

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



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

October 14, 2016

Dear Governor Christie:

Pursuant to Chapter 150, Laws of 1979, I herein transmit the minutes of actions taken at the open session of the regularly scheduled meetings of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc., Board of Directors held on Thursday, October 13, 2016.

Sincerely,

A handwritten signature in black ink that reads "Joyce J. Zuczek".

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 Thursday, October 13, 2016.

Present

Richard T. Hammer, Chairman
Bruce M. Meisel, Vice Chairman
John Spinello, Governor's Representative
Steven M. Petrecca, Treasurer's Representative
Raymond W. Greaves, Board Member (Non-Voting)

Absent

James C. Finkle, Jr., Board Member
Flora M. Castillo, Board Member

Also Present

Dennis J. Martin, Interim Executive Director
Amy B. Herbold, Deputy Executive Director
Michael P. Kilcoyne, Acting Vice President/General Manager, Bus Operations
Robert Lavell, Vice President & General Manager, Rail Operations
James Schworn, Deputy Chief, Light Rail & Contract Services
Christopher Trucillo, Chief of Police
Frank Savino, Director, Internal Audit
Michael J. Lihvarcik, Chief Financial Officer & Treasurer
Michael K. Slack, Chief Information Officer
Penelope L. Bassett, Assistant Executive Director, Communications & Customer Service
Steven H. Santoro, Assistant Executive Director, Capital Planning & Programs
Gardner C. Tabon, Chief, Office of System Safety
Michael Gonnella, Deputy Attorney General
Joyce J. Zuczek, Board Secretary

Chairman Hammer convened the Open Session at 9:08 a.m. in accordance with the Open Public Meetings Act. Chairman Hammer said NJ TRANSIT has faced challenging days of late and any loss of life on the system is one incident too many. The devastating bus accident in Downtown Newark and the tragic train accident at Hoboken Terminal have tested the mettle of the men and women of this agency. Yet NJ TRANSIT's employees remain undeterred from their core focus, NJ TRANSIT's customers. They remain committed to providing a safe and efficient transportation experience for all who utilize and work on the system. Chairman Hammer asked that they observe a moment of silence in memory of customers Jesy Garcia and Fabiola Bittar de Kroon and for NJ TRANSIT Bus Operator Joseph Barthelus.

Darwin Alviar, 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.

Board Secretary Zuczek announced that adequate notice of the regularly scheduled meetings of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations Inc., NJ TRANSIT Bus Operations, Inc. NJ TRANSIT Mercer, Inc. and NJ TRANSIT Morris, Inc. was provided in accordance with the Open Public Meetings Act, Chapter 231, P.L. 1975, and the meetings were occurring concurrently. Notices were filed on October 7, 2016 with the Secretary of State. These notices were mailed 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 Meeting was being video recorded

Chairman Hammer asked for a motion to approve the minutes of the June 8, 2016, July 15, 2016, and July 27, 2016 Board meetings. A motion was made by Vice Chairman Bruce M. Meisel, seconded by Board Member Steven Petrecca, and unanimously adopted.

Board Customer Service Committee Report

Board Member Greaves presented the report for the Customer Service Committee. The Customer Service Committee received Customer Service updates and reports on the Social Media Dashboard. The Committee also received a report on the Fiscal Year 2016 Fourth Quarter Customer Satisfaction Survey results and an update on NJ TRANSIT's June Safety Month activities. Additionally, the Committee received an update on MyTix.

Board Administration Committee Report

Board Member Greaves presented the report for the Administration Committee. The Administration Committee discussed the board item for the Conduct and Safety of the Public in the Use of NJ TRANSIT Equipment and Facilities Regulation. The Committee also received a Financial Update, which included an analysis of ridership trends, and an update on the Corporate Insurance Renewal.

Board Capital Planning, Policy, and Privatization Committee Report

Vice Chairman Meisel presented the report for the Capital Planning, Policy and Privatization Committee. The Capital Planning, Policy and Privatization Committee discussed the board items for the Interagency Operating Agreement with Amtrak and Chatham Train Station Property – Long-Term Retail Lease of Eastbound Station Building.

Executive Director's Monthly Report

Chairman Hammer asked Interim Executive Director Martin for an update on Hoboken Terminal. Interim Executive Director Martin said that progress continues in earnest at Hoboken Terminal in order to safely restore as much commuter rail service and access for

NJ TRANSIT customers as they can. Since reestablishing rail service to the Terminal on Monday, October 10, 2016, NJ TRANSIT has been working to address the remaining structural issues so that we may open additional tracks and to help facilitate a smooth pedestrian traffic flow through the area. Over the last several days, two of NJ TRANSIT's vendors returned to serve customers.

NJ TRANSIT has worked closely with their transportation partners at PATH and New York Waterway to ensure their customers can access their services as directly as possible. Words cannot express how truly grateful they are for the patience and support they have received from so many of their patrons over these last several weeks. Things have been extremely trying for customers of all modes. He expressed their heartfelt thanks.

Interim Executive Director Martin said he would be remiss if he did not take a moment to acknowledge the hard work of the men and women of this agency. They remain steadfastly committed to meeting their obligations as a public service agency.

While there is work left to do, they also recognize the good work that has already been done. They saw it in Hoboken, when NJ TRANSIT employees rushed to the aid of those in need, shepherding them from the terminal and assisting them off the train during that tragic day.

Interim Executive Director Martin said they also saw it when Sergeant Kristen Bivona and Officers Antonio DiPopolo and Rich Sullivan sprang into action to rescue a customer from a moving train in Secaucus recently. And in a most dramatic fashion, we saw it again at Secaucus in the heroic actions of Officer Victor Ortiz of the New Jersey Transit Police Department who risked his own life to save a man determined to die; a man who fought Officer Ortiz' efforts to save him from the path of an oncoming train. Officer Ortiz' actions earned him international recognition and gave the world an up close look at just how special our New Jersey Transit Police Officers are.

Interim Executive Director Martin called Officer Ortiz, who was present with his wife Evelyn and daughter Roselyn, to the front of the room so they could present the proclamation in recognition of his service.

Interim Executive Director Martin read the resolution that stated: Whereas, on August 26, 2016, Police Officer Victor Ortiz, a 16-year veteran of the New Jersey Transit Police Department, selflessly risked his life to save another human being; and Whereas, without regard for his own safety, Officer Ortiz jumped down onto the tracks at Secaucus Junction during the morning rush hour to pull a distraught man from the path of an oncoming locomotive; and Whereas, with an express train heading toward the duo, Officer Ortiz refused to give up on the man and with one final pull, yanked the individual to safety mere seconds before the train roared into the station; Now, therefore, be it resolved for his heroic efforts and for his unwavering commitment to duty, the Board of Directors of New Jersey Transit, do hereby recognize Officer Victor Ortiz for his unparalleled bravery and determination to serve and protect all who utilize NJ TRANSIT's transportation system.

Public Comments on Agenda Items and Other Matters

This section will be transmitted separately at a later date.

Advisory Committee Report

This section will be transmitted with the Public Comments at a later date.

Action Items

1606-43: INTERAGENCY OPERATING AGREEMENT WITH AMTRAK

Interim Executive Director Martin introduced Steven Santoro, Assistant Executive Director, Capital Planning & Programs, who presented Action Item #1606-43 for approval.

Steven Santoro recommended approval of Item #1606-43, Interagency Operating Agreement with Amtrak. Approval was requested to ratify the negotiation and execution of an Agreement with Amtrak setting forth the terms and conditions providing for and compensating for operating obligations on the Northeast Corridor, which Agreement is retroactive to October 1, 2015, the date of the executed Northeast Corridor Commuter and Intercity Rail Cost Allocation Policy, as required under the Passenger Rail Investment and Improvement Act of 2008.

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

Roll Call Vote:

Hammer	Meisel	Spinello	Petrecca	Castillo	Finkle	Greaves
Yes	Yes	Yes	Yes	Absent	Absent	Non-Voting Member

1606-44: CHATHAM TRAIN STATION PROPERTY – LONG-TERM RETAIL LEASE OF EASTBOUND STATION BUILDING

Interim Executive Director Martin introduced Michael Lihvarcik, Chief Financial Officer and Treasurer, who presented Action Item #1606-44 for approval.

Michael Lihvarcik recommended approval of Item #1606-44, Chatham Train Station Property – Long-Term Retail Lease of Eastbound Station Building. Approval was requested to enter into a twenty-year lease consisting of fifteen years with one, five-year extension with Fishawack 4, LLC for the operation of a restaurant concession consisting of approximately 2,000 sq. ft. in Chatham train station’s Eastbound Building at annual base rent of \$18,000 with 2.5 percent annual increases plus percentage rent at an escalating range of between five to ten percent of gross annual sales over \$700,000.

Vice Chairman Bruce M. Meisel moved the resolution and noted the Capital Planning, Policy and Privatization Committee discussed the item at length. Board Member Steven M. Petrecca seconded the resolution and it was unanimously adopted.

Roll Call Vote:

Hammer	Meisel	Spinello	Petrecca	Castillo	Finkle	Greaves
Yes	Yes	Yes	Yes	Absent	Absent	Non-Voting Member

1606-45: REGULATIONS: READOPTION WITH AMENDMENTS TO N.J.A.C. 16:83 CONDUCT AND SAFETY OF THE PUBLIC IN THE USE OF NJ TRANSIT EQUIPMENT AND FACILITIES

Interim Executive Director Martin introduced Michael Lihvarcik, Chief Financial Officer and Treasurer, who presented Action Item #1606-45 for approval.

Michael Lihvarcik recommended approval of Item #1606-45, Regulations: Readoption with Amendments to N.J.A.C. 16:83 Conduct and Safety of the Public in the Use of NJ TRANSIT Equipment and Facilities. Approval was requested to ratify the Executive Director’s actions needed to readopt with amendments the regulations, N.J.A.C. 16:83 et seq., “Conduct and Safety of the Public in the Use of NJ TRANSIT Equipment and Facilities,” consistent with this Board item and Exhibit B.

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

Roll Call Vote:

Hammer	Meisel	Spinello	Petrecca	Castillo	Finkle	Greaves
Yes	Yes	Yes	Yes	Absent	Absent	Non-Voting Member

Executive Session Authorization

At approximately 12:04 p.m., Chairman Hammer requested a motion to enter Executive Session to discuss personnel matters, contract and collective bargaining negotiations, purchase of security services to enhance safety tactics and techniques, 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 Carmela Currier and the Personal Injury Claim of Ernesto Abril.

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

Board Secretary Zuczek conducted a Roll Call as Board Members returned to Open Session. All Board Members returned to open session at approximately 12:37 p.m.

1606-46: PERSONAL INJURY CLAIM OF CARMELA CURRIER

Interim Executive Director Martin introduced Michael Lihvarcik, Chief Financial Officer and Treasurer, who presented Action Item #1606-46 for approval.

Michael Lihvarcik recommended approval of Item #1606-46, Personal Injury Claim of Carmela Currier. Approval was requested to settle the claim of Carmela Currier through her attorney, at an amount discussed in executive session. The Attorney General has approved the proposed settlement, subject to the availability of funds.

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

Roll Call Vote:

Hammer	Meisel	Spinello	Petrecca	Castillo	Finkle	Greaves
Yes	Yes	Yes	Yes	Absent	Absent	Non-Voting Member

1606-47: PERSONAL INJURY CLAIM OF ERNESTO ABRIL

Interim Executive Director Martin introduced Michael Lihvarcik, Chief Financial Officer and Treasurer, who presented Action Item #1606-47 for approval.

Michael Lihvarcik recommended approval of Item #1606-47, Personal Injury Claim of Ernesto Abril. Approval was requested to settle the claim of Ernesto Abril through his attorney, at an amount discussed in executive session. The Attorney General has approved the proposed settlement, subject to the availability of funds.

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

Roll Call Vote:

Hammer	Meisel	Spinello	Petrecca	Castillo	Finkle	Greaves
Yes	Yes	Yes	Yes	Absent	Absent	Non-Voting Member

1606-48: NEW JERSEY TRANSIT POLICE DEPARTMENT SECURITY PROJECT

Interim Executive Director Martin introduced Christopher Trucillo, Chief, New Jersey Transit Police Department, who presented Action Item #1606-48 for approval.

Chief Christopher Trucillo recommended approval of Item #1606-48, New Jersey Transit Police Department Security Project. Approval was requested to enter into a contract with Michael Stapleton Associates, LTD, d/b/a MSA Security Inc. for technical services, as discussed in executive session, to support the New Jersey Transit Police Department’s security analysis efforts in an amount not to exceed \$321,000.00, subject to the availability of funds.

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

Roll Call Vote:

Hammer	Meisel	Spinello	Petrecca	Castillo	Finkle	Greaves
Yes	Yes	Yes	Yes	Absent	Absent	Non-Voting Member

1606-49: APPOINTMENT OF EXECUTIVE DIRECTOR AND AUTHORIZATION TO NEGOTIATE AND EXECUTE AN EMPLOYMENT AGREEMENT

Chairman Richard T. Hammer presented Action Item #1606-49, Appointment of Executive Director and Authorization to Negotiate and Execute an Employment Agreement, for approval.

Chairman Richard T. Hammer explained the Action Item would appoint Steven H. Santoro as Executive Director of NJ TRANSIT, effective on October 14, 2016, and provide Chairman Hammer with the authority to negotiate and execute an Employment Agreement with Steven H. Santoro setting forth the terms, conditions, salary and benefits by which he will serve as Executive Director as per the Board’s discussions in executive session.

Chairman Richard T. Hammer moved the resolution, Vice Chairman Bruce M. Meisel seconded it, and it was unanimously adopted.

Roll Call Vote:

Hammer	Meisel	Spinello	Petrecca	Castillo	Finkle	Greaves
Yes	Yes	Yes	Yes	Absent	Absent	Non-Voting Member

Chairman Hammer congratulated Steven Santoro on his appointment as Executive Director. He said many know Steven Santoro who has worked at NJ TRANSIT for 16 years. Steven is a respected and accomplished professional with impeccable transportation bona fides. His experience at both NJ TRANSIT and in the private sector positions him to be able to meet the challenges and opportunities to benefit the customer and the corporation as a whole.

Chairman Hammer said they know there is a lot on the NJ TRANSIT plate but he would like Steven Santoro to take a renewed focus on safety and specifically, the installation and completion of Positive Train Control. And of course continue to progress the work on a new Portal Bridge, the Hudson Tunnel environmental work and the Sandy Resiliency program. Looking ahead 30 days, Chairman Hammer, on behalf of the Board, directed Steven Santoro to make a presentation to the public and the Board on the status of Positive Train Control and a presentation to the public and the Board on the progress of the Sandy Resiliency program. They will also expect regular updates. Chairman Hammer again, congratulated Steven

Santoro and said they look forward to working with him as they move this corporation forward.

Steven Santoro thanked Chairman Hammer and said he looks forward to working with Chairman Hammer and the Board. He accepts the directive to move forward on those projects. Mr. Santoro looks forward to working with the talented employees of NJ TRANSIT. He said there is great talent in the organization and dedication to the corporation and serving the public. Mr. Santoro looks forward to working with all of them.

Chairman Hammer thanked Dennis Martin for his service as Interim Executive Director. He thanked Dennis Martin for stepping in almost 10 months ago to serve as Interim Executive Director for NJ TRANSIT. Chairman Hammer said what Interim Executive Director Martin has accomplished in that short time, through his leadership, is remarkable. From leading the organization through last January's record snow storm, to planning for a potential rail strike, overseeing the budget and contract negotiation processes, managing the additional customers on the system traveling to and from Baltusrol for the PGA Tournament, and thinking out of the box to come up with tangible solutions to improve the customer experience at the Port Authority Bus Terminal; all truly remarkable achievements.

Interim Executive Director Martin's dedication to NJ TRANSIT, its customers, and employees and the state of New Jersey has been unwavering. He has made an indelible mark on this organization and Chairman Hammer looks forward to continuing to work with him.

Interim Executive Director Martin thanked Chairman Hammer and the Board for putting their trust in him and allowing him that great opportunity. He also thanked former Executive Director Hakim for suggesting him for the position. Interim Executive Director Martin also thanked his seven children for supporting him over the last 10 months, noting it had not been easy. He also thanked the Executive Management Team, said they are a great team of professionals, thanked them for their support, and encouraged them to support Steven Santoro in his effort, as he will. Interim Executive Director Martin thanked the nearly 12,000 employees of NJ TRANSIT who are remarkable day in and day out, not just when there is a crisis. He said when there is a crisis, they shine. Interim Executive Director Martin said he rides the buses and trains, and walks the halls of the building, he feels a sense of pride that he was able to lead the group. He said Steven Santoro was right that everyday both union and management rise to the occasion. Interim Executive Director Martin said he holds his head up high walking from that position.

Chairman Richard T. Hammer asked the Board Members if they wanted to make any remarks. Vice Chairman Meisel said Interim Executive Director Martin is a remarkable individual and his loyalty to NJ TRANSIT is stunning. He said if any employee has a portion of the loyalty that Interim Executive Director Martin has, they have a remarkable organization, which he knows they do. Vice Chairman Meisel thanked Interim Executive Director Martin for the last 10 months, noted he had a lot of hard work thrown at him and a lot of crisis, and Interim Executive Director Martin met them all with amazing talent. Vice Chairman Meisel said he looks forward to continuing to work with Interim Executive Director Martin as they serve NJ TRANSIT's transportation system.

Board Member Greaves also thanked Interim Executive Director Martin. He said it has been a tough ride for Interim Executive Director Martin. Board Member Greaves said Interim Executive Director Martin made it through and kept all his hair, which is a good thing. He said it has been an honor and a privilege to work with Interim Executive Director Martin and to get through contract negotiations. Board Member Greaves said he knows Interim Executive Director Martin's passion and dedication to NJ TRANSIT and that he considers it to be family. Board Member Greaves said all in the room consider Interim Executive Director Martin to be part of their family. He thanked Interim Executive Director Martin and wish him all the best in the future.

Board Member Spinello thanked Interim Executive Director Martin for his passion and dedication to NJ TRANSIT and said he recognizes and appreciates it. He also wished Steven Santoro good luck.

Adjournment

Since there were no further comments or business, Chairman Hammer called for adjournment and a motion to adjourn was made by Vice Chairman Bruce M. Meisel, seconded by Board Member Steven M. Petrecca, and unanimously adopted. The meeting was adjourned at approximately 12:47 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

OCTOBER 13, 2016

MINUTES

	PAGE
➤ CALL TO ORDER	-
➤ SAFETY ANNOUNCEMENT	-
➤ PLEDGE OF ALLEGIANCE TO THE FLAG	-
➤ APPROVAL OF MINUTES OF PREVIOUS MEETINGS	49572
➤ ADVISORY COMMITTEE REPORT	-
➤ BOARD COMMITTEE REPORTS	-
*Customer Service Committee	
*Administration Committee	
*Capital Planning, Policy and Privatization Committee	
➤ EXECUTIVE DIRECTOR'S MONTHLY REPORT	49573
➤ PUBLIC COMMENTS ON AGENDA ITEMS AND OTHER MATTERS	-

ACTION ITEMS

1610-43	INTERAGENCY OPERATING AGREEMENT WITH AMTRAK	49635
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Authorization to ratify the negotiation and execution of an Agreement with Amtrak setting forth the terms and conditions providing for and compensating for operating obligations on the Northeast Corridor, which Agreement is retroactive to October 1, 2015, the date of the executed *Northeast Corridor Commuter and Intercity Rail Cost Allocation Policy*, as required under the Passenger Rail Investment and Improvement Act of 2008.

NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS, INC.
NJ TRANSIT RAIL OPERATIONS, INC.
NJ TRANSIT MERCER, INC.
NJ TRANSIT MORRIS, INC.
REGULARLY SCHEDULED BOARD OF DIRECTORS' MEETINGS
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1610-44 CHATHAM TRAIN STATION PROPERTY – LONG-TERM RETAIL LEASE OF EASTBOUND STATION BUILDING 49642

Authorization to enter into a twenty-year lease consisting of fifteen years with one, five-year extension with Fishawack 4, LLC for the operation of a restaurant concession consisting of approximately 2,000 sq. ft. in Chatham train station's Eastbound Building at annual base rent of \$18,000 with 2.5 percent annual increases plus percentage rent at an escalating range of between five to ten percent of gross annual sales over \$700,000.

1610-45 REGULATIONS: READOPTION WITH AMENDMENTS TO N.J.A.C. 16:83 CONDUCT AND SAFETY OF THE PUBLIC IN THE USE OF NJ TRANSIT EQUIPMENT AND FACILITIES 49646

Authorization to ratify the Executive Director's actions needed to readopt with amendments the regulations, N.J.A.C. 16:83 et seq., "Conduct and Safety of the Public in the Use of NJ TRANSIT Equipment and Facilities," consistent with this Board item and Exhibit B.

EXECUTIVE SESSION AUTHORIZATION: Discuss personnel matters, contract and collective bargaining negotiations, purchase of security services to enhance safety tactics and techniques, 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 Carmela Currier and the Personal Injury Claim of Ernesto Abril. 49664

1610-46 PERSONAL INJURY CLAIM OF CARMELA CURRIER 49665

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

1610-47 PERSONAL INJURY CLAIM OF ERNESTO ABRIL 49667

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

1610-48 NEW JERSEY TRANSIT POLICE DEPARTMENT SECURITY PROJECT 49669

Authorization to enter into NJ TRANSIT Contract No. 16-026 with Michael Stapleton Associates, LTD, d/b/a MSA Security Inc. for technical services, as discussed in executive session, to support the New Jersey Transit Police Department's security analysis efforts in an amount not to exceed \$321,000.00, subject to the availability of funds.

NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS, INC.
NJ TRANSIT RAIL OPERATIONS, INC.
NJ TRANSIT MERCER, INC.
NJ TRANSIT MORRIS, INC.
REGULARLY SCHEDULED BOARD OF DIRECTORS' MEETINGS
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1610-49 APPOINTMENT OF EXECUTIVE DIRECTOR AND AUTHORIZATION TO NEGOTIATE AND EXECUTE AN EMPLOYMENT AGREEMENT 49672

Appointment of Executive Director of NJ TRANSIT and authorization for the Chairman to negotiate and execute an employment agreement on the terms, conditions, salary, and benefits discussed in executive session.

➤ **ADJOURNMENT**

APPROVAL OF MINUTES

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

WHEREAS, pursuant to Section 4(f) of the New Jersey Public Transportation Act of 1979, the minutes of actions taken at the June 8, 2016, July 15, 2016, and the July 27, 2016 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 June 10, 2016, July 19, 2016, and July 29, 2016;

NOW, THEREFORE, BE IT RESOLVED that the minutes of actions taken at the June 8, 2016, July 15, 2016, and July 27, 2016 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
Dennis J. Martin, Interim Executive Director



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

TO: BOARD OF DIRECTORS
FROM: DENNIS J. MARTIN
DATE: OCTOBER 13, 2016
SUBJECT: EXECUTIVE DIRECTOR'S REPORT – OCTOBER 2016

A handwritten signature in black ink, appearing to read 'D. Martin', written over the printed name 'DENNIS J. MARTIN'.

Progress continues in earnest at Hoboken Terminal to safely restore as much commuter rail service and access for our customers as we can.

Since reestablishing rail service to the Terminal on Monday, NJ TRANSIT has been working to address the remaining structural issues so that additional tracks may open and to help facilitate a smooth pedestrian traffic flow through the area.

Over the last several days, two of our vendors have returned to serve our customers, and we have worked closely with our transportation partners at PATH and NY Waterway to ensure their customers can access their services as directly as possible.

Also, words cannot express how truly grateful we are for the patience and support we have received from so many of our customers over these last several weeks. Times have been extremely trying for our customers on all modes. So again we want to express our heartfelt thanks.

I would be remiss if I did not take a moment to acknowledge the hard work of the men and women of this agency.

We remain steadfastly committed to meeting our obligations as a public service agency. While there is work yet to do, we also recognize the good work that has been done.

We saw it in Hoboken when Transit employees rushed to the aid of those in need, shepherding them from the Terminal and assisting them off the train following that tragic day.

We saw it when Sgt. Kristen Bivona and Officers Antonio DiPopolo and Rich Sullivan sprang into action to rescue a customer from a moving train in Secaucus recently.

And in most dramatic fashion, we saw it again at Secaucus in the heroic actions of Officer Victor Ortiz of the New Jersey Transit Police Department who risked his own life to save a man determined to die - a man who fought Officer Ortiz's efforts to save him from the path of an oncoming train.

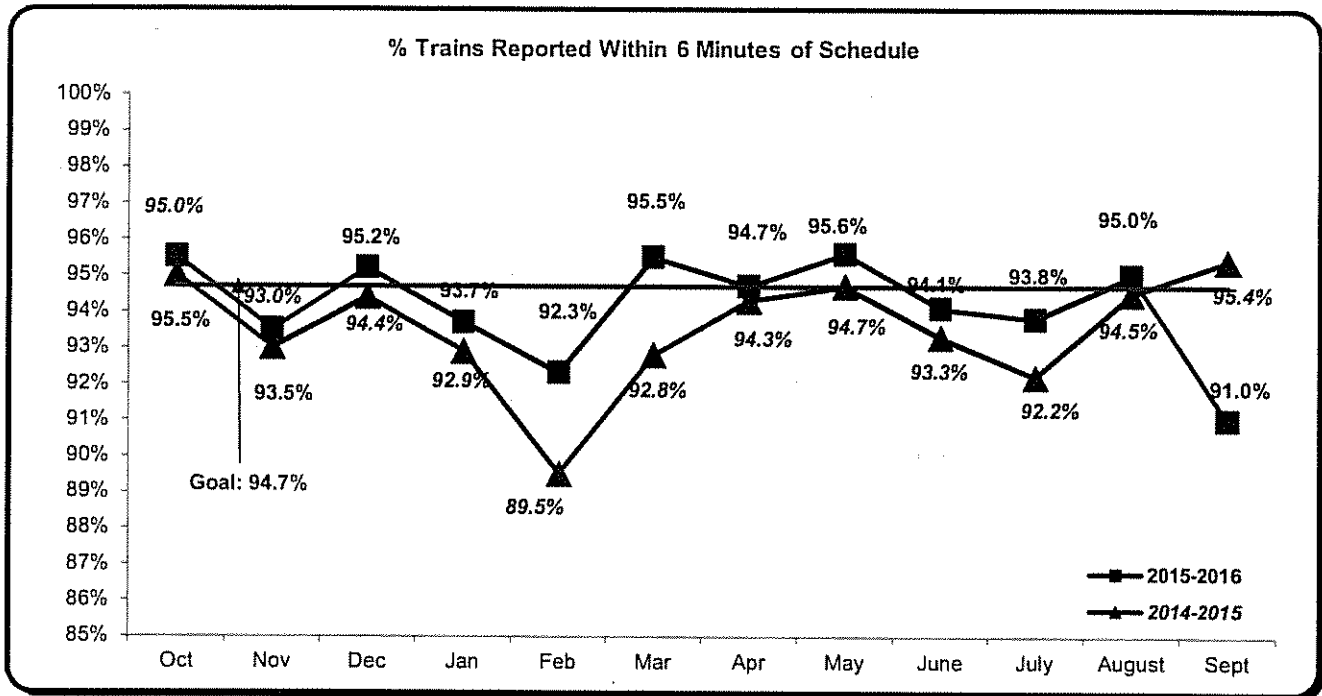
Officer Ortiz's actions earned him international recognition and gave the world an up-close look at just how special our New Jersey Transit Police Officers are.

EXECUTIVE DIRECTOR'S MONTHLY REPORT OCTOBER 2016

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

PERFORMANCE MEASURES

NJ TRANSIT ON-TIME PERFORMANCE RAIL OCTOBER 2014 - SEPTEMBER 2016



September Comparison	2015	2016	# Change
	95.4%	91.0%	-4.4%

12-Month Average Oct. 2014- Sept. 2016	2014-2015	2015-2016	# Change
	95.4%	94.2%	-1.2%

Analysis:

Rail On-Time Performance was 91.0% for September, 2016. Of the 17,882 trains scheduled to operate, 16,269 were on time, while 1,613 trains (or 9.0%) were delayed. Key causes included:

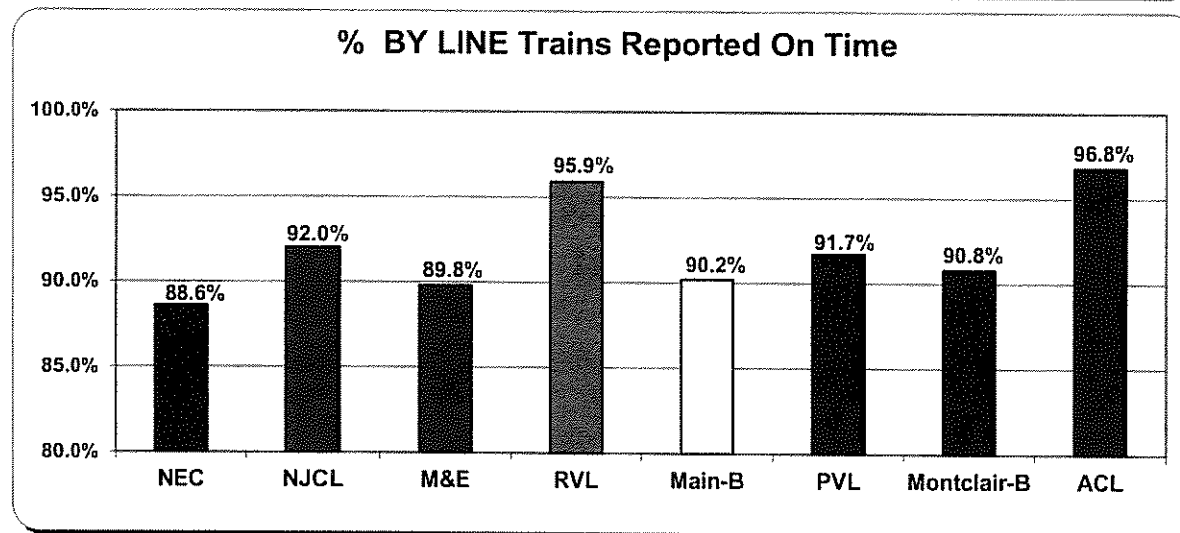
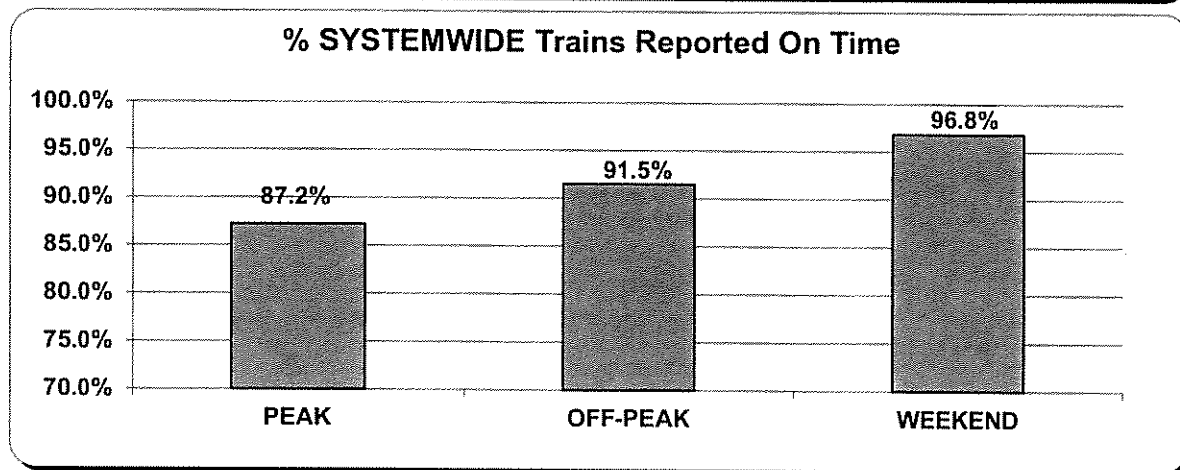
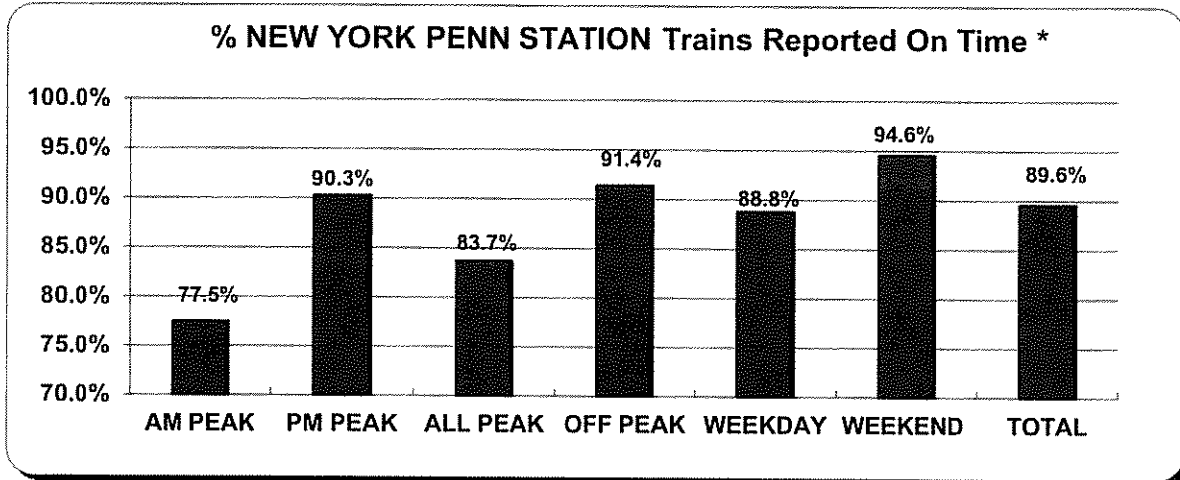
- Amtrak Police action, NJT Police action and Amtrak catenary failure caused 134 delays resulting in 79.3% OTP on Sept. 19.
- Hoboken accident (under investigation), NJT human error (mechanical department), NJT carry over delays and Amtrak trespasser caused 209 delays resulting in 65.5% OTP on Sept. 29.
- NJT carry over delays (Hoboken Accident) and Amtrak track failure caused 143 delays resulting in 52.4% OTP on Sept. 30

The 12-month average for Rail On-Time Performance for October 2015-September 2016 was 94.2%, which has declined by 1.2%.

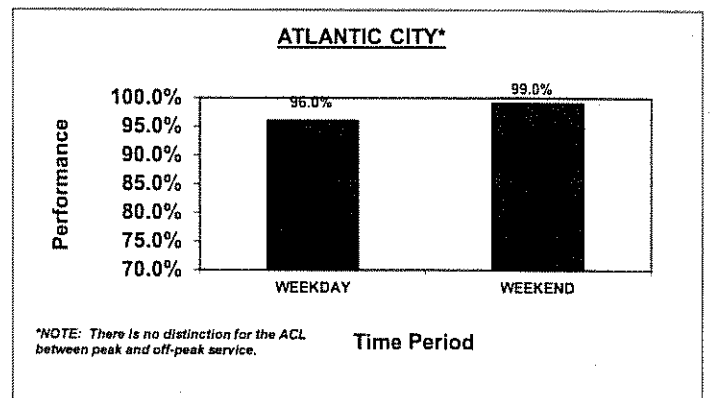
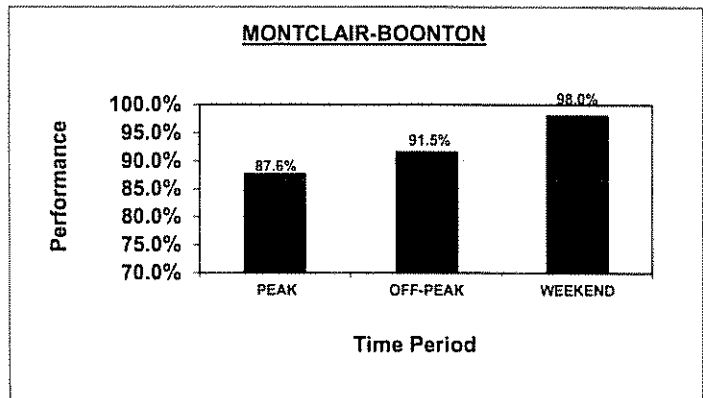
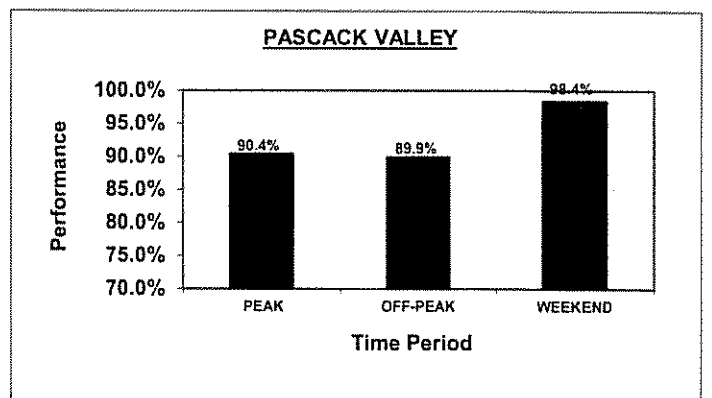
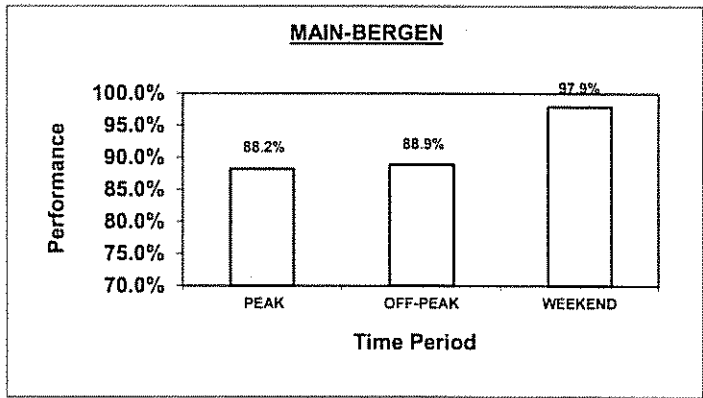
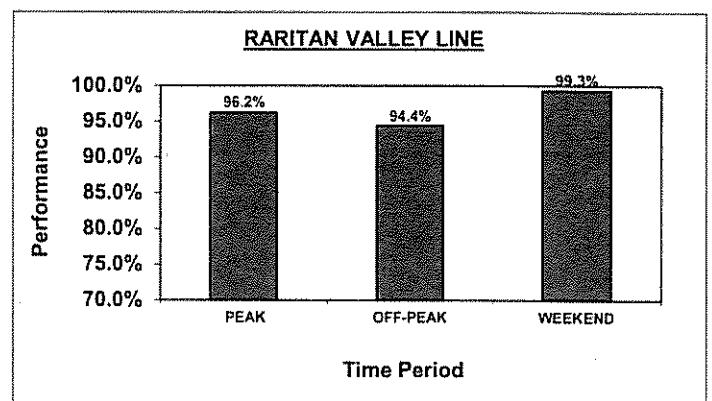
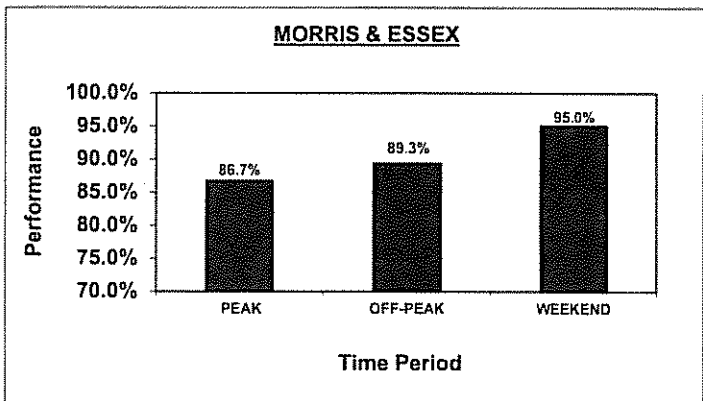
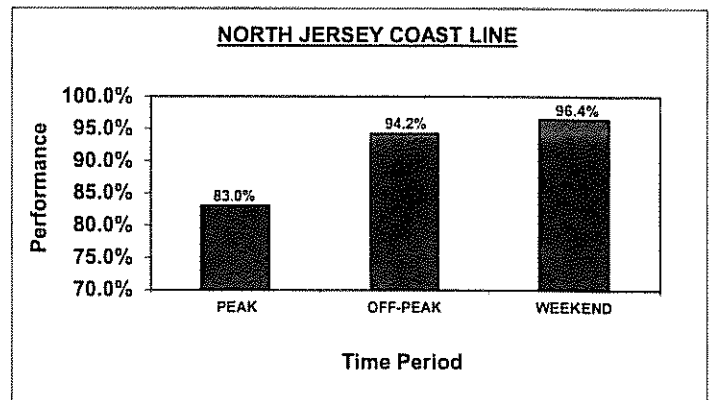
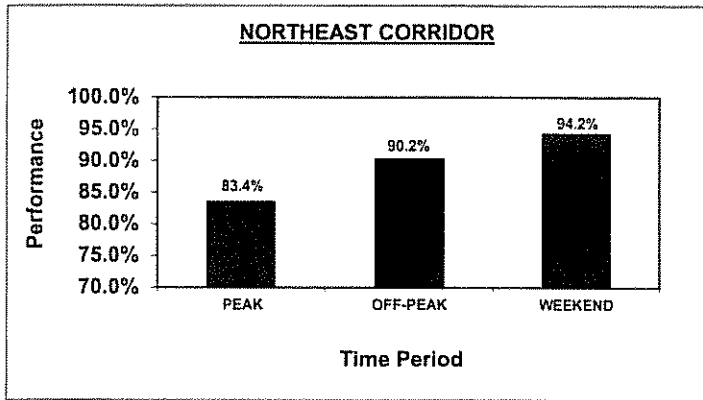
ON-TIME PERFORMANCE RAIL

SUMMARY BY TIME PERIOD SEPTEMBER 2016

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

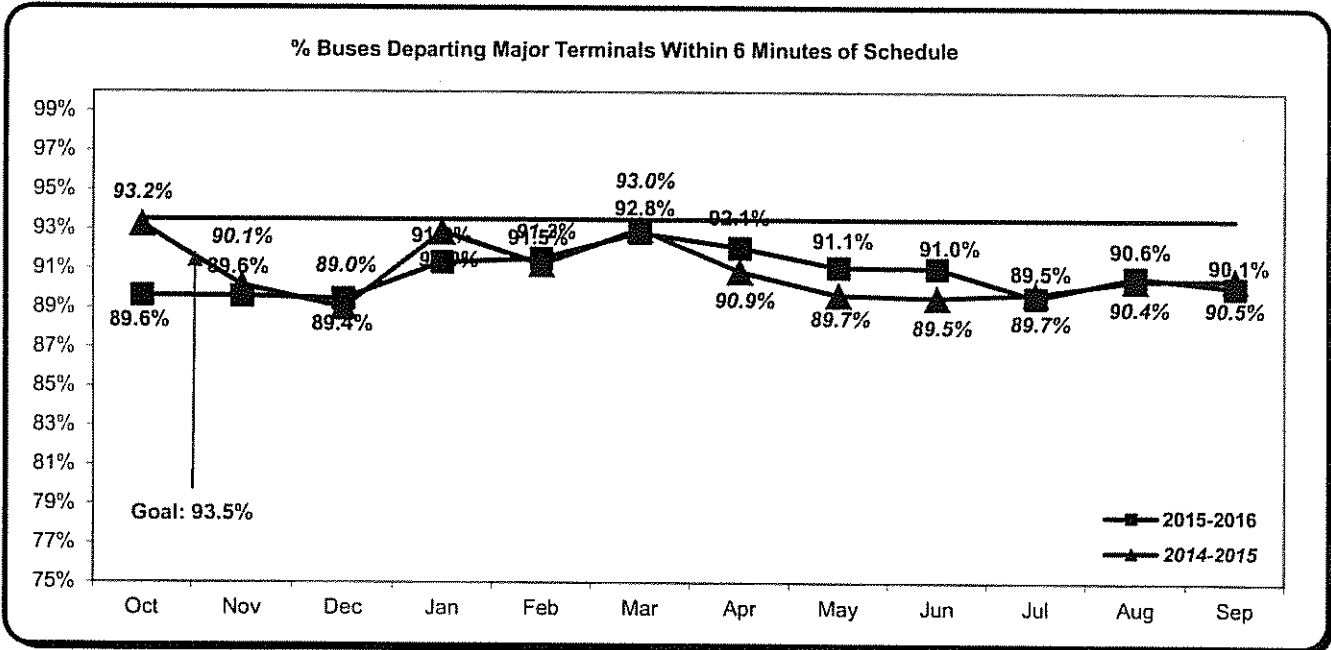


ON-TIME PERFORMANCE BY RAIL LINE & TIME PERIOD SEPTEMBER 2016



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

NJ TRANSIT ON-TIME PERFORMANCE BUS OCTOBER 2014 - SEPTEMBER 2016



	2015	2016	% Change
September Comparison	90.5%	90.1%	-0.4%

	2014-2015	2015-2016	% Change
12-Month October 2015 - September 2016	90.8%	90.7%	-0.1%

Analysis:

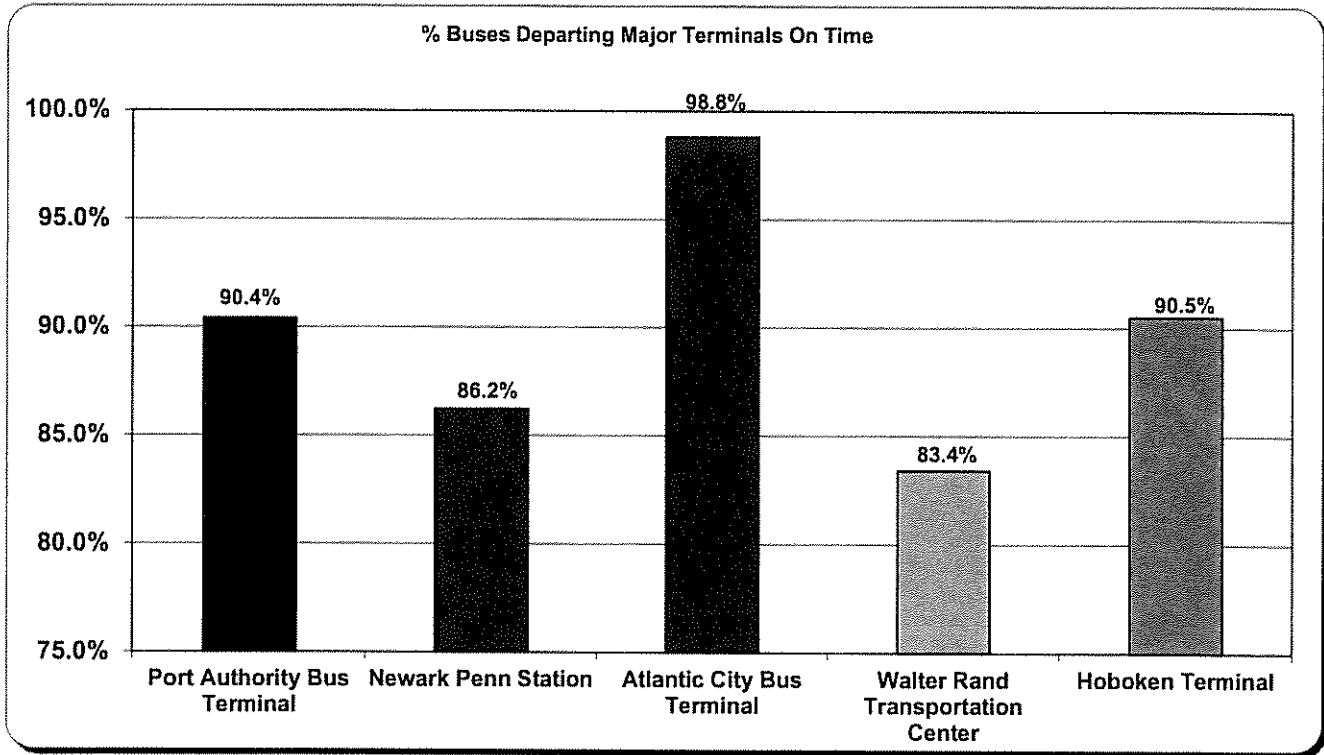
Bus On-Time Performance was 90.1% for September 2016. Of the 42,453 monitored departures, 4,210 (or 9.9%) experienced delays. Key causes included:

- At Port Authority Bus Terminal, a NJT bus accident in tunnel caused delays on Sept. 26.
- In Newark, line buses were used for alternate service due to suspension of Light Rail service on Sept. 14.

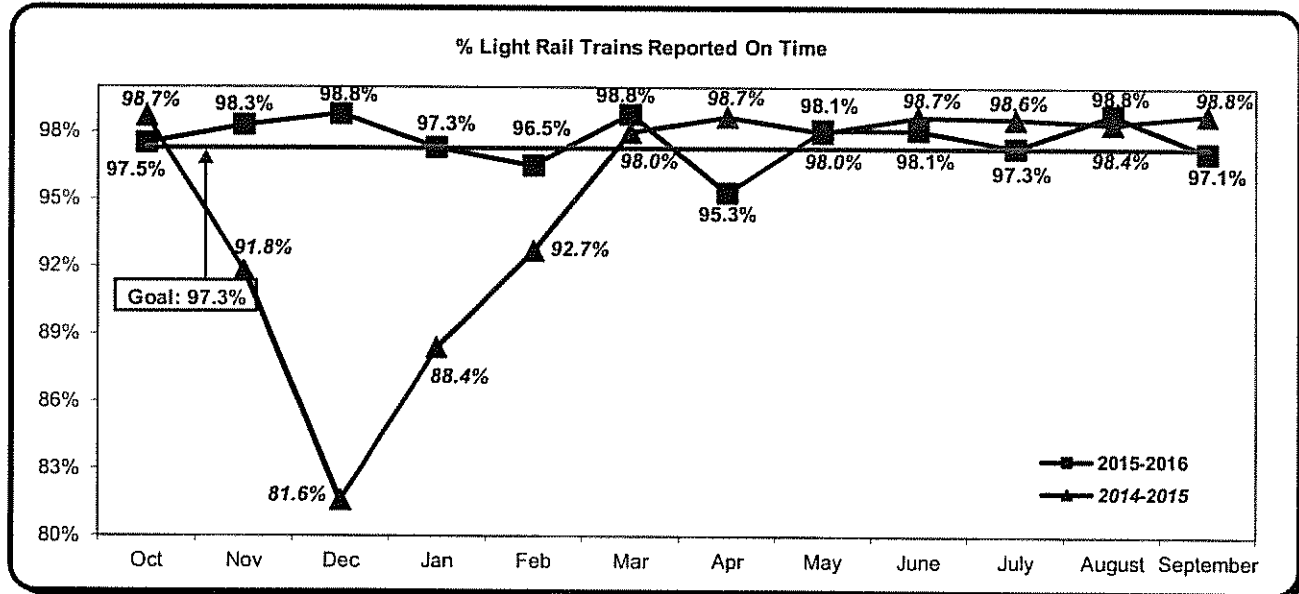
The 12-month average for Bus On-Time Performance for October 2015 - September 2016 was 90.7%, which was a decrease of 0.1% from the previous year.

ON-TIME PERFORMANCE BUS

SUMMARY BY TERMINAL SEPTEMBER 2016



NJ TRANSIT ON-TIME PERFORMANCE LIGHT RAIL OCTOBER 2014 - SEPTEMBER 2016



	2015	2016	# Change
September Comparison	98.8%	97.1%	-1.7%

	2014-2015	2015-2016	# Change
12-Month Average October 2014 - September 2016	95.2%	97.7%	2.5%

Analysis:

Light Rail On-Time Performance systemwide was 97.10% for the month of September 2016. Of the 26,128 monitored departures, 746 (or 2.8%) experienced delays.

Key causes included:

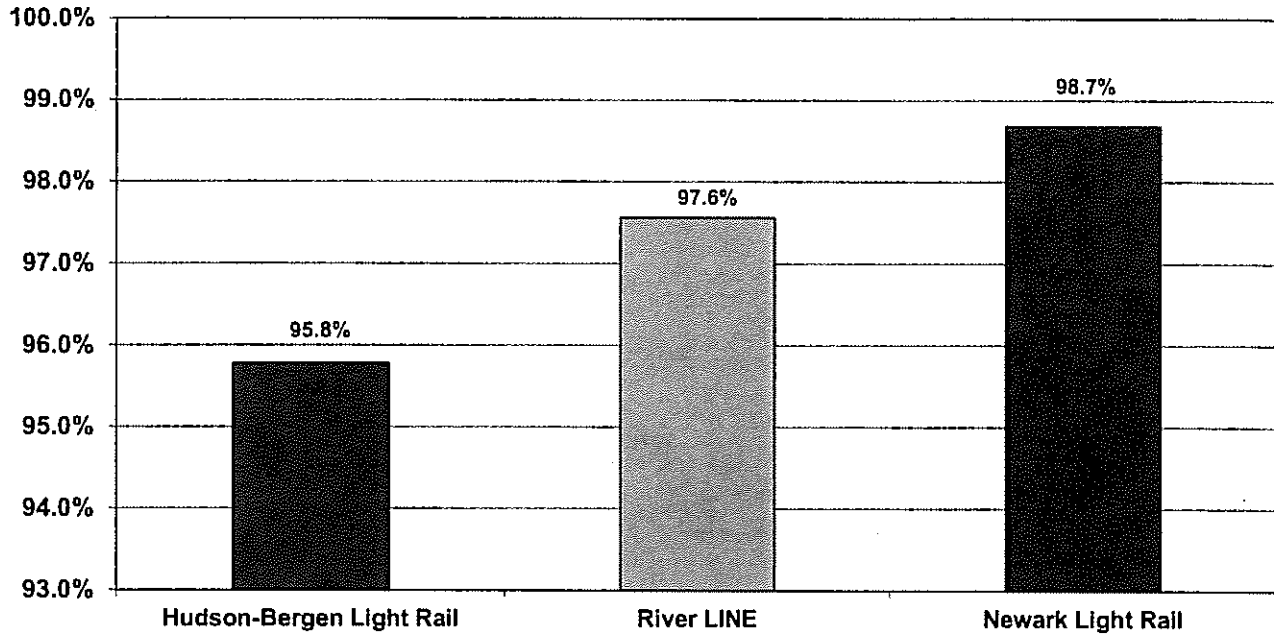
- Suspension of service into Hoboken Terminal delayed 173 Hudson-Bergen Light Rail trains on Sept. 29.
- A light rail vehicle mechanical failure delayed 11 RiverLINE trains on Sept. 19.
- Adverse weather and a downed tree delayed 46 Newark Light Rail trains on Sept. 14.

The 12-month average for Light Rail On-Time Performance for October 2015 - September 2016 was 97.7%, which increased by 2.5% compared to October 2014 to September 2015.

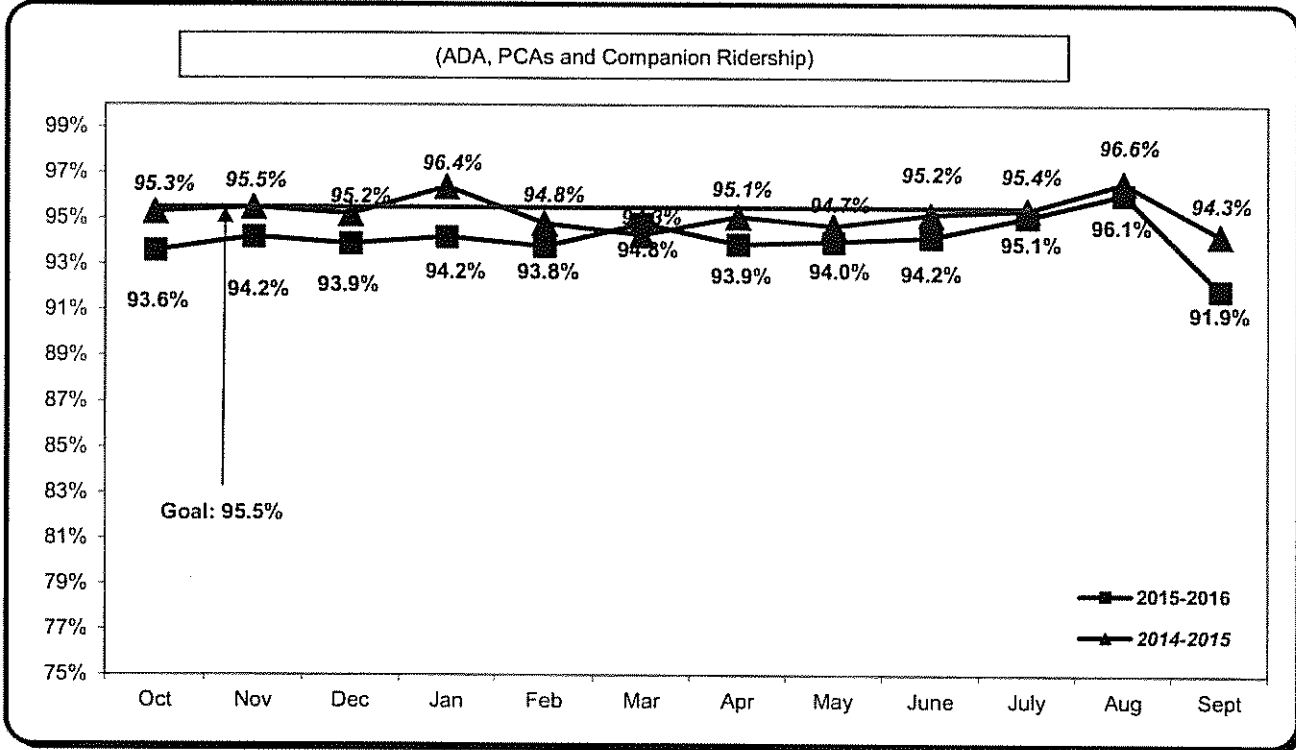
ON-TIME PERFORMANCE LIGHT RAIL

SUMMARY BY LINE SEPTEMBER 2016

% Light Rail Trains Reported On Time



NJ TRANSIT ON-TIME PERFORMANCE ACCESS LINK OCTOBER 2014 - SEPTEMBER 2016



	2015	2016	% Change
September Comparison	94.3%	91.9%	-2.4%

	2015	2016	Difference
September Ridership	128,134	137,216	9,082

	2014-2015	2015-2016	% Change
12-Month Average October-September	95.2%	94.1%	-1.1%

Analysis:

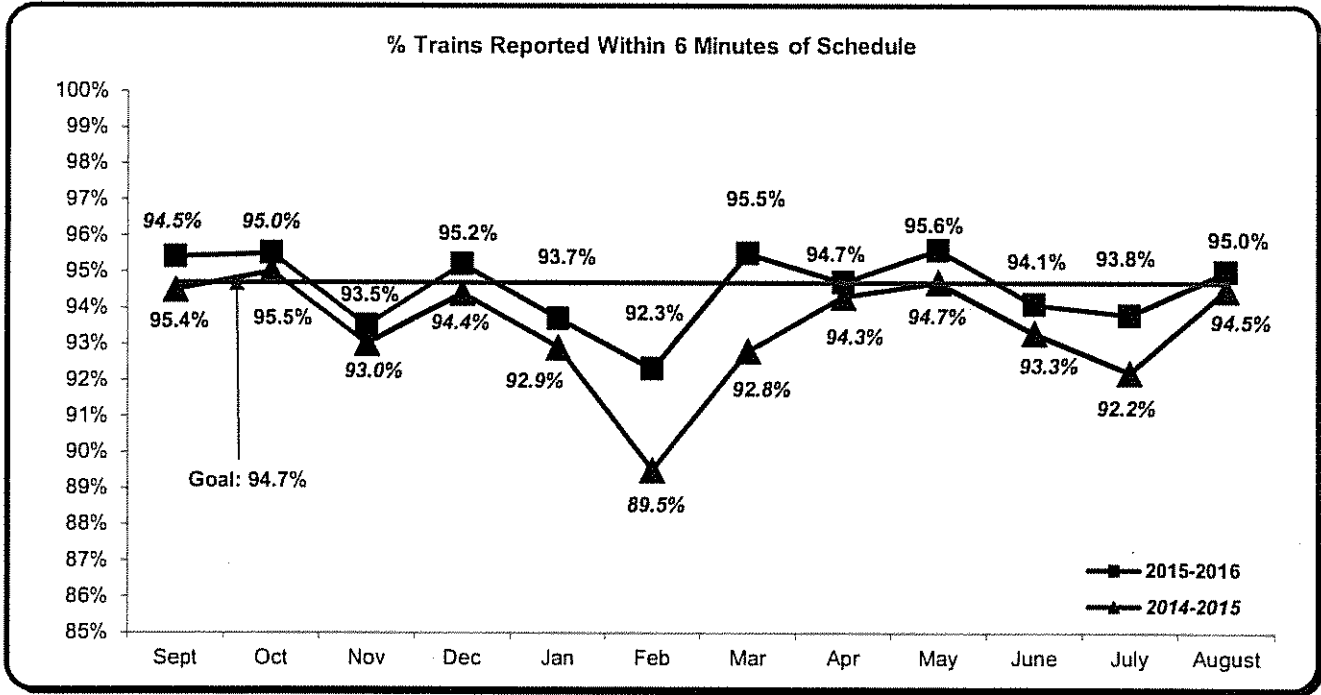
Access Link On-Time Performance was 91.9 % for September 2016. In serving 137,216 total riders, for 125,363 ADA customers trips, 10,190 (or 8.1%) experienced delays.

Key causes include:

- * Sedan recalls placing majority of sedans out of service
- * Increased traffic volume & congestion causing service delays.
- * Cancellations and customer no-shows.
- *

The 12-month average for Access Link On-Time Performance for October 2015 - September 2016 was 94.1%, which decreased by -1.1%.

NJ TRANSIT ON-TIME PERFORMANCE RAIL SEPTEMBER 2014 - AUGUST 2016



	2015	2016	# Change
August Comparison	94.5%	95.0%	0.5%

	2014-2015	2015-2016	# Change
12-Month Average Sept. 2014- August 2016	93.4%	94.5%	1.1%

Analysis:

Rail On-Time Performance was 95.0% for August, 2016. Of the 19,059 trains scheduled to operate, 18,101 were on time, while 958 trains (or 5.0%) were delayed. Key causes included:

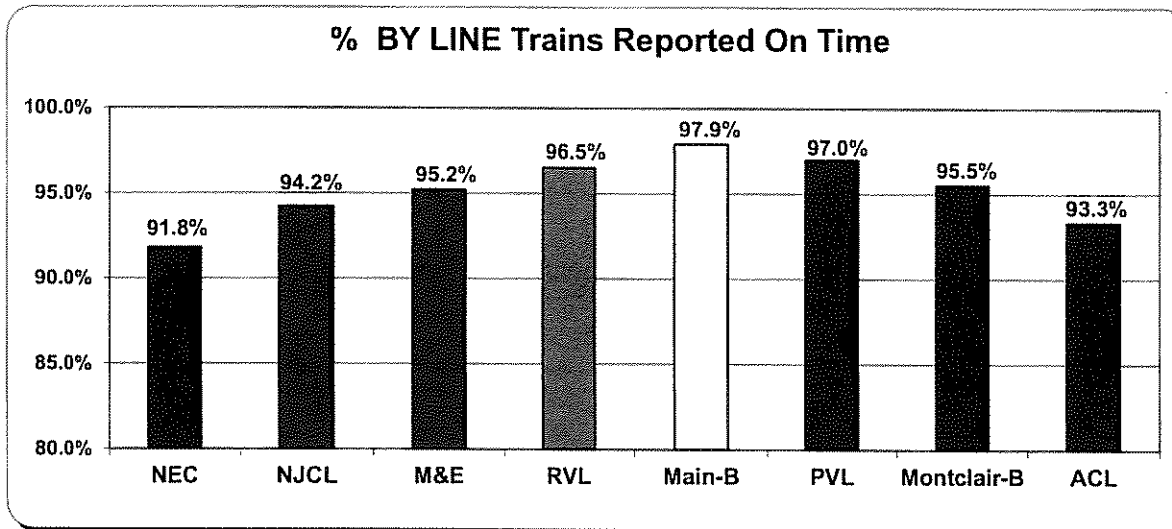
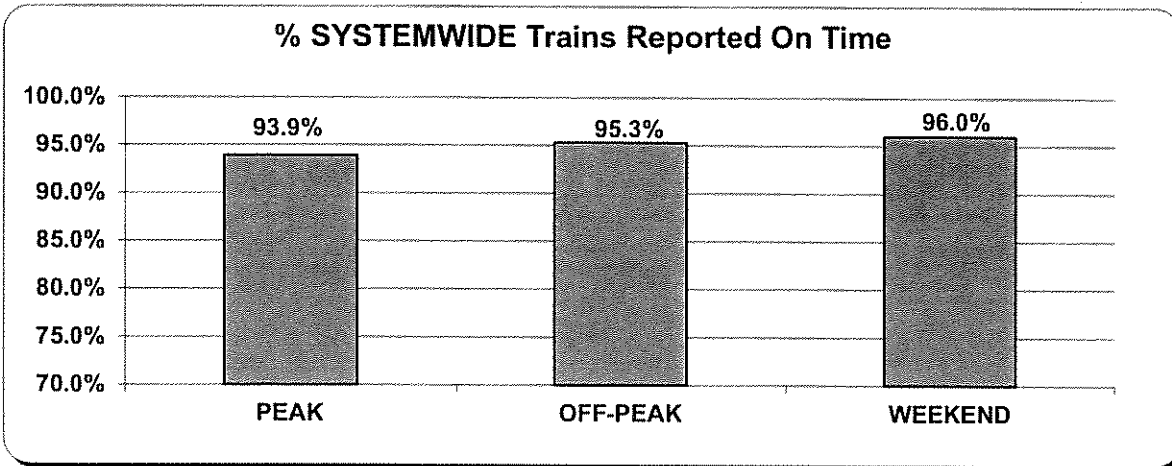
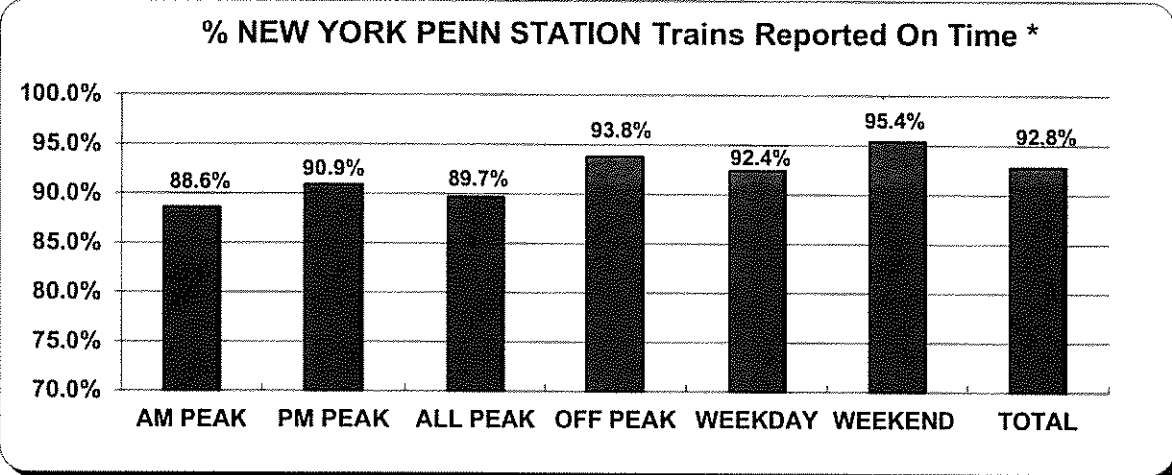
- NJT Heavy Travel, NJT Signal Failure, Amtrak High Speed Rail Project, NJT Arrow MU Failure, Amtrak Catenary Failure and Amtrak Switch Failure caused 58 delays resulting in 89.7% OTP on Aug. 3.
- NJT Signal Failure and NJT Programmed Maintenance caused 24 delays resulting in 90.9% OTP on Aug. 7.
- NJT Fatality, Amtrak Equipment Failure, Amtrak Debris and NJT Cab Car Failure caused 73 delays resulting in 86.6% OTP on Aug. 22.

The 12-month average for Rail On-Time Performance for Septembert 2015-August 2016 was 94.5%, which improved by 1.1%.

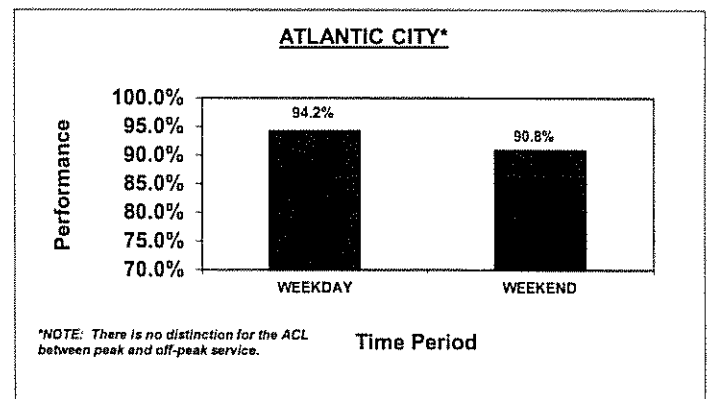
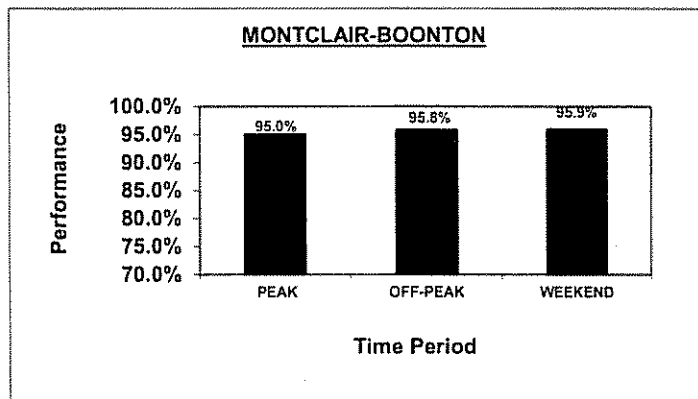
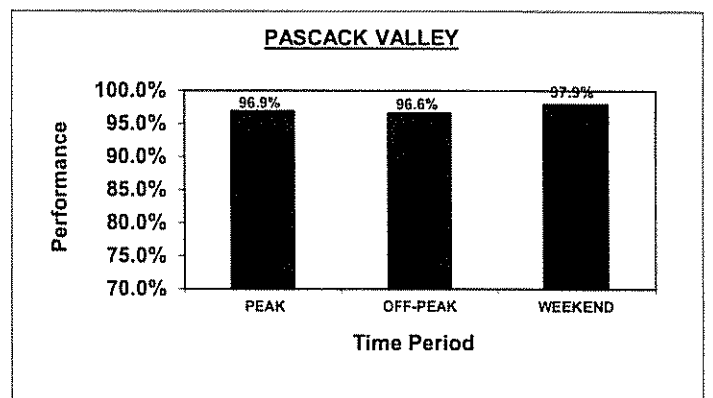
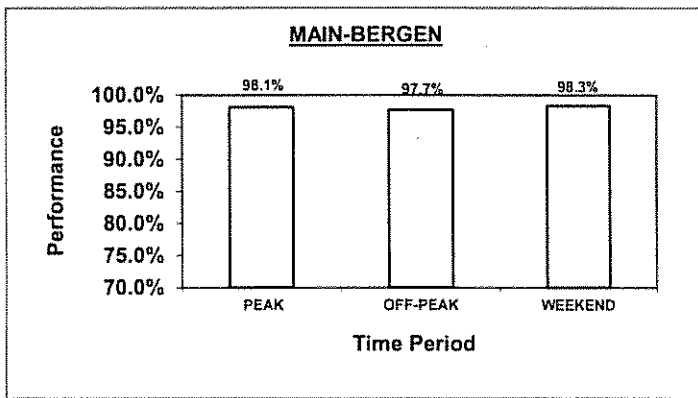
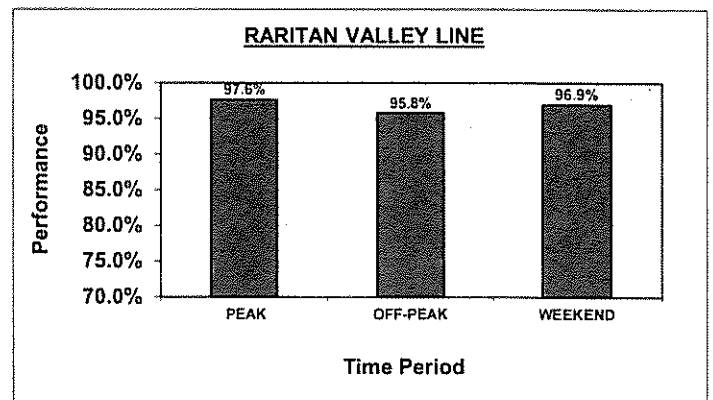
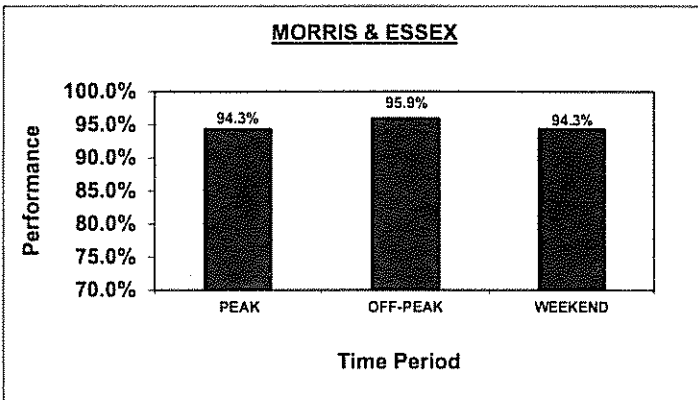
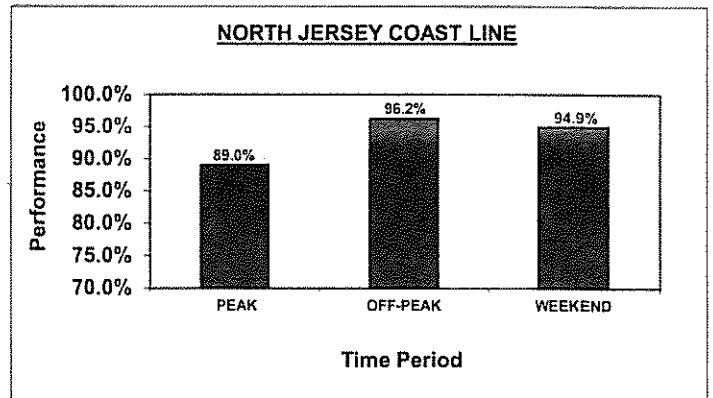
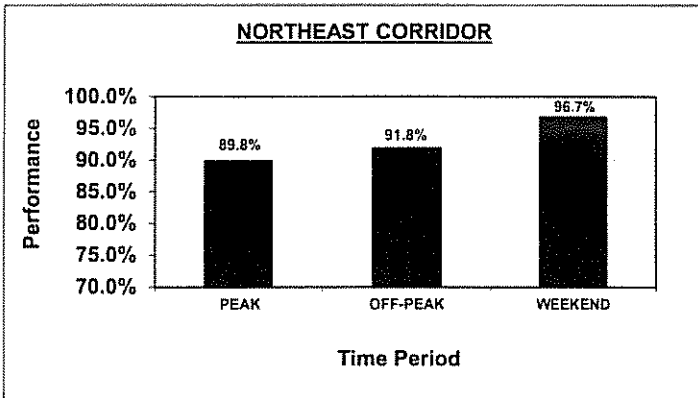
ON-TIME PERFORMANCE RAIL

SUMMARY BY TIME PERIOD AUGUST 2016

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

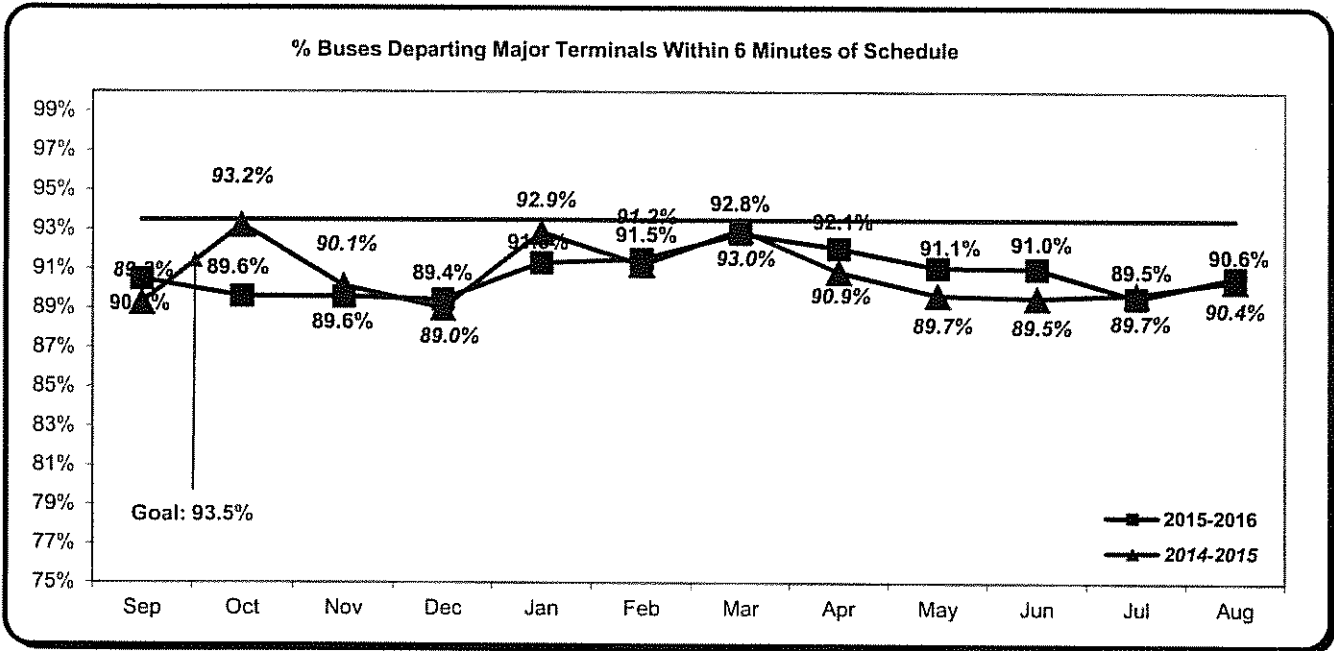


ON-TIME PERFORMANCE BY RAIL LINE & TIME PERIOD AUGUST 2016



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

NJ TRANSIT ON-TIME PERFORMANCE BUS SEPTEMBER 2014 - AUGUST 2016



	2015	2016	% Change
August Comparison	90.4%	90.6%	0.2%

	2014-2015	2015-2016	% Change
12-Month September 2015 - August 2016	90.7%	90.7%	0.0%

Analysis:

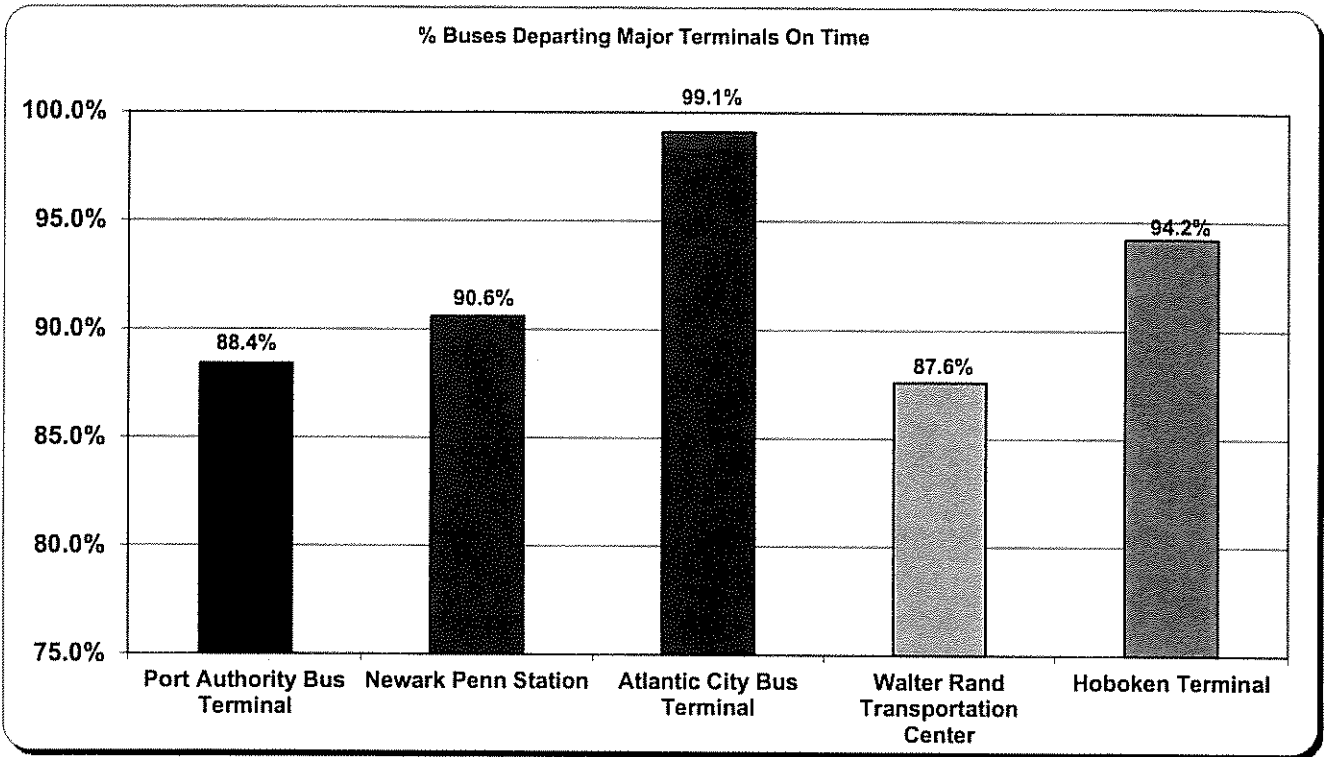
Bus On-Time Performance was 90.6% for August 2016. Of the 47,666 monitored departures, 4,480 (or 9.4%) experienced delays. Key causes included:

- At Port Authority Bus Terminal, a (non-NJT) bus breakdown in the tunnel took one hour to clear on Aug.10. On Aug.17, the entrance to the terminal was gridlocked; PAPD sent 18 buses back to NJ empty.
- In Newark, an accident with fatality caused major delay for the entire day of Aug.19.

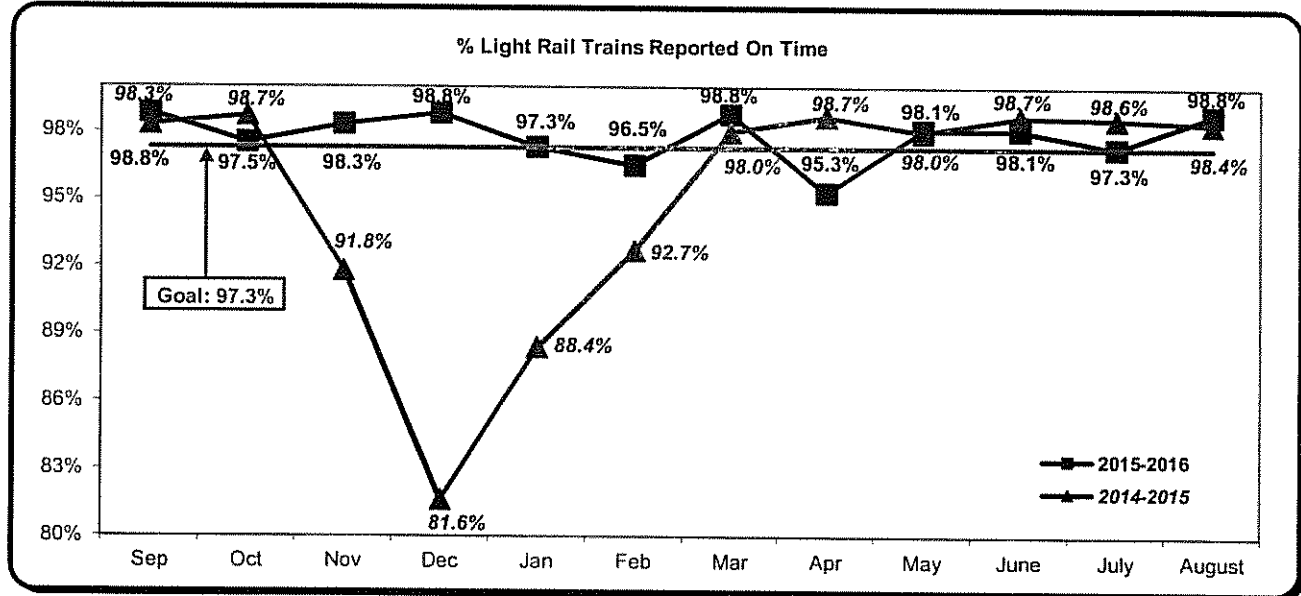
The 12-month average for Bus On-Time Performance for September 2015 - August 2016 was 90.7%, which was unchanged from the previous year.

ON-TIME PERFORMANCE BUS

SUMMARY BY TERMINAL AUGUST 2016



NJ TRANSIT ON-TIME PERFORMANCE LIGHT RAIL SEPTEMBER 2014 - AUGUST 2016



August Comparison	2015	2016	# Change
	98.4%	98.8%	0.4%

12-Month Average September 2014 - August 2016	2014-2015	2015-2016	# Change
	95.2%	97.8%	2.6%

Analysis:

Light Rail On-Time Performance systemwide was 98.80% for the month of August 2016. Of the 27,427 monitored departures, 328 (or 1.2%) experienced delays.

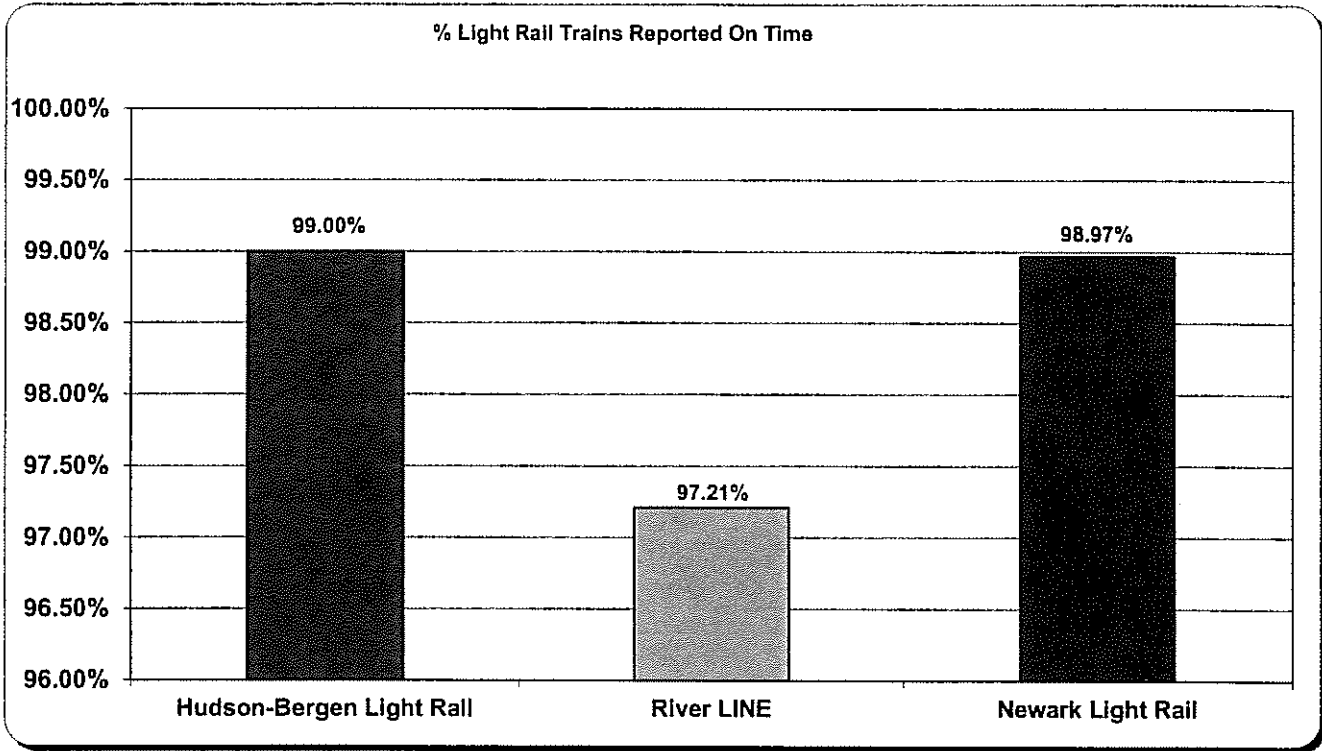
Key causes included:

- Collision with a bicyclist delayed 19 Hudson-Bergen Light Rail trains on Aug. 19.
- A track obstruction with a downed wire delayed 17 River LINE trains on Aug. 17.
- A reported gas leak near Wash. Park Station delayed 26 Newark Light Rail trains on Aug. 15.

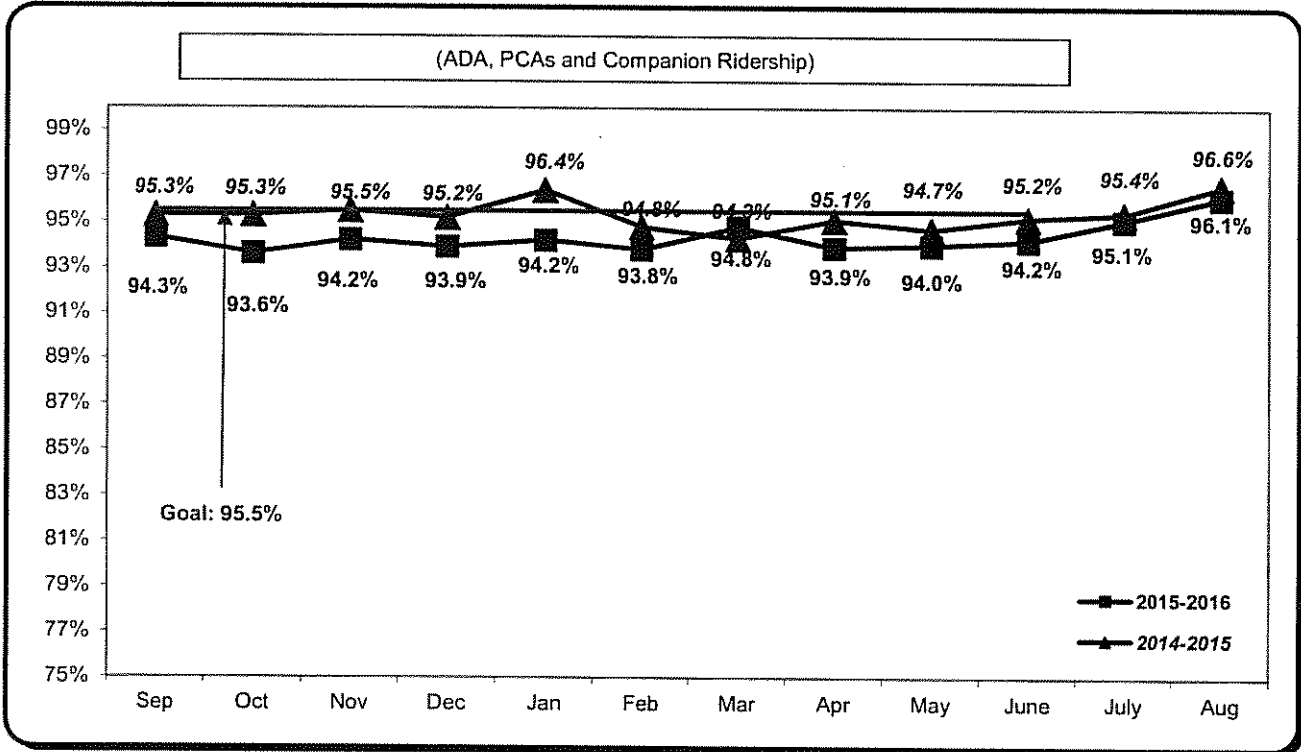
The 12-month average for Light Rail On-Time Performance for September 2015 - August 2016 was 97.8%, which increased by 2.6% compared to September 2014 to August 2015.

ON-TIME PERFORMANCE LIGHT RAIL

SUMMARY BY LINE AUGUST 2016



NJ TRANSIT ON-TIME PERFORMANCE ACCESS LINK SEPTEMBER 2014 - AUGUST 2016



August Comparison	2015	2016	% Change
	96.6%	96.1%	-0.5%

August Ridership	2015	2016	Difference
	122,647	132,670	10,023

12-Month Average September-August	2014-2015	2015-2016	% Change
	95.3%	94.3%	-1.0%

Analysis:

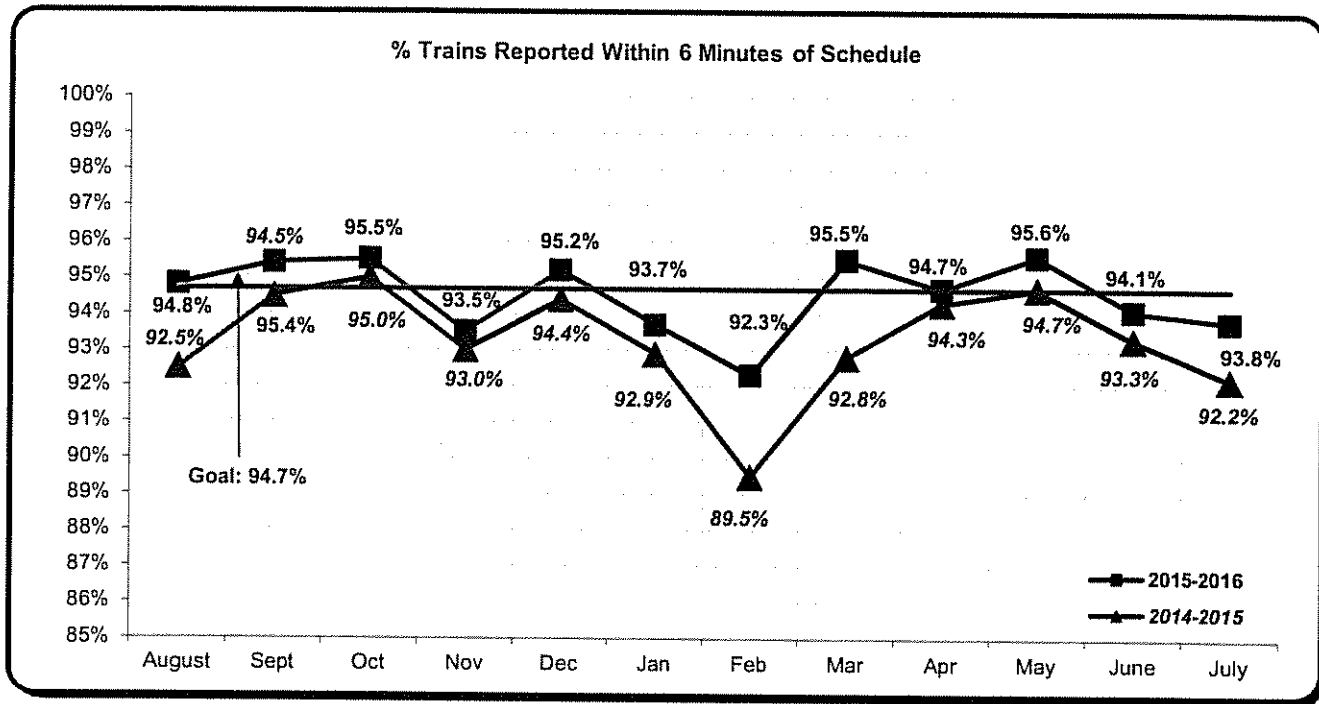
Access Link On-Time Performance was 96.1% for August 2016. In serving 132,670 total riders, for 119,543 ADA customers trips, 4,675 (or 3.9%) experienced delays.

Key causes include:

- * Sedan recalls placing majority of sedans out of service
- * Traffic congestion causing service delays.
- * Cancellations and customer no-shows.
- * Road closures / Summer month events.

The 12-month average for Access Link On-Time Performance for September 2015 - August 2016 was 94.3%, which decreased by -1.0%.

NJ TRANSIT ON-TIME PERFORMANCE RAIL AUGUST 2014 - JULY 2016



	2015	2016	# Change
July Comparison	92.2%	93.8%	1.6%

	2014-2015	2015-2016	# Change
12-Month Average August 2014-July 2016	93.3%	94.5%	1.2%

Analysis:

Rail On-Time Performance was 93.8% for July 2016. Of the 18,195 trains scheduled to operate, 17,058 were on time, while 1,137 trains (or 6.2%) were delayed. Key causes included:

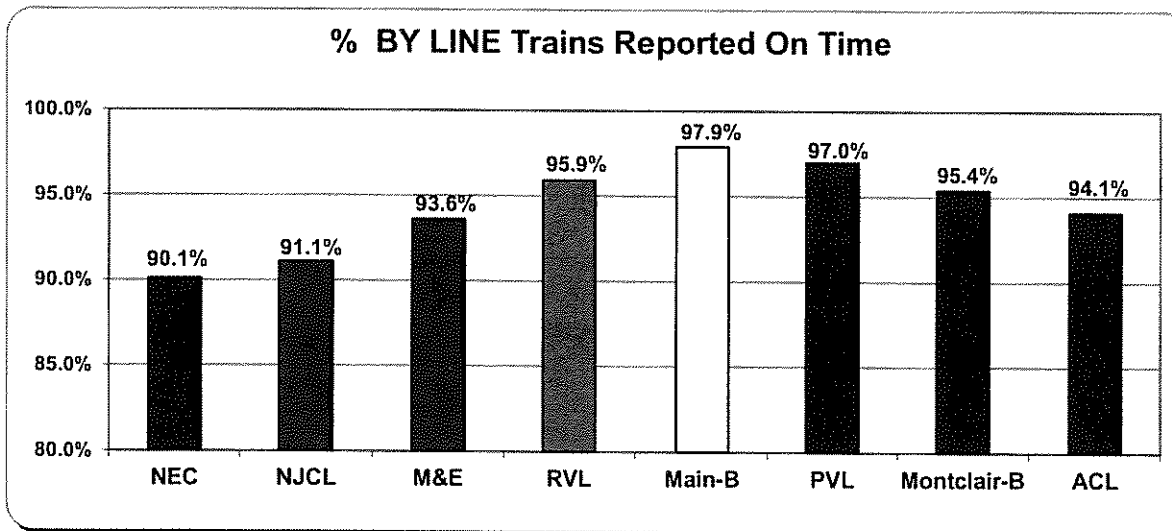
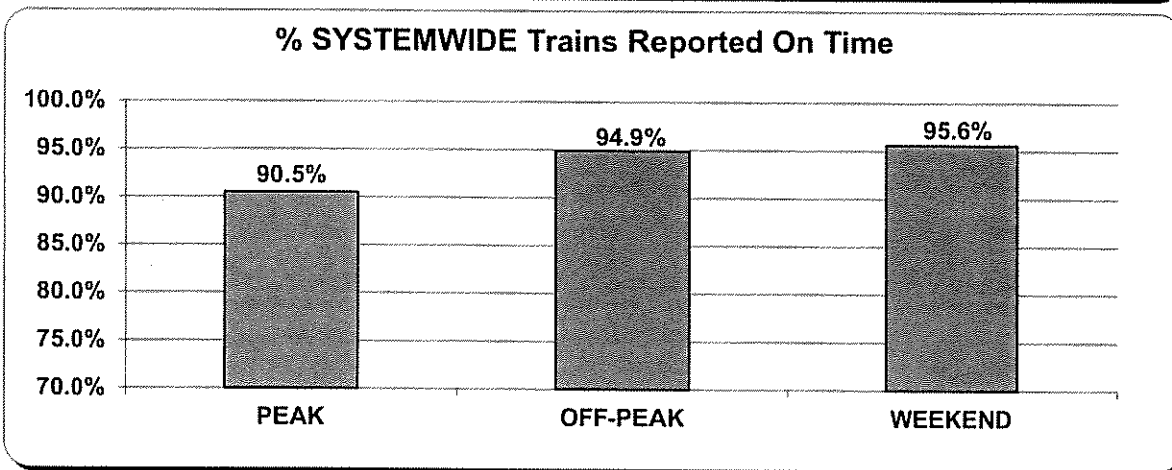
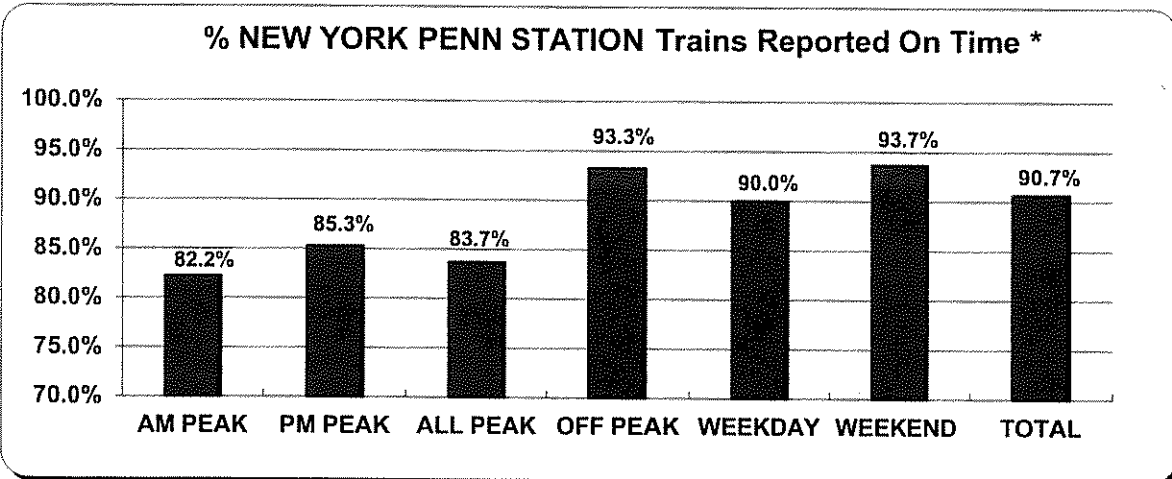
- NJT weather related and Amtrak equipment failure and NJT Arrow MU failure caused 61 delays resulting in 88.3% OTP on July 14.
- NJT diesel failure, NJT vandalism, NJT dual mode engine and electric locomotive failure and Amtrak signal failure caused 49 delays resulting in 88.3% OTP on July 25.
- NJT electric locomotive failure and NJT multi-level cab car caused 57 delays resulting in 89.2% OTP on July 29.

The 12-month average for Rail On-Time Performance for August 2015-July 2016 was 94.5%, which improved by 1.2%.

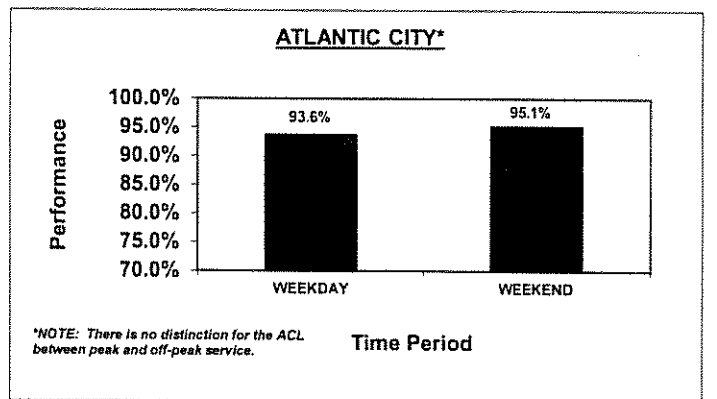
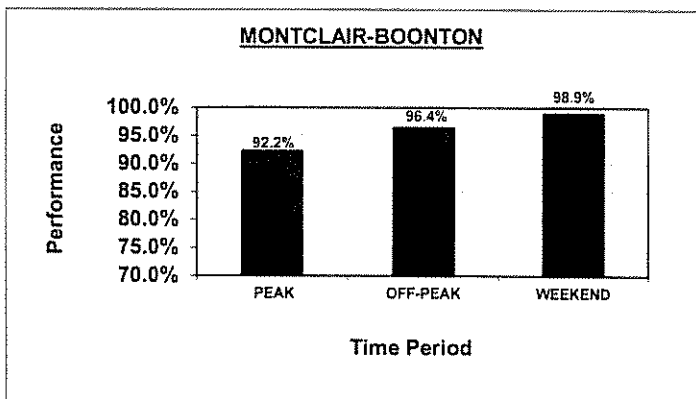
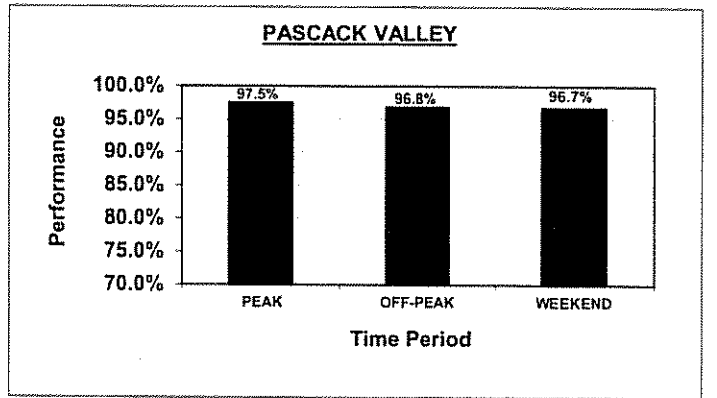
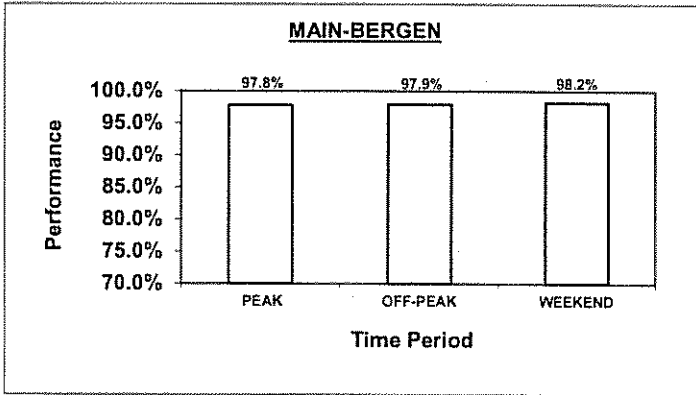
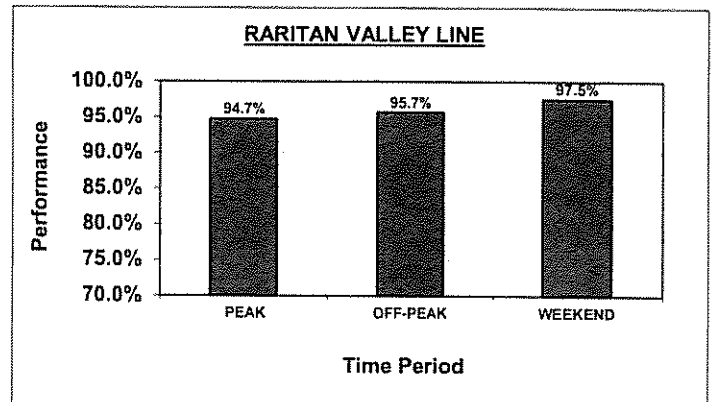
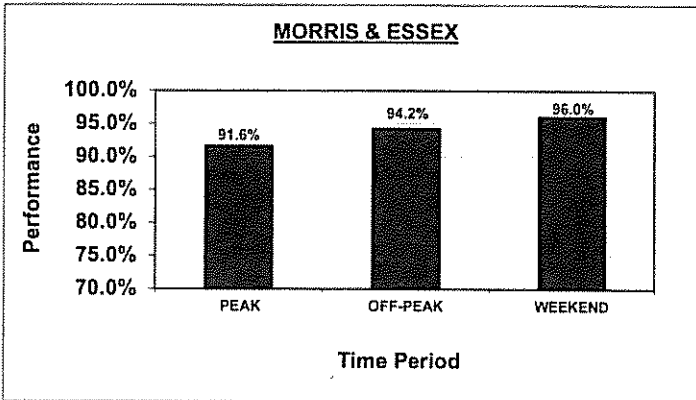
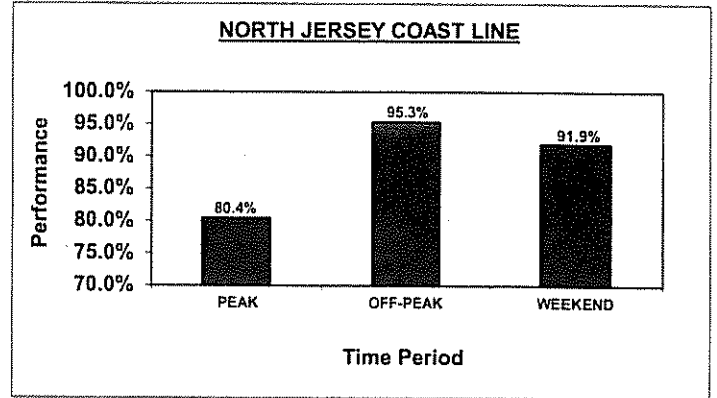
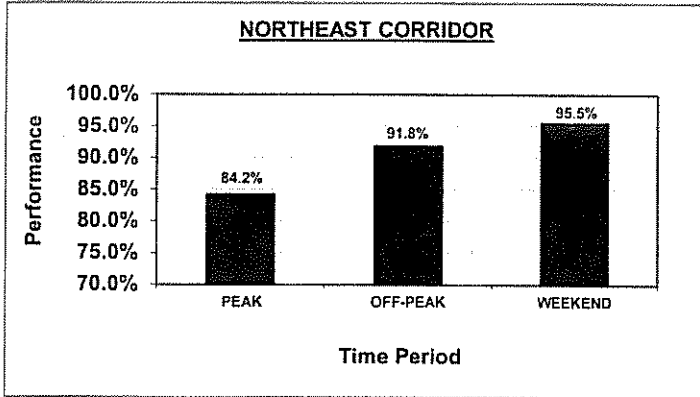
ON-TIME PERFORMANCE RAIL

SUMMARY BY TIME PERIOD JULY 2016

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

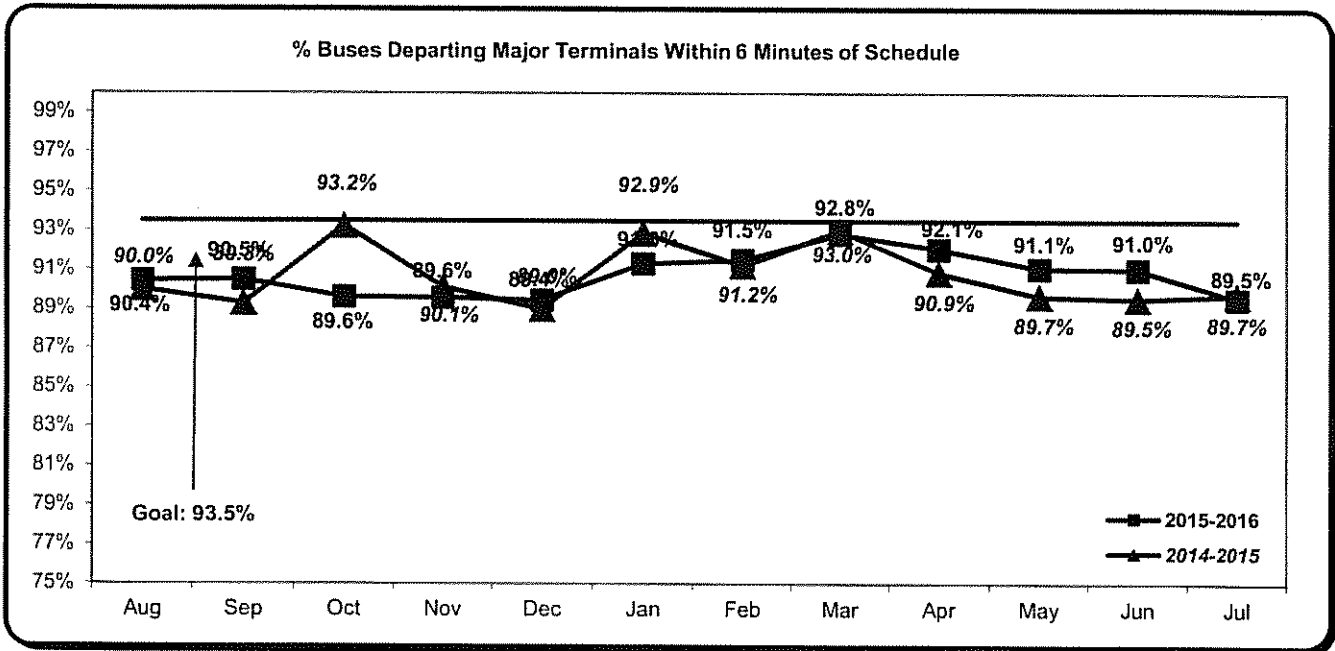


ON-TIME PERFORMANCE BY RAIL LINE & TIME PERIOD JULY 2016



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

NJ TRANSIT ON-TIME PERFORMANCE BUS AUGUST 2014 - JULY 2016



	2015	2016	% Change
July Comparison	89.7%	89.5%	-0.2%

	2014-2015	2015-2016	% Change
12-Month August 2015 - July 2016	90.7%	90.7%	0.0%

Analysis:

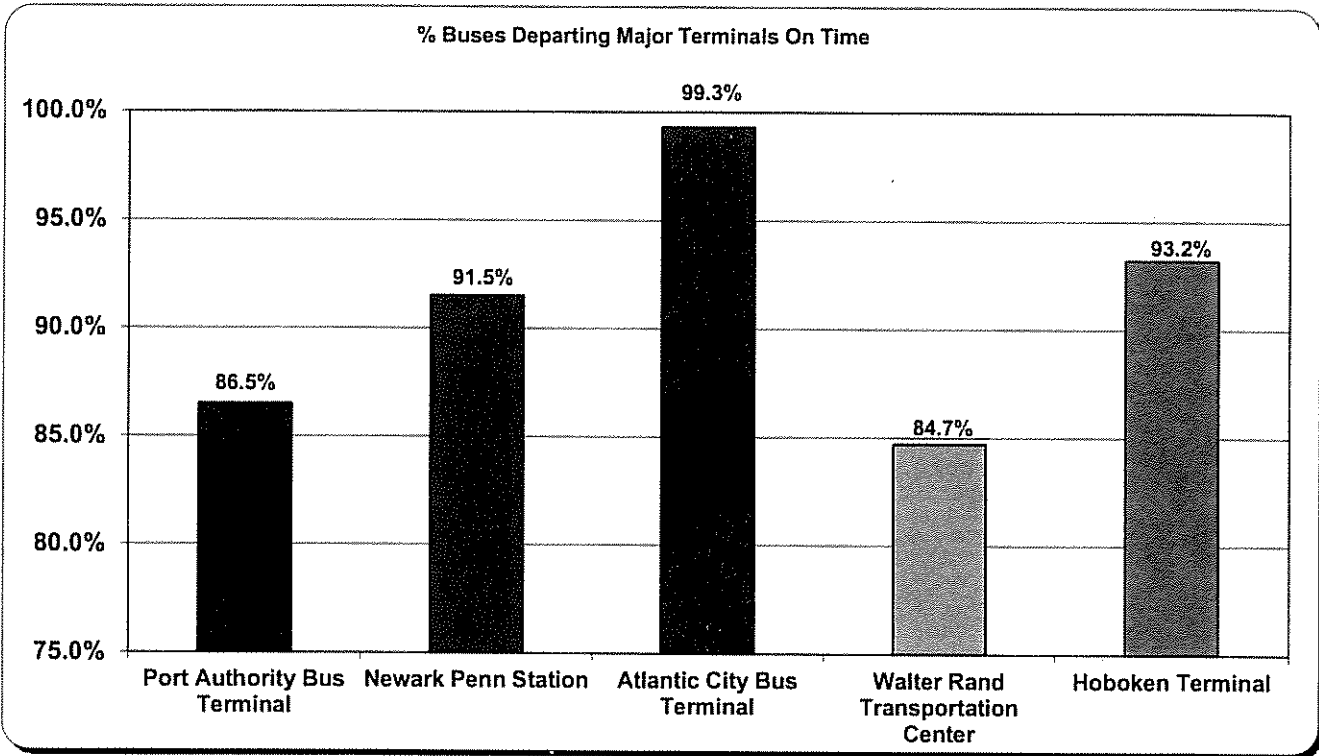
Bus On-Time Performance was 89.5% for July 2016. Of the 42,322 monitored departures, 4,430 (or 13.5%) experienced delays. Key causes included:

- At Port Authority Bus Terminal, holiday departures on July 1, a multi-car accident in the North tube on July 8, emergency construction blocked two lanes of 495 on July 8, and flooding on approaches to the terminal on July 14.
- At Walter Rand Transportation Center, detours for the Democratic Party Convention and mass protests in Philadelphia.
- In Newark, delays were caused by holiday departures and mechanical incidents. The worst days were on July 1, 11 and 29.

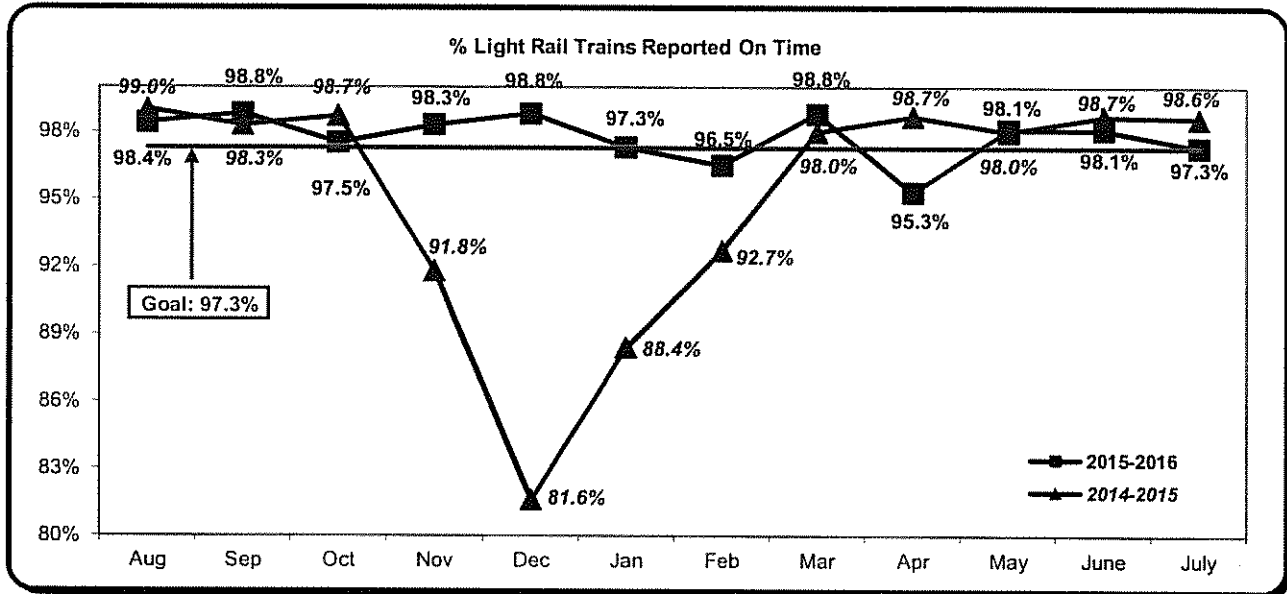
The 12-month average for Bus On-Time Performance for August 2015 - July 2016 was 90.7%, which was unchanged from the previous year.

ON-TIME PERFORMANCE BUS

SUMMARY BY TERMINAL JULY 2016



NJ TRANSIT ON-TIME PERFORMANCE LIGHT RAIL AUGUST 2014 - JULY 2016



	2015	2016	# Change
July Comparison	98.6%	97.3%	-1.3%

	2014-2015	2015-2016	# Change
12-Month Average August 2014 - July 2016	95.2%	97.8%	2.6%

Analysis:

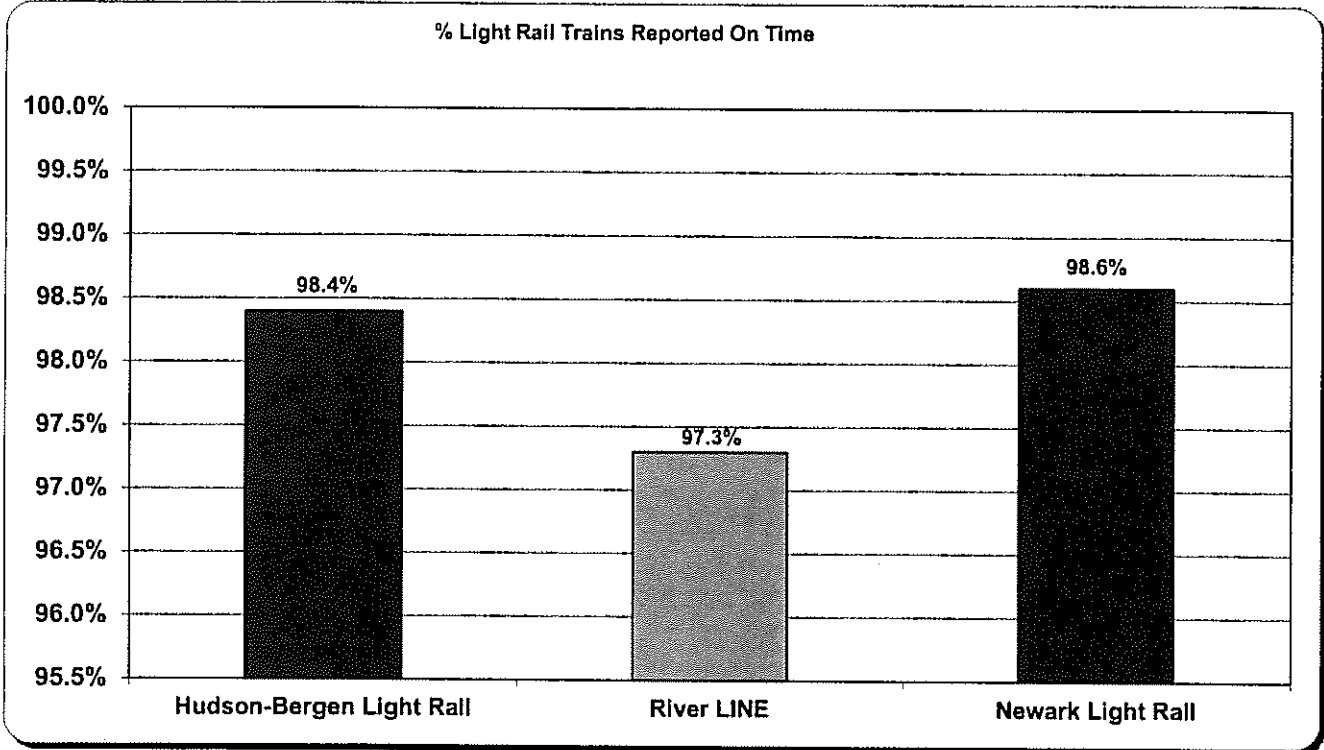
Light Rail On-Time Performance systemwide was 97.34% for the month of July 2016. Of the 26,023 monitored departures, 692 (or 2.7%) experienced delays. Key causes included:

- Disabled train with pantograph damage delayed 130 Hudson-Bergen Light Rail trains on July 7.
- Heavy rainfall and storms delayed 15 River LINE trains on July 25.
- Light rail vehicle mechanical problems delayed 26 Newark Light Rail trains on July 26.

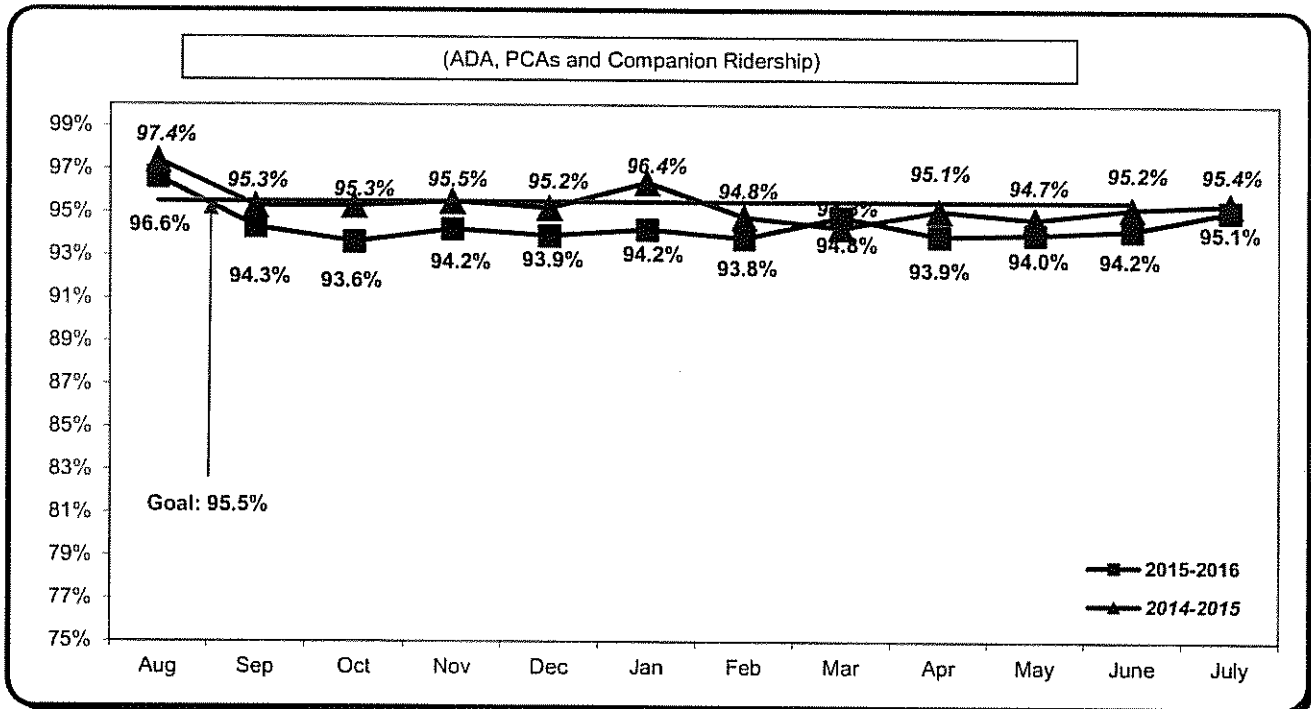
The 12-month average for Light Rail On-Time Performance for August 2015-July 2016 was 97.8%, which increased by 2.6% compared to August 2014 to July 2015.

ON-TIME PERFORMANCE LIGHT RAIL

SUMMARY BY LINE JULY 2016



NJ TRANSIT ON-TIME PERFORMANCE ACCESS LINK AUGUST 2014 - JULY 2016



	2015	2016	% Change
July Comparison	95.2%	95.1%	-0.1%

	2015	2016	Difference
July Ridership	126,515	125,382	-1,133

	2014-2015	2015-2016	% Change
12-Month Average July-August	95.4%	94.4%	-1.0%

Analysis:

Access Link On-Time Performance was 95.1% for July 2016. In serving 125,382 total riders, for 112,587 ADA customers trips, 5,490 (or 4.9%) experienced delays.

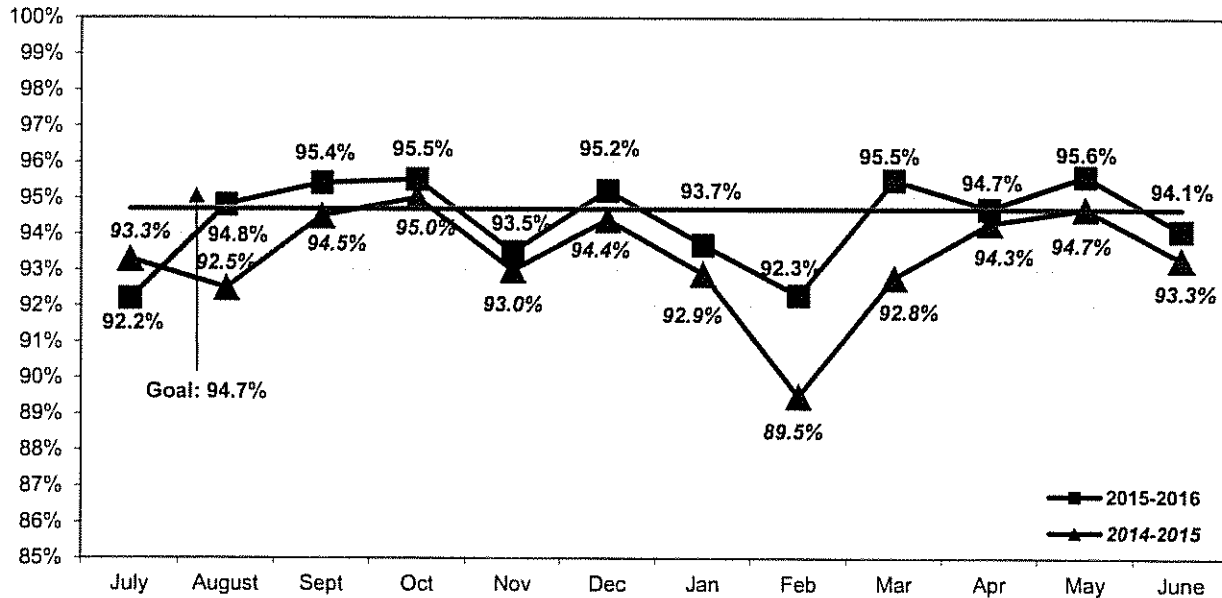
Key causes include:

- * Traffic congestion causing service delays.
- * Cancellations and customer no-shows.
- * Road closures due to construction.

The 12-month average for Access Link On-Time Performance for July 2015 - June 2016 was 94.4%, which decreased by -1.0%.

NJ TRANSIT ON-TIME PERFORMANCE RAIL JULY 2014 - JUNE 2016

% Trains Reported Within 6 Minutes of Schedule



June Comparison	2015	2016	# Change
	93.3%	94.1%	0.8%
12-Month Average July 2014-June 2016	2014-2015	2015-2016	# Change
	93.4%	94.4%	1.0%

Analysis:

Rail On-Time Performance was 94.1% for June 2016. Of the 18,153 trains scheduled to operate, 17,083 were on time, while 1,070 trains (or 5.9%) were delayed. Key causes included:

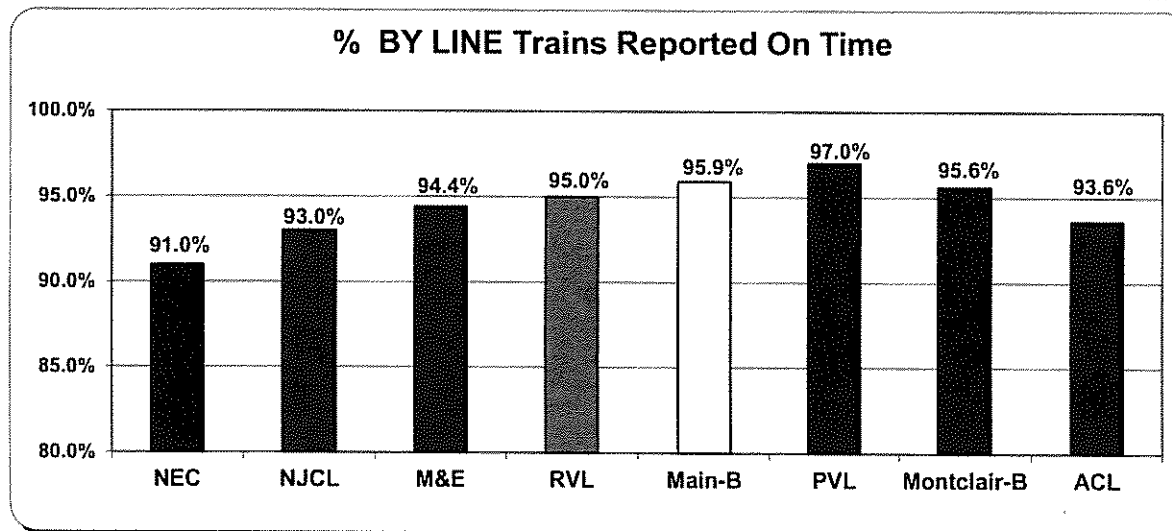
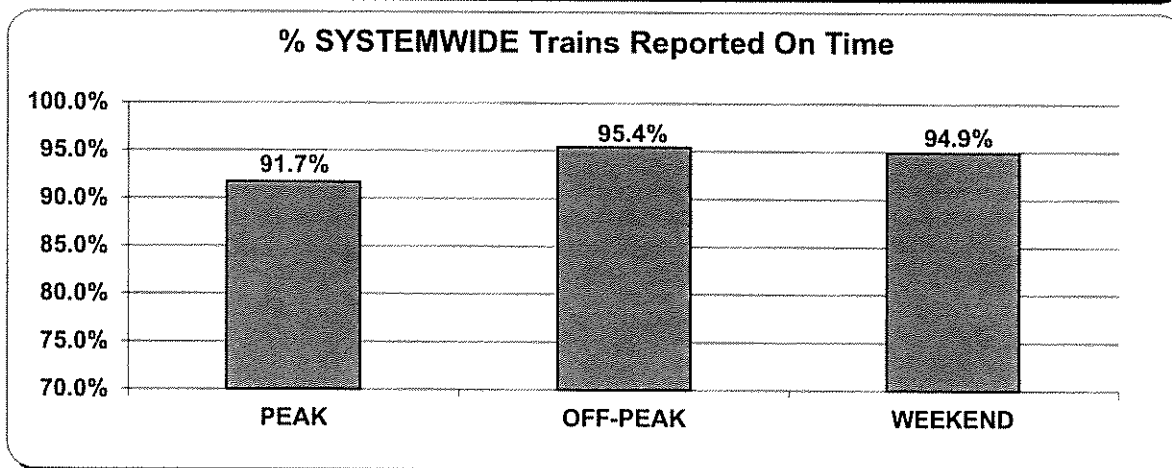
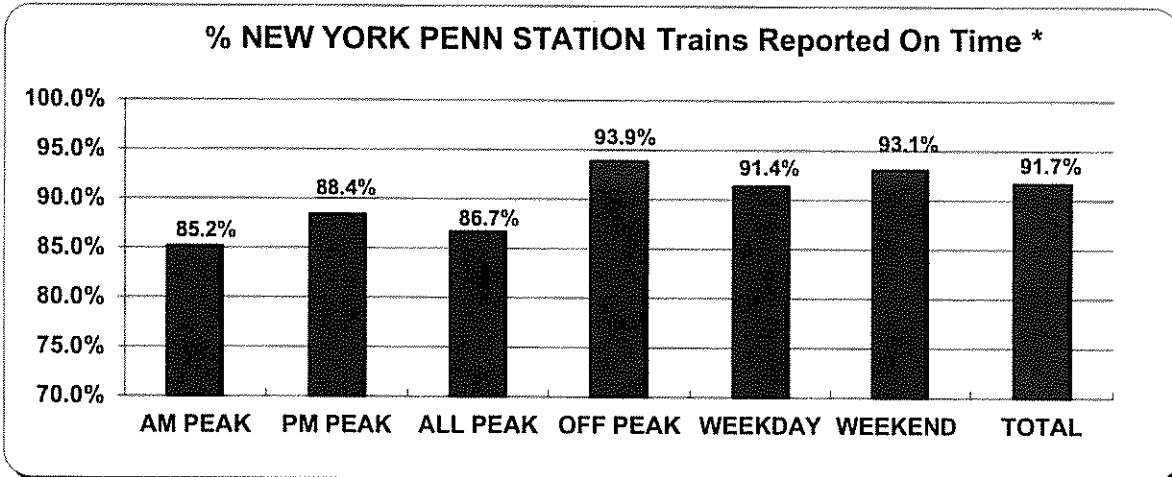
- Amtrak Equipment Failure, NJT Ill/Injured Passenger and NJT Human Error caused 108 delays resulting in 84.3% OTP on June 7.
- Amtrak Portal Bridge Open and Amtrak Signal Failure caused 71 delays resulting in 87.3% OTP on June 28.
- Amtrak Switch Failure and Amtrak Train Ahead caused 74 delays resulting in 88.9% OTP on June 30.

The 12-month average for Rail On-Time Performance for July 2015-June 2016 was 94.4%, which improved by 1.0%.

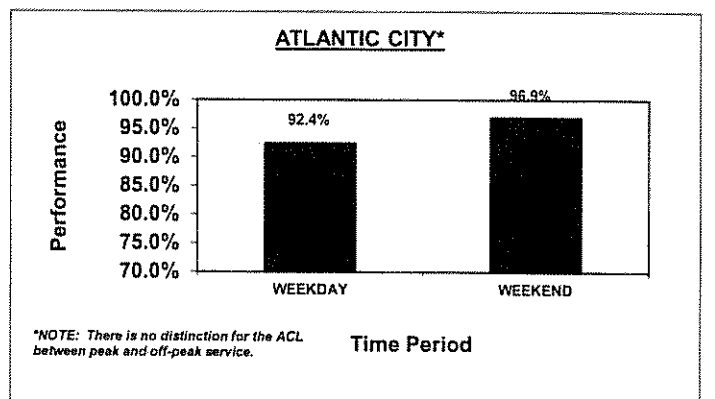
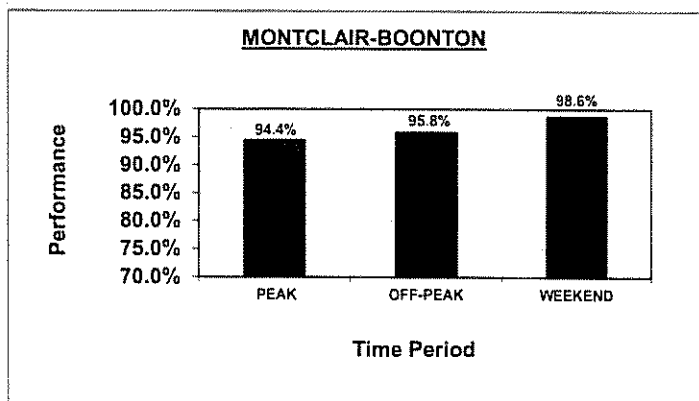
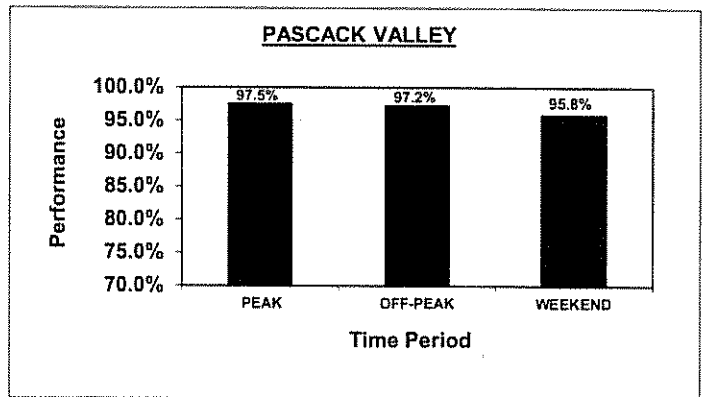
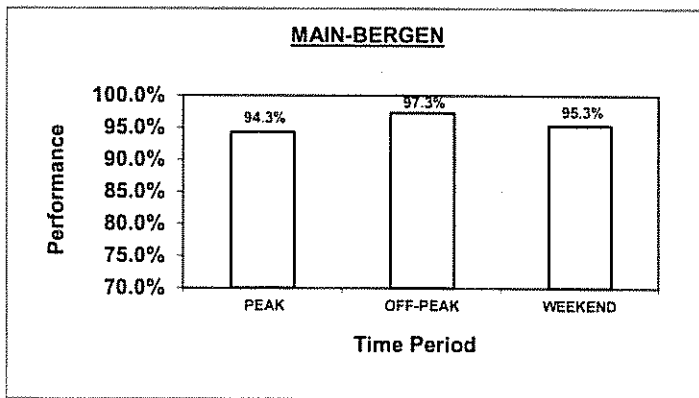
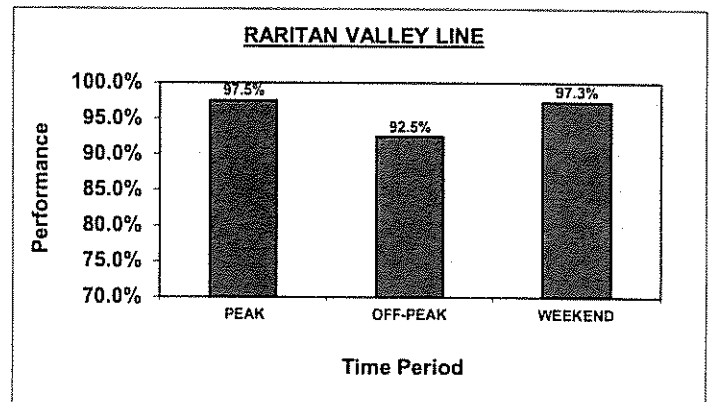
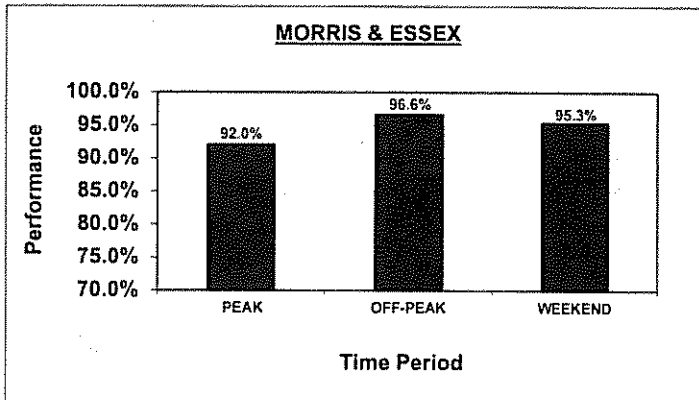
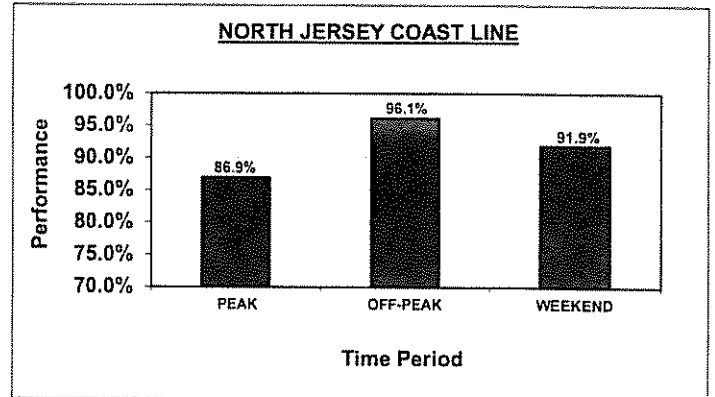
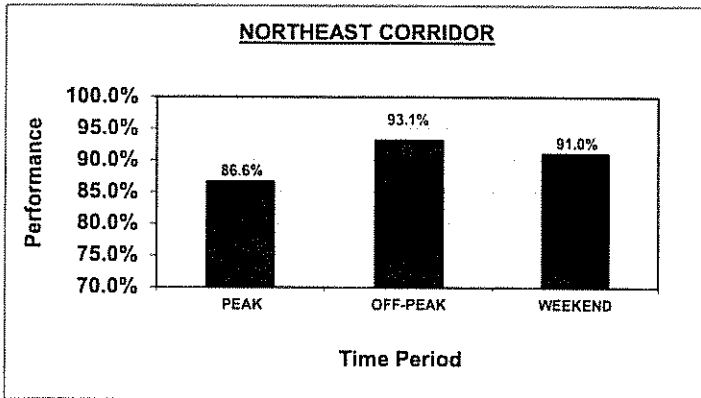
ON-TIME PERFORMANCE RAIL

SUMMARY BY TIME PERIOD JUNE 2016

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

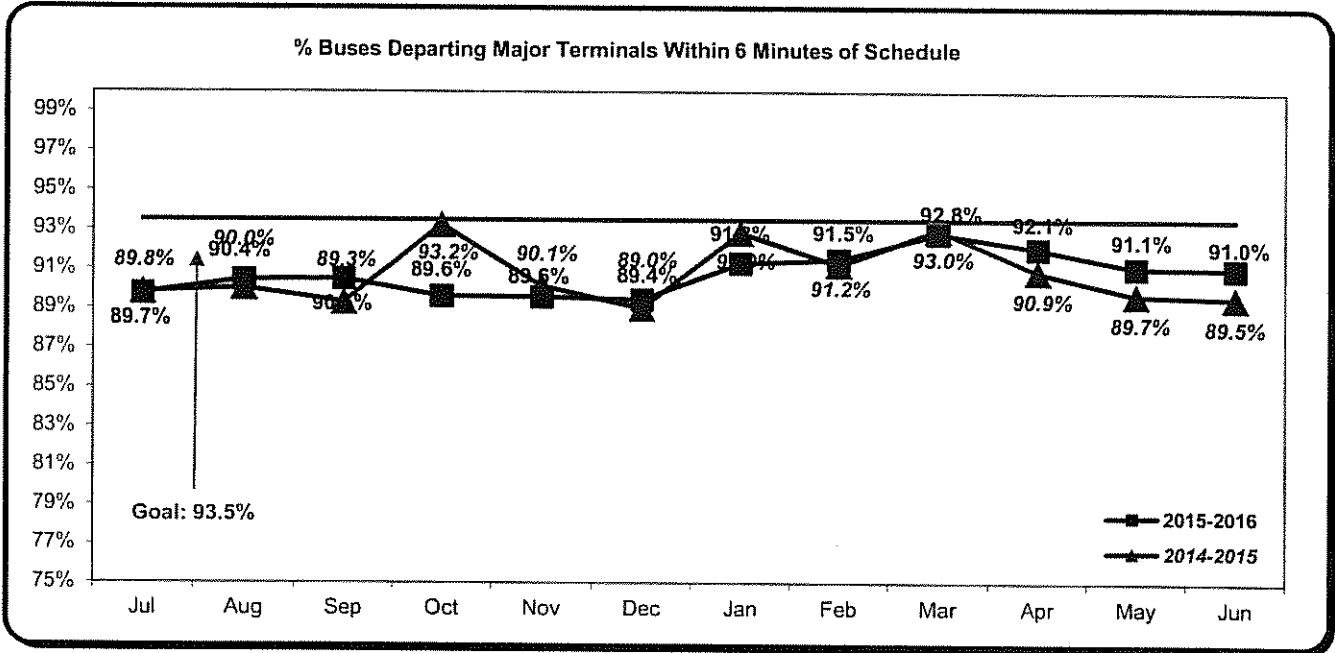


ON-TIME PERFORMANCE BY RAIL LINE & TIME PERIOD JUNE 2016



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

NJ TRANSIT ON-TIME PERFORMANCE BUS JULY 2014 - JUNE 2016



	2015	2016	% Change
June Comparison	89.5%	91.0%	1.5%

	2014-2015	2015-2016	% Change
12-Month June 2014 - May 2016	90.7%	90.7%	0.0%

Analysis:

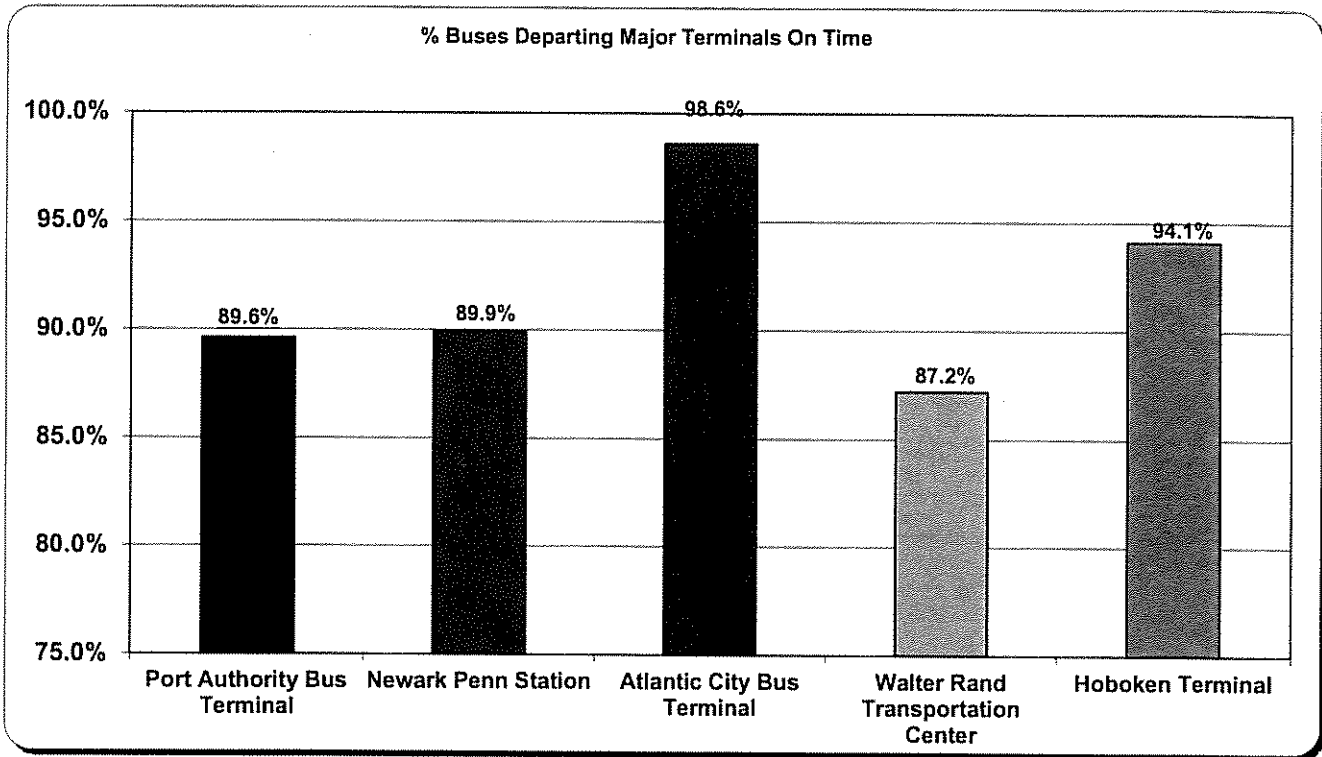
Bus On-Time Performance was 91.0% for June 2016. Of the 45,941 monitored departures, 4,121 (or 9.0%) experienced delays. Key causes included:

- At Port Authority Bus Terminal, traffic on 40th Street blocked terminal access on June 17. On June 20, all outbound traffic was stopped for an escort through the tunnel resulting in complete gridlock.
- At Walter Rand Transportation Center, major delays due to road repaving and continuing work by PSE&G. Police activity in the area and month-end holiday traffic also contributed.
- In Newark, there were two accidents and one mechanical incident requiring a replacement bus. The worst days were on June 1, 3, 17, and 24.

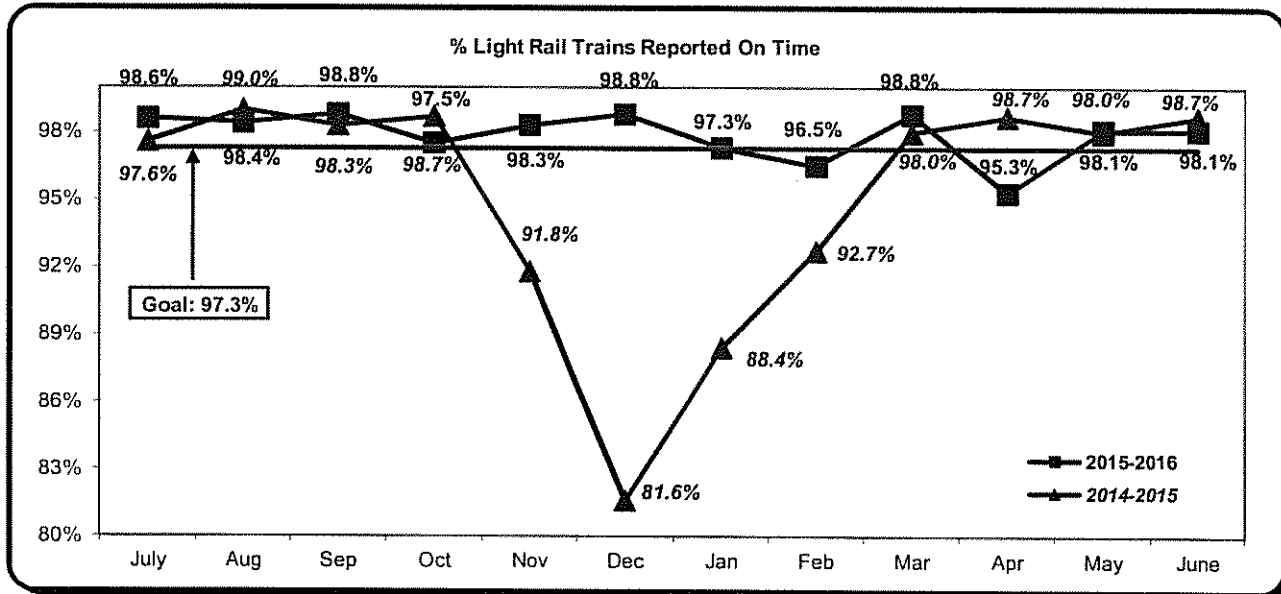
The 12-month average for Bus On-Time Performance for July 2015 - June 2016 was 90.7%, which was unchanged from the previous year.

ON-TIME PERFORMANCE BUS

SUMMARY BY TERMINAL JUNE 2016



NJ TRANSIT ON-TIME PERFORMANCE LIGHT RAIL JULY 2014 - JUNE 2016



	2015	2016	# Change
June Comparison	98.7%	98.1%	-0.6%

	2014-2015	2015-2016	# Change
12-Month Average July 2014 - June 2016	95.1%	97.9%	2.8%

Analysis:

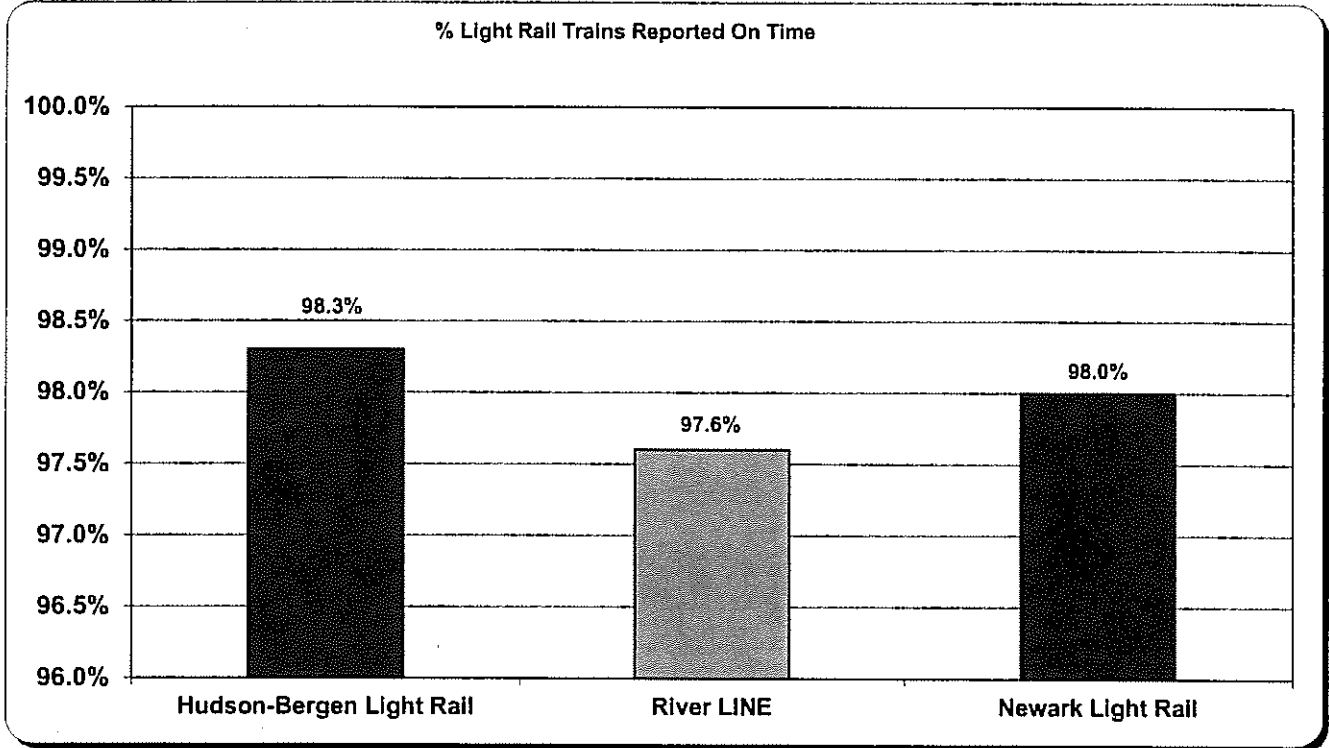
Light Rail On-Time Performance systemwide was 98.1% for the month of June 2016. Of the 26,367 monitored departures, 505 (or 1.9%) experienced delays. Key causes included:

- A light rail vehicle made contact with a truck, delaying 21 Hudson-Bergen Light Rail trains on June 6.
- A tree down and blocked the tracks delayed 4 River LINE trains on June 8.
- A switch failure at Newark Penn Station delayed 24 Newark Light Rail trains on June 3.

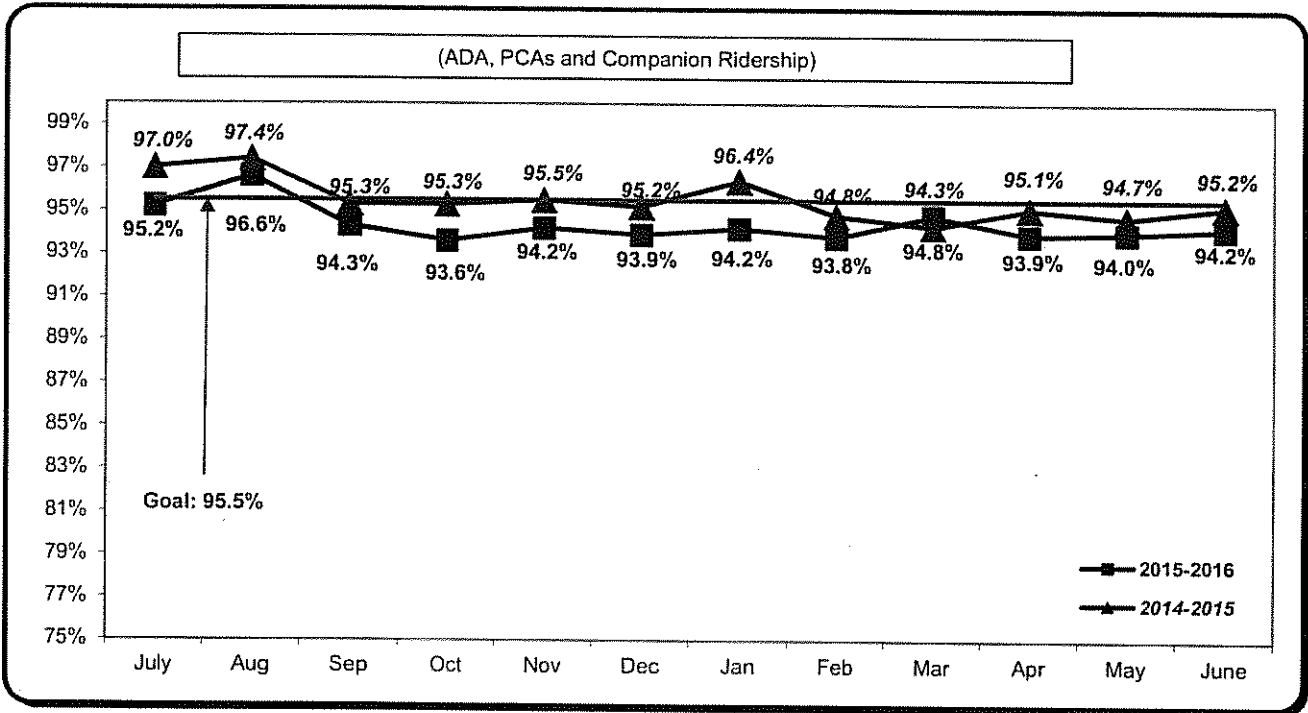
The 12-month average for Light Rail On-Time Performance for July 2015-June 2016 was 97.9%, which increased by 2.8% compared to July 2014 to June 2015.

ON-TIME PERFORMANCE LIGHT RAIL

SUMMARY BY LINE JUNE 2016



NJ TRANSIT ON-TIME PERFORMANCE ACCESS LINK JULY 2014 - JUNE 2016



	2015	2016	% Change
June Comparison	94.2%	95.2%	1.0%

	2015	2016	Difference
June Ridership	126,327	133,465	7,138

	2014-2015	2015-2016	% Change
12-Month Average June-July	95.5%	94.4%	-1.1%

Analysis:

Access Link On-Time Performance was 94.2% for June 2016. Of the 133,465 total trips, 7,008 (or 5.9%) experienced delays.

Key causes include:

- * Traffic congestion causing service delays.
- * Cancellations and customer no-shows.
- * Road closures due to construction.

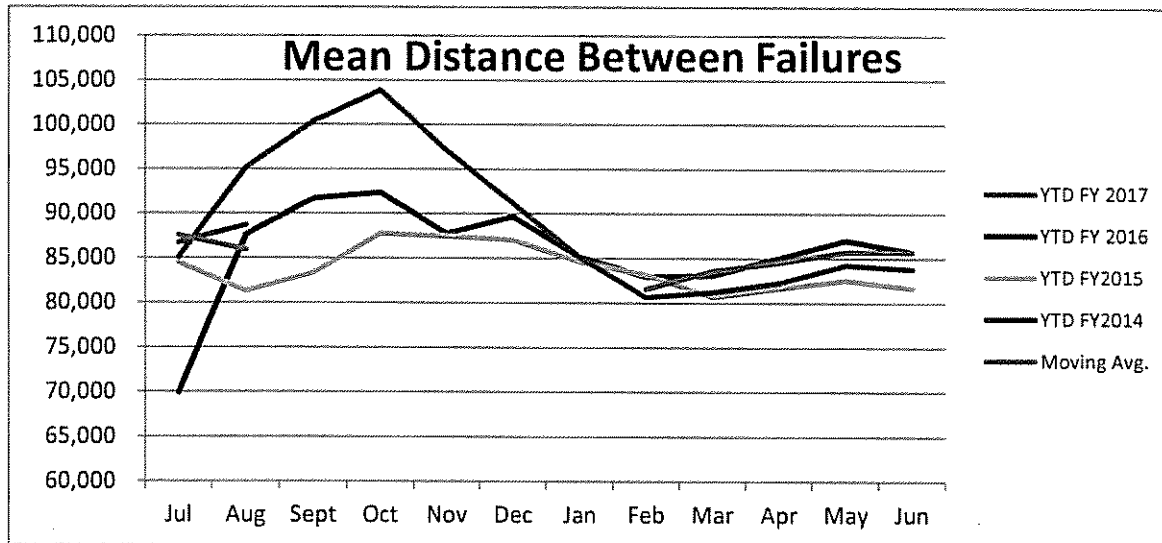
The 12-month average for Access Link On-Time Performance for July 2015 - June 2016 was 94.4%, which decreased by 1.1%.

MEAN DISTANCE BETWEEN FAILURES

August-16

NJ Transit Rail
Mean Distance Between Failures

Month	YTD FY2017	YTD FY2016	YTD FY2015	YTD FY2014	12 Month Moving Avg.
Jul	86,683	69,926	84,508	85,097	87,513
Aug	88,680	87,565	81,319	95,116	85,898
Sept	-	91,669	83,368	100,341	-
Oct	-	92,329	87,750	103,813	-
Nov	-	87,756	87,434	97,112	-
Dec	-	89,655	87,042	91,128	-
Jan	-	85,167	84,607	85,161	-
Feb	-	82,949	83,179	80,639	81,560
Mar	-	83,112	80,659	81,229	83,578
Apr	-	85,060	81,649	82,293	84,538
May	-	87,022	82,566	84,237	85,696
Jun	-	85,722	81,704	83,798	85,722

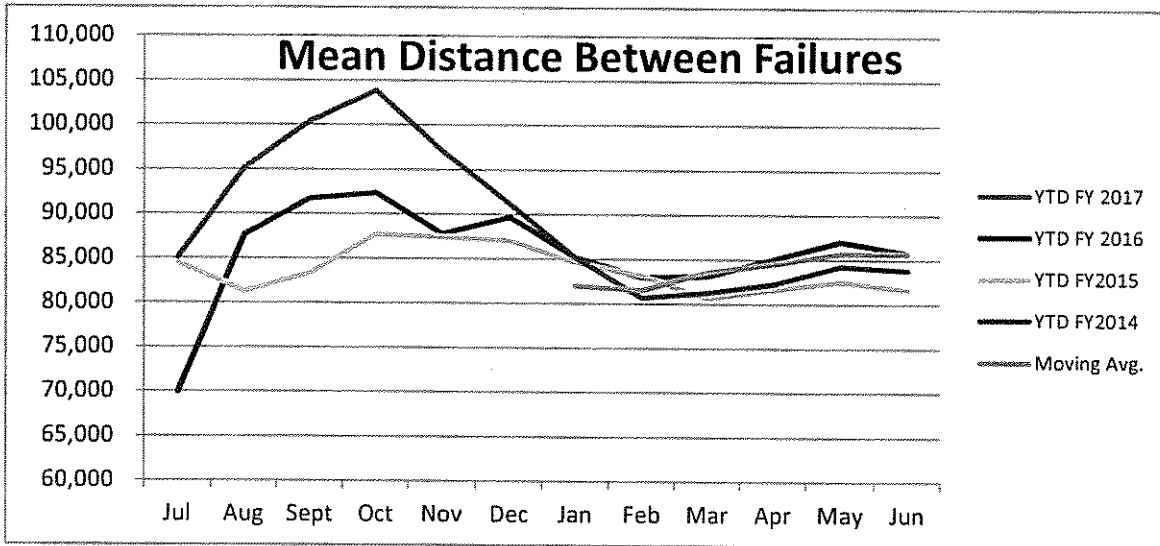


July-16

NJ Transit Rail
Mean Distance Between Failures

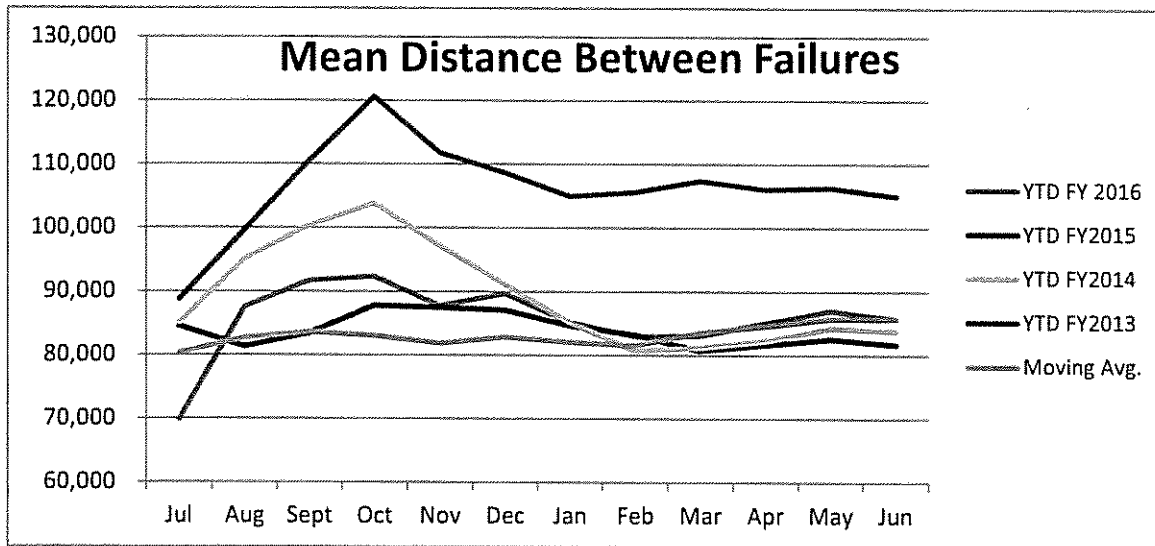
3

Month	YTD FY2017	YTD FY2016	YTD FY2015	YTD FY2014	12 Month Moving Avg.
Jul	86,683	69,926	84,508	85,097	87,513
Aug	-	87,565	81,319	95,116	-
Sept	-	91,669	83,368	100,341	-
Oct	-	92,329	87,750	103,813	-
Nov	-	87,756	87,434	97,112	-
Dec	-	89,655	87,042	91,128	-
Jan	-	85,167	84,607	85,161	82,008
Feb	-	82,949	83,179	80,639	81,560
Mar	-	83,112	80,659	81,229	83,578
Apr	-	85,060	81,649	82,293	84,538
May	-	87,022	82,566	84,237	85,696
Jun	-	85,722	81,704	83,798	85,722



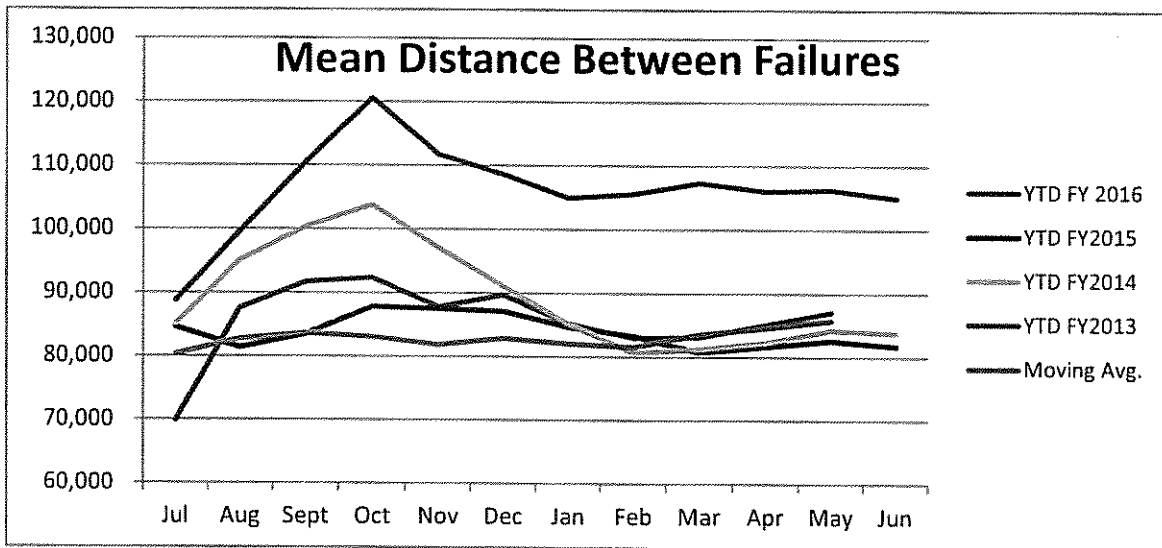
NJ Transit Rail
Mean Distance Between Failures

Month	YTD FY2016	YTD FY2015	YTD FY2014	YTD FY2013	12 Month Moving Avg.
Jul	69,926	84,508	85,097	88,735	80,305
Aug	87,565	81,319	95,116	99,585	82,718
Sept	91,669	83,368	100,341	110,530	83,609
Oct	92,329	87,750	103,813	120,591	83,028
Nov	87,756	87,434	97,112	111,758	81,837
Dec	89,655	87,042	91,128	108,579	82,868
Jan	85,167	84,607	85,161	104,917	82,008
Feb	82,949	83,179	80,639	105,580	81,560
Mar	83,112	80,659	81,229	107,335	83,578
Apr	85,060	81,649	82,293	106,048	84,538
May	87,022	82,566	84,237	106,287	85,696
Jun	85,722	81,704	83,798	104,975	85,722



NJ Transit Rail
Mean Distance Between Failures

Month	YTD FY2016	YTD FY2015	YTD FY2014	YTD FY2013	12 Month Moving Avg.
Jul	69,926	84,508	85,097	88,735	80,305
Aug	87,565	81,319	95,116	99,585	82,718
Sept	91,669	83,368	100,341	110,530	83,609
Oct	92,329	87,750	103,813	120,591	83,028
Nov	87,756	87,434	97,112	111,758	81,837
Dec	89,655	87,042	91,128	108,579	82,868
Jan	85,167	84,607	85,161	104,917	82,008
Feb	82,949	83,179	80,639	105,580	81,560
Mar	83,112	80,659	81,229	107,335	83,578
Apr	85,060	81,649	82,293	106,048	84,538
May	87,022	82,566	84,237	106,287	85,696
Jun	-	81,704	83,798	104,975	-

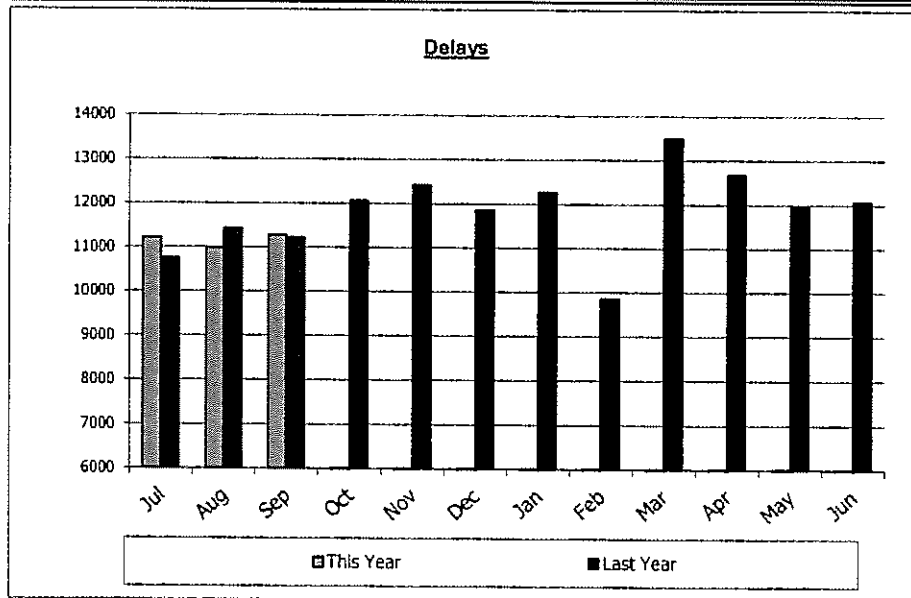


Garage Performance Parameters

September 2016

Location	Miles Between In-Service Delays			
	FY2017 Goal	This Month	FY2017 YTD	FY2016 YTD
Fairview	7,000	5,817	5,988	5,233
Greenville	9,900	5,376	5,522	7,912
Market Street	9,500	9,035	9,068	7,379
Meadowlands	11,500	7,858	7,510	7,314
Oradell	13,500	9,766	9,106	9,422
Wayne	12,500	13,011	11,889	11,025
Northern Division	63,900	8,852	8,542	8,254
Big Tree	9,600	6,007	8,242	7,522
Hilton	10,500	10,335	10,569	10,990
Howell	16,750	34,627	32,105	39,325
Ironbound	9,800	9,911	9,615	9,651
Orange	10,200	9,773	9,533	8,187
Morris	10,500	47,552	48,286	75,311
Central Division	67,350	12,474	12,742	12,610
Egg Harbor	16,500	12,736	14,048	16,786
Hamilton	20,000	22,429	20,033	21,969
Newton Avenue	15,700	13,197	12,634	17,741
Washington Twp.	14,500	15,154	13,631	13,285
Southern Division	66,700	14,361	14,125	15,196

Bus Operations	-	11,279	11,154	11,124
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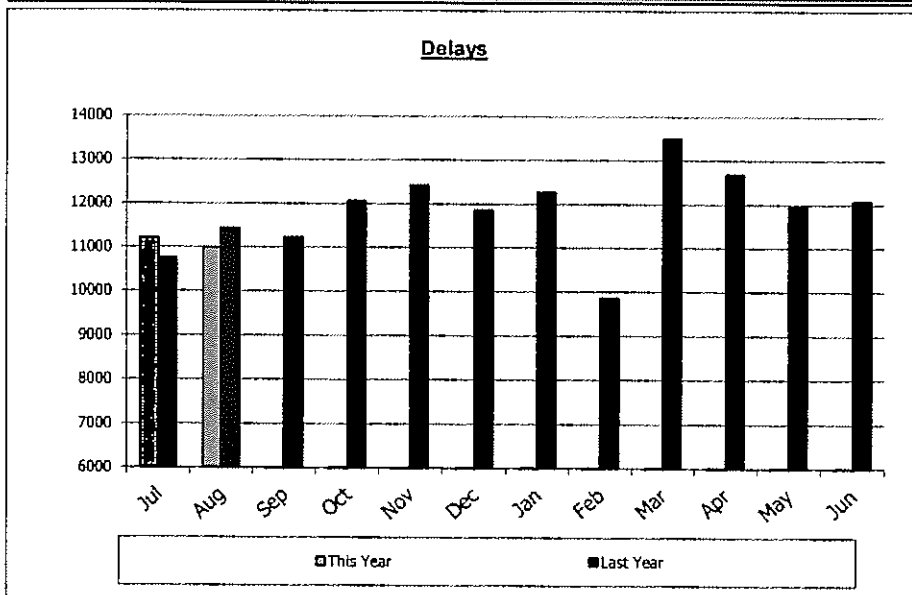


Garage Performance Parameters

August 2016

Location	Miles Between In-Service Delays			
	FY2017 Goal	This Month	FY2017 YTD	FY2016 YTD
Fairview	7,000	6,189	6,073	4,786
Greenville	9,900	5,546	5,596	8,776
Market Street	9,500	9,898	9,085	7,220
Meadowlands	11,500	9,021	7,360	7,344
Oradell	13,500	9,437	8,818	9,630
Wayne	12,500	10,032	11,419	10,724
Northern Division	63,900	8,777	8,402	8,163
Big Tree	9,600	10,245	10,020	7,809
Hilton	10,500	9,152	10,687	10,955
Howell	16,750	24,627	31,045	40,775
Ironbound	9,800	8,614	9,478	8,674
Orange	10,200	9,819	9,421	8,091
Morris	10,500	50,261	48,653	51,300
Central Division	67,350	11,849	12,875	12,249
Egg Harbor	16,500	13,498	14,731	16,786
Hamilton	20,000	16,670	19,042	21,969
Newton Avenue	15,700	11,417	12,390	17,741
Washington Twp.	14,500	15,798	13,019	13,285
Southern Division	66,700	14,019	14,018	16,003

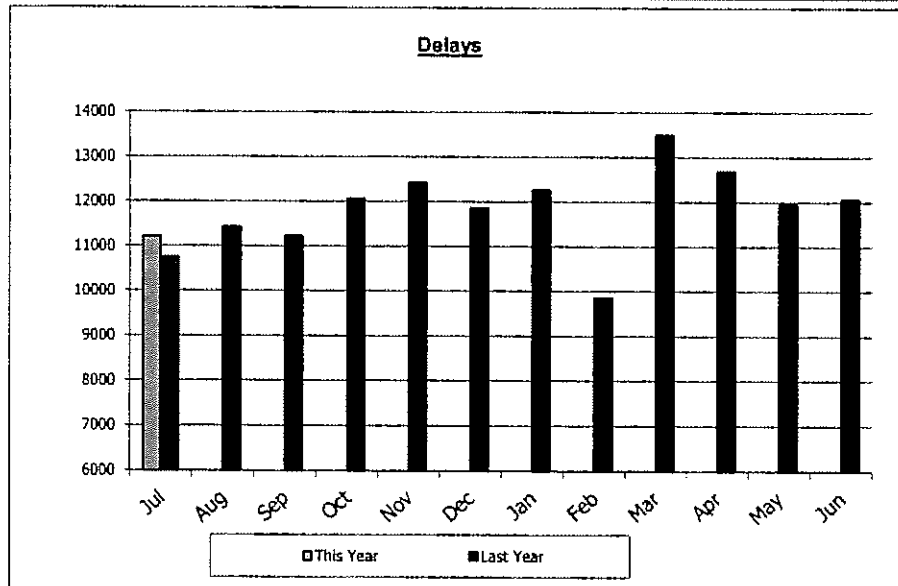
Bus Operations	-	10,986	11,095	11,075
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Garage Performance Parameters

July 2016

Location	Miles Between In-Service Delays			
	FY2017 Goal	This Month	FY2017 YTD	FY2016 YTD
Fairview	9,900	5,652	5,652	7,810
Greenville	9,500	8,350	8,350	7,456
Market Street	11,500	6,176	6,176	7,044
Meadowlands	13,500	8,250	8,250	8,625
Oradell	12,500	13,408	13,408	11,316
Wayne	63,900	8,038	8,038	7,805
Northern Division	-	-	-	-
Big Tree	10,500	12,944	12,944	9,537
Hilton	16,750	43,078	43,078	43,138
Howell	9,800	10,600	10,600	8,205
Ironbound	10,200	9,036	9,036	8,026
Orange	10,500	47,045	47,045	52,391
Morris	67,350	14,022	14,022	11,593
Central Division	-	-	-	-
Egg Harbor	20,000	22,402	22,402	19,208
Hamilton	15,700	13,582	13,582	16,495
Newton Avenue	14,500	11,016	11,016	14,341
Washington Twp.	66,700	14,016	14,016	16,646
Southern Division	-	-	-	-
	-	11,213	11,213	10,754
Bus Operations	-	-	-	-

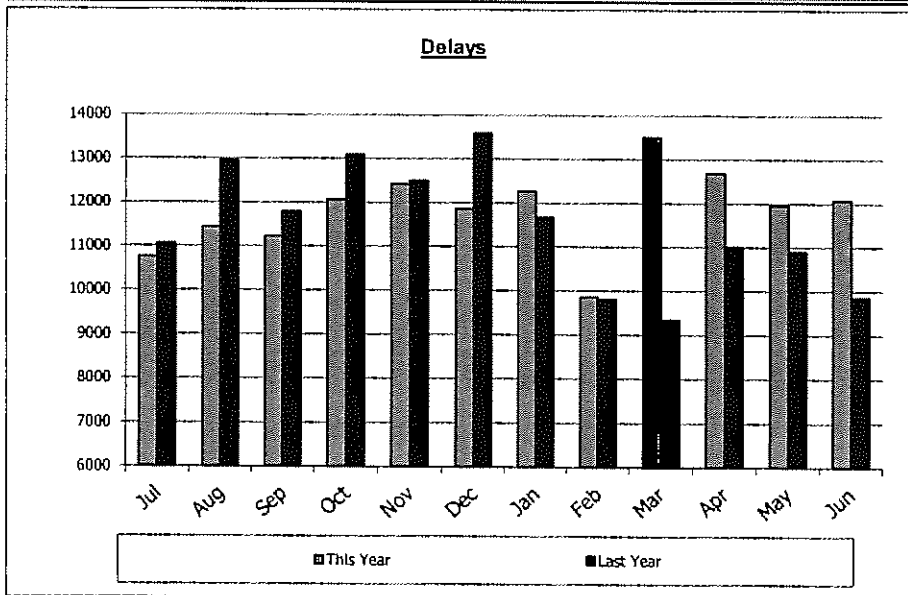


Garage Performance Parameters

June 2016

Location	Miles Between In-Service Delays			
	FY2016 Goal	This Month	FY2016 YTD	FY2015 YTD
Fairview	7,000	4,571	6,345	6,053
Greenville	9,900	5,316	6,619	6,690
Market Street	9,500	6,943	8,219	8,838
Meadowlands	11,500	8,148	8,375	8,382
Oradell	13,500	12,241	10,720	9,708
Wayne	12,500	11,110	11,841	10,899
Northern Division	-	8,357	9,141	8,847
Big Tree	9,600	8,365	8,077	9,165
Hilton	10,500	11,107	11,017	10,435
Howell	16,750	36,070	33,904	21,217
Ironbound	9,800	10,480	10,690	9,830
Orange	10,200	17,486	9,393	11,331
Morris	10,500	48,376	43,559	50,031
Central Division	-	15,187	13,265	12,506
Egg Harbor	15,500	18,472	15,571	14,378
Hamilton	19,000	30,499	22,640	18,791
Newton Avenue	15,700	13,280	13,995	15,085
Washington Twp.	14,500	14,751	13,076	13,280
Southern Division	-	16,678	14,886	14,543

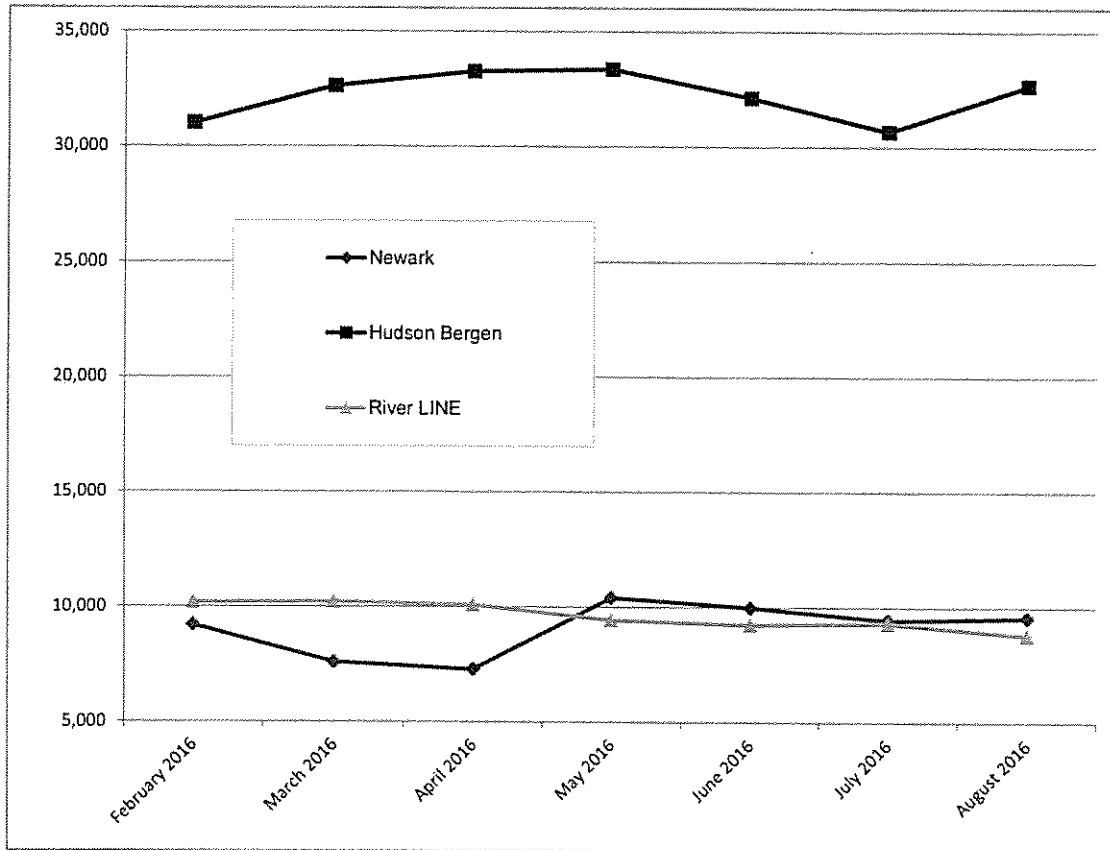
Bus Operations	-	12,066	11,774	11,325
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NJ TRANSIT - LIGHT RAIL, August 2016
Average Miles Between In Service Failures

NJT LIGHT RAIL	MDBSF * August 2016
Newark Light Rail	9,552
Hudson Bergen	32,676
River LINE	8,788

AVERAGE MILES BETWEEN IN-SERVICE MECHANICAL FAILURES



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

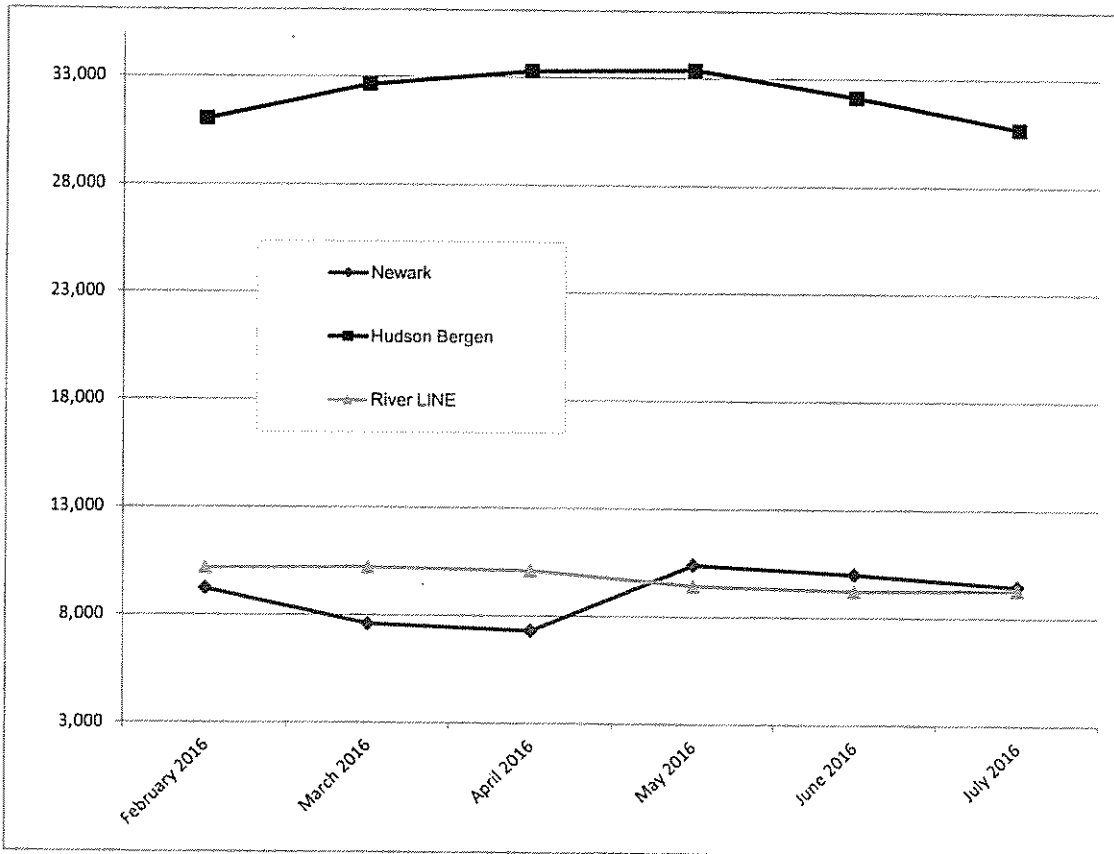
** Newark Light Rail operates much less mileage, with all single-car trains and a 5 mile alignment.

NJ TRANSIT - LIGHT RAIL, July 2016

Average Miles Between In Service Failures

NJT LIGHT RAIL	MDBSF * July 2016
Newark Light Rail	9,445
Hudson Bergen	30,665
River LINE	9,301

AVERAGE MILES BETWEEN IN-SERVICE MECHANICAL FAILURES



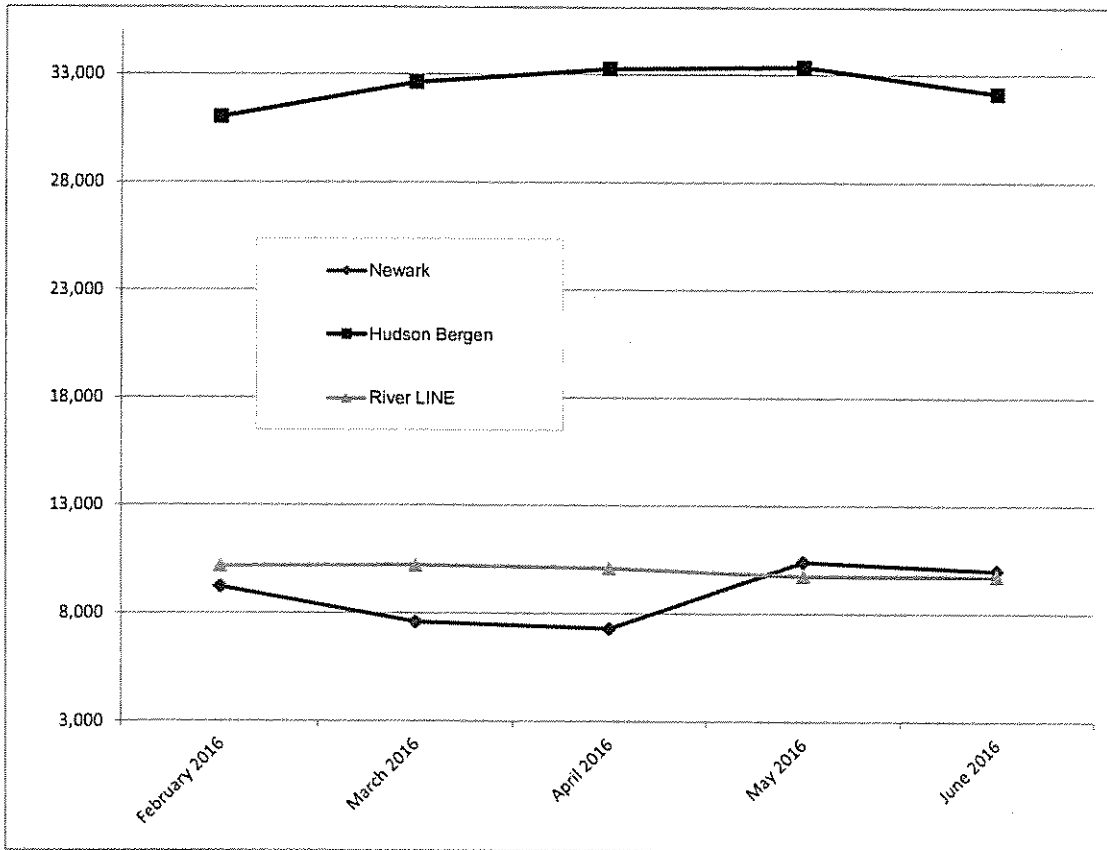
* Mechanical failure data for 3 LR systems, calculated as a rolling average over multiple months.

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

NJ TRANSIT - LIGHT RAIL, June 2016
Average Miles Between In Service Failures

NJT LIGHT RAIL	MDBSF * June 2016
Newark Light Rail	9,992
Hudson Bergen	32,119
River LINE	9,724

AVERAGE MILES BETWEEN IN-SERVICE MECHANICAL FAILURES



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

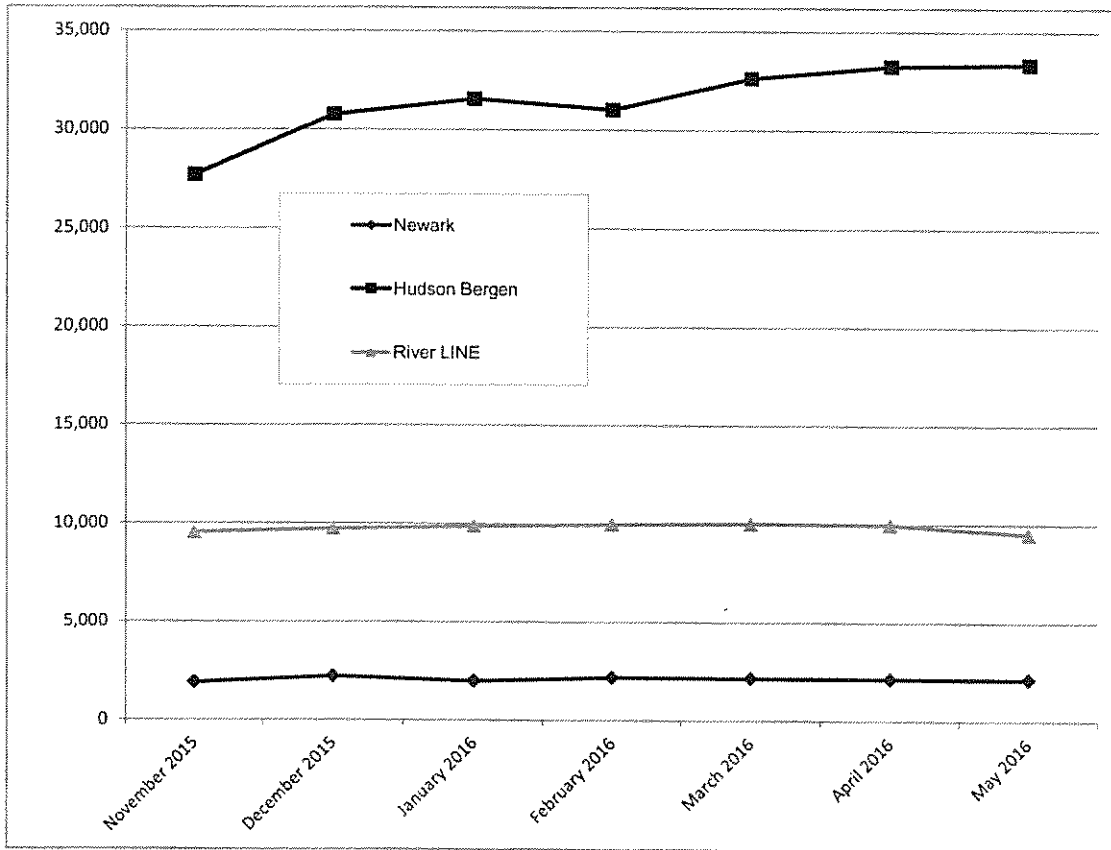
** Newark Light Rail operates much less mileage, with all single-car trains and a 5 mile alignment.

NJ TRANSIT - LIGHT RAIL, May 2016

Mean Distance Between In Service Failures (MDBSF)

NJT LIGHT RAIL	MDBSF * May 2016
Newark Light Rail	2,135
Hudson Bergen	33,357
River LINE	9,525

MEAN DISTANCE 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

State Funded Contracts

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

During the State Fiscal Year 2017 (July 1, 2016 through June 30, 2017) NJ TRANSIT awarded \$318,132.00 in state funded contracts. Of that total, SBEs received \$0.00 or 0.00%.

SBE Goal Attainment from July 1, 2016 through June 30, 2016 (FY 2017)

Category 1 SBEs received	\$0.00	or 0.00%
Category 2 SBEs received	\$0.00	or 0.00%
Category 3 SBEs received	\$0.00	or 0.00%
Category 4 SBEs received	\$0.00	or 0.00%
Category 5 SBEs received	\$0.00	or 0.00%
Category 6 SBEs received	\$0.00	or 0.00%

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

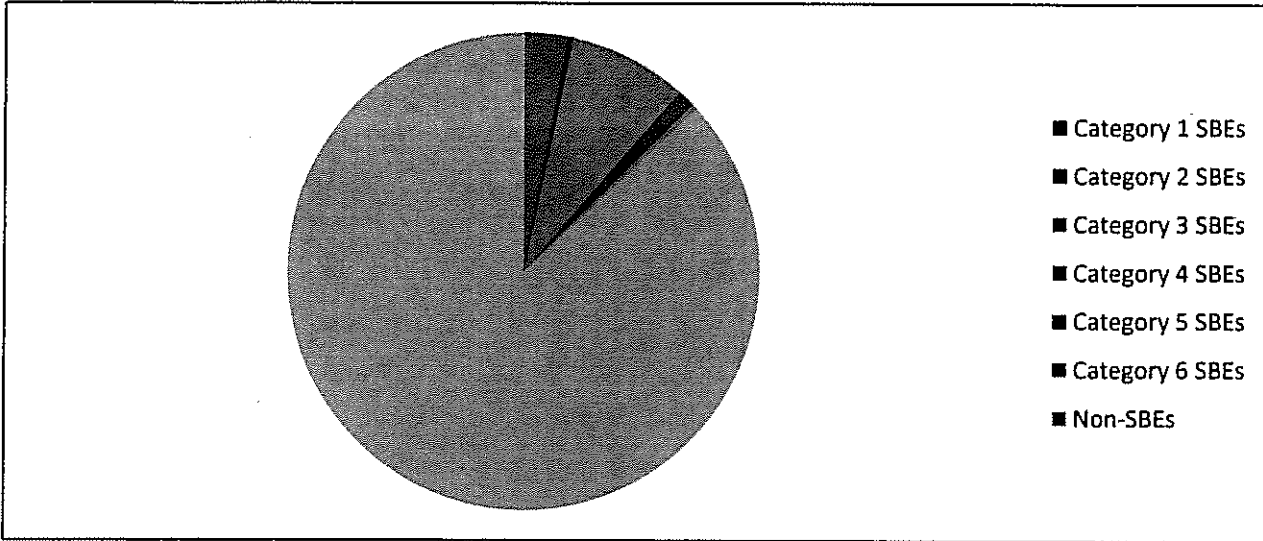
During the 4th Quarter (June 1, 2016 – September 30, 2016) of Federal Fiscal Year 2016 (October 1, 2015 through September 30, 2016), the FTA funded share of NJ TRANSIT’s federal contracts awarded was \$7,296,104.75. Of that total, Disadvantaged Business Enterprises (DBEs) received \$2,259,295.50 or 30.97%.

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

Contracts awarded	\$45,678,251.40
DBEs received	\$ 9,308,015.84 or 20.38%

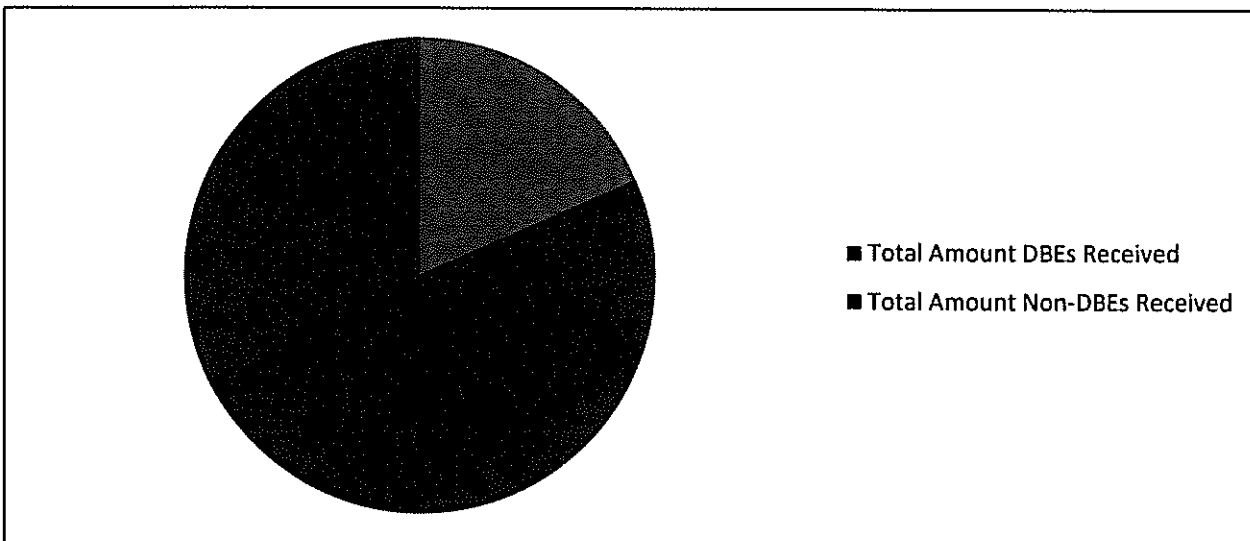
***Numbers reflect federal share.*

<i>Category 1 SBEs</i>	\$9,476,623.20	2.98%
<i>Category 2 SBEs</i>	\$1,159,244.65	0.37%
<i>Category 3 SBEs</i>	\$25,644,075.21	8.08%
<i>Category 4 SBEs</i>	\$3,943,901.17	1.24%
<i>Category 5 SBEs</i>	\$1,086,138.00	0.34%
<i>Category 6 SBEs</i>	\$0.00	0.00%
<i>Non-SBEs</i>	\$276,187,497.63	82.29%



DBE PARTICIPATION
FEDERAL CONTRACTS
TRIENNIAL YEARS 2014-2016

Total Amount DBEs Received	\$7,048,720.34	18.36%
Total Amount Non-DBEs Received	\$31,333,426.30	81.64%



State Funded Contracts

During the month of August 2016, NJ TRANSIT awarded **\$318,132.00** in state funded contracts. Of that total, Small Business Enterprises (SBEs) received **\$0.00** or **0.00%**.

During the State Fiscal Year **2017** (July 1, 2016 through June 30, 2017) NJ TRANSIT awarded **\$318,132.00** in state funded contracts. Of that total, SBEs received **\$0.00** or **0.00%**.

SBE Goal Attainment from July 1, 2016 through June 30, 2016 (FY 2017)

Category 1 SBEs received	\$0.00	or 0.00%
Category 2 SBEs received	\$0.00	or 0.00%
Category 3 SBEs received	\$0.00	or 0.00%
Category 4 SBEs received	\$0.00	or 0.00%
Category 5 SBEs received	\$0.00	or 0.00%
Category 6 SBEs received	\$0.00	or 0.00%

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

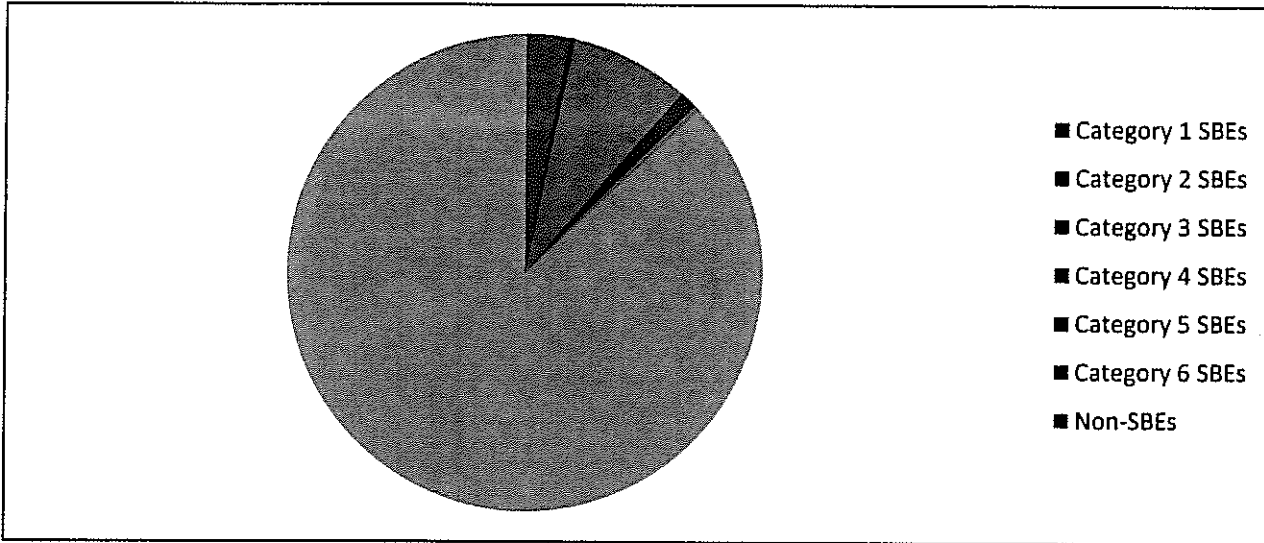
During the 3rd Quarter (April 1, 2016 – June 30, 2016) of Federal Fiscal Year 2016 (October 1, 2015 through September 30, 2016), the FTA funded share of NJ TRANSIT’s federal contracts awarded was **\$0.00**. Of that total, Disadvantaged Business Enterprises (DBEs) received **\$0.00** or **0.00%**.

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

Contracts awarded	\$38,382,146.65
DBEs received	\$ 7,048,720.34 or 18.36%

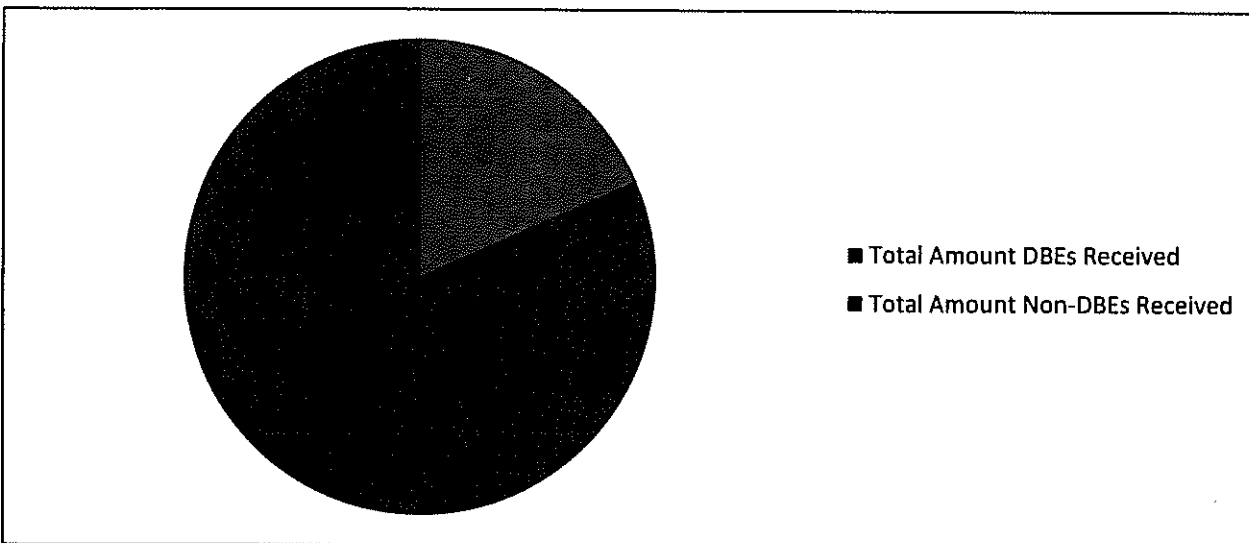
***Numbers reflect federal share.*

<i>Category 1 SBEs</i>	\$9,476,623.20	2.98%
<i>Category 2 SBEs</i>	\$1,159,244.65	0.37%
<i>Category 3 SBEs</i>	\$25,644,075.21	8.08%
<i>Category 4 SBEs</i>	\$3,943,901.17	1.24%
<i>Category 5 SBEs</i>	\$1,086,138.00	0.34%
<i>Category 6 SBEs</i>	\$0.00	0.00%
<i>Non-SBEs</i>	\$276,187,497.63	82.29%



DBE PARTICIPATION
FEDERAL CONTRACTS
TRIENNIAL YEARS 2014-2016

Total Amount DBEs Received	\$7,048,720.34	18.36%
Total Amount Non-DBEs Received	\$31,333,426.30	81.64%



State Funded Contracts

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

During the State Fiscal Year **2017** (July 1, 2016 through June 30, 2017) NJ TRANSIT awarded **\$0.00** in state funded contracts. Of that total, SBEs received **\$0.00** or **0.00%**.

SBE Goal Attainment from July 1, 2016 through June 30, 2016 (FY 2017)

Category 1 SBEs received	\$0.00	or 0.00%
Category 2 SBEs received	\$0.00	or 0.00%
Category 3 SBEs received	\$0.00	or 0.00%
Category 4 SBEs received	\$0.00	or 0.00%
Category 5 SBEs received	\$0.00	or 0.00%
Category 6 SBEs received	\$0.00	or 0.00%

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

During the 3rd Quarter (April 1, 2016 – June 30, 2016) of Federal Fiscal Year 2016 (October 1, 2015 through September 30, 2016), the FTA funded share of NJ TRANSIT’s federal contracts awarded was **\$0.00**. Of that total, Disadvantaged Business Enterprises (DBEs) received **\$0.00** or **0.00%**.

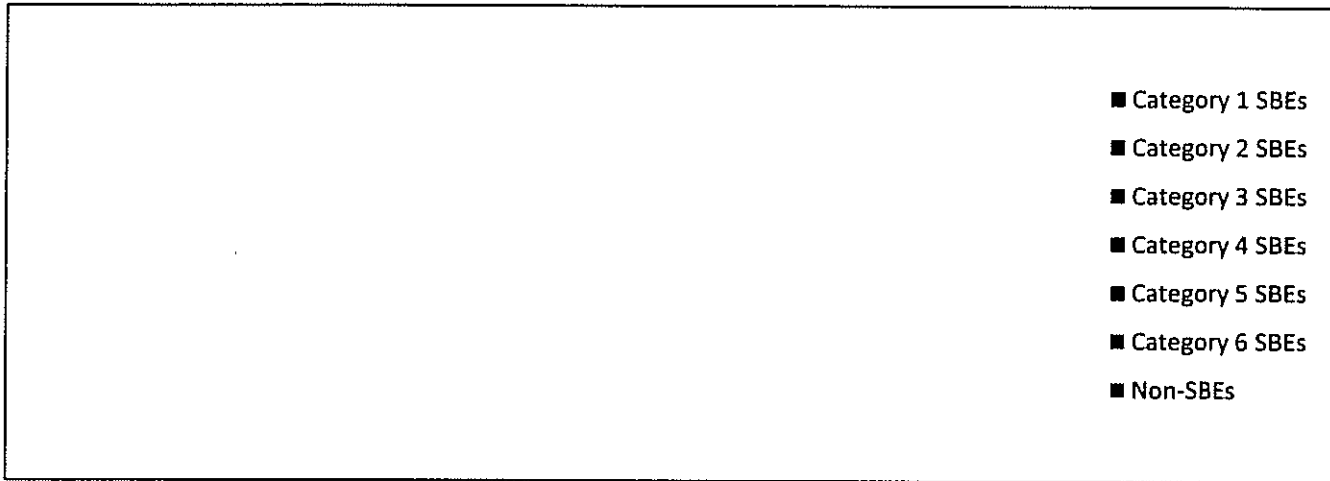
DBE Goal Attainment from October 1, 2013 (FFY 2014) - September 30, 2016 (FFY 2016) **

Contracts awarded	\$38,382,146.65
DBEs received	\$ 7,048,720.34 or 18.36%

***Numbers reflect federal share.*

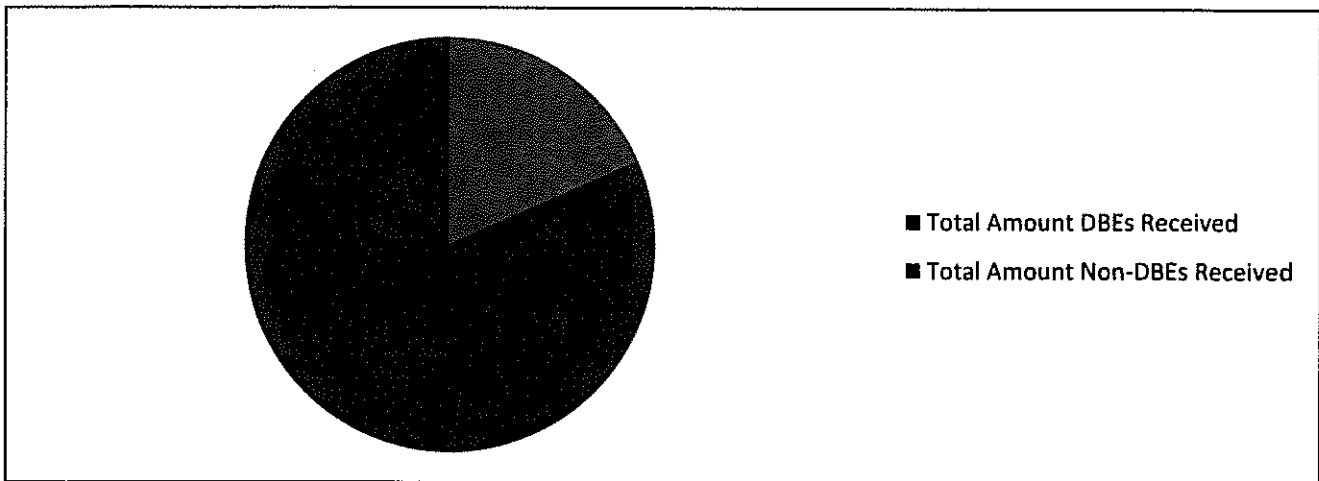
SBE PARTICIPATION
STATE CONTRACTS
STATE FYTD 2017

<i>Category 1 SBEs</i>	\$0.00	#DIV/0!
<i>Category 2 SBEs</i>	\$0.00	#DIV/0!
<i>Category 3 SBEs</i>	\$0.00	#DIV/0!
<i>Category 4 SBEs</i>	\$0.00	#DIV/0!
<i>Category 5 SBEs</i>	\$0.00	#DIV/0!
<i>Category 6 SBEs</i>	\$0.00	#DIV/0!
<i>Non-SBEs</i>	\$0.00	0.00%



DBE PARTICIPATION
FEDERAL CONTRACTS
TRIENNIAL YEARS 2014-2016

Total Amount DBEs Received	\$7,048,720.34	18.36%
Total Amount Non-DBEs Received	\$31,333,426.30	81.64%



State Funded Contracts

During the month of June 2016, NJ TRANSIT awarded \$859,959.35 in state funded contracts. Of that total, Small Business Enterprises (SBEs) received \$0.00 or 0.00%.

During the State Fiscal Year 2016 (July 1, 2015 through June 30, 2016) NJ TRANSIT awarded \$317,497,479.86* in state funded contracts. Of that total, SBEs received \$41,309,982.23* or 13.01%.

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

Category 1 SBEs received	\$9,476,623.20	or 2.98%
Category 2 SBEs received	\$1,159,244.65	or 0.37%
Category 3 SBEs received	\$25,644,075.21	or 8.08%
Category 4 SBEs received	\$3,943,901.17	or 1.24%
Category 5 SBEs received	\$1,086,138.00	or 0.34%
Category 6 SBEs received	\$0.00	or 0.00%

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

During the 3rd Quarter (April 1, 2016 – June 30, 2016) of Federal Fiscal Year 2016 (October 1, 2015 through September 30, 2016), the FTA funded share of NJ TRANSIT’s federal contracts awarded was \$0.00. Of that total, Disadvantaged Business Enterprises (DBEs) received \$0.00 or 0.00%.

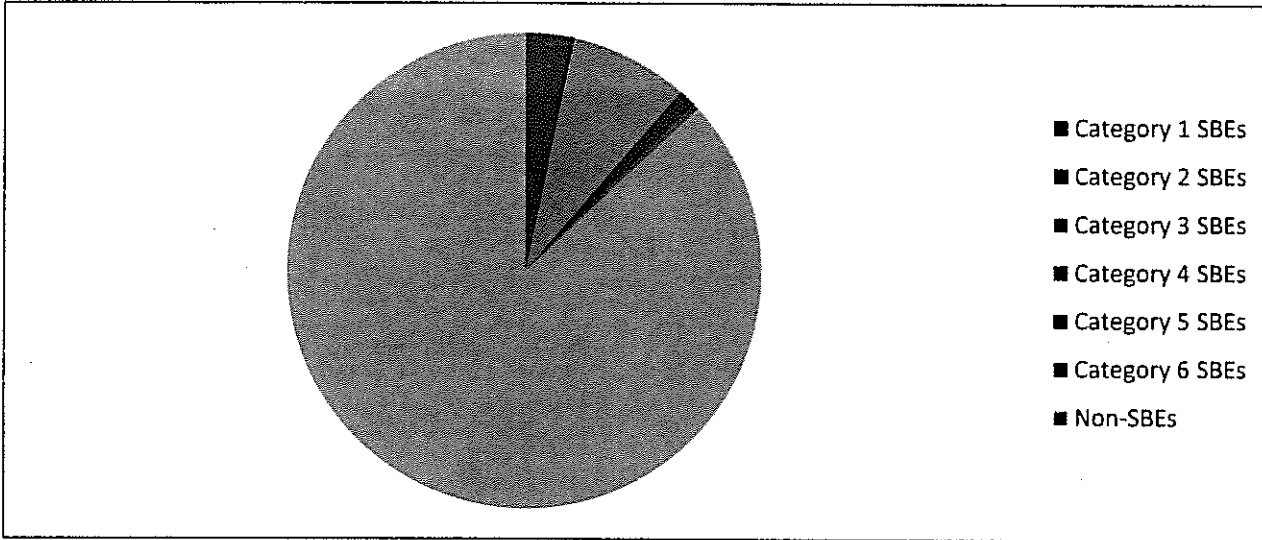
DBE Goal Attainment from October 1, 2013 (FFY 2014) - September 30, 2016 (FFY 2016) **

Contracts awarded	\$38,382,146.65
DBEs received	\$ 7,048,720.34 or 18.36%

*Figure adjusted from previous month’s award.

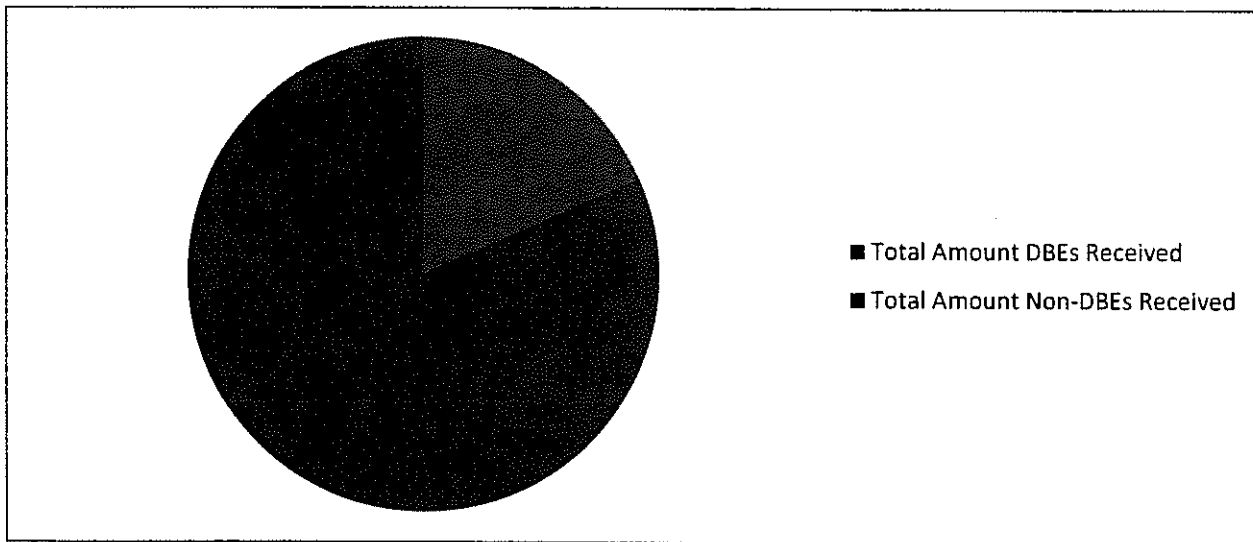
**Numbers reflect federal share.

<i>Category 1 SBEs</i>	\$9,476,623.20	2.98%
<i>Category 2 SBEs</i>	\$1,159,244.65	0.37%
<i>Category 3 SBEs</i>	\$25,644,075.21	8.08%
<i>Category 4 SBEs</i>	\$3,943,901.17	1.24%
<i>Category 5 SBEs</i>	\$1,086,138.00	0.34%
<i>Category 6 SBEs</i>	\$0.00	0.00%
<i>Non-SBEs</i>	\$276,187,497.63	82.29%



DBE PARTICIPATION
FEDERAL CONTRACTS
TRIENNIAL YEARS 2014-2016

Total Amount DBEs Received	\$7,048,720.34	18.36%
Total Amount Non-DBEs Received	\$31,333,426.30	81.64%



EMPLOYEE RECOGNITION

NJ TRANSIT employees bid farewell after outstanding careers

Ninety-two NJ TRANSIT employees retired recently with careers ranging from nine to 44 years of service:

1. Alberto Barandas, Sr. Tech Services Spec Field – MMC – 30 years
2. Stuart Haynes, Foreman B&B – Summit – 30 years
3. Colleen Holder, Car Appearance Maintainer – Penn Station New York – 14 years
4. Charles Johnson, Principal Project Engineer – Penn Plaza – 36 years
5. Jeffrey Krohn, Class I Operator – Port Morris – 40 years
6. Frederick Mehrhof, Jr., Block Operator – MMC – 15 years
7. Antonio Podeia, Electrician – MMC – 14 years
8. Walter Schmidt, Carman – Hoboken – 12 years
9. Barry Stiller, Maintainer – Hoboken – 17 years
10. George Swarrow, Jr., Trackman Casual Driver – Red Bank – 17 years
11. Edmund Bush, Jr., Maintainer Tester – Raritan – 30 years
12. Corrado Degennaro, Foreman MOE – Hoboken – 44 years
13. Kris Kondor, Machinist – Morrisville Yard – 41 years
14. Anthony Lovaglio, Electrician – Gladstone – 28 years
15. Ronald Lowery, Supervisor Mechanical Desk – MMC – 40 years
16. Charles Minervini, Technician – MMC – 42 years
17. Kenneth Mitterando, Foreman MOE – Hoboken – 27 years
18. Harold Zayas, Asst. Superintendent Mechanical Rail – Hoboken – 31 years
19. Anthony Demonte, Machinist – MMC – 33 years
20. George Defeo, Sr. Training Specialist – Ferry Street – 38 years
21. Albert Degracia, Manager Rail Infrastructure Construction – Penn Plaza – 38 years
22. John Filippini, Car Appearance Maintainer – Morrisville Yard – 38 years
23. Gregory Goring, Electrician – MMC – 20 years
24. Michael Kroliczak, Supervisor Communications & Signal – South Amboy – 40 years
25. Russell Krommes, Assistant Manager – MMC – 13 years
26. Joseph Osorio, Signal Inspector – Red Bank – 5 years
27. Michael Smith, Supervisor Work Equipment Shop – Wood-Ridge – 38 years
28. Arthur Denuilly, Inspector Signal Repair – Wood-Ridge – 41 years
29. James Farnkopf, Bridge Inspector – Red Bank – 35 years
30. Charles Gozzer, Foreman MOE – Bay Head – 20 years
31. William Lykin, Carman – Trenton – 33 years
32. Terry Maher, Signal Inspector – Newark – 31 years

33. Stefan Miller, Conductor – Various – 33 years
34. Jose Salazar, Welder Foreman – Red Bank – 37 years
35. Cynthia Venson, Sr. Capital Project Administrator – Newark – 35 years
36. Manuel Carneiro, Special Mechanic-Welder – Newark – 12 years
37. Frank Fregoni, Operator – Hamilton – 14 years
38. Jean Henry White, Depot Master – Hilton – 43 years
39. Ronald McIver, Operator – Newton Avenue – 17 years
40. Luis Saavedra, Operator – Ironbound – 24 years
41. Arthur Sielicki, Operator – Hamilton – 39 years
42. Gordon Waddell, Serviceman – Orange – 12 years
43. Paul Baker, Starter – Port Authority Bus Terminal – 20 years
44. Jaqueline Baynard, Principle Bookkeeper – GOB – 38 years
45. Francisco Beas, Operator – Ironbound – 23 years
46. Gregory Benjamin, Operator – Egg Harbor – 23 years
47. Denine Boyce, Starter – Port Authority Bus Terminal – 28 years
48. Lesly Duplessis, Operator – Orange – 23 years
49. Gladys Faress, Senior Clerk Revenue – GOB – 15 years
50. Sharon Felton, Operator – Howell – 28 years
51. Jaime Ferruzola, Operator – Oradell – 23 years
52. James Gentry, Operator – Washington Township – 33 years
53. John McGinty, Mechanic A – Penn Station – 31 years
54. Glen Phillips, Inspector – Wayne – 18 years
55. Maria Rivera, Depot Master – Meadowlands – 31 years
56. Jose Santos, Opertator – Egg Harbor – 33 years
57. John Brendlen, Sr. Director Real Estate – Penn Plaza – 16 years
58. Hazel Gray, Customer Relations Specialist – Penn Plaza – 26 years
59. Pedro Gonzalez, Operator – Fairview – 23 years
60. Francisco Melo, Operator – Oradell – 10 years
61. William Parker, Serviceman – Ironbound – 14 years
62. Richard Collins, Operator – Wayne – 36 years
63. Joseph Cirelli, Operator – Newton Avenue – 16 years
64. Augustus Frisbey, Operator – Washington Township – 15 years
65. Kofi Nyamekye, Operator – Market Street – 15 years
66. Gwendolyn Booker, Operator – Hamilton – 24 years
67. James Boyle, Special Mechanic – Newark Bus – 31 years
68. Wanda Curry, Operator – Big Tree – 25 years

69. Wilson Gerardino, Operator -- Wayne -- 21 years
70. Andrew Graves, Operator -- Orange -- 23 years
71. Shirley Henderson, Operator -- Orange -- 9 years
72. Cassandra Isaac, Principle Bookkeeper -- Penn Plaza -- 37years
73. Cynthia Johnson, Operator -- Howell -- 27 years
74. Gergoria Mednoza, Depot Master -- Bloomfield -- 26 years
75. Miguel Santiago, Operator -- Hamilton -- 18 years
76. Arthur Waters, Operator -- Hilton -- 32 years
77. Timothy Thompson, Manager Financial Operations & Compliance -- Penn Plaza -- 32 years
78. Leonard Long, Operator -- Wayne -- 15 years
79. Linton White, Operator -- Market Street -- 25 years
80. Edward Baniowski, Mech Class A -- Newark Bus -- 17 years
81. Moses Burton, Starter -- Port Authority Bus Terminal -- 24 years
82. Maria Carril, Operator -- Market Street -- 23 years
83. Joseph McMahon, Mechanic -- Newark Bus -- 34 years
84. Consoi Sounna, Operator -- Meadowlands -- 18 years
85. Robert Sterling, STK Clerk -- Orange -- 22 years
86. Guy Vonderlinden, Operator -- Orange -- 32 years
87. Rodney Scarborough, Starter -- Port Authority Bus Terminal -- 15 years
88. Anthony Stelacio, Operator -- Egg Harbor -- 20 years
89. Francis Gorman, Manager Point Sale Fare Collection -- Penn Plaza -- 29 years
90. Raymond Kilroy, Fare Inspector -- Penn Plaza -- 32 years
91. Brian McCann, DGM Bus Vehicle -- Penn Plaza -- 35 years
92. Thomas Westfall, Mgr. Terminal Operations -- Ferry Street -- 39 years

ACTION ITEMS

ITEM 1610-43: INTERAGENCY OPERATING AGREEMENT WITH AMTRAK

BENEFITS

In 2008, Congress enacted the Passenger Rail Investment and Improvement Act, 49 U.S.C. 24905 (PRIIA), which, in part, altered the allocation of operating and capital costs between Amtrak and the commuter authorities on the Northeast Corridor (NEC). PRIIA Section 212 directed the Secretary of Transportation to establish the Northeast Corridor Infrastructure and Operations Advisory Commission and charged the Commission to develop a standardized methodology for allocating costs, revenues, and compensation for Northeast Corridor commuter rail transportation. It required Amtrak and public authorities providing commuter rail service to implement new agreements for usage of facilities and services based on the new standardized formula. NJ TRANSIT, seven other NEC states and the District of Columbia, the USDOT and Amtrak are members of the Commission.

In September 2015, the Commission developed and adopted the *Northeast Corridor Commuter and Intercity Rail Cost Allocation Policy* (Policy), effective October 1, 2015, which sets forth a standardized methodology for determining and allocating costs, revenues, and compensation between Amtrak and commuter authorities, such as NJ TRANSIT, for the use of the NEC and its facilities. The Policy requires Amtrak and NJ TRANSIT to modify or implement new bi-lateral agreements for the usage of facilities, services, and capital improvements based on the Policy's new methodology. Amtrak and NJ TRANSIT agree that cooperation and coordination of their efforts in the planning of their respective services on the NEC and the implementation of the Policy are essential to return the NEC to a state-of-good-repair and expand capacity to accommodate planned future service levels and projected ridership along the NEC.

This new bi-lateral operating agreement will supersede certain existing Amtrak/NJ TRANSIT operating agreements to reflect the cost allocation methods set forth in the Policy.

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

Staff seeks NJ TRANSIT Board of Directors' ratification of the negotiation and execution of an Agreement with Amtrak setting forth the terms and conditions providing for and compensating for operating obligations on the Northeast Corridor, which Agreement is retroactive to October 1, 2015, the date of the executed *Northeast Corridor Commuter and Intercity Rail Cost Allocation Policy*, as required under the Passenger Rail Investment and Improvement Act of 2008.

PURPOSE

Authorization to ratify this Agreement as required by PRIIA (Operating Bi-Lateral Agreement) will allow NJ TRANSIT to continue to provide rail service along the NEC.

To this end, this Operating Bi-Lateral Agreement will provide the framework for Amtrak and NJ TRANSIT to operate on the NEC.

BACKGROUND

The Northeast Corridor

The Northeast Corridor is comprised of existing rail lines that were built separately in the 19th Century. By the turn of the 20th Century, the rail lines along the NEC were under the control of the New York, New Haven & Hartford Railroad north of New York City and the Pennsylvania Railroad south of New York City.

Pennsylvania Railroad trains terminated in Jersey City while the New York, New Haven & Hartford Railroad terminated at the New York Central Railroad's Grand Central Terminal in New York City. The Pennsylvania Railroad purchased a controlling interest in the Long Island Rail Road in 1900, which provided access to New York. The construction of New York Pennsylvania Station (Penn Station), completed in 1910, linked the Pennsylvania Railroad and the Long Island Rail Road.

New York City banned steam locomotives in Manhattan in 1902. The Pennsylvania Railroad and the New York Central Railroad electrified their approaches into their Manhattan stations with third rail electrification. The New York, New Haven & Hartford Railroad electrified its line to New Haven with overhead wire in 1914 and to Penn Station by 1918. The Pennsylvania Railroad began installing its overhead wires from Philadelphia to Wilmington in 1928 and north to Trenton in 1930. Overhead wires were installed between Penn Station and New Brunswick by 1932, and the Trenton to New Brunswick section was electrified the following year. By 1935, the NEC between Trenton and Washington, D.C. was electrified. Electrification of the NEC north of New Haven to Providence and Boston was completed by December 2000 with the introduction of Acela Express service.

With the construction of the Interstate Highway System the primary mode of travel shifted from train to automobile. Railroads, especially those in the Northeast, lost ridership and struggled to remain viable. The Pennsylvania Railroad and the New York Central Railroad merged in 1968 to form Penn Central which later included the New York, New Haven & Hartford Railroad. In 1970, the Penn Central declared bankruptcy.

To preserve intercity passenger service, Congress enacted the Rail Passenger Service Act of 1970, which created the National Railroad Passenger Corporation (Amtrak). Amtrak assumed the responsibility for intercity passenger service from private railroads and received access rights to their tracks. The Federal Government formed Conrail in 1976 to consolidate the freight railroad network in the Northeast. Included with the formation of Conrail was a provision that allowed Amtrak to purchase the Northeast Corridor with the exception of the portions owned by New York, Connecticut, and Massachusetts.

Conrail also inherited the commuter rail operations of its predecessor railroads in New Jersey and operated them until 1983 when these services were transferred to NJ TRANSIT.

NJ TRANSIT was created by the Public Transportation Act of 1979 to "acquire, operate and contract for transportation service in the public interest." On January 1, 1983, NJ TRANSIT Rail Operations, Inc. was launched to assume Conrail's commuter rail operations in the New Jersey after Congress authorized Conrail to cease its passenger operations. NJ TRANSIT currently operates commuter rail service on 12 rail lines statewide, including operation of commuter rail on the NEC within New Jersey, to New York Penn Station and to its rail yard in Morrisville, Pennsylvania.

Amtrak's Northeast Corridor Improvement Project in the 1980s allowed for a major overhaul and improvement of the system between Washington, D.C. and Boston, which included safety improvements, modernization of the signaling system, and new control centers at Philadelphia, New York and Boston. It allowed trains to operate at higher speeds with reduced headways and set the stage for high-speed operation.

In the 1990s, New Jersey developed a strategic business plan to improve NEC rail operations. NJ TRANSIT's New Initiatives Program in the 1990s increased rail capacity by providing significant capital investment on the NEC including construction of the Secaucus Transfer Station, the Seventh Avenue Concourse in Penn Station New York, the Kearny Connection (Midtown Direct Service), NEC Power Improvements, NEC Signal Improvements, and Penn Station X Track Modifications.



Since 1983, Amtrak and NJ TRANSIT have managed rail operations on the NEC pursuant to the Northeast Corridor Services Agreement (NECSA) as well as approximately 30 separate agreements covering operation, maintenance and dispatch of the NEC. In addition, NJ TRANSIT and Amtrak are parties to the Joint Benefits Capital Agreement that will be superseded by a new NJ TRANSIT/Amtrak Capital Agreement.

Passenger Rail Investment and Improvement Act of 2008

The Passenger Rail Investment and Improvement Act of 2008 (PRIIA) reauthorized Amtrak and strengthens the U.S. passenger rail network by tasking Amtrak, the U.S. Department of Transportation (USDOT), the FRA, States, and other stakeholders in improving service, operations, and facilities. PRIIA focuses on intercity passenger rail,

including Amtrak’s long-distance routes and the NEC, state-sponsored corridors throughout the United States, and the development of high-speed rail corridors. PRIIA authorizes funding for Amtrak’s capital and operating needs to maintain current operations, upgrade equipment, and return the NEC to a state-of-good-repair.

PRIIA also directed the Secretary of Transportation to establish the Northeast Corridor Infrastructure and Operations Advisory Commission to promote mutual cooperation among NEC users and to plan and advise Congress on a policy that sets forth a standardized allocated cost model. The Fixing America's Surface Transportation (FAST) Act, signed into law on December 4, 2015, continues the direction established by PRIIA and strengthens some provisions.

Northeast Corridor Infrastructure and Operations Advisory Commission

Congress established the Northeast Corridor Infrastructure and Operations Advisory Commission to develop coordinated strategies for improving the Northeast’s core rail network in recognition of the inherent challenges of planning, financing, and implementing major infrastructure improvements that cross multiple jurisdictions. The expectation is that by coming together to take collective responsibility for the NEC, these disparate stakeholders will achieve a level of success that far exceeds the potential reach of any individual organization.

The Commission is governed by a board comprised of one member from each of the NEC states (Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, and Maryland) and the District of Columbia; four members from Amtrak; and five members from the USDOT. The Commission also includes non-voting representatives from four freight railroads (Providence & Worcester, Norfolk Southern, CSX Transportation, and Conrail), states with connecting corridors (Maine, New Hampshire, Vermont, Virginia, and North Carolina) and several commuter operators in the Region (Massachusetts Bay Transportation Authority, New York Metropolitan Transportation Authority, and Southeastern Pennsylvania Transportation Authority).

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

FISCAL IMPACT

Requested Authorization:	Authorization to ratify an Amended and Restated Northeast Corridor Services Agreement with Amtrak (Operating Bi-Lateral Agreement)
Previous Authorizations:	None
Expenditures to Date:	NA
Total Project Cost:	NA

Projected Date of Completion: 5-year Term

Capital Program Amount: None

Operating Budget Amount: For Operating Charges and Electric Propulsion

Federal Fiscal Year 2016 \$ 93,000,000 (estimated)

Federal Fiscal Year 2017 \$ 93,000,000 (estimated)

Federal Fiscal Year 2018 \$ 93,000,000 (estimated)

Federal Fiscal Year 2019 \$ 93,000,000 (estimated)

Federal Fiscal Year 2020 \$ 93,000,000 (estimated)

Total \$ 465,000,000 (estimated)

Anticipated Source of Funds: Operating

PRINTS ID Number: NA

DBE/SBE Goal: NA

***NJ Build* Amount:** NA

Future Related Authorizations: TBD

Impact on Future Operating Budgets: TBD

RESOLUTION

WHEREAS, Amtrak, a corporation organized under the Rail Passenger Service Act and the laws of the District of Columbia, owns the Northeast Corridor (NEC) rail line within the State of New Jersey; and

WHEREAS, NJ TRANSIT is an instrumentality of the State of New Jersey and is authorized to operate rail passenger service in New Jersey and between points in New Jersey and points in other states pursuant to the New Jersey Public Transportation Act of 1979, as amended; and

WHEREAS, NJ TRANSIT operates commuter trains over portions of the NEC; and

WHEREAS, in 2008, Congress altered the allocation of operating and capital costs between Amtrak and the commuter authorities for shared assets on the NEC, and directed the Secretary of Transportation in Section 212 of the Passenger Rail Investment and Improvement Act of 2008, 49 U.S.C. 24905, (PRIIA) to establish the Northeast Corridor Infrastructure and Operations Advisory Commission (Commission) and charged the Commission to promote mutual cooperation among NEC users, and to plan and advise Congress on a policy that sets forth a standardized cost allocation; and

WHEREAS, the Commission developed and adopted the *Northeast Corridor Commuter and Intercity Rail Cost Allocation Policy* dated September 17, 2015, which sets forth a standardized methodology for determining and allocating costs, revenues, and compensation between Amtrak and commuter authorities, such as NJ TRANSIT, for the use of the NEC and its facilities; and

WHEREAS, both PRIIA and the Policy require Amtrak and NJ TRANSIT to modify or implement new bi-lateral agreements implementing the cost allocation methodology outlined in the Policy; and

WHEREAS, NJ TRANSIT and Amtrak recognize that increased collaboration and cooperation is required to continue to effectively provide services along the NEC, maintain the NEC's infrastructure and advance improvements to accommodate projected future demands; and

WHEREAS, pursuant to Section 3(d)(3) of the By-laws, the Executive Director is authorized to execute agreements with public and private railroads in order to advance and implement NJ TRANSIT's operating and capital programs;

NOW, THEREFORE, BE IT RESOLVED that the NJ TRANSIT Board of Directors hereby ratifies the negotiation and execution of an Agreement with Amtrak setting forth the terms and conditions providing for and compensating for operating obligations on the Northeast Corridor, which Agreement is retroactive to October 1, 2015, the date of the executed *Northeast Corridor Commuter and Intercity Rail Cost Allocation Policy*, as required under the Passenger Rail Investment and Improvement Act of 2008.

ITEM 1610-44: CHATHAM TRAIN STATION PROPERTY – LONG-TERM RETAIL LEASE OF EASTBOUND STATION BUILDING

BENEFITS

Leasing NJ TRANSIT’s Chatham train station Eastbound Building to Fishawack 4, LLC, will provide non-farebox revenue in the form of an annual base rent of \$18,000 with 2.5 percent annual increases plus a percentage rent of gross annual sales for the operation of a restaurant. NJ TRANSIT is estimated to receive a total minimum of \$459,000 in escalating base rent over a twenty-year term. The tenant is additionally responsible for maintaining the demised premises. The prospective tenant, Fishawack 4, LLC will provide capital improvements to the Chatham railroad station retail concession space in an amount estimated to be \$900,000. The restaurant will be of contemporary design and echo the historical elements of the station while offering a rousing 21st Century-style Bistro with distinct menus for breakfast, lunch and dinner. By entering into a lease for the Chatham railroad station to operate as a restaurant will provide non-farebox revenue to NJ TRANSIT and serve as a commuter passenger amenity to our passengers.

ACTION (Scorecard: Financial Performance and Customer Experience)

Staff seeks authorization to enter into a twenty-year lease consisting of fifteen years with one, five-year extension with Fishawack 4, LLC for the operation of a restaurant concession consisting of approximately 2,000 sq. ft. in Chatham train station’s Eastbound Building at annual base rent of \$18,000 with 2.5 percent annual increases plus percentage rent at an escalating range of between five to ten percent of gross annual sales over \$700,000.

PURPOSE

This authorization will provide for the twenty-year lease consisting of fifteen years with one, five-year extension of approximately 2,000 sq. ft. of leased premises at Chatham train station’s Eastbound Building. The leased premises are being awarded to Fishawack 4, LLC, a limited liability company, selected through a competitive bid process. Over the course of the twenty-year lease term, the lease will generate an estimated total minimum escalating base rent of \$459,000.

BACKGROUND

NJ TRANSIT’s fundamental objectives include maximizing the value of the assets to



NJ TRANSIT while reducing maintenance costs and improving the level of customer service amenities. Chatham train Station is located on NJ TRANSIT's Morris-Essex Line in the Township of Chatham in

Morris County. The station was constructed in 1915 and consists of two station structures; a one-story main station building located on the eastbound platform and a one-story shelter building on the westbound platform which serves approximately 1,635 customers on a typical weekday. The station buildings, also known as the Eastbound Station Building and the Westbound Station Building were renovated and upgraded in 2010. The Eastbound Station Building currently contains a passenger waiting room, ticket room, baggage room and men’s and women’s rooms. The building had been subject to a previous lease to Chatham Newsstand, LLC which operated a newsstand and coffee concession in the building until 2013.

In accordance with NJ TRANSIT Board Committee’s policy directive to competitively select tenants at NJ TRANSIT concessions, in May, 2015, a Request for Proposal (“RFP”) was advertised for the lease of the premises for the operation of a restaurant.

Fishawack 4, LLC was the sole bidder with a bid of \$18,000 annual base rent and \$906,106 in capital improvements. After vigilant review of the bid proposal, staff accepted the annual base rent and an estimated \$900,000 in capital improvements. The percentage rent was negotiated at an escalating rent range of between five to ten percent of gross annual sales over \$700,000 for the duration of the lease.

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

FISCAL IMPACTS

Requested Authorization: Staff seeks authorization to enter into a twenty-year lease consisting of fifteen years with one, five-year extension with Fishawack 4, LLC for the operation of a restaurant concession of approximately 2,000 sq. ft. of leased premises in Chatham Train Station’s Eastbound Building at an annual base rent of \$18,000 with 2.5 percent annual increases plus percentage rent at an escalating range of between five and ten percent of gross annual sales over \$700,000.

Past Authorizations: N/A

Expenditures to Date: N/A

Total Project Cost: N/A

Projected Date of Completion: Lease to be executed by October 2016

Capital Program Amount: N/A

Operating Budget Amount: N/A

Anticipated Source of Funds: N/A

PRINTS ID Number: N/A

DBE/SBE Goal: N/A

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

Related/Future Authorizations: N/A

**Impact on Subsequent
Operating Budgets:**

Annual base rent of \$18,000 with 2.5 percent annual increases plus percentage rent at an escalating range of between five to ten percent of gross annual sales over \$700,000.

RESOLUTION

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

WHEREAS, NJ TRANSIT is owner of the Chatham Eastbound Station Building, along the Morristown Line, located at Railroad Plaza and Fairmount Avenue, in the Borough of Chatham, County of Morris, New Jersey; and

WHEREAS, Fishawack 4, LLC, through a competitive bid process, was selected as the eligible responsible proposer whose proposal, conforming to the RFP, is in the best interest of NJ TRANSIT;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is hereby authorized to enter into a twenty-year lease consisting of fifteen years with one, five-year extension with Fishawack 4, LLC for the operation of a restaurant concession of approximately 2,000 sq. ft. of leased premises in Chatham Train Station's Eastbound Building at an annual base rent of \$18,000 with 2.5 percent annual increases plus percentage rent at an escalating range of between five to ten percent of gross annual sales over \$700,000.

ITEM 1610-45: REGULATIONS: READOPTION WITH AMENDMENTS TO N.J.A.C. 16:83 CONDUCT AND SAFETY OF THE PUBLIC IN THE USE OF NJ TRANSIT EQUIPMENT AND FACILITIES

BENEFITS

Readoption of regulations, as amended, for the conduct and safety of the public in the use of NJ TRANSIT equipment and facilities will benefit the public by providing uniform standards and information as to (a) how the public may exercise its rights, including the right of expression, on NJ TRANSIT's equipment and facilities, (b) public behavior on or at NJ TRANSIT's equipment and facilities, and (c) how the public may use certain NJ TRANSIT railroad bridges to advertise community events.

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

Staff seeks authorization ratifying the Executive Director's actions needed to readopt with amendments the regulations, N.J.A.C. 16:83 et seq., "Conduct and Safety of the Public in the Use of NJ TRANSIT Equipment and Facilities," consistent with this Board item and Exhibit B.

PURPOSE

Authorization to ratify the Executive Director's actions needed to readopt the amended regulations will advance efforts to reestablish and enhance guidelines and procedures which govern the conduct and safety of the public use of NJ TRANSIT equipment and facilities.

BACKGROUND

NJ TRANSIT was established by the New Jersey Public Transportation Act of 1979 (N.J.S.A. 27:25-1 et seq.) as the instrumentality of the State of New Jersey to establish and provide for the operation and improvement of a coherent public transportation system in the most efficient and effective manner. NJ TRANSIT's rail stations, light rail stations, bus terminals, vehicles and other facilities serve the dual purpose of facilitating safe, reliable, convenient and cost-effective transportation as well as providing a forum for members of the public to exercise their constitutional rights of expression. Since 1993, NJ TRANSIT has promulgated and administered uniform, statewide standards for the conduct and safety of the public in the use of NJ TRANSIT's equipment and facilities. The rules seek to enable large numbers of people to safely and efficiently utilize the public transportation system that NJ TRANSIT provides and, simultaneously, accommodate those members of the public who wish to use NJ TRANSIT's facilities as a forum for public expression.

Staff reviewed the current regulations and determined that the rules are necessary, adequate, reasonable, efficient, understandable and responsible for the purposes for which they were originally promulgated and should be readopted, with the proposed

amendments. Under the proposed amended rules, the rules for Certificates of Registration and Bridge Banner Permits are now addressed separately because the applications for the Certificates and Permits are separate and independent processes. In addition, various changes were made to clarify the administrative procedures for applying for and the approval of Certificates and Permits, all of which are delineated in the attached Exhibit A.

The proposed readoption with amendments was published in the *New Jersey Register* on May 15, 2016 (Exhibit A). The comment period expired on July 15, 2016, and no comments were received. After the proposal was published, staff noticed a comma was needed in N.J.A.C. 16:83-1.1. This proposed readoption includes that technical change which is delineated in the attached Exhibit B.

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

FISCAL IMPACTS

Requested Authorization: Authorization ratifying the Executive Director’s actions needed to readopt with amendments the regulations N.J.A.C. 16:83 et seq., “Conduct and Safety of the Public in the Use of NJ TRANSIT Equipment and Facilities,” consistent with this Board item and Exhibit B.

Past Authorizations: 1993, 1997, 2002, and 2009

Expenditures to Date: N/A

Total Project Cost: N/A

Projected Date of Completion: N/A

Anticipated Source of Funds: N/A

Prints ID Number: N/A

DBE/SBE Goal: N/A

NJ Build Amount: N/A

Related/Future Authorization: N/A

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

RESOLUTION

WHEREAS, NJ TRANSIT was established by the New Jersey Public Transportation Act of 1979 (N.J.S.A. 27:25-1 et seq.) as the instrumentality of the State of New Jersey to establish and provide for the operation and improvement of a coherent public transportation system in the most efficient and effective manner; and

WHEREAS, NJ TRANSIT determined that it is necessary to establish standards for the conduct and safety of the public in the use of NJ TRANSIT equipment and facilities; and

WHEREAS, NJ TRANSIT determined that the issuance of regulations pertaining to the conduct and safety of the public in the use of NJ TRANSIT equipment and facilities will benefit the public by providing uniform, statewide standards and a clear means of understanding those regulations; and

WHEREAS, staff reviewed the current regulations and determined that the rules are necessary, adequate, reasonable, efficient, understandable and responsive to the purposes for which they were originally promulgated, and should be readopted with the proposed amendments; and

WHEREAS, the proposed readoption with amendments was published in the New Jersey Register on May 16, 2016 (Exhibit A). The comment period expired on July 15, 2016, and no comments were received; and

WHEREAS, after the proposal was published, staff noticed a comma was needed in N.J.A.C. 16:83-1.1, and this proposed readoption includes that technical change (Exhibit B); and

WHEREAS, these amended rules will advance the guidelines and procedures which govern the conduct and safety of the public in the use of NJ TRANSIT equipment and facilities;

NOW, THEREFORE, BE IT RESOLVED that the NJ TRANSIT Board of Directors hereby ratifies the Executive Director's actions needed to readopt with amendments the regulations, N.J.A.C. 16:83 et seq., "Conduct and Safety of the Public in the Use of NJ TRANSIT Equipment and Facilities," consistent with this Board item and Exhibit B.

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13:69-6.3 Annual release of public information

(a) In addition to the information made public in N.J.A.C. 13:69-6.1 and 6.2, the Division shall release the following information for the previous calendar year no later than April 15th of the subsequent year:

1. Table and other game win for each casino licensee detailed by type of game;
2. Slot machine win for each casino licensee by denomination; and
3. Patron receivable balances and patron checks activity for each casino licensee.

TRANSPORTATION

(a)

NEW JERSEY TRANSIT CORPORATION

Conduct and Safety of the Public in the Use of NJ TRANSIT Equipment and Facilities

Proposed Readoption with Amendments: N.J.A.C. 16:83

Proposed New Rules: N.J.A.C. 16:83-2.4 and 2.6

Proposed Repeal: N.J.A.C. 16:83-2.3

Authorized By: New Jersey Transit Corporation, Dennis Martin, Interim Executive Director.

Authority: N.J.S.A. 27:25-5.e, .k, and .l.

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2016-071.

Submit comments by July 15, 2016, to:

Joyce J. Zuczek
 New Jersey Transit Corporation
 One Penn Plaza East
 Newark, NJ 07105-2246
 E-mail: commentsconductandsafetyrules@njtransit.com

The agency proposal follows:

Summary

The New Jersey Transit Corporation (NJ TRANSIT) and its subsidiaries are responsible for the provision of public mass transit services in the State of New Jersey. NJ TRANSIT owns, controls, and operates equipment (such as railcars and buses), yards, and facilities including major stations and terminals that are centers of activity through which many people pass each day.

Effective January 19, 1993, NJ TRANSIT adopted rules intended to ensure the safe and efficient passage of large numbers of people through the transit system and at the same time allow the public to use part of the facilities as a forum to exercise their constitutional rights of expression. Pursuant to N.J.S.A. 52:14B-5.1, N.J.A.C. 16:83 is set to expire on April 9, 2016. As the NJ TRANSIT submitted this notice of proposal to the Office of Administrative Law prior to that date, the expiration date is extended 180 days to October 6, 2016, pursuant to N.J.S.A. 52:14B-5.1.c(2).

A brief review of each of the subchapters of N.J.A.C. 16:83 follows:

Subchapter 1 sets forth the general provisions, including the purpose, scope, definitions, rules for commercial and non-commercial expression, and an enforcement provision. Subchapter 2 sets forth criteria for obtaining a Certificate of Registration or Bridge Banner Permit (Banner Permit) for non-commercial expression. Subchapter 3 lists the activities that are prohibited in or on NJ TRANSIT facilities and equipment.

The proposed amendments to N.J.A.C. 16:83 are as follows:

N.J.A.C. 16:83-1.1 is proposed for amendment to clarify that the purpose of the rules includes "safely" managing mass transit services in New Jersey, and the procedures to obtain authorization to use certain railroad bridges apply only to advertising non-commercial community special events.

N.J.A.C. 16:83-1.2 is proposed for amendment to clarify the definition of "non-commercial community special events."

N.J.A.C. 16:83-1.6 is proposed for amendment to provide clarification regarding enforcement measures.

N.J.A.C. 16:83-2.1(a) is proposed for amendment to allow for an alternative Certificate of Registration attachment that specifies the designated location. This subsection is proposed for amendment to clarify and state that completion of the application does not automatically result in the issuance of a certificate, and the certificate will be issued within 10 business days after receipt of the completed application. Additionally, this subsection is proposed for amendment to state that all applicants, regardless of whether an individual or organization, must state the number of persons to be in attendance and to remove the requirement to list the number of persons requesting the Certificate. This subsection is also proposed for amendment to add "the completed application must be received no later than 10 business days, but no earlier than 365 days, before the first date on which the Certificate is to be effective[.]" to allow staff time to process the application. The subsection is proposed for amendment to clarify that NJ TRANSIT must receive the original application. The last sentence is proposed for amendment to provide clarification that incomplete applications will be returned to the applicant.

N.J.A.C. 16:83-2.1(b) is proposed for amendment to state Bridge Banner applications must be received no later than 10 business days, but no earlier than 365 days, before the first date on which the permit is to be effective. This subsection is also proposed for amendment to clarify that completion of the application does not automatically result in the issuance of a banner permit and the issuance will be within 10 business days after receipt of the completed application.

N.J.A.C. 16:83-2.1(c) is proposed for amendment to clarify applications may be sent to the requestor by postal mail, electronic mail, or telefax.

The heading of N.J.A.C. 16:83-2.2 is proposed for amendment to delete "Banner Permits," which is proposed as N.J.A.C. 16:83-2.4, as discussed below.

N.J.A.C. 16:83-2.2(a)3 is proposed for amendment to state that regardless of the number of certificates requested, the application must state the name and title of the individual who will supervise and be responsible for the non-commercial expressive conduct.

N.J.A.C. 16:83-2.2(b) is proposed for deletion as it is relocated to N.J.A.C. 16:83-2.4(a).

Existing N.J.A.C. 16:83-2.3 is proposed for repeal and is replaced with N.J.A.C. 16:83-2.3 and 2.6, pertaining to the validity of certificates of registration and banner permits, respectively.

Existing N.J.A.C. 16:83-2.4 is proposed for recodification as N.J.A.C. 16:83-2.3, and subsection (a) is proposed for amendment to specify that a Certificate of Registration issued for a facility that does not close will be valid only until 10:00 p.m. of the date appearing on the Certificate of Registration. Subsection (c) is proposed for amendment to clarify that NJ TRANSIT may limit the number of valid Certificates to the maximum number of individuals established for a particular facility, as indicated on the map attached to each Certificate, taking into account the public transportation purposes and staffing levels of the facility.

Proposed new N.J.A.C. 16:83-2.4 is relocated from N.J.A.C. 16:83-2.2(b).

Existing N.J.A.C. 16:83-2.4(e) is proposed for relocation as new N.J.A.C. 16:83-2.5 and pertains to the validity of banner permits, without change.

Proposed new N.J.A.C. 16:83-2.6 is relocated substantively from N.J.A.C. 16:83-2.3. N.J.A.C. 16:83-2.6 has been amended to consolidate the previous three subsections into two subsections in a way that provides clarification regarding the process, including stating the denial shall be in writing and state the reasons for the denial, and if any factual dispute is alleged, the papers will be reviewed and a written decision will be rendered within 15 days after receipt of the appeal.

Existing N.J.A.C. 16:83-2.5 is proposed for recodification as N.J.A.C. 16:83-2.7 with amendments. A new final sentence is proposed to add "NJ TRANSIT may revoke or suspend any Certificate or Banner Permit where it has concluded that the Certificate or Banner Permit holder has violated the requirements of the Certificate or Banner Permit, this chapter, or both."

TRANSPORTATION

Existing N.J.A.C. 16:83-2.10 is proposed for recodification as N.J.A.C. 16:83-2.12, with the "Tables" section that was previously codified as N.J.A.C. 16:83-2.8.

Subsection (c) is proposed for amendment to delete the first sentence, since NJ TRANSIT no longer charges administrative fees.

NJ TRANSIT has determined that the comment period for this notice of proposal shall be 60 days; therefore, pursuant to N.J.A.C. 1:30-3.3(a)5, this notice of proposal is excepted from the rulemaking calendar requirement.

Social Impact

The rules proposed for readoption with amendments, new rules, and a repeal allow for an orderly exercise of the public's rights of expression. The process balances the concerns of those members of the public who are interested in the facility's primary use as a means to move from place to place, and those who are interested in the use of the facility as a forum for public expression, while ensuring public safety. The changes aim to make certificates of registration and bridge banner permits available to interested members of the public efficiently and equitably.

Activities that are incompatible with the primary purpose of the facilities and equipment of NJ TRANSIT (such as the obstruction of a passageway, vandalism of equipment, dumping of garbage, or the use of restroom for bathing or the washing of clothes) will not be allowed. The primary purpose of the facilities will be maintained by these rules, and could affect everyone who utilizes the facilities of NJ TRANSIT.

Economic Impact

The rules proposed for readoption with amendments, new rules, and a repeal would have limited economic impact. Those who choose to apply for a certificate of non-commercial expression will be able to do so at no cost. There is no fee, and the forms are provided at a central location for the use of the public. Eligible organizations that wish to use NJ TRANSIT property for advertising purposes by hanging bridge banners must apply for a Bridge Banner Permit. This requirement will promote public safety and ensure that individuals who abide by these rules have reasonable access to the requested facility. Commercial transactions and their associated economic impacts are not the subject of these rules and are referenced herein only to distinguish them from the non-commercial activities that are the subject of these rules.

Federal Standards Statement

A Federal standards analysis is not required because the requirement of the rules proposed for readoption with amendments, new rules, and a repeal are governed by State statute for which there is no Federal analog.

Job Impact

The rules proposed for readoption with amendments, new rules, and a repeal will not affect the creation or loss of jobs.

Agriculture Industry Impact

The rules proposed for readoption with amendments, new rules, and a repeal have no impact on the agriculture industry.

Regulatory Flexibility Analysis

The rules proposed for readoption with amendments, new rules, and a repeal may impose compliance requirements on small businesses, as defined under the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq. The rules in this chapter accomplish two things: they provide a means whereby the orderly non-commercial expression of the public may take place and they prohibit activities that are incompatible with the primary purpose of the NJ TRANSIT facilities and equipment. The process for applying for and obtaining a certificate of non-commercial expression is expeditious and without cost to the applicant. The process for applying for and obtaining a bridge banner permit sets forth minimum requirements to ensure the safety of the public and NJ TRANSIT's operation. Some charitable organizations may be considered small businesses, as the term is defined in the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq.; however, there is no reason to discriminate in the application of these provisions on a basis of business (that is, charitable organization) size. The prohibitions, which are also part of this chapter, are prohibitions on the behavior of individuals, not on small businesses per se. All bridge banner permit applicants are required to submit proof of their 501(c)(3) or non-profit status, a certificate of

liability insurance, a letter of intent describing the non-commercial community special event being advertised, and a copy of the intended message and/or sketch of the banner. There are no additional requirements for charitable organizations that may be considered small businesses and whether or not a charitable organization is a small business is not part of the application or approval process.

Housing Affordability Impact Analysis

The rules proposed for readoption with amendments, new rules, and a repeal will not have any impact on the affordability of housing. The rules inform and instruct how members of the public can exercise their constitutional rights of expression, and the standards of behavior to be followed, in or on NJ TRANSIT facilities and equipment. As such, the rules will have no effect on housing units or on the average cost of housing.

Smart Growth Development Impact Analysis

The rules proposed for readoption with amendments, new rules, and a repeal will not have any impact on the implementation of the State Development and Redevelopment Plan. The rules inform and instruct how members of the public can exercise their constitutional rights of expression, and the standards of behavior to be followed, in or on NJ TRANSIT facilities and equipment. The rules will have no effect on new construction within Planning Areas 1 or 2, or within designated centers, under the State Development and Redevelopment Plan.

Full text of the rules proposed for readoption may be found in the New Jersey Administrative Code at N.J.A.C. 16:83.

Full text of the proposed amendments, new rules, and repeal follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

SUBCHAPTER 1. GENERAL PROVISIONS

16:83-1.1 Purpose; scope

The New Jersey Transit Corporation and its subsidiaries (NJ TRANSIT) are responsible for the provision of public mass transit services in the State of New Jersey. NJ TRANSIT owns, controls, and operates equipment (such as railcars and buses), yards and facilities. The facilities include, but are not limited to, rail and bus stations and terminals and are instrumental to NJ TRANSIT's mission to provide and **safely** manage mass transit services in New Jersey. NJ TRANSIT's stations and terminals are centers of activity in their respective communities through which many people pass each day. From time to time, NJ TRANSIT receives requests from members of the public for permission to exercise their constitutional rights of expression at such stations and terminals. NJ TRANSIT, through this chapter, informs and instructs the public how it can exercise its rights on or about NJ TRANSIT facilities and the procedures to be followed in exercising such rights. NJ TRANSIT also sets forth, in this chapter, the standards of behavior to be followed in or on NJ TRANSIT facilities or equipment. Finally, NJ TRANSIT sets forth, in this chapter, procedures to be followed to obtain authorization to use certain railroad bridges to advertise **non-commercial** community **special** events. It is NJ TRANSIT's objective and intent that any and all applicable provisions of the New Jersey Code of Criminal Justice (Title 2C) [or] the motor vehicle and traffic laws of New Jersey (Title 39), as well as any other applicable statutes of this State shall continue in full force and effect. NJ TRANSIT reserves the right to reject any applications for commercial or non-commercial speech or expression at NJ TRANSIT facilities where such conduct will impair NJ TRANSIT's ability to conduct its mass transit related business or where such expression gives rise to a credible public safety concern.

16:83-1.2 Definitions

The following words and terms, as used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise.

...
"Non-commercial community special event" means any **non-commercial** event open to the public, conducted and/or sponsored by a governmental, educational, charitable, [or] religious, **or any other non-profit** organization. This definition is not intended to apply, and does not

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apply to, [events or] activities that are conducted on a continual, ongoing basis. Non-commercial community special events [include, but] are **those activities** [not limited to, events] conducted on a one-time, annual, **monthly**, or seasonal basis **on specific calendar dates**.

16:83-1.6 Enforcement

If NJ TRANSIT determines that any person's conduct violates any of these rules, that person shall be subject to such sanctions as deemed appropriate including ejection from the premises, arrest, [fine and/or imprisonment] pursuant to the applicable laws [and/or ordinances].

SUBCHAPTER 2. CERTIFICATE OF REGISTRATION AND BRIDGE BANNER PERMIT FOR NON-COMMERCIAL EXPRESSION

16:83-2.1 Non-commercial speech and expression; generally

(a) To accommodate persons who desire to engage in non-commercial expression at specified NJ TRANSIT facilities, the Senior Director, Real Estate and Economic Development or his or her designee will issue, subject to terms and conditions set forth in these rules, a Certificate of Registration (Certificate) on a first-come, first-served basis, to permit conduct of noncommercial expression in a specified location (as designated on the map **or rider** attached to the Certificate) at a particular NJ TRANSIT facility. [In order to receive a certificate, a person must complete an] **An application must be completed** in its entirety. [If the application is being made on behalf of an organization, the] **The** application must state [the number of persons requesting the Certificate and] the number of persons expected to be in attendance. The Certificate will be issued without charge and, consistent with these rules, shall be subject to availability and limitations of space and conditions. **The completed application must be received no later than 10 business days, but no earlier than 365 days, before the first date on which the Certificate is to be effective.** [The Certificate will be issued, as soon as practicable upon] **Upon** application in person, or upon receipt of the **original** completed application by postal mail, electronic mail, or telefax, **the approved Certificate will be issued within 10 business days after receipt of the completed application.** Applications that have not been completed in their entirety shall be subject to being declared as [unsuccessfully completed] **incomplete** and will be returned to [sender] **the applicant.**

(b) The Senior Director, Real Estate & Economic Development or his or her designee may issue Bridge Banner Permits, subject to terms and conditions set forth in this chapter, including, but not limited to N.J.A.C. 16:83-1.4, on a first-come, first-served basis, to permit display of the advertisement on a specified railroad bridge. [Applications] **Bridge Banner applications** that are completed in their entirety, including the verbatim text and graphics to be used in the advertisement, will be considered successfully completed. The completed application must be [submitted] **received** no later than 10 business days, **but no earlier than 365 days**, before the first date on which the permit is to be effective. [Banner Permits will be issued as soon as practicable upon] **Upon** application in person, or upon receipt of the **original** completed application by postal mail, electronic mail, or telefax, **the approved Banner Permit will be issued within 10 business days after receipt of the completed application.**

(c) Applications for Certificates of Registration and Banner Permits may be obtained on weekdays between 9:00 A.M. to 5:00 P.M. by contacting:

Real Estate and Economic Development
One Penn Plaza East
Newark, NJ 07105
Telephone: (973) 491-7451 or (973) 491-8078
Fax: (973) 491-7331

Applications can be sent to the requester by postal mail, electronic mail, or telefax.

16:83-2.2 Application for Certificates of Registration [and Banner Permit]

(a) The application for a Certificate of Registration, signed by the applicant, shall contain the following:

1.-2. (No change.)

3. [If more than one Certificate is requested, the] **The** name(s) and title(s) of the individual(s) who will have supervision of and responsibility for the non-commercial expressive conduct at the specified facility during the term of the Certificate; and

4. (No change.)

[(b) The application for a Banner Permit, signed by the applicant, shall contain the following:

1. The applicant's name, address, and telephone number and the name of the organization, which the applicant represents;

2. The name(s) and contact information of the banner-hanging organization that will have supervision of and responsibility for placement, installation, and maintenance of the banner during the term of the Banner Permit;

3. A statement that the proposed advertisement is for a non-commercial public special event;

4. The verbatim text and graphics to be used in the banner; and

5. If requested, the Banner Permit holder shall supply a list of credible professional references who can attest to the qualifications of the banner-hanging company.]

[16:83-2.3 Disposition of application; appeal of denial

(a) Upon receipt of the completed application, the appropriate NJ TRANSIT official or designee shall, as soon as possible, give, telefax or mail the applicant the Certificate or Banner Permit, if available.

(b) If the applicant is denied a Certificate or Banner Permit after completing the application, the applicant may appeal this denial by contacting:

Assistant Executive Director (AED), Communications and Customer Service

New Jersey Transit Corporation
One Penn Plaza East
Newark, NJ 07105-2246

(c) An appeal shall be made in writing and shall include a statement describing the nature of the appeal and what factual issues, if any, shall be in dispute. As soon as possible after receipt of such appeal, the AED, Corporate Communications and External Affairs or his or her designee shall conduct a review on the papers if any factual dispute exists and render a decision. The decision shall be made in writing and shall set forth the basis for the decision. Where an applicant wishes to contest this decision, the applicant may, within 30 days, request a contested case hearing and the matter shall be forwarded to the Office of Administrative Law for fact finding before an Administrative Law Judge (ALJ), pursuant to the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq. and 52:14F-1 et seq., and the Uniform Administrative Procedure Rules, N.J.A.C. 1:1. The ALJ shall issue an Initial Decision, which shall be returned to the NJ TRANSIT Board of Directors for a final agency decision.]

16:83-[2.4]2.3 Validity of Certificates of Registration [and Banner Permit]

(a) Each Certificate of Registration (Certificate) shall be valid for the date(s) and time(s) appearing on the approved Certificate. A Certificate [of Registration] shall be valid for up to, but not more than, five days. A Certificate shall not be valid prior to 6:00 A.M. or after the closing time of the facility. If the facility does not close, the Certificate shall be valid only until [12:00 midnight] **10:00 P.M.** of the date(s) appearing on the Certificate.

(b) Each Certificate shall be valid only for the person(s) designated by NJ TRANSIT on that Certificate. Certificates [shall] **are** not [be transferred or assigned to another person] **transferable**.

(c) NJ TRANSIT may limit the number of valid [concurrent] Certificates [of Registration] to the maximum number of individuals established for the particular facility, as indicated on the map **or rider** attached to each Certificate [of Registration], taking into account the public transportation purposes **and staffing levels** of the facility. [NJ TRANSIT will distribute Certificates of Registration on a "first-come, first-served" basis until the maximum number of individuals has been reached for the facility.]

(d) Certificates [of Registration] shall be valid only at the facility or facilities specified on the Certificate.

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16:83-2.4 Application for Banner Permit

(a) The application for a Banner Permit, signed by the applicant, shall contain the following:

1. The applicant's name, title, address, and telephone number and the name of the organization, which the applicant represents;
2. The name(s) and contact information of the banner-hanging organization that will have supervision of and responsibility for placement, installation, and maintenance and removal of the banner during the term of the Banner Permit;
3. A statement that the proposed advertisement is for a non-commercial community special event, is open to the public, and includes specific calendar dates on which the activity will take place;
4. The verbatim text and graphics to be used in the banner; and
5. If requested by NJ TRANSIT, the Banner Permit holder shall supply a list of credible professional references who can attest to the qualifications of the banner-hanging company.

16:83-2.5 Validity of Banner Permit

(e) A Bridge Banner Permit is valid for up to, but not more than, 14 days. The bridge banner shall be removed no later than noon following the final date appearing on the Banner Permit.

16:83-2.6 Disposition of application; appeal of denial

(a) If NJ TRANSIT denies an application for a Certificate of Registration or Banner Permit, the denial shall be in writing and state the reasons for the denial.

(b) The applicant may appeal this denial in writing by contacting the Assistant Executive Director (AED), Communications and Customer Service, New Jersey Transit Corporation, One Penn Plaza East, Newark, NJ 07105-2246, and shall include a statement describing the nature of the appeal and what factual issues, if any, shall be in dispute. If any factual dispute is alleged, the AED, Communications and Customer Service or his or her designee shall conduct a review on the papers and render a decision, within 15 days after receipt of such appeal. The decision shall be made in writing and shall set forth the basis for the decision. Where an applicant wishes to contest this decision, the applicant may, within 30 days, request a contested case hearing and the matter shall be forwarded to the Office of Administrative Law for fact finding before an Administrative Law Judge (ALJ), pursuant to the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq. and 52:14F-1 et seq., and the Uniform Administrative Procedure Rules, N.J.A.C. 1:1. The ALJ shall issue an initial decision, which shall be returned to the NJ TRANSIT Board of Directors for a final agency decision.

16:83-[2.5]2.7 Limitation of Certificate or Banner Permit

NJ TRANSIT may cancel, temporarily defer, or modify the Certificate or Banner Permit for emergent public health, welfare, or safety reasons, including extraordinary weather, power failures, accidents, terrorism, disasters, strikes, riot, fire, civil disorder, service disruptions, special NJ TRANSIT-sponsored customer service events or other events, which create an unsafe condition in the relevant expressive area or which substantially interfere with the transportation related activities of the facility. NJ TRANSIT may revoke or suspend any Certificate or Banner Permit where it has concluded that the Certificate or Banner Permit holder has violated the requirements of the Certificate or Banner Permit, these rules, or both.

Recodify existing 16:83-2.6 through 2.9 as 2.8 through 2.11 (No change in text.)

16:83-[2.10]2.12 Banner installation, maintenance and removal

- (a)-(b) (No change.)
- (c) [NJ TRANSIT may also, at its sole discretion, establish and charge appropriate fees to recover estimated direct and indirect costs of labor, equipment, and administrative expenses associated with the issuance of Bridge Banner Permits.] If access to the track is requested for any reason, and the request is granted, an NJ TRANSIT railroad protective flagman is required and the Banner Permit holder shall be liable for all associated labor and administrative costs.
- (d) (No change.)

Recodify existing 16:83-2.11 and 2.12 as 2.13 and 2.14 (No change in text.)

TREASURY-GENERAL

(a)

DIVISION OF PENSIONS AND BENEFITS

State Health Benefits Program

Proposed Readoption with Amendments: N.J.A.C. 17:9

Proposed Repeal and New Rule: N.J.A.C. 17:9-3.5

Authorized By: State Health Benefits Commission, Kierney Corliss, Acting Secretary.

Authority: N.J.S.A. 52:14-17.27.

Calendar Reference: See Summary below for explanation of exception to calendar requirement.

Proposal Number: PRN 2016-069.

Submit comments by July 15, 2016, to:

Susanne Culliton
Assistant Director
Division of Pensions and Benefits
PO Box 295
Trenton, NJ 08625-0295
DPB.Regulations@treas.nj.gov

The agency proposal follows:

Summary

The State Health Benefits Commission (Commission) is responsible for reviewing N.J.A.C. 17:9, the administrative rules governing the State Health Benefits Program (SHBP). When these rules are due to expire, or when the Commission becomes aware of a change in the laws or a court decision that impacts the SHBP, the administrative rules are examined to see if any changes are mandated. When revision is necessary, steps are taken to propose amendments or new rules that uphold the new statute or court decision. Additionally, the rules are periodically reviewed to ascertain if they are necessary, cost efficient, and reflect current practices. As the Commission has provided a 60-day comment period on this notice of proposal, this notice is excepted from the rulemaking calendar requirement pursuant to N.J.A.C. 1:30-3.3(a)5.

Accordingly, the Commission proposes to readopt the current rules within N.J.A.C. 17:9, pursuant to N.J.S.A. 52:14B-5.1, with the following amendments, repeal, and new rule. The rules at N.J.A.C. 17:9 are scheduled to expire on April 6, 2016, pursuant to N.J.S.A. 52:14B-5.1, however, as the Commission has filed this notice of readoption with the Office of Administrative Law prior to that date, the expiration date of the chapter is extended 180 days to October 3, 2016, pursuant to N.J.S.A. 52:14B-5.1.c(2). This chapter governs all aspects of the administration of the SHBP, including health coverage, dependents, employees, charges, retirement, termination, prescription drug programs, and dental expense programs.

The proposed amendments are as follows:

Subchapter 1. Administration

At N.J.A.C. 17:9-1.2(a), the reference to the open public meetings act is proposed for correction of the citation and the name of the act, as the name of the Act was changed pursuant to P.L. 2006, c. 70, to honor Senator Baer, the Act's sponsor.

N.J.A.C. 17:9-1.3(a) is proposed to be amended to limit the window for member requests for Commission consideration to a period of one year within the plan's final adverse benefit determination, once all internal appeals within the plan have been exhausted. This amendment will make this process more efficient. Subsection (a) will also be proposed for amendment to include the external review process, which is now required under the Federal Patient Protection and Affordable Care Act (PPACA).

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NOTICE OF ADOPTION

WITH TECHNICAL CHANGE UPON ADOPTION

TRANSPORTATION

NEW JERSEY TRANSIT CORPORATION

Conduct and Safety of the Public in the Use of NJ TRANSIT Equipment and Facilities

Readoption with Amendments: N.J.A.C. 16:83

Proposed: May 16, 2016 (Cite 48 N.J.R. 781)

Adopted: September 14, 2016

Dennis Martin, Interim Executive Director

New Jersey Transit Corporation

Filed: September ____, 2016, with technical change upon adoption

Authority: N.J.S.A. 27:25-5.e, .k, and .l

Effective Date: October 17, 2016

Expiration Date: October 17, 2023

Summary of Public Comments and Agency Responses:

No comments received.

Summary of Agency-Initiated Changes:

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After the proposal was published, staff noticed a comma was needed in N.J.A.C. 16:83-1.1.

Full text of the readoption can be found in the New Jersey Administrative Code at N.J.A.C. 16:83.

Full text of the adopted amendments and new rules follow (additions from proposal are indicated in boldface with asterisks ***thus*** and deletions from proposal are indicated in brackets with asterisks *[thus]*):

SUBCHAPTER 1. GENERAL PROVISIONS

16:83–1.1 Purpose; scope

The New Jersey Transit Corporation and its subsidiaries (NJ TRANSIT) are responsible for the provision of public mass transit services in the State of New Jersey. NJ TRANSIT owns, controls, and operates equipment (such as railcars and buses), yards and facilities. The facilities include, but are not limited to, rail and bus stations and terminals and are instrumental to NJ TRANSIT's mission to provide and safely manage mass transit services in New Jersey. NJ TRANSIT's stations and terminals are centers of activity in their respective communities through which many people pass each day. From time to time, NJ TRANSIT receives requests from members of the public for permission to exercise their constitutional rights of expression at such stations and terminals. NJ TRANSIT, through this chapter, informs and instructs the public how it can exercise its rights on or about NJ TRANSIT facilities and the procedures to be followed

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in exercising such rights. NJ TRANSIT also sets forth, in this chapter, the standards of behavior to be followed in or on NJ TRANSIT facilities or equipment. Finally, NJ TRANSIT sets forth, in this chapter, procedures to be followed to obtain authorization to use certain railroad bridges to advertise non-commercial community special events. It is NJ TRANSIT's objective and intent that any and all applicable provisions of the New Jersey Code of Criminal Justice (Title 2C)*,* the motor vehicle and traffic laws of New Jersey (Title 39), as well as any other applicable statutes of this State shall continue in full force and effect. NJ TRANSIT reserves the right to reject any applications for commercial or non-commercial speech or expression at NJ TRANSIT facilities where such conduct will impair NJ TRANSIT's ability to conduct its mass transit related business or where such expression gives rise to a credible public safety concern.

16:83–1.2 Definitions

The following words and terms, as used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise.

...

“Non-commercial community special event” means any non-commercial event open to the public, conducted and/or sponsored by a governmental, educational, charitable, religious, or any other non-profit organization. This definition is not intended to apply, and does not apply to, activities that are conducted on a continual, ongoing basis. Non-commercial community special events are those activities conducted on a one-time, annual, monthly, or seasonal basis on specific calendar dates.

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...

16:83–1.6 Enforcement

If NJ TRANSIT determines that any person's conduct violates any of these rules, that person shall be subject to such sanctions as deemed appropriate including ejection from the premises, arrest, pursuant to the applicable laws.

SUBCHAPTER 2. CERTIFICATE OF REGISTRATION AND BRIDGE BANNER PERMIT FOR NON-COMMERCIAL EXPRESSION

16:83–2.1 Non-commercial speech and expression; generally

(a) To accommodate persons who desire to engage in non-commercial expression at specified NJ TRANSIT facilities, the Senior Director, Real Estate and Economic Development or his or her designee will issue, subject to terms and conditions set forth in these rules, a Certificate of Registration (Certificate) on a first-come, first-served basis, to permit conduct of noncommercial expression in a specified location (as designated on the map or rider attached to the Certificate) at a particular NJ TRANSIT facility. An application must be completed in its entirety. The application must state the number of persons expected to be in attendance. The Certificate will be issued without charge and, consistent with these rules, shall be subject to availability and limitations of space and conditions. The completed application must be received no later than 10 business days, but no earlier than 365 days, before the first date on which the Certificate is to be effective. Upon application in person, or upon receipt of the original completed application by postal mail, electronic mail, or telefax, the approved Certificate will be issued within 10 business days after receipt of the completed

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application. Applications that have not been completed in their entirety shall be subject to being declared as incomplete and will be returned to the applicant.

(b) The Senior Director, Real Estate & Economic Development or his or her designee may issue Bridge Banner Permits, subject to terms and conditions set forth in this chapter, including, but not limited to N.J.A.C. 16:83-1.4, on a first-come, first-served basis, to permit display of the advertisement on a specified railroad bridge. Bridge Banner applications that are completed in their entirety, including the verbatim text and graphics to be used in the advertisement, will be considered successfully completed. The completed application must be received no later than 10 business days, but no earlier than 365 days, before the first date on which the permit is to be effective. Upon application in person, or upon receipt of the original completed application by postal mail, electronic mail, or telefax, the approved Banner Permit will be issued within 10 business days after receipt of the completed application.

(c) Applications for Certificates of Registration and Banner Permits may be obtained on weekdays between 9:00 A.M. to 5:00 P.M. by contacting:

Real Estate and Economic Development

One Penn Plaza East

Newark, NJ 07105

Telephone: (973) 491-7451 or (973) 491-8078

Fax: (973) 491-7331

Applications can be sent to the requester by postal mail, electronic mail, or telefax.

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16:83-2.2 Application for Certificates of Registration

(a) The application for a Certificate of Registration, signed by the applicant, shall contain the following:

1.-2. (No change.)

3. The name(s) and title(s) of the individual(s) who will have supervision of and responsibility for the non-commercial expressive conduct at the specified facility during the term of the Certificate; and

4. (No change.)

16:83-2.3 Validity of Certificates of Registration

(a) Each Certificate of Registration (Certificate) shall be valid for the date(s) and time(s) appearing on the approved Certificate. A Certificate shall be valid for up to, but not more than, five days. A Certificate shall not be valid prior to 6:00 A.M. or after the closing time of the facility. If the facility does not close, the Certificate shall be valid only until 10:00 P.M. of the date(s) appearing on the Certificate.

(b) Each Certificate shall be valid only for the person(s) designated by NJ TRANSIT on that Certificate. Certificates are not transferable.

(c) NJ TRANSIT may limit the number of valid Certificates to the maximum number of individuals established for the particular facility, as indicated on the map or rider attached to each Certificate, taking into account the public transportation purposes and staffing levels of the facility.

(d) Certificates shall be valid only at the facility or facilities specified on the Certificate.

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16:83-2.4 Application for Banner Permit

(a) The application for a Banner Permit, signed by the applicant, shall contain the following:

1. The applicant's name, title, address, and telephone number and the name of the organization, which the applicant represents;

2. The name(s) and contact information of the banner-hanging organization that will have supervision of and responsibility for placement, installation, and maintenance and removal of the banner during the term of the Banner Permit;

3. A statement that the proposed advertisement is for a non-commercial community special event, is open to the public, and includes specific calendar dates on which the activity will take place;

4. The verbatim text and graphics to be used in the banner; and

5. If requested by NJ TRANSIT, the Banner Permit holder shall supply a list of credible professional references who can attest to the qualifications of the banner-hanging company.

16:83-2.5 Validity of Banner Permit

A Bridge Banner Permit is valid for up to, but not more than, 14 days. The bridge banner shall be removed no later than noon following the final date appearing on the Banner Permit.

16:83-2.6 Disposition of application; appeal of denial

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(a) If NJ TRANSIT denies an application for a Certificate of Registration or Banner Permit, the denial shall be in writing and state the reasons for the denial.

(b) The applicant may appeal this denial in writing by contacting the Assistant Executive Director (AED), Communications and Customer Service, New Jersey Transit Corporation, One Penn Plaza East, Newark, NJ 07105-2246, and shall include a statement describing the nature of the appeal and what factual issues, if any, shall be in dispute. If any factual dispute is alleged, the AED, Communications and Customer Service or his or her designee shall conduct a review on the papers and render a decision, within 15 days after receipt of such appeal. The decision shall be made in writing and shall set forth the basis for the decision. Where an applicant wishes to contest this decision, the applicant may, within 30 days, request a contested case hearing and the matter shall be forwarded to the Office of Administrative Law for fact finding before an Administrative Law Judge (ALJ), pursuant to the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq. and 52:14F-1 et seq., and the Uniform Administrative Procedure Rules, N.J.A.C. 1:1. The ALJ shall issue an initial decision, which shall be returned to the NJ TRANSIT Board of Directors for a final agency decision.

16:83-2.7 Limitation of Certificate or Banner Permit

NJ TRANSIT may cancel, temporarily defer, or modify the Certificate or Banner Permit for emergent public health, welfare, or safety reasons, including extraordinary weather, power failures, accidents, terrorism, disasters, strikes, riot, fire, civil disorder, service disruptions, special NJ TRANSIT-sponsored customer service events or other

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events, which create an unsafe condition in the relevant expressive area or which substantially interfere with the transportation related activities of the facility. NJ TRANSIT may revoke or suspend any Certificate or Banner Permit where it has concluded that the Certificate or Banner Permit holder has violated the requirements of the Certificate or Banner Permit, these rules, or both.

Recodify existing 16:83-2.6 through 2.9 as 2.8 through 2.11 (No change in text.)

16:83–2.12 Banner installation, maintenance and removal

(a)-(b) (No change.)

(c) If access to the track is requested for any reason, and the request is granted, an NJ TRANSIT railroad protective flagman is required and the Banner Permit holder shall be liable for all associated labor and administrative costs.

(d) (No change.)

Recodify existing 16:83–2.11 and 2.12 as 2.13 and 2.14 (No change in text.)

EXECUTIVE SESSION AUTHORIZATION

BE IT HEREBY RESOLVED pursuant to N.J.S.A. 10:4-12 and N.J.S.A. 10:4-13 that the Board of Directors of the New Jersey Transit Corporation hold an executive session to discuss personnel matters, contract and collective bargaining negotiations, purchase of security services to enhance safety tactics and techniques, 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 Carmela Currier and the Personal Injury Claim of Ernesto Abril; 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 1610-46: PERSONAL INJURY CLAIM OF CARMELA CURRIER

BENEFITS

It is the opinion of NJ TRANSIT and defense counsel, in recognition of the totality of the circumstances including the death that resulted, to settle the claim of Carmela Currier.

ACTION

Staff seeks authorization to settle the claim of Carmela Currier 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 Passaic County Superior Court, Paterson, NJ initiated from a Bus claim.

FISCAL IMPACTS

Requested Authorization:	Request authorization to settle the Personal Injury Claim of Carmela Currier
Projected Date of Completion:	FY 2017
Anticipated Source of Funds:	FY 2017 Operating Budget
Diversity Goals/Participation:	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, Carmela Currier 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 Carmela Currier 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 1610-47: PERSONAL INJURY CLAIM OF ERNESTO ABRIL

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 Ernesto Abril.

ACTION

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

PURPOSE

NJ TRANSIT By-Laws require Board approval of the settlement of all claims and lawsuits involving personal injury, death or property damage in excess of \$500,000. This case venued in the Hudson County Superior Court, Jersey City, NJ initiated from a Bus claim.

FISCAL IMPACTS

Requested Authorization:	Request authorization to settle the Personal Injury Claim of Ernesto Abril
Projected Date of Completion:	FY 2017
Anticipated Source of Funds:	FY 2017 Operating Budget
Diversity Goals/Participation:	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, Ernesto Abril 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 Ernesto Abril through his attorney, at an amount discussed in executive session. The Attorney General has approved the proposed settlement, subject to the availability of funds.

ITEM 1610-48: NEW JERSEY TRANSIT POLICE DEPARTMENT SECURITY PROJECT

BENEFITS

To provide additional technical services to support the analytical capabilities of the New Jersey Transit Police Department.

ACTION (Scorecard: Safety and Security)

The New Jersey Transit Police Department seeks authorization to enter into NJ TRANSIT Contract No. 16-026 with Michael Stapleton Associates, LTD, d/b/a MSA Security Inc. for technical services, as discussed in executive session, to support the New Jersey Transit Police Department’s security analysis efforts in an amount not to exceed \$321,000.00, subject to the availability of funds.

PURPOSE

The purpose of this project is to provide a security analysis tool that will enhance the analytical capabilities of the department and is consistent with relevant New Jersey Attorney General’s Guidelines.

BACKGROUND

Continued analysis of police related information will improve the capabilities of the New Jersey Transit Police Department and allow it to function in a more effective and efficient manner.

FISCAL IMPACTS

Requested Authorization:	\$321,000.00 (300K DHS/21K Operating)
Past Authorizations:	None
Expenditures to Date:	None
Total Project Cost:	\$321,000.00 (300K DHS/21K Operating)
Projected Date of Completion:	3 years from kick off
Capital Program Amount:	\$509,800.00
Operating Budget Amount:	None
Anticipated Source of Funds:	Federal grant (300K) Operating (21K)

PRINTS ID Number:	NJT01133
DBE/SBE Goal:	RACE NEUTRAL
<i>NJ Build</i> Amount:	None
Related Future Authorizations:	None
Impacts on Subsequent Operating Budget:	None

RESOLUTION

WHEREAS, The New Jersey Transit Police Department utilizes analytical capabilities to enhance its policing efforts of the NJ TRANSIT System; and

WHEREAS, this project will enhance those analytical capabilities and is consistent with relevant New Jersey Attorney General's Guidelines; and

WHEREAS, upon completion of a competitive procurement process, it was determined that Michael Stapleton Associates, LTD, d/b/a MSA Security Inc. provided the highest rated technical proposal for the project;

NOW, THEREFORE, BE IT RESOLVED the Chairman or Executive Director is authorized to enter into NJ TRANSIT Contract No. 16-026 with Michael Stapleton Associates, LTD, d/b/a MSA Security Inc. for technical services, as discussed in executive session, to support the New Jersey Transit Police Department's security analysis efforts in an amount not to exceed \$321,000, subject to the availability of funds.

ITEM 1610-49: APPOINTMENT OF EXECUTIVE DIRECTOR AND AUTHORIZATION TO NEGOTIATE AND EXECUTE AN EMPLOYMENT AGREEMENT

BENEFITS

Steven H. Santoro possesses the qualifications to meet the requirements of the position of Executive Director and the needs of the agency. As a top transit executive with experience at major transportation agencies, he brings a wealth of management experience and is an expert in the implementation of major transportation projects in conjunction with ongoing operations.

ACTION

Appointment of Steven H. Santoro as Executive Director of NJ TRANSIT effective on October 14, 2016 and authorization for the Chairman to negotiate and execute an Employment Agreement with Steven H. Santoro on the terms, conditions, salary, and benefits by which he will serve as Executive Director as discussed in executive session.

PURPOSE

This action will provide for the appointment of the Executive Director of NJ TRANSIT on the terms, conditions, salary, and benefits appropriate for a high-level executive with exceptional qualifications.

When appointed, the Executive Director will have all of the powers under NJ TRANSIT's enabling legislation, its By-Laws, and Board Resolutions, unless specifically limited by appropriate action of the NJ TRANSIT Board of Directors.

FISCAL IMPACT

Requested Authorization: Appointment of Steven H. Santoro as Executive Director of NJ TRANSIT and authorization for the Chairman to negotiate and execute an Employment Agreement with Steven H. Santoro on the terms, conditions, salary, and benefits of his employment as discussed in executive session.

RESOLUTION

WHEREAS, Steven H. Santoro possesses the necessary qualifications to meet the requirements of Executive Director and the needs of NJ TRANSIT; and

WHEREAS, Steven H. Santoro will serve in the position of Executive Director on the terms, conditions, salary, and benefits as negotiated by the Chairman as discussed in executive session;

NOW, THEREFORE, BE IT RESOLVED that Steven H. Santoro is hereby appointed Executive Director of NJ TRANSIT, effective on October 14, 2016, and that the Chairman is authorized to negotiate and execute an Employment Agreement with Steven H. Santoro on the terms, conditions, salary, and benefits as discussed in executive session.