

**Chris Christie**, Governor  
**Kim Guadagno**, Lieutenant Governor  
**Richard T. Hammer**, Commissioner  
**Steven H. Santoro**, Executive Director

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

December 19, 2017

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, December 13, 2017.

Sincerely,

Original Signed By

Joyce J. Zuczek  
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, December 13, 2017.

**Board Members Present**

Richard T. Hammer, Chairman  
John Spinello, 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) (Absent)

**Staff Present**

Steven H. Santoro, Executive Director  
George S. Piper, Deputy General Manager, Bus Operations  
Robert Lavell, Vice President & General Manager, Rail Operations  
Neal A. Fitzsimmons, Acting Chief, Light Rail and Contract Services  
Christopher Trucillo, Chief of Police  
Warren A. Hersh, Auditor General  
Christine C. Baker, Chief Compliance Officer  
Michael J. Lihvarcik, Interim Chief Financial Officer & Treasurer  
Michael K. Slack, Chief Information Officer  
Anthony M. Grieco, Acting Asst. Executive Director, Communications & Customer Service  
Eric R. Daleo, Assistant Executive Director, Capital Planning & Programs  
Gardner C. Tabon, Chief, Office of System Safety  
Joseph E. Snow, Deputy Attorney General  
Joyce J. Zuczek, Board Secretary

Chairman Hammer convened the Open Session at 9:14 a.m. in accordance with the Open Public Meetings Act. Kemmerly Kendrick, Office of System Safety, provided a Public Safety Announcement. The Pledge of Allegiance to the Flag was conducted. Board Secretary Zuczek conducted a Roll Call and noted Board Member Greaves was absent.

Board Secretary Zuczek announced that adequate notice of the regularly scheduled meetings of the Board of Directors 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 filed on December 6, 2017 with the Secretary of State. These notices were sent to newspapers of general distribution, posted in the main entrance of NJ TRANSIT headquarters, and sent to each individual, agency and organization that requested such

notice. Board Secretary Zuczek announced that the Board meetings were being video recorded.

Chairman Hammer asked for a motion to approve the minutes of the November 6, 2017 Board meetings. A motion was made by Board Member James C. Finkle Jr., seconded by Board Member Flora M. Castillo and unanimously adopted.

### **Public Comments on Agenda Action Items**

There were seven speakers on agenda action items and three elected officials on other matters. Board Secretary Zuczek announced public comments would be limited to five minutes.

**Tom DeGise**, Hudson County Executive, spoke about Agenda Action Item 1712-57 for the Hudson-Bergen Light Rail Route 440 Extension. He said the Hudson-Bergen Light Rail system is the most successful light rail in the country and over 55,000 people use their light rail system on a daily basis. Mr. DeGise stated in the 1990's when he was Council President in Jersey City they planned this route, and it was not a coincidence that through Jersey City and Hudson County there are large buildings wherever the light rail goes. He said this has been the catalyst for growth in Hudson County that has now spread to Hoboken, Weehawken, Bayonne and all of the waterfront properties, and this has been a job creator for New Jersey.

Mr. DeGise noted there was debate with planning of the route in the 1990's. He said the route would not hug the Hudson River the entire way because the inner city needed access to the jobs created along the Hudson River. The western terminus ended on Westside Avenue near Claremont Avenue and the Board of the Education in Jersey City. Mr. DeGise said one third of a mile west of the Hackensack River there was a superfund site, called the Honeywell, which was about 100 acres of land that housed the old Roosevelt drive in movie theater and stores. He said this site was nothing but 96 acres of dirty land and now all of the asbestos has been removed and this plot is eligible for development.

Mr. DeGise stated this is an area without a view of the skyline and not walkable to the PATH train. This area along with Society Hill and the old Roosevelt Stadium is an area in Jersey City and Hudson County people move to. Mr. DeGise said Mr. Donnelly would speak later about how this redevelopment project has been re-zoned to house 4,100 units of housing plus commercial and industrial space. He said if the light rail reaches the footprint this will double to 8,200 units.

Mr. DeGise said this was a unique way to fund this project in the future, and is something he has been lobbying for a number of years. He said they have the support of Washington, Senator Menendez, Senator Booker and Congressman Albio Sires, who sits on the transportation committee in Washington. Mr. DeGise said they feel they have a strong case to be made for receiving federal new start funds that could range from \$75 to \$100 million.

Mr. DeGise said the private partners will profit the most with this zoning change and the arrival of the light rail, so they are willing to chip in for their cost and possibly build a new depot on the site. He said Jersey City owns about half of the acres and has offered the option of monetizing some of the profits they will make on the project. Mr. DeGise believes this also gives the opportunity of combining a public-private partnership with federal funding, and help from the NJ TRANSIT Board, to make this a reality.

Mr. DeGise said he met the incoming Governor three years ago and when he asked Mr. DeGise what his priorities were, this light rail project was what he talked to him about. He believes this is smart growth. Mr. DeGise said Jersey City and Hudson County has proven that given the right support and infrastructure, they can continue being the engine that drives the economy in New Jersey. He was glad they were beginning the process to finish the line and would like to continue the discussion.

**Dave Donnelly** said he has been working in government for 25 years and that in the past decade New Jersey has developed many smart growth principles including the State Plan. He said Jersey City is a place where they want development to happen, and Jersey City and Hudson County need mass transit. Mr. Donnelly said this Hudson-Bergen Light Rail Extension is required to continue the proper growth of Hudson County, bring residents in, and get them to and from work in a smart and efficient manner.

Mr. Donnelly said the Environmental Impact Statement (EIS) and Finding of No Significant Impact (FONSI) have been completed and they must continue forward on the Hudson-Bergen Light Rail Extension. He believes the movement of this project is too important for the economic growth and future of all Northern New Jersey and the State of New Jersey. Mr. Donnelly said anytime they stop mass transit projects, this delay slows growth of this area. He urged the Board to approve the engineering studies so the project can continue forward.

**Orrin Getz**, Vice Chairman of the Metro North Rail Commuter Council, voiced concerns about Agenda Action Item 1712-53 Purchase of 17 Passenger Locomotives. He said the purchase was very expensive and he hopes they will get the full benefit of them. Mr. Getz said these locomotives will allow NJ TRANSIT to have more through service from the North Jersey Coast Line, Raritan Valley Lines, Bergen County Main Line, and Pascack Valley Line, once the Bergen Loop is built and a part of the Gateway project. He believes this would be a great benefit to riders if NJ TRANSIT can do this.

Mr. Getz said they must keep in consideration that using one of these large locomotives to pull a small four car train on the Pascack Valley Line is a little bit absurd so they should make sure they have other equipment available that doesn't require this large locomotive to pull these trains, and be smart about it and make sure their equipment allocation is good.

Mr. Getz said Metro North was still using GP40s and F40s as part of its equipment allocation on the Port Jervis Line, and if NJ TRANSIT was phasing out older GP40s and

F40s, they will need something to maintain this equipment. Mr. Getz said NJ TRANSIT should get Metro North involved on their equipment strategy because they have an obligation to supply this equipment to NJ TRANSIT for the Port Jervis and Pascack Valley lines. Mr. Getz said they need to make sure that these trains will keep running. He said they could keep the old locomotives as back-up equipment for use as needed and when a train breaks down, they can use one of these trains and not have to cancel service.

Mr. Getz also voiced concerns about Agenda Action Item 1712-58 Maintenance, Support, and Upgrade of Customers Ticketing, Fare Payment and Collection Systems. He said that morning the Ticket Vending Machine in Nanuet would not accept bill payments, which has become a chronic problem at this station. Mr. Getz said if NJ TRANSIT is entering into an agreement with Conduent Transport Solutions Inc., they should hold them accountable for ensuring these machines are working properly at all times because they are breaking down too often.

**Maria Nieves**, President and CEO of Hudson County Chamber of Commerce, spoke about important issues for Jersey City and Hudson County. She said Hudson County and Jersey City have experienced significant and steady growth since 1990. Ms. Nieves said census data in 2010 reflected an increase in more than 7,500 residents, which was about 3.1 percent over the count of 2000. She said the population in Jersey City was currently estimated to have increased to more than 16,000 residents over the 2010 count, which means double the amount of residents have moved there in the last six years. Ms. Nieves said with this increase comes a continuing need for continued investment in the region's infrastructure, and throughout the 20th Century New Jersey has had a top notch and very robust transportation system and first class economy built upon this system.

Ms. Nieves said if they want the next few decades and century to be prosperous for residents and Hudson County to be a strong economic driver for the State, they have to plan for it. She said Jersey City and Hudson County are booming and she can't think of a part of the County that isn't. Ms. Nieves said with these areas being across the Hudson River from New York City, they also continue to be a primary destination of migration from the City.

Ms. Nieves believes transportation and the Hudson-Bergen Light Rail is critical in the planning for the influx of residents and it is critical in the community to ensure a diversified transportation portfolio for the region. She said they know there are a lot of ways people can move around, but continuing to invest in this system is crucial. While they continue to plan for the growth that will surely continue on the river side of this county, along with the growth of Journal Square, she said they should also continue the inevitable growth on the west side of Jersey City.

Ms. Nieves said this was a collaborative effort and the Chamber, who represents more than 600 members across Hudson County, is committed to working closely with policy makers at the municipal, state and federal levels to enhance the vitality of the County. They want to continue the position in ensuring business development, commerce, and culture. Ms. Nieves believes having the convenience of a light rail link to the PATH that

college students and residents could walk to was surely a great benefit. She supports the extension of the Hudson-Bergen Light Rail.

**Steve Thorpe** said while he was encouraged by NJ TRANSIT's purchase of new locomotives, he was concerned about the costs. He said they should make sure they use these trains where they are most needed to ensure they are getting the most out of the money they paid for them. Mr. Thorpe would like to see these used to extend services from Bay Head on the North Jersey Coast Line and on the Montclair Boonton, where they already have slots into New York Penn Station through the tunnel. He does not think these powerful locomotives should be used to pull a four-car train. He said he knows they have the multi-level cars, which are heavy, and the new ALP45 will support these cars and this is the way NJ TRANSIT's new fleet is going.

Mr. Thorpe said while he didn't understand the technical terms being used to explain these dual powered passenger locomotives, he wanted to know whether the specifications were electric or diesel. He likes the locomotives but wants to make sure they are utilized well.

Mr. Thorpe also discussed Agenda Action Items 1712-54 and 1712-55 the Extension of the Horizon Blue Cross/Blue Shield contract and the Express Script contract. He said it seems like a long time since these were bid and he was curious why. Mr. Thorpe understands NJ TRANSIT probably received a favorable rate but he believes it never hurts to look around, and it behooves them to be good stewards of money.

Mr. Thorpe is in favor of the Hudson-Bergen Light Rail Extension in Hudson County. He loves light rail and thinks it is a good catalyst.

Mr. Thorpe gave a commendation to a train conductor and NJ TRANSIT Police Officer Russell who helped them with a bag that was left behind at Secaucus Station. He said his conductor radioed the dispatcher and Mr. Thorpe called the New Jersey Transit Police Department. Mr. Thorpe received a call back in 20 minutes and was able to return to Secaucus to obtain their bag. He expressed his appreciation for their assistance.

**David Peter Alan**, Chair of the Lackawanna Coalition, said over the years, they have consistently called for an improvement in NJ TRANSIT's preparedness when an emergency should arise. He said there were two emergencies within the past five days. He noted on Friday, December 8, 2017, a CSX freight train derailed in Union, on the Raritan valley Line. Mr. Alan remarked that he saw pictures of the cars all over the place, yet services were suspended for less than three days, and the Raritan Valley Line was back in service on Monday morning.

Mr. Alan noted at the time Raritan Valley Line service came back, an explosion near the Port Authority Bus Terminal created serious problems not only with NJ TRANSIT's buses, which use that facility, but also with much of the transit in the region. He said again NJ TRANSIT performed very well under the circumstances.

Mr. Alan said they have criticized previous administrations at NJ TRANSIT for lack of preparedness, but it was his pleasure to compliment NJ TRANSIT's managers on the good job they did recently in dealing with these emergencies and bringing service back as soon as they did. He said it appears that NJ TRANSIT's preparedness is improving, and they were delighted to see that happen.

Mr. Alan discussed the purchase of more dual-powered locomotives. He said with the estimates contained in the handout, it appears that the price will be about \$11 million per unit. Mr. Alan said Joe Clift estimated that the cost of the original order came out to \$12.1 million per unit. Mr. Alan said these were far costlier than conventional electric or diesel locomotives. He said they have seen these unique and expensive locomotives pulling trains, which run entirely in electrified territory and entirely in non-electrified territory, which means they were sometimes utilized when a far-less expensive unit could pull a train just as effectively.

Mr. Alan said they have called on management for years to generate a fleet plan and service plan and allow representatives of the riding public to review it and make suggestions for the most efficient use of NJ TRANSIT's locomotives, rail cars, and other assets. He said this has never happened, but they need such a plan now, more than ever. Mr. Alan does not think they can afford to spend \$11 million per unit, when substantially less-expensive locomotives could be purchased and used successfully. He said these expensive units will be convenient for management, but at a very high price. Mr. Alan believes purchasing more conventional locomotives and scheduling equipment judiciously will allow much more service for the same expenditure or less. He said they know the schedulers and planners and have confidence they can accomplish that objective.

Mr. Alan believes there are better uses for the money that could be saved by purchasing conventional locomotives. He believes putting the money towards new tunnels into Penn Station is the highest priority. Mr. Alan said there are also other projects that should be built like the Cutoff Project, light rail between Camden and Glassboro, and Hunter Flyover for the Raritan Line. He believes buying overly-expensive locomotives makes these and other projects less likely to be built. Mr. Alan said New Jersey will also need more vehicles to serve the increasing populations who depend on transit, and those who can't use regular transit and need special transportation.

Mr. Alan said the current government in Washington is not friendly to transit, as events this year have shown. He said the FTA grants under Section 5307 for capital improvements is limited. Mr. Alan believes NJ TRANSIT must make the best use of limited money, and there are better investments than unique, overly-expensive locomotives. He believes the operating side is in even worse financial condition, and hopes the new Trenton administration will see the operating side of NJ TRANSIT as a worthwhile place to spend more of the State's funds.

Mr. Alan complained the current practice of forcing representatives of the riding public to wait through the Board's closed session discourages them from exercising their First Amendment rights and prevents the Board from hearing valuable information that they

want to share. He believes this practice shows reckless disregard for them as people who could give valuable information, and gives the impression that they do not want to hear what they have to say. Mr. Alan hopes the new administration makes sure that they change that particular agenda practice. He said he had urgent business in Trenton so he could not stay through the Executive Session. Mr. Alan believes it would only be fair to them in the future, to not force them to make that sort of choice.

**Joseph Clift** talked about his recommendations for the Dual-Powered Locomotives which was outlined in his handout. He said this administration has one more Board meeting in January, which he assumes was moved to occur before the inauguration of the new administration. Mr. Clift asked the Board to table this action item because he does not think they have all of the necessary information to make a decision.

Mr. Clift asked everyone to look at the first three pages of his handout on the 2014 Commuter Rail Fleet Strategy put together by NJ TRANSIT. He noted on page two, there were no dual-powered locomotives planned to be acquired. Mr. Clift said there was a plan to overhaul the GP40s and the difference is \$11 million to buy new and about \$1 million to overhaul, which is about a \$170 million difference, and is very substantial.

Mr. Clift said there was not money in the Capital Program to allow for this because he looked at the 10-year outlook and it appears there was not enough money to buy the multi-level equipment. He believes someone else's project is going to be put off in order to pay the extra \$170 million. Mr. Clift recommended they go back and ask where this money is going to come from and what projects will be lost.

Mr. Clift said the Route 440 Extension does not have enough money in the 10-year Capital outlook now to build it and this is another \$150 million that is not available.

Mr. Clift said page three of his handout shows a tabulation of Locomotive Fleet compositions. Mr. Clift said page four of his handout shows an article from the internet about the Maryland MTA and their purchase of eight Siemens Charger diesel-electric locomotives which cost \$7.25 million. He said Amtrak is buying 32 or 33 of these, Brightline in Florida is purchasing 10, and NJ TRANSIT is buying eight which totals 51. Mr. Clift stated this was a viable alternative but this has not been looked at. He believes if NJ TRANSIT purchases these types of diesel-electric locomotives instead of dual-powered locomotives, they will save about \$65 million. Mr. Clift said they are already short on capital.

Mr. Clift noted the contract to purchase dual powered locomotives dates back to 2007 and asked if this option was there and whether it was still good 10 years later.

Mr. Clift said the euro declining against the dollar is the only reason why these locomotives cost only \$11 million and this doesn't include the additional \$1 million needed for the five-year overhauls of the valve jobs these locomotives need to meet the new EPA requirement.

Mr. Clift stated there was no need for the use beyond Long Branch or Dover going into diesel territory because NJ TRANSIT has 35 which are more than enough to run this service from Bay Head and they don't need more dual-powered locomotives. He said the dual-powered locomotives can only pull eight cars in diesel mode, which means leaving from Bay Head in the peak morning running into New York, two cars of people are unable to go in, putting them at risk of losing 25 percent of their capacity by using these diesel locomotives.

Mr. Clift doesn't see how legally NJ TRANSIT cannot look at competitive bidding. He said if they were going through the federal process, he doesn't see where this purchase would be qualified. Mr. Clift said Bombardier should take the exchange rate in their price tag, and he is not sure five percent is enough.

Mr. Clift said this was the first time NJ TRANSIT acknowledged in writing that they left 12 dual power locomotives from Bombardier in Sandy that had to be rebuilt. He asked whether NJ TRANSIT was compensating Bombardier. Mr. Clift suggested tabling the item until next month.

Board Secretary Zuczek noted there were some elected officials from Hoboken signed up to speak.

**Dawn Zimmer**, Mayor of Hoboken, stated she was at the meeting to discuss the purchase of the proposed Union Dry Dock Property on the Waterfront and lease to New York Waterway. She said she knows they have a tough job of trying to ensure scarce resources are spent as effectively as possible and in the best interest of the public. For this reason, she urged them to ask questions that need to be asked, evaluated, and answered with regards to NJ TRANSIT's proposed plans in Hoboken. Mayor Zimmer hopes they require questions to be fully answered before a decision is made by the Board for the proposed purchase of the Union Dry Dock property for the use of ferry maintenance.

Mayor Zimmer said the Union Dry Dock property, through their master planning process, has been envisioned since 2004 to become an open space by the people of Hoboken. She said as Mayor she supported this vision but recognized as long as Union Dry Dock was an iconic operating and ship repair business, it was not possible to acquire this property for open space until they ended their operations.

Mayor Zimmer said in 2012 former NJ TRANSIT Executive Director Weinstein made a public statement that NJ TRANSIT was not interested in acquiring the Union Dry Dock property and wrote a letter to the City of Hoboken making that position clear. She said unfortunately, without any notice to the City of Hoboken, it now appears that NJ TRANSIT has been involved in negotiations to purchase the property.

Mayor Zimmer asked if there has been a thorough investigation of the site. She said New York Waterway claims there have been feasibility studies, and asked if they have been provided to the Board so they can make an informed decision. Mayor Zimmer said they

were talking about the use of public resources for a private entity and it was important that a thorough evaluation of other sites was conducted. She said they have requested this analysis but have not received it from New York Waterway.

Mayor Zimmer was concerned whether this evaluation was even conducted because she learned from a Port Authority official that no analysis of their property in Bayonne had been conducted. She learned recently from Mayor Davis that he is eager to have a new ferry line and ferry maintenance facility. Mayor Zimmer believes Bayonne could be an option, and asked whether it was evaluated and if not, why not. She said this made her wonder whether this was a need to facilitate regional transportation or to boost the profits of New York Waterway.

Mayor Zimmer said there were still so many unanswered questions since NJ TRANSIT receives hundreds of millions of dollars per year in federal funding. She asked whether this acquisition was consistent with the National Environmental Policy Act. Mayor Zimmer asked whether NJ TRANSIT has been provided with an Environmental Impact Statement or an Environmental Assessment.

Mayor Zimmer said she was aware that this site may have serious lead issues and asked whether dredging would be required for this new use. She would also like to know how much this removal would cost if contaminated soil needs to be removed and said this needs to be considered. Mayor Zimmer asked how much New York Waterway was receiving from NJ TRANSIT and how much profit New York Waterway makes.

Mayor Zimmer said most importantly, she wanted to know what other alternatives have been explored in the best interest of the region. As she mentioned, they know Bayonne welcomes such a facility in their city and they also know that the Port Authority owns acres of Waterfront property in Bayonne. Mayor Zimmer believes this is important because the Port Authority's mission is to keep the regions commuters, travelers, and global shippers moving. She asked whether there have been conversations with the Port Authority about using their property which will be directly in line with their own mission, and whether there has been analysis about the economic developments and possibly expanding ferry services to Bayonne.

Mayor Zimmer hopes the Board will ensure that this decision is evaluated from what is in the best interest of NJ TRANSIT and the region, rather than just what is best for New York Waterway. She said the lack of transparency and communications and the incredible speed with which this was being rushed through makes her question if public resources and public dollars are being used wisely.

Mayor Zimmer said this was a highly unusual transaction for NJ TRANSIT and noted New York Waterway already owns the property. She asked whether NJ TRANSIT could provide any other examples of NJ TRANSIT entering into similar transactions. Mayor Zimmer asked if they could not, what was the justification for entering into this highly unusual transaction now, in haste, with no communication whatsoever to the City of Hoboken.

Mayor Zimmer said the City of Hoboken under her Administration, and the incoming Administration, was fully committed to acquiring the property for open space in their community now that it was no longer operating a boat repair business.

Mayor Zimmer was confident that the answers to these questions will be answered either voluntarily by New York Waterway or through the extensive legal process that is about to begin and will be fully supported by the people of Hoboken. She thanked the Board for giving her the opportunity to speak, asked that they hear other elected officials who will be speaking, and hopes they can hear from one Hoboken resident, Kristina Hahn, so they can be informed directly and understand from her perspective.

**Ravi Bhalla**, Hoboken Mayor Elect, wanted to underscore what Mayor Zimmer touched upon and the importance of the use of the Union Dry Dock property as open space, not just for the people and residents of Hoboken, but for the State of New Jersey as a whole. He said the 2004 Master Plan envisioned this property as open space, and when they say open space, they don't mean it just for Hoboken residents. Mayor Elect Bhalla said this is prime open space and the entire state has a historic opportunity to enjoy it.

Mayor Elect Bhalla said when they talk about infrastructure and mass transit the ferry system is an untapped option in terms of infrastructure since they have the Hudson River as a natural infrastructure to transport commuters to and from Manhattan. He believes on a regional level, there is enormous potential to utilize the ferry system as an option to get residents of New Jersey to and from Manhattan, especially when there is limited capacity through other forms of mass transit, specifically the bus and rail lines.

Mayor Elect Bhalla hopes sound policies are considered in determining what the right solution is, thinking in a holistic and forward thinking way of the years and decades to come. He said this thinking would not only be best for Hoboken, but for neighboring municipalities, the State, and the Region as a whole.

Mayor Elect Bhalla said there were stakeholders who have interest in this Union Dry Dock site and they were the private sector, New York Waterway, public sector, residents in Hoboken, Bayonne and other municipalities, the State of New Jersey, and the Port Authority. He believes it is incumbent upon interested parties to make an effort to come together and try to identify a solution that works not only for the residents of Hoboken but for the private entity they want to support as well. Mayor Elect Bhalla said there was an opportunity to identify an option or solution that works for New York Waterway, Hoboken, Bayonne, the Region, and the State as a whole. He respectively submitted that locating the ferry service and the maintenance at the Union Dry Dock was not in the best interest of the citizens of Hoboken and the Region, and he hopes they consider this in their decision in this process of identifying the proper approach.

**Tiffanie Fisher**, Hoboken City Council Member, said she has been a resident for 24 years, on the Council for two years, and has been involved in fighting for the waterfront, not at this particular site, but a more northern site that they continue to fight. She asked

NJ TRANSIT to work closely with all stakeholders. Ms. Fisher said she was not surprised NJ TRANSIT was interested in ferry service since the charter was expanded several years ago to look at ferry operations. She was also not surprised NJ TRANSIT was involved in acquiring the site because of the location.

Ms. Fisher said the site sits in the middle of parks and a residential area. She said 30 years ago it was a shambles when Union Dry Dock acquired the site. Ms. Fisher said the last 30 years, the Hoboken Government has worked tirelessly to create an end-to-end public park within the City of Hoboken.

Ms. Fisher said the existing Dry Dock operations use of the site was not as disruptive as the prospect of 30 ferries going in and out all day from 7:00 a.m. to midnight. She said the use was entirely different and was inconsistent with what the residents of Hoboken want and the areas that have developed the last three decades around the site.

Ms. Fisher said Bayonne was being considered. She said conversations have taken place between New Jersey Legislators, New York Waterway, NJ TRANSIT, and Port Authority of New York and New Jersey. Ms. Fisher said Bayonne wants more ferry service and they have talked about expanding bus service there to divert from the Port Authority Bus Terminal.

Ms. Fisher said New York Waterway wants to save \$3 million per year because it is cheaper for them and profits for their private company would go up. She said NJ TRANSIT already subsidizes New York Waterway. Ms. Fisher believes to continue to effectively support and subsidize would not be right at the expense of the local community. She asked that they take a look at alternatives along the waterfront and think strategically. Ms. Fisher asked that all stakeholders in the area be brought together. She said there are a number of sites along the Hudson River that they want to work closely to develop and they want another light rail at the north end of Hoboken. Ms. Fisher expressed her appreciation for the courtesy of allowing elected officials to speak at this point in the meeting.

### **Advisory Committee Report**

Suzanne Mack presented the Advisory Committee Report. She was pleased to see so many public officials at the meeting. Ms. Mack said on Friday, December 8, 2017, they had their joint North and South Jersey Transportation Advisory Committee Meeting in Trenton. She said they had excellent representation by NJ TRANSIT senior staff, in the middle of a train derailment, so the Advisory Committee was able to see firsthand the immediate and professional response which exhibited NJ TRANSIT's preparedness.

Ms. Mack said the Trenton Train Station turned into an emergency management center. She commended Executive Director Santoro and a lot of his staff for their rapid response. Ms. Mack said when there is a crisis, NJ TRANSIT puts the safety of all first. She believes the agency is in good hands with the leadership at the dais. Ms. Mack

said they saw the picture showing the seriousness of the freight derailment damage and it was amazing that service was back in three days.

Ms. Mack said the Advisory Committee focused on issues germane to both North and South Jersey. They have focused the last several years on Access Link. She said the lack of a cashless system has been a thorn in everyone's side. Ms. Mack said it is a good system but they need cashless options for all services. She said the inability to obtain a cashless system for Access Link has been challenging as an Advisory Committee. Ms. Mack commended Executive Director Santoro and his team because they were recently told there was a commitment to implementing a cashless system in 2018.

Ms. Mack thanked staff for making the trip to Trenton and field questions regarding operations and movement forward the next couple years. She noted the debate regarding dual power locomotives and said they give flexibility to the system. Ms. Mack said she is sure the Board looked at the costs.

Ms. Mack said she has followed the expansion of the Hudson-Bergen Light Rail. In 1992, she left Jersey City to start the Hudson County Transportation Management Association to implement the Hudson-Bergen Light Rail. Ms. Mack said it was a long time coming and Neal Fitzsimmons was the only one there who had worked on it with her. She said the extension was in the initial plan and they had always planned to go to the west side industrial spur.

Ms. Mack said the intention was always to link the growth on the gold coast and the State, and NJ TRANSIT service to the inner city as well. She said the initial phase ended on West Side Avenue across from the Board of Education. Ms. Mack said they always planned bridges but found the bridges were not able to support light rail so they were eliminated.

Ms. Mack said she was there when the Record of Decision (ROD) was signed for the existing Hudson-Bergen Light Rail. She believes the item is a significant step showing NJ TRANSIT's full support. Ms. Mack believes it is good news anytime they are able to expand light rail because it can spur economic development, jobs, and education. She said the Advisory Committees are pleased.

Ms. Mack said Senator Gordon's office asked the Committees to review a proposed bill discussing membership and transparency changes to NJ TRANSIT. She said since they were asked, the bill was introduced to the Assembly Committee. Ms. Mack said they will look closely and believe their experience will offer practical insight regarding the implementation of the bill. This will be their major item for January.

### **Senior Citizen and Disabled Resident Transportation Advisory Committee Report**

Maryann Mason presented the Senior Citizen and Disabled Resident Transportation Advisory Committee Report. She said this was her second time addressing the Board

as the Chairperson of the Senior Citizen and Disabled Resident Transportation Advisory Committee (SCDRTAC). Ms. Mason said she was grateful for the opportunity to speak about her visions and concerns.

Ms. Mason asked what has changed since she addressed the Board in July. She said neither the Governor nor the Legislature has put in place any stable source of funding for community transportation. Ms. Mason said the 23-cent gas tax increase was pouring money into the state coffers and the amount of this tax that was earmarked for community transportation projects is still zero.

Ms. Mason said the amount of community transit funding has dropped 53 percent since 2008 and counties are still struggling to make up that shortfall. Some of the County Freeholder Boards have made up the difference to maintain services. The less fortunate counties had to cut services. Somewhere along the line, even the counties that have stepped up in the past with additional funding will not be able to continue on that path. Community transit providers have been doing their part in exploring additional revenue streams with some limited success, such as on-vehicle advertising, partnering with Logisticare, looking for additional grant sources, accepting donations, and charging fares to help bridge the gap in funding.

Ms. Mason said the need for community transportation services was only growing throughout the state as more and more seniors were moving to areas outside of city limits with little or no access to public transportation. In her home county of Cape May, there is little public transportation available. More and more people are choosing to retire in areas like this from cities where they had good public transportation. They rely on the county system for their transportation needs as many of them do not drive. She said a more stable source of funding is required so that these systems throughout the state can continue their mission.

Ms. Mason said her predecessor, Mr. Thorpe, brought to the Board's attention the feasibility of studying the partnering of necessary NJ TRANSIT bus routes that are considered 'under-achievers' with community transit to operate all or a portion of these routes, at his last report in December 2016. She said this idea would provide cost savings for NJ TRANSIT and allow it to use the full-size bus on a route where it would be most needed. Ms. Mason said NJ TRANSIT would fund this at approximately 50 percent of the cost of running a full-size bus. She strongly urged the Board to consider this proposal.

Ms. Mason said her fingers were crossed for the results of the sports betting issue that's currently at the Supreme Court and her hope is that with a successful ruling and a new administration in Trenton, a fixed percentage of that anticipated income will be earmarked for community transportation funding.

Ms. Mason said another suggestion would be that the 21 County Coordinated Systems be part of the funding in the NJ TRANSIT Capital Replacement Budget as part of the

Transportation Trust Fund. She said they need to find solutions to their problems sooner, rather than later, as time is running out.

Ms. Mason said she is always available to discuss any of the issues she mentioned, at their convenience. The Committee meets on the fourth Monday of the month and she extended an invitation to all Board Members to attend one of the meetings, as their time permits. They would love to see the Board there. She thanked them for their time and consideration and wished everyone a very happy holiday season.

### **Board Customer Service Committee Report**

Board Member Castillo presented the report for the Customer Service Committee. The Customer Service Committee received a report on the Summer Rail Travel and Communications Survey Findings. Additionally, the Committee received a presentation regarding NJ TRANSIT Stations and Facilities: Place and Purpose in the Community.

The Committee also received a Customer Service Update and a report on the Social Media Dashboard. The report on the Social Media Dashboard included examples of improvements implemented into NJ TRANSIT's social media strategy to more proactively communicate with customers.

### **Board Administration Committee Report**

Board Member Finkle presented the report for the Administration Committee. The Administration Committee discussed the Board Items for the Healthcare Carrier and Prescription Drug Carrier Contract Extensions. Additionally, the Committee received a Financial Update.

### **Board Capital Planning, Policy, and Privatization Committee Report**

Chairman Hammer presented the report for the Capital Planning, Policy, and Privatization Committee. The Capital Planning, Policy and Privatization Committee discussed the board items for the: Purchase of Dual-Powered Passenger Locomotives and Consultant Services for Engineering Assistance; 2018 Capital Planning and Programs Task Order Consultant Contracts Program for Architectural/ Engineering and Bridge and Railway Engineering; Hudson-Bergen Light Rail Route 440 Extension: General Design Consultant for Preliminary Engineering Services; Maintenance, Support, and Upgrade of Customer Ticketing, Fare Payment and Collection Systems and Networks with Conduent Transport Solutions, Inc.; Settlement of Construction Litigation with DMR Construction Services; and Acquisition of 26.7 Acres of Open Land at the Koppers Koke Site.

### **Executive Director's Monthly Report**

Executive Director Santoro said on Monday, December 11, 2017, there was an attack beneath the Port Authority Bus Terminal (PABT). In the very early stages of this incident,

before the PABT was shut down, they pre-emptively began the process of cross honoring bus tickets and passes on rail and light rail.

When it was confirmed that the police response required the closure of the PABT, NJ TRANSIT's operating lines were ready to immediately implement their emergency procedures. Buses headed to New York were diverted to Secaucus or Newark Penn Station for connections to trains, while some bus routes were diverted to New York Waterway ferries and the Hoboken PATH station. Ferries and PATH were added to the cross honoring options.

Executive Director Santoro said these types of circumstances were why they have emergency plans laid out in advance. When the time came that these plans were needed, all of their operating lines knew how to execute them. These incidents also emphasize the critical nature of redundancies in trans-Hudson travel and the importance of the investments they have made in multi-modal facilities such as the bus lane improvements at Secaucus Junction.

In light of this incident, Executive Director Santoro reminded everyone to remain vigilant. He said if something does not seem right, do not hesitate to contact New Jersey Transit Police at 1-888-TIPS-NJT or texting a tip by sending a message to NJTPD which is 65873 on their phone.

Recently, Chief Trucillo testified to federal lawmakers in Trenton about the importance of federal transit security funding. Earlier this year, NJ TRANSIT was awarded \$16.3 million for the Transit Security Grant Program, which will provide much needed resources to support the safety and security of NJ TRANSIT's system, employees, customers and communities. They are grateful for this support and it is critical that it continue in the future, as security is something they cannot compromise on – as proven by this latest incident.

On Friday, December 9, 2017 when NJ TRANSIT received notice that a freight train had derailed on Conrail tracks near Union, which the Raritan Valley Line operates on, they again implemented their emergency procedures. Since the Raritan Valley Line was suspended between Newark Penn Station and Cranford, buses were assigned to provide service to Union, Roselle Park, and Cranford. Customer service ambassadors were deployed to Newark Penn Station to help customers locate the buses. They were able to safely transport all of their customers.

Executive Director Santoro thanked their customers for their patience and understanding during this incident. He also thanked all of NJ TRANSIT's employees who worked to keep customers moving and everyone at Conrail who had the tracks open for service in time for the Monday morning commute.

As the weather begins to turn colder, they begin to think about the upcoming winter season. But long before the first snowfall NJ TRANSIT has been preparing and inspecting the transit system statewide. And this year they have a new tool for rail customers in the

form of Severe Weather Schedules. They have created dedicated timetables, with some input from rail advocates, outlining two different levels of service for each of their rail lines, with the exception of the Atlantic City Rail Line, in the event that inclement weather limits their ability to safely and efficiently operate full weekday service.

During emergency situations, NJ TRANSIT will announce that trains are operating either on a Level 1 or Level 2 Severe Weather Schedule. Customers will then be able to utilize these new schedules in making informed decisions around their travel plans. On severe weather days which impact service, they will communicate available service through NJ TRANSIT's MyTransit alerts, website, and mobile app, as well as social media, station announcements, and through the media.

The severe weather schedules are now available for viewing and printing on NJ TRANSIT's website and printed versions are also available around the state at customer service offices, select stations, and terminals. Rail customers are encouraged to familiarize themselves with these Severe Weather Schedules in the event that conditions warrant their implementation.

In addition to the new Severe Weather Schedules, NJ TRANSIT's operating lines have been busy preparing equipment and facilities. More than 2,000 buses have been inspected. This includes checking engine fluids, windshield wipers, tires and doors. Hundreds of rail cars have had the heating systems, thermostats and weather stripping inspected. Switches on rail and light rail systems have also been inspected. They have hundreds of tons of salt on standby around the state to clear ice from platforms, sidewalks, and parking lots. And their two jet engine snow blowers used to clear rail switches in Hoboken and at the Meadows Maintenance Complex are ready to go.

On the agenda, an item for consideration was the purchase of 17 new dual powered locomotives. These locomotives will replace the aging fleet of GP-40 and F40s which are the oldest in the fleet - initially manufactured in the late 1960s. Purchasing these 17 ALP45 locomotives also provides efficiencies in areas such as maintenance, the stock of spare parts, and the ability to pull longer multilevel sets. In addition, the new ALP45s offer increased operational flexibility with their capability to run on all segments of NJ TRANSIT's rail system in either electric or diesel mode. Upgrading NJ TRANSIT's locomotive fleet was a critical step in maintaining reliable and efficient service moving forward.

NJ TRANSIT was nearing completion of an important safety upgrade for their rail fleet with the installation of both forward facing and inward facing video cameras on locomotives and cab cars. The forward facing cameras record events occurring in front of the train; while the inward facing cameras are focused on the actions of the engineer. The installation of both sets of cameras was more than 90-percent complete. This represents another step in an effort to continually find ways to raise the bar on safety.

On Tuesday, December 12, 2017, NJ TRANSIT held an industry outreach event in their continuing program to build a first-of-its-kind microgrid for rail service, called TransitGrid.

When complete, this project will maintain electrical power to critical portions of NJ TRANSIT's rail territory. The event brought together industry partners to inform them of the project's details and status. Not only were vendors educated on the different aspects of the project but the event also served as a networking opportunity for suppliers to work collaboratively. This project represents an exciting future for NJ TRANSIT to become more resilient to severe weather effects and maintain crucial transportation services in the harshest conditions or emergency situations.

The brave men and women of the New Jersey Transit Police Department genuinely care about the communities they live in and serve on a daily basis. Police Officer Victor Ortiz was honored last month for the bravery he displayed in August 2016. That day, he pulled a man off the tracks in Secaucus Junction, seconds before a train came through the station. Officer Ortiz was presented a Carnegie Medal Award by New Jersey Transit Police Chief Christopher Trucillo.

The award is given to those who risk their lives to an extraordinary degree saving or attempting to save the lives of others. Only 19 Carnegie Medals were awarded in the entire nation last year, and NJ TRANSIT is proud that their own Officer Ortiz was one of those recipients.

And yesterday, December 12, 2017, Police Officer Gary Denamen was named the New Jersey Crisis Intervention Team Law Enforcement Officer of the Year for his outreach efforts for at-risk individuals in Atlantic, Mercer and Camden counties. Officer Denamen has formed partnerships with social services, the business communities and government agencies to enhance collaborative efforts for the homeless and at-risk populations.

Executive Director Santoro was proud to say that these were just two members of the New Jersey Transit Police Department who day in and day out make a difference in their communities. There are many more. He was also pleased that both officers were there, so he asked Officers Ortiz and Denamen to stand. The audience gave the two officers a round of applause in recognition of their dedication and hard work.

Next month, upcoming Amtrak track work at Penn Station New York will impact select peak period train service along the Northeast Corridor and North Jersey Coast Line with minor service adjustments on other train lines through late May. NJ TRANSIT has already begun extensive communication efforts with their customers regarding these service impacts and will continue to do so through travel alerts, website, social media, station and on board announcements, the mobile app, and news outlets.

They encourage customers to familiarize themselves with these service adjustments prior to the January 8, 2018 start date. Information can be found on NJ TRANSIT's website, including online schedules which can be downloaded and printed. Printed schedules are also currently available at select rail stations and customer service offices.

Executive Director Santoro thanked NJ TRANSIT employees who took time away from their families during the Thanksgiving long weekend. It is always a busy time of the year

for traveling and he was pleased to report that they had a very successful weekend due in large part to their dedicated team of employees, some of whom volunteer as Ambassadors, assisting customers with their travel questions.

With Thanksgiving past, they turned their attention to the upcoming holidays. And what better way to start off the holiday season than with the annual Railmen for Children's Santa Train. On Friday December 1, 2017, more than 300 children had the train ride of a lifetime. They sang songs and had fun with clowns and of course had the chance to meet Santa himself and receive a present.

Executive Director Santoro had the privilege this year of riding a portion of the trip and saw what a spectacular job the Railmen for Children do. None of the magic they create would be possible without the hard work of the volunteers and the fundraising they conduct throughout the year. He applauded them for their effort and said the smiles on the children's faces were magical.

That wasn't the only visit Santa paid to NJ TRANSIT. On Saturday December 9, 2017, NJ TRANSIT staff and the staff of the River Line and the New Jersey Transit Police Department coordinated with the Ronald McDonald House of Southern New Jersey for a Polar Express train ride. More than 25 families who battle childhood ailments had a chance to escape into this holiday wonderland. The light rail traveled from the Waterfront Entertainment Center to Burlington South station and back. The light rail was decorated to recreate the children's book The Polar Express. There was music and food and of course St. Nick himself. It was another fantastic event and Executive Director Santoro was glad that NJ TRANSIT was able to play a role in lighting up the holidays for children.

NJ TRANSIT is planning to operate their traditional getaway service on trains and buses to begin the Christmas weekend on Friday, December 22, 2017. And additional bus and rail service will be provided on New Year's Eve, which falls on a Sunday, to accommodate partygoers in and out of New York for the ball drop festivities.

Executive Director Santoro wished everyone a healthy and happy holiday season.

### **Action Items**

**1712-53: DUAL-POWERED PASSENGER LOCOMOTIVES: PURCHASE OF 17 OPTION PASSENGER LOCOMOTIVES AND CONTRACT AMENDMENT FOR CONSULTANT SERVICES FOR ENGINEERING ASSISTANCE**

Executive Director Santoro introduced Eric Daleo, Assistant Executive Director, Capital Planning and Programs, who presented Action Item #1712-53 for approval.

Eric Daleo recommended approval of Item #1712-53, Dual-Powered Passenger Locomotives: Purchase of 17 Option Passenger Locomotives and Contract Amendment for Consultant Services for Engineering Assistance. Approval was

requested to exercise an option under the existing NJ TRANSIT Contract No. 07-062 with Bombardier Transit Corporation of Bensalem, Pennsylvania, for the purchase of 17 option dual-powered locomotives, including spare parts, at a cost not to exceed \$167,733,000, plus ten percent for contingencies (including fluctuations in the USD-EUR exchange rate that is out of NJ TRANSIT’s control), for a total contract authorization of \$184,506,300, subject to the availability of funds.

Approval was also requested to amend the professional services NJ TRANSIT Contract No. 05-098 with STV, Incorporated of New York, New York, for engineering assistance with the manufacture of the 17 option dual-powered locomotives at a cost not to exceed \$2,500,000, plus five percent for contingencies, for a total authorization of \$2,625,000, 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	Spinello	Longo	Castillo	Finkle	Greaves
Yes	Yes	Yes	Yes	Yes	Absent (Non-Voting Member)

**1712-54: EXTENSION OF HEALTHCARE CARRIER CONTRACT: HORIZON BLUE CROSS/BLUE SHIELD OF NEW JERSEY**

Executive Director Santoro introduced Michael Lihvarcik, Interim Chief Financial Officer and Treasurer, who presented Action Item #1712-54 for approval.

Michael Lihvarcik recommended approval of Item #1712-54, Extension of Healthcare Carrier Contract: Horizon Blue Cross/Blue Shield of New Jersey. Approval was requested to extend NJ TRANSIT Contract No. 10-120 with its current healthcare carrier, Horizon Blue Cross/Blue Shield of New Jersey, including Medical, Dental, Managed Mental Health and Flexible Spending administration, beginning January 1, 2018, to ensure continuation of coverage for NJ TRANSIT employees and retirees and eligible dependents with administrative costs through December 31, 2018 not to exceed \$5,600,000, 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	Spinello	Longo	Castillo	Finkle	Greaves
Yes	Yes	Yes	Yes	Yes	Absent (Non-Voting Member)

**1712-55: EXTENSION OF PRESCRIPTION DRUG CARRIER CONTRACT: EXPRESS SCRIPTS**

Executive Director Santoro introduced Michael Lihvarcik, Interim Chief Financial Officer and Treasurer, who presented Action Item #1712-55 for approval.

Michael Lihvarcik recommended approval of Item #1712-55, Extension of Prescription Drug Carrier Contract: Express Scripts. Approval was requested to extend NJ TRANSIT Contract No. 10-121 with its current prescription drug carrier, Express Scripts for a period of one year, beginning January 1, 2018, to ensure continuation of coverage for NJ TRANSIT with administrative costs through December 31, 2018 not to exceed \$167,000, subject to the availability of funds.

Board Member Flora M. Castillo moved the resolution, Board Member John Spinello seconded it, and it was unanimously adopted.

**Roll Call Vote:**

Hammer	Spinello	Longo	Castillo	Finkle	Greaves
Yes	Yes	Yes	Yes	Yes	Absent (Non-Voting Member)

**1712-56: 2018 CAPITAL PLANNING AND PROGRAMS TASK ORDER CONSULTANT CONTRACTS PROGRAM: ARCHITECTURAL/ ENGINEERING; AND BRIDGE AND RAILWAY ENGINEERING**

Executive Director Santoro introduced Eric Daleo, Assistant Executive Director, Capital Planning and Programs, who presented Action Item #1712-56 for approval.

Eric Daleo recommended approval of Item #1712-56, 2018 Capital Planning and Programs Task Order Consultant Contracts Program: Architectural/ Engineering; and Bridge and Railway Engineering. Approval was requested to enter into NJ TRANSIT Contract Nos. 16-037 through 16-038 with the firms shown in Exhibit A for Architectural/Engineering and Bridge and Railway Engineering. The total value of the 2018 Task Order Consultant Contracts Program, of which these contracts comprise Part 1 of Package Two is \$50,000,000. Each contract will extend for five years; the maximum task and contract limits for each discipline are shown in Exhibit B.

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	Spinello	Longo	Castillo	Finkle	Greaves
Yes	Yes	Yes	Yes	Yes	Absent (Non-Voting Member)

**1712-57: HUDSON-BERGEN LIGHT RAIL ROUTE 440 EXTENSION: GENERAL DESIGN CONSULTANT CONTRACT AMENDMENT FOR PRELIMINARY ENGINEERING SERVICES**

Executive Director Santoro introduced Eric Daleo, Assistant Executive Director, Capital Planning and Programs, who presented Action Item #1712-57 for approval.

Eric Daleo recommended approval of Item #1712-57, Hudson-Bergen Light Rail Route 440 Extension: General Design Consultant Contract Amendment for Preliminary Engineering Services. Approval was requested to amend NJ TRANSIT Contract No. 93CJ001 with WSP USA (formerly Parsons Brinckerhoff Quade & Douglas, Inc.) of Newark, New Jersey, in the amount of \$5,000,000 plus five percent for contingencies, to initiate preliminary engineering for the Hudson-Bergen Light Rail Route 440 Extension project through December 31, 2018. This authorization will bring the total contract authorization to \$156,085,785.

Chairman Richard T. Hammer moved the resolution, Board Member Flora M. Castillo seconded it, and it was unanimously adopted.

**Roll Call Vote:**

Hammer	Spinello	Longo	Castillo	Finkle	Greaves
Yes	Yes	Yes	Yes	Yes	Absent (Non-Voting Member)

**Executive Session Authorization**

At approximately 10:39 a.m., Chairman Hammer requested a motion to enter Executive Session to discuss personnel matters, contract negotiations, acquisition of real property with public funds, 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 Chanel Speed and the Settlement of Pending Litigation with DMR Construction Services, LLC.

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

**Return to Open Session**

Board Secretary Zuczek conducted a Roll Call as Board Members returned to Open Session. All Board Members returned to open session at approximately 1:04 p.m.

Board Member Finkle excused himself from the room because he was recused from voting on the next item.

**1712-58: MAINTENANCE, SUPPORT, AND UPGRADE OF CUSTOMER TICKETING, FARE PAYMENT AND COLLECTION SYSTEMS AND NETWORKS CONTRACT WITH CONDUENT TRANSPORT SOLUTIONS, INC.**

Executive Director Santoro introduced Michael Slack, Chief Information Officer, Office of Technology Services, who presented Action Item #1712-58 for approval.

Michael Slack recommended approval of Item #1712-58, Maintenance, Support, and Upgrade of Customer Ticketing, Fare Payment and Collection Systems and Networks Contract with Conduent Transport Solutions, Inc. Approval was requested to take all necessary steps to enter into a procurement-by-exception with Conduent Transport Solutions Inc. for the maintenance, support and upgrade of the fare collection and payment system, at an amount discussed in executive session. The proposed contract has two components: one that will provide uninterrupted maintenance, support and professional services to the current fare collection and payment system; and the second, upgrades to key NJ TRANSIT point of sale equipment and systems.

Board Member John Spinello moved the resolution and Board Member Anthony Longo seconded it.

Board Member Castillo asked for the timeline for the Access Link and operations implementation, and about the change in the DBE percentage in the contract. Mr. Slack said they will use the Trapeze product e-wallet to satisfy the Access Link payment issues discussed. He explained this was an account based system for Access Link customers, similar to E-Z Pass with value in an account they would draw from, and a credit card on file when funding was needed.

Board Member Castillo asked about the timeline for customers. Mr. Slack said it was about six months so by July 2018. He explained the bus side has an implementation schedule with the timeframe around June 2019. Mr. Slack explained one of the issues was installing onboard validators on buses. He explained it required taking the bus out of service to install the validators and they can only take so many out at a time.

Mr. Slack explained there was currently a three percent SBE commitment. However they had WBE involvement in the project even before the Board item that ranges anywhere from 10 to 17 percent.

Board Member Castillo asked Mr. Slack to address the TVM issue that was raised earlier about improving the customer experience. Mr. Slack said they looked at the statistics and maintenance for TVM 450 that was mentioned during the customer comment and there was nothing out of the ordinary. He said the second TVM at the site was fully functioning and as always they have multiple TVMs in case they have a malfunctioning machine so they have a backup.

Board Member Castillo asked how this contract would enhance that experience once implemented. Mr. Slack said part of what they will do in this next phase of the project is reengineering the TVM for additional fare collection options, including a fare card. He said the TVMs will be refaced and they will be able to get a fare card from the TVM, as well as add value, in dollars or product, to the card as they see fit.

The resolution was unanimously adopted.

**Roll Call Vote:**

Hammer	Spinello	Longo	Castillo	Finkle	Greaves
Yes	Yes	Yes	Yes	Recused	Absent (Non-Voting Member)

Board Member Finkle returned to the room.

**1712-59: PERSONAL INJURY CLAIM OF CHANEL SPEED**

Executive Director Santoro introduced Michael Lihvarcik, Interim Chief Financial Officer and Treasurer, who presented Action Item #1712-59 for approval.

Michael Lihvarcik recommended approval of Item #1712-59, Personal Injury Claim of Chanel Speed. Approval was requested to settle the claim of Chanel Speed through her attorney, at an amount discussed in executive session. The Attorney General has approved the proposed settlement, 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	Spinello	Longo	Castillo	Finkle	Greaves
Yes	Yes	Yes	Yes	Yes	Absent (Non-Voting Member)

**1712-60: SETTLEMENT OF PENDING LITIGATION WITH DMR CONSTRUCTION SERVICES, LLC**

Executive Director Santoro introduced Eric Daleo, Assistant Executive Director, Capital Planning and Programs, who presented Action Item #1712-60 for approval.

Eric Daleo recommended approval of Item #1712-60, Settlement of Pending Litigation with DMR Construction Services, LLC. Approval was requested to settle the matter filed by DMR Construction Services, LLC (“DMR”) of Waldwick, NJ against NJ TRANSIT in connection with its work on the construction of the Newark Light Rail Bloomfield Avenue and Davenport Avenue Stations ADA Improvements at a cost not to exceed an amount

discussed in executive session, subject to the availability of funds and the approval of the Attorney General’s Office.

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	Spinello	Longo	Castillo	Finkle	Greaves
Yes	Yes	Yes	Yes	Yes	Absent (Non-Voting Member)

**1712-61: AUTHORIZATION TO ACQUIRE 26.7 ACRES OF OPEN LAND AT THE KOPPERS KOKE SITE FROM HUDSON COUNTY IMPROVEMENT AUTHORITY AND TO ENTER INTO A RESOLUTION OF RELATED ISSUES AND BENEFITS - HUDSON COUNTY IMPROVEMENT AUTHORITY V. NEW JERSEY TRANSIT CORPORATION**

Executive Director Santoro introduced Eric Daleo, Assistant Executive Director, Capital Planning and Programs, who presented Action Item #1712-61 for approval.

Eric Daleo recommended approval of Item #1712-61, Authorization to Acquire 26.7 Acres of Open Land at the Koppers Koke Site from Hudson County Improvement Authority and to Enter into a Resolution of Related Issues and Benefits - Hudson County Improvement Authority v. New Jersey Transit Corporation. Approval was requested to take all necessary actions, including but not limited to the acquisition of 26.7 acres of open land at the Koppers Koke Site in the Town of Kearny in Hudson County, subject to reservations and supporting easements from HCIA, in accordance with the December 1, 2014 Consent Order resolving the Inverse Condemnation Action brought by HCIA against NJ TRANSIT, at an amount discussed in executive session, and payment of compensation at an amount discussed in executive session.

Approval was also requested to: (1) convey mitigating easements, as discussed in executive session; (2) agree to a monetary contribution for construction of a common road and other infrastructure and to have NJ TRANSIT construct certain utility improvements not to exceed an amount discussed in executive session; and (3) take all other actions consistent with the proposed settlement terms as discussed in executive session. The Attorney General has approved the proposed settlement.

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	Spinello	Longo	Castillo	Finkle	Greaves
Yes	Yes	Yes	Yes	Yes	Absent (Non-Voting Member)

**Public Comments on Other Matters**

There were 15 speakers on other matters. Board Secretary Zuczek reminded the speakers that if there were several speakers on the same topic, two speakers would have five minutes each to speak and all other speakers would have two minutes each.

**Orrin Getz** passed out another book to Chairman Hammer. He said LIRR gives these out at their meetings, there is a wealth of information for the public, and he would like to see something similar given out at the NJ TRANSIT Board meetings as well. In the future, Mr. Getz would like to see more helpful information included in Executive Director Santoro's Executive Director's Report to see how well the railroad is performing. He said the report that LIRR and Metro North provides has more information that is critical to the public about train delays and what causes the delays, which is what the public would like to know.

Also Mr. Getz passed out an article from the local newspaper that shows an excess of management personnel at NJ TRANSIT, which he believes is a serious problem and needs to be addressed by the Board. Mr. Getz said one thing that came out at the Metro North meeting was that 10 Metro North trains were cancelled in the recent month because of a lack of engineers, and he believes this is becoming a serious problem and NJ TRANSIT needs to address this so they don't have any future cancellations.

Mr. Getz stated there was also another article regarding the installation of the Positive Train Control (PTC) and he wants a good schedule of how NJ TRANSIT plans to meet its commitments. Also, he said there were articles referring to the Positive Train Control for Port Jervis and the Pascack Valley lines and it looks like there are possibilities of getting an extension until December 2020. Mr. Getz said Metro North has explained this but not NJ TRANSIT, and he thinks they need an explanation about PTC.

Mr. Getz said the Severe Winter Schedules NJ TRANSIT issued are a great idea, and they tell them how the railroad is going to operate during this time, but hours were based on Saturday weekend schedule. He said the Metro North trains don't run at the right times to be useful and he brought this up to Metro North and now was bringing it up to NJ TRANSIT. Mr. Getz said these train schedules need to be revised because they need express trains running during the severe weather conditions when the people can actually use them, which is crucial for people who need to get to work. He hopes that NJ TRANSIT will work with Metro North and come up with improvements to these schedules.

**Joseph Clift** echoed Orrin Getz, stating he would like to see a report in January on Positive Train Control (PTC) and their milestones and how NJ TRANSIT is doing. He said they should not wait until the very last minute to find out they are not on time. He wants a report the first month of each quarter to see how NJ TRANSIT is progressing.

Mr. Clift discussed the Severe Weather Schedules, stating the advocates who talk to NJ TRANSIT are really interested in more trains, not just a separate paper schedule. He said the only lines that have more trains than the Monday Washington's Birthday service is on the Montclair Line, which had nothing North of Bay Street. Mr. Clift said they need more and better service than just Monday Washington's Birthday Weekend service during severe weather.

Mr. Clift said with regards to Union Dry Dock, the \$3 million cost to travel to Bayonne and back profits New York Waterway. He believes having the boats close to Weehawken and Hoboken makes all the difference in the world. Mr. Clift noted that during the Monday, December 11, 2017 incident, there was a shortage of ferries. He said he heard more ferries were needed because a ton of people were brought to Hoboken and additional ferries were put right into service. Mr. Clift believes if the ferry was two hours away it would have made a big difference, not only on the monetary side but on the service side in the ability of New York Waterway to provide the extra service when needed. He stated when the Tunnel or Port Authority Bus Terminal is closed there is an advantage to having things close to Hoboken and Weehawken.

Mr. Clift said there is no price for the Hudson-Bergen Light Rail Route 440 Extension and if it is going to cost \$28 million for preliminary engineering then it is probably a \$300 million project. He said the Capital Program only has \$76 million for the next 10 years which suggests they are starting on the extension, but can't finish it for 10 years. Mr. Clift said NJ TRANSIT must come up with a way to plan it now and not have a ten year gap before it is built because a lot of problems may arise from this.

Mr. Clift asked why NJ TRANSIT extended the Horizon Blue Cross Blue Shield and Express Scripts contracts when there were no numbers to base this on. He believes this goes back to the procurement problems NJ TRANSIT is having and that the Board should not extend a contract without anything to base it on. Mr. Clift said the budgets for the last few years for healthcare costs have gone above budget which doesn't speak well for managing it and he was surprised this was voted for without a basis for it.

Mr. Clift said he heard a lot of buses were stuck in the tunnels on Monday, December 11, 2017. He didn't know if the planning includes bringing buses out of the tunnel and dropping people on the streets of New York somewhere below 40<sup>th</sup> Street. Mr. Clift thought this was a lot better than sending people to Hoboken to take a ferry.

Mr. Clift wants more transparency, which he does not believe is happening with the 17 Dual Powered Locomotives item. He said he asked for the June financials which he has not received to date. Mr. Clift said this was the first time he saw how much was spent to date buying the prior 35 locomotives. He said when a contract is approved, they never hear back whether the project was done on time or if it was under or over budget. Mr. Clift said this was missing transparency and this process needs to be fixed and communicated to the public.

Mr. Clift said this administration was coming to a close, these same issues will still exist, and it was a fiduciary responsible as a Board to be fully aware of what is going on and transparency is what is needed to do this.

Board Secretary Zuczek noted there were a number of speakers signed up to discuss Union Dry Dock, Arthur Imperatore and Kristina Hahn would each receive five minutes to speak, and all others would have two minutes each.

**Arthur Imperatore** stated he started the ferry in 1986 when no one thought it would work and it was known as Arthur's Folly. He said in spite of no operating subsidies from New Jersey, their service caught on and the key was the certainty of departure and arrival. Mr. Imperatore said their system has caught on up and down the river from Fort Lee throughout East Bergen, North Hudson and South Hudson, including Jersey City. They now have 17 terminals through which they move over 30,000 people a day. He said people will pay a small premium over the through costs of subsidized public transit for their service. Mr. Imperatore said they have loyal ridership dating back from the first week, 31 years ago.

Mr. Imperatore said their ferry system has become a public asset because of its history of reliable service, safety, and careful attention to detail by their people. He believes they are the best in their field. Mr. Imperatore said their system has created enormous value and increased property value in surrounding areas to each ferry terminal simply because of access to the ferry. He said their people are the key to their success. Mr. Imperatore said they were highly trained and disciplined, operating almost like a military organization. He said training for safety occurs almost constantly, considering their burden of responsibility to protect life and safety. Mr. Imperatore said their people are chosen carefully and follow their stringent rules in every way for customer's safety and enjoyable travel. He believes the key to their success was competence, commitment, and the loyalty of their employees.

Mr. Imperatore said they have moved several hundred million people without a fatality. He estimated they receive 1,000 compliments to every complaint and said every complaint is examined to the full for possible employee or corporate failure.

Mr. Imperatore said they have handled countless emergencies, including evacuation after the 1993 bombing of the World Trade Center, the 9/11 terrorist attack, the 2003 blackout, the US Airways Flight 1549 rescue, and countless breakdowns of the PATH system. He noted they were called on once again by NJ TRANSIT that week when a terrorist event took place in the Port Authority Bus Terminal (PABT) subway tunnel.

Mr. Imperatore said they operate in close partnership with NJ TRANSIT, serving every ancillary need, especially in emergency conditions. He believes the positioning and berthing of a central ferry base with fueling, dockage, and maintenance is essential to its timeliness to respond to any emergency and perform their daily routine. Mr. Imperatore said boat maintenance is highly demanding and refined. He said they have developed one of the finest maintenance staffs in the business and their relations with their team of people and their union representatives were excellent. Mr. Imperatore said the morale,

cooperation, and support are superb because of the feeling of communal involvement in their work of making 2,000 or more trips per day in commuter services and they are thankful for the support and loyalty of their customers.

Mr. Imperatore said the Union Dry Dock location had long been viewed by them and various leaders of NJ TRANSIT as the only logical, ideally positioned geographic location that is available to them. He said there were no other alternatives possible between Nyack, New York, and Bayonne, New Jersey. He said boat maintenance, dispatch, crew control, fueling, and all aspects of seamanship must be from central location and the Union Dry Dock location is the center of their operating map, equidistant to the north and south areas they serve. Mr. Imperatore said efficiency and control are essential for orderly dispatch on daily assignments, and moving boats into position for service can be very costly, time-consuming, and disruptive to the quality of their services, hence, they strive to create the most efficient conditions possible. He said the Union Dry Dock will afford them the opportunity to create a paradigm of a ferry maintenance base for decades to come.

Mr. Imperatore provided his written statement for the record which included the following two unread paragraphs.

Mr. Imperatore believes should ownership change by reason of the takeover of the property by NJ TRANSIT and the State of New Jersey, this will always serve as the most ideal and logical base between the Weehawken Ferry Terminal and the Hoboken Train Station. He believes this location will protect the long-term interests of the public, regardless of who the ferry operator is, thereby protecting the enormous public investment already having been made in those two trans-Hudson locations and the future of the trans-Hudson system. With the old Pennsylvania Railroad tunnels requiring repair and renovation, the need for new rail tunnels to be constructed and the need to rehabilitate and to increase the capacity of the PABT pose high uncertain potential disruptions to the constantly increasing need to service the growing demand for trans-Hudson commutation capacity. Ferries are the only alternative to provide a safety valve and this factor has been recognized by NJ TRANSIT for many years, along with the Port Authority of New York and New Jersey.

At this time they are strongly confirmed as a regional public asset, essential to the public interest, supplementing the public mass transit systems in place presently and as they may be later expanded. They have a team of perfectionist that come to work daily to do their best to uphold the highest traditions of customer service and safety and their record so speaks. Union Dry Dock is essential to its continuance.

**Ron Hine**, Executive Director of Fund for Better Waterfront in Hoboken, said they are big supporters of mass transit and the ferry system and they fully appreciate what's done for the whole Jersey side of the Hoboken Waterfront and fully support it. He said there are multiple points for why what New York Waterway is proposing does not belong at the Union Dry Dock side.

Mr. Hine said NJ TRANSIT and Hoboken have a long standing history and are joined at hip, with NJ TRANSIT owning 43 acres at the south end of Hoboken where the Hoboken Terminal and the rail yards are and 10 acres NJ TRANSIT is looking to develop with residential and commercial development. He said these acres are worth a tremendous amount of money to NJ TRANSIT, which requires the cooperation of the City to make this project happen.

Mr. Hine said the announcement in early November that New York Waterway had acquired Union Dry Dock and that NJ TRANSIT would enter into an agreement with New York Waterway for an option to purchase the site stunned Hoboken. He said the \$12 million that has been in NJ TRANSIT's budget since last June and the obviously intensive negotiations that have taken place between NJ TRANSIT and New York Waterway were not known to their Mayor, City Council, or anyone else in their community. Mr. Hine said it was incumbent upon NJ TRANSIT to engage in an open transparent process to resolve this issue, as their Mayor stated earlier.

Mr. Hine said it was also important to understand the transformation that has taken place in Hoboken. He said in the early 1970's and 1980's, Hoboken began a renaissance and properties were being renovated and developed which attracted new people. Mr. Hine said by the 1990's this all spread to the Hoboken Waterfront and today there are millions of new square footage of residential and commercial real estate at the north and south end.

Mr. Hine said his organization came up with the plan for the Hoboken Waterfront in 1990 and hired a planner who had a vision for what it could be and a central part of this was a continuous public park along the water's edge. Today they are almost in completion of this park with a few pieces missing, which include the Union Dry Dock. Mr. Hine said last July 2,100 people signed a petition stating this particular Union Dry Dock site should be made part of Hoboken's Waterfront Park which is an essential missing link that needs to be completed. He believes if the Union Dry Dock is used for the New York Waterway purpose, the opportunity to complete the public park would be destroyed.

Mr. Hine said a ferry refueling depot situated in this central part of their waterfront would create many problems, including diesel pollution from ferries making up to 80 trips a day, 7-days a week, from 6:00 am until 12:00 pm at night. He said this is a few blocks away from several thousands of residential units, right down from the Campus of Steven's Institute, and is simply the wrong location for this type of operation. Mr. Hine said this also exposes the opportunity for spillage and pumping sanitary waste waters that would degrade their marine habitat that has made a tremendous come back recently; not to mention the recreational use thousands of residents and visitors enjoy.

**Dominic Taibbi**, Directing Business Representative for District 15 of the International Association of Machinists and Aerospace Workers, covers the New York and New Jersey areas. He supports New York Waterway's use of their property that was formerly known as Union Dry Dock, which was also represented by his union for many years, as a new facility for ferry maintenance.

Mr. Taibbi said New York Waterway has long been a partner with labor in both the New York and New Jersey areas providing employment with great pay and benefits to members of his union and other labor organizations. He said New York Waterway provides an important service to thousands of New Jersey and New York commuters every day that gives both fast and economical service and safe transport to and from work destinations. Mr. Taibbi said the utilization of this proposed new facility will create sorely needed new jobs for New Jersey and New York and also provide New York Waterway a new avenue to improve its service to the community. They feel this particular location would serve a much better purpose for thousands of New Jersey and New York commuters through its use as a ferry maintenance facility.

**Marshall Tycher**, Chairman of Roseland Residential Trust, a division of Mack-Cali, said they are the developers for the Port Imperial Project and have been so for the last 20 plus years. He said they master planned this property in the late 1990s and since 2006 they have sold the subject property to Lennar Homes, a current homebuilder on the waterfront. Mr. Tycher said they have allowed the Waterway to continue operating an interim maintenance facility in front of the Lennar Project in Port Imperial Weehawken. He said as a master developer, it has been within their discretion to allow that to continue over the years until Lennar actually needed the property.

Mr. Tycher said up to now, there has been a seamless operation for ferry maintenance but never ideally located for New York Waterway. He said it has always been a Waterways play to move this farther south to be centrally located between Jersey City and Edgewater, where the primary part of their business operates. Mr. Tycher said at this time Lennar Homes finished all development north of this site so they were now down to this property and it was an urgent matter in front of this Board to make a decision whether to assist in relocating the maintenance facility. He said there is no upland property available to New York Waterway at this spot. Mr. Tycher said this was always intended to be a residential development within 30 feet of the walkway currently running north and south of the property. He said they strongly urge the Board to act expeditiously since the ability to access the interim maintenance facility will be disappearing in late summer, and it was important that the facility be relocated to the right location. Mr. Tycher said they strongly support this and Union Dry Dock and New York Waterway has been trying to acquire this property for almost 15 years.

**Joseph Sovesi**, East Coast Vice President of the Seafarers International Union, has represented all New York Waterway captains and deckhands since they have been in operation in 1986. He said the proper and professional maintenance, fueling, and berthing of ferry boats is essential to a safe, reliable, efficient operation. Mr. Sovesi said it needs to be centrally located with sufficient water depths, piers, and enough room on land with the storage of equipment, parts and other materials as well as proper locker rooms and break rooms.

Mr. Sovesi believes there is no better location for such an operation than the Union Dry Dock property. He said it has all the requirements for a safe and efficient shipyard.

Mr. Sovesi said it is the only existing shipyard on the Hudson River between Nyack and Bayonne and has been a dry dock since 1887. He said it has been suggested that this operation could be moved to Bayonne or Staten Island. Mr. Sovesi said moving the ferry operation to these locations make no sense since they are completely removed from the routes where the boats operate and would add needless costs to their fueling and emergency repairs.

Mr. Sovesi questioned why they would have the fleet so far away if they expect them to respond to PATH outages, shutdown train or bus service, or tunnels issues. He noted that week there was a shutdown of Port Authority Bus Terminal as a result of the bombing. Mr. Sovesi said the residents of North Hoboken lost their regular bus service and New York Waterway had an extra boat dispatched to them from Weehawken within minutes. He said it would have taken more than an hour if that boat had to go from Bayonne. He said from an emergency response point of view, this would make no sense whatsoever. Mr. Sovesi said moving this entire workforce to a remote location to dispatch would also dislocate the entire workforce. He questioned how they would get to their jobs in Bayonne or Staten Island.

Mr. Sovesi said NJ TRANSIT has a mission to provide a reliable transportation system for the state and ferries are now an essential part of that system. He asked that they give the ferry system an adequate and centrally located maintenance facility.

**Michael Everett** has been a tour guide in New York Harbor for 18 years. He started with New York Waterway as a tour guide in 2000. Mr. Everett said in 2001, they were first responders to the World Trade Center for approximately 48 hours. In 2003, after the blackout, they were the first one there and they worked almost a full 24 hours to get people off the island. Mr. Everett said they rescued 155 people from the water off U.S. Airways Flight 1549. He said it was 17 degree Fahrenheit and it would not have been possible without New York Waterway being on the scene in that location.

Mr. Everett understands the use of Union Dry Dock is under contention with eminent domain. He said eminent domain is supposed to protect we the people instead of me the people. Mr. Everett said Hoboken has almost 30 parks of its own and the area along the waterfront is a perfect location for these boats. He noted people do not want to hear the sirens from a fire house but they want them near when there is a fire. Mr. Everett said New York Waterway does not have to be called to be there, they have been there ever since. He said he no longer works for New York Waterway and is now an independent tour guide. Mr. Everett said he knows New York Harbor and this was a good deal.

**Leslie Florio** is a resident of Hoboken and daily user of the waterfront park area. She echoed all thoughts already presented by elected officials. Ms. Florio discussed how the area is used by children at two playgrounds, joggers, bicyclists, pets, paddle boaters, kayakers, and skateboarders and used for picnics and getting sun on the beach. She noted the area has the Hoboken Cove, two schools, college dorms, homes, Castle Point, and Maxwell Place.

Ms. Florio questioned investing \$11.5 million for a ferry refueling storage facility in the middle of the waterfront. She asked NJ TRANSIT to think seriously about what happens at that location. Ms. Florio asked that they consider the environmental impact and safety of all who live near the property.

Ms. Florio said the ferry service is very important. She asked that they work collaboratively with New York Waterway and Hoboken to identify a more suitable location, not in the midst of a residential and cherished recreational area. Ms. Florio said they appreciate the ferry service as an important segment of mixed transportation options and they are not anti-ferry. She thinks it is the wrong industrial operation in the wrong place.

Ms. Florio said there was no comparison between what this maintenance facility would be to what has been happening with Union Dry Dock, which is a sleepy operation that occasionally has a barge or crane in. She said that contrasts dramatically with what they expect in this location if used as a maintenance facility.

Ms. Florio said she was appalled by New York Waterway's attempt to obtain a provisional permit by saying the use would be much as it has been since 1982. She said that application has since been withdrawn. Ms. Florio said this underscores the need for a transparent open rational process with the opportunity to obtain input from all sides.

Ms. Florio said this should not start before the appropriate environmental process. She said the Hudson River has improved dramatically but the traffic on that side is a disaster. Ms. Florio said Sinatra Drive is like a parking lot and this would lead to a more dangerous situation and more traffic. Ms. Florio said Hoboken residents see the continuing waterfront as an asset and treasure that makes Hoboken what it is, and asked the Board to take a close look.

**Armand Pohan**, Chair of New York Waterway, said as a result of the terrorist bombing in New York City on Monday, December 11, 2017, 740 additional people were cross honored north of Hoboken Ferry Terminal at NJ TRANSIT's request. He said this would have overwhelmed the existing boat service they run but because of the proximity of the extra equipment, they were able get boats to them, Weehawken, and Edgewater. Mr. Pohan said if the equipment had been in Bayonne, it would have been a much different story.

Mr. Pohan said asking them to move the facility to Bayonne is like asking the Hoboken fire house to be in Bayonne. He said they would not be available for emergency service if they were located at the far end of operations. Mr. Pohan said Union Dry Dock is at the center/core of their existing ferry terminals and Bayonne is way down outside any route running in the harbor. He said it would add 220 miles per day to their operation on weekdays, costing \$9,000 per day, with additional costs on weekends.

Mr. Pohan said the Hoboken 2004 Master Plan and 2010 Reexamination has an open space plan with more than 20 existing parks and more than 20 proposed open space sites, but none of the locations identified are the Union Dry Dock property. He said to this day, the property is not on a Hoboken Open Space Plan, contrary to what Mayor Zimmer said.

**Noelle Thurlow** runs a paddleboard and kayak guide service in the Union Dry Dock area. She said she provides children's programs for ages one through college. They provide programs including paddling and environmental education for families. Ms. Thurlow said this protected area near a sandy beach park was very important for the programs they run. She said they have had good relations with the Union Dry Dock workers, who have been respectful and friendly to the children.

Ms. Thurlow said there has been little motorized vessel traffic and New York Waterway use would increase traffic, put children and adults at risk, and possibly consider cancelling the programs. She said the estimated 80 ferries in and out of the site would increase the human risk for those paying in the water.

Ms. Thurlow said they are trying to bring the children to the water to build a connection to the Hudson River so they become stewards of the river. She said they work to increase STEM education for children of color to one day become engineers. Ms. Thurlow noted they have identified seven species in the water. She asked NJ TRANSIT to conduct a full environmental study of the area to consider the impact of New York Waterway's use of this site for a maintenance facility on the recreational boating and education for children.

**Jon Miller**, President of the Hoboken Cove Community Boathouse, expressed concerns about New York Waterway operating out of the Union Dry Dock site. He said they have 6,000 families during the season and a number during the winter. They have a continuous operation for human powered kayaks and paddleboats. Mr. Miller said they guide families with children averaging age two to six, and as young as infants.

Mr. Miller said Union Dry Dock has been a good, sleepy neighbor with little traffic for eight years. He asked NJ TRANSIT to consider the impact of the New York Waterway maintenance facility in this location. Mr. Miller said they have a quiet sandy beach that is frequented by the community, which sometimes includes swimmers. He asked that NJ TRANSIT consider the impact of this type of continual use in this quiet area with a community that is increasingly becoming larger.

**Tiffany Fisher**, Second Ward Councilwoman for Hoboken, said they were speaking at the Board meeting because NJ TRANSIT was involved in this transaction, not just New York Waterway with Union Dry Dock. Councilwoman Fisher said NJ TRANSIT worked with Hoboken and had important conversations in the past but that did not happen this time. She encouraged NJ TRANSIT to work with the stakeholders and consider the fit for the entire waterfront. Councilwoman Fisher also noted emergency services involve two boats, and said New York Waterway stores boats up and down the river and do not

need a maintenance facility to store these boats. She said the maintenance facility can be separated and the boats stored in other areas where they already store boats.

**Kin Gee**, spoke on behalf of RAGE to provide an update on JCP&L's proposal to build a 230,000-volt transmission line from Aberdeen to Red Bank in Monmouth County, using NJ TRANSIT's right-of-way. Mr. Gee said the formal hearing was over. Post hearing briefs were filed in October. Responses were filed by all parties on November 13, 2017. However, in its response brief, JCP&L attempted to re-introduce evidence that was stricken from the record by the judge. As a result, the judge issued an order requiring all parties to conform their briefs to her previous order regarding stricken evidence and to refile their briefs by December 15, 2017. The record for the legal proceeding will then be closed and the judge will have until January 30, 2018 to make her decision.

Mr. Gee said regardless of the judge's decision, it was very important to note that First Energy, JCP&L's corporate parent based in Ohio, is a for profit corporation, owned by shareholders and traded on the New York Stock Exchange. At the hearing, under cross examination, JCP&L testified that it doesn't budget for routine maintenance or upgrade but, instead, only set aside a certain amount of money for when things go bad and need repair or replacement. Contrast this with the fact that First Energy has identified over \$15 billion of new transmission projects for the next several years. First Energy's CEO has publicly stated that its future strategy is based on transmission business and that it expects that these transmission projects will provide significant growth of revenue to the corporation. This was all due to financial incentives that the Federal Energy Regulatory Commission has in place since the cascading blackouts that occurred in 2003.

Mr. Gee said elected officials including New Jersey State Senators and Assemblymen have indicated that JCP&L had misrepresented to them about the need for the project. He said they caught JCP&L filing for this project under a pretext, motivated by greed and not at all interested in exploring alternatives except wanting to build a new transmission line.

Mr. Gee said up until recently, Murray Bodin has appeared before this Board to make public comments regarding Positive Train Control (PTC) and asked the question: "How do you stop a bad decision from moving forward?" Mr. Gee said with respect to PTC, it was not clear what options NJ TRANSIT has since it was a federal mandate. However, he said the decision regarding JCP&L's request to use NJ TRANSIT's right-of way for this transmission project was completely within NJ TRANSIT's control. Mr. Gee said this request was a non-railroad use of NJ TRANSIT's right-of-way. He noted this was not core to NJ TRANSIT's mission of providing safe, reliable and convenient transportation service in the public interest.

Mr. Gee said JCP&L filed the need for this project under a pretext. He said even if they ignore: (1) the huge public outcry, with more than 3,000 people were at the second public hearing, (2) the detrimental effects to the communities affected, and (3) the hit to the economy due to the triple whammy of the project, NJ TRANSIT will have most of the downside for this project with very little upside.

Mr. Gee said this transmission proposal will introduce new risks such as down wires, down poles, interference with electrical signals, an attractive terrorist target, bad scenarios in the event of a derailment, public health risks from exposure to EMF to NJ TRANSIT employees and riders, and will severely restrict NJ TRANSIT's ability to expand and/or modernize the railroad operations in the future.

Mr. Gee said NJ TRANSIT faces a lot operational challenges in its core business and they don't need or shouldn't want a transmission project like this. He said a year ago former Vice Chairman Bruce Meisel said that he believes the project is the most unworthy project he has seen in his entire history practicing law. Mr. Gee urged the Board again to say no to JCP&L and not allow them the use of NJ TRANSIT's right-of-way.

**Russell Graddy** said he has been attending these Board meetings for a year. He said there has been a little movement but not nearly enough. Mr. Graddy thanked Executive Director Santoro for recognizing veterans last month. He said he stood up as a proud veteran of the Korean War. Mr. Graddy said when he entered the war, he was told he was fighting to maintain freedom, fairness, and justice for all in the country.

Mr. Graddy said he ran a successful business and his biggest mistake was when he engaged in business with NJ TRANSIT through a Request for Proposals. He said he beat the others but NJ TRANSIT did not want him there. Mr. Graddy said he appreciated the Executive Director asking for an investigation a year ago. He believes the investigation would show he was not treated fairly.

Mr. Graddy said he was well off before he met NJ TRANSIT. He said when NJ TRANSIT first purchased the Atlantic City Bus Station, he was already there and was informed NJ TRANSIT would do construction and would let him know what to do. Mr. Graddy said the next time he heard from NJ TRANSIT they were ready to go to the Board with a proposal for Roy Rogers to be a tenant there. He said he did not have a chance to bid and he was able to obtain a chance to bid through Assemblyperson Dolores Cooper.

Mr. Graddy said he won the bid but NJ TRANSIT did not want him there so they made his life hell. He said he had been in business 45 years before that and was very successful and well off. Mr. Graddy said when NJ TRANSIT came along, they made his life hell and he had to sell properties to exist so his family is not anywhere near what they had.

Mr. Graddy appreciates the Board listening to his story and said the needle has moved a little but not enough. He noted a new administration was coming in and said he and his supporters were not going anywhere.

### **Adjournment**

Since there were no further comments or business, Chairman Hammer called for adjournment and a motion to adjourn was made by Board Member James C. Finkle Jr.,

seconded by Board Member Flora M. Castillo, and unanimously adopted. The meetings were adjourned at approximately 2:14 p.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**

DECEMBER 13, 2017

**MINUTES**

	<b>PAGE</b>
➤ <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>51669</b>
➤ <b>PUBLIC COMMENTS ON AGENDA ACTION ITEMS ONLY</b>	-
➤ <b>ADVISORY COMMITTEE REPORT</b>	-
➤ <b>SENIOR CITIZEN AND DISABLED RESIDENT TRANSPORTATION ADVISORY COMMITTEE REPORT</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>51670</b>

**ACTION ITEMS**

<b>1712-53</b>	<b>DUAL-POWERED PASSENGER LOCOMOTIVES: PURCHASE OF 17 OPTION PASSENGER LOCOMOTIVES AND CONTRACT AMENDMENT FOR CONSULTANT SERVICES FOR ENGINEERING ASSISTANCE</b>	<b>51692</b>
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Authorization to exercise an option under the existing NJ TRANSIT Contract No. 07-062 with Bombardier Transit Corporation of Bensalem, Pennsylvania, for the purchase of 17 option dual-powered locomotives, including spare parts, at a cost not to exceed \$167,733,000, plus ten percent for contingencies (including fluctuations in the USD-EUR exchange rate that is out of NJ TRANSIT's control), for a total contract authorization of \$184,506,300, subject to the availability of funds.

Authorization to amend the professional services NJ TRANSIT Contract No. 05-098 with STV, Incorporated of New York, New York, for engineering assistance with the manufacture of the 17 option dual-powered locomotives at a cost not to exceed \$2,500,000, plus five percent for contingencies, for a total authorization of \$2,625,000, subject to the availability of funds.

**1712-54 EXTENSION OF HEALTHCARE CARRIER CONTRACT: HORIZON BLUE CROSS/BLUE SHIELD OF NEW JERSEY 51699**

Authorization to extend NJ TRANSIT Contract No. 10-120 with its current healthcare carrier, Horizon Blue Cross/Blue Shield of New Jersey, including Medical, Dental, Managed Mental Health and Flexible Spending administration, beginning January 1, 2018, to ensure continuation of coverage for NJ TRANSIT employees and retirees and eligible dependents with administrative costs through December 31, 2018 not to exceed \$5,600,000, subject to the availability of funds.

**1712-55 EXTENSION OF PRESCRIPTION DRUG CARRIER CONTRACT: EXPRESS SCRIPTS 51702**

Authorization to extend NJ TRANSIT Contract No. 10-121 with its current prescription drug carrier, Express Scripts for a period of one year, beginning January 1, 2018, to ensure continuation of coverage for NJ TRANSIT with administrative costs through December 31, 2018 not to exceed \$167,000, subject to the availability of funds.

**1712-56 2018 CAPITAL PLANNING AND PROGRAMS TASK ORDER CONSULTANT CONTRACTS PROGRAM: ARCHITECTURAL/ ENGINEERING; AND BRIDGE AND RAILWAY ENGINEERING 51705**

Authorization to enter into NJ TRANSIT Contract Nos. 16-037 through 16-038 with the firms shown in Exhibit A for Architectural/Engineering and Bridge and Railway Engineering. The total value of the 2018 Task Order Consultant Contracts Program, of which these contracts comprise Part 1 of Package Two is \$50,000,000. Each contract will extend for five years; the maximum task and contract limits for each discipline are shown in Exhibit B.

**1712-57 HUDSON-BERGEN LIGHT RAIL ROUTE 440 EXTENSION: GENERAL DESIGN CONSULTANT CONTRACT AMENDMENT FOR PRELIMINARY ENGINEERING SERVICES 51715**

Authorization to amend NJ TRANSIT Contract No. 93CJ001 with WSP USA (formerly Parsons Brinckerhoff Quade & Douglas, Inc.) of Newark, New Jersey, in the amount of \$5,000,000 plus five percent for contingencies, to initiate preliminary engineering for the Hudson-Bergen Light Rail Route 440 Extension project through December 31, 2018. This authorization will bring the total contract authorization to \$156,085,785.

**EXECUTIVE SESSION AUTHORIZATION:** Discuss personnel matters, contract negotiations, acquisition of real property with public funds, 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 Chanel Speed and the Settlement of Pending Litigation with DMR Construction Services, LLC. **51724**

**1712-58 MAINTENANCE, SUPPORT, AND UPGRADE OF CUSTOMER TICKETING, FARE PAYMENT AND COLLECTION SYSTEMS AND NETWORKS CONTRACT WITH CONDUENT TRANSPORT SOLUTIONS, INC. 51725**

Authorization to take all necessary steps to enter into a procurement-by-exception with Conduent Transport Solutions Inc. for the maintenance, support and upgrade of the fare collection and payment system, at an amount discussed in executive session. The proposed contract has two components: one that will provide uninterrupted maintenance, support and professional services to the current fare collection and payment system; and the second, upgrades to key NJ TRANSIT point of sale equipment and systems.

**1712-59 PERSONAL INJURY CLAIM OF CHANEL SPEED 51728**

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

**1712-60 SETTLEMENT OF PENDING LITIGATION WITH DMR CONSTRUCTION SERVICES, LLC 51730**

Authorization to settle the matter filed by DMR Construction Services, LLC ("DMR") of Waldwick, NJ against NJ TRANSIT in connection with its work on the construction of the Newark Light Rail Bloomfield Avenue and Davenport Avenue Stations ADA Improvements at a cost not to exceed an amount discussed in executive session, subject to the availability of funds and the approval of the Attorney General's Office.

**1712-61 AUTHORIZATION TO ACQUIRE 26.7 ACRES OF OPEN LAND AT THE KOPPERS KOKE SITE FROM HUDSON COUNTY IMPROVEMENT AUTHORITY AND TO ENTER INTO A RESOLUTION OF RELATED ISSUES AND BENEFITS - HUDSON COUNTY IMPROVEMENT AUTHORITY V. NEW JERSEY TRANSIT CORPORATION 51733**

Authorization to take all necessary actions, including but not limited to the acquisition of 26.7 acres of open land at the Koppers Koke Site in the Town of Kearny in Hudson County, subject to reservations and supporting easements from HCIA, in accordance with the December 1, 2014 Consent Order resolving the Inverse Condemnation Action brought by HCIA against NJ TRANSIT, at an

amount discussed in executive session, and payment of compensation at an amount discussed in executive session.

Authorization to: (1) convey mitigating easements, as discussed in executive session; (2) agree to a monetary contribution for construction of a common road and other infrastructure and to have NJ TRANSIT construct certain utility improvements not to exceed an amount discussed in executive session; and (3) take all other actions consistent with the proposed settlement terms as discussed in executive session. The Attorney General has approved the proposed settlement.

➤ **PUBLIC COMMENTS ON OTHER MATTERS**

➤ **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 November 6, 2017 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 November 10, 2017;

**NOW, THEREFORE, BE IT RESOLVED** that the minutes of actions taken at the November 6, 2017 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, Commissioner  
Steven H. Santoro, Executive Director

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

TO: BOARD OF DIRECTORS  
FROM: STEVEN H. SANTORO   
DATE: DECEMBER 13, 2017  
SUBJECT: EXECUTIVE DIRECTOR'S REPORT – DECEMBER 2017

This past Monday, there was an attack beneath the Port Authority Bus Terminal. In the very early stages of this incident, before the PABT was shut down, we preemptively began the process of cross-honoring bus tickets and passes on rail and light rail. When it was confirmed that the police response required the closure of the PABT, our operating lines were ready to immediately implement our emergency procedures. Buses headed to New York were diverted to Secaucus or Newark Penn Station for connections to trains, while some bus routes were diverted to NY Waterway ferries and the Hoboken PATH station. Ferries and PATH were added to the cross-honoring options. It's these types of circumstances why we have emergency plans laid out in advance. When the time comes that these plans are needed, all of our operating lines know how to execute. These incidents also emphasize the critical nature of redundancies in trans-Hudson travel and the importance of the investments we've made in multi-modal facilities such as the bus lane improvements at Secaucus Junction.

Recently, Chief Trucillo testified to federal lawmakers in Trenton about the importance of federal transit security funding. Earlier this year, NJ TRANSIT was awarded \$16.3 million for the Transit Security Grant Program, which will provide much needed resources to support the safety and security of our system, employees, customers and communities. We are grateful for this support, and it is critical that financial assistance continue in the future, as security is something we cannot compromise on, as proven by this latest incident. It's also timely to remind all of our customers that you are the "eyes and ears" of NJ TRANSIT – if you see something, say something. You can text your tip to NJTPD (65873), or call 1-888-TIPS-NJT (1-888-847-7658).

Last Friday, when we received notice that a freight train had derailed on Conrail tracks near Union, which the Raritan Valley Line operates on, we again implemented our emergency procedures. Buses were assigned to provide service to Union, Roselle Park and Cranford. Our customer service ambassadors were deployed to Newark Penn Station to assist customers, and we were able to safely transport all of our customers. I want to thank our customers for their patience and understanding during this incident. I also want to thank all of our employees who worked to keep customers moving and informed and also everyone at Conrail who had the tracks open for service in time for the Monday morning commute.

This winter we have a new tool for rail customers in the form of Severe Weather schedules. We have created dedicated timetables, with input from our rail advocates, outlining two different levels of service for each of our rail lines, with the exception of the Atlantic City Rail line, in the event that inclement weather limits our ability to safely and efficiently operate our full weekday service. During emergency situations, we will announce whether trains are operating either on a Level 1 or Level 2 Severe Weather Schedule. Our customers will then be able to utilize these new schedules to make an informed decision around their travel plans.

On the agenda today, we have an item for the purchase of 17 new dual powered locomotives. These locomotives will replace the aging fleet of GP-40 and F40s which are the oldest in the fleet, initially manufactured in the late 1960s. The new ALP45s offer increased operational flexibility with their capability to run on all segments of our rail system in either electric or diesel mode. Upgrading our locomotive fleet is a critical step in maintaining reliable and efficient service moving forward.

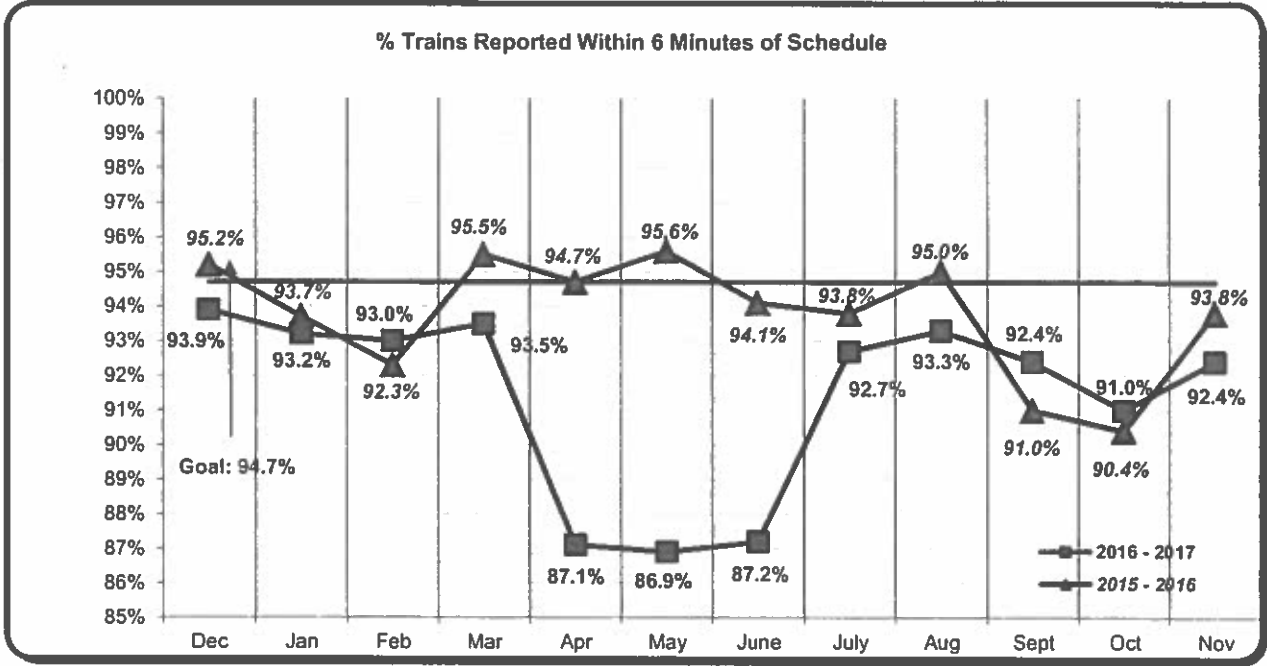
Yesterday, we held an industry outreach event in our continuing program to build a first-of-its-kind microgrid for rail service, which we call TransitGrid. When complete, this project will maintain electrical power to critical portions of our rail territory. The event brought together industry partners to inform them of the project's details and status. This project represents an exciting future for NJ TRANSIT to become more resilient to severe weather effects and maintain crucial transportation services in the harshest conditions or emergency situations.

# **EXECUTIVE DIRECTOR'S MONTHLY REPORT DECEMBER 2017**

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

# **PERFORMANCE MEASURES**

# NJ TRANSIT ON-TIME PERFORMANCE RAIL DECEMBER 2015 - NOVEMBER 2017



	2016	2017	# Change
November Comparison	93.8%	92.4%	-1.4%

	2015-2016	2016-2017	# Change
12-Month Average December 2015 - November 2017	93.8%	91.4%	-2.4%

**Analysis:**

Rail On-Time Performance was 92.4% for November 2017. Of the 18,179 trains scheduled to operate, 16,801 were on time, while 1,378 trains (or 7.6%) were delayed. Key causes included:

- NJT weather/wheelslip, NJT bridge strike, NJT trackside interference and NJT operational issues contributed to 70 delays resulting in 87.6% OTP on November 7.
- Amtrak Track Failure, Amtrak switch failure, NJT carryover delays, NJT equipment failure and NJT operational issues contributed to 171 delays resulting in 73.2% OTP on November 10.
- Amtrak switch failure, Amtrak track failure and NJT equipment failure contributed to 52 delays resulting in 88.1% OTP on November 14.

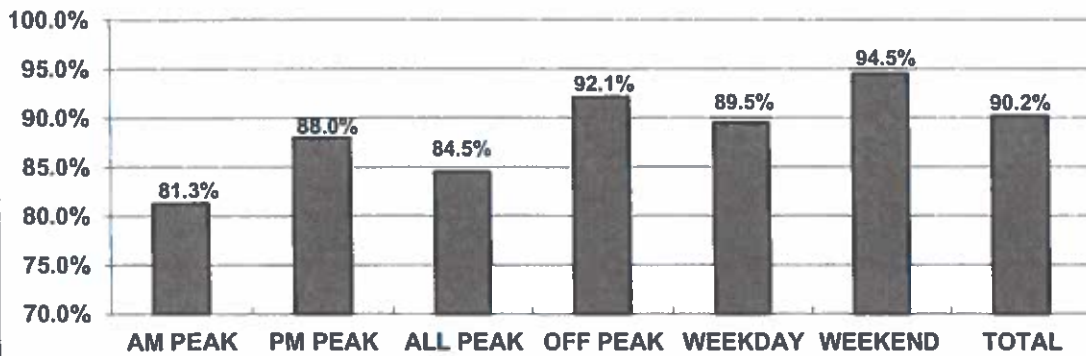
The 12-month average for Rail On-Time Performance December 2015 - November 2017 was 91.4%, which has declined by 2.4%.

# ON-TIME PERFORMANCE RAIL

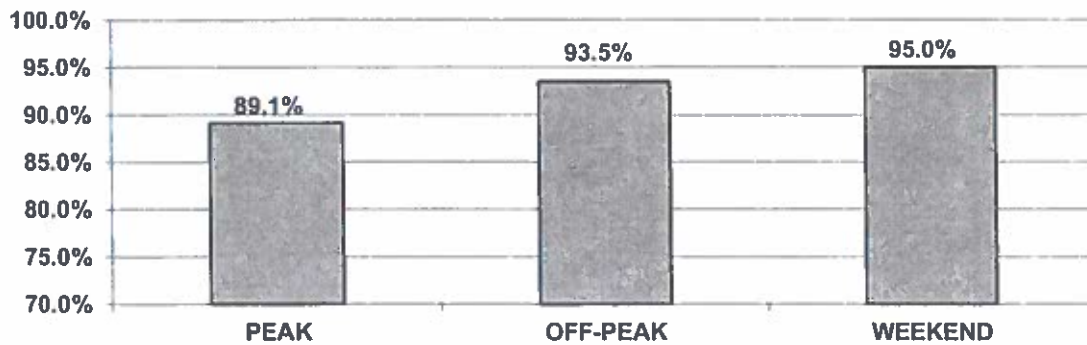
## SUMMARY BY TIME PERIOD NOVEMBER 2017

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

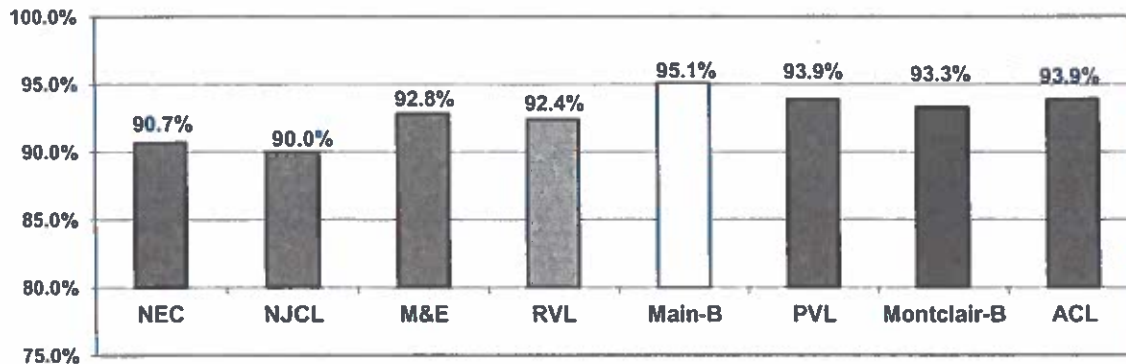
### % NEW YORK PENN STATION Trains Reported On Time \*



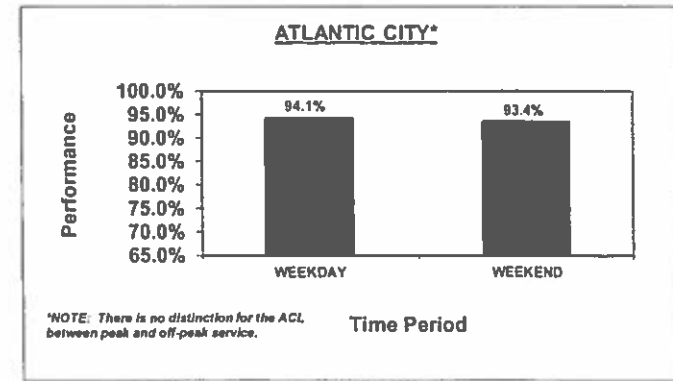
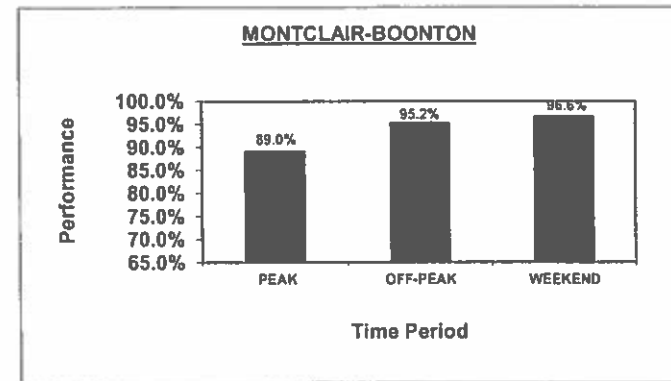
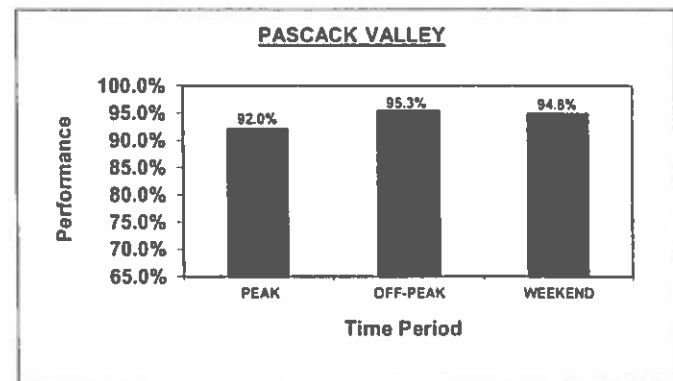
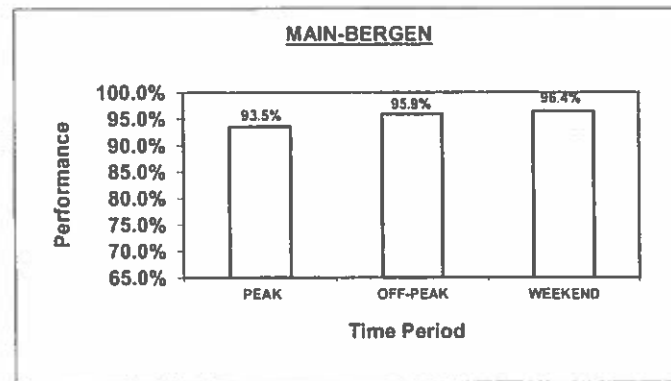
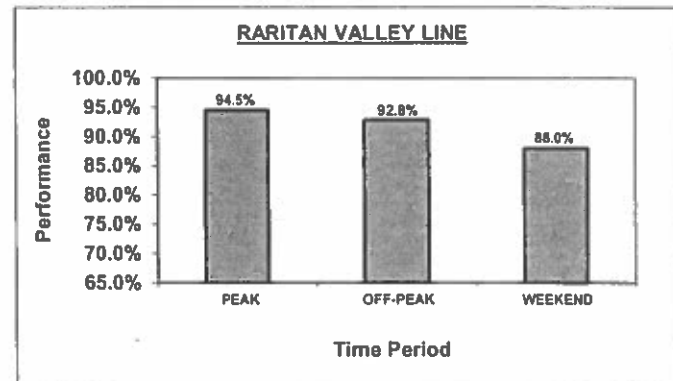
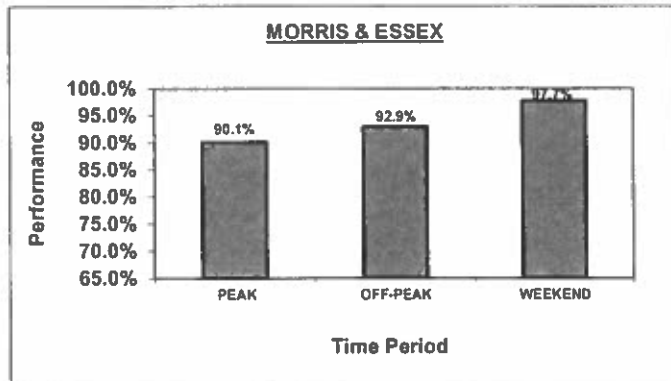
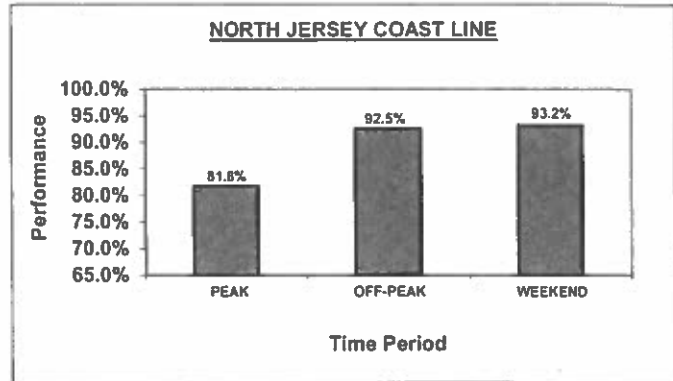
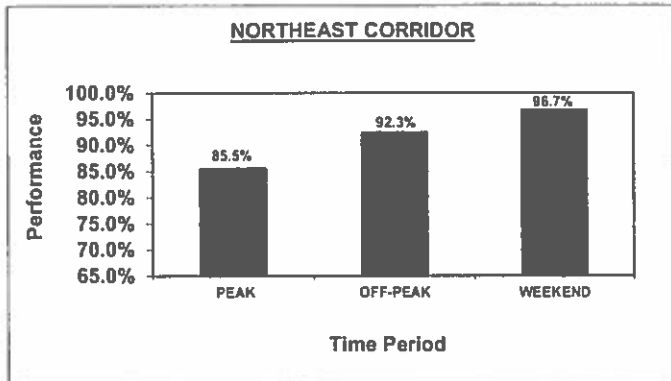
### % SYSTEMWIDE Trains Reported On Time



### % BY LINE Trains Reported On Time



# ON-TIME PERFORMANCE BY RAIL LINE & TIME PERIOD NOVEMBER 2017

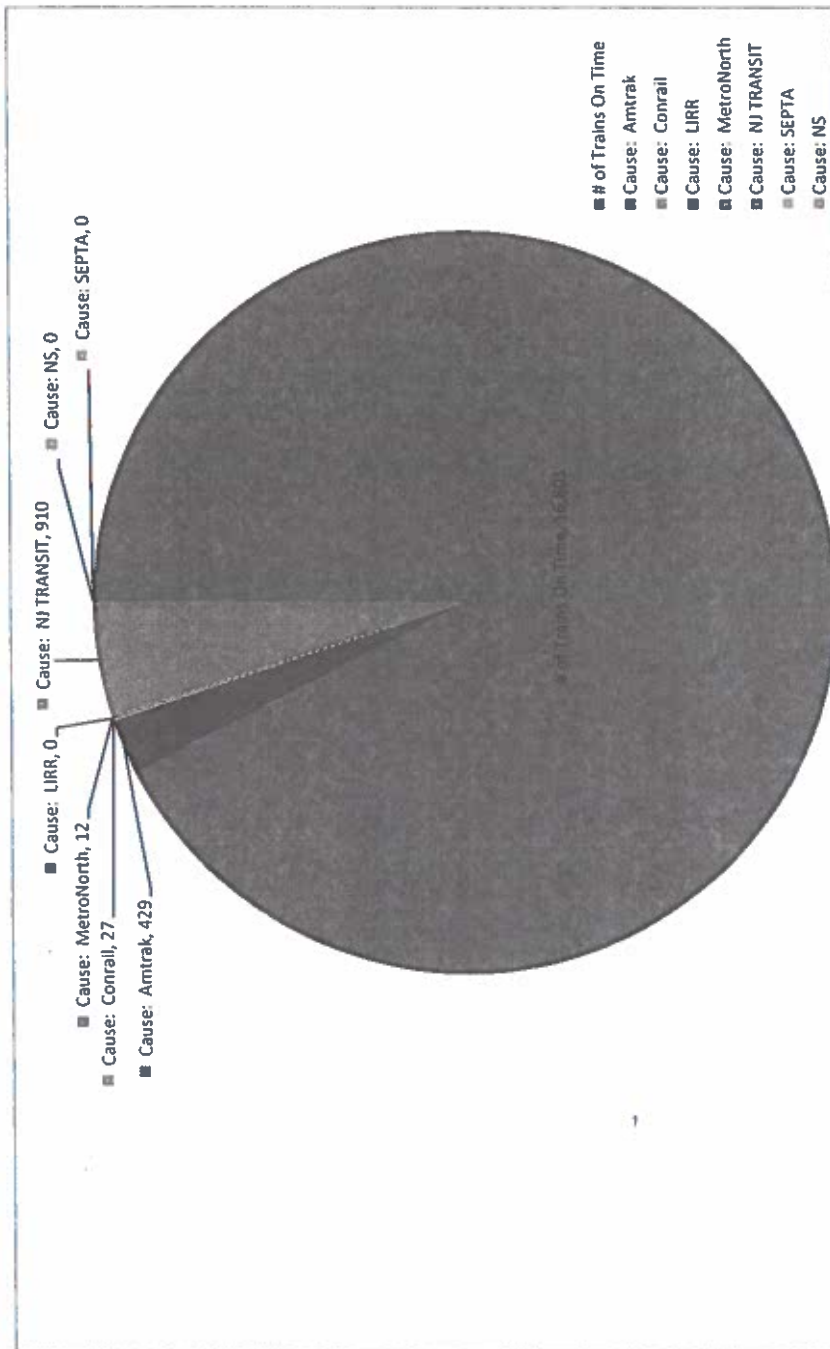


\*NOTE: There is no distinction for the ACL between peak and off-peak service.

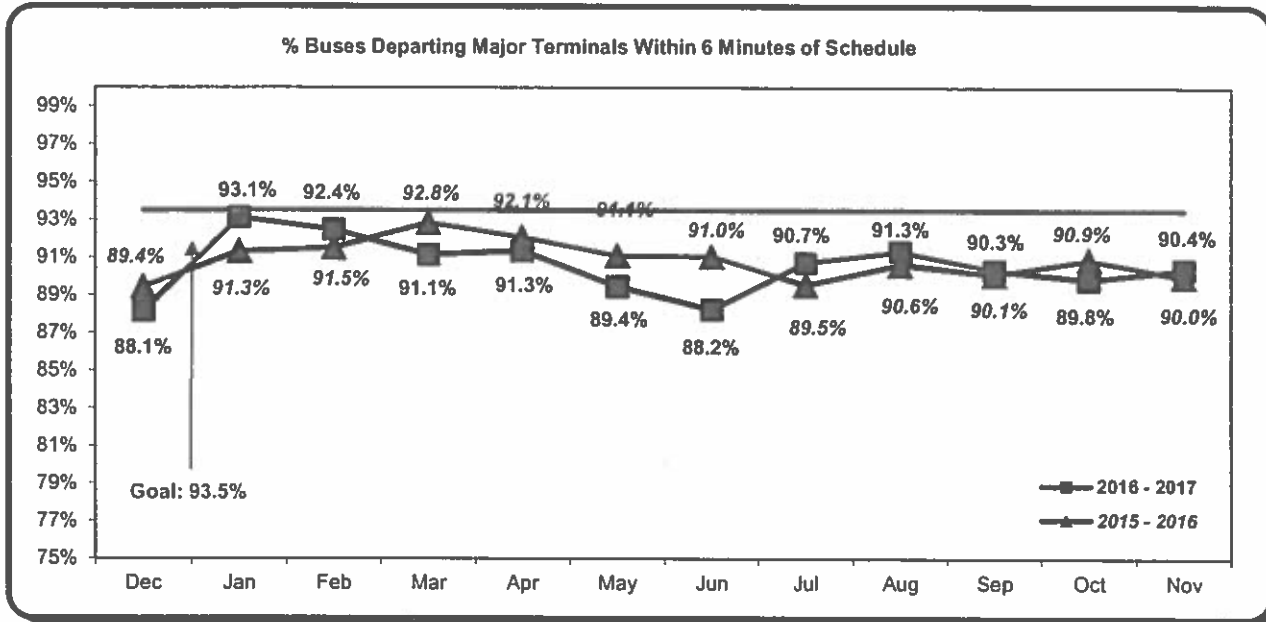
**NJ TRANSIT Performance - NOVEMBER, 2017**

Late NJ TRANSIT Trains

	Cause: Amtrak	Cause: Conrail	Cause: LIRR	Cause: MetroNorth	Cause: NJ TRANSIT	Cause: SEPTA	Cause: NS
# of Trains On Time	16,801						
# of Late Trains	429	27	0	12	910	0	0
Total # of Trains	18,179						
Percentage On Time	2.36%	0.15%	0.00%	0.07%	5.01%	0.00%	0.00%



## NJ TRANSIT ON-TIME PERFORMANCE BUS DECEMBER 2015 - NOVEMBER 2017



November Comparison	2015 - 2016	2016 - 2017	% Change
	90.0%	90.4%	0.4%

12-Month December 2015 - November 2017	2015 - 2016	2016 - 2017	% Change
	90.9%	90.5%	-0.4%

**Analysis:**

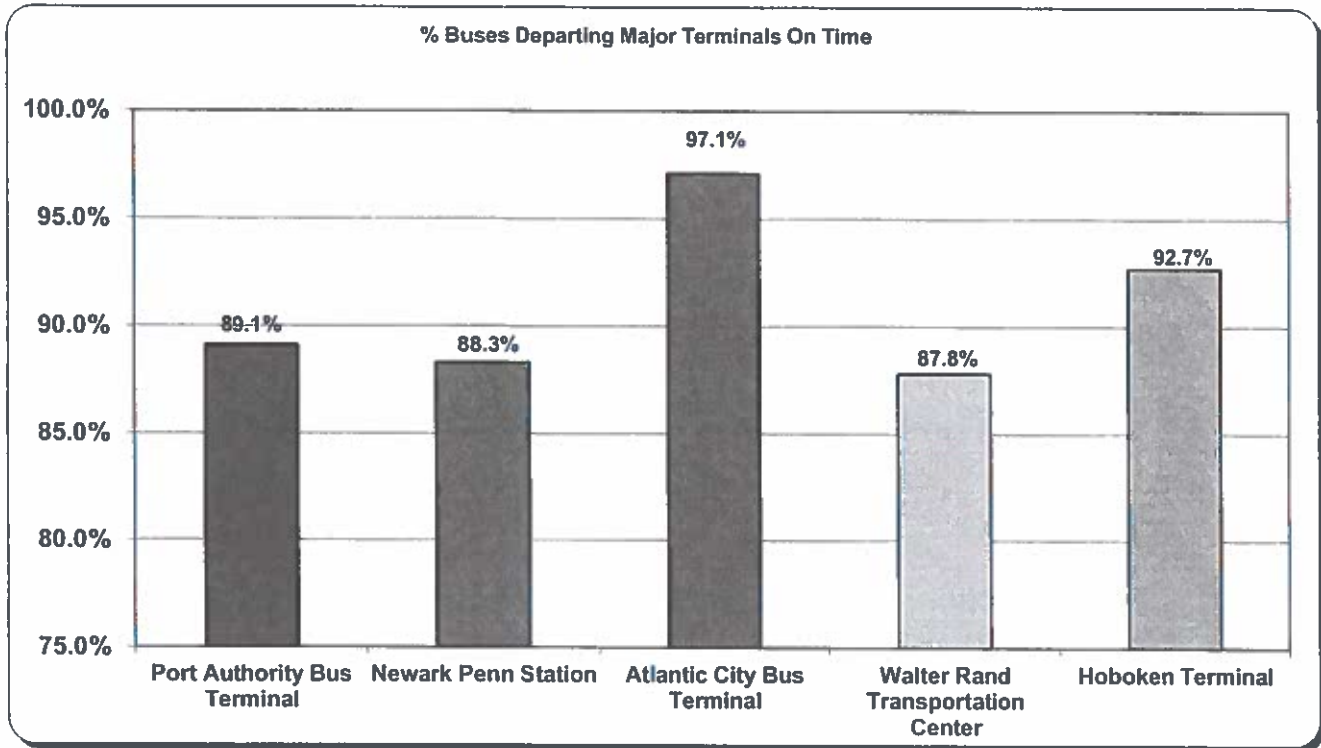
Bus On-Time Performance was 90.4% for November 2017. Of the 42,694 monitored departures 4,110 (or 9.6%) experienced delays. Key causes included:

- Equipment failure at the Port Authority Bus Terminal impacted service on November 9. Heavy passenger traffic due to the early holiday getaway on November 21 and 22 impacted service.
- Delays due to roadwork in Newark impacted service on November 7. Heavy passenger traffic due to the early holiday getaway on November 22 impacted service.
- Construction on Washington Street continues to impact performance at Hoboken. The project is scheduled to continue until mid-2018.

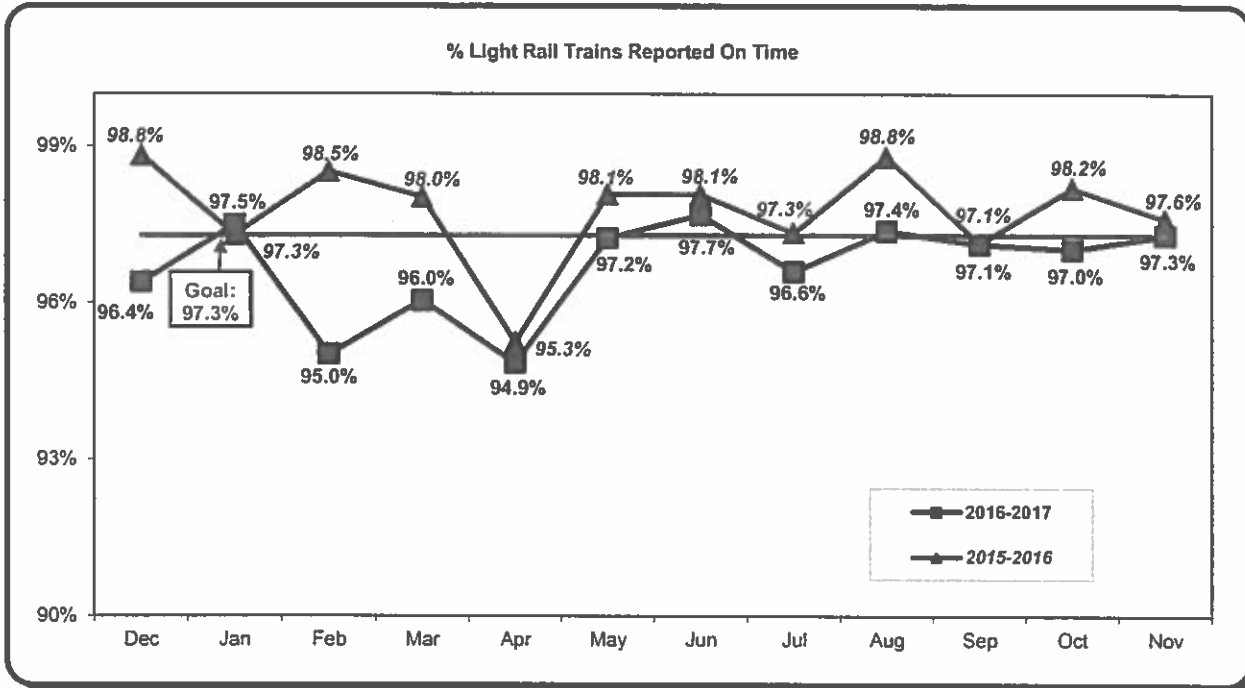
The 12-month average for Bus On-Time Performance for December 2015 - November 2017 was 90.5%, which was down by 0.4% from the previous year.

# ON-TIME PERFORMANCE BUS

## SUMMARY BY TERMINAL NOVEMBER 2017



## NJ TRANSIT ON-TIME PERFORMANCE LIGHT RAIL DECEMBER 2015 - NOVEMBER 2017



November Comparison	2016	2017	# Change
	97.6%	97.3%	-0.3%

12-Month Average Ended Nov 2016 & Nov 2017	2016	2017	# Change
	97.8%	96.7%	-1.1%

**Analysis:**

Light Rail On-Time Performance systemwide was 97.3% for the month of November 2017. Of the 25,556 scheduled departures, 684 (or 2.7%) experienced delays.

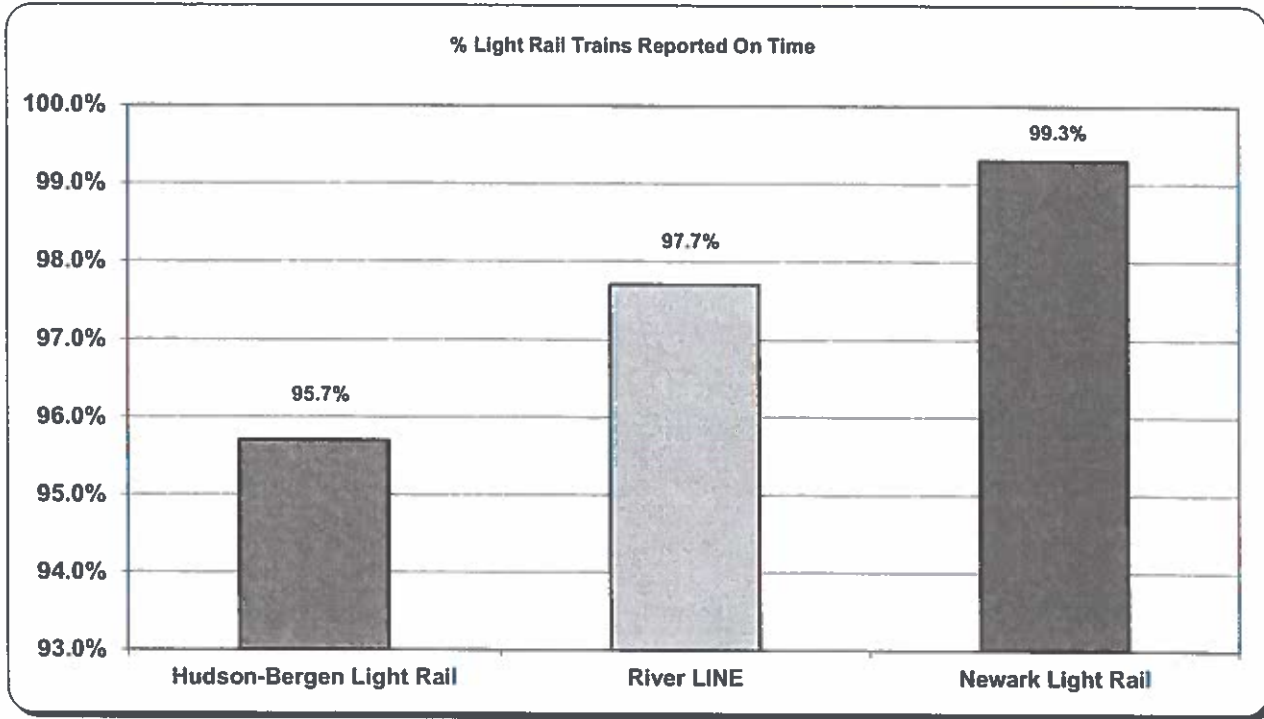
**Key causes included:**

- Automobile fouling tracks delayed 46 HBLR trains on November 9.
- Automobile on the tracks delayed 15 River LINE trains on November 6.
- Speed restrictions due to water main break delayed 27 NLR trains on November 1.

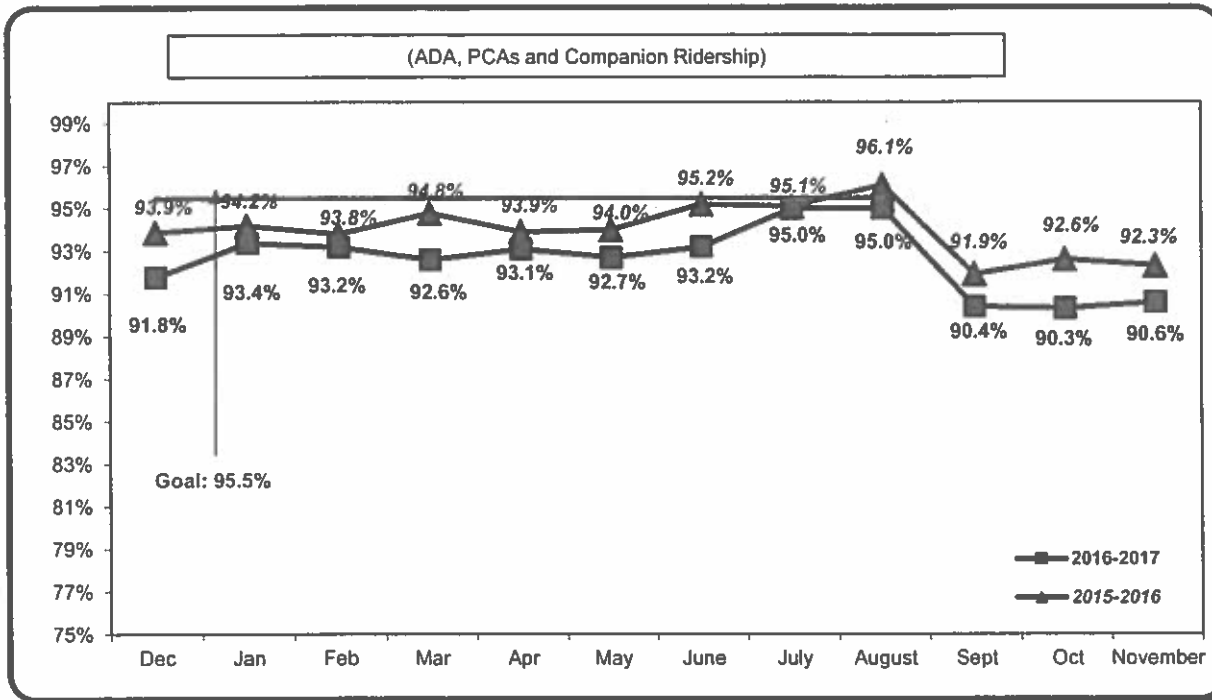
The 12-month average for Light Rail On-Time Performance for December 2015 - November 2017 was 96.7%, which decreased by 1.1%.

# ON-TIME PERFORMANCE LIGHT RAIL

## SUMMARY BY LINE NOVEMBER 2017



## NJ TRANSIT ON-TIME PERFORMANCE ACCESS LINK December 2015 - November 2017



	2016	2017	% Change
November Comparison	92.3%	90.6%	-1.7%

	2016	2017	Difference
November Ridership	134,826	138,808	3,982

	2015-2016	2016-2017	% Change
12-Month Average December -November	94.0%	92.6%	-1.4%

**Analysis:**

Access Link On-Time Performance was 90.6% for November 2017. In serving 138,808 total riders, for 126,361 ADA customers trips, 11,926 (or 9.4%) experienced delays.

Key causes include:

- \* Increase traffic volume causing major service delay
- \* High customer cancellation and no-shows due to holiday
- \* Road closure due to construction

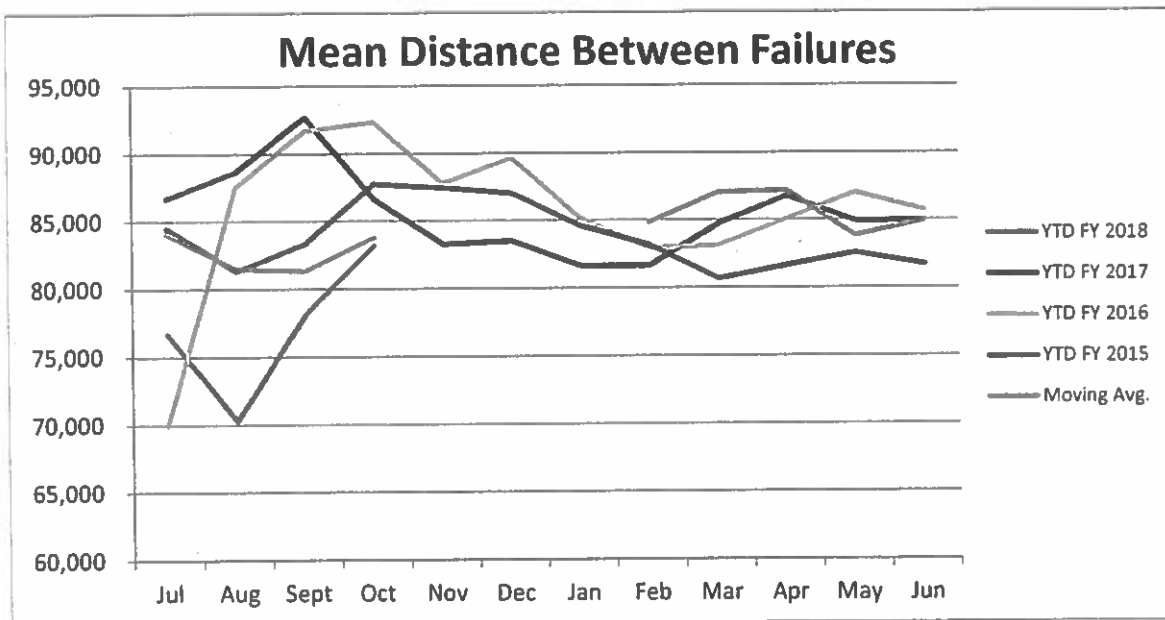
The 12-month average for Access Link On-Time Performance for December 2015 - November 2017 was 92.6%, which decreased by 1.4%.

# **MEAN DISTANCE BETWEEN FAILURES**

October 2017

**NJ TRANSIT Rail Operations**  
**Mean Distance Between Failures**

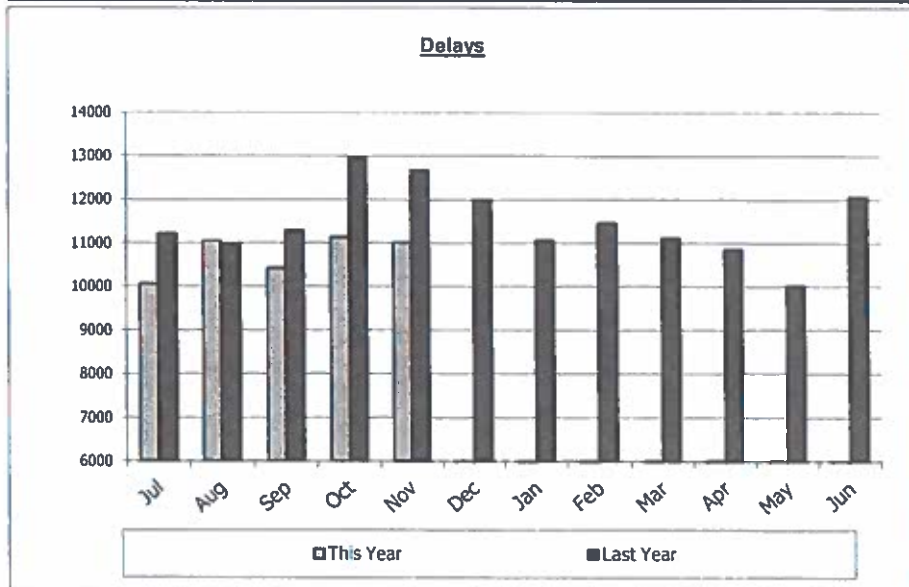
Month	YTD FY2018	YTD FY2017	YTD FY2016	YTD FY2015	12 Month Moving Avg.
Jul	76,674	86,683	69,926	84,508	84,069
Aug	70,263	88,680	87,565	81,319	81,472
Sept	78,151	92,705	91,669	83,368	81,337
Oct	83,213	86,626	92,329	87,750	83,800
Nov	-	83,272	87,756	87,434	-
Dec	-	83,501	89,655	87,042	-
Jan	-	81,633	85,167	84,607	-
Feb	-	81,639	82,949	83,179	84,826
Mar	-	84,715	83,112	80,659	87,026
Apr	-	86,771	85,060	81,649	87,172
May	-	84,920	87,022	82,566	83,826
Jun	-	84,936	85,722	81,704	84,936



### Garage Performance Parameters

November 2017

Location	Miles Between In-Service Delays			
	FY2018 Goal	This Month	FY2018 YTD	FY2017 YTD
Fairview	7,000	5,428	5,930	6,559
Greenville	9,900	5,422	5,000	6,135
Market Street	9,500	9,986	8,468	9,228
Meadowlands	11,500	6,322	6,835	7,407
Oradell	13,500	8,918	9,461	10,562
Wayne	12,500	8,820	9,547	13,752
<b>Northern Division</b>	-	<b>7,723</b>	<b>7,916</b>	<b>9,268</b>
Big Tree	8,800	7,929	7,578	9,707
Hilton	10,200	10,250	9,169	9,841
Howell	16,750	54,039	34,651	35,513
Ironbound	9,600	9,762	10,212	9,737
Orange	9,250	10,065	8,926	9,864
Morris	10,500	48,491	48,200	96,359
<b>Central Division</b>	-	<b>13,474</b>	<b>12,454</b>	<b>13,090</b>
Egg Harbor	16,500	17,832	16,458	15,814
Hamilton	20,000	22,281	13,563	18,707
Newton Avenue	15,700	13,113	15,071	13,912
Washington Twp.	14,500	12,898	12,306	12,761
<b>Southern Division</b>	-	<b>15,314</b>	<b>14,252</b>	<b>14,574</b>
<b>Bus Operations</b>	-	<b>11,015</b>	<b>10,720</b>	<b>11,747</b>

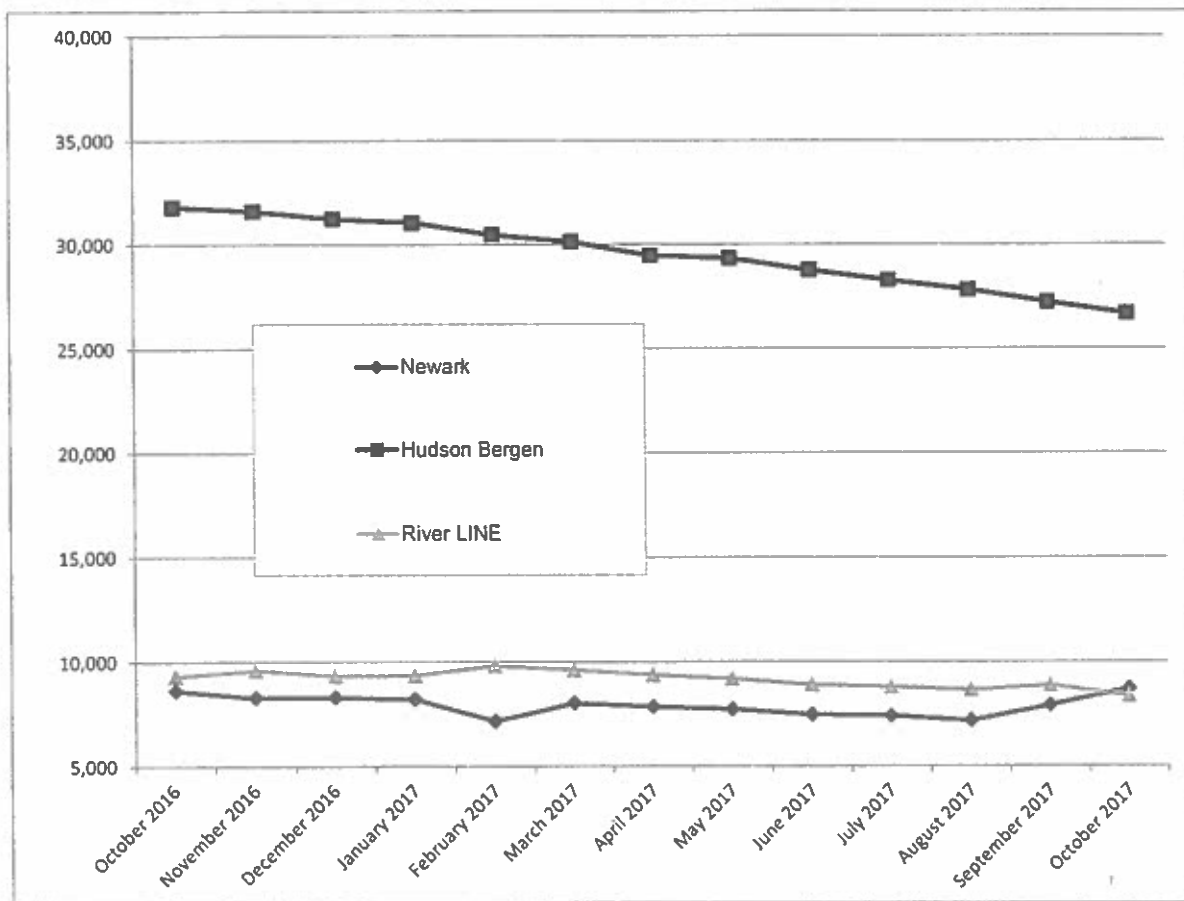


### NJ TRANSIT - LIGHT RAIL, October 2017

#### Average Miles Between In Service Failures

NJT LIGHT RAIL	MDBSF * October 2017
Newark Light Rail	8,695
Hudson Bergen	26,679
River LINE	8,371

#### AVERAGE MILES BETWEEN IN-SERVICE MECHANICAL FAILURES



\* Mechanical failure data for 3 LR systems, calculated as a rolling average over multiple months.

\*\* Newark Light Rail operates much less mileage, with all single-car trains and a 5 mile alignment.

# **DBE/SBE PROGRAM**

**NJ TRANSIT –Office of Business Development Additional DBE/SBE Participation for November 2017**

**State Funded Contracts**

During the month of November 2017, 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 2018 (July 1, 2017 through June 30, 2018) NJ TRANSIT awarded \$13,107,064.70 in state funded contracts. Of that total, SBEs received \$741,300.00 or 5.66%.

**SBE Goal Attainment from July 1, 2017 through June 30, 2018 (FY 2018)**

Category 1 SBEs received	\$37,500.00	or 0.29%
Category 2 SBEs received	\$37,500.00	or 0.29%
Category 3 SBEs received	\$0.00	or 0.00%
Category 4 SBEs received	\$277,300.00	or 2.12%
Category 5 SBEs received	\$41,000.00	or 0.31%
Category 6 SBEs received	\$348,000.00	or 2.66%

**FTA Funded Contracts (updated Quarterly – next update will occur January 2018)**

During the 4<sup>th</sup> Quarter (July 1, 2017 – September 30, 2017) of Federal Fiscal Year 2017 (October 1, 2016 through September 30, 2017), 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%.

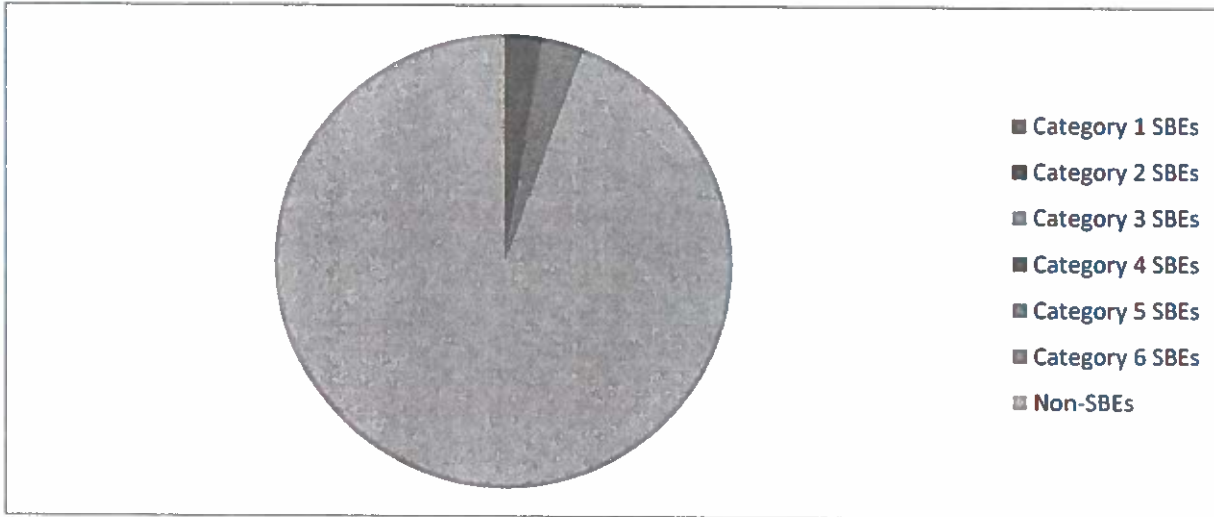
**DBE Goal Attainment from October 1, 2016 (FFY 2016) - September 30, 2017 (FFY 2017) \*\***

Contracts awarded	\$4,154,686.25
DBEs received	\$ 536,795.00 or 12.92%

*\*\*Numbers reflect federal share.*

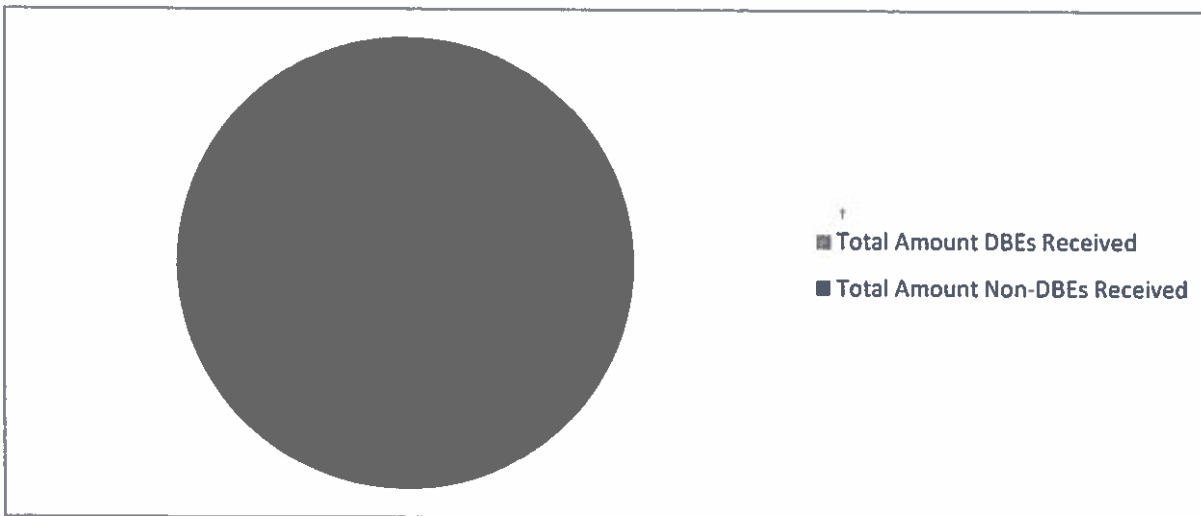
SBE PARTICIPATION  
STATE CONTRACTS  
STATE FYTD 2017

<i>Category 1 SBEs</i>	\$37,500.00	0.29%
<i>Category 2 SBEs</i>	\$37,500.00	0.29%
<i>Category 3 SBEs</i>	\$0.00	0.00%
<i>Category 4 SBEs</i>	\$277,300.00	2.12%
<i>Category 5 SBEs</i>	\$41,000.00	0.31%
<i>Category 6 SBEs</i>	\$348,000.00	2.66%
<i>Non-SBEs</i>	\$12,365,764.70	0.00%



DBE PARTICIPATION  
FEDERAL CONTRACTS  
TRIENNIAL YEARS 2017-2019

<b>Total Amount DBEs Received</b>	\$536,795.00	12.92%
<b>Total Amount Non-DBEs Received</b>	\$3,617,891.25	87.08%



# **EMPLOYEE RECOGNITION**

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

19 NJ TRANSIT employees retired recently with careers ranging 3 to 44 years of service:

1. Barry Benevento, Electrician – Raritan Yard – 3 years
2. Jeraldine Daniels, TVM Terminal Agent – Trenton – 30 years
3. Jean Joseph, Laborer 091 – Hoboken Terminal – 30 years
4. John Moran Jr., Yard Master – Dover – 44 years
5. Dale Wiber, Supervisor Structures – Red Bank – 30 years
6. Alber Wilson-Reid, Technician – MMC – 23 years
7. Richard A. Abrado, Repairman A – Fairview – 18 years
8. Antonio Bastos, Electrical Tech – Newark Bus – 30 years
9. Valarie D. Chaplin, Stock Clerk – Market Street – 21 years
10. Glenn Fontaine, Repairmen A – Hilton – 30 years
11. Andre Jean-Francois, Starter – 24 years – Port Authority Bus Terminal
12. Dennis McDonnell, Operator – Oradell – 21 years
13. Gilberto Tangarife, Operator – Wayne – 15 years
14. Jose R. Perez, Operator – Wayne – 18 years
15. Samuel West, Repairman – Market Street – 18 years
16. Irene Green, Operator – Hilton – 15 years
17. Douglas B. Cattan, Director Bus Tech Dev – Penn Plaza – 33 years
18. Glenn Mack, Program Manager – Penn Plaza – 36 years
19. Robert D. Scoular, Director of Maintenance – Fairview – 25 years

# **ACTION ITEMS**

**ITEM 1712-53: DUAL-POWERED PASSENGER LOCOMOTIVES: PURCHASE OF 17 OPTION PASSENGER LOCOMOTIVES AND CONTRACT AMENDMENT FOR CONSULTANT SERVICES FOR ENGINEERING ASSISTANCE**

**BENEFITS**

NJ TRANSIT has undertaken numerous analyses that have concluded the GP40 and F40-series locomotives have reached the end of the service life and are candidates to be replaced with modern locomotives. NJ TRANSIT expects demand for rail travel to grow over the next decade and increased use of longer trains consisting of multilevel passenger cars is the primary strategy to meet demand.

The purchase of 17 additional dual-powered locomotives will allow NJ TRANSIT to modernize locomotives in the fleet with a vehicle that improves both the versatility and the reliability of the rail fleet.

The locomotives purchased will be similar to the 35 previously purchased dual-powered locomotives, with improvements to the upgrading of the current engines and the addition of an after-treatment system to meet the EPA Tier IV requirements now in effect, further reducing the locomotives emissions when operating in diesel mode. The locomotive will also provide additional emissions reductions by being able to take advantage of operating in electric mode whenever overhead catenary is available. In addition to operating more cleanly in electric mode, the ALP45 locomotives offer a significant increase in horsepower, acceleration, and available head-end power over the GP40s they will be replacing with an intended operation goal of improving the customer experience.





## ALP-45DP Dual Power Locomotive

### General Data

Track gauge	1435 mm / 4' 8-1/2"
Clearance gauge	AMTRAK A-05-1355, RevC
Type of vehicle	Passenger locomotive

### Technical Data

System voltage	25 kV/60 Hz, 12 kV/25 Hz, 12.5 kV/60 Hz
Head-end power	1000 kVA, 3 ph, 480 V/60 Hz
Wheelset arrangement	Bo' Bo' (UIC) / B-B (AAR)
Drive system	Fully suspended drive
Axle load	71 000 lbs. / 32.21 t
Number of traction motors	4
Electric traction power	4 000 kW / 5 360 hp
Diesel engine power	2 x 1567 kW / 2 x 2100 hp @ 1800 rpm
Dynamic braking power	1300 kW / 1767 hp
Max. starting tractive effort	316 kN / 71000 lbs.
Max. electric braking effort	150 kN / 34 000 lbs.
Max. speed	200 km/h / 125 mph (Electric), 160 km/h / 100 mph (Diesel)
Emission Standard (EPA)	Tier 3
IGBT Traction converter	MITRAC® TC 3360 DP V01
Pantograph	Trans-Tech; single-arm pantograph
Fuel capacity (usable)	6 800 l / 1 800 U.S. Gallons
Automatic train protection system	ACSESII, supplier PHW Inc. / FRA Fault event recorder
Train communication system	TCN / WTB (DTN) / conventionnel Trainlines
Train Radio	GE Harmon 12RII-RC

### Dimensions and Weights

Length over couplers	21800 mm / 71' 6-1/4"
Vehicle width (carbody)	2 950 mm / 9' 8-1/8"
Vehicle height	4 400 mm / 14' 5-1/4"
Distance between truck centers	13 250 mm / 43' 5-5/8"
Truck axle base	2 800 mm / 9' 2-1/4"
Wheel diameter new	1118 mm / 44"
Wheel diameter worn	1046 mm / 41-3/16"
Max. weight of locomotive	130.64 t / 288 000 lbs.

### Special features

High fuel efficiency with power management
Automatic mode change with continuous head end power supply

### Countries of operation

USA



### ACTION (Scorecard: Customer Experience)

Staff seeks authorization to exercise an option under the existing NJ TRANSIT Contract No. 07-062 with Bombardier Transit Corporation of Bensalem, Pennsylvania, for the purchase of 17 option dual-powered locomotives, including spare parts, at a cost not to exceed \$167,733,000, plus 10 percent for contingencies (including fluctuations in the USD-EUR exchange rate that are out of NJ TRANSIT's control), for a total contract authorization of \$184,506,300, subject to the availability of funds.

Staff also seeks authorization to amend the professional services NJ TRANSIT Contract No. 05-098 with STV, Incorporated of New York, New York, for engineering assistance with the manufacture of the 17 option dual-powered locomotives at a cost not to exceed \$2,500,000, plus five percent for contingencies, for a total authorization of \$2,625,000, subject to the availability of funds.

## PURPOSE

Purchase 17 additional option dual-powered locomotives to replace the oldest passenger locomotives in the fleet with a service proven passenger locomotive that improves both the versatility and the reliability of the rail fleet.

Procure engineering assistance to ensure a high level of quality from the manufacturer through the design, production, testing and warranty phase of the 17 additional option dual-powered locomotives procurement.

## BACKGROUND

Bombardier Transit Corporation Contract: In 2007, NJ TRANSIT decided to purchase dual-powered locomotives to replace aged diesel locomotives. NJ TRANSIT proceeded with the procurement of dual-powered locomotives as a cost-effective solution for providing a one-seat ride to rail customers who travel between electrified and non-electrified territories. NJ TRANSIT utilized a request for proposal (RFP) procurement method to select a qualified carbuilder. On July 2008, the Board of Directors authorized NJ TRANSIT to enter into a contract with Bombardier Transit Corporation to purchase 26 ALP45 dual-powered locomotives based on the proposal, which included an additional 63 option locomotives that could be exercised in the future. The notice to proceed (NTP) was issued to Bombardier on September 11, 2008 and the first vehicle was delivered and accepted for revenue service on December 27, 2011. On July 8, 2011, NJ TRANSIT exercised a change order to the contract with Bombardier to purchasing 9 additional locomotives, increasing the total number of ALP45 locomotives to 35.

In October 2012, while these locomotives were still being delivered, New Jersey was hit by Superstorm Sandy. During this storm, a large number of rail rolling stock vehicles were damaged, including 24 ALP45 dual-powered locomotives – 12 of which had not yet been accepted by NJ TRANSIT. For those 12 locomotives, Bombardier had to replace all damaged parts and re-qualify the locomotives before NJ TRANSIT could accept them for revenue service. This extended the production phase of the project by approximately 18 months, resulting in the final ALP45 locomotive not being accepted for revenue service until February 24, 2014. This resulted in the project's General Warranty period not ending until February 23, 2016, with fleet retrofit programs and extended warranties for a number of systems and components still on-going, and federally regulated testing, such as the instrumented wheelset (IWS) high speed stability and cant deficiency testing having to be resubmitted for approval and tested, due to changes in the code that went into effect during the recovery period.

STV, Incorporated Contract: In 2006, STV, Incorporated entered into a contract with NJ TRANSIT to provide engineering services for the ALP46A electric locomotive and the ALP45 dual-powered locomotive projects. The scope of work also included, but was not limited to, project management support, testing, quality assurance and inspection services, reliability monitoring and warranty support. On July 8, 2011, NJ TRANSIT

exercised a changer order to the contract with STV, Incorporated to continue their engineering and other support services for the purchase of 9 additional dual-powered locomotives. Subsequent change orders were issued in 2013 to support the repair of the ALP45 locomotives damage by Superstorm Sandy, and in 2015 to continue engineering services for the project that was necessary due to the delay caused by Superstorm Sandy and the recovery period.

STV, Incorporated, with their in-depth knowledge of the ALP45 dual-powered locomotives and NJ TRANSIT's Rail Operation's practices, would continue with these services throughout the design, production, testing, delivery, and warranty of these additional 17 option locomotives.

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

**FISCAL IMPACTS**

**Requested Authorization:**

Bombardier Transit Corporation: This Authorization \$ 167,733,000 +10% contingency  
Total Authorization \$ 592,715,787

STV, Incorporated This Authorization \$ 2,500,000 + 5% contingency  
Total Authorization \$ 15,131,203

**Previous Authorizations:**

Bombardier Transit Corporation \$ 408,209,487

STV, Incorporated \$ 12,506,203

**Expenditures to date:**

Bombardier Transit Corporation \$ 361,186,934

STV, Incorporated \$ 12,467,540

**Total Project Cost:** \$ 191,431,300

**Projected Date of Completion:** June 2020 (delivery of 17<sup>th</sup> locomotive)  
June 2022 (end of general warranty period)

**Capital Program Amount:** \$ 191,431,300

**Operating Budget Amount:** \$ 0.00

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

**PRINTS ID:** NJT01235

**DBE/SBE Goal:**

Bombardier Transit Corporation    Transit Vehicle Manufacturer  
STV, Incorporated                      20% DBE (per existing contract)

**Future Related Authorizations:** Contract options for additional locomotives and Engineering Assistance for additional locomotives if options are exercised

**Impacts on Subsequent Operating Budgets:** \$ 3,586,000 annually (after full replacement of 17 older diesel locomotives)

**RESOLUTION**

**WHEREAS**, NJ TRANSIT fleet strategy calls for the retirement of the remaining 17 GP40 diesel locomotives; and

**WHEREAS**, the purchase of 17 additional dual-powered locomotives will allow NJ TRANSIT to modernize the fleet with a vehicle that improves both the versatility and the reliability of the rail fleet; and

**WHEREAS**, NJ TRANSIT previously selected Bombardier Transit Corporation to provide 35 dual-powered locomotives; and

**WHEREAS**, the locomotives purchased will be similar to the 35 previously purchased dual-powered locomotives, with improvements to the upgrading of the current engines and the addition of an after-treatment system to meet the EPA Tier IV requirements now in effect, further reducing the locomotive's emissions when operating in diesel mode; and

**WHEREAS**, the contract with Bombardier has options to purchase additional locomotives; and

**WHEREAS**, NJ TRANSIT previously selected STV, Incorporated through a competitive procurement process for engineering assistance for the dual-powered locomotives;

**NOW, THEREFORE, BE IT RESOLVED** that the Chairman or Executive Director is authorized to exercise an option under the existing NJ TRANSIT Contract No. 07-062 with Bombardier Transit Corporation of Bensalem, Pennsylvania, for the purchase of 17 option dual-powered locomotives, including spare parts, at a cost not to exceed \$167,733,000, plus ten percent for contingencies (including fluctuations in the USD-EUR exchange rate that are out of NJ TRANSIT's control), for a total contract authorization of \$184,506,300, subject to the availability of funds; and

**BE IT FURTHER RESOLVED** that the Chairman or Executive Director is authorized to amend the professional services NJ TRANSIT Contract No. 05-098 with STV, Incorporated of New York, New York, for engineering assistance with the manufacture of the 17 option dual-powered locomotives at a cost not to exceed \$2,500,000, plus

five percent for contingencies, for a total authorization of \$2,625,000, subject to the availability of funds.

**ITEM 1712-54: EXTENSION OF HEALTHCARE CARRIER CONTRACT:  
HORIZON BLUE CROSS/BLUE SHIELD OF NEW JERSEY**

**BENEFITS**

Authorization is requested to exercise the first one year renewal option based on the January 2017 Board approval of the Administrative Service Only (ASO) NJ TRANSIT Contract No. 10-120 with Horizon Blue Cross/Blue Shield of New Jersey, the carrier who currently administers the Medical, Dental, Mental Health and Flexible Spending Account plans for all NJ TRANSIT agreement and non-agreement employees and retirees. This contract will provide uninterrupted healthcare benefit programs for a one year period, from January 1, 2018 through December 31, 2018 during the current and active Request for Proposal (RFP) process.

**ACTION (Scorecard: Financial Performance, Corporate Accountability)**

NJ TRANSIT seeks authorization to extend NJ TRANSIT Contract No. 10-120 with its current healthcare carrier, Horizon Blue Cross/Blue Shield of New Jersey, including Medical, Dental, Managed Mental Health and Flexible Spending administration, beginning January 1, 2018, to ensure continuation of coverage for NJ TRANSIT employees and retirees and eligible dependents with administrative costs through December 31, 2018 not to exceed \$5,600,000, subject to the availability of funds.

**PURPOSE**

The extension of this contract will allow uninterrupted Medical, Dental, Mental Health and Flexible Spending Account plan coverage and claims administration for all NJ TRANSIT's active and retired employees through December 31, 2018, the first year of the two one-year option years.

**BACKGROUND**

In 2017, Horizon presented NJ TRANSIT with improved administrative fee pricing, continued favorable performance guarantees as well as annual administrative credits for Wellness initiatives and communications services. These concessions coupled with Horizon's long standing relationship with NJ TRANSIT contributed to NJ TRANSIT management to consider the extension presented in this Board Item.

In January 2017, the Board approved a one year contract extension through December 31, 2017, with two one-year options for calendar years 2018 and 2019 subject to future Board approval.

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

**FISCAL IMPACTS**

**Requested Authorization:**

Plan administration cost:

Medical/Mental Health/FSA \$5,200,000 per year for calendar year 2018

Dental: \$400,000 per year for calendar year 2018

**Past Authorizations:**

Medical/Dental/Mental Health/FSA \$5,600,000 - January 2017

**Expenditures to Date:** \$4,030,000 (as of 9/30/2017)

**Total Project Cost:** \$5,600,000 projected cost for calendar year 2018 Medical/Dental/Mental Health/FSA

**Projected Date of Completion:** December 31, 2018

**Capital Program Amount:** N/A

**Operating Budget Amount:** \$5,600,000

**Anticipated Source of Funds:** Operating Budgets: FY 2018

**PRINTS ID Number:** N/A

**DBE/SBE Goals:** 0% SBE

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

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

**Impacts on Subsequent Operating Budgets:** N/A

**RESOLUTION**

**WHEREAS**, NJ TRANSIT provides group healthcare plans to its active and retired agreement and non-agreement employees; and

**WHEREAS**, Horizon Blue Cross/Blue Shield of New Jersey has agreed to continue the current performance guarantees and annual administrative credits for Wellness initiatives and communications services of \$250,000 and \$100,000, respectively through the new extension period. These credits total \$1,050,000 over the one year extension and the two one-year optional extension periods subject to Board approval, for the three-year period; and

**WHEREAS**, NJ TRANSIT wishes to ensure the continuation of healthcare plan coverage for its active employees and retirees during this period;

**NOW, THEREFORE, BE IT RESOLVED** that the Chairman or Executive Director is authorized to extend NJ TRANSIT Contract No. 10-120 with its current healthcare carrier, Horizon Blue Cross/Blue Shield of New Jersey, including Medical, Dental, Managed Mental Health and Flexible Spending administration, beginning January 1, 2018, to ensure continuation of coverage for NJ TRANSIT employees and retirees and eligible dependents with administrative costs through December 31, 2018 not to exceed \$5,600,000, subject to the availability of funds.

**ITEM 1712-55: EXTENSION OF PRESCRIPTION DRUG CARRIER CONTRACT:  
EXPRESS SCRIPTS**

**BENEFITS**

Authorization is requested to exercise the first one-year renewal option based on the January 2017 Board approval for the Administrative Service Only (ASO) NJ TRANSIT Contract No. 10-121 with Express Scripts, the carrier that currently administers prescription drug plans for all NJ TRANSIT agreement and non-agreement employees and retirees. This contract will provide uninterrupted prescription drug coverage for a one year period; January 1, 2018 through December 31, 2018, during the current and active Request for Proposal (RFP) process.

**ACTION (Scorecard: Financial Performance, Corporate Accountability)**

NJ TRANSIT seeks authorization to extend NJ TRANSIT Contract No. 10-121 with its current prescription drug carrier, Express Scripts for a period of one year, beginning January 1, 2018, to ensure continuation of coverage for NJ TRANSIT with administrative costs through December 31, 2018 not to exceed \$167,000, subject to the availability of funds.

**PURPOSE**

The extension of this contract will allow for uninterrupted prescription drug coverage and claims administration for all NJ TRANSIT active and retired employees as well as enable NJ TRANSIT to continue to take advantage of the current improved prescription drug pricing through December 31, 2018, the first year of the two one-year option years.

**BACKGROUND**

Express Scripts presented NJ TRANSIT with favorable financial terms in the form of improved drug manufacturer discounts and rebates. NJ TRANSIT requested that outside actuaries review the proposal, and, the actuary found the proposal to be fair and reasonable given the volume and type of NJ TRANSIT prescription drug claims. The combination of the pricing concessions and Express Scripts' long standing relationship, contributed to NJ TRANSIT's management to consider the extension presented in this Board Item.

In January 2017, the Board approved a one year contract extension through December 31, 2017, with 2 one year options for calendar years 2018 and 2019 subject to future Board approval.

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

**FISCAL IMPACTS**

**Requested Authorization:**

Plan Administration Cost: \$167,000 per year for calendar year 2018  
Prescription Drug Plan

**Past Authorizations:** \$167,000 - January 2017

**Expenditures to Date:** \$135,000 (as of 9/30/2017)

**Total Project Cost:** \$167,000 projected for calendar year 2018

**Projected Date of Completion:** December 31, 2018

**Capital Program Amount:** N/A

**Operating Budget Amount:** \$167,000

**Anticipated Source of Funds:** Operating Budgets: FY 2018

**PRINTS ID Number:** N/A

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

**NJ Build Amount:** N/A

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

**Impacts on Subsequent  
Operating Budget:** N/A

**RESOLUTION**

**WHEREAS,** NJ TRANSIT provides group prescription drug plans to its active and retired agreement and non-agreement employees; and

**WHEREAS,** Express Scripts has agreed to increase their drug price discounts and pharmaceutical drug manufacturer rebates that are projected to result in future cost avoidance; and

**WHEREAS,** NJ TRANSIT wishes to ensure the continuation of prescription drug plan coverage for its active employees and retirees during this period;

**NOW, THEREFORE, BE IT RESOLVED** that the Chairman or Executive Director is authorized to extend NJ TRANSIT Contract No. 10-121 with its current prescription drug carrier, Express Scripts for a period of one year, beginning January 1, 2018, to ensure continuation of coverage for NJ TRANSIT with administrative costs through December 31, 2018 not to exceed \$167,000, subject to the availability of funds.

**ITEM 1712-56: 2018 CAPITAL PLANNING AND PROGRAMS TASK ORDER CONSULTANT CONTRACTS PROGRAM: ARCHITECTURAL/ENGINEERING AND BRIDGE AND RAILWAY ENGINEERING**

**BENEFITS**

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

NJ TRANSIT assessed its current Task Order Consultant Contracts program, determining that 14 disciplines are required to address NJ TRANSIT's future needs. These 14 disciplines have been organized into four packages, which will be procured separately. The present item for consideration by the NJ TRANSIT Board of Directors addresses the second ("Package Two") of the four Task Order Consultant Contract Packages. Package Two contains firms for four disciplines, which will be divided into two separate items: Architectural/Engineering and Bridge and Railway Engineering ("Part 1"); and Travel Demand Forecasting; Transit-Friendly Planning, Land Use and Development ("Part 2").

**ACTION (Scorecard: Corporate Accountability)**

Staff seeks authorization to enter into NJ TRANSIT Contract Nos. 16-037 and 16-038 with the firms shown in Exhibit A for Architectural/Engineering and Bridge and Railway Engineering. The total value of the 2018 Task Order Consultant Contracts Program, of which these contracts comprise Part One of Package Two is \$50,000,000. Each contract will extend for five years; the maximum task and contract limits for each discipline are shown in Exhibit B.

**PURPOSE**

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

**BACKGROUND**

History

In 1992, staff requested, and the Board authorized, the first task order contracts for environmental services, architecture and engineering design, and bridge and structural

engineering design. The Board authorized subsequent contracts for these services and authorized additional task order contracts for facility and site planning/conceptual engineering, market research, transit demand modeling and analysis, bus and rail service planning, construction management services, site planning and engineering, transit-friendly general planning, public transit planning, and vertical transportation services.

The following table shows the authorizations for the various task order contracts for the 2012 base program (not including separate authorizations for the NJ TRANSIT Resilience Program, Rebuild by Design, Hoboken Incident, or Super Bowl XLVIII).

Contract No.	Discipline	Task Limit	Contract Limit (per firm)
13-001	Corridor Planning	\$ 500,000	\$ 2,250,000
13-002	Environmental Consulting Services	\$ 500,000	\$ 6,800,000
13-003	Qualitative and Quantitative Research	\$ 500,000	\$ 2,250,000
13-004	Rail Operations and Infrastructure Planning	\$ 500,000	\$ 4,500,000
13-005	Stations, Access and Site Planning	\$ 400,000	\$ 2,250,000
13-006	Architectural/Engineering	\$ 500,000	\$ 5,250,000
13-007	Bridge and Railway Engineering	\$ 600,000	\$ 3,000,000
13-008	Travel Demand Forecasting	\$ 400,000	\$ 3,000,000
13-009	Community Transportation	\$ 350,000	\$ 1,500,000
13-010	Construction Management Services	\$ 600,000	\$ 5,950,000
13-011	Transit-Friendly Planning, Land Use and Development	\$ 400,000	\$ 2,250,000
13-012	Vertical Transportation	\$ 400,000	\$ 3,000,000
13-040	Access Link	\$ 350,000	\$ 1,500,000
<b>Total Authorization – All Contracts</b>		<b>\$48,075,000</b>	

The first contracts for the 2012 Task Order Consultant Contracts Program were approved in October 2012 (Item 1210-48) with the subsequent contracts approved in December 2012 (Item 1212-61), April 2013 (Item 1304-14), and May 2013 (Item 1305-21). The original 2012 Program envisioned an overall authorization of \$32,050,000 and contract duration of three years. Subsequent to the commencement of the 2012 Program, staff resources were diverted to the management and procurement of both design and construction contracts related to recovery and resilience projects resulting from the impact of Superstorm Sandy. Consequently, the initiation of a subsequent Task Order Consultant Contracts Program was delayed. In November 2015, the NJ TRANSIT Board of Directors authorized an extension of time and an increase in overall authorization for the 2012 Program. The overall authorization was increased to \$48,075,000.

#### Justification

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

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

In accordance with Executive Order No. 37 and NJ TRANSIT Procurement Regulations, N.J.A.C. 16:72-1.5, all contracts for the procurement of goods or services that in the aggregate exceed the bid threshold must be awarded through the public bidding process. Every five years the bid threshold is modified by the Department of Treasury, under N.J.S.A. 40A: 11-3. The last modification became effective July 1, 2015.

The Request for Proposal (RFP) includes a description of the services to be purchased, all significant evaluation factors and their relative importance, and any other relevant information such as schedule dates and deadlines for the completion of the work. Staff prepares a Technical Specification package, which includes pertinent details, a project summary, and a scope of work for inclusion in the RFP. The scope of work describes the technical requirements to be met, as well as what services are to be completed for each milestone from inception to completion.

Depending on the complexity of the project, it is not uncommon for the procurement process – from the time staff starts to prepare the scope of work to the actual evaluation of the proposals – to take a year to complete. In addition, professional services contracts valued at \$250,000 or more require Board of Directors' approval, which can add an additional two months to the process. Not only are NJ TRANSIT staff resources devoted to this effort, but the consultants must also devote staff resources responding to the RFP.

The introduction of task order contracts resulted from the recognition that:

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

Without the task order consultant contracts to supplement in-house forces, implementing the Capital Program would require an increase of in-house design staff as well as Procurement staff. Bidding each assignment separately would delay program implementation; construction industry inflation erodes the purchasing power of the Capital Program, which does not generally increase in proportion to construction industry inflation.

Procurement

In fall 2015, staff assessed the current Task Order Consultant Contracts Program to determine if the program should be continued. The assessment included a review of whether the disciplines addressed future needs. In addition, staff recommended that the fourteen disciplines be procured as four separate packages to reduce the burden on the consultant community as well as on staff. The four Task Order Consultant Contract packages are:

**Package One**

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

**Package Two**

- Architectural / Engineering (Part 1)
- Bridge and Railway Engineering (Part 1)
- Travel Demand Forecasting (Part 2)
- Transit-Friendly Planning, Land Use and Development (Part 2)

**Package Three**

- Community Transportation
- Construction Management Services
- Vertical Transportation
- Access Link

**Package Four**

- Emergency Response / Resilience Planning

Office of State Comptroller approval to advertise the Package Two contracts was received on March 15, 2017. The NJ TRANSIT Office of Business Development assigned the following Disadvantaged Business Enterprise (DBE) goals to the two disciplines included in Part 1 of Package Two:

Architectural / Engineering	25% DBE
Bridge and Railway Engineering	20% DBE

A Request for Proposals for the Task Order Consultant Contracts, Package Two, was advertised in *The Star-Ledger* and *The Trenton Times* on April 11, 2017 and Pre-Proposal Conferences were held on May 3, 2017. Proposals were received on June 15, 2017 and were evaluated by Technical Evaluation Committees (TECs) assembled with knowledge relevant to each discipline.

At the Pre-Proposal Conferences and in the RFP materials, the interested firms were advised that the Task Order Consultant Program would be advertised as four separate packages. Prime Consultants could submit proposals for more than one discipline. Unlike past Task Order Consultant Contracts Programs, Prime Consultants are no longer limited to the number of contracts that they may be awarded. Firms responding as a Prime Consultant were not allowed to respond as a subconsultant on another team within the same discipline, but were not precluded from responding as a subconsultant on another team within a different discipline.

Firms were also advised of the two future advertisements for proposals. The total authorization for all four packages will be \$50,000,000, an increase from previous programs due to the longer contract duration. The contract duration for this program is five years.

Based on the written submissions, firms were short-listed for oral interviews which were held in late August and early September 2017, and those firms judged most responsive by the TECs will be selected for the 2018 Task Order Consultant Contracts Program.

### **SELECTION PROCESS (Number of Firms)**

<b>Discipline</b>	<b>Proposals Submitted</b>	<b>Oral Interviews</b>	<b>Selected</b>
Architectural/Engineering	13	7	4
Bridge and Railway Engineering	11	7	4

#### Scope of Work

##### *Architectural / Engineering*

The Architectural/Engineering discipline includes civil engineering; site design; mechanical engineering; architectural; electrical engineering; electronic systems engineering; electronic systems engineering; ITS; transportation engineering; cost estimating and scheduling; value engineering and cost analysis; energy conservation and management and sustainability; environmental engineering and permitting; industrial engineering and shop design; and project administration and controls.

##### *Bridge and Railway Engineering*

The Bridge and Railway Engineering discipline includes tasks related to fixed and movable rail bridges, tunnels, culverts, dams and bridges over the railway (e.g., inspection, evaluation and load rating of bridges; review of structural integrity; rehabilitation and new construction design); hydrogeology and ground water surveys; permit preparation, filing and approval; tasks related to railroad infrastructure, facilities, and systems (e.g., track design and specialty work; electrical traction systems, catenary systems, and support structures); inspection and evaluation of bridges, structures, and rolling stock; selection of heavy machinery and electrical engineering; and railway systems analysis.

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

**FISCAL IMPACTS**

<b>Requested Authorization:</b>	\$ 50,000,000 (Total 2018 Program)
<b>Past Authorizations:</b>	June 2017 1706-20 (Package One Authorization)
<b>Expenditures to Date:</b>	\$0
<b>Total Project Cost:</b>	\$50,000,000 (Total 2018 Program)
<b>Projected Date of Completion:</b>	N/A
<b>Capital Program Amount:</b>	Project dependent
<b>Operating Budget Amount:</b>	\$0
<b>Anticipated Source of Funds:</b>	Federal Transit Administration Transportation Trust Fund
<b>PRINTS ID Number:</b>	Project dependent
<b>DBE/SBE Goal:</b>	
Architectural / Engineering Contract No. 16-037	25% DBE
Bridge and Railway Engineering Contract No. 16-038	20% DBE
<b><i>NJ Build</i> Amount:</b>	None
<b>Future Related Authorizations:</b>	Task Order Consultant Contract Program Package 2, Part 2, and Packages 3 and 4
<b>Impact on Subsequent Operating Budgets:</b>	None

**RESOLUTION**

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

**WHEREAS**, NJ TRANSIT has a continuing need for consultant services in the fields of Architectural/ Engineering and Bridge and Railway Engineering; and

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

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

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

**WHEREAS**, following the completion of a competitive procurement process, it was determined that eight firms submitted the most advantageous proposals for the two disciplines included as Part One of Package Two;

**NOW, THEREFORE, BE IT RESOLVED** that the Chairman or Executive Director is hereby authorized to enter into NJ TRANSIT Contract Nos. 16-037 and 16-038 with the firms shown in Exhibit A for Architectural/Engineering and Bridge and Railway Engineering. The total value of the 2018 Task Order Consultant Contracts Program, of which these contracts comprise Part One of Package Two, will be \$50,000,000. Each contract will extend for five years; the maximum task and contract limits are shown in Exhibit B.

**SELECTED FIRMS**

**CONTRACT No. 16-037 ARCHITECTURAL / ENGINEERING – 4 FIRMS**

- 16-037A**            **STV, Inc. (Newark, New Jersey)** with Michael Baker International, Arora Engineers, De Biasse & Seminara, Distinct Engineering Solutions, Naik Consulting Group, JCMS, Lynn Drobbin & Associates, Matrix New World Engineering, Inc., Jablonski Building Conservation and GTS Consultants.
- 16-037B**            **Systra Consulting, Inc. (Bloomfield, New Jersey)** with AmerCom Corporation, American Electrical Testing, CP Statile, HAKS, JCMS, Inc., JMT, LSEA Corporation, Macro, a division of Ross & Baruzzini, Maser Consulting P.A, Maintenance Design Group, LLC, Matrix New World Engineering, Inc., Radin Consulting, Inc., Sowinski Sullivan Architects, PC and Stantec Consulting Services Inc.
- 16-037C**            **Gannett Fleming, Inc. (Newark, New Jersey)** with Sowinski Sullivan Architects, SJH Engineering, JCMS, SA Engineering, BEM Systems, Naik Consulting Group, ARCH<sup>2</sup>, Calladium Group, Integrated Strategic Resources and LS Engineering Resources.
- 16-037D**            **Jacobs Engineering Group, Inc. (Morristown, NJ)** with Sowinski Sullivan Architects, Matrix New World Engineering Inc., Lynn Drobbin Associates, Richard Grubb & Associates, Malick & Scherer, Maintenance Design Group, JCMS, Inc., LTK Engineering Services and BEM Systems, Inc.

**CONTRACT No. 16-038 BRIDGE AND RAILWAY ENGINEERING – 4 FIRMS**

- 16-038A**            **Hardesty & Hanover, LLC (Newark, New Jersey)** with ARCH<sup>2</sup>, Inc., BEM Systems, Inc., Earth Design Associates, Integrated Strategic Resources, JCMS, Inc., Naik, Consulting Group, P.C., SJH Engineering and WSP USA.
- 16-038B**            **HNTB Corporation (New York, New York)** with Churchill Consulting Engineers, Jersey Boring & Drilling Co., Inc., JCMS, Inc., LTK Engineering Services, Lynn Drobbin & Associates, Malick & Scherer, P.C., Matrix New World Engineering and The Calladium Group, LLC.

**SELECTED FIRMS**

**CONTRACT No. 16-038 BRIDGE AND RAILWAY ENGINEERING – 4 FIRMS**

**16-038C**            **HDR Engineering, Inc. (Newark, New Jersey)** with AmerCom Corporation, Collins Engineers, Inc., LS Engineering Associates Corporation, Mueser Rutledge Consulting Engineers, Richard Grubb & Associates, Inc. and Storm Water Management Consulting, LLC.

**16-038D**            **Modjeski & Masters, Inc. (Mount Laurel, New Jersey)** with ARCH<sup>2</sup>, Inc., BEM Systems, Inc., Churchill Consulting Engineers, Inc., Gannett Fleming, Inc., Jacobs Engineering Group, Inc., JCMS, Inc., Malick & Scherer, Inc., Naik Consulting Group, Inc. and The Calladium Group, LLC.

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

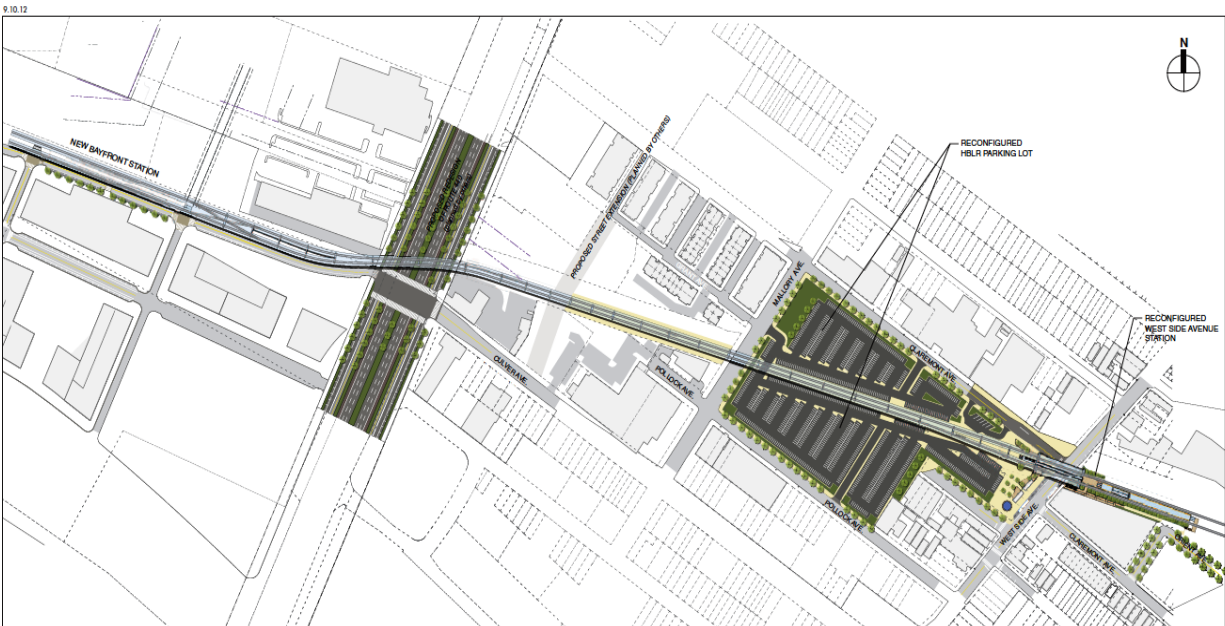
<b>Contract No.</b>	<b>Discipline</b>	<b>Task Limit</b>	<b>Contract Limit (Per firm)</b>
16-037	Architectural / Engineering	\$500,000	\$6,500,000
16-038	Bridge and Railway Engineering	\$600,000	\$3,750,000

**ITEM 1712-57: HUDSON-BERGEN LIGHT RAIL ROUTE 440 EXTENSION: GENERAL DESIGN CONSULTANT CONTRACT AMENDMENT FOR PRELIMINARY ENGINEERING SERVICES**

**BENEFITS**

The City of Jersey City is planning for substantial redevelopment and growth at its western edge, along the Hackensack River, with a mix of new residential, commercial, and institutional uses on former industrial sites. Major projects planned in the area include Bayfront on the west side of NJ Route 440, the new West Campus of New Jersey City University on the east side of NJ Route 440, and proposed improvements to NJ Route 440 itself. The success of this redevelopment depends on improved transit service to this area and connectivity with the eastern portions of Jersey City.

Prior planning efforts by Jersey City identified extending the Hudson-Bergen Light Rail (HBLR) West Side Avenue Branch to serve western Jersey City as the best way to improve transit connectivity. Following these efforts, NJ TRANSIT investigated the benefits of either extending the HBLR system or providing alternative transit service to improve access to the existing HBLR system, as part of the *HBLR Route 440 Extension Alternatives Analysis*. The Alternatives Analysis identified options for enhancing transit connectivity to the Hackensack River waterfront, including both light rail and bus/shuttle options, evaluated potential alternatives, and recommended a Locally Preferred Alternative, which was adopted by the NJ TRANSIT Board of Directors in May 2011.



*The Locally Preferred Alternative, which was adopted by the NJ TRANSIT Board of Directors in May 2011. This image depicts a 3,700-linear foot, two-track extension on viaduct with a new terminus at the Bayfront site and an elevated, two-track center-island platform at the northern end of the Bayfront site.*

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

Staff seeks authorization to amend NJ TRANSIT Contract No. 93CJ001 with WSP USA (formerly Parsons Brinckerhoff Quade & Douglas, Inc.) of Newark, New Jersey, in the amount of \$5,000,000 plus five percent for contingencies, to initiate preliminary engineering for the Hudson-Bergen Light Rail Route 440 Extension project through December 31, 2018. This authorization will bring the total contract authorization to \$156,085,785.

**PURPOSE**

NJ TRANSIT contracted with Parsons Brinckerhoff Quade & Douglas, Inc. (now WSP USA) to provide general design services for the HBLR. The NJ TRANSIT Board of Directors required that contract work orders for this contract be issued periodically throughout the duration of the project.

This funding request will allow WSP USA to provide professional services through December 31, 2018 related to the initiation of preliminary engineering for the HBLR Route 440 Extension. Additional authorization will be requested in the future to complete preliminary engineering.

**BACKGROUND**

HBLR Route 440 Extension

Service to the western waterfront area of Jersey City near NJ Route 440 was considered when HBLR was being planned. NJ TRANSIT was actively involved in discussions related to the new development and worked with local stakeholders in developing the Locally Preferred Alternative. In meetings with NJ TRANSIT staff and the Hudson County Executive, Hudson County mayors, and



Congressman Albio Sires, a westward extension to the HBLR toward NJ Route 440 was identified as a top County transportation priority. In addition to meetings with elected officials, NJ TRANSIT staff met on multiple occasions with County and municipal staff and consultants working on the Bayfront Redevelopment project.

Honeywell and the City of Jersey City have been working closely together in both the remediation effort and the planned joint redevelopment. Honeywell, as the responsible party for the Bayfront remediation, has concluded the extensive remediation of the Bayfront property and final environmental approvals are anticipated by the end of 2017.

All redevelopment plans have been approved and Jersey City has relocated municipal functions from the site to make room for the redevelopment project. A total of 100 acres has been assembled for this redevelopment, including 23 acres that have been designated as open space.

Following Board approval in September 2009, NJ TRANSIT entered into the Alternatives Analysis process required for consideration for federal funding of subsequent project stages (design and construction). This process included significant outreach to state and local agencies, elected officials, and the public. Three public open houses were held during the Alternatives Analysis. The process concluded with the completion of the Alternatives Analysis Report and the identification of the Locally Preferred Alternative which the NJ TRANSIT Board of Directors adopted in May 2011.

The *HBLR Route 440 Extension Alternatives Analysis* included the development of a Long List of Alternatives, which was evaluated with respect to critical issues such as significant traffic impacts, significant property impacts, and consistency with local planning efforts and adopted planning documents undertaken by Jersey City and others (such as New Jersey City University) in the area. This screening resulted in the creation of a Short List of Alternatives:

- Alternative 1A (the Locally Preferred Alternative) – a 3,700-linear-foot, two-track extension on viaduct with a new terminus at the Bayfront site and an elevated two-track, center-island platform at the northern end of the Bayfront site;
- Alternative 1C – similar in alignment and profile to Alternative 1A, but also included an intermediate station east of NJ Route 440, also with an elevated, two-track, center-island platform;
- Alternative 1D – a 2,200-linear-foot, two-track extension on viaduct to a new terminal station east of NJ Route 440; and,
- The Transportation Systems Management (TSM) Alternative, as required by the Federal Transit Administration's (FTA) Alternatives Analysis process, which consisted of a bus shuttle between the Bayfront development and the HBLR West Side Avenue Station.

Alternative 1C was not selected as the LPA for three main reasons: 1) it did not attract substantially more riders than Alternative 1A; 2) it had a greater impact on HBLR operations due to close spacing between stations and resultant acceleration/deceleration impacts on travel time; and 3) it was the most expensive of the four options considered in the Short List.

Alternative 1D was not selected for two main reasons: 1) it resulted in substantially fewer new riders than Alternative 1A; and 2) it did not accomplish the goals set forth in local redevelopment plans and does not allow for the additional development available to Bayfront should HBLR be extended to the site. (As discussed in the Locally Preferred Alternative report, the redevelopment plan for Bayfront adopted by the City of Jersey City specifies maximum permitted thresholds for development of residential and office construction that are substantially higher if HBLR service is present.)

The TSM Alternative was not selected because it would provide the least robust improvement to transit service and would attract the fewest new riders to the HBLR system. At the same time, it would have the highest annual operating and maintenance costs. It would also not provide high-capacity light rail service to Bayfront, which is inconsistent with the City of Jersey City's approved plan for Bayfront.

Following the adoption of the Locally Preferred Alternative, NJ TRANSIT initiated the *HBLR Route 440 Extension Environmental Assessment* in accordance with the FTA's procedures for new transit projects. The Environmental Assessment was prepared to meet the environmental review requirements for FTA's Environmental Impact and Related Procedures (23 CFR Part 771), Council on Environmental Quality regulations implementing the National Environmental Policy Act of 1969 (NEPA) (40 CFR 1500), as well as Section 106 of the National Historic Preservation Act of 1966, Section 4(f) of the U.S. Department of Transportation Act of 1966, Executive Order 12898 – Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, and other relevant regulations.

The Environmental Assessment was made available on the project website in September 2013 and a public meeting was held in October 2013 to solicit comments on the document. On June 27, 2014, the FTA issued a Finding of No Significant Impact (FONSI) for the project. The FTA required that the environmental documentation supporting the FONSI approval be re-evaluated in June 2017 if design or construction activities had not commenced. In May 2017 NJ TRANSIT advised the FTA that efforts to retain preliminary engineering services would be initiated by the end of calendar year 2017 and that the analyses performed in support of the Environmental Assessment remain valid.

#### Procurement of HBLR General Design Consultant

In July 1992 Requests for Expressions of Interest were advertised for the General Design Consultant for the Hudson River Waterfront Corridor Transit System (now the Hudson-Bergen Light Rail); management and administration plans were received from three firms/joint ventures in September 1992. Interviews were held with the prospective project teams in October 1992 and a Request for Technical Proposals was issued in December 1992. Technical Proposals were received in January 1993 and oral presentations were held in February 1993. Upon evaluation, Parsons Brinckerhoff Quade & Douglas, Inc. (now WSP USA) was deemed the most competitive and highest qualified team.

At its March 1993 meeting the NJ TRANSIT Board of Directors authorized the award of a professional services contract with Parsons Brinckerhoff Quade & Douglas, Inc. to provide general design services and start-up work tasks for the Hudson River Waterfront Corridor Transit System. The approval awarded the responsibility for general design services through construction for the project. The approval contemplated that services related to the agreement, including design services during the construction phases, could extend over a number of years and that the initial authorization would be followed by periodic recommendations for contract work orders

for expenditure of additional funds. The General Design Consultant has been authorized for subsequent tasks as the HBLR system has been extended.

Hudson River Waterfront Corridor Transit System (Hudson-Bergen Light Rail)

In February 1993 the NJ TRANSIT Board of Directors adopted a Locally Preferred Alternative, which consisted of a 15.3-mile light rail system to improve mobility along and to the Hudson River Waterfront, to be advanced to preliminary engineering. As adopted, the system would have stretched from the New Jersey Turnpike Vince Lombardi Park-and-Ride in Ridgefield south to NJ Route 440 in southwestern Jersey City, with stops in North Bergen, Weehawken, Hoboken and Jersey City. With its decision, the NJ TRANSIT Board of Directors stipulated that a number of issues, particularly related to the proposed alignment, should be addressed by NJ TRANSIT staff in subsequent analyses. As a result, the following actions were undertaken:

- A Supplemental Draft Environmental Impact Statement (SDEIS) was completed to examine alternatives for a 5.2-mile extension of the HBLR alignment from the Liberty State Park Park-and-Ride to West Fifth Street in Bayonne;
- An SDEIS was completed to examine alignment options for service through Jersey City;
- An environmental analysis was conducted to address potential impacts of an additional station in the Weehawken Tunnel that would serve Union City and West New York by way of elevator access to a street-level station atop the Palisades; and
- Other refinements and adjustments to the HBLR were made in response to neighborhood concerns, engineering feasibility, property needs, and environmental issues.

The two SDEIS documents were approved by the FTA in November 1995; in addition, an environmental analysis for the Bergenline Avenue Station was completed. The documents were circulated for comment in November 1995 and public hearings were conducted in December 1995.

Subsequent to the public hearings, NJ TRANSIT staff revised the Locally Preferred Alternative previously adopted by the NJ TRANSIT Board of Directors. Based on the additional studies, project refinements, and public comments, the NJ TRANSIT Board of Directors adopted a revised Locally Preferred Alternative which consisted of a 20.5-mile system with 32 stations and a yard-and-shop facility. This revised Locally Preferred Alternative added the Bayonne Extension to 5<sup>th</sup> Street as well as the Bergenline Avenue Station.

Today, the HBLR extends from Tonnelle Avenue in North Bergen south to 8<sup>th</sup> Street in Bayonne and west to West Side Avenue in Jersey City. The northern extension into Bergen County (HBLR Northern Branch Extension) is nearing completion of NEPA and the western extension to NJ Route 440 is the subject of this authorization to enter into preliminary engineering.

Funding

On March 27, 2017, Governor Chris Christie signed legislation appropriating an additional \$140 million from the Transportation Trust Fund to NJ TRANSIT for technology, safety, and transit enhancement projects. The NJ TRANSIT Board of Directors amended the Fiscal Year 2017 Capital Program to include the additional funds at their April 4, 2017 meeting. NJ TRANSIT has programmed \$22 million of these supplemental funds, plus \$6 million of federal discretionary funds, to advance the engineering of the Hudson-Bergen Light Rail Route 440 Extension project.

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

**FISCAL IMPACT**

**Requested Authorization:** This Authorization \$ 5,000,000 + 5% contingency  
Total Authorization \$ 156,085,785

**Past Authorizations:**

March 23, 1993	Initial funding for general design services related to the project definition phase	\$ 4,500,000
October 26, 1993	Additional funding to complete the project definition phase	\$ 5,757,030
March 30, 1994	Initial funding for initiation of preliminary engineering	\$ 3,342,970
November 30, 1994	Additional funding to continue preliminary engineering	\$ 19,800,000
September 27, 1995	Additional funding to complete preliminary engineering and to initiate funding of preliminary and final engineering of 69 <sup>th</sup> Street grade separation and staff support for procurement of the DBOM contract	\$ 6,311,964
November 28, 1995	Initial funding for preliminary engineering for MOS-2, Gateway CM support and MOS-1 Arts-in-Transit	\$ 31,370,000
July 29, 1996	Additional funding for payment of incentive fee and for general design services during the design/build phase	\$ 14,218,036
September 9, 1998	Initial funding for development of quantities and costs for negotiating MOS-2 with the DBOM Contractor	\$ 1,100,000

May 12, 1999	Additional funding for required support services for MOS-2	\$	1,200,000	
July 14, 1999	Additional funding through July 2000 and initial funding of MOS-2 Arts-in-Transit	\$	5,700,000	
July 12, 2000	Additional funding through December 2000	\$	2,400,000	
December 13, 2000	Additional funding through December 2001	\$	6,000,000	
December 12, 2001	Additional funding through December 2002 and initial funding for construction support services at the Weehawken Tunnel	\$	7,631,000	
November 13, 2002	Initial funding for conceptual engineering of MOS-3	\$	9,000,000	
December 11, 2002	Additional funding through December 2003	\$	7,500,000	
December 10, 2003	Additional funding through December 2004	\$	6,900,000	
December 15, 2004	Additional funding for MOS-2, 69 <sup>th</sup> Street Grade Separation concept engineering, concept planning of extension west to Secaucus, concept planning for Northern Branch, and design for 8 <sup>th</sup> street.	\$	10,521,210	+ 5%
December 2005	Additional funding for MOS-2, MOS-3 and extension to Secaucus	\$	4,000,000	+ 5%
September 2006	Additional funding for MOS-3 8 <sup>th</sup> Street	\$	1,421,442	+ 5%
July 11, 2007	Additional funding for 69 <sup>th</sup> Street Grade Separation construction assistance	\$	1,300,000	+ 5%
	Total Previous	\$	150,835,785	

**Expenditures to Date:** \$ 18,000 (as of 09/30/17)

**Total Project Cost:** \$ 28,000,000 (Preliminary Engineering only)

**Projected Date of Completion:** December 2020 (Preliminary Engineering only)

**Capital Program Amount:** \$ 28,000,000 (Preliminary Engineering only)

**Operating Budget Amount:** None

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

**PRINTS ID:** NJT01231

**Diversity Goal:** 25% DBE

**Future Authorizations:** Additional Funding for Preliminary Engineering  
Property Acquisition  
Final Engineering  
Construction  
Construction Assistance  
Construction Management

**Impacts on Subsequent  
Operating Budgets:** NA

**RESOLUTION**

**WHEREAS**, the NJ TRANSIT Board of Directors adopted the HBLR Route 440 Extension Locally Preferred Alternative in May 2011; and

**WHEREAS**, the Federal Transit Administration issued a Finding of No Significant Impact for the project in July 2014, a prerequisite to initiating preliminary engineering; and

**WHEREAS**, following a competitive procurement process, NJ TRANSIT contracted with Parsons Brinckerhoff Quade & Douglas, Inc. (now WSP USA) to provide general design services for the Hudson-Bergen Light Rail; and

**WHEREAS**, the NJ TRANSIT Board of Directors authorized that subsequent contract work orders to the general design consultant be issued periodically throughout the duration of the project;

**NOW, THEREFORE, BE IT RESOLVED** that the Chairman or Executive Director is authorized to amend NJ TRANSIT Contract No. 93CJ001 with WSP USA (formerly Parsons Brinckerhoff Quade & Douglas, Inc.) of Newark, New Jersey, in the amount of \$5,000,000 plus five percent for contingencies, to initiate preliminary engineering for the Hudson-Bergen Light Rail Route 440 Extension project through December 31, 2018, for a total contract authorization of \$156,085,785, 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 negotiations, acquisition of real property with public funds, 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 Chanel Speed and the Settlement of Pending Litigation with DMR Construction Services, LLC; 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 1712-58: MAINTENANCE, SUPPORT, AND UPGRADE OF CUSTOMER TICKETING, FARE PAYMENT AND COLLECTION SYSTEMS AND NETWORKS CONTRACT WITH CONDUENT TRANSPORT SOLUTIONS, INC.**

**BENEFITS**

NJ TRANSIT utilizes Conduent Transport Solutions Inc. of Somerset, New Jersey (formerly ACS/Xerox), to operate, maintain and provide professional services to support Ticket Vending Machines (TVMs), Ticket Office Machines (TOMs), MyTix mobile ticketing, Web Ticketing, Faregates, Validators, the Mobile Validation App, the Extended Management System (XMS) and Mobile/Validation Application Services. This complex fare collection system consists of hardware and software systems that are responsible for processing customer payments, issuing fare media and for the financial reconciliation of all passenger revenue for NJ TRANSIT Rail, Bus, Light Rail Operations and for several regional transit agency joint ticketing programs.

Proposed upgrades will lower fare payment, collection and maintenance costs, increase the security of fare revenue and reduce cash and paper in fare payment. This will also result in improved employee safety and security. The proposed enhancements will allow for fare policy innovations, leverage new fare payment technologies and improve data collection and analytics.

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

Staff seeks authorization to take all necessary steps to enter into an agreement with Conduent Transport Solutions Inc. for the maintenance, support and upgrade of the fare collection and payment system, at an amount discussed in executive session. The proposed contract has two components: one that will provide uninterrupted maintenance, support and professional services to the current fare collection and payment system; and the second, upgrades to key NJ TRANSIT point of sale equipment and systems.

**PURPOSE**

The existing contract with Conduent expires on December 31, 2017. The proposed contract will provide key system upgrades that will leverage capital investments previously made to the fare collection and payment system. The current system will be upgraded in key areas, incorporating advancements in payment technology, employing the benefits of open source concepts, creating a more secure fare payment environment, and providing customers with an improved fare payment experience.

**BACKGROUND**

NJ TRANSIT has previously contracted with Conduent and utilizes Conduent Transport Solutions Inc. to maintain, support and provide professional services for the statewide point of sale and fare payment network for customer payment, ticketing and financial data reporting. These systems issue approximately 55 million tickets and process over \$875 million in passenger revenue transactions annually. As a part of the \$875 million, passenger revenue is collected and processed for SEPTA, Metro North, NY Waterways, Amtrak, The Port Authority of NY and NJ and several contract carrier bus lines. Agreements with these agencies allow for commissions and cost recovery for the services provided to these regional transportation partners. This request provides for ongoing support to maintain our current fare collection systems in a state of good repair while also upgrading current systems, replacing technologies where appropriate, and adding new technologies where they provide the most value. The upgraded fare collection and payment system will reduce the cost of collecting and handling fare payment, decrease fare evasion, and enhance the customer experience.

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

**FISCAL IMPACTS**

<b>Requested Authorization:</b>	Request authorization to take all necessary steps to maintain, support, provide professional services and upgrade of existing the fare collection and payment system at an amount discussed in executive session.
<b>Past Authorizations:</b>	
Total Previous:	\$306,585,014
<b>Expenditures to Date:</b>	\$296,120,058
<b>Anticipated Source of Funds:</b>	Operating and Capital TTF Budgets
<b>PRINTS ID Number:</b>	NJT01259
<b>DBE/SBE Goal:</b>	3%
<b><i>NJ Build</i> Amount:</b>	TBD
<b>Related/Future Authorizations:</b>	TBD
<b>Impacts on Subsequent Operating Budgets:</b>	TBD

## RESOLUTION

**WHEREAS**, NJ TRANSIT has previously contracted with Conduent Transport Solutions Inc. of Somerset, New Jersey to provide hardware, software and staffing support for customer fare collection and payment systems and associated networks; and

**WHEREAS**, NJ TRANSIT and Conduent Transport Solutions Inc. will negotiate a contract that includes the continued operation, maintenance, and professional services of NJ TRANSIT's fare collection and payment system and to deliver key upgrades to existing Ticket Vending Machines, TOMs, Faregates, Light Rail Validators, NJ TRANSIT MyTix app, Mobile Validation App, Xtended management system and mobile/validation services;

**NOW, THEREFORE, BE IT RESOLVED** that the Chairman or Executive Director is authorized to take all necessary actions to enter into a procurement-by-exception with Conduent Transport Solutions Inc. for the maintenance, support and upgrade of the fare collection and payment system, at an amount discussed in executive session, subject to availability of funds, and approval of subsequent operating budgets. The proposed contract has two components: one that will provide uninterrupted maintenance, support and professional services to the current fare collection and payment system; and the second, upgrades to key NJ TRANSIT point of sale equipment and systems.

**ITEM 1712-59: PERSONAL INJURY CLAIM OF CHANEL SPEED**

**BENEFITS**

It is the opinion of NJ TRANSIT and defense counsel, in recognition of the totality of the circumstances including the serious injuries that resulted, to settle the claim of Chanel Speed.

**ACTION**

Staff seeks authorization to settle the claim of Chanel Speed through her 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 Essex County Superior Court, Newark, New Jersey, initiated from a Rail claim.

**FISCAL IMPACTS**

<b>Requested Authorization:</b>	Request authorization to settle the Personal Injury Claim of Chanel Speed
<b>Projected Date of Completion:</b>	FY 2018
<b>Anticipated Source of Funds:</b>	FY 2018 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**, Chanel Speed 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 Chanel Speed through her attorney, at an amount discussed in executive session. The Attorney General has approved the proposed settlement, subject to the availability of funds.

**ITEM 1712-60: SETTLEMENT OF PENDING LITIGATION WITH DMR CONSTRUCTION SERVICES, LLC**

**BENEFITS**

It is the opinion of NJ TRANSIT, and counsel for NJ TRANSIT, to settle a claim by DMR Construction Services LLC against NJ TRANSIT arising out of DMR's filing of a complaint on October 21, 2016, against NJ TRANSIT in connection with DMR's work on the construction of the Newark Light Rail Bloomfield Avenue and Davenport Avenue Stations ADA Improvements.

**ACTION (Scorecard: Financial Performance, Corporate Accountability)**

Staff seeks authorization to settle the matter filed by DMR Construction Services, LLC ("DMR") of Waldwick, NJ against NJ TRANSIT in connection with its work on the construction of the Newark Light Rail Bloomfield Avenue and Davenport Avenue Stations ADA Improvements at a cost not to exceed an amount discussed in executive session, subject to the availability of funds and the approval of the Attorney General's Office.

**PURPOSE**

NJ TRANSIT By-Laws require approval for the settlement of claims in excess of \$500,000. This case is pending for an amount more than this threshold with an agreed settlement amount of a cost not to exceed an amount discussed in executive session.

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

**FISCAL IMPACTS**

**Requested Authorization:** Request authorization to settle the matter involving DMR, and to take all actions consistent with settlement for an amount discussed in executive session.

**Past Authorizations:**

- Bloomfield Avenue Station ADA Improvements  
Board Item 1203-09  
\$5,198,453.40 plus 5% for Contingencies
- Davenport Avenue Station ADA Improvements  
Board Item 1206-24  
\$1,999,717.00 plus 5% for Contingencies

<b>Expenditures to Date:</b>	Bloomfield Avenue Station ADA Improvements \$8,294,000.00 (as of 11/02/17)
	Davenport Avenue Station ADA Improvements \$3,361,000.00 (as of 11/10/17)
<b>Total Project Cost:</b>	Bloomfield Avenue Station ADA Improvements \$9,662,978.00 (as of 11/02/17)
	Davenport Avenue Station ADA Improvements \$3,426,196.00 (as of 11/10/17)
<b>Projected Date of Completion:</b>	FY 2018
<b>Capital Program Amount:</b>	Bloomfield Avenue Station ADA Improvements \$9,662,978.00
	Davenport Avenue Station ADA Improvements \$3,426,196.00
<b>Operating Budget Amount:</b>	N/A
<b>Anticipated Source of Funds:</b>	Transportation Trust Fund
<b>Related/Future Authorizations:</b>	N/A
<b>Impacts on Subsequent Operating Budgets:</b>	N/A

**RESOLUTION**

**WHEREAS**, Article VI, Section 11 of the NJ TRANSIT By-Laws requires Board Authorization for settlement of claims and disputes in excess of \$500,000; and

**WHEREAS**, DMR Construction Services, LLC has filed a claim seeking to recover an amount more than this threshold as a result of its work in the construction of the Newark Light Rail Bloomfield and Davenport Avenue Stations ADA Improvements; and

**WHEREAS**, Staff has reviewed the respective positions of the parties and recommends settling this case out of court;

**NOW, THEREFORE, BE IT RESOLVED** that the Chairman or Executive Director is authorized to settle the matter filed by DMR Construction Services, LLC (“DMR”) of Waldwick, NJ against NJ TRANSIT in connection with its work on the construction of the Newark Light Rail Bloomfield Avenue and Davenport Avenue Stations ADA Improvements at a cost not to exceed an amount discussed in executive session, subject to the availability of funds and the approval of the Attorney General’s Office.

**ITEM 1712-61: AUTHORIZATION TO ACQUIRE 26.7 ACRES OF OPEN LAND AT THE KOPPERS KOKE SITE FROM HUDSON COUNTY IMPROVEMENT AUTHORITY AND TO ENTER INTO A RESOLUTION OF RELATED ISSUES AND BENEFITS IN ACCORDANCE WITH PRIOR SETTLEMENT OF HUDSON COUNTY IMPROVEMENT AUTHORITY V. NEW JERSEY TRANSIT CORPORATION**

**BENEFITS**

It is the opinion of NJ TRANSIT Staff and counsel that NJ TRANSIT acquire 26.7 acres of open land at the Koppers Koke site in the town of Kearny, in Hudson County (the "Property"), from the Hudson County Improvement Authority (HCIA) at the amount discussed in executive session and in accordance with the terms of the December 1, 2014 Consent Order, which resolved the 2014 Inverse Condemnation Action brought by the Hudson County Improvement Authority (HCIA) against NJ TRANSIT.

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

Staff seeks authorization to take all necessary actions, including but not limited to, the acquisition of 26.7 acres of open land at the Koppers Koke Site in the Town of Kearny in Hudson County, subject to reservations and together with supporting easements from HCIA, in accordance with the December 1, 2014 Consent Order resolving the Inverse Condemnation Action brought by HCIA against NJ TRANSIT, and payment of compensation to HCIA for the aforesaid acquisition at an amount discussed in executive session, subject to availability of funds.

Staff also seeks authorization to: (1) convey to HCIA, mitigating easements, as discussed and described in executive session; (2) agree to make a monetary contribution for construction of a common road and other infrastructure not to exceed an amount discussed in executive session and to have NJ TRANSIT construct certain utility improvements in the future, also as discussed in executive session; and (3) take all other actions consistent with the proposed settlement terms as discussed in executive session, subject to availability of funds. The Attorney General has approved the proposed settlement.

**PURPOSE**

NJ TRANSIT By-Laws require Board approval for settlement of claims and disputes in excess of \$500,000 and acquisitions in excess of \$250,000. Under the inverse condemnation case, venued in Hudson County Superior Court, which was initiated by HCIA against NJ TRANSIT, and resolved by Consent Order executed by the trial court and entered into on December 1, 2014, NJ TRANSIT reserved the right to acquire approximately 26 acres together with supporting easements from a part of the Koppers Koke Site owned by HCIA. Entry into the Consent Order previously was authorized by the Board under Item 1411-56 on November 12, 2014. NJ TRANSIT previously made an offer to HCIA to exercise said reserved right to acquire as authorized under Item

1610-58. This Item authorizes payment of compensation to HCIA and transfer of title to said 26.7 acres of open land in accordance with the Term Sheet incorporated as part of the Consent Order, subject to availability of funds. This Item also addresses other actions to be taken by NJ TRANSIT relating to the proposed acquisition.

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

**FISCAL IMPACTS:**

**Requested Authorization:** Request authorization to take all necessary actions, including but not limited to the acquisition of 26.7 acres of open land at the Koppers Koke Site in the Town of Kearny in Hudson County, subject to reservations and together with supporting easements from HCIA, in accordance with the December 1, 2014 Consent Order resolving the Inverse Condemnation Action brought by HCIA against NJ TRANSIT and payment of compensation to HCIA for the acquisition at an amount discussed in executive session, subject to availability of funds.

**Request authorization to:** (1) convey to HCIA mitigating easements, as discussed in executive session; (2) agree to make a monetary contribution for construction of a common road and other infrastructure not to exceed an amount discussed in executive session and to have NJ TRANSIT construct certain utility improvements as also discussed in executive session ; and (3) take all other actions consistent with the proposed settlement terms as discussed in executive session, subject to availability of funds.

**Previous Authorizations:** Item 1411-56: Proposed Settlement of Pending Lawsuit  
  
Item 1610-58: Hudson County Improvement Authority v. New Jersey Transit Corporation: Implementation of Settlement Term Sheet

**Projected Date of Completion:** FY 2018

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

**DBE/SBE Goal:** Not applicable. No goods or services to be procured.

**RESOLUTION**

**WHEREAS**, Article VI, Section 7, Settlement of Claims and Disputes and Section 11, Sale and Purchase of Property of the By-Laws respectively require Board Authorization for settlements in excess of \$500,000 and acquisitions in excess of \$2500,000; and

**WHEREAS**, NJ TRANSIT and Hudson County Improvement Authority (HCIA) resolved the civil action entitled Hudson County Improvement Authority v. New Jersey Transit Corporation, Docket No. HUD L -3693-13, via Consent Order dated December 1, 2014; and

**WHEREAS**, the Term Sheet incorporated as part of the Consent Order provided NJ TRANSIT the right to acquire up to approximately 26 acres from HCIA (the "Property"), without contest, at the Koppers Koke Site in the Town of Kearny, Hudson County; and

**WHEREAS**, NJ TRANSIT and HCIA following a written offer to acquire previously authorized by the Board under Item 1610-58 have undergone extensive negotiations, with assistance of a mediator, to ascertain the fair market value of the Property and resolve any related issues;

**NOW, THEREFORE BE IT RESOLVED** that the Chairman or Executive Director is authorized to take all necessary actions, including but not limited to, the acquisition of 26.7 acres of open land at the Koppers Koke Site in the Town of Kearny in Hudson County, subject to reservations and together with supporting easements from HCIA, in accordance with the December 1, 2014 Consent Order resolving the Inverse Condemnation Action brought by HCIA against NJ TRANSIT and payment of compensation to HCIA for the aforesaid acquisition at an amount discussed in executive session, subject to availability of funds; and

**NOW, FURTHER BE IT RESOLVED** that the Chairman or Executive Director is authorized to: (1) convey mitigating easements to HCIA, as discussed and described in executive session; (2) agree to make a monetary contribution for construction of a common road and other infrastructure not to exceed an amount discussed in executive session and to have NJ TRANSIT construct certain utility improvements in the future, also as discussed in executive session; and (3) take all other actions consistent with the proposed settlement terms as discussed in executive session subject to availability of funds. The Attorney General has approved the proposed settlement.