

Phillip D. Murphy, Governor
Shella Y. Oliver, Lieutenant Governor
Diane Gutierrez-Scaccetti, Commissioner
Kevin S. Corbett, Executive Director

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

January 7, 2019

Dear Governor Murphy:

Pursuant to Chapter 150, Laws of 1979, I herein transmit the minutes of actions taken at the open session of the special 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 Friday, January 4, 2019.

Sincerely,

Original Signed By

Joyce J. Zuczek
Board Secretary

Enclosures

Honorable Philip D. Murphy
Governor, State of New Jersey
State House
Trenton, NJ 08625

Open Session Minutes of the actions taken at the special 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 Friday, January 4, 2019.

Board Members Present

Diane Gutierrez-Scaccetti, Chair
Edmund Caulfield, Governor's Representative
Robert Shaughnessy, Treasurer's Representative (By Telephone)
Flora M. Castillo, Board Member (By Telephone)
Raymond W. Greaves, Board Member (Non-Voting) (By Telephone)

Board Members Absent

James C. Finkle Jr., Board Member

Staff Present

Kevin S. Corbett, Executive Director
Joyce J. Zuczek, Board Secretary
Jonathan B. Peitz, Deputy Attorney General

Chair Gutierrez-Scaccetti convened the Open Session at 1:03 p.m. in accordance with the Open Public Meetings Act. Chris Doyle, Office of System Safety, provided a Public Safety Announcement. The Pledge of Allegiance to the Flag was conducted and Board Secretary Zuczek conducted a Roll Call, noting Board Members Castillo, Shaughnessy, and Greaves were participating by telephone and Board Member Finkle was absent.

Board Secretary Zuczek announced that adequate notice of the special meetings of the Board of Directors of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations Inc., NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. was provided in accordance with the Open Public Meetings Act, Chapter 231, P.L. 1975 and the NJ TRANSIT reform legislation, Public Law 2018, chapter 162. The meetings were occurring concurrently. Notices were filed on December 28, 2018 with the Secretary of State. These notices were sent to newspapers of general distribution, posted in the main entrance of NJ TRANSIT headquarters, published on the corporation's website, and sent to each individual, agency and organization that requested such notice. The meetings are viewable on the corporation's website in real time. The meetings were being video recorded, archived, and made available to the public for subsequent viewing on the corporation's website. Minutes will also be archived and published on the corporation's website.

Public Comments

There was one speaker. Board Secretary Zuczek announced public comments would be limited to five minutes.

Joseph Clift congratulated Raymond P. Kenny on his appointment and wished him great success in an extremely challenging job. Mr. Clift knows Mr. Kenny brings with him a wealth of experience because he has worked with him in the past. Mr. Clift outlined three requests for Mr. Kenny in his handout.

Mr. Clift first wants to restore all trains temporarily discontinued in 2018 to accommodate installation of Positive Train Control (PTC) equipment in locomotives and cab cars. He believes since NJ TRANSIT met its federally-mandated December 31, 2018 installation deadline, they should bring back the pre-PTC train schedules. Second, he wants the daily train annulments eliminated by working with locomotive engineers and their union representatives to increase voluntary overtime, which he believes will address the current engineer shortage. Mr. Clift's third item is a hard look at NJ TRANSIT's rail capital spending plan, with the goal of speeding-up desperately needed additional trans-Hudson train capacity in a funding-constrained world. He wants to slim down, defer, or eliminate projects that do not cost-effectively advance this goal and accelerate those that do. Mr. Clift said proof of the kickoff of this effort would be a roundtable meeting with rail advocates, the last one was over a year ago. He said they have good ideas to get the thinking going on this critically important issue.

Mr. Clift believes if Mr. Kenny accomplishes these three requests by the end of his first month on the job, he will restore a great deal of the credibility that NJ TRANSIT has lost over the last two years.

Chair Gutierrez-Scaccetti said they appreciate Mr. Clift's three items and noted they were not incongruent with what NJ TRANSIT plans to do, but with all due respect 30 days was not a realistic time frame. She said they will continue to work to restore service. However, Chair Gutierrez-Scaccetti noted there was a federal shutdown and the Federal Railroad Administration (FRA) has NJ TRANSIT's paperwork so they have some waiting to do, but the agency was laser focused on restoring service and continuing to add engineers.

Action Item

1901-01: APPOINTMENT OF SENIOR VICE PRESIDENT AND GENERAL MANAGER: NJ TRANSIT RAIL OPERATIONS, INC.

Executive Director Corbett presented Item 1901-01: Appointment of Senior Vice President and General Manager: NJ TRANSIT Rail Operations, Inc.

Raymond P. Kenny has extensive public and private sector senior level executive rail management experience, including serving as Acting President and Senior Vice President of Operations for the nation's largest and busiest commuter rail system, the

Metropolitan Transportation Authority’s Long Island Rail Road (LIRR). Mr. Kenny is a subject matter expert, with complete and in-depth knowledge of railroading from virtually every angle, having worked at all levels of the LIRR organization, including passenger and freight operations; training and labor relations; strategic and service planning; and project and infrastructure management. Mr. Kenny has previous extensive interaction with Amtrak and NJ TRANSIT at Penn Station and on the Northeast Corridor.

Mr. Kenny is a railroad expert with a diverse skill set and a long, distinguished career of accomplishments that will enhance NJ TRANSIT’s operational excellence, and emphasize safety and reliability, as the Agency confronts new challenges in the coming years.

Executive Director Corbett recommended the appointment of Raymond P. Kenny to the position of Senior Vice President and General Manager of NJ TRANSIT Rail Operations, Inc. at an annual salary of \$225,000, together with NJ TRANSIT’s standard at-will employee benefits. In addition, Mr. Kenny would receive a housing allowance of \$20,000 per annum to establish and maintain residency in New Jersey.

Board Member Edmund Caulfield made a motion to approve Action Item #1901-01, Board Member Flora M. Castillo seconded it, and the item was unanimously adopted.

Roll Call Vote:

Gutierrez-Scaccetti	Caulfield	Shaughnessy	Castillo	Finkle	Greaves
Yes	Yes	Yes	Yes	Absent	(Non-Voting Member)

Adjournment

Since there were no further comments or business, Chair Gutierrez-Scaccetti called for adjournment and a motion to adjourn was made by Board Member Edmund Caulfield, seconded by Flora M. Castillo, and unanimously adopted. The meetings were adjourned at approximately 1:15 p.m.

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

JANUARY 4, 2019

MINUTES

	<u>PAGE</u>
➤ CALL TO ORDER	-
➤ SAFETY ANNOUNCEMENT	-
➤ PLEDGE OF ALLEGIANCE TO THE FLAG	-
➤ PUBLIC COMMENTS	-

ACTION ITEM

1901-01	APPOINTMENT OF SENIOR VICE PRESIDENT AND GENERAL MANAGER: NJ TRANSIT RAIL OPERATIONS, INC.	53851
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Appointment of Raymond P. Kenny to the position of Senior Vice President and General Manager of NJ TRANSIT Rail Operations, Inc. at an annual salary of \$225,000, together with NJ TRANSIT's standard at-will employee benefits. Mr. Kenny will receive a housing allowance of \$20,000 per annum to establish and maintain residency in the State of New Jersey.

➤ ADJOURNMENT

ACTION ITEM

ITEM 1901-01: APPOINTMENT OF SENIOR VICE PRESIDENT AND GENERAL MANAGER: NJ TRANSIT RAIL OPERATIONS, INC.

WHEREAS, the By-Laws of NJ TRANSIT Rail Operations, Inc. authorize the Executive Director/President to appoint the Senior Vice President and General Manager of NJ TRANSIT Rail Operations, Inc. with the concurrence of the Board of Directors; and

WHEREAS, this position requires an experienced, qualified professional with the knowledge and expertise necessary to manage NJ TRANSIT's complex system, the third largest in the nation, with 12 commuter rail lines and 165 stations; and

WHEREAS, Raymond P. Kenny has over 45 years of railroad experience and rose through the ranks of the industry starting as a summer ticket clerk in the early 1970s; and

WHEREAS, Raymond P. Kenny ultimately served as the Senior Vice President and Acting President of the Metropolitan Transportation Authority's Long Island Rail Road; and

WHEREAS, Raymond P. Kenny has worked at all levels of the Long Island Railroad organization and is a distinguished subject matter rail expert with a demonstrated ability to lead teams of employees in commuter rail operations, training and labor relations, project infrastructure management and project coordination; and

WHEREAS, Raymond P. Kenny's extensive background in rail operations will be invaluable in the quest to rebuild NJ TRANSIT and make tangible improvements for rail customers;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors authorizes the Executive Director/President to appoint Raymond P. Kenny to the position of Senior Vice President and General Manager of NJ TRANSIT Rail Operations, Inc. at an annual salary of \$225,000, together with NJ TRANSIT's standard at-will employee benefits. Mr. Kenny will receive a housing allowance of \$20,000 per annum to establish and maintain residency in the State of New Jersey.