the tremendous effort by the New Jersey Transit Police Department under the direction of Chief Trucillo and the Office of Emergency Management for coordinating the response. This first major blast of winter weather has once again highlighted the importance of the work each and every member of NJ TRANSIT does to provide vital services to its customers.

Results from NJ TRANSIT's latest customer survey scorecard are in, and Interim Executive Director Martin was pleased to say that NJ TRANSIT's overall satisfaction score has ticked up slightly compared to last quarter—now standing at 6.2. That was consistent with NJ TRANSIT's satisfaction scores over the past year-and-a-half. On the rail side numbers were up from last quarter—from 5.6 to 5.9. And they have also held on to gains made in the bus division with the latest score of 6.3. NJ TRANSIT's customer loyalty also remains positive with nearly 8 in 10 customers likely to recommend NJ TRANSIT to a friend or relative.

NJ TRANSIT is now in the fifth year of collecting this data through the scorecard survey. Over the course of 18 tracking periods they have been able to listen closely to what its customers are saying and reacting. With each quarterly survey they pinpoint key drivers to improve the system across each business line. This allows NJ TRANSIT to target its resources to specific needs and more efficiently address the points customers are raising throughout the year.

Through the feedback received in these surveys NJ TRANSIT has been able to implement several initiatives that its customers have called for. For instance: NJ TRANSIT has made great strides in how they handle service disruptions for rail customers. By streamlining communications and investing in technology they have been able to improve scores, so much so, that this issue is no longer a key driver for rail customers. Although, there is more work to do and they will continue on that path.

On the Bus side, inter-state customers have previously identified “on time performance and weekday evening schedules” as areas in need of improvement. By working with the Port Authority and the City of New York, they have been able to make sweeping adjustments to operations at the Port Authority Bus Terminal.

These efforts have yielded improved satisfaction scores and NJ TRANSIT knows customers have been noticing the improvements through the feedback seen in these surveys. When customers on NJ TRANSIT's light rail systems highlighted safety and security as key drivers, NJ TRANSIT was able to begin installing on-board security cameras in light rail vehicles. The initiative began with River Line and Newark Light Rail and will move to the Hudson-Bergen Light Rail.

By using the survey data NJ TRANSIT was also able to tackle quality of commute issues including expanding its quiet car program when they saw just how much rail customers wanted that. Through feedback from these surveys it became evident that customers enjoyed quiet train cars, and in response NJ TRANSIT was able to expand the program across the entire rail system.

By listening to customers and using this scorecard data NJ TRANSIT has been able to improve the customer experience on multiple levels, proving just how valuable this feedback has been. NJ TRANSIT plans to continue to use these surveys to improve its responsiveness.

Continuing NJ TRANSIT's efforts to offer customers flexibility in how they commute, they have an exciting new option to cross the Hudson River. Tickets went on sale January 19th for the new Hudson Go Pass, a partnership with New York Waterway.

The Hudson Go Pass allows customers to use one of three bus lines, the 156R, the 158 or the 159R, serving the Palisade Avenue/River Road corridor or the Hudson-Bergen Light Rail to transfer to New York Waterway ferries at Port Imperial in Weehawken. Customers can then take the ferry across the Hudson River to West 39th Street seven days a week, or to Lower Manhattan on weekdays using either monthly or 10-trip tickets. This will allow customers to avoid the extra time and expense of using the New York City subway. New York Waterway provides shuttle buses from West 39th Street to points in Midtown.

NJ TRANSIT is also encouraging customers to check with their employers to see if they can take advantage of the recently expanded commuter tax benefits. The federal spending and tax package approved by Congress and signed into law in mid-December, increases the maximum monthly commuter tax benefit for transit riders. Customers can now set aside up to \$255 per month in pre-tax earnings for public transit expenses, amounting to an estimated \$1,000 annual savings. Previously, transit riders were only able to put aside \$130 a month. Commuters who take advantage of these programs will see a boost in their wallets, while employers who offer this incentive to their employees benefit from reduced payroll costs.

In a proactive move to keep NJ TRANSIT's safety policy up to date with current technology, they have enacted a ban on hoverboards. Starting, February 10, 2016 customers and employees are no longer permitted to ride, charge, transport or store hoverboards on NJ TRANSIT property including at stations and on-board all vehicles and trains.

Through news accounts nationwide, they have seen too many instances of people falling and injuring themselves or others and in some cases the devices bursting into flames. While they have not had any reported issues with hoverboards on NJ TRANSIT property, the intent of this policy update is to prevent an accident before it happens. NJ TRANSIT has reached out to customers and employees through numerous communication platforms to advise them that hoverboards are not allowed on NJ TRANSIT property in any capacity.

Interim Executive Director Martin congratulated Board Member Flora Castillo who was recently named one of this year's "Women Who Move The Nation" by the Conference of Minority Transportation Officials (COMTO). Flora's hard work and commitment at NJ TRANSIT puts her in the top echelon of transportation officials in the nation as recognized by this distinction. Interim Executive Director Martin said it is an honor and privilege to work with her and they are proud to have her as part of this organization.

**Action Items:**

**1602-01: NJ TRANSIT RESILIENCE PROGRAM – NJ TRANSITGRID CENTRAL POWER PLANT PROJECT: CONSULTANT CONTRACT AWARD FOR CONCEPTUAL AND PRELIMINARY DESIGN SERVICES**

Interim Executive Director Martin introduced Steve Santoro, Assistant Executive Director, Capital Planning & Programs, who presented Action Item #1602-01 for approval.

Steve Santoro recommended approval of Item #1602-01, NJ TRANSIT Resilience Program – NJ TRANSITGRID Central Power Plant Project: Consultant Contract Award for Conceptual and Preliminary Design Services. Approval was requested to enter into a contract with Jacobs Engineering Group of Morristown, New Jersey, to provide Phase I – Conceptual and Preliminary Design consultant services for the NJ TRANSITGRID Central Plant Project at a cost not to exceed \$17,200,000, plus five percent for contingencies, subject to the availability of funds.

Board Member James C. Finkle, Jr. moved the resolution, Board Member Amy Herbold seconded it, and it was unanimously adopted.

**Roll Call Vote:**

Hammer	Meisel	Herbold	Longo	Castillo	Finkle	Greaves
Yes	Absent	Yes	Yes	Yes	Yes	Non-Voting Member

**1602-02: HUDSON TUNNEL PROJECT: CONSULTANT CONTRACT AWARD FOR ENVIRONMENTAL DOCUMENTATION**

Interim Executive Director Martin introduced Steve Santoro, Assistant Executive Director, Capital Planning & Programs, who presented Action Item #1602-02 for approval.

Steve Santoro recommended approval of Item #1602-02, Hudson Tunnel Project: Consultant Contract Award for Environmental Documentation. Approval was requested to enter into a contract with the consultant firm/team/joint venture ranked highest by the Technical Evaluation Committee and as determined by the Chief of Procurement to provide consulting services for the Hudson Tunnel Project Environmental Analysis in an amount not to exceed the budgeted amount, subject to the availability of funds.

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

**Roll Call Vote:**

Hammer	Meisel	Herbold	Longo	Castillo	Finkle	Greaves
Yes	Absent	Yes	Yes	Yes	Yes	Non-Voting Member

**1602-03: MASTER DEVELOPMENT AGREEMENT FOR SOMERVILLE TRANSIT-ORIENTED DEVELOPMENT**

Interim Executive Director Martin introduced Warren Hersh, Acting Chief Financial Officer & Treasurer, who presented Action Item #1602-03 for approval.

Warren Hersh recommended approval of Item #1602-03, Master Development Agreement for Somerville Transit-Oriented Development. Approval was requested to take all necessary actions to execute a Master Development Agreement and all other necessary agreements with Somerset Development, LLC, of Lakewood, New Jersey to implement a Transit-Oriented Development project consisting of mixed-use, transit-village style development to include residential units, retail, and structured and surface commuter parking on NJ TRANSIT-owned property adjacent to Somerville Station. Somerset shall purchase land in fee from NJ TRANSIT at a purchase price of \$10,000,000, and lease a subdivided land area from NJ TRANSIT to construct, operate, and manage a structured parking facility.

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

**Roll Call Vote:**

Hammer	Meisel	Herbold	Longo	Castillo	Finkle	Greaves
Yes	Absent	Yes	Yes	Yes	Yes	Non-Voting Member

**1602-04: PURCHASE OF 332 ADDITIONAL 45-FOOT CRUISER BUSES**

Interim Executive Director Martin introduced Michael Kilcoyne, Acting Vice President & General Manager, Bus Operations, who presented Action Item #1602-04 for approval.

Michael Kilcoyne recommended approval of Item #1602-04, Purchase of 332 Additional 45-Foot Cruiser Buses. Approval was requested to exercise a contract option under the existing contract with Motor Coach Industries of Schaumburg, Illinois, to purchase an additional 332 45-foot cruiser buses at a cost not to exceed \$166,245,643.48, plus four percent for contingencies, for a total authorization of \$583,659,204.15, subject to the availability of funds.

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

**Roll Call Vote:**

Hammer	Meisel	Herbold	Longo	Castillo	Finkle	Greaves
Yes	Absent	Yes	Yes	Yes	Yes	Non-Voting Member

**1602-05: HOWELL GARAGE CNG COMPRESSOR REPLACEMENT: DESIGN-BUILD-MAINTAIN CONTRACT AWARD**

Interim Executive Director Martin introduced Michael Kilcoyne, Acting Vice President & General Manager, Bus Operations, who presented Action Item #1602-05 for approval.

Steve Santoro recommended approval of Item #1602-05, Howell Garage CNG Compressor Replacement: Design-Build-Maintain Contract Award. Approval was requested to enter into a contract with Clean Energy Fuels of Newport Beach, California, for the design, construction and maintenance of the Howell Garage CNG Compressor Replacement in an amount not to exceed \$10,154,002, plus five percent for contingencies, subject to the availability of funds. We ask your approval.

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

**Roll Call Vote:**

Hammer	Meisel	Herbold	Longo	Castillo	Finkle	Greaves
Yes	Absent	Yes	Yes	Yes	Yes	Non-Voting Member

**1602-06: ALP45 DUAL POWER TOP DECK OVERHAUL**

Interim Executive Director Martin deferred Action Item #1602-06 until after Executive Session.

**1602-07: FTA SUBSTANCE ABUSE MANAGEMENT OVERSIGHT PROGRAM: CONSULTANT CONTRACT AWARD**

Interim Executive Director Martin introduced John Squitieri, Chief, Light Rail and Contract Services, who presented Action Item #1602-07 for approval.

John Squitieri recommended approval of Item #1602-07, FTA Substance Abuse Management Oversight Program: Consultant Contract Award. Approval was requested to enter into a contract with Compliance Oversight Solutions Ideal, LLC of Downingtown, Pennsylvania, for the performance of professional services related to NJ TRANSIT’s continuation of its FTA Substance Abuse Management Oversight Program for a three-year period, plus two one-year option periods at a total cost not to exceed \$655,375, plus five percent for contingencies, subject to the availability of funds.

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

**Roll Call Vote:**

Hammer	Meisel	Herbold	Longo	Castillo	Finkle	Greaves
Yes	Absent	Yes	Yes	Yes	Yes	Non-Voting Member

**Executive Session Authorization**

At approximately 10:24 a.m., Acting Chairman Hammer requested a motion to enter Executive Session to discuss personnel matters, contract and collective bargaining negotiations, the status of pending and anticipated litigation and matters falling within the attorney-client privilege, including, but not limited to, the Personal Injury Claim of Albert Klose.

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

Acting Board Secretary Zuczek conducted a Roll Call as Board Members returned to Open Session. Acting Chairman Hammer, Board Members Herbold, Longo, Finkle, and Greaves returned to open session at approximately 11:55 a.m. Board Member Castillo was absent for this portion of the meeting.

**1602-08: MEMORANDUM OF AGREEMENT RECOGNIZING THE ACCRETION OF AMALGAMATED TRANSIT UNION, LOCAL 540 INTO AMALGAMATED TRANSIT UNION, NEW JERSEY STATE COUNCIL**

Interim Executive Director Martin introduced Michael Kilcoyne, Acting Vice President & General Manager, Bus Operations, who presented Action Item #1602-08 for approval.

Michael Kilcoyne recommended approval of Item #1602-08, Memorandum of Agreement Recognizing the Accretion of Amalgamated Transit Union, Local 540 into Amalgamated Transit Union, New Jersey State Council. Approval was requested to execute the attached Memorandum of Agreement between and among NJ TRANSIT Bus Operations, Inc.; NJ TRANSIT Mercer, Inc.; the Amalgamated Transit Union, Local 540; and the Amalgamated Transit Union, New Jersey State Council.

Board Member James C. Finkle, Jr. moved the resolution, Board Member Amy Herbold seconded it, and it was unanimously adopted.

**Roll Call Vote:**

Hammer	Meisel	Herbold	Longo	Castillo	Finkle	Greaves
Yes	Absent	Yes	Yes	Absent	Yes	Non-Voting Member

Board Member Greaves asked if Michael Cribb who is the business agent for Mercer Garage, Local 540, could say a few words since he arrived late. Mr. Cribb thanked the Board for moving the motion along and all the hard work Interim Executive Director Dennis Martin, Michael Kilcoyne, Board Member Greaves, and John Costca and the rest of the State Council did to support this.

**1602-06: ALP45 DUAL POWER TOP DECK OVERHAUL**

Interim Executive Director Martin noted Item #1602-06, ALP45 Dual Power Top Deck Overhaul, has been deferred until a future meeting.

**1602-09: PERSONAL INJURY CLAIM OF ALBERT KLOSE**

Interim Executive Director Martin introduced Warren Hersh, Acting Chief Financial Officer & Treasurer, who presented Action Item #1602-09 for approval.

Warren Hersh recommended approval of Item #1602-09, Personal Injury Claim of Albert Klose. Approval was requested to settle the claim of Albert Klose, through his attorney, at an amount discussed in executive session. The Attorney General has approved the proposed settlement, subject to the availability of funds.

Board Member James C. Finkle, Jr. moved the resolution, Board Member Amy Herbold seconded it, and it was unanimously adopted.

**Roll Call Vote:**

Hammer	Meisel	Herbold	Longo	Castillo	Finkle	Greaves
Yes	Absent	Yes	Yes	Absent	Yes	Non-Voting Member

**1602-10: EXTENSION OF TIME FOR LCOR TO SUBMIT MASTER DEVELOPMENT PLAN FOR HOBOKEN TERMINAL AND YARD**

Interim Executive Director Martin introduced Warren Hersh, Acting Chief Financial Officer & Treasurer, who presented Action Item #1602-10 for approval.

Steve Santoro recommended approval of Item #1602-10, Extension of Time for LCOR to Submit Master Development Plan for Hoboken Terminal and Yard. Approval was requested to take all necessary actions to extend until December 2018 the period under the existing Master Development Agreement with LCOR to submit the Master Development Plan as discussed in Executive Session.

Board Member James C. Finkle, Jr. moved the resolution, Board Member Amy Herbold seconded it, and it was unanimously adopted.

**Roll Call Vote:**

Hammer	Meisel	Herbold	Longo	Castillo	Finkle	Greaves
Yes	Absent	Yes	Yes	Absent	Yes	Non-Voting Member

**Adjournment**

Since there were no further comments or business, Acting Chairman Hammer called for adjournment and a motion to adjourn was made by Board Member James C. Finkle, Jr., seconded by Board Member Amy Herbold, and unanimously adopted. The meeting was adjourned at approximately 11:58 a.m.

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

**FEBRUARY 10, 2016**

**MINUTES**

**PAGE**

➤ <b>CALL TO ORDER</b>	-
➤ <b>SAFETY ANNOUNCEMENT</b>	-
➤ <b>PLEDGE OF ALLEGIANCE TO THE FLAG</b>	-
➤ <b>APPROVAL OF MINUTES OF PREVIOUS MEETINGS</b>	<b>48703</b>
➤ <b>PUBLIC COMMENTS ON AGENDA ITEMS AND OTHER MATTERS</b>	-
➤ <b>ADVISORY COMMITTEE REPORT</b>	-
➤ <b>SENIOR CITIZEN AND DISABLED RESIDENT TRANSPORTATION ADVISORY COMMITTEE REPORT (<u>NEXT SCHEDULED REPORT JUNE 2016</u>)</b>	-
➤ <b>BOARD COMMITTEE REPORTS</b>	-
*Customer Service Committee	
*Administration Committee	
*Capital Planning, Policy and Privatization Committee	
➤ <b>EXECUTIVE DIRECTOR'S MONTHLY REPORT</b>	<b>48704</b>

**ACTION ITEMS**

<b>1602-01</b>	<b>NJ TRANSIT RESILIENCE PROGRAM – NJ TRANSITGRID CENTRAL PLANT PROJECT: CONSULTANT CONTRACT AWARD FOR CONCEPTUAL AND PRELIMINARY DESIGN SERVICES</b>	<b>48726</b>
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Authorization to enter into NJ TRANSIT Contract No. 15-031 with Jacobs Engineering Group of Morristown, New Jersey, to provide Phase I – Conceptual and Preliminary Design consultant services for the NJ TRANSITGRID Central Plant Project at a cost not to exceed \$17,200,000, plus five percent for contingencies, subject to the availability of funds.

<b>1602-02</b>	<b>HUDSON TUNNEL PROJECT: CONSULTANT CONTRACT AWARD FOR ENVIRONMENTAL DOCUMENTATION</b>	<b>48733</b>
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Authorization to enter into NJ TRANSIT Contract No. 16-009 with the consultant firm/team/joint venture ranked highest by the Technical Evaluation Committee and

NEW JERSEY TRANSIT CORPORATION  
NJ TRANSIT BUS OPERATIONS, INC.  
NJ TRANSIT RAIL OPERATIONS, INC.  
NJ TRANSIT MERCER, INC.  
NJ TRANSIT MORRIS, INC.  
REGULARLY SCHEDULED BOARD OF DIRECTORS' MEETINGS  
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PAGE 2

as determined by the Chief of Procurement to provide consulting services for the Hudson Tunnel Project Environmental Analysis in an amount not to exceed the budgeted amount, subject to the availability of funds.

**1602-03 MASTER DEVELOPMENT AGREEMENT FOR SOMERVILLE TRANSIT-ORIENTED DEVELOPMENT 48740**

Authorization to take all necessary actions to execute a Master Development Agreement ("MDA") and all other necessary agreements with Somerset Development, LLC, of Lakewood, New Jersey ("Somerset") to implement a transit-oriented development project consisting of mixed-use, transit-village style development to include residential units, retail, and structured and surface commuter parking on NJ TRANSIT-owned property adjacent to its Somerville Station. Somerset shall purchase land in fee from NJ TRANSIT at a purchase price of \$10,000,000, and lease a subdivided land area from NJ TRANSIT to construct, operate, and manage a structured parking facility.

**1602-04 PURCHASE OF 332 ADDITIONAL 45-FOOT CRUISER BUSES 48748**

Authorization to exercise a contract option under existing NJ TRANSIT Contract No. 15-007 with Motor Coach Industries of Schaumburg, Illinois, to purchase an additional 332 45-foot cruiser buses at a cost not to exceed \$166,245,643.48, plus four percent for contingencies, for a total authorization of \$583,659,204.15, subject to the availability of funds.

**1602-05 HOWELL GARAGE CNG COMPRESSOR REPLACEMENT: DESIGN-BUILD-MAINTAIN CONTRACT AWARD 48753**

Authorization to enter into NJ TRANSIT Contract No.15-047 with Clean Energy Fuels of Newport Beach, California, for the design, construction and maintenance of the Howell Garage CNG Compressor Replacement in an amount not to exceed \$10,154,002.00, plus five percent for contingencies, subject to the availability of funds.

**THIS ITEM WAS DEFERRED**

**1602-06 ALP45 DUAL POWER TOP DECK OVERHAUL 48757**

Authorization to enter into a sole source Contract No. 16-603 with Foley-Caterpillar, Inc. of Piscataway, New Jersey to provide materials and services for the top deck overhaul on 70 Caterpillar engines (2 per locomotive) in an amount not to exceed \$8,406,000, plus five percent for contingencies, subject to the availability of funds.

NEW JERSEY TRANSIT CORPORATION  
NJ TRANSIT BUS OPERATIONS, INC.  
NJ TRANSIT RAIL OPERATIONS, INC.  
NJ TRANSIT MERCER, INC.  
NJ TRANSIT MORRIS, INC.  
REGULARLY SCHEDULED BOARD OF DIRECTORS' MEETINGS  
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**1602-07 FTA SUBSTANCE ABUSE MANAGEMENT OVERSIGHT PROGRAM: 48758  
CONSULTANT CONTRACT AWARD**

Authorization to enter into Contract No. 15-045 with Compliance Oversight Solutions Ideal, LLC (COSI) of Downingtown, Pennsylvania, for the performance of professional services related to NJ TRANSIT's continuation of its FTA Substance Abuse Management Oversight Program for a three-year period, plus two one-year option periods at a total cost not to exceed \$655,375, plus five percent for contingencies, subject to the availability of funds.

- **EXECUTIVE SESSION AUTHORIZATION: 48762** Discuss personnel matters, contract and collective bargaining negotiations, the status of pending and anticipated litigation and matters falling within the attorney-client privilege, including, but not limited to, the Personal Injury Claim of Albert Klose.

**1602-08 MEMORANDUM OF AGREEMENT RECOGNIZING THE ACCRETION OF 48763  
AMALGAMATED TRANSIT UNION, LOCAL 540 INTO AMALGAMATED TRANSIT  
UNION, NEW JERSEY STATE COUNCIL**

Authorization to execute the attached Memorandum of Agreement between and among NJ TRANSIT Bus Operations, Inc.; NJ TRANSIT Mercer, Inc.; the Amalgamated Transit Union, Local 540; and the Amalgamated Transit Union, New Jersey State Council.

**1602-09 PERSONAL INJURY CLAIM OF ALBERT KLOSE 48770**

Authorization to settle the claim of Albert Klose, through his attorney, at an amount discussed in executive session. The Attorney General has approved the proposed settlement, subject to the availability of funds.

**1602-10 EXTENSION OF TIME FOR LCOR TO SUBMIT MASTER DEVELOPMENT 48772  
PLAN FOR HOBOKEN TERMINAL AND YARD**

Authorization to take all necessary actions to extend until December 2018 the period under the existing Master Development Agreement ("MDA") with LCOR to submit the Master Development Plan as discussed in Executive Session.

- **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 December 9, 2015 and the December 23, 2015 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 December 15, 2015 and December 24, 2015 respectively;

**NOW, THEREFORE, BE IT RESOLVED** that the minutes of actions taken at the December 9, 2015 and the December 23, 2015 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  
Richard T. Hammer, Acting Commissioner  
Dennis J. Martin, Interim Executive Director



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

**TO:** BOARD OF DIRECTORS  
**FROM:** DENNIS J. MARTIN   
**DATE:** FEBRUARY 10, 2016  
**SUBJECT:** EXECUTIVE DIRECTOR'S REPORT – FEBRUARY 2016

I want to first thank all of our employees who worked tirelessly through the blizzard a few weeks ago. The men and women of NJ TRANSIT put in long and difficult hours over the course of that weekend to protect our system and then bring it back on line. This was a storm of historic proportions. Some parts of the state received more than 30 inches of snow. On that Saturday, January 23<sup>rd</sup>, our decision to suspend all bus, rail, light rail and Access Link service was to ensure the safety of our customers and employees and to take all of the necessary actions to secure our system. Thanks to the extraordinary work of our employees, I'm proud to say that we were able to resume partial service on Sunday morning, just hours after the last snowflakes fell.

The success in dealing with this snowstorm was not merely luck or coincidence. It is a direct reflection of the preparation and dedication of our union and management employees in each of our operating lines and supporting business lines. I also want to highlight the tremendous effort by the New Jersey Transit Police Department, under the direction of Chief Trucillo, and the Office of Emergency Management for coordinating the response. It was the first major blast of winter weather, and it once again highlighted the importance of the work each and every member of NJ TRANSIT does to provide vital services to our customers.

Results from our latest customer survey Scorecard are in, and I am pleased to say that our overall satisfaction score has ticked up slightly compared to last quarter, now standing at six-point-two. That is consistent with our satisfaction scores over the past year-and-a-half. Our customer loyalty also remains positive with nearly eight in ten customers likely to recommend NJ TRANSIT to a friend or relative.

We are now in the fifth year of collecting this data through the Scorecard survey. Over the course of 18 tracking periods, we have been able to listen closely to what our customers are saying. In each quarterly survey, we pinpoint key drivers to improve the system across each business line. This allows us to dedicate our resources to specific needs and more efficiently address the points our customers are raising throughout the year. Through the feedback we receive in these surveys, we have been able to implement several initiatives that our customers have called for including: Improving communications during service disruptions for rail customers, sweeping changes at the Port Authority Bus Terminal to streamline operations for bus customers and installing security cameras in light rail vehicles beginning with the River Line and Newark Light Rail and moving next to Hudson-Bergen Light Rail. By using this survey data, we were able to improve the quality of commute for rail customers asking for more quiet cars. In response, we were able to expand the program across the entire rail system.

Continuing our efforts to offer customers flexibility in how they commute, we have an exciting new option to cross the Hudson River. Tickets went on sale January 19<sup>th</sup> for the new Hudson Go Pass, a partnership with New York Waterway. The Hudson Go Pass allows customers to use one of three bus lines, the 156R, the 158 or the 159R or the Hudson-Bergen Light Rail to transfer to the ferry at Port Imperial in Weehawken. This will allow customers the chance to avoid the extra time and expense of using the New York City subway. The new pass is good every day, all day and customers can use the entire Hudson-Bergen Light Rail system.

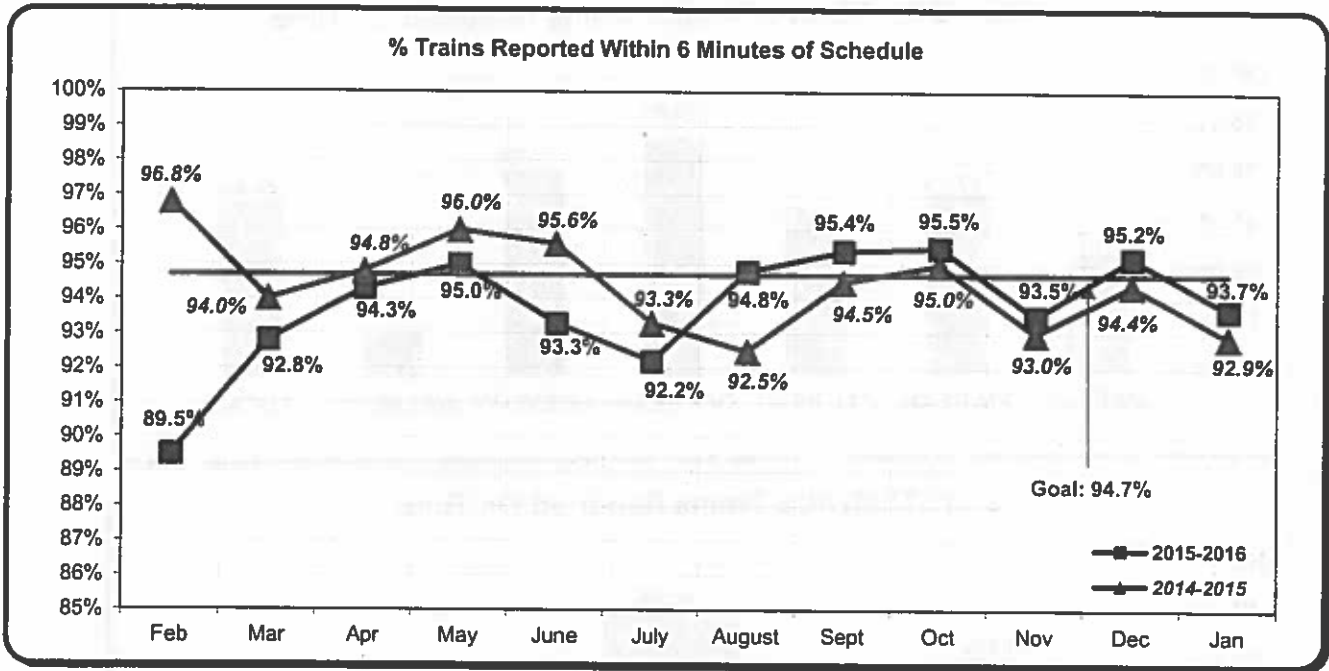
At NJ TRANSIT safety is always our top priority and so we are moving proactively to ban hoverboards from the system. Through news accounts nationwide, we have seen too many instances of people falling and injuring themselves or others and in some cases the devices have burst into flames. While we have not had any reported incidents with hoverboards on NJ TRANSIT property, the hope is to prevent an accident before it happens. So, starting today, February 10<sup>th</sup>, customers and employees will not be permitted to ride, charge, transport or store hoverboards on NJ TRANSIT property including all stations, facilities and on-board vehicles and trains. We are reaching out to customers and employees through numerous communication platforms to advise them of this policy.

# **EXECUTIVE DIRECTOR'S MONTHLY REPORT FEBRUARY 2016**

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

# **PERFORMANCE MEASURES**

# NJ TRANSIT ON-TIME PERFORMANCE RAIL FEBRUARY 2014 - JANUARY 2016



	2015	2016	# Change
January Comparison	92.9%	93.7%	0.8%

	2014-2015	2015-2016	# Change
12-Month Average Feb 2014-Jan 2016	94.4%	93.8%	-0.6%

**Analysis:**

Rail On-Time Performance was 93.7% for January 2016. Of the 17,831 trains scheduled to operate, 16,022 were on time, while 1,802 trains (or 6.3%) were delayed. Key causes included:

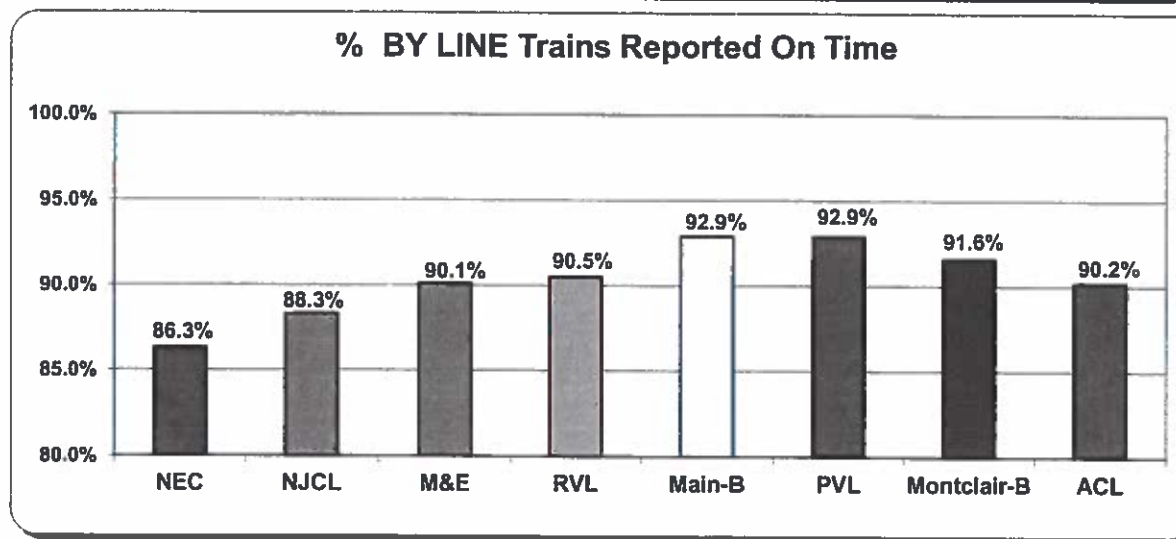
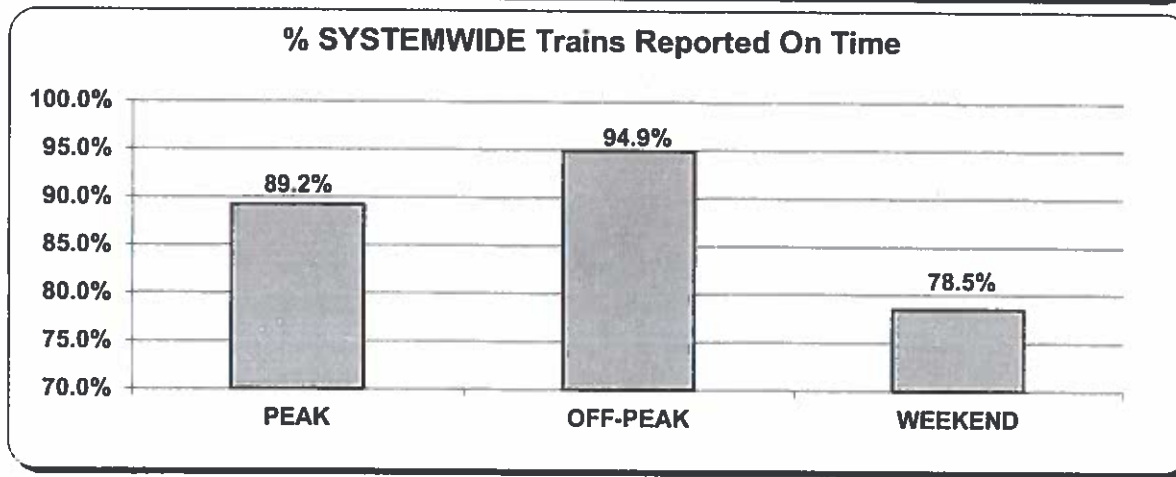
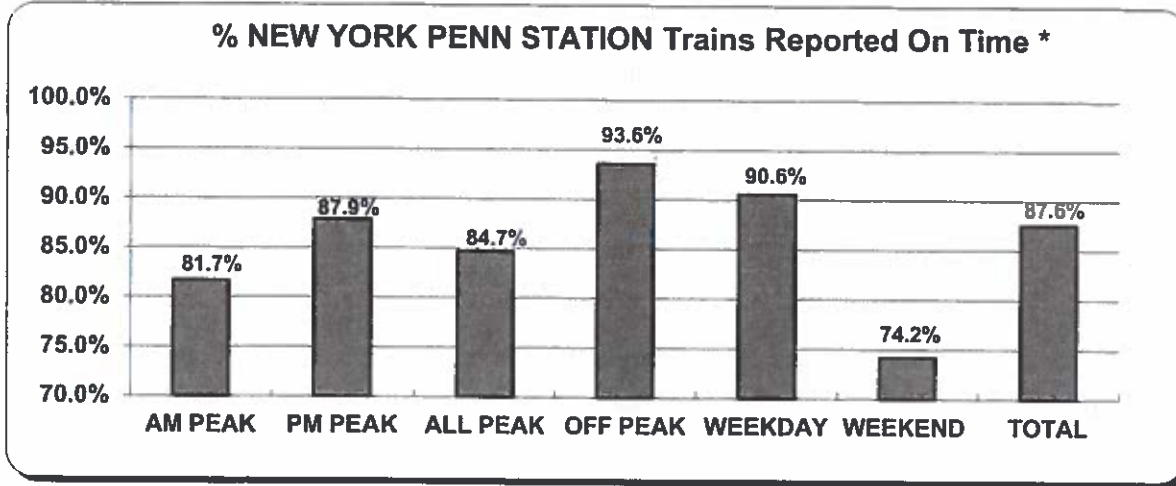
- NJT and Amtrak weather-related issues, Amtrak signal and equipment problems caused 246 delays for a total of 62.8% OTP on January 24.
- NJT weather-related issues, NJT mechanical issues and an NJT electric locomotive problem caused 71 delays for a total of 88.0% OTP on January 26.
- Amtrak programmed maintenance and signal failure, and an NJT unruly passenger caused 37 delays for a total of 88.9% OTP on January 30.

The 12-month average for Rail On-Time Performance for February 2015-January 2016 was 94.1%.

# ON-TIME PERFORMANCE RAIL

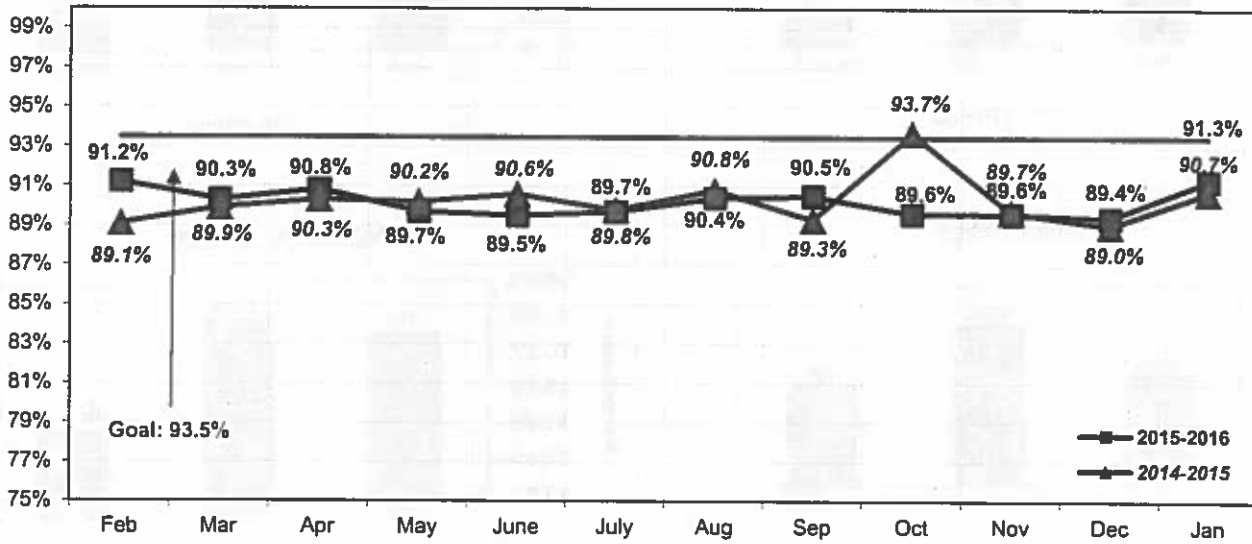
## SUMMARY BY TIME PERIOD JANUARY 2016

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



## NJ TRANSIT ON-TIME PERFORMANCE BUS FEBRUARY 2014 - JANUARY 2016

% Buses Departing Major Terminals Within 6 Minutes of Schedule



	2015	2016	% Change
January Comparison	90.7%	91.3%	0.6%

	2014-2015	2015-2016	% Change
12-Month Feb 2014 - Jan 2016	90.3%	90.2%	-0.1%

**Analysis:**

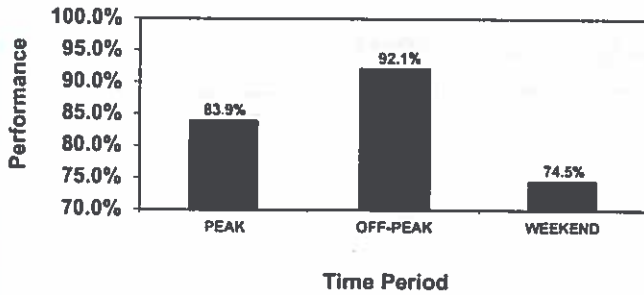
Bus On-Time Performance was 91.3% for January 2016. Of the 37,713 monitored departures, 3,282 (or 8.7%) experienced delays. Key causes included:

- Holiday travel into and out of New York City and extreme weather conditions later in the month impacted service at Port Authority Bus Terminal.
- Local utility work and weather-related road conditions affected service at Walter Rand Transportation Center.
- A local demonstration at Broad & Market and weather-impacted roadways affected service at Newark Penn Station.
- Weather-related road conditions impacted service at Hoboken Terminal.

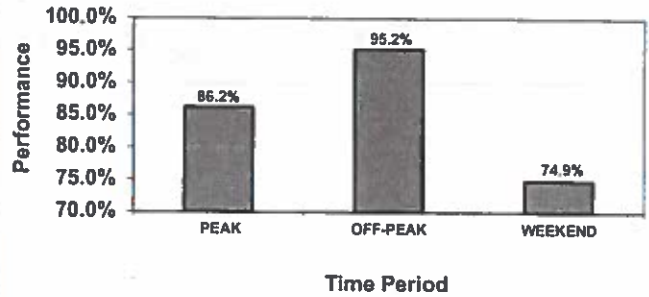
The 12-month average for Bus On-Time Performance for February 2014-January 2016 was 90.3%.

# ON-TIME PERFORMANCE BY RAIL LINE & TIME PERIOD JANUARY 2016

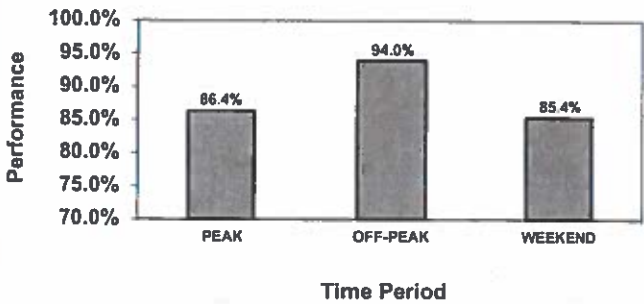
**NORTHEAST CORRIDOR**



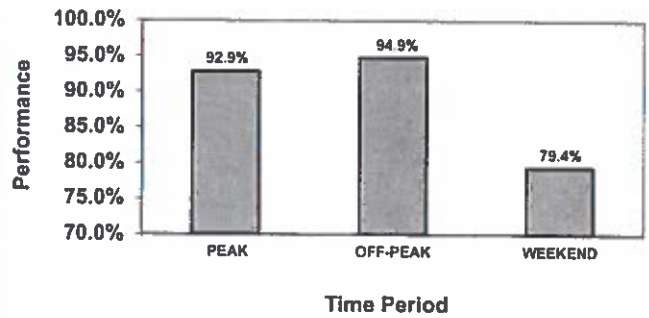
**NORTH JERSEY COAST LINE**



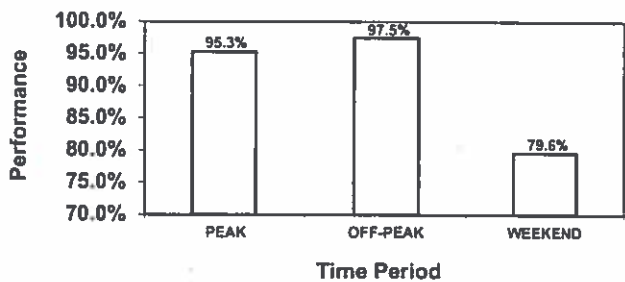
**MORRIS & ESSEX**



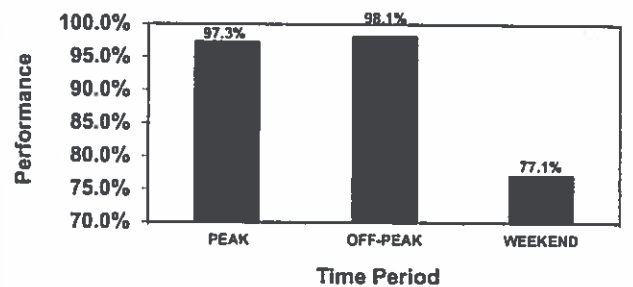
**RARITAN VALLEY LINE**



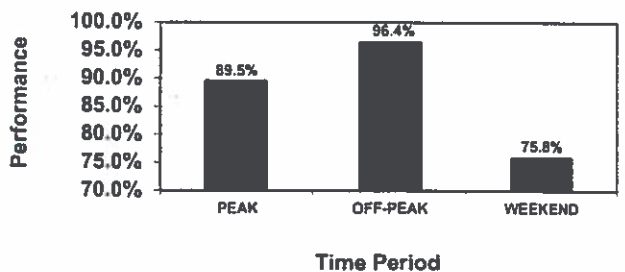
**MAIN-BERGEN**



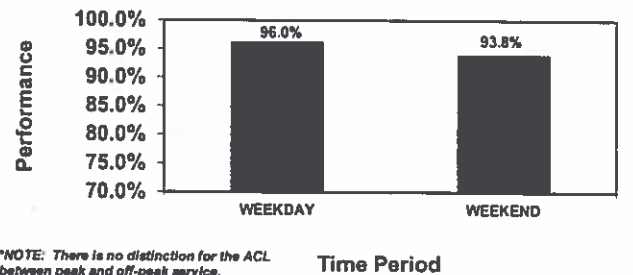
**PASCACK VALLEY**



**MONTCLAIR-BOONTON**

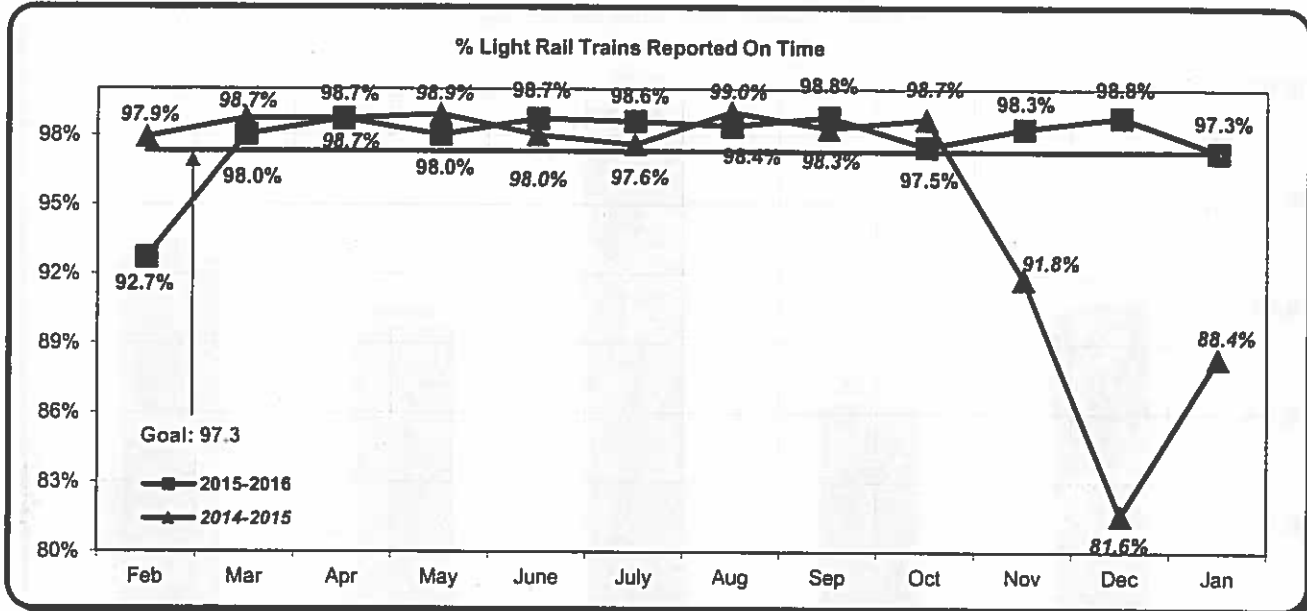


**ATLANTIC CITY\***



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

## NJ TRANSIT ON-TIME PERFORMANCE LIGHT RAIL FEBRUARY 2014 - JANUARY 2016



	2015	2016	# Change
January Comparison	88.4%	97.3%	8.9%

	2014-2015	2015-2016	# Change
12-Month Average Feb 2014 - Jan 2016	95.6%	97.8%	2.2%

**Analysis:**

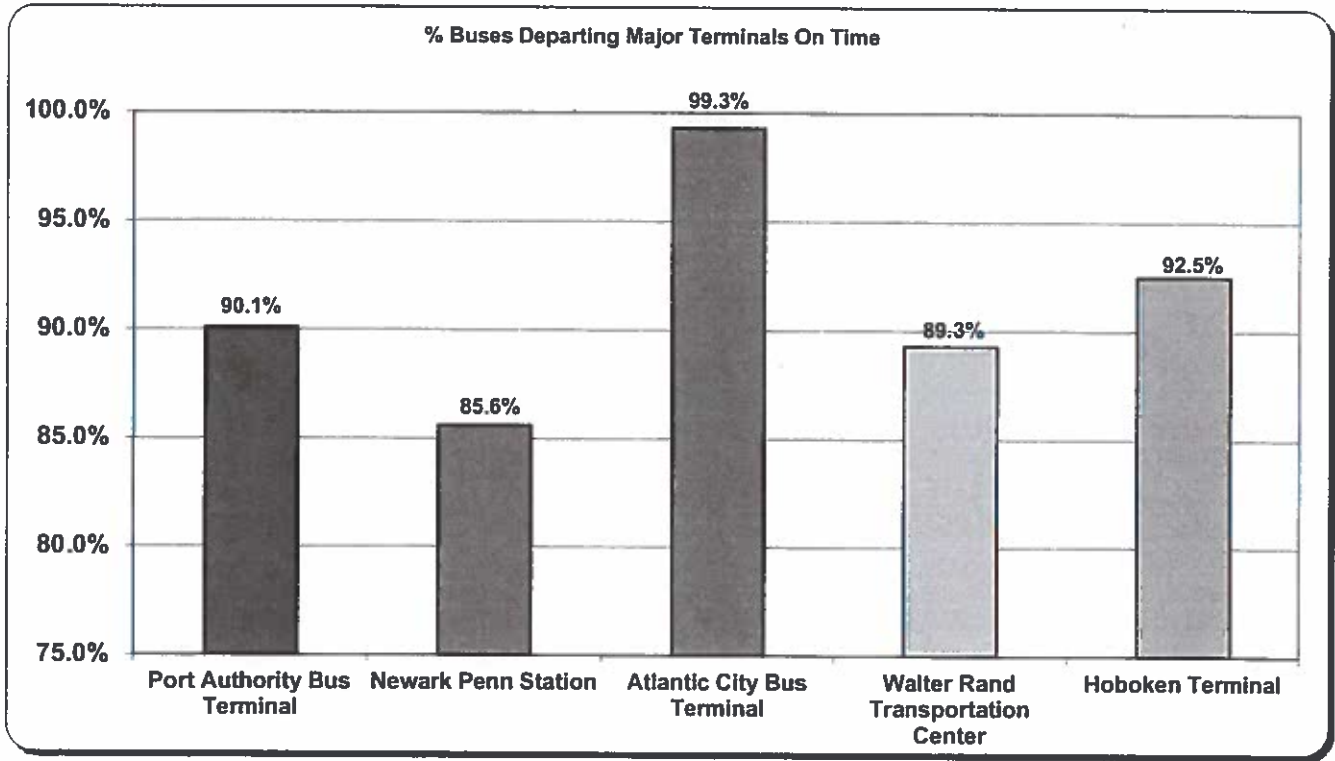
Light Rail On-Time Performance systemwide was 97.3% for the month of January 2016. Of the 24,896 monitored departures, (or 2.7%) experienced delays. Key causes included:

- A switch failure delayed 39 Hudson-Bergen Light Rail trains on January 29.
- A signal equipment failure delayed 18 RiverLINE trains on January 15.
- Operational issues delayed 40 Newark Light Rail trains on January 29.

The 12-month average for Light Rail On-Time Performance for February 2014-January 2016 was 96.7%.

# ON-TIME PERFORMANCE BUS

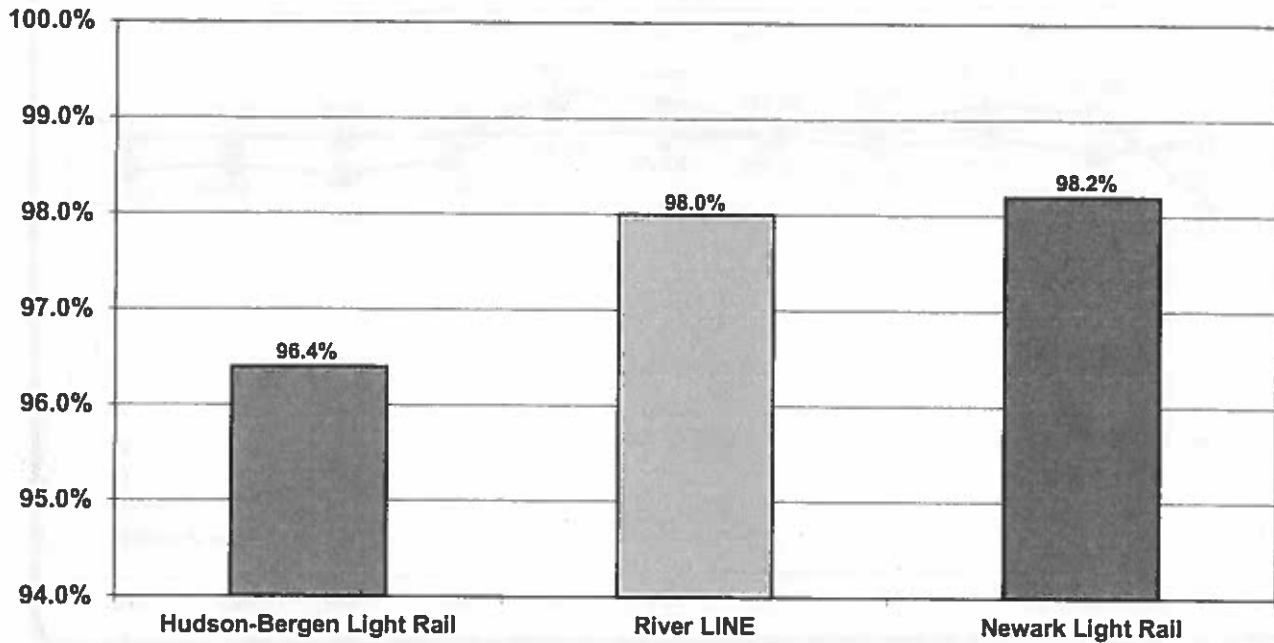
## SUMMARY BY TERMINAL JANUARY 2016



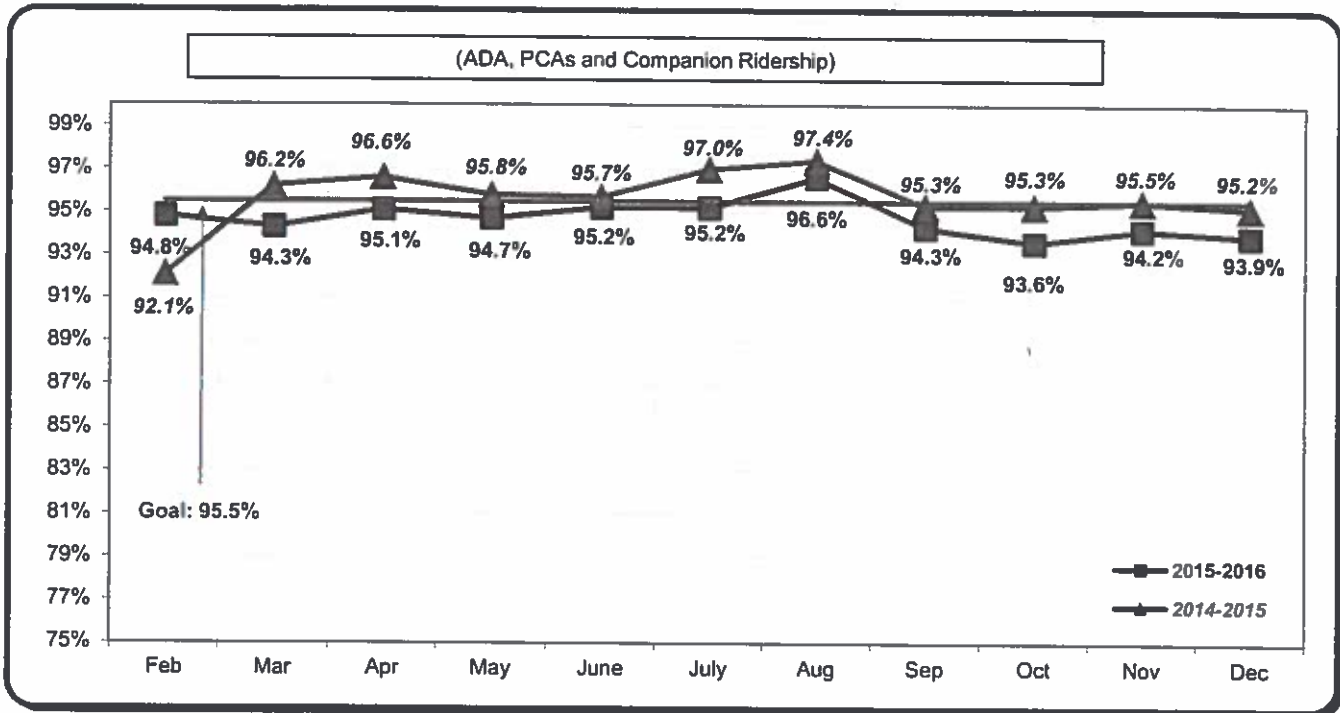
# ON-TIME PERFORMANCE LIGHT RAIL

## SUMMARY BY LINE JANUARY 2016

% Light Rail Trains Reported On Time



## NJ TRANSIT ON-TIME PERFORMANCE ACCESS LINK FEBRUARY 2014 - JANUARY 2016



	2015	2016	% Change
January Comparison	96.4%	94.2%	-2.2%

	2015	2016	Difference
January Ridership	103,259	115,463	12,204

	2014-2015	2015-2016	% Change
12-Month Average February-January	95.7%	94.7%	-1.0%

**Analysis:**

Access Link On-Time Performance was 94.2% for January 2016. Of the 115,463 total trips, 6,062, or 5.8% experienced delays.

**Key causes include:**

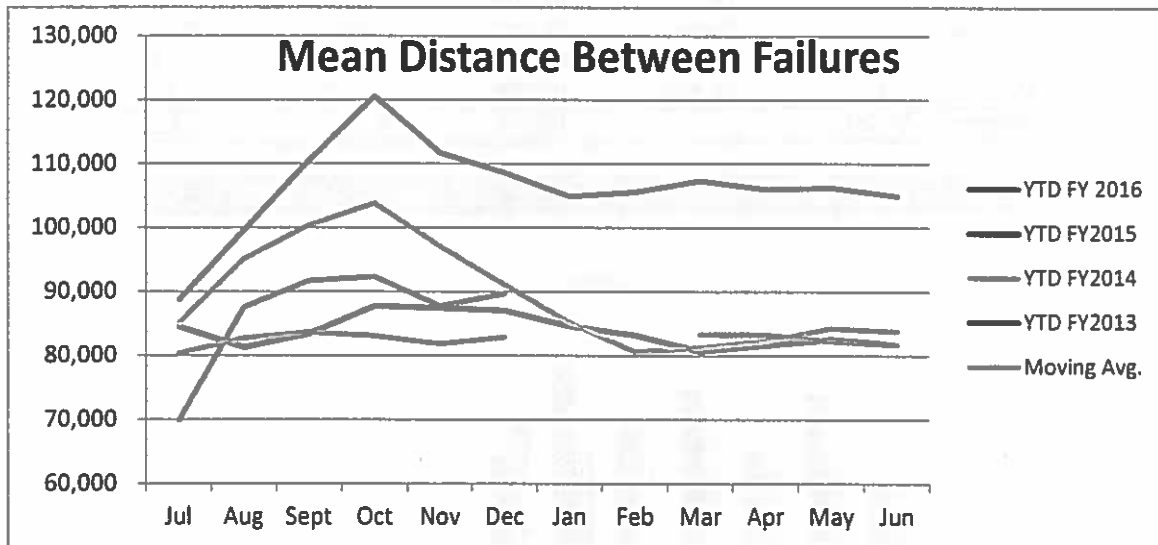
- \* Extreme weather-related conditions.
- \* Cancellations and customer no-shows.
- \* Road closures/difficulty navigating, especially on secondary roads.

The 12-month average for Access Link On-Time Performance for February 2014 - January 2016 was 95.2%.

# **MEAN DISTANCE BETWEEN FAILURES**

**NJ Transit Rail**  
**Mean Distance Between Failures**

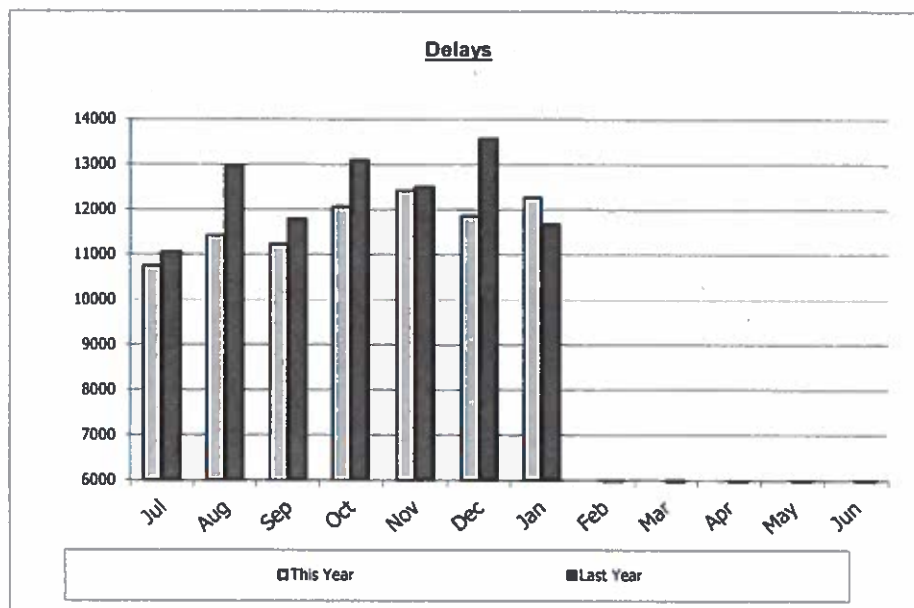
Month	YTD FY2016	YTD FY2015	YTD FY2014	YTD FY2013	12 Month Moving Avg.
Jul	69,926	84,508	85,097	88,735	80,305
Aug	87,565	81,319	95,116	99,585	82,718
Sept	91,669	83,368	100,341	110,530	83,609
Oct	92,329	87,750	103,813	120,591	83,028
Nov	87,756	87,434	97,112	111,758	81,837
Dec	89,655	87,042	91,128	108,579	82,868
Jan	-	84,607	85,161	104,917	-
Feb	-	83,179	80,639	105,580	-
Mar	-	80,659	81,229	107,335	83,308
Apr	-	81,649	82,293	106,048	83,222
May	-	82,566	84,237	106,287	82,285
Jun	-	81,704	83,798	104,975	81,704



### Garage Performance Parameters

January 2016

Location	Miles Between In-Service Delays			
	FY2016 Goal	This Month	FY2016 YTD	FY2015 YTD
Fairview	7,000	10,933	6,211	6,953
Greenville	9,900	4,998	6,549	8,289
Market Street	9,500	8,850	8,357	10,148
Meadowlands	11,500	9,579	8,128	9,393
Oradell	13,500	11,062	11,068	10,294
Wayne	12,500	13,564	11,876	11,804
<b>Northern Division</b>	-	<b>10,109</b>	<b>9,145</b>	<b>9,862</b>
Big Tree	9,600	6,692	7,752	10,485
Hilton	10,500	10,435	11,683	12,549
Howell	16,750	38,335	34,597	20,753
Ironbound	9,800	12,581	10,322	11,136
Orange	10,200	12,108	8,696	11,681
Morris	10,500	44,092	46,663	50,299
<b>Central Division</b>	-	<b>14,515</b>	<b>12,995</b>	<b>13,631</b>
Egg Harbor	15,500	13,734	14,014	14,840
Hamilton	19,000	31,281	23,365	18,959
Newton Avenue	15,700	11,909	14,975	15,131
Washington Twp.	14,500	10,725	13,420	14,061
<b>Southern Division</b>	-	<b>13,040</b>	<b>14,712</b>	<b>15,032</b>
<b>Bus Operations</b>	-	<b>12,262</b>	<b>11,668</b>	<b>12,325</b>

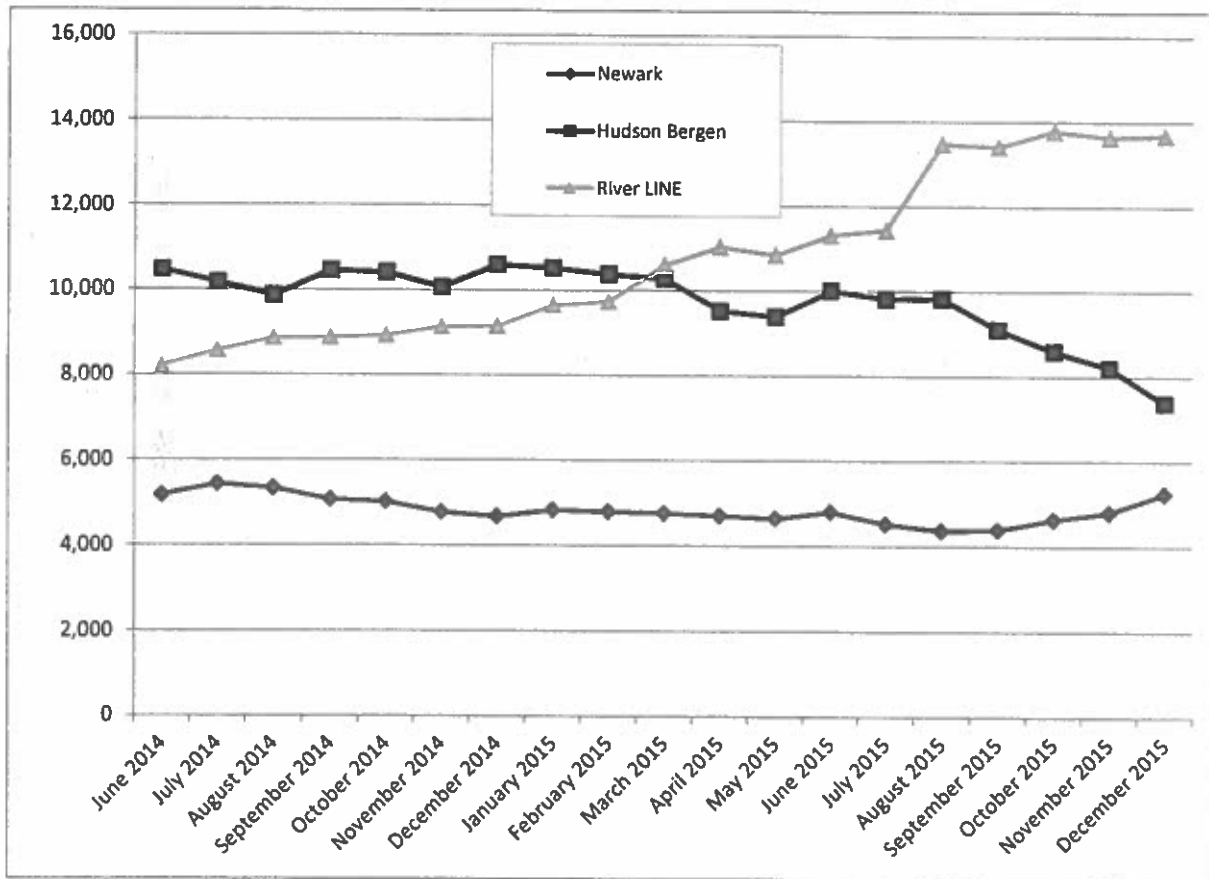


**NJ TRANSIT - LIGHT RAIL, December 2015**

**Miles Between In-Service Delays (Mechanical Failures)**

Light Rail System	December 2015 (Current Month)	12 Month Moving Average (Mean)
Newark Light Rail	9,225	5,250
Hudson Bergen	5,759	7,390
River LINE	9,966	13,691

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



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

# **DBE/SBE PROGRAM**

**State Funded Contracts**

During the month of January 2016, NJ TRANSIT awarded \$0.00 in state funded contracts. Of that total, Small Business Enterprises (SBEs) received \$0.00 or 0.00%.

During the State Fiscal Year 2016 (July 1, 2015 through June 30, 2016) NJ TRANSIT awarded \$290,021,157.62\* in state funded contracts. Of that total, SBEs received \$33,524,780.48 or 11.56%.

\* Previously awarded \$935,641.00 during the month of December that was not reported in the January ED Report.

**SBE Goal Attainment from July 1, 2015 through June 30, 2016 (FY 2015)**

Category 1 SBEs received	\$1,691,421.45	or 0.58%
Category 2 SBEs received	\$1,159,244.65	or 0.40%
Category 3 SBEs received	\$25,644,075.21	or 8.84%
Category 4 SBEs received	\$3,943,901.17	or 1.36%
Category 5 SBEs received	\$1,086,138.00	or 0.37%
Category 6 SBEs received	\$0.00	or 0.00%

**FTA Funded Contracts (updated Quarterly – next update will occur April 2016)**

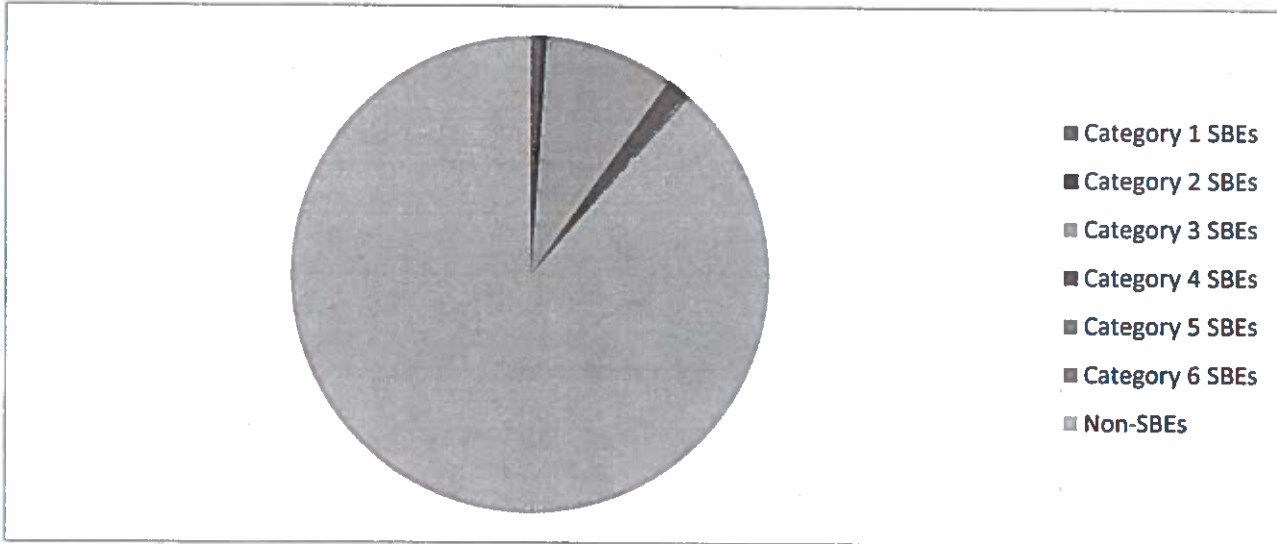
During the 1<sup>st</sup> Quarter (October 1, 2015 – December 31, 2015) of Federal Fiscal Year 2016 (October 1, 2015 through September 30, 2016), the FTA funded share of NJ TRANSIT's federal contracts awarded was \$0.00. Of that total, Disadvantaged Business Enterprises (DBEs) received \$0.00 or 0.00%.

**DBE Goal Attainment from October 1, 2013 (FFY 2014) - September 30, 2016 (FFY 2016)\***

Contracts awarded	\$25,914,589.65
DBEs received	\$ 4,942,003.34 or 19.07%

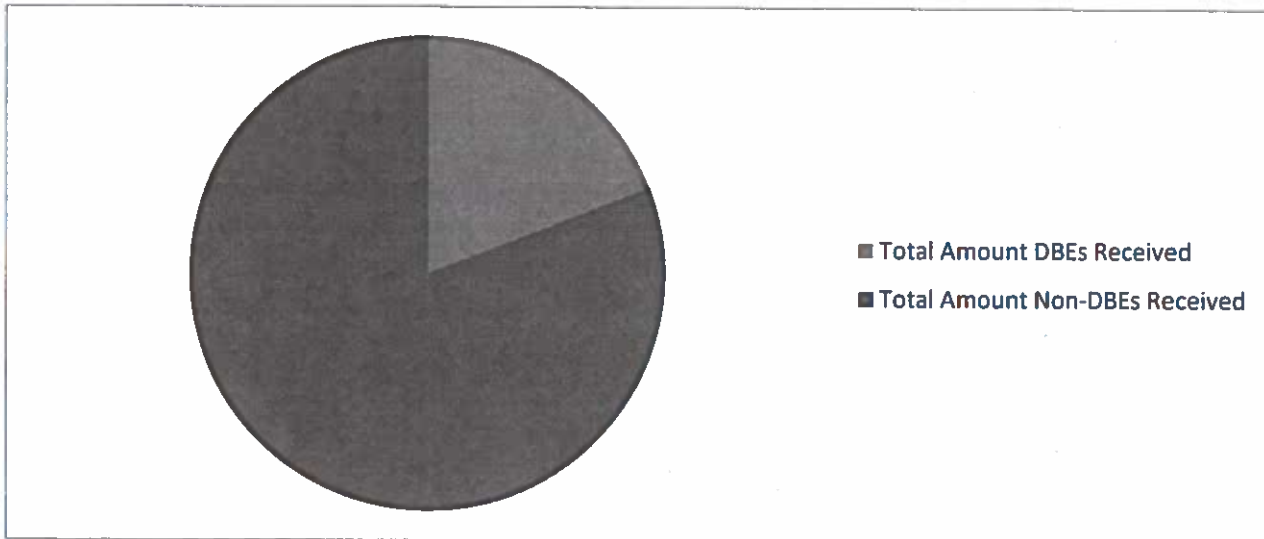
\*Numbers reflect federal share.

<i>Category 1 SBEs</i>	\$1,691,421.45	0.58%
<i>Category 2 SBEs</i>	\$1,159,244.65	0.40%
<i>Category 3 SBEs</i>	\$25,644,075.21	8.84%
<i>Category 4 SBEs</i>	\$3,943,901.17	1.36%
<i>Category 5 SBEs</i>	\$1,086,138.00	0.37%
<i>Category 6 SBEs</i>	\$0.00	0.00%
<i>Non-SBEs</i>	\$256,496,377.14	82.29%



DBE PARTICIPATION  
FEDERAL CONTRACTS  
TRIENNIAL YEARS 2014-2016

<b>Total Amount DBEs Received</b>	<b>\$4,942,003.34</b>	<b>19.07%</b>
<b>Total Amount Non-DBEs Received</b>	<b>\$20,972,586.30</b>	<b>80.93%</b>



# **EMPLOYEE RECOGNITION**

**NJ TRANSIT employees bid farewell after outstanding careers**

Thirty-nine NJ TRANSIT employees recently retired with careers ranging from 10 to 41 years of service:

1. Adele Carr, Operator – Washington Township – 26 years
2. Michael Cottingham, Maintainer Class A – CMF – 31 years
3. John DeHart, Stock Clerk Garage Shops – Newton Avenue – 34 years
4. Domenica DeFilippis, Group Head Ticket – GOB – 34 years
5. Robert DeYoung, Special Maintenance Man – GOB – 36 years
6. Ricky George, Special Mechanic – CMF – 35 years
7. Lynn Leslie, Operator – Newton Avenue – 25 years
8. Charles Melvin, Operator – Egg Harbor – 12 years
9. Patricia Santore, Cleaner – Howell – 14 years
10. Jorge Velquez, Operator – Meadowlands – 25 years
11. Rebecca Daniel, Senior Accountant – GOB – 33 years
12. Richard Adamo, Senior Trainmaster – Newark Penn – 18 years
13. Robert Broschard, Jr., Director Office Tech & Planning Support – GOB – 29 years
14. Frances Burgess, Accounting Clerk – GOB – 28 years
15. Joseph Camuto, Principle Accountant – Penn Plaza – 31 years
16. Charlene Dunlap Butler, Senior Employee Relations Specialist – Penn Plaza – 28 years
17. Thomas Harney, Director Maintenance – Ferry Street – 35 years
18. Larry Hatcher, Principle Rail Operations Financial Analyst – Penn Plaza – 29 years
19. Wayne Jepsen, Principle Project Engineer – Penn Plaza – 26 years
20. William Lawson, Manager Project Development – Penn Plaza – 30 years
21. Joseph G. Meade III, General Superintendent Transportation Hoboken – Hoboken – 41 years
22. Tracy Wright, Special Assistant – Penn Plaza – 30 years
23. Henry Clare, Operator – Wayne – 10 years
24. Juan Avila, Operator – Wayne – 24 years
25. Angela Burke, Senior Clerk Revenue Statistics – GOB – 12 years
26. Andrea Cagney, Operator – Oradell – 21 years
27. John Smisek, Mechanic A – Howell – 32 years
28. Sherman Ariel, Operator – Market Street – 26 years
29. Terrance Jenkins, Starter – Market Street – 14 years
30. Dharampaul Ramkaran, Operator – Newton Avenue – 15 years
31. Arthur Sielicki, Operator – Hamilton – 39 years
32. Paula Aiello, Field Supervisor Fare Inspector – Penn Plaza – 16 years
33. Nicholas Battista, Manager Electric Power Distribution – ROC – 25 years
34. John Cikut, Foreman I Facilities – Newton Avenue – 40 years
35. James Rodriguez, Lead Building Services Worker – Penn Plaza – 14 years
36. Keith Warncke, Manager Locomotive Shop – MMC – 29 years

37. Joseph Mahawash, Engineer – Long Branch – 26 years
38. James Mical, Conductor – Long Branch – 16 years
39. Michael Simmons, Assistant Conductor – Morrisville – 39 years

# **ACTION ITEMS**

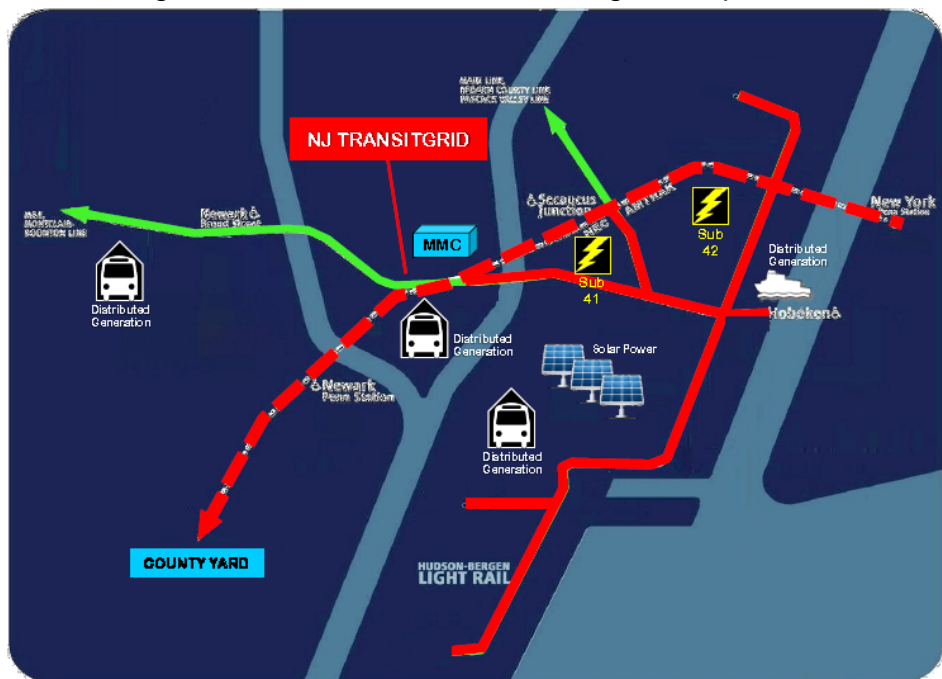
**ITEM 1602-01: NJ TRANSIT RESILIENCE PROGRAM – NJ TRANSITGRID CENTRAL PLANT PROJECT: CONSULTANT CONTRACT AWARD FOR CONCEPTUAL AND PRELIMINARY DESIGN SERVICES**

**BENEFITS**

On November 5, 2014, the U.S. Department of Transportation announced that NJ TRANSIT had been selected through a competitive process to receive \$409,764,814 in Federal Transit Administration (FTA) Emergency Relief Program funding to support the design and construction of the NJ TRANSITGRID Project. Once constructed, the NJ TRANSITGRID will incorporate a centralized power plant, renewable energy, distributed generation, and other technologies to provide resilient power to key NJ TRANSIT rail lines, stations, maintenance facilities, bus garages, ferry terminals, and other assets.

When completed, NJ TRANSITGRID will serve as a first-of-its-kind electrical microgrid power generating system capable of supplying reliable electric power to the transit system

during extreme weather events or at times when the regional power system is compromised. In addition, based on preliminary analysis, once in operation the project will produce enough electric power to significantly reduce the amount of power NJ TRANSIT purchases from third parties.



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

Staff seeks authorization to enter into NJ TRANSIT Contract No. 15-031 with Jacobs Engineering Group of Morristown, New Jersey, to provide Phase I – Conceptual and Preliminary Design consultant services for the NJ TRANSITGRID Central Plant Project at a cost not to exceed \$17,200,000, plus five percent for contingencies, subject to the availability of funds.

## PURPOSE

This authorization will advance the conceptual design and preliminary engineering of the NJ TRANSITGRID electric traction power system generation facility and other infrastructure improvements necessary to provide resilient power to operate a portion of critical rail lines and associated signal and communications systems, and other support. Under this authorization, the Consultant will produce preliminary design and engineering for the required facilities, support NJ TRANSIT's environmental and regulatory compliance, develop design criteria to guide project engineering, and provide bid packaging assistance to assist with subsequent phases of NJ TRANSITGRID project, and other technical services.

The conceptual and preliminary design services requested in this authorization is the first of two phases contained in this procurement: Phase I – Conceptual and Preliminary Design and Phase II – Construction Assistance/Engineering Support. This authorization covers Phase I activities only; additional authorization will be requested at a later date for Jacobs Engineering Group to proceed with Phase II.

## BACKGROUND

For several weeks, Superstorm Sandy disabled much of northern New Jersey's regional electric power system such that rail services were inoperable, either for lack of electric traction power to drive locomotives and rail cars, or to energize key signal and communications systems that allow centralized control of trains. Commuter rail service was disrupted for months in what was described by the President's Hurricane Sandy Rebuilding Task Force as "the worst disaster for public transit systems (e.g., bus, subway, commuter rail) in the nation's history." Even after the storm had passed, prolonged and diffuse electrical outages significantly hampered the system's recovery.

In the aftermath of the storm, NJ TRANSIT made immediate repairs to restore service, and began identifying opportunities to increase the rail system's resilience against future extreme weather events. Among the concepts considered was the creation of an independent electric power generating plant with which to supply local power to critical inner-core rail services to allow their continued operation even if regional electric power systems could not supply electric power.

### Partnership with U.S. Department of Energy and State Agencies

To address the rail system's energy vulnerabilities, on August 19, 2013, NJ TRANSIT, the U.S. Department of Energy (USDOE), and the New Jersey Board of Public Utilities (NJBPU) entered into a Memorandum of Understanding (MOU) to collaborate to develop an independent microgrid electric power generation and distribution system to support the operation of NJ TRANSIT's and Amtrak's critical rail systems. The USDOE agreed to engage Sandia National Laboratories to study the feasibility of designing a microgrid system that could support NJ TRANSIT and Amtrak rail system operations on an emergency basis. The design of such a system would represent the first rail transportation application of an independent electric power generating system in the

nation. Sandia's efforts were supported by NJBPU, the New Jersey Department of Environmental Protection, the New Jersey Office of Homeland Security and Preparedness, and other public and private stakeholders.

As developed by Sandia National Laboratories in collaboration with NJ TRANSIT, the project will provide resilient electric traction power to enable NJ TRANSIT trains on portions of the Northeast Corridor, the Morristown Line, and the Hudson-Bergen Light Rail system to continue to operate in the event of a regional power system failure. Additionally, the project will help the regional economy as an operating portion of the public transit system can support disaster recovery by maintaining work commutations and facilitating relief efforts.

The project will also raise and harden critical electric traction power constituent components that supply these rail lines with propulsive electric power, better allowing the region's transit network to withstand, and recover from, extreme weather events. NJ TRANSIT will also purchase electric non-revenue vehicles for routine use at the Meadows Maintenance Complex as an additional element of this project.

#### Scope of Work

The scope of work under this authorization is the conceptual design and preliminary engineering of the NJ TRANSITGRID Central Plant Project. The concept advanced by Sandia Labs involves an independent electric power generating plant on NJ TRANSIT property that will allow NJ TRANSIT to self-supply electric power directly to a portion of its commuter and light rail trains during disruptions of regional electric power supply. The project includes:

- a central gas-fired power plant and associated 230kV substation;
- 138kV 25 Hz frequency converters and associated substation, and transmission connections to, and reconstruction of, Amtrak's Substation 41;
- associated power distribution systems along NJ TRANSIT right-of-way connecting to Mason Substation in Kearny, Hoboken Yard and several Hudson-Bergen Light Rail substations;
- natural gas transmission lines; and
- connections to the commercial power grid.

The Project comprises preparation of design/engineering documentation supporting compliance with Federal Energy Regulatory Commission (FERC), North American Electric Reliability Corporation (NERC), and New Jersey Board of Public Utilities (NJBPU) requirements, including all application materials and required documentation to establish the Project, PJM Interconnection, with the regional electrical grid.

A separate Request for Proposal has been issued for consultant services to undertake the conceptual design and preliminary engineering of the NJ TRANSITGRID Distributed Generation and Renewable Components Project, which includes:

- distributed power generation, including one or more solar panel electric generating arrays, to support specific rail stations and terminals and bus

- maintenance facilities; and
- the purchase of electric non-revenue vehicles for use at the Meadowlands Maintenance Complex.

Funding

On November 5, 2014, FTA announced its award of a total of \$1.27 billion to NJ TRANSIT in additional funding through a 13-state competition for five resilience projects, as follows:

NJ TRANSITGRID	\$ 409,764,814
Delco Lead Train Safe Haven Storage and Inspection Facility	\$ 184,493,910
Hoboken Long Slip Fill and Rail Enhancement	\$ 146,548,432
Raritan River Drawbridge Replacement	\$ 446,312,465
Train Controls Resilience	<u>\$ 88,903,190</u>
Total	\$1,276,022,811

These five projects require a local match, which NJ TRANSIT is funding through the Transportation Trust Fund. Additionally, the Federal Railroad Administration (FRA) is providing funding for the NJ TRANSITGRID for the connections to, and reconstruction of, Amtrak’s Substation 41.

Procurement

Office of State Comptroller approval to advertise this contract was received on May 28, 2015, as required under Executive Order 125. The NJ TRANSIT Office of Business Development assigned an 18 percent Race Conscious Disadvantaged Business Enterprise (DBE) Goal. NJ TRANSIT is working in collaboration with the Federal Transit Administration (FTA) to complete an Environmental Impact Statement (EIS) pursuant to the National Environmental Policy Act (NEPA).

The Request for Proposals was advertised in *The Star Ledger* and *The Trenton Times* on June 12, 2015, in the June 2015 issue of *Power Magazine*, and in the June 22, 2015 issue of *Engineering News-Record* magazine. A Pre-Proposal Conference was held on June 24, 2015 at NJ TRANSIT Headquarters in Newark. Proposals were received on August 25, 2015 from eight teams.

The Technical Proposals included the scope of work for two phases:

Phase I – Conceptual and Preliminary Design

Phase I includes preparation of a Design Criteria document and generation of Preliminary Engineering documents based upon the previously developed Concept Design; engineering support needed for the preparation of the Environmental Impact Statement; bid assistance support, including contract packaging and procurement support; and, identification of Project task risks and development of a mitigation program.

### Phase II – Engineering Assistance during Construction

Phase II includes engineering support during project construction, including design change assessments, value engineering support, change order review support, and cost estimating support.

A Technical Evaluation Committee (TEC) comprised of staff from Capital Planning and Programs and Rail Operations determined that five teams were in the competitive range, as follows:

- **AECOM** with Intelligent Power and Energy Research Corporation; Parsons Brinckerhoff; Navigant Consulting Inc.; PMA Consultants, LLC; Greener by Design; Chertoff Group; AG Consulting Engineering, PC; Envision Consultants, Ltd.; GTS Consultants; ILC Dover; JCMS, Inc.; Kal Krishnan Consulting Services, Inc.; Matrix New World Engineering Progress, Inc.; MCFA Energy + infrastructure; PACO Group; Robinson Aerial Surveys, Inc.; Techno Engineers & Construction Manager
- **Burns/McDonnell** with Parsons; Cherry, Weber & Associates; Matrix New World Engineering Progress; Keville Enterprises, Inc.; CW Solutions; Oweis Engineering, Inc.
- **Jacobs Engineering Group** with Burns Engineering, Inc.; Levitan & Associates, Inc.; LTK Engineering Services; InfraMap Corp.; exida Consulting, LLC.; GTS Consultants, Inc.; Jersey Boring & Drilling Co. Inc.; LKG-CMC, Inc.; Matrix New World Engineering Progress, Inc.; Richard Grubb & Associates, Inc.; SJH Engineering, PC; Sowinski Sullivan Architects, PC; Sullivan Cove Consultants, LLC
- **Power Engineers** with Gannett Fleming; AKRF; Naik Group; Envision Consultants, Ltd.; Batelle; SA Engineering, LLC; Matrix New World Engineering Progress; InGroup, Inc.; Arch2; Faithful Gould
- **Stantec** with DCO Energy, LLC; Advantage Engineering Associates; Garg Consulting Services, Inc.; Elcon Associates, Inc.; Matrix New World Engineering Progress, Inc.; Keville Enterprises, Inc.; Richard Grubb and Associates

Oral presentations were held on October 19, 2015 and October 23, 2015. The TEC scored the consultant team led by Jacobs Engineering Group as the highest technically qualified firm.

### Schedule

Phase I – Preliminary Design and Engineering is scheduled to be completed 15 months after Notice to Proceed.

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

**FISCAL IMPACT**

**Requested Authorization:** This Authorization \$ 17,200,000 + 5% contingency  
Total Authorization \$ 18,060,000

**Past Authorizations:** None

**Expenditures to Date:** \$ 1,490,600 (as of 11/30/15)

**Total Project Cost:** \$ 577,353,085

**Projected Date of Completion:** 15 months after Notice to Proceed (Phase I)

**Capital Program Amount:** \$ 577,353,085

**Operating Budget Amount:** None

**PRINTS ID Number:** NJT01041

**Anticipated Source of Funds:** Federal Transit Administration  
Federal Railroad Administration  
Transportation Trust Fund

**DBE/SBE Goal:** 18% DBE

***NJ Build* Amount:** NA

**Future Related Authorizations:** Phase II – Engineering Assistance during  
Construction  
Consultant Services for Distributed Generation  
Construction Management Services  
Construction

**Impact on Future Operating Budgets:** None for this action

## RESOLUTION

**WHEREAS**, Superstorm Sandy highlighted the need for infrastructure improvements to increase regional transit system resilience; and

**WHEREAS**, NJ TRANSIT partnered with the U.S. Department of Energy and other federal and state agencies to evaluate opportunities to develop an independent power generating system to permit operation of core train services in the event of power outages; and

**WHEREAS**, the resulting NJ TRANSITGRID project will construct a microgrid electric power generating system to provide an energy resilient power source with which to energize portions of the Northeast Corridor, the M&E line, the Hudson-Bergen Light Rail (HBLR), along with associated distributed generating capabilities at selected rail stations and terminals and bus maintenance facilities; and

**WHEREAS**, the Federal Transit Administration selected the NJ TRANSITGRID project through a competitive process to receive \$409,764,814 in Disaster Relief Appropriations Act of 2013 funding; and

**WHEREAS**, the design and construction of NJ TRANSITGRID project requires engineering and design support as well as other technical services; and

**WHEREAS**, after the completion of a competitive procurement process, it was determined that Jacobs Engineering Group is the responsible proposer whose proposal, conforming to the RFP, is in the best interest of and provides the best value to NJ TRANSIT;

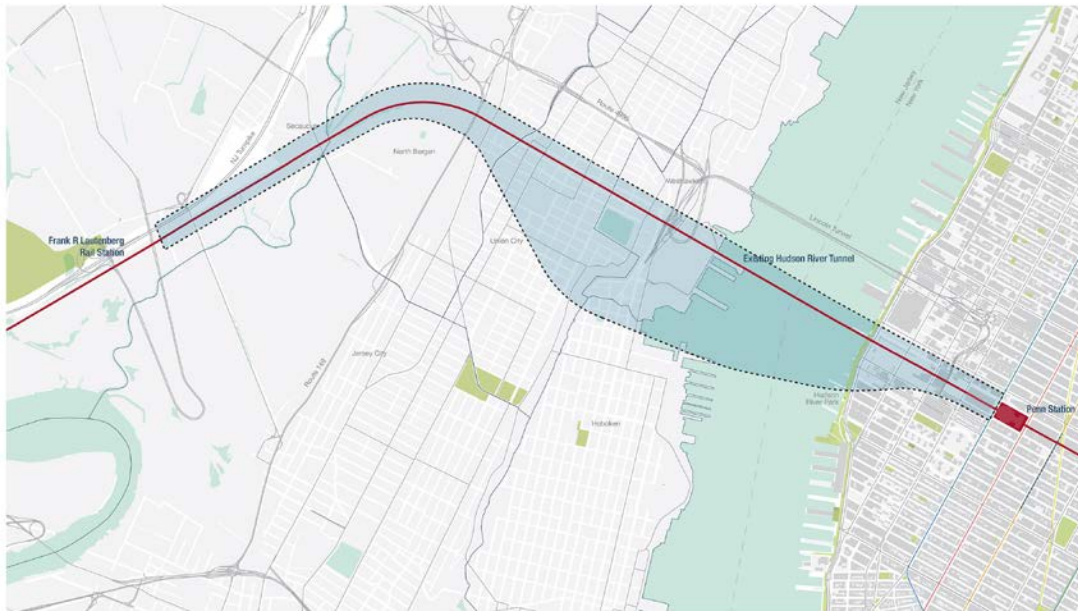
**NOW, THEREFORE, BE IT RESOLVED** that the Chairman or Executive Director is hereby authorized to enter into NJ TRANSIT Contract No. 15-031 with Jacobs Engineering Group of Morristown, New Jersey, to provide Phase I – Conceptual and Preliminary Design consultant services for the NJ TRANSITGRID Central Plant Project at a cost not to exceed \$17,200,000, plus five percent for contingencies, subject to the availability of funds.

**ITEM 1602-02: HUDSON TUNNEL PROJECT: CONSULTANT CONTRACT AWARD FOR ENVIRONMENTAL DOCUMENTATION**

**BENEFITS**

The Hudson Tunnel Project is focused on preserving the existing trans-Hudson rail capacity provided by the Northeast Corridor’s Hudson River (or North River) tunnels which connect New Jersey to New York Penn Station in Midtown Manhattan. Because of their age (over 100 years old), inadequate level of investment in maintenance over the years, and seawater inundation of the tunnels caused by Superstorm Sandy, it is now apparent that the existing tunnels need to be rehabilitated. This cannot effectively occur without removing them from service. In order to maintain capacity for Amtrak’s intercity and NJ TRANSIT’s train services, it is necessary to construct two new tunnels from New Jersey to New York Penn Station. Once these new trans-Hudson rail tunnels are completed, the existing tunnels can be removed from service and rehabilitated, a process which will take several years to accomplish.

Taking the necessary steps to advance the prerequisite environmental analysis and review as required under the National Environmental Policy Act (NEPA) of 1970 is essential for the Project to be eligible for Federal funding, and is an important action to maintain commuter and intercity rail connectivity between New Jersey and New York City. The proposed study area will be “Railroad East” of NJ TRANSIT’s Lautenberg Station to a point of connection to the existing New York Penn Station Ladder Tracks.



**PRELIMINARY STUDY AREA**

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

Staff seeks authorization to enter into NJ TRANSIT Contract No. 16-009 with the consultant firm/team/joint venture ranked highest by the Technical Evaluation Committee and as determined by the Chief of Procurement to provide consulting services for the Hudson Tunnel Project Environmental Analysis in an amount not to exceed the budgeted amount, subject to the availability of funds.

**PURPOSE**

For Federal transportation projects, state and other government transportation agencies may prepare the NEPA document on behalf of a Federal agency. Funding for the NEPA consultant services will be provided by Amtrak following the provisions of the executed Memorandum of Agreement between Amtrak and NJ TRANSIT (Board Item 1510-42).

Based on NJ TRANSIT's extensive experience in the preparation of NEPA documents (NJ TRANSIT has previously performed the NEPA analysis for the Access to the Region's Core (ARC) project as well as the Amtrak "Raceway Project" and the Portal Bridge Replacement Project, for which the FRA was the designated lead Federal agency), discussions among NJ TRANSIT, Amtrak and FRA have concluded that NJ TRANSIT is best situated to be the lead agency in the preparation of the NEPA document for the Hudson Tunnel Project.

This authorization will provide for a professional services consultant contract, managed by NJ TRANSIT staff, to undertake the necessary environmental analysis and documentation to address the requirements of NEPA and obtain a NEPA finding from the FRA. This work includes the collection of data and the performance of required analysis and outreach, as well as preparation of a written document which will support the FRA's requirements for documentation per NEPA. Authorization to award this contract in advance of the final selection of the consultant firm/team/joint venture will allow staff to execute a contract and issue a notice to proceed soon after the selection and negotiations are complete, thereby shortening the project schedule and thus reducing design- and construction-related inflation costs.

**BACKGROUND**

History

Built by the Pennsylvania Railroad between 1904 and 1908, the Hudson River Tunnels (also known as the North River Tunnels) provided improved railroad access to Manhattan at Pennsylvania Station. The tunnels opened for service in 1910. The Pennsylvania Railroad merged into Penn Central Transportation (Penn Central) in 1968, which filed for bankruptcy in 1970. All the property of the Penn Central was conveyed to Amtrak on April 1, 1976 when Conrail's system was formed. The Hudson River

Tunnels are now part of Amtrak's Northeast Corridor; NJ TRANSIT uses the tracks to reach New York Penn Station.

Amtrak has advanced a Feasibility Study undertaken in 2012-2013. The Feasibility Study concluded that a tunnel alignment just south of the existing Hudson River Tunnels to New York Penn Station is feasible.

In March 2015, Amtrak completed a System-Level Design document that advances the concept of the Gateway Project. Within that document is an analysis of the Hudson Tunnel Project and its relationship to the larger Gateway Project.

The opportunity to connect a new tunnel into New York Penn Station has been preserved through construction of a right-of-way under the West Side Yards development in Manhattan. Construction is substantially complete on an 825-foot-long concrete casing within the East Rail Yard of the Long Island Rail Road's West Side Yards, in coordination with the Hudson Yards project. Construction has also begun on an extension to the concrete casing beneath the Eleventh Avenue Viaduct and design has begun for the next extension within the West Side Rail Yard.

#### Agency Roles

Under the terms of the executed Memorandum of Agreement between NJ TRANSIT and Amtrak, NJ TRANSIT staff will manage the preparation of the Environmental Documentation utilizing a consultant team to be selected through an NJ TRANSIT-managed competitive procurement process. NJ TRANSIT has developed and issued the Request for Proposal for this procurement in consultation with the FRA. Amtrak staff will be responsible for engineering required to inform the NEPA process and will produce detailed documentation of the project definition, capital costs, and means of construction. Any consultants needed for the engineering effort will be procured and managed by Amtrak staff.

#### Funding

Funding for the environmental analysis and documentation consultant will be provided by Amtrak. NJ TRANSIT will fund staff time for the management of the consultant effort.

#### Procurement

The NJ TRANSIT Office of Business Development assigned a 20 percent Race Conscious Disadvantaged Business Enterprise (DBE) Goal.

The Request for Proposals was advertised in *The Star Ledger* and *The Trenton Times* on November 20, 2015. A Pre-Proposal Conference was held on December 10, 2015 at NJ TRANSIT Headquarters in Newark. Proposals were received on January 14, 2016 from three teams. A Technical Evaluation Committee (TEC) comprised of staff from Capital Planning and Programs determined that two teams were in the competitive range. Oral presentations by these two teams were held on January 29, 2016.

Scope of Work

The Scope of Work included in this authorization is for the services and technical expertise to conduct environmental analysis and prepare documents and appropriate supporting materials for this project in compliance with NEPA. NEPA services will include scoping, public involvement, agency coordination and consultation, evaluation of alternatives, and preparation of relevant documentation, up to and including a final approval of the document from the FRA.

Schedule

It is anticipated that the NEPA process will take approximately 36 months, or less if possible through streamlining steps permitted by the FRA, from the time a Notice to Proceed is given to the selected consultant team to complete and receive final approval of the Environmental Document from the FRA.

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

**FISCAL IMPACTS**

**Requested Authorizations:** Not to Exceed the Budgeted Amount

**Past Authorizations:** None

**Expenditures to Date:** \$0

**Total Project Cost:** TBD

**Capital Program Amount:** TBD

**Operating Budget Amount:** \$0

**Projected Date of Completion:** Winter 2018 (NEPA Effort)

**Anticipated Source of Funds:** Transportation Trust Fund (NJ TRANSIT staff time)  
Amtrak (Environmental Consultant costs)

**PRINTS ID Number:** NJT01139

**DBE/SBE Goal:** 20% DBE

**NJ Build Amount:** NA

**Related/Future Authorizations:** TBD

**Impact on Subsequent  
Operating Budgets:**

None for this action

## RESOLUTION

**WHEREAS**, the existing two over-100-year-old single-track tunnels under the Hudson River, connecting New Jersey and New York City, are currently in a deteriorated condition which threatens their ability to remain functioning and provide the only available trans-Hudson intercity and commuter capacity; and

**WHEREAS**, the Hudson River (North River) Tunnels experience reliability issues due to their age and the intensity of current use, which results in significant delays when problems arise; and

**WHEREAS**, as a key part of its planning for future service to and from New York City, Amtrak developed a conceptual plan for addressing this deteriorated physical infrastructure which includes providing new trans-Hudson rail tunnels from New Jersey to New York Penn Station; and

**WHEREAS**, the Hudson Tunnel Project will address the deterioration and risk associated with the existing Hudson River (North River) Tunnels as well as the future capacity needs; and

**WHEREAS**, NJ TRANSIT staff have extensive experience in the preparation of NEPA documents and have previously successfully performed the NEPA analysis for the Access to the Region's Core (ARC) Project as well as the Amtrak "Raceway Project" and the Portal Bridge Replacement Project; and

**WHEREAS**, discussions among NJ TRANSIT, Amtrak and FRA have concluded that NJ TRANSIT is best situated to be the lead agency in the preparation of the NEPA document for the Hudson Tunnel Project; and

**WHEREAS**, authorizing the award of this contract in advance of the final selection of the consultant firm/team/joint venture will allow staff to execute a contract and issue a notice to proceed soon after the selection and negotiations are complete, thereby shortening the project schedule;

**NOW, THEREFORE, BE IT RESOLVED** that the Chairman or Executive Director is authorized to enter into NJ TRANSIT Contract No. 16-009 with the consultant firm/team/joint venture ranked highest by the Technical Evaluation Committee and as determined by the Chief of Procurement to provide consulting services for the Hudson Tunnel Environmental Analysis in an amount not to exceed the budgeted amount, subject to the availability of funds.

**ITEM 1602-03: MASTER DEVELOPMENT AGREEMENT FOR SOMERVILLE TRANSIT-ORIENTED DEVELOPMENT****BENEFITS**

Transit-oriented development (“TOD”) of approximately 31 acres of property owned by NJ TRANSIT adjacent to its Somerville Station, as shown on Exhibit A, will maximize the value of NJ TRANSIT's underutilized, largely vacant real-estate asset. Planned development will enhance commuter access by providing improved roadway and uninterrupted pedestrian access to the station and a parking deck to replace the existing 425 surface parking spaces. The planned development improvements will complement NJ TRANSIT's \$15.3 million renovation and high-level platform project, completed in 2012. Average weekday boardings at Somerville totaled 711 customers in FY 2015. TOD on NJ TRANSIT's property at Somerville will enhance economic development, promote the use of the recently-improved station, together with the potential to boost ridership and revenue and reduce dependency on auto trips into destinations such as New York City.

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

Staff seeks authorization to take all necessary actions to execute a Master Development Agreement (“MDA”) and all other necessary agreements with Somerset Development, LLC, of Lakewood, New Jersey (“Somerset”) to implement a TOD project consisting of mixed-use, transit-village style development to include residential units, retail, and structured and surface commuter parking on NJ TRANSIT-owned property adjacent to its Somerville Station. Somerset shall purchase land in fee from NJ TRANSIT at a purchase price of \$10,000,000, and lease a subdivided land area from NJ TRANSIT to construct, operate, and manage a structured parking facility.

**PURPOSE**

Authorization of execution of an MDA and other necessary project agreements will serve to memorialize primary business terms and legal rights and obligations of NJ TRANSIT and its selected developer. It will enable Somerset to proceed with design development and secure State, County and Local approvals required to implement the project, including execution of a redevelopment agreement with the Borough of Somerville in a form acceptable to NJ TRANSIT.

The MDA advances NJ TRANSIT's efforts to improve the customer experience by facilitating TOD development adjacent to the Somerville station. By encouraging residents and prospective commuters to live and work near the station, the project will enhance rail ridership, and further NJ TRANSIT's goals of maximizing both farebox and non-farebox revenues while increasing utilization of the station. Additionally, the MDA facilitates economic development in Somerville and the surrounding region through fostering mixed-use transit-village style development that leverages existing infrastructure and local resources. The MDA provides Somerset sufficient authorization

to secure necessary project approvals to advance the project, and rights to terminate the MDA if it cannot secure such approvals, or execute a redevelopment agreement with the Borough in a form acceptable to NJ TRANSIT prior to the outside settlement date. The MDA affords NJ TRANSIT unilateral rights to terminate should Somerset fail to perform in accordance with terms of the agreement.

## **BACKGROUND**

The subject property is located on South Bridge Street in the Borough of Somerville, south of NJ TRANSIT's Somerville Rail Station. The bulk of the 31-acre property is used for commuter parking on 425 spaces, currently utilized at a rate of 64 percent, or 272 daily parkers.

### History

The Borough of Somerville has worked with NJ TRANSIT, the New Jersey Department of Transportation, New Jersey Department of Environmental Protection and Somerset County to redevelop property located at and adjacent to the Somerville Station. In 1987, NJ TRANSIT's Board of Directors authorized a long-term lease of approximately 29 acres of NJ TRANSIT's land near the station, a former rail yard, to Rosenshein Associates of New Rochelle, New York, a developer selected by the Borough (Item B6-May 1987). Due to economic conditions and project disputes, agreements were terminated and the development did not proceed.

In 2004, the Borough designated 157 acres near the station, which included NJ TRANSIT's property, as an area in need of redevelopment. In 2005, NJ TRANSIT worked with the Borough and Somerset County to develop a vision plan for TOD. In 2007, the Borough adopted the vision plan, conformed the Redevelopment Plan to the vision plan and, with NJ TRANSIT, sought competitive proposals for a development team to develop the entire redevelopment area. The Borough and NJ TRANSIT rejected the sole proposal received as non-responsive.

In 2008, the Borough and NJ TRANSIT issued a request for qualifications for the redevelopment area. Three firms responded and subsequently withdrew their proposals due to the potential cost of environmental cleanup of the Borough's portion of the site (a former landfill) and the economic downturn and collapse of the real estate market.

In 2009, NJ TRANSIT sought expressions of interest from potential developers for development of its portion of the redevelopment area. Ultimately, that process led to NJ TRANSIT issuing RFP 10-042 in 2010 to solicit proposals from firms deemed qualified by a Technical Evaluation Committee ("TEC") comprised of NJ TRANSIT staff and Borough of Somerville officials.

In 2012, after considering two qualified proposers and soliciting best and final proposals, the TEC selected Somerset as its Preferred Developer.

In August 2014, NJ TRANSIT and Somerset agreed to terms of a Memorandum of Understanding (“MOU”), approved by NJ TRANSIT’s Board of Directors (Item 1407-37), which provided a period for project due diligence, development of a project concept plan, and negotiation of the MDA.

#### Terms and Conditions of Sale

Key conditions of the MDA stipulate that the development of the property cannot interfere with NJ TRANSIT’s rail and station operations, and must provide NJ TRANSIT access to its right of way. Additionally, the project design must allow for construction of a potential future third rail through the travel corridor.

Somerset shall implement a TOD project consisting of mixed-use, transit-village style development to include approximately 765 residential units, retail, and structured and surface commuter parking of no less than 425 spaces on NJ TRANSIT-owned property adjacent to its Somerville Station. Somerset shall purchase land in fee from NJ TRANSIT at a purchase price of \$10,000,000, and lease a subdivided land area from NJ TRANSIT to construct, operate and manage a 440-space structured parking facility over a 37-year term, of which 325 spaces shall be designated commuter priority. Somerset shall covenant additional land area for construction of a second structured parking facility, as warranted by demand, and otherwise reserve no fewer than 100 commuter surface spaces in that designated land area.

NJ TRANSIT will receive payment of \$93,000 annually through such time as the commuter parking facility becomes fully operational for use by NJ TRANSIT customers and, once in operation, an increasing share of project parking net revenues through the lease term (50% in years 1-14; 60% in years 15-24; and, 75% in years 25-37). Upon MDA execution, Somerset will pay a project deposit of \$1,000,000 toward the purchase price, as well as the first quarterly installment of a non-refundable approvals fee totaling \$150,000. Settlement shall occur by a date no later than one-year from the date of the MDA’s execution, provided Somerset’s completion of the following performance milestones: 1) execution of a Redevelopment Agreement with the Borough of Somerville in a form acceptable to NJ TRANSIT; 2) amendment of the Borough of Somerville’s Station Area and Landfill Redevelopment Plan adopted in 2007, as necessary (the “Redevelopment Plan”); 3) securing of local subdivision and site plan approvals necessary for the project; and, 4) satisfaction of conditions to settlement detailed in the MDA including, but not limited to, certain obligations related to: project financing; design, construction and operation of the commuter parking facility; and, delivery of necessary performance guarantees to NJ TRANSIT.

#### Environmental Protections

Somerset will purchase or lease NJ TRANSIT land components “AS IS” and assume all responsibility for the physical condition of the premises, including any environmental conditions or restraints identified in reports provided by the Borough of Somerville, or discovered by Somerset during its due diligence period. It further agrees to waive any and all conditions and nuisances, present or future, associated with the operation of trains or buses through and at the rail station facility.

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

**FISCAL IMPACTS**

**Requested Authorization:** Authorization to execute an MDA and all other necessary agreements with Somerset Development, LLC, of Lakewood, New Jersey to implement a TOD project consisting of mixed-use, transit-village style development to include residential units, retail, and structured and surface commuter parking on NJ TRANSIT-owned property adjacent to its Somerville Station. Somerset shall purchase land in fee from NJ TRANSIT at a purchase price of \$10,000,000, and lease a subdivided land area from NJ TRANSIT to construct, operate and manage a structured parking facility.

**Past Authorizations:**  
February 2013 (Item 1302-04) Authorization of compensation of Special Counsel (Hill Wallack LLP), not to exceed \$750,000  
July 2014 (Item 1407-37) Memorandum of Understanding for Somerville Transit-Oriented Development

**Expenditures to Date:** \$146,000 (as of 11/30/15)

**Total Project Cost:** \$1,350,000

**Projected Date of Completion:** TBD

**Capital Program Amount:** \$1,350,000

**Operating Budget Amount:** None

**Anticipated Source of Funds:** Transportation Trust Fund

**PRINTS ID Number:** NJT00949

**DBE/SBE Goal:** N/A

**NJ Build Amount:** N/A

**Related/Future Authorizations:** N/A

**Impacts on Subsequent  
Operating Budgets:**

Additional non-farebox revenue upon land sale settlement.

Increased farebox revenue as the result of improved ridership following build out of the TOD. Share of future parking net revenues.

## RESOLUTION

**WHEREAS**, NJ TRANSIT owns approximately 31 acres of largely vacant land adjacent to Somerville Station on the Raritan Valley Line in the Borough of Somerville, Somerset County, NJ; and

**WHEREAS**, NJ TRANSIT supports transit-oriented development to improve the customer experience at various rail stations by stimulating improved station utilization, parking and access; and

**WHEREAS**, NJ TRANSIT supports transit-oriented development to lessen dependence on the taxpayer subsidy by increasing ridership and farebox revenue, and by generating non-farebox revenue in the form of increased economic activity; and

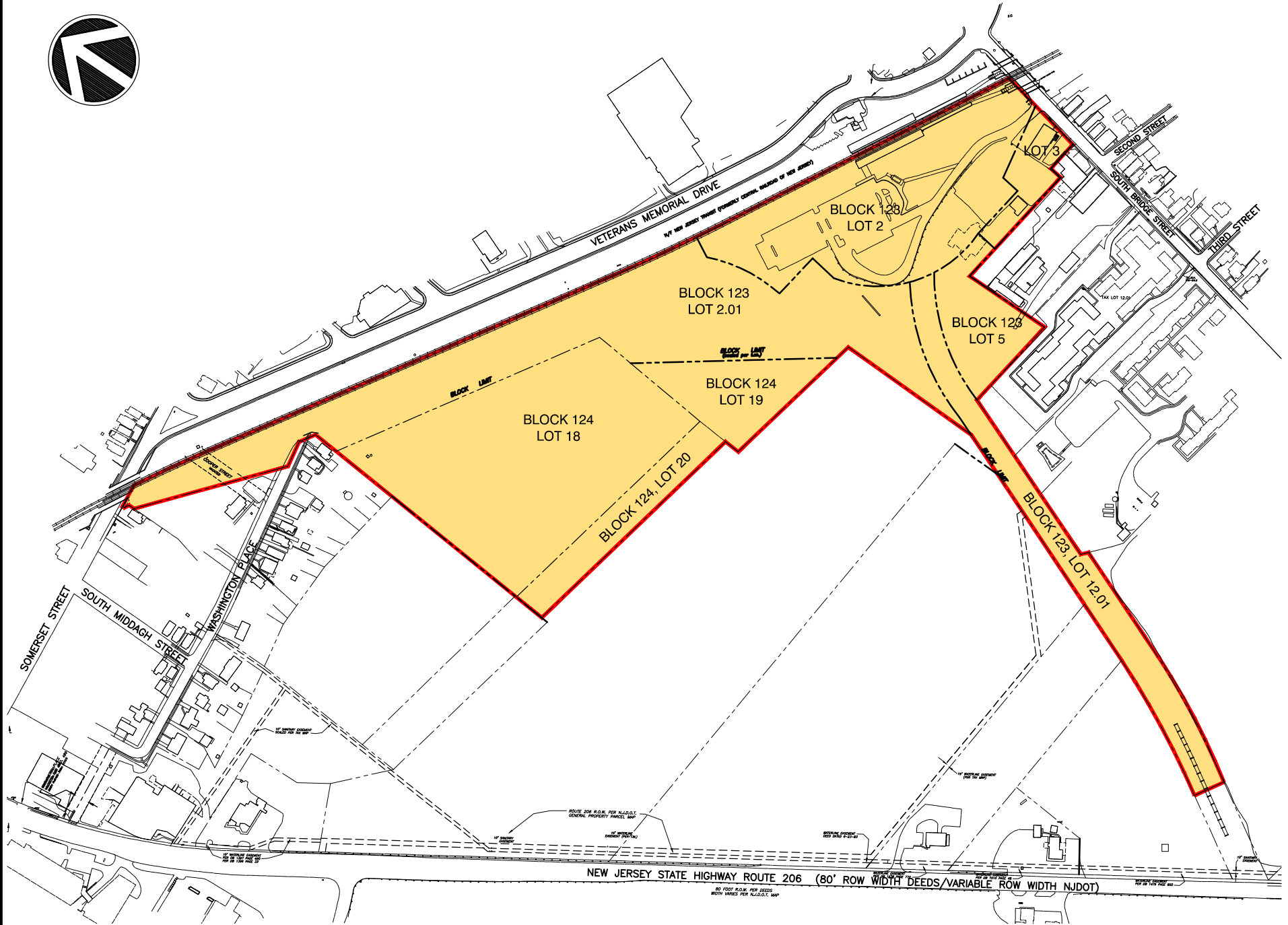
**WHEREAS**, the Borough of Somerville adopted a vision plan and, in 2007, a Station Area and Landfill Redevelopment Plan that advocates for transit-oriented development of NJ TRANSIT's land adjacent to the Somerville Station; and

**WHEREAS**, NJ TRANSIT, through a competitive procurement process and technical evaluation, selected Somerset Development, LLC, of Lakewood, New Jersey, to execute a Memorandum of Understanding and Master Development Agreement to plan, design and implement a transit-oriented development, including structured parking facilities, on approximately 31 acres of property that NJ TRANSIT owns adjacent to NJ TRANSIT's Somerville Station; and

**WHEREAS**, next steps to advance transit-oriented development include negotiation of a Redevelopment Agreement between Somerset and the Borough of Somerville in a form acceptable to NJ TRANSIT; amendment of the Redevelopment Plan, as necessary; securing of subdivision and site plan approvals for the project; and, satisfaction of conditions to settlement detailed in the MDA.

**NOW, THEREFORE, BE IT RESOLVED** that the Chairman or Executive Director is authorized to take all necessary actions to execute a Master Development

Agreement and all other necessary agreements with Somerset Development, LLC, of Lakewood, New Jersey ("Somerset"), to implement a TOD project consisting of mixed-use, transit-village style development to include residential units, retail, and structured and surface commuter parking on NJ TRANSIT-owned property adjacent to its Somerville Station. Somerset shall purchase land in fee from NJ TRANSIT at a purchase price of \$10,000,000, and lease a subdivided land area from NJ TRANSIT to construct, operate, and manage a structured parking facility.



**ITEM 1602-04: PURCHASE OF 332 ADDITIONAL 45-FOOT CRUISER BUSES**

**BENEFITS**

The proposed purchase of 332 45-foot Cruiser Buses will help renew Private Carrier cruiser bus fleets in New Jersey over a period of seven years, consistent with Bus Operations' fleet strategy that was previously presented to the Board of Directors. This purchase will replace 332 aging 2000 through 2008 model year 40-foot cruiser buses operated by private carriers. This order is part of an option of an existing contract to purchase 45-foot cruiser buses. More than 70 percent of the buses being replaced have already operated in excess of 500,000 miles. Replacement of these buses will improve service reliability and improve the customer experience. By replacing Private Carrier's 40-foot cruiser bus fleet with 45-foot cruiser buses, seating capacity of Private Carrier's cruiser bus fleet will be increased by ten percent with a minimal increase in cost. The new buses will be equipped with wheelchair lifts and will be compliant with Americans with Disabilities Act (ADA) mandates. The new buses will also incorporate Diesel Exhaust Fluid (DEF) to reduce exhaust emissions as prescribed by the Clean Air Act Amendment. In addition, the new buses will enhance customer safety by including 3-point seat belts at all passenger seating positions, as well as a vehicle stability system, offering improvements in both roll and rotational (yaw) stability. The buses will be WIFI capable, offering the potential for additional customer amenities.

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

Staff seeks authorization to exercise a contract option under existing NJ TRANSIT Contract No. 15-007 with Motor Coach Industries of Schaumburg, Illinois, to purchase an additional 332 45-foot cruiser buses at a cost not to exceed \$166,245,643.48, plus four percent for contingencies, for a total authorization of \$583,659,204.15, subject to the availability of funds.

**PURPOSE**

Authorization to exercise this contract option will allow for the purchase of an additional 332 new 45-foot cruiser buses to replace existing over-age 40-foot cruiser buses operated by Private Carriers. This multi-year contract option will increase the total number of buses being delivered under this contract from 772 to 1,104 to replace obsolete and/or over-age buses.

All of the 45-foot cruiser buses included in the proposed purchase of 332 buses will be 102 inches wide and 45 feet long, seating 57 passengers. The operating life of the new buses is expected to be 12 years or 500,000 miles.

**BACKGROUND**

This action is in accordance with the Comprehensive Bus Rolling Stock Replacement Plan previously presented to the Board of Directors. The warranties provided in this contract exceed current commuter bus guidelines as shown in the APTA Bus Procurement Guidelines, but are allowable under FTA guidelines.

Existing NJ TRANSIT Contract No. 15-007, approved by the NJ TRANSIT Board on July 15, 2015 (Item 15507-25a), includes options for the purchase of up to 75 additional cruiser buses each year of the contract. This item seeks to exercise some of these options to purchase an additional 332 buses over the seven years of the existing contract. This clause was included in the contract to cover changes in the number of buses required to fulfill NJ TRANSIT’s mission. Based on the favorable pricing received for 45-foot buses in NJ TRANSIT Contract No. 15-007, the per bus costs for any optional units are as follows:

Average Unit Cost:	\$ 495,036.75
Extended Drivetrain Warranty	\$ <u>5,703.14</u>
Total Unit Cost	\$ 500,739.89

**BUS FEATURES**

<b>Feature</b>	<b>New 45-Foot Cruiser</b>
Engine	Cummins ISX, 410 hp (11.9 Liter) Fully EPA Certified and Compliant
Transmission	Allison B500
Cooling System	Modine Electric Cooling System Package with Radiator and Charge Air Cooler mounted above the engine to reduce overheating due to radiator clogging with dirt and road debris
Axles	Front Suspension – Meritor Drive Axle – Meritor Tag Axle – Fixed Meritor
Structure	Stainless steel structure below floor, High-Tensile low alloy steel in upper body framing in high stress areas. Bonded aluminum roof skin, fiberglass front and rear caps. Stainless steel exterior sidewall panels below floor
Brake System	Buses will be equipped with disc brakes (front and rear and tag) with ABS and stability control

A/C System	Engine Driven Bitzer A/C Compressor
Destination Sign	Full LED Front and Side Sign Visible in Daylight and at Night
Electrical System	I/O Controls G4 Dinex
Passenger Seating	57 (55 on Buses with lavatories) Seated Passengers with vinyl seat covers matching NJT multilevel railcars
Flooring	Altro Non-Slip Flooring in NJ TRANSIT Colors
Amenities	Aircraft Style Overhead Parcel Racks with Individual LED Reading Lights, Individual Air Diffusers, three point seat belts for all passenger seating positions, WIFI capable
Engine Emissions	US EPA over-the-road emissions, with oxidation catalyst, diesel particulate filter, and SCR catalyst
<u>Warranties</u>	
Complete Bus	12 months/50,000 miles
Engine	5 years/300,000 miles
Transmission	5 years/300,000 miles
Axles	5 years/300,000 miles
HVAC System	3years/150,000 miles
Skeleton, Body	12 years/500,000 miles
Suspension, air dryer, destination signs, air dryer, starter, alternator, fire suppression, multiplexing, Operator's seat Wheelchair Restraint, Air Compressor	3 year/150,000 miles

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

**FISCAL IMPACTS**

**Requested Authorization:** This Authorization \$166,243,643,48 + 4% contingency  
Total Authorization \$583,659,204.15

**Past Authorization:**  
July 2015 (Item 1507-25) \$ 394,965,129.75 + 4% contingency

**Expenditures to Date:** \$ 600,000 (as of 12/31/15)

**Total Project Cost:** \$601.69 million

**Projected Date of Completion:** December 2022

**Capital Program Amount:** \$601.69 million

**Operating Budget Amount:** NA

**Anticipated Source of Funds:** Transportation Trust Fund

**PRINTS ID Number:** BRS00038

**DBE/SBE Goal:** 0% SBE

***NJ Build* Amount:** NA

**Future Related Authorizations:** None

**Impacts on Subsequent  
Operating Budgets:** None

**RESOLUTION**

**WHEREAS**, funding is available from the Transportation Trust Fund for the purchase of 332 45- foot cruiser buses; and

**WHEREAS**, this procurement will replace 332 40-foot cruiser buses manufactured between 2000 and 2008 and operated by Private Carriers that are or will soon be over-age and eligible for replacement; and

**WHEREAS**, a contract between NJ TRANSIT and Motor Coach Industries for the purchase of 45-foot cruiser buses approved by the NJ TRANSIT Board on July 15, 2015 includes options to purchase additional buses;

**NOW, THEREFORE, BE IT RESOLVED** that the Chairman or Executive Director is authorized to contract with Motor Coach Industries of Schaumburg, Illinois, for the acquisition of 332 additional 45-foot cruiser buses at a cost not to exceed \$166,245,643.48, plus four percent for contingencies, for a total authorization of \$583,659,204.15, subject to the availability of funds.

**ITEM 1602-05: HOWELL GARAGE CNG COMPRESSOR REPLACEMENT:  
DESIGN-BUILD-MAINTAIN CONTRACT AWARD**

**BENEFITS**

The Howell Bus Garage is the only facility capable of fueling the CNG-fueled buses that operate on the Route 9 Corridor. To better support operations in the future, NJ TRANSIT is seeking to complete capacity and efficiency improvements to its CNG bus fill station in Howell, New Jersey. These improvements will also support the CNG fueling requirements of an enlarged CNG fueled bus fleet totaling 160 buses.

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

Staff seeks approval to enter into NJ TRANSIT Contract No.15-047 with Clean Energy Fuels of Newport Beach, CA, for the design, construction and maintenance of the Howell Garage CNG Compressor Replacement in an amount not to exceed \$10,154,002.00, plus five percent for contingencies, subject to the availability of funds.

**PURPOSE**

Authorization of the Design-Build-Maintain contract will provide for the design, construction and maintenance of improvements to the CNG bus fueling facility at the Howell Bus Garage. The improvements include the replacement of the three CNG Compressor Skids to support the replacement of obsolete and overage equipment and facility improvements designed to support the increased CNG fueling requirements of an enlarged CNG-fueled bus fleet totaling 160 buses.

**BACKGROUND**

**History**

The Howell Bus Garage is located in the Township of Howell, County of Monmouth, New Jersey. In 1998, a CNG fueling facility consisting of two CNG Compressor Skids was installed to support the CNG fueling requirements of 50 CNG fueled buses. In 2001, one additional CNG Compressor Skid was installed to support the CNG fueling requirements of an enlarged CNG fueled bus fleet totaling 76 buses. A new replacement and enlarged CNG fueled bus fleet totaling 147 buses is currently being procured. The Board previously authorized the purchase of 84 Vehicles under the contract approved under item 1309-42 and of 63 Vehicles under the contract approved under item 1406-23.

**Project Justification**

This project will complete capacity and efficiency improvements to NJ TRANSIT's CNG bus fill station in Howell, New Jersey through the replacement of obsolete and overage

equipment with equipment designed with the capability to support the CNG fueling requirements of an enlarged CNG fueled bus fleet.

**Procurement Status**

An Expression of Interest (EOI No. 15-047) was advertised in April 2015. In June 2015, the review of the EOI generated two qualified Firms. An Invitation for Bid (IFB No. 15-047) was issued to the two Firms on November 2, 2015. A Pre-Bid Conference was held on November 10, 2015 at NJ TRANSIT Headquarters. Bids were received electronically from two firms and opened on January 21, 2016. However, the bid from one of the firms was deemed non-responsive because of an incomplete bid submission.

The Office of Business Development assigned an eight percent Disadvantaged Business Enterprise (DBE) for this project.

**E-BID 15-047 RESULTS**

<b>Company</b>	<b>Total Bid Price</b>
<b>Clean Energy Fuels, Newport Beach, CA</b>	<b>\$10,154,002.00</b>
<b>Trillium CNG, Salt Lake City, UT</b>	<b>\$11,625,001.00</b>

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

**FISCAL IMPACTS**

- Requested Amount:** \$10,154,002.00 + 5% contingency
- Past Authorizations:** None
- Expenditures to Date:** \$ 508,000 as of 12/31/15
- Total Project Cost:** \$ 12,045,000
- Projected Date of Completion:** September 2017
- Capital Program Amount:** \$ 10,725,000
- Operating Budget Amount:** \$ 1,320,000
- PRINTS ID Number:** NJT00272
- Anticipated Source of Funds:** Federal Transit Administration and TTF

**Diversity Goal:** 8% DBE

**Future/Related Authorizations:** None

***NJ Build* Amount:** \$0

**Impact on Subsequent  
Operating Budgets:** None

**RESOLUTION**

**WHEREAS**, these procurements will design, construct and maintain capacity and efficiency improvements to NJ TRANSIT's CNG bus fill station in Howell, New Jersey; and

**WHEREAS**, NJ TRANSIT seeks to improve its transportation facilities and to expand its fleet of buses fueled with Compressed Natural Gas (CNG); and

**WHEREAS**, implementation of this project will support the replacement of obsolete and overage equipment; and

**WHEREAS**, implementation of this project will support the increased CNG fueling requirements of enlarged CNG fueled bus fleet totaling 160 buses; and

**WHEREAS**, following a contract between NJ TRANSIT and Clean Energy Fuels of Newport Beach, CA for the project for the design and construction of capacity and efficiency improvements;

**NOW, THEREFORE, BE IT RESOLVED**, that the Chairman or Executive Director is authorized to Contract No. 15-047 with Clean Energy Fuels of Newport Beach, CA, for design, construction and maintenance of the Howell Garage Compressor Replacement in an amount not to exceed \$10,154,002.00, plus five percent for contingencies, subject to the availability of funds.

THIS ITEM WAS DEFERRED

ITEM 1602-06:

ALP45 DUAL POWER TOP DECK OVERHAUL

**ITEM 1602-07: FTA SUBSTANCE ABUSE MANAGEMENT OVERSIGHT PROGRAM: CONSULTANT CONTRACT AWARD****BENEFITS**

As a recipient of Federal transit funds under 49 U.S.C. 5307, 5309 and 5311 NJ TRANSIT is subject to the Federal Transit Administration (FTA) regulation, 49 CFR Parts 40 and 655, *Procedures for Transportation Workplace Drug and Alcohol Testing Programs and Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations*. The regulations apply to direct and indirect recipients of these funds. It requires transit operators who receive these funds to establish and conduct a multifaceted anti-drug and alcohol misuse testing program. The regulation includes recipients that pass money to sub-recipients and grantees that have contractors, performing transit operations and it includes direct operators of transit service as well as entities providing service under contract or other arrangements with the transit operator.

NJ TRANSIT has a variety of relationships with contractors/sub-recipients that subject those contractors/sub-recipients to the requirements of 49 CFR Parts 40 and 655 and require NJ TRANSIT to certify that those contractors/sub-recipients comply with those regulations. NJ TRANSIT contracts with two Design Build Operate and Maintain (DBOM) entities for the operation of two of its light rail systems; NJ TRANSIT contracts with several private bus carriers for the operations of fixed route bus service at various locations throughout the state; NJ TRANSIT leases Federally-funded buses to various private bus carriers for use on the routes operated by those private carriers; NJ TRANSIT leases vehicles to contractors who operate NJ TRANSIT's Americans with Disabilities Act (ADA) complementary paratransit service and finally, NJ TRANSIT acts as the conduit through which Federal funds (operating and capital) flow to various rural and community transit operators throughout the state.

**ACTION (Scorecard: Safety and Security, Corporate Accountability)**

Staff seeks authorization to enter into Contract No. 15-045 with Compliance Oversight Solutions Ideal, LLC (COSI) of Downingtown, Pennsylvania, for the performance of professional services related to NJ TRANSIT's continuation of its FTA Substance Abuse Management Oversight Program for a three-year period, plus two one-year option periods at a total cost not to exceed \$655,375, plus five percent for contingencies, subject to the availability of funds.

**PURPOSE**

Authorization of this contract will provide consultant support that will enable NJ TRANSIT to remain in compliance with its federal obligation to ensure that its safety-sensitive contractors and sub-recipients are in compliance with *49 CFR Part 655 Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations and its companion regulation, 49 CFR Part 40 Procedures for Transportation Workplace Drug and Alcohol Testing Programs*.

Through this contract, NJ TRANSIT will engage the services of a Consultant to monitor the compliance of each of these contractors/sub-recipients with the provisions of 49 CFR Parts 40 and 655 and to assist NJ TRANSIT with ensuring contractors/sub-recipients policies and programs into a state to remain in full compliance.

**Scope of Services:**

<b><u>NJ TRANSIT Division</u></b>	<b><u>No. of Contractors/ Sub-recipients</u></b>	<b><u>No. of Safety Sensitive Positions</u></b>
Light Rail Operations	2	235
AccessLink	6	695
Local Programs	35	1,036
Private Carrier Affairs	<u>19</u>	<u>3,057</u>
Total	62	5,023

**BACKGROUND**

On August 6, 2015, NJ TRANSIT advertised a Request for Proposal (RFP) for the FTA Substance Abuse Management Oversight Program to engage a consultant to monitor the compliance of various service contractors and grant sub recipients with the provisions of 49 CFR Parts 40 and 655 and assist NJ TRANSIT with keeping and maintaining their policies and programs in a state of compliance. The Pre-Proposal Conference was held on August 14, 2015 at NJ TRANSIT headquarters. The RFP requested proposers to provide the price for the services for the base three year contract period and the two one-year options that may be exercised solely at the discretion of NJ TRANSIT.

The technical proposal was reviewed by the Technical Evaluation Committee (TECs) comprised of:

- Light Rail & Contracted Services – Private Carrier Affairs
- Light Rail & Contract Services – Access Link
- CP&P – Local Programs and Support

Proposals were due on September 3, 2015. Upon completion of the competitive procurement process, it was determined that Compliance Oversight Solutions Ideal, LLC (COSI) of Downingtown, Pennsylvania proposal provided the best value and is in the best interest of NJ TRANSIT.

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

**FISCAL IMPACT**

**Requested Authorization:** \$ 655,375 +5% contingency

**Past Authorization:** N/A

<b>Expenditures to Date:</b>	N/A
<b>Total Project Cost:</b>	\$ 688,144
<b>Projected Date of Completion:</b>	2021
<b>Capital Project Amount:</b>	N/A
<b>Operating Budget Amounts:</b>	FY2016 (6 months) \$64,287 FY2017 \$129,575 FY2018 \$130,575 FY2019 \$130,575 FY2020 \$132,826 FY2021 (6 months) \$ 67,537
<b>Anticipated Source of Funds:</b>	Fiscal Years 2016 -2021 Operating Budget
<b>Prints ID Number:</b>	N/A
<b>DBE/SBE Goal:</b>	10% SBE, Category 3 Goal
<b>NJ Build Amount:</b>	N/A
<b>Related/Future Authorizations:</b>	Item#1004-16 –FTA Substance Abuse Management Oversight Program: Consultant Contract Award (Board meeting April 14, 2010)
<b>Impact on Subsequent Operating Budgets:</b>	N/A

## RESOLUTION

**WHEREAS**, as a recipient of Federal transit funds under 49 U.S.C. 5307, 5309 and 5311, NJ TRANSIT is subject to the Federal Transit Administration (FTA) regulation, 49 CFR Part 655, *Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations* and its companion regulation, 49 CFR Part 40 *Procedures for Transportation Workplace Drug and Alcohol Testing Programs*; and

**WHEREAS**, FTA requires transit operators who receive these funds and recipients that pass money to sub-recipients and grantees that have contractors performing transit operations to establish and conduct a multifaceted anti-drug and alcohol misuse testing program; and

**WHEREAS**, FTA requires NJ TRANSIT to certify that those contractors/sub-recipients comply with 49 CFR Parts 40 and 655; and

**WHEREAS**, upon completion of a competitive procurement process, it was determined that Compliance Oversight Solutions Idea, LLC submitted the proposal to provide consulting services for the FTA Substance Abuse Management Oversight Program that provides the best value and is in the best interest of NJ TRANSIT;

**NOW, THEREFORE, BE IT RESOLVED** that the Chairman or Executive Director is hereby authorized to enter into Contract No. 15-045 with Compliance Oversight Solutions Ideal, LLC (COSI) of Downingtown, Pennsylvania, for the performance of professional services related to NJ TRANSIT's continuation of its FTA Substance Abuse Management Oversight Program for a three-year period, plus two one-year option periods at a total cost not to exceed \$655,375, plus five percent for contingencies, subject to the availability of funds.

**EXECUTIVE SESSION AUTHORIZATION**

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

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

**ITEM 1602-08: MEMORANDUM OF AGREEMENT RECOGNIZING THE ACCRETION OF AMALGAMATED TRANSIT UNION, LOCAL 540 INTO AMALGAMATED TRANSIT UNION, NEW JERSEY STATE COUNCIL**

**BENEFITS**

On December 20, 2015, the Amalgamated Transit Union, Local 540 ("ATU, Local 540"), pursuant to a vote of the ATU, Local 540 membership, joined the Amalgamated Transit Union, New Jersey State Council ("ATU, NJ State Council"). ATU, Local 540 has been operating under an expired Collective Bargaining Agreement since June 30, 2010.

The proposed Memorandum of Agreement ("MOA") recognizes the accretion of approximately 175 employees currently represented by ATU, Local 540, into the ATU unit of approximately 5100 employees currently represented by the ATU, NJ State Council. The accretion benefits NJ TRANSIT by providing for greater consistency and parity with respect to the terms and conditions of employment of its agreement bus employees. In addition, the MOA clarifies how the October 22, 2015, Interest Arbitration Award setting the terms and conditions contained in the Collective Bargaining Agreement between NJ TRANSIT Bus Operations, Inc. ("NJTBus") and the ATU, NJ State Council will be applied to the recently accreted employees.

**ACTION (Scorecard: Financial Performance, Employee Excellence)**

Staff seeks authorization to execute the attached Memorandum of Agreement between and among NJ TRANSIT Bus Operations, Inc.; NJ TRANSIT Mercer, Inc.; the Amalgamated Transit Union, Local 540; and the Amalgamated Transit Union, New Jersey State Council.

**PURPOSE**

Authorization of this item will enable NJ TRANSIT to recognize the ATU, NJ State Council as the exclusive representative for purposes of collective negotiations for all employees currently represented by ATU, Local 540. In addition, ATU, Local 540 will become a party to the Collective Bargaining Agreement between the ATU, NJ State Council and NJTBus.

**BACKGROUND**

NJ TRANSIT employs approximately 5,420 agreement bus employees. Of those employees, the ATU, NJ State Council represents approximately 5,100 members (94 percent of agreement bus employees) at 19 separate facilities. ATU, Local 540 represents approximately 175 employees at a single location, Hamilton Garage.

On June 30, 2010, the labor agreements between NJ TRANSIT (through its subsidiaries, NJTBus and NJT Mercer) and the ATU, NJ State Council and ATU, Local 540 each expired. Following past practice, NJ TRANSIT entered into negotiations with its largest bus

union, the ATU, NJ State Council, the result of which would establish a pattern for negotiations with the unions representing the remaining 6 percent of bus employees.

NJTBus, with the assistance of Special Counsel from the law firm of the McElroy, Deutsch, Mulvaney & Carpenter, LLP, negotiated the terms of a renewal of the Collective Bargaining Agreement with the ATU, NJ State Council. A Tentative Agreement (“TA”) was executed on October 24, 2014. The TA outlined the terms for renewing for the period of July 1, 2010 until June 30, 2017, the Collective Bargaining Agreement that was in effect from July 1, 2008 through June 30, 2010. However, the TA was not ratified by the ATU, NJ State Council’s rank and file members, who voted it down on November 21, 2014.

As a result, the parties proceeded to interest arbitration. On October 22, 2015, a tripartite arbitration panel consisting of Jack D. Tillem, Gary Dellaverson and Thomas R. Roth issued an Interest Arbitration Award, renewing the Collective Bargaining Agreement by and between the ATU, NJ State Council and NJTBus with certain modifications from July 1, 2010 through June 30, 2017. The Board has previously been briefed with respect to the terms and conditions of the Interest Arbitration Award.

On December 20, 2015, the members of ATU, Local 540 voted in favor of joining the ATU, NJ State Council. Special Counsel has advised that a valid accretion has likely occurred based upon the accretion factors considered by the New Jersey Public Employment Relations Commission (“NJPERC”); thus the negotiating unit members of ATU, Local 540 would likely be found to share a community of interest with the ATU, NJ State Council negotiating unit members. Accretion factors considered include: the integration of operations between the facilities involved, the degree of centralization of managerial and administrative control, geographic proximity of the facilities, similarity of working conditions, skills and functions between the employees at each facility, and the degree of common control over labor relations at the facilities.

**FISCAL IMPACTS**

**Requested Authorization:** Staff seeks authorization to execute the attached Memorandum of Agreement between and among NJ TRANSIT Bus Operations, Inc.; NJ TRANSIT Mercer, Inc.; the Amalgamated Transit Union, Local 540; and the Amalgamated Transit Union, New Jersey State Council

**Past Authorizations:** N/A

**Projected Date of Completion:** June 30, 2017

**Operating Budget Amount:** 100%

**Anticipated Source of Funds:** Operating Budget

## RESOLUTION

**WHEREAS**, On October 22, 2015, a tripartite panel of arbitrators issued an Interest Arbitration Award, establishing the terms of a Collective Bargaining Agreement by and between the Amalgamated Transit Union, New Jersey State Council (“ATU, NJ State Council”) and New Jersey Transit Bus Operations, Inc. (“NJTBus”) with certain modifications from July 1, 2010 through June 30, 2017; and

**WHEREAS**, the Amalgamated Transit Union, Local 540 (“ATU, Local 540”) has been operating under an expired Collective Bargaining Agreement since June 30, 2010; and

**WHEREAS**, On December 20, 2015, the members of ATU, Local 540 voted in favor of joining the ATU, NJ State Council; and

**WHEREAS**, Special Counsel has advised that a valid accretion of the unit of employees represented by ATU, Local 540 into the unit of employees represented by the ATU, NJ State Council has likely occurred based upon the accretion factors considered by the New Jersey Public Employment Relations Commission (“NJPERC”); and

**WHEREAS**, the proposed Memorandum of Agreement (“MOA”) would recognize the accretion and provide for greater consistency and parity with respect to the terms and conditions of employment of agreement bus employees at NJ TRANSIT;

**NOW, THEREFORE, BE IT RESOLVED** that the Chairman or President is hereby authorized to execute the attached Memorandum of Agreement between and among NJ TRANSIT Bus Operations, Inc.; NJ TRANSIT Mercer, Inc.; the Amalgamated Transit Union, Local 540; and the Amalgamated Transit Union, New Jersey State Council.

**MEMORANDUM OF AGREEMENT**  
**Between and Among**  
**NJ TRANSIT BUS OPERATIONS, INC.**  
**and**  
**NJ TRANSIT MERCER, INC.**  
**and**  
**AMALGAMATED TRANSIT UNION, LOCAL 540**  
**and**  
**AMALGAMATED TRANSIT UNION, NEW JERSEY STATE COUNCIL**

This constitutes the Memorandum of Agreement made and entered into this \_\_\_ day of \_\_\_\_\_, 2016 by and between and among NJ TRANSIT Bus Operations, Inc. (“NJTBus”), NJ TRANSIT, Mercer, Inc. (“NJT Mercer”) Amalgamated Transit Union, Local 540 (“Local 540”), and Amalgamated Transit Union, New Jersey State Council (“ATU, NJ State Council”).

WHEREAS, on December 20, 2015, Local 540 joined the ATU, NJ State Council; and

WHEREAS, the parties agree that the unit of employees of NJT Mercer presently represented by Local 540 constitutes a valid accretion to the unit of employees of NJTBus presently represented by the ATU, NJ State Council under laws of the State of New Jersey in that Local 540’s negotiating unit members share a community of interest with the ATU, NJ State Council negotiating unit members, and further because a balancing of the accretion factors employed by the New Jersey Public Employment Relations Commission (“PERC”) – *i.e.*, 1) the integration of operations between the facilities involved; 2) the degree of centralization of managerial and administrative control; 3) geographic proximity of the facilities; 4) the similarity of working conditions, skills and functions between the employees at each facility; and 5) the degree of common control over labor relations at the facilities, *see County of Essex*, Docket No. RO-H-2000-96, 2002 NJ PERC LEXIS 159 (September 30, 2002) – support a finding that a valid accretion has occurred; and

WHEREAS, pursuant to N.J.A.C. 19:11-3.1, NJTBus agrees to voluntarily recognize the ATU, NJ State Council as the exclusive representative for purposes of collective negotiations for all employees currently represented by Local 540 as part of the unit of NJTBus employees currently represented by the ATU, NJ State Council; and

WHEREAS, as a member of the ATU, NJ State Council, Local 540 agrees that it is now a party to the Collective Bargaining Agreement by and between the ATU, NJ State Council and NJTBus; and

WHEREAS, on October 22, 2015, Jack D. Tillem, Gary Dellaverson and Thomas R. Roth issued an Interest Arbitration Award (“Award”), renewing the Collective Bargaining Agreement by and between the ATU, NJ State Council and NJTBus with certain modifications from July 1, 2010 through June 30, 2017; and

WHEREAS, all parties to this Memorandum of Agreement wish to clarify how the October 22, 2015 Award will be applied to the unit of employees currently represented by Local 540.

NOW THEREFORE, the Parties agree as follows:

1. All agreements and factual recitations set forth in the “WHEREAS” provisions above are specifically agreed to, incorporated into, and made a part of this Memorandum of Agreement.
2. All salary increases and modified/new deductions and contributions contained in the Award shall be applied to Local 540 base salaries in effect as of April 2, 2016. Such increases shall be retroactive in accordance with the provisions of the Award.
3. In addition to the salary increases set forth in Paragraph 2 above, effective April 2, 2016, the base salaries of all employees in the unit of employees represented by Local 540 who earn less than ATU, NJ State Council members in equivalent positions after implementation of the increases referred to above in Paragraph 2, shall have their salaries increased to rates equivalent to those earned in equivalent positions by ATU, NJ State Council members. Such increases shall not be retroactive. Those Local 540 unit members that are earning more than ATU, NJ State Council members in equivalent positions shall receive full retroactive pay with respect to salary increases contained in the Award with no limitations. However, such unit members’ salaries from the effective date of this Memorandum of Agreement shall not exceed the salaries of ATU, NJ State Council members in equivalent positions.
4. Local 540’s job classifications are hereby modified to fit within the ATU, NJ State Council’s job classifications in accordance with the attached Exhibit A.
5. Except as specifically modified above, the Parties agree all provisions of the Collective Bargaining Agreement referenced above, as modified by the Interest Arbitration Award referred to above, shall be applicable to the employees accreted into the unit of employees employed by NJTBus and represented by the ATU, NJ State Council, effective April 2, 2016.

For NJT Mercer:

For ATU, Local 540:

\_\_\_\_\_  
Dated:

\_\_\_\_\_  
Dated:

For NJTBus

For ATU, NJ State Council

\_\_\_\_\_  
Dated:

\_\_\_\_\_  
Dated:

**EXHIBIT A**

**ATU COUNCIL**

**CURRENT 540 JOB**  
**CLASSIFICATIONS**

**JOB**  
**CLASSIFICATIONS**

**CURRENT 540 JOB**  
**CLASSIFICATIONS**

JOB DESCRIPTION

JOB CLASS

JOB DESCRIPTION

BUS OPERATORS		3100	OPERATORS	HOURLY CONTRACT
GROUP III HIRED BEFORE 10/3/1985		3326	SERVICEMEN HIRED BEFORE 4/20/1985	HOURLY CONTRACT
GROUP III HIRED AFTER 10/3/1985		3326	SERVICEMEN HIRED AFTER 4/20/1985	HOURLY CONTRACT
GROUP IV HIRED BEFORE 10/3/1985		3327	CLEANERS AND CUSTODIAN HIRED BEFORE 4/20/1985	HOURLY CONTRACT
GROUP IV HIRED AFTER 10/3/1985		3328	CLEANERS AND CUSTODIAN HIRED AFTER 4/20/1985	HOURLY CONTRACT
GROUP I SPECIALISTS		3317	MAINTENANCE MAN CLASS A	HOURLY CONTRACT
GROUP I SPECIALISTS		3308	MECHANICS CLASS A	HOURLY CONTRACT
GROUP I		3310	REPAIRMAN CLASS A	HOURLY CONTRACT
DISPATCHER A		3087	DEPOT MASTER A	FIELD SALARY CONTRACT
DISPATCHER B		3088	DEPOT MASTER B	FIELD SALARY CONTRACT
DISPATCHER C		3089	DEPOT MASTER C	FIELD SALARY CONTRACT
UTILITY MAN	NO EMPLOYEES			
GARAGE PARTS CLERK		3303	STOCK CLERK	HOURLY CONTRACT
SECRETARY - 35 HOURS	NO EMPLOYEES			
SENIOR CLERK I - 35 HOURS		3302	DISTRICT & GARAGE CLERK - SENIOR (40 HOURS)	FIELD SALARY CONTRACT
SENIOR CLERK II	NO EMPLOYEES			
GENERAL CLERK	NO EMPLOYEES			

**ITEM 1602-09: PERSONAL INJURY CLAIM OF ALBERT KLOSE**

**BENEFITS**

It is the opinion of NJ TRANSIT and defense counsel, in recognition of the serious injuries that resulted, staff recommends a settlement in the claim of Albert Klose.

**ACTION**

Staff seeks authorization to settle the claim of Albert Klose through his attorney, at an amount discussed in executive session. The Attorney General has approved the proposed settlement, subject to the availability of funds.

**PURPOSE**

NJ TRANSIT By-Laws require Board approval of the settlement of all claims and lawsuits involving personal injury, death or property damage in excess of \$500,000. This case venued in the United States District Court, Newark, NJ and initiated from an FELA claim.

**FISCAL IMPACTS**

<b>Requested Authorization:</b>	Request authorization to settle the Personal Injury Claim of Albert Klose.
<b>Projected Date of Completion:</b>	FY 2016
<b>Anticipated Source of Funds:</b>	FY 2016 Operating Budget
<b>Diversity Goals/Participation:</b>	Not applicable. No goods or services to be procured.

**RESOLUTION**

**WHEREAS**, Article VI, Section II of the By-Laws requires Board Authorization for settlement of claims in excess of \$500,000; and

**WHEREAS**, Albert Klose has presented a claim with a probable settlement cost greater than \$500,000; and

**WHEREAS**, staff has reviewed the claim and recommends settling this case out of court;

**NOW, THEREFORE, BE IT RESOLVED** that the Chairman or Executive Director is authorized to settle the claim of Albert Klose through his attorney, at an amount discussed in executive session. The Attorney General has approved the proposed settlement, subject to the availability of funds.

**ITEM 1602-10: EXTENSION OF TIME FOR LCOR TO SUBMIT MASTER DEVELOPMENT PLAN FOR HOBOKEN TERMINAL & YARD**

**BENEFITS**

Extension of the deadline for submission of the Master Development Plan (“MDP”) by LCOR Hoboken Rail Station Redevelopment, LLC (“LCOR”) will continue a process that will improve pedestrian circulation and customer convenience at Hoboken Terminal, maximize the value of NJ TRANSIT’s real estate assets at the Terminal and adjacent rail yard in Hoboken and Jersey City, advance transit-oriented development on the property, and produce multiple benefits for NJ TRANSIT’s customers, including improvements to NJ TRANSIT’s infrastructure and rehabilitation investments in Hoboken Terminal and Rail Yard.

**ACTION**

Staff seeks authorization to take all necessary actions to extend until December 2018 the period under the existing Master Development Agreement (“MDA”) with LCOR to submit the Master Development Plan as discussed in Executive Session.

**PURPOSE**

Board authorization to extend the MDA term provides NJ TRANSIT staff the ability to grant LCOR additional time to submit the MDP as discussed in Executive Session.

**FISCAL IMPACTS**

**Requested Authorization:** Request authorization to extend the Hoboken Terminal & Yard MDA term.

**Past Authorizations:** Board Item 0510-89 (October 2005): Master Development Agreement with Hoboken Terminal & Yard Developer

Board Item 1401-05 (January 2014): Extension of Time for LCOR to Submit Master Development Plan for Hoboken Terminal & Yard

**Expenditures to Date:** N/A

**Total Project Cost:** N/A

<b>Projected Date of Completion:</b>	December 2018
<b>Capital Program Amount:</b>	N/A
<b>Operating Budget Amount:</b>	N/A
<b>Anticipated Source of Funds:</b>	N/A
<b>DBE/SBE Goal:</b>	N/A
<b><i>NJ Build</i> Amount:</b>	None
<b>Related Future Authorizations:</b>	None
<b>Impacts on Subsequent Operating Budgets:</b>	N/A

**RESOLUTION**

**WHEREAS**, NJ TRANSIT entered into a master development agreement (“MDA”) with LCOR Hoboken Rail Station Redevelopment, LLC (“LCOR”) on October 26, 2005; and,

**WHEREAS**, Extension of the deadline for submission of the MDP will allow LCOR to continue to pursue redevelopment of the Hoboken Terminal & Yard for the benefit of NJ TRANSIT for the full number of years originally provided by the MDA;

**NOW, THEREFORE, BE IT RESOLVED** that the Chairman or Executive Director is authorized to take all necessary actions to extend until December 31, 2018 the period under the existing Master Development Agreement with LCOR to submit the Master Development Plan as discussed in Executive Session.