

Jon S. Corzine
Governor

Kris Kolluri, Esq.
Board Chairman

Richard R. Sarles
Executive Director

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



BY HAND

June 15, 2007

Dear Governor Corzine:

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., and NJ Transit Mercer, Inc. Board of Directors held on Wednesday, June 13, 2007.

Sincerely,

Gwen A. Watson
Board Secretary

Enclosures

Honorable Jon S. Corzine
Governor, State of New Jersey
State House
Trenton, NJ 08625

(NJ TRANSIT BOARD –06/13/2007)

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. and NJ TRANSIT Mercer, Inc. held at NJ TRANSIT Headquarters, One Penn Plaza East, Newark, New Jersey on Wednesday, June 13, 2007.

Present:

Kris Kolluri, Esq., Chairman
Robert Shane, Governor's Representative
Kenneth E. Pringle
Flora Castillo
Susan L. Hayes

Richard R. Sarles, Executive Director
Lynn Bowersox, Assistant Executive Director, Corporate Commun. & External Affairs
James Gigantino, Acting Vice President & General Manager, Bus Operations
William Duggan, Vice President & General Manager, Rail Operations
Kenneth Worton, Deputy Attorney General
Vincent Soleo, Assistant Executive Director, Procurement & Support Services
James Redeker, Assistant Executive Director, Policy, Technology & Customer Services
Steve Santoro, Assistant Executive Director, Capital Planning and Programs
H. Charles Wedel, Chief Financial Officer & Treasurer
Alma Scott-Buczak, Assistant Executive Director, Human Resources
Jan Walden, Assistant Executive Director, Diversity
Gwen A. Watson, Board Secretary

Chairman Kris Kolluri convened the Open Session at 9:05 am in accordance with the Open Public Meetings Act and asked for a motion to enter Executive Session to discuss contract negotiations and attorney-client, litigation and personnel matters. A motion was made by Flora Castillo, seconded by Susan L. Hayes and unanimously adopted.

Chairman Kris Kolluri reconvened the Open Session at 9:25 am and asked for a motion to adopt the minutes of the May 17, 2007 meeting. A motion was made by Flora Castillo, seconded by Susan L. Hayes and unanimously adopted.

Executive Director Richard R. Sarles highlighted the following from his monthly business report.

Executive Director Sarles said the first multilevel train entered service in December of last year and NJ TRANSIT has continued to receive positive feedback from both customers and employees. The Board will consider the purchase of additional multilevel vehicles to replace the Comet III railcars in need of a midlife overhaul. This replacement is a cost effective move that will also enable more customers to benefit from the comfort and convenience of the multilevel railcars. Executive Director Sarles said, to date, NJ TRANSIT has 23 multilevel railcars on the property with additional cars going through the commissioning and testing process.

(NJT BOARD –06/13/2007)

Last month, NJ TRANSIT increased an eight-car train to an 11-car train on the Northeast Corridor and Executive Director Sarles was pleased to report that it has been running well with four trips per weekday, one trip each in the morning and evening peak period and two midday and continues to be very well received by customers.

Executive Director Sarles said that as part of an ongoing effort to maintain rail infrastructure in a state-of-good-repair, there is an item on the agenda to restore the Big Shark River Drawbridge on the North Jersey Coast Line. Located over the Shark River between Belmar and Avon-by-the-Sea, the bridge was constructed in 1921 and carries more than 40 trains each weekday. The main focus of construction work will be on the approaches to the bridge. NJ TRANSIT will replace the existing timber trestles with pre-cast concrete box beams on concrete filled pipe piles. These repairs will modernize the 86-year-old bridge, extending its useful life and ensuring reliable and safe operation for years to come. Every effort will be made to minimize the impact to North Jersey Coast Line customers by conducting the work during off-peak hours when possible and by implementing single-track outages so that one track remains open for rail service. NJ TRANSIT is also working with the Coast Guard to communicate efforts to the boating community, although the work is not expected to impact maritime traffic.

Executive Director Sarles said this month NJ TRANSIT began work on a project that will improve the reliability of rail service for Gladstone Branch customers on the Morris & Essex Lines. NJ TRANSIT is currently working to replace wooden catenary poles which support the overhead wires that supply power to trains with new steel poles along a portion of the Gladstone Branch. The new steel catenary structures will reduce maintenance and improve service reliability.

To support this work, NJ TRANSIT has set up substitute busing operating on weekends between Gladstone and Summit stations to replace train service. Starting next month, NJ TRANSIT will extend the operation to 12 off-peak weekday trains to accommodate the work.

Executive Director Sarles said that for the Atlantic City customers, there is an item before the Board today that will enable NJ TRANSIT to maintain a service that is very important to riders and the Atlantic City community. The Atlantic City Jitney Association provides a shuttle bus service between the Atlantic City Rail Terminal and Convention Center and various hotel locations. Currently, the service meets each arriving and departing train at the terminal, serving approximately 100 trips and more than 1,200 passengers on a typical weekday and many of them are employees of Atlantic City businesses. By extending the existing agreement with the Association, NJ TRANSIT will be able to maintain this useful, necessary service for the benefit of both customers and the community.

Executive Director Sarles said that this month, in time for the peak summer employment season at Newark Liberty International Airport, NJ TRANSIT is significantly increasing service on the No. 62 bus route between Newark Penn Station and the airport.

The service enhancements will take effect with the June 23, 2007 bus schedule change and are part of the 40,000 hours of increased service NJ TRANSIT said would be added

(NJT BOARD –06/13/2007)

in the coming fiscal year. NJ TRANSIT is adding 26 trips on weekdays, 36 trips on Saturdays and 40 trips on Sundays for the benefit of airport employees and support personnel. In addition, NJ TRANSIT has standardized most trip times on weekdays and weekends to reflect the seven-day nature of airport job opportunities.

To address capacity on existing late-night service between Newark Penn Station and the airport, NJ TRANSIT is adding trips between midnight and 6:00 am to assist the many Newark Liberty employees whose jobs begin or end during these hours. No. 62 bus service connects people to the airport from rail and light rail at Newark Penn Station, and offers airport employees, in particular, a very affordable trip to their workplace at \$1.35 one way. The line serves approximately 5,000 riders on a typical weekday with about 3,000 of those trips to or from the airport. By adding capacity and improving frequency, NJ TRANSIT can accommodate ridership growth of another ten percent.

These service improvements represent the first phase of an effort to improve access to jobs at this major employment site and economic engine for the Greater Newark area. NJ TRANSIT also anticipates that recommendations for improved access to Newark Liberty will come from the Greater Newark Bus System study, as well as the Newark Airport working group.

Executive Director Sarles said beginning in early July, NJ TRANSIT will be conducting an e-survey of customers to learn more about their travel experiences on the system. He encouraged bus, light rail and commuter rail customers to visit NJ TRANSIT's homepage—www.njtransit.com—to participate in this electronically, so NJ TRANSIT can hear directly from the customer.

Executive Director Sarles said it is with deep regret that he reports the passing of a good friend and respected colleague, Rick Mariani. Executive Director Sarles said he recently appointed Rick as the new Customer Advocate and was excited about the action plan that Rick was developing to improve service delivery to customers. While NJ TRANSIT mourns the loss of such a dedicated, dynamic individual, Executive Director Sarles knows that Rick's commitment to public service and his compassion and concern for the customer will be his legacy. Executive Director Sarles will identify a new Advocate to carry on Rick's good work in the coming weeks.

Kenneth E. Pringle presented the Capital Planning, Policy & Privatization report to the Board. Mr. Pringle said the meeting was held on May 24, 2007 and focused largely on state-of-good-repair improvements, as well as new equipment acquisition. He said the committee was briefed in detail on the "Newark City Subway Retaining Wall" item. Built in 1935, the retaining wall, located at the City Subway tunnel near NJIT, is beginning to tilt. This project calls for the removal and replacement of a 475-foot section of the wall. He also discussed the item coming before the Board today on the purchase of an additional 45 multilevel railcars, which are needed to add capacity and retire Comet III equipment. The multilevels have been well received by NJ TRANSIT customers, and the schedule calls for additional train sets to operate on our heavily used Northeast Corridor service this summer.

(NJT BOARD –06/13/2007)

Flora Castillo presented the Administration Committee report to the Board. She said the Administration Committee met on May 29, 2007 and was briefed on the “Atlantic City Rail Terminal Shuttle Service” item and discussed funding for the service. Ms. Castillo said the Atlantic City Jitney Association provides this useful, necessary service to transport riders from the Atlantic City Rail Terminal to various hotel locations and NJ TRANSIT will continue to work on identifying alternative funding options. Ms. Castillo said in addition to the items on today’s agenda, the Administration Committee continues to work with staff on the Disadvantaged Business Enterprise program. Ms. Castillo was pleased to report that a few weeks ago, 21 men and women from small, minority-owned and women-owned businesses completed a 12-week class on project estimating. NJ TRANSIT conducted these classes on topics that range from reading blueprints to bookkeeping, to help prepare Disadvantaged Business Enterprises to participate in construction projects.

There was one public comment on agenda items.

Margarite Petrillo said she saw the multilevel railcars two years ago and asked if they are in service. Chairman Kolluri said the railcars are in service. She asked when they would be delivered and Executive Director Sarles said with regard to the item on the agenda, these vehicles would be delivered in two years. Mrs. Petrillo asked if anyone had information on First Virginia Rail because they have multilevel railcars. Executive Director Sarles said the type of railcar that is in use at First Virginia Rail is too big and would not fit through the tunnel under the Hudson River.

Mrs. Petrillo commented on the Atlantic City jitneys and said she was in Atlantic City recently and did not see any jitneys. Chairman Kolluri said they are located outside of the train station and Executive Director Sarles said the jitneys operate from the curb outside of the terminal.

Mrs. Petrillo commented on the Newark Light Rail (formerly Newark City Subway) extension amendment of construction services and asked where it is being extended. Executive Director Sarles explained that the purpose of this board item is to correct an error in the total authorization amount.

Executive Director Sarles presented the following Action Items for approval:

0706-36: MULTILEVEL VEHICLES: PURCHASE OF ADDITIONAL 45 CARS AND CONTRACT AMENDMENT FOR ENGINEERING SERVICES

To address record high rail ridership and accommodate continued growth in comfort without requiring longer train sets, authorization is requested to exercise a contract option with Bombardier Transportation to purchase 45 additional multilevel vehicles. Instead of overhauling the Comet III fleet, the purchase will provide a cost benefit and a more comfortable ride for customers. The cost of this contract option will not exceed \$67,301,678 plus five percent for contingencies. This 45 car order includes eight previously authorized cars to be used for the Atlantic City Express Service from New York and that cost will be reimbursed by several casinos and

(NJT BOARD –06/13/2007)

the Casino Redevelopment Authority. Authorization is also requested to amend an existing contract with LTK Engineering Services to continue engineering support for this new order through the end of the warranty period at a cost not to exceed \$875,000.

Flora Castillo moved the resolution, Susan L. Hayes seconded it and it was unanimously adopted.

0706-37: NEWARK LIGHT RAIL RETAINING WALL AT PORTAL REPLACEMENT: CONSTRUCTION CONTRACT

A retaining wall which was constructed more than 70 years ago on the Newark Light Rail line in Newark needs replacement due to structural integrity deterioration. Authorization is requested to contract with the lowest responsive and responsible bidder to remove the failing section, construct a new wall, regrade the slope from the light rail line onto the adjacent property and construct a small new wall at the top of the re-graded slope. This corrective approach will save more than \$1.5 million in construction costs rather than replacing the existing wall. The contract cost will not exceed the budgeted amount. Authorization is also requested to execute an agreement with the adjacent property owner, University Heights Science Park, Inc. allowing NJ TRANSIT to construct this wall with an easement or license on their property.

Kenneth E. Pringle moved the resolution, Susan L. Hayes seconded it and it was unanimously adopted.

0706-38: CONSTRUCTION REPLACEMENT OF THE TIMBER TRESTLE APPROACH SPANS AND THE THROUGH-GIRDER SPAN OF THE BIG SHARK RIVER DRAWBRIDGE, NORTH JERSEY COAST LINE, MILEPOST 30.43

Big Shark River Drawbridge on the North Jersey Coast Line was built in 1921 and serves 1500 daily passengers. The bridge is located between Belmar and Avon by the Sea, and the bridge approach spans must be replaced to maintain state-of-good repair and continued reliable service. Among other work, the existing 15 timber trestle spans on the superstructure must be replaced with concrete spans. The substructure's timber piles will be replaced with steel pipe piles. NJ TRANSIT expects minimal disruption during off peak hours during this construction. The proposed contract is with PKF-MARK III Inc. and the cost will not exceed \$10,362,000 plus five percent for contingencies.

Kenneth E. Pringle recused himself from voting on this item, Susan L. Hayes moved the resolution, Flora Castillo seconded it and it was adopted.

(NJT BOARD –06/13/2007)

0706-39: AMENDMENT OF BOARD ITEM 0405-24: NEWARK LIGHT RAIL (FORMERLY NEWARK CITY SUBWAY) EXTENSION AMENDMENT OF CONSTRUCTION MANAGEMENT SERVICES

This item seeks an amendment to a previously authorized item and simply corrects a mathematical miscalculation in the original item. Board authorization for the Newark City Subway Extension project to the joint venture of DMJM+Harris/STV for construction management services totaled \$3,652,198 in the previous authorization and should have totaled \$4,578,284. There is no increased funding request associated with this item.

Flora Castillo moved the resolution, Kenneth E. Pringle seconded it and it was unanimously adopted.

0706-40: COMPUTER HARDWARE/SOFTWARE: SOLE SOURCE MAINTENANCE AND LICENSING AGREEMENT RENEWAL

Materials and services which are available from only one supply source because the vendors have proprietary control over the manufacture of these parts or services cannot be competitively bid. Authorization is requested to approve the Computer Hardware/Software Sole Source Maintenance and Licensing Agreement Renewals. Some typical types of sole source requests include support for passenger communications systems, security software, transit communications software, and internal operating software. Listed in Exhibit A are the manufacturers of the hardware and software which are the only firms capable of providing licensing and maintenance services for their products. The total cost for these hardware and software needs to operate NJ TRANSIT's Information Systems will not exceed \$6,580,670 for one year contracts with vendors listed and two one year renewals at a cost not to exceed \$13,829,061 for a total of \$20,409,731. Authorization is also requested for sole source contracts with firms listed in Exhibit A to upgrade and purchase hardware and software services for \$8,354,065.

Kenneth E. Pringle recused himself from voting on this item, Susan L. Hayes moved the resolution, Flora Castillo seconded it and it was adopted.

Executive Director Sarles presented the following Consent Item for approval:

0706-41: ATLANTIC CITY RAIL TERMINAL SHUTTLE SERVICE

Authorization to extend the existing agreement with the Atlantic City Jitney Association for the operation of the Atlantic City Rail Terminal shuttle service for up to six months, from July 1, 2007 through December 31, 2007, at a total cost not to exceed \$914,600, plus five percent for contingencies.

0706-42: ANNUAL NOTICE OF MEETINGS

Adopt the Annual Notice of Meetings (Exhibit A) for all of the Board of Directors meetings during Fiscal Year 2008.

0706-43: ANNUAL DESIGNATIONS AND BOARD COMMITTEE MEMBERSHIP SELECTION

Approval of this item will designate Myron P. Shevell to serve as Vice Chairman of the Board of Directors and Gwen A. Watson as Secretary of the Board of Directors through June 2008 and appoint the members of all Board Committees as set forth in Exhibit A.

The Consent Calendar was moved in its entirety by Flora Castillo, seconded by Susan L. Hayes and unanimously adopted.

There were three public comments on non-agenda items.

Margarite Petrillo commented on several items. Mrs. Petrillo asked if NJ TRANSIT owns Penn Station and said she wants to get a free Metro newspaper inside the station and asked that someone look into it.

Mrs. Petrillo said she commented at the last Board Meeting about the NJ TRANSIT bus operators and asked if someone could verify that the bus operators have a valid driver's license and a valid CDL license.

Mrs. Petrillo said she received a notice to inspect documents as part of an Open Public Records Act request and she inspected the documents with regard to the natural gas buses and they provide service from Toms River to Penn Station. Mrs. Petrillo said she also viewed the documents with regard to the hybrid buses and they are supposed to be used in the Ironbound.

Mrs. Petrillo said she filed Open Public Record Act requests and was told that she had to pay 25 cents per page for a copy and asked if that was correct. Board Member Pringle said that was correct. She also asked if she had to pay for blank paper and Board Member Pringle suggested that Mrs. Petrillo bring her own paper.

William Wright expressed condolences and sorrow about the passing of Rick Mariani and said he was a good transit person and a nice guy. Mr. Wright said some people have complained about using Highway funds to fund THE Tunnel. In the past, there was an auto oriented thrust in government and he is pleased that the Turnpike and Port Authority would put money in transit.

Al Cafiero, on behalf of Senator Cardinale, thanked the Board of Directors and also thanked Assistant Executive Director Steve Santoro for attending a meeting in Tenafly to provide clarification about the Northern Branch project. Mr. Cafiero said Senator Cardinale was very pleased. Years ago, Mr. Cafiero walked the Northern Branch line

(NJT BOARD -06/13/2007)

and salvaged date-stamped nails and provided each Board Member with a nail as a memento.

Since there were no further comments or business, the Chairman called for adjournment and a motion to adjourn was made by Flora Castillo, seconded by Susan L. Hayes and unanimously adopted.

The meeting was adjourned at approximately 10:00 am.

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

JUNE 13, 2007

MINUTES

	<u>PAGE</u>
➤ EXECUTIVE SESSION AUTHORIZATION	38925
➤ APPROVAL OF MINUTES OF PREVIOUS MEETINGS	38926
➤ EXECUTIVE DIRECTOR'S MONTHLY REPORT	38927
➤ ADVISORY COMMITTEE REPORTS	-
➤ BOARD COMMITTEE REPORTS	-
➤ PUBLIC COMMENTS ON AGENDA ITEMS	-

ACTION ITEMS

0706-36	MULTILEVEL VEHICLES: PURCHASE OF ADDITIONAL 45 CARS AND CONTRACT AMENDMENT FOR ENGINEERING SERVICES	38952
---------	---	-------

Authorization to exercise the contract option (No. 01-097) with Bombardier Transportation of Montreal, Canada, for the purchase of 45 multi-level vehicles, including eight multi-level vehicles previously authorized, at a cost not to exceed \$67,301,676, plus five percent for contingencies, for a total contract authorization of \$551,720,008.

Also authorization to amend the contract (No. 99CX134) with LTK Engineering Services of Ambler, Pennsylvania, for additional engineering support for the 45 multi-level vehicles through the end of the warranty period at a cost not to exceed \$875,000, plus five percent for contingencies, for a total contract authorization of \$20,884,357, subject to the availability of funds.

0706-37	NEWARK LIGHT RAIL RETAINING WALL AT PORTAL REPLACEMENT: CONSTRUCTION CONTRACT	38955
---------	---	-------

Authorization to award a contract to the most responsible and responsive bidder for the removal and replacement of

NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS INC.
NJ TRANSIT RAIL OPERATIONS INC.
NJ TRANSIT MERCER INC.
REGULARLY SCHEDULED BOARD OF DIRECTORS MEETING
JUNE 13, 2007
MINUTES
PAGE 2

the Newark Light Rail Portal Retaining Wall in an amount not to exceed the budgeted amount plus five percent for contingencies.

Also authorization to execute a construction and license agreement or construction and easement agreement with University Heights Science Park, Inc. in order to proceed with the construction of the project based on the agreed design.

0706-38 CONSTRUCTION REPLACEMENT OF THE TIMBER TRESTLE APPROACH SPANS AND THE THROUGH-GIRDER SPAN OF THE BIG SHARK RIVER DRAWBRIDGE, NORTH JERSEY COAST LINE, MILE POST 30.43 38958

Authorization to contract (No. 07-096X) with PKF-MARK III, Inc. of Newtown, Pennsylvania to perform the construction of the replacement of the timber trestle approach spans and the steel through-girder flanking span of the Big Shark River Drawbridge, at a cost not to exceed \$10,362,000, plus five percent for contingencies.

0706-39 AMENDMENT OF BOARD ITEM 0405-24: NEWARK LIGHT RAIL (FORMERLY NEWARK CITY SUBWAY) EXTENSION AMENDMENT OF CONSTRUCTION MANAGEMENT SERVICES 38960

Authorization to amend Board Item 0405-24 to revise the additional authorization amount for contract No. 99CJ060 with the Joint Venture DMJM+Harris/STV of Iselin, New Jersey for additional construction management services for the Newark Light Rail Broad Street Extension project to an amount not to exceed \$4,578,284 plus five percent for contingencies. This authorization corrects the previous amount of \$3,652,198, plus five percent for contingencies, to accurately reflect the total authorization of \$12,052,198 as stated in Item 0405-24.

0706-40 COMPUTER HARDWARE/SOFTWARE: SOLE SOURCE MAINTENANCE AND LICENSING AGREEMENT RENEWAL 38962

Authorization to initiate or renew sole source maintenance and licensing agreements with the firms listed in Exhibit A

NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS INC.
NJ TRANSIT RAIL OPERATIONS INC.
NJ TRANSIT MERCER INC.
REGULARLY SCHEDULED BOARD OF DIRECTORS MEETING
JUNE 13, 2007
MINUTES
PAGE 3

for the hardware and software required to operate NJ TRANSIT's Information Systems at a total cost not to exceed \$6,580,670 for one-year contracts with two one-year renewals at a cost not to exceed \$13,829,061 for a total of \$20,409,731.

Also authorization to contract on a sole source basis with the firms listed in Exhibit A to upgrade and purchase hardware/software services for a total contract amount not to exceed \$8,354,065 subject to the availability of funds

CONSENT CALENDAR

0706-41 ATLANTIC CITY RAIL TERMINAL SHUTTLE SERVICE 38967

Authorization to extend the existing agreement with the Atlantic City Jitney Association for the operation of Atlantic City Rail Terminal shuttle service for up to six months, from July 1, 2007 through December 31, 2007, at a total cost not to exceed \$914,600, plus five percent for contingencies.

0706-42 ANNUAL NOTICE OF MEETINGS 38969

Adopt the Annual Notice of Meetings (Exhibit A) for all of the Board of Directors meetings during Fiscal Year 2008.

0706-43 ANNUAL DESIGNATIONS AND BOARD COMMITTEE MEMBERSHIP SELECTION 38972

Approval of this item will designate Myron P. Shevell to serve as Vice Chairman of the Board of Directors and Gwen A. Watson as Secretary of the Board of Directors through June 2008 and appoint the members of all Board Committees as set forth in Exhibit A.

PUBLIC COMMENTS ON NON-AGENDA ITEMS

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 contract negotiations and attorney-client, litigation and personnel matters; 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.

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. and NJ TRANSIT Mercer, 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 May 17, 2007 Board meetings of the New Jersey Transit Corporation, NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Rail Operations, Inc. and NJ TRANSIT Mercer, Inc. were forwarded to the Governor on May 18, 2007;

NOW, THEREFORE, BE IT RESOLVED that the minutes of actions taken at the May 17, 2007 New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc. and NJ TRANSIT Mercer, Inc. Board of Directors' meetings are hereby approved.

Jon S. Corzine
Governor

Kris Kolluri, Esq.
Board Chairman

Richard R. Sarles
Executive Director

NJTRANSIT
180 Boyden Avenue
Maplewood, NJ 07040-2494
973-378-6300



TO: BOARD OF DIRECTORS
FROM: RICHARD R. SARLES *R. Sarles*
DATE: JUNE 13, 2007
SUBJECT: EXECUTIVE DIRECTOR'S REPORT – JUNE 2007

Since the first multilevel train entered service in December of last year, we have continued to receive positive feedback from both customers and employees. To date, we have 23 multilevel rail cars on the property, with a number of cars going through the commissioning and testing process. Last month, we increased our eight-car train to an 11-car train on the Northeast Corridor, which has been running well with four trips per weekday.

Today the Board will consider the purchase of additional multilevel vehicles to replace the Comet III rail cars in need of a midlife overhaul. This replacement is a cost effective move that will also enable more customers to benefit from the comfort and convenience of the multilevel rail cars.

This month, as part of an ongoing effort to maintain our rail infrastructure in a state-of-good-repair, there is an item on the agenda to restore the 86-year-old Big Shark River Drawbridge, located between Belmar and Avon on the North Jersey Coast Line. This project will focus on modernizing the approaches to the bridge, extending its useful life and ensuring reliable and safe operation for years to come.

On a related note, this month we began work on a project that will improve the reliability of rail service for our Gladstone Branch customers on the Morris & Essex Lines. We are currently working to replace wooden catenary poles—which support the overhead wires that supply power to trains—with new steel poles along a portion of the Gladstone Branch. The new steel catenary structures will reduce maintenance and improve service reliability.

For our Atlantic City customers, there is an item before the Board that will enable us to maintain a service that is very important to our riders and the Atlantic City community. Currently, the Atlantic City Jitney Association provides a shuttle bus service between the Atlantic City Rail Terminal and Convention Center and various hotel locations, serving more than 1,200 passengers on a typical weekday—many of them employees of Atlantic City businesses. By extending our existing agreement with the Association, we will be able to maintain this useful, necessary service for the benefit of our customers and the community.

On the bus side, in time for the peak summer employment season at Newark Liberty International Airport, we are significantly increasing service on our No. 62 bus route between Newark Penn Station and the airport. The service enhancements will take effect with our June 23 bus schedule change and are part of the 40,000 hours of increased service we said would be added in the coming fiscal year.

The No. 62 bus service connects people to the airport from rail and light rail at Newark Penn Station, and offers airport employees, in particular, a very affordable trip to their workplace. The line serves approximately 5,000 riders on a typical weekday—with about 3,000 of those trips to or from the airport. By adding capacity and improving frequency, we can accommodate ridership growth of another ten percent. These service improvements represent the first phase of our effort to improve access to jobs at this major employment site and which is an economic engine for the Greater Newark area.

Finally, it is with deep regret that I report the passing of a good friend and respected colleague, Rick Mariani. As you know, I recently appointed Rick as the new Customer Advocate and was excited about the action plan that he was developing to improve service delivery to our customers. While we mourn the loss of such a dedicated, dynamic individual, I know that Rick's commitment to public service and his compassion and concern for the customer will be his legacy. I will identify a new Advocate to carry on Rick's good work in the coming weeks.

EXECUTIVE DIRECTOR'S MONTHLY REPORT JUNE 2007

- 1. HIGHLIGHTS**
- 2. CUSTOMER AND COMMUNITY INITIATIVES**
- 3. EMPLOYEE RECOGNITION**
- 4. DBE/MBE PROGRAM**
- 5. PERFORMANCE MEASURES**

HIGHLIGHTS

NJ TRANSIT set to restore Bloomfield Station Shelter

Thanks to support from U.S. Rep. Bill Pascrell, Jr. and Senator Ronald L. Rice in securing funding, customers of the historic Bloomfield Station on the Montclair-Boonton Line will benefit from a restored and reopened shelter—with a climate-controlled waiting area, new lighting and seating. The project was approved on May 17 by the NJ TRANSIT Board of Directors.

The Board awarded a \$1.3 million contract to Watertrol, Inc. of Cranford, NJ to rehabilitate the inbound shelter and restore the boarding platforms. Listed on the State and National Registers of Historic Places, the inbound shelter suffered fire damage in 1991 and was stabilized in 2004 to preserve the structure for future rehabilitation.

The project will include installation of new windows, floor tiles, lighting and seating, as well as heating and air conditioning in the waiting area. The project also calls for the repair and staining of the concrete platform and canopy, strengthening of roof supports and installation of new roofing tiles.

Serving approximately 900 customers on a typical weekday, Bloomfield Station is NJ TRANSIT's busiest outlying station on the Montclair-Boonton Line.

Construction on the project will begin this summer, with completion expected in 2008.

CUSTOMER AND COMMUNITY INITIATIVES

Newark Light Rail gets new, improved weekend schedule

Getting around downtown Newark on the weekends is now easier for many Newark Light Rail customers, thanks to a new schedule that doubled weekend service on the extension to Broad Street Station beginning Saturday, June 9.

Effective June 9, on both Saturdays and Sundays, Newark Light Rail operates on a 15-minute schedule, providing more frequent early-morning and late-evening service for all customers and doubling the existing service level on the extension to Broad Street.

The new 15-minute schedule provides new connection opportunities for Morris & Essex Lines customers and better access to weekend events at the New Jersey Performing Arts Center (NJPAC), Newark Bears & Eagles Riverfront Stadium, The Newark Museum and other downtown destinations.

NJ TRANSIT also introduced "thru service" between Grove Street, Newark Penn and Broad Street stations, enabling weekend customers to travel between the Newark Light Rail's main line and the extension to Broad Street without changing trains at Newark Penn Station.

River LINE offers earlier, later and faster service

New River LINE timetables took effect May 26, featuring changes that enhance the functionality of the system and benefit customers traveling to work or to entertainment destinations.

NJ TRANSIT introduced new seven-day-a-week late-night service, as well as additional early-morning travel options for River LINE customers. In addition, the River LINE now also offers faster service, thanks to new signaling procedures that save customers five to six minutes on the standard trip between Camden and Trenton.

New late-night service

On Sunday, May 27, the River LINE launched new late-night service from Camden to Route 73/Pennsauken Station—every night of the week.

Recently completed signal upgrades allow River LINE trains departing Camden as late as midnight to operate to Pennsauken, where customers can park for free and use light rail to access dining, cultural and entertainment destinations in Camden and Philadelphia.

We previously only offered late-night service beyond 36th Street on Saturday nights, with the last River LINE train serving Pennsauken departing Camden at 9:30 p.m. on other nights.

Under the new service, River LINE trains provide departures from Camden's Entertainment Center Station at 10:00 p.m., 10:30 p.m., 11:00 p.m., 11:30 p.m. and 12:00 a.m., making all stops to Route 73/Pennsauken.

The new seven-day-a-week service benefits second-shift workers from Cooper University Hospital and the Camden and Philadelphia employment markets and allows visitors to enjoy the many dining and entertainment destinations along the Waterfront.

New early-morning weekday service

Effective Tuesday, May 29, customers have additional early-morning travel options on the River LINE with new departures from Camden and from the Route 73/Pennsauken Park & Ride Station, enabling them to make earlier connections to Northeast Corridor and PATCO trains.

- A new train departs the Walter Rand Transportation Center at 5:53 a.m. and arrives in Trenton at 6:42 a.m. The train makes limited stops and arrives in Trenton in time for customers to connect to Northeast Corridor express service to New York Penn Station.
- Two new southbound trains are offered between Pennsauken and Camden—one departing at 5:30 a.m. and arriving at the Walter Rand Transportation Center at 5:40 a.m., and the other departing at 6:10 a.m. and arriving at Entertainment Center Station at 6:27 a.m.

New early-morning weekend service

Weekend service has also been enhanced with new early-morning departures from Pennsauken to Camden's Entertainment Center Station.

- On Saturdays, new southbound departures from Pennsauken are offered at 5:52 a.m. and 6:52 a.m., arriving at the Entertainment Center at 6:09 a.m. and 7:09 a.m., respectively.
- On Sundays, new southbound departures from Pennsauken are offered at 6:03 a.m. and 6:52 a.m., arriving at the Entertainment Center at 6:20 a.m. and 7:09 a.m., respectively.

NJ TRANSIT offers 'early getaway' service for Memorial Day weekend

NJ TRANSIT offered "early getaway" rail and bus service on Friday, May 25, for the benefit of customers leaving work early for the Memorial Day holiday.

Extra outbound trains operated on the Northeast Corridor, North Jersey Coast, Raritan Valley and Morris & Essex lines, and extra buses operated from the Port Authority Bus Terminal on more than two dozen routes.

In addition, NJ TRANSIT's Family Super Saver Fare, which allows up to two children 11 and under to travel free with each fare-paying adult, remained in effect from 7 p.m. Friday, May 25 until 6 a.m. Tuesday, May 29.

NJ TRANSIT offers extra rail and bus service for Puerto Rican Day Parade

To accommodate customers traveling to and from the annual Puerto Rican Day Parade in New York City, NJ TRANSIT offered extra rail and bus service on Sunday, June 10, in addition to regular weekend service.

NJ TRANSIT operated seven extra trains on the North Jersey Coast Line to provide additional seating capacity and travel flexibility for customers. At Perth Amboy Station, NJ TRANSIT set up special ticket booths for customers purchasing tickets with cash.

In addition, extra bus service was offered to the Port Authority Bus Terminal on a number of lines.

EMPLOYEE RECOGNITION

NJ TRANSIT Police present awards for excellence

The NJ TRANSIT Police Department held its annual awards ceremony May 18, at headquarters in Newark, to honor the members of our finest. Chief Joseph Bober and Captain Al Stiehler, together with Executive Director Rich Sarles, presented a total of 32 awards in recognition of some of our officers and the actions they take to ensure the safety of our employees, customers, transportation network and our state.

This year's award recipients follow:

Meritorious Duty Award

- Police Officer Michael Bavosa

Excellent Police Service Award

- Police Officer Michael Bavosa
- Police Officer Salvatore Bivona
- Police Officer Keith Hirschbein
- Police Officer Joshua Martinez (Newark Police Department)
- Police Officer Stefano Ottomanelli
- Police Officer John Sullivan
- K-9 Officer Hootie

Life Saving Award

- Police Officer Andrew Capriglione
- Police Officer Elaine Donnadio
- Police Officer Greig Fallon
- Police Officer Keith Hirschbein
- Police Officer Kenneth Podolski

Unit Citation Award

- Sergeant Andrew Crowe
- Sergeant Charles Hess
- Detective Marianna Tropeano
- Police Officer Salvatore Bivona
- Police Officer Andrew Capriglione
- Police Officer Toni Cruz
- Police Officer John Feehan
- Police Officer Robert Furlong
- Police Officer Jonathan Giles
- Police Officer James Ludzieski
- Police Officer Jakub Masiak
- Police Officer Timothy McCurdy
- Police Officer Alexis Melendez
- Police Officer John Sullivan

Civilian Commendation Award

- Fare Inspector Alex Moreno
- Fare Inspector Melanie Redd
- Fare Inspector John Yancey
- Dispatcher Cindy Rodriguez
- Dispatcher Brian Sheehan

In addition, the following employees graduated from the Citizen Police Academy:

- David Amecangelo
- Kenneth Ellis
- Carlos Freire
- Rose Marques
- Alejandra Monroig
- Jose Padron
- Michael Rosenthal
- Robert Sanders
- Allan Sharpe

NJ TRANSIT Bus Operations department presents safety awards

On May 17, NJ TRANSIT Bus Operations held its annual Bus Safety Awards ceremony at the Ferry Street building in Newark, in recognition of both transportation and maintenance employees who have achieved various goals in maintaining their commitment to safety.

The awards and their recipients follow:

Group Safety Award – Transportation

- Wayne Garage
- Ironbound Garage
- Egg Harbor Twp. Garage

Group Safety Award – Maintenance

- Greenville Garage
- Howell Garage
- Egg Harbor Twp. Garage

Group Safety Award – Support Group

- Southern Terminals

Safe Driving Award – 20 Years

- Hewlett Adkins, Hilton Garage
- Roslyn Bailey, Ironbound Garage
- Shirley Boyd, Egg Harbor Garage
- Rodney Brooks, Egg Harbor Garage
- Michael Cribb, Hamilton Garage
- Virginia Jones, Oradell Garage
- Hedayat Khalpari, Oradell Garage
- Remon Robinson, Hamilton Garage
- Eddie Trotty, Oradell Garage
- Steven Van Sant, Egg Harbor

Safe Driving Award – 30 Years

- Antonio Longobardo, Orange Garage
- Clifford Streater, Washington Twp. Garage

Save Driver Award – 10 Years

Big Tree Garage:

Michelle Herald
Cedric James
Wayne F. Wilson

Egg Harbor Garage:

Katheryn Andy
Gregory Benjamin
Steven Mason
Eugene Peyton
Timothy Smith

Fairview Garage:

Edgar Vera

Greenville Garage:

Doretha Jackson
Octavia Monrinville

Hamilton Twp. Garage:

Jonathan Edwards
Claude Townsend
Ogar Watson

Hilton Garage:

Samantha Bradberry
Jeanetta Canty
Marvin Isaac
Tia Lassiter
Sakinah Ligon
Geronimo Parraga
Denise Pierce

Howell Garage:

Ibrahim Sanad
Paul Zick

Ironbound Garage:

Catherine Akbar
Patricia Dodson
Laraque Louis
Ruby Mayo
Adriann Raden
Marvin Tisdale

Market Street Garage:

William Acevedo
Andrew Fredrick

Meadowlands Garage:

Alicia Cardona
Tony Nazlikian
Donald Smart

Newton Ave. Garage:

Willie McBride
Bonnie Sturgis
Wilson Wan

Oradell Garage:

Wallace Sparks
Stephen Wong

Orange Garage:

Lee Crutcher
Ulysses Guthrie
Daryl Porter
Raheema White

Washington Twp. Garage:

Bernadine Council
Brian Crawford
Royal Dixon
James Fishburn
Samuel Jones
Edward Mahan
Thomas Meyer
Nathaniel Taylor

Wayne Garage:

Eduardo Aliaga
Nick Capozzoli
Maria Maldonado

NJ TRANSIT employees bid farewell after outstanding careers

Sixteen NJ TRANSIT employees retired in May with careers ranging from 15 to 29 years of service:

1. Richard Warden (Rockaway) Hilton Garage Repairman "A" – 29 years
2. Joan Nychay (Roselle Park) Penn Plaza Clerk – 28 years
3. Asim M. Nashid (Irvington) Hilton Garage Bus Operator – 27 years
4. Muzamil Rana (Haledon) Market Street Garage Bus Operator – 27 years
5. Charles Newman (Newark) Big Tree Garage Bus Operator – 26 years
6. Lee Pittman (Sewell) Washington Township Bus Operator – 26 years
7. Hewlett S. Adkins (Fords) Hilton Garage Bus Operator – 25 years
8. Charles Freudenvoll (Fords) Hilton Garage Mechanic – 25 years
9. Victor Carbonell (Passaic) Wayne Garage Bus Operator – 24 years
10. Phil Deloatch (Bloomfield) Orange Garage Bus Operator – 24 years
11. Alvin Collins (Elm) Egg Harbor Township Bus Operator – 22 years
12. Harold Phillips (East Orange) PABT Starter – 21 years
13. Carmelo Toledo (Jackson) Howell Garage Ticket Agent – 21 years
14. Patricia E. Persinko (Old Bridge) Position: Hilton Garage Stock Clerk – 20 years
15. Ella Washington (Jersey City) Greenville Garage Bus Operator – 20 years
16. Joan Shumate (Union) TIC/GOB Information Clerk – 15 years

DBE/MBE PROGRAM

NJ TRANSIT – Office of Business Diversity DBE/SBE Participation

Federally Funded Contracts

\$16,921,721 in federal funds was awarded during October through May of FY 07.* Disadvantaged Business Enterprises (DBEs) were awarded \$3,766,496 or 22.3 percent, which includes both race conscious and race neutral awards.

State Funded Contracts

\$232,619,754 in state-funded contract dollars was awarded during July through May FY 07. ** Of that total, Small Business Enterprises (SBEs) received \$34,959,395 or 15 percent. Category 1 SBEs received \$15,219,713 or 6.5 percent. Category 2 SBEs received \$922,344 or 0.4 percent. Category 3 SBEs received \$922,721 or 0.4 percent. Category 4 SBEs received \$5,382,282 or 2.3 percent. Category 5 SBEs received \$12,512,335 or 5.4 percent ***

Federal & State Contracts Total

\$249,541,475 in federal and state contract dollars were awarded by NJ TRANSIT during this reporting period. Of that total, \$38,725,891 or 15.5 percent of federal and state contract dollars was won by DBEs and SBEs.

Hudson-Bergen Light Rail Transit System Project

Of \$1,433,024,411 in contract dollars awarded for the Hudson-Bergen Light Rail Transit System project****, \$180,729,496 or 12.6 percent has been received by DBEs. Of the \$180,729,496, 6 percent or \$86,823,647 has been won by Women Business Enterprises (WBEs) who are classified as DBEs.

*Fiscal year beginning October 1, 2006

**Fiscal year beginning July 1, 2006

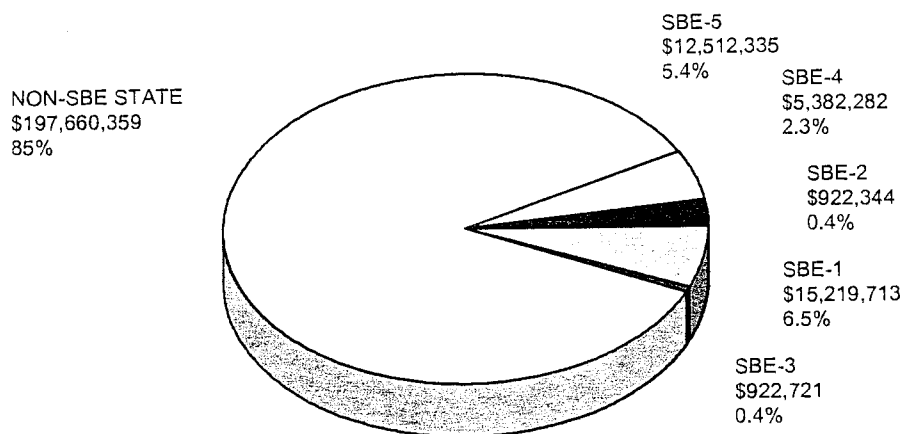
***Cat 1-Less than \$500,000 gross revenues, Cat 2-Less than \$5 million, Cat 3-Less than \$12 million, Cat 4 (construction)-Less than \$1 million, Cat 5 (construction)-Less than \$17,420,000

****This YTD figure reflects federal dollars expended on an annual basis; including change orders, for the period from December, 1996 through April 2005.

**DBE PARTICIPATION
FEDERAL CONTRACTS
FEDERAL FYTD (THROUGH MAY 07)***



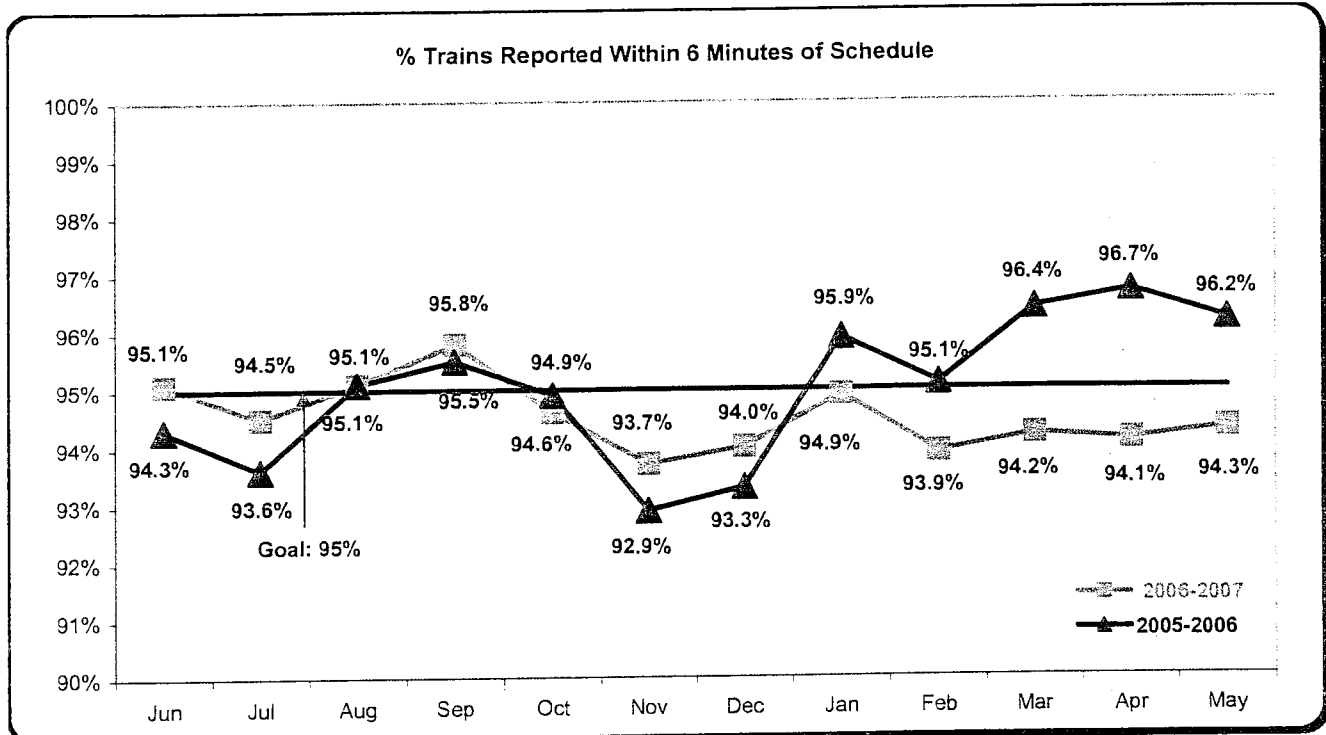
**SBE PARTICIPATION
STATE CONTRACTS
STATE FYTD (THROUGH MAY 07)****



Fiscal Year Beginning October 1, 2006*
Fiscal Year Beginning July 1, 2006**

PERFORMANCE MEASURES

NJ TRANSIT ON-TIME PERFORMANCE RAIL JUNE 2005 - MAY 2007



	2005-2006	2006-2007	# Change
May Comparison	96.2%	94.3%	-1.9%

	2005-2006	2006-2007	# Change
12-Month Average June - May	95.0%	94.5%	-0.5%

Analysis:

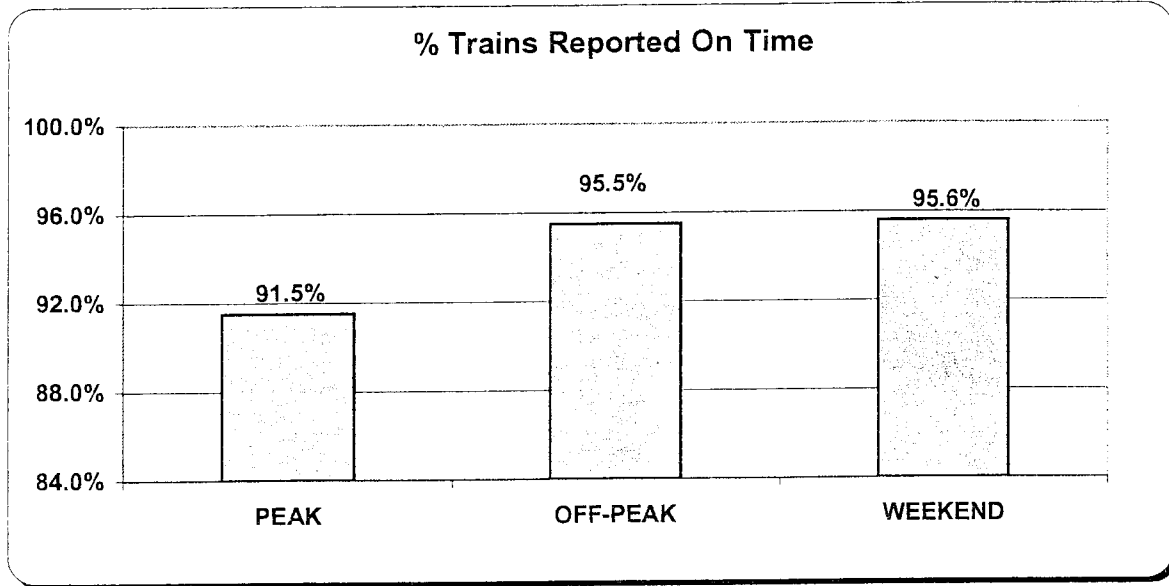
Rail On-Time Performance for May 2007 was 94.3%. Of the 19,443 trains that were scheduled to operate, 18,327 were on time, while 1,010 trains (or 5.7%) were delayed. Causes of delay included:

- A tree falling into overhead wires between Rahway and Elizabeth on the Northeast Corridor on May 16th;
- A failure in a portion of a catenary pole resulting in interference with pantographs on the Gladstone Branch near Stirling on May 22nd.;
- A downed wire on the Northeast Corridor near Secaucus Junction on May 24th;
- A failure of Amtrak's computerized dispatching system in New York on May 25th; and
- A switch failure on the Northeast Corridor near Secaucus Junction on May 29th.

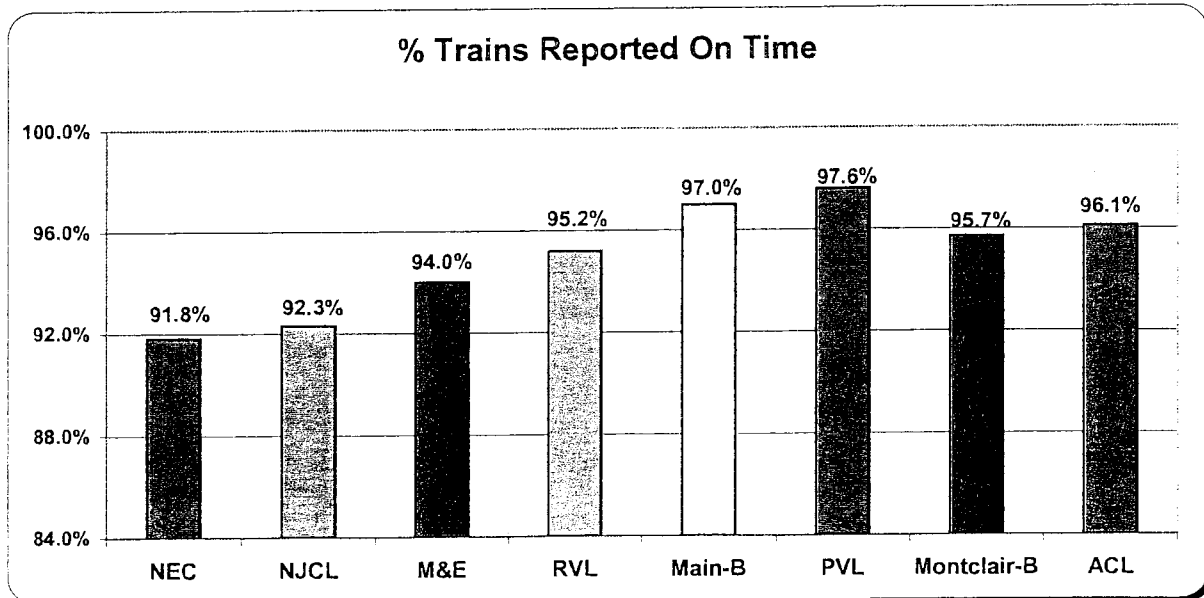
The 12-month average for Rail On-Time Performance systemwide for June 2006 - May 2007 was 94.5%.

ON-TIME PERFORMANCE RAIL

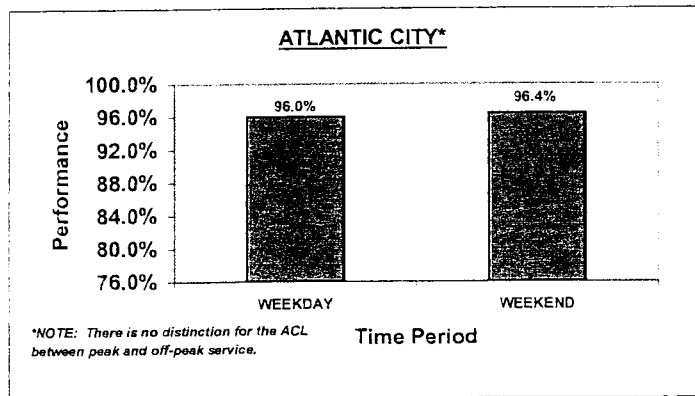
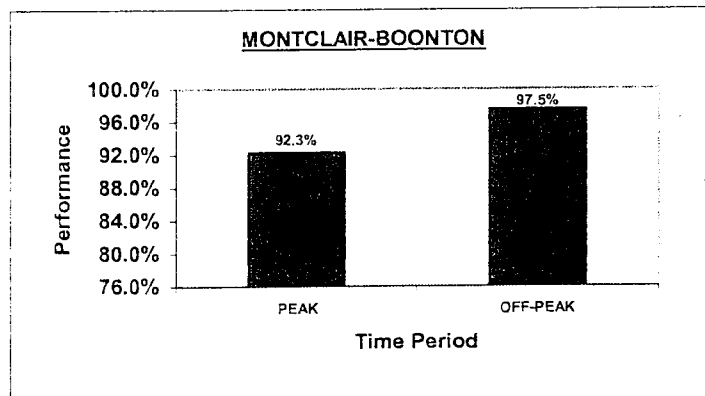
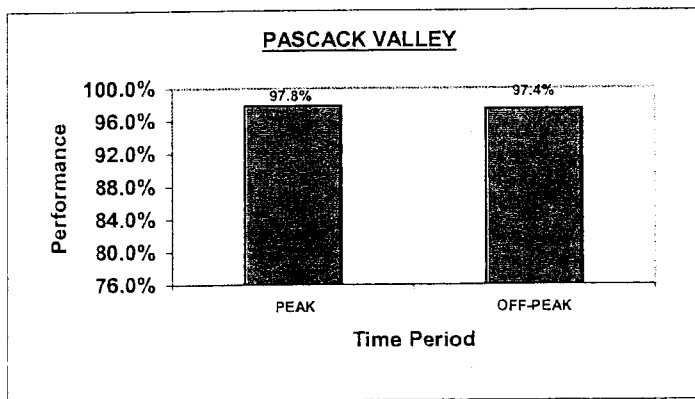
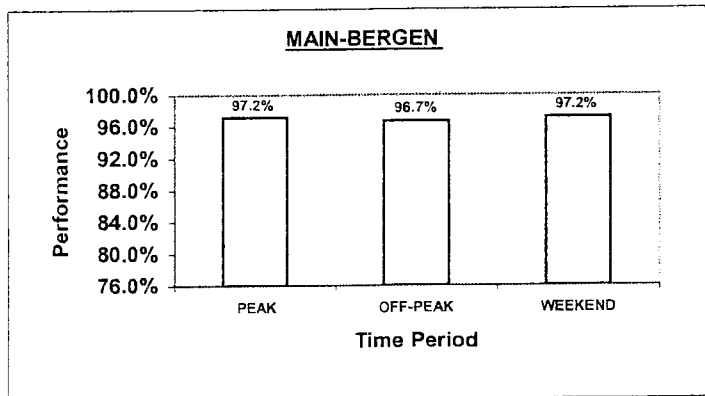
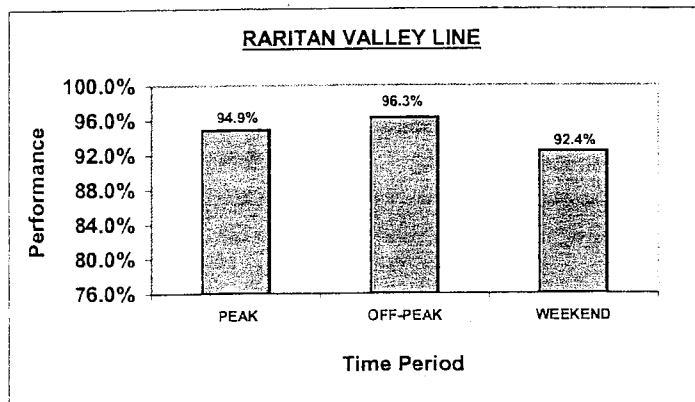
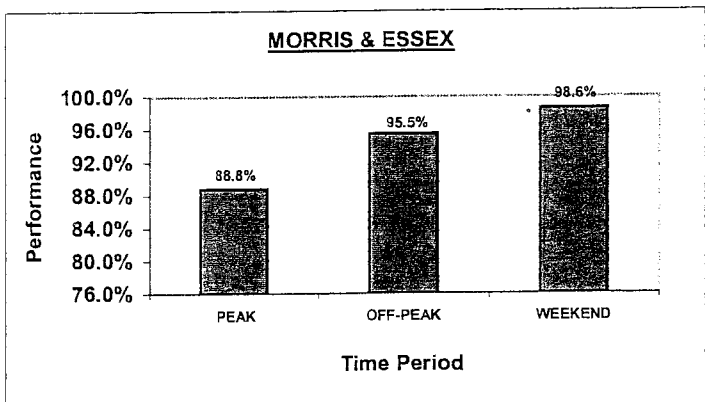
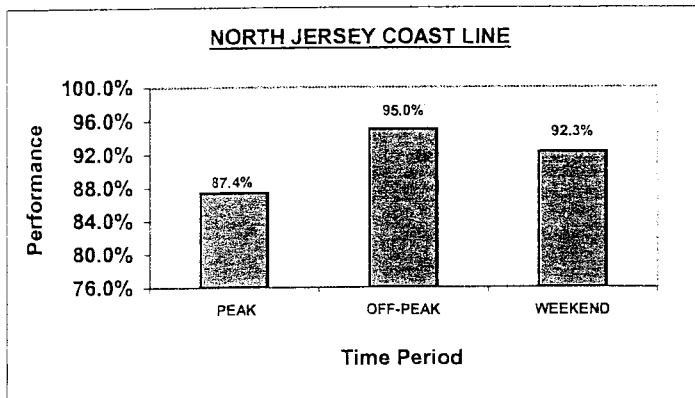
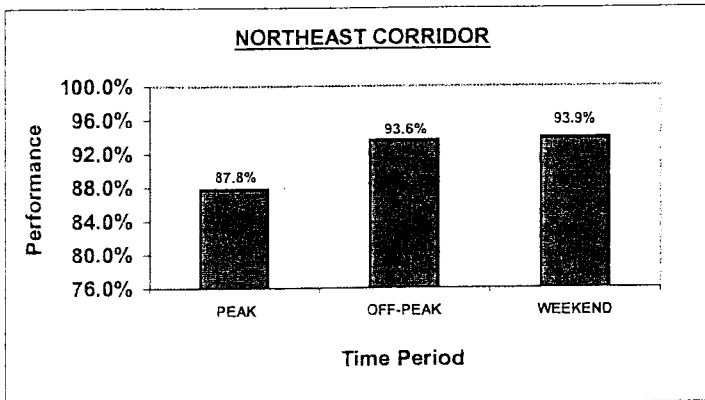
SUMMARY BY TIME PERIOD MAY 2007



SUMMARY BY LINE MAY 2007

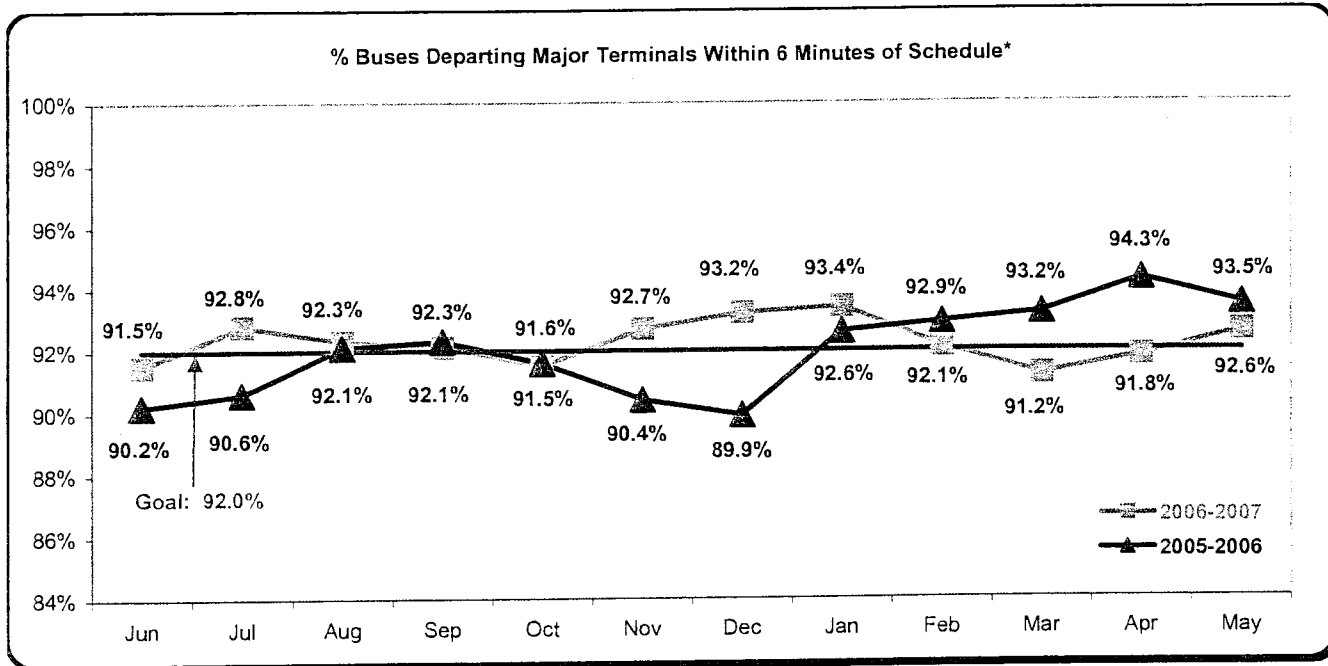


ON-TIME PERFORMANCE BY RAIL LINE & TIME PERIOD MAY 2007



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

NJ TRANSIT ON-TIME PERFORMANCE BUS JUNE 2005 - MAY 2007



*Note: Includes the Walter Rand Transportation Center, Atlantic City Bus Terminal, Port Authority Bus Terminal and Newark Penn Station

	2005-2006	2006-2007	# Change
May Comparison	93.5%	92.6%	-0.9%

	2005-2006	2006-2007	# Change
12-Month Average June - May	92.0%	92.3%	0.3%

Analysis:

Bus On-Time Performance for May 2007 was 92.6%. Of the 32,105 monitored departures, 2,368 (or 7.4%) experienced delays. Key sources of delay included:

Heavy traffic on the Ben Franklin Bridge near the Walter Rand Transportation Center on May 1st;

The closure of the outbound center ramp from the Port Authority Bus Terminal on May 4th;

A truck fire on the George Washington Bridge in the westbound direction on May 14th;

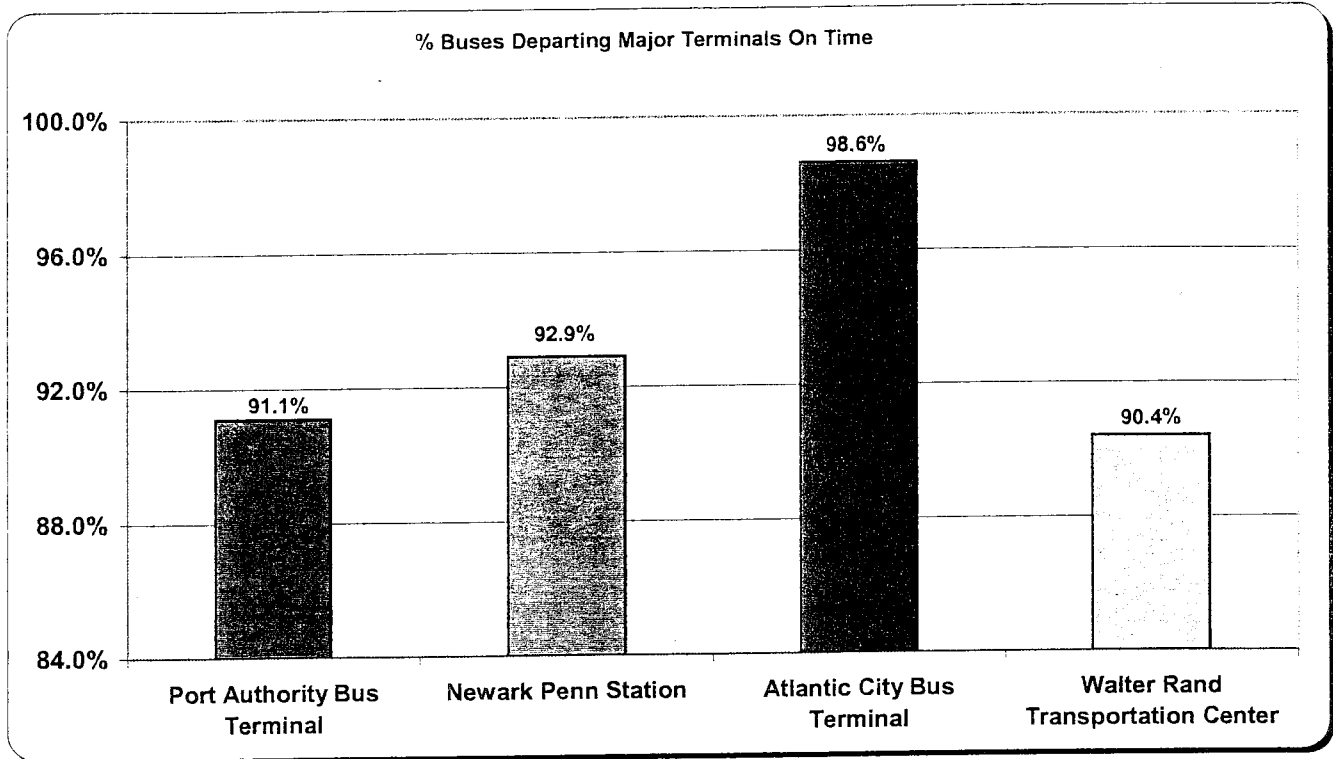
A car fire on the Ben Franklin Bridge near the Walter Rand Transportation Center on May 23rd; and

Heavy traffic throughout the state due to the holiday weekend on May 25th.

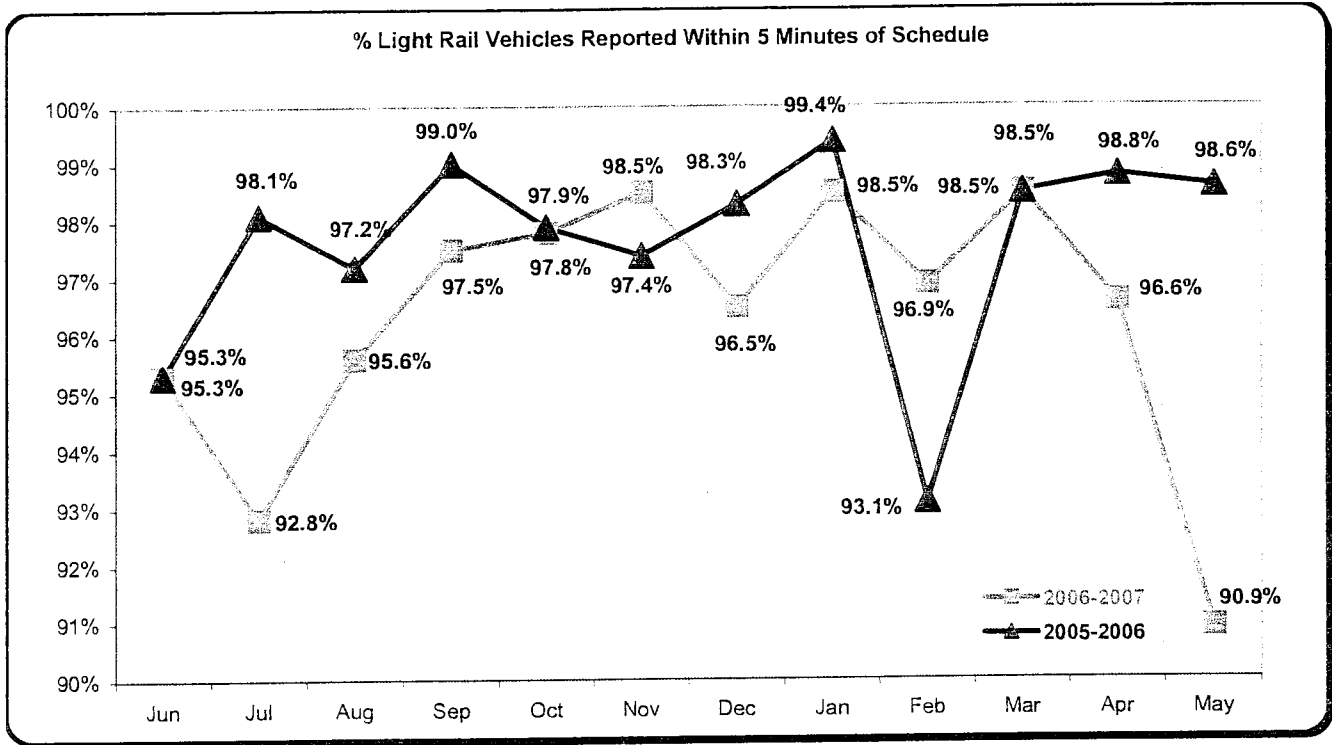
The 12-month average for Bus On-Time Performance for June 2006 - May 2007 was 92.3%, an increase over the performance of the previous 12-month period.

ON-TIME PERFORMANCE BUS

SUMMARY BY TERMINAL MAY 2007



NJ TRANSIT ON-TIME PERFORMANCE HUDSON-BERGEN LIGHT RAIL JUNE 2005 - MAY 2007



	2005-2006	2006-2007	# Change
May Comparison	98.8%	90.9%	-7.9%

	2005-2006	2006-2007	# Change
12-Month Average June - May	97.6%	96.3%	-1.3%

Analysis:

Hudson-Bergen Light Rail (HBLR) On-Time Performance for May 2007 was 90.9%. Of the 17,736 scheduled trips for the month, 1,621 (or 9.1%) were delayed. Delays during May 2007 were primarily from scheduled weekend track outages due to the construction of a new hotel at Newport adjacent to the Right-of-Way. Other causes of delay included:

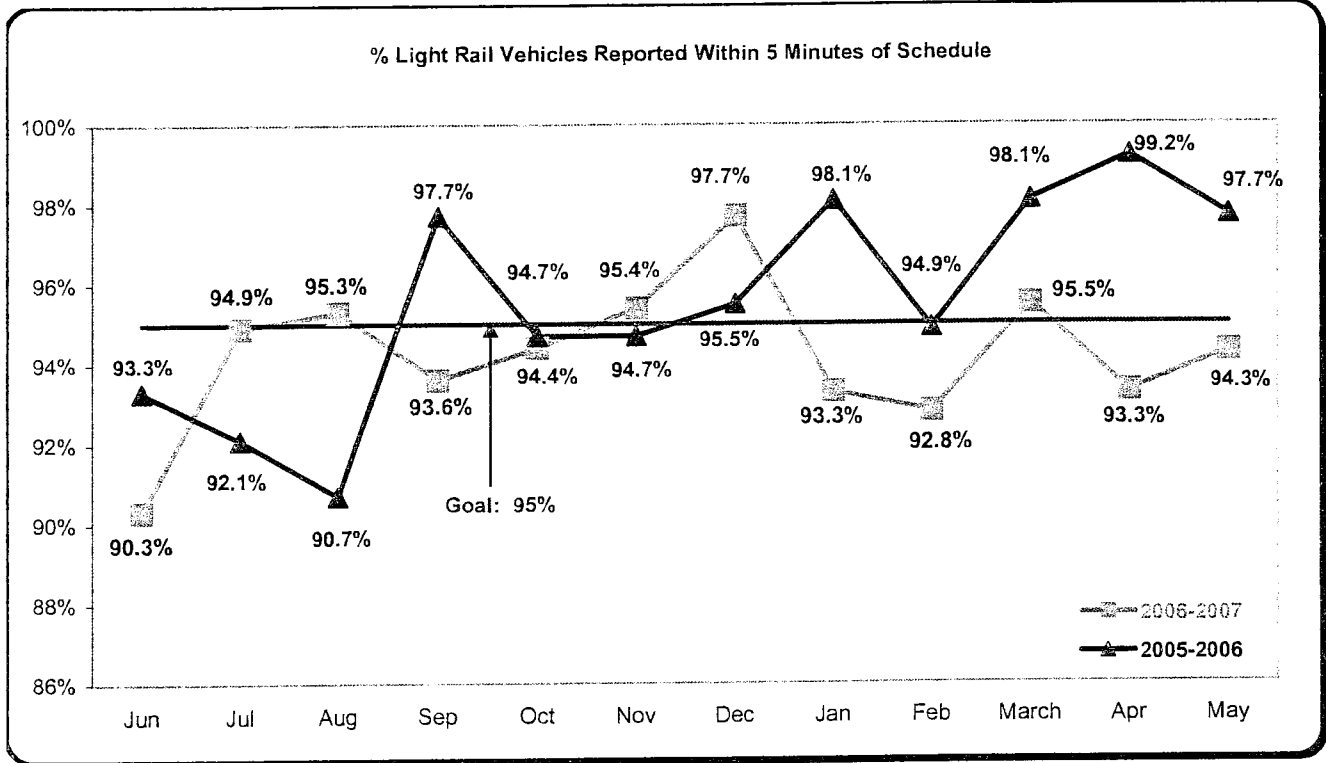
Fire Department activity on May 16th;

Signal problems on May 23rd; and

An underground transformer fire on the PATH system near Exchange Place on May 25th.

The 12-month average for HBLR On-Time Performance for June 2006 - May 2007 was 96.3%, slightly below the average of the previous 12-month period.

NJ TRANSIT ON-TIME PERFORMANCE River LINE JUNE 2005 - MAY 2007



	2005-2006	2006-2007	# Change
May Comparison	97.7%	94.3%	-3.4%

	2005-2006	2006-2007	# Change
12-Month Average June - May	95.6%	94.2%	-1.4%

Analysis:

River LINE On-Time Performance for May 2007 was 94.3%. Of the 3,048 scheduled trips for the month, 174 (or 5.7%) were delayed. Other causes of delay included:

Equipment failures on May 10th, 30th, and 31st;

A Control Center failure on May 15th; and

A major spring storm on May 16th.

The 12-month average for HBLR On-Time Performance for June 2006 - May 2007 was 94.2%, a 1.4% decrease from the average of the previous 12-month period.

ACTION ITEMS

plus five percent for contingencies, for a total contract authorization of \$20,884,357, subject to the availability of funds.

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

FISCAL IMPACTS:

Requested Authorization:

Bombardier Transit Corporation

This Authorization \$55,436,358 +5%

Total Authorization \$551,720,008

LTK Engineering Services

This Authorization \$875,000 + 5%

Total Authorization \$20,884,357

Total Project Cost: \$747,098,000

Projected Date of Completion: Delivery of the final contract option "D" car – May 2009

Anticipated Source of Funds: Federal Transit Administration
Transportation Trust Fund

Diversity Goal: The Federal Transit Administration certifies Bombardier Transportation has an approved transit vehicle manufacturer program.

Related/Future Authorizations: Contract options for additional MLVs

Impacts on Subsequent Operating Budgets: \$500,000 - \$1,000,000 annually

RESOLUTION

WHEREAS, the first multilevel vehicle equipped train entered service on the Northeast Corridor in December 2006 and feedback from both customers and employees has been very positive; and

WHEREAS, NJ TRANSIT's rail fleet plan has identified a need to purchase additional MLVs to address continued ridership growth within existing platform capacities at outlying stations and Penn Station New York; and

WHEREAS, Bombardier Transportation of Montreal, Canada, was previously selected by a competitive procurement process to design and manufacture MLVs; and

WHEREAS, LTK Engineering Services of Ambler, Pennsylvania, was previously selected by a competitive procurement process to provide engineering support for the MLVs; and

WHEREAS, the NJ TRANSIT Board of Directors at its June 2006 meeting authorized the purchase of eight MLVs at a cost not to exceed \$11,865,318 plus five percent for contingencies for use on the Atlantic City Express Service;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to exercise the contract option (No. 01-097) with Bombardier Transportation of Montreal, Canada, for the purchase of 45 additional multilevel vehicles (including the eight vehicles previously authorized), at a cost not to exceed \$67,301,676, plus five percent for contingencies, for a total contract authorization of \$551,720,008, subject to the availability of funds; and

BE IT FURTHER RESOLVED that the Chairman or Executive Director is authorized to amend the contract (No. 99CX134) with LTK Engineering Services of Ambler, Pennsylvania, for additional engineering support for the additional 45 MLVs through the end of the warranty period at a cost not to exceed \$875,000, plus five percent for contingencies, for a total contract authorization of \$20,884,357, subject to the availability of funds.

ITEM 0706-37: NEWARK LIGHT RAIL RETAINING WALL AT PORTAL REPLACEMENT: CONSTRUCTION CONTRACT

BENEFITS

The retaining wall at the Newark Light Rail (NLR) tunnel portal is located along the inbound right-of-way line between New and Wilsey Streets in the City of Newark. It was constructed in 1935 as part of the original Newark City Subway.

Due to decreasing structural integrity of the existing retaining wall, removal of a 475-foot section of the wall is required to ensure continued operations. The project will remove the failing section of retaining wall, construct a new retaining wall to support New Street adjacent to the NLR portal, re-grade the slope from the NLR onto the adjacent property and construct a small boundary wall at the top of the re-graded slope. This approach will save NJ TRANSIT approximately \$1,500,000 in construction costs when compared to replacing the existing retaining wall in-kind.

PURPOSE

Authorization of this contract will allow for the removal of the retaining wall in an expeditious manner to ensure the continued safety and operations for Newark Light Rail patrons and employees.

Constructing a new retaining wall to support New Street, re-grading the adjacent slope and constructing the boundary wall at the top of the slope minimizes the height of the new retaining wall supporting New Street. In addition, constructing the boundary wall will enable the adjacent property owner, University Heights Science Park, Inc., to advance its development plans without impact to the Light Rail operations.

ACTION (Justification: Operational Safety)

Staff seeks authorization to award a contract to the most responsible and responsive bidder for the removal and replacement of the NLR Portal Retaining Wall in an amount not to exceed the budgeted amount plus five percent for contingencies.

Staff also seeks authorization to execute a construction and license agreement or construction and easement agreement with University Heights Science Park, Inc. in order to proceed with the construction of the project based on the agreed design.

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

FISCAL IMPACTS:

Requested Authorization: Budget + 5% contingency

Total Project Cost: \$ 6,884,000

Projected Date of Completion: August 2008

Anticipated Source of Funds: Transportation Trust Fund

Diversity Goal: 25% SBE

Future/Related Authorizations: None

**Impact on Subsequent
Operating Budgets:** None

RESOLUTION

WHEREAS, the retaining wall at the Newark Light Rail tunnel portal located along the inbound right-of-way line between New and Wilsey Streets in the City of Newark has been found to be in deteriorating condition; and

WHEREAS, the removal and replacement of the retaining wall is required to ensure continued reliable operation of the Newark Light Rail; and

WHEREAS, the construction contract will allow for the removal of the existing retaining wall and construction of a new retaining wall at New Street, re-grading of the adjacent slope and construction of the boundary wall at the top of the slope in an expeditious manner; and

WHEREAS, the execution of the construction and license agreement or construction and easement agreement with University Heights Science Park, Inc. will allow the construction of the project based on the agreed design;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to award a contract to the most responsible and responsive bidder for the removal and replacement of the NLR Portal Retaining Wall in an amount not to exceed the project budget plus five percent for contingencies, subject to the availability of funds; and

BE IT FURTHER RESOLVED that the Chairman or Executive Director is authorized to execute the construction and license agreement or construction and easement agreement with University Heights Science Park, Inc. to allow the construction of the project based on the agreed design.

ITEM 0706-38: CONSTRUCTION REPLACEMENT OF THE TIMBER TRESTLE APPROACH SPANS AND THE THROUGH-GIRDER SPAN OF THE BIG SHARK RIVER DRAWBRIDGE, NORTH JERSEY COAST LINE, MILE POST 30.43

BENEFITS

The Big Shark River Drawbridge was built in 1921 and serves 48 daily trains carrying approximately 1,500 daily passengers. It is located at milepost 30.43 on the North Jersey Coast Line between Belmar and Avon-by-the-Sea. The replacement of the timber trestle approach spans and the steel through-girder flanking span of the drawbridge is necessary to meet state-of-good-repair initiatives and ensure reliable railroad commuter services for the 48 daily trains that cross this bridge.

PURPOSE

This authorization is for the award of a construction contract for the replacement of the timber trestle structure necessary to meet state-of-good-repair initiatives and to extend the continued service life of the Big Shark River Drawbridge crossing.

ACTION (Justification: State of Good Repair)

Staff seeks authorization to contract (No. 07-096X) with PKF-MARK III, Inc. of Newtown, Pennsylvania to perform the construction of the replacement of the timber trestle approach spans and the steel through-girder flanking span of the Big Shark River Drawbridge, at a cost not to exceed \$10,362,000, plus five percent for contingencies.

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

FISCAL IMPACTS:

Requested Authorization:	\$ 10,362,000 + 5% contingency
Total Project Cost:	\$17,000,000
Projected Date of Completion:	2009
Anticipated Source of Funds:	TTF
Diversity Goal:	21%
Future/Related Authorizations:	None
Impact on Future Operating Budgets:	None

RESOLUTION

WHEREAS, NJ TRANSIT owns and maintains the Big Shark River Drawbridge on its North Jersey Coast Line over the Big Shark River, between Belmar and Avon-by-the-Sea, New Jersey; and

WHEREAS, replacement of timber trestle spans and the steel through-girder flanking span of this bridge approach is needed to meet state-of-good-repair initiatives and to ensure reliable railroad commuter services; and

WHEREAS, upon completion of a competitive procurement process it was determined that PKF-MARK III, Inc. was the lowest responsive, responsible bidder;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to contract with PKF-MARK III, Inc. to perform construction of the replacement of the timber trestle approach spans and the steel through-girder flanking span of the Big Shark River Drawbridge, at a cost not to exceed of \$10,362,000, plus five percent for contingencies, subject to the availability of funds.

ITEM 0706-39: AMENDMENT OF BOARD ITEM 0405-24: NEWARK LIGHT RAIL (FORMERLY NEWARK CITY SUBWAY) EXTENSION AMENDMENT OF CONSTRUCTION MANAGEMENT SERVICES

PURPOSE

Authorization of this proposed amendment of Board Item 0405-24 will revise the previous authorization for amending the contract with DMJM+Harris/STV of Iselin, New Jersey for construction management services for the Newark Light Rail Extension to Broad Street Station project.

ACTION (Justification: New System Expansion)

Staff seeks authorization to amend Board Item 0405-24 to revise the additional authorization amount for contract No. 99CJ060 with the Joint Venture DMJM+Harris/STV of Iselin, New Jersey for additional construction management services for the Newark Light Rail Broad Street Extension project to an amount not to exceed \$4,578,284 plus five percent for contingencies. This authorization corrects the previous amount of \$3,652,198, plus five percent for contingencies, to accurately reflect the total authorization of \$12,052,198 as stated in Item 0405-24.

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

FISCAL IMPACTS:

Requested Authorization:	Corrected Authorization	\$ 4,578,284	+ 5%
	Total Authorization	\$ 12,052,198	

Total Project Cost: \$ 207,694,401

Projected Date of Closeout: July 2007

Anticipated Source of Funds: FTA, TTF

Diversity Goal: 30% MBE

Future Related Authorizations: None

RESOLUTION

WHEREAS, NJ TRANSIT contracted with the Joint Venture DMJM+Harris/STV of Iselin, New Jersey, to provide construction management services for the Newark Light Rail Broad Street Extension project; and

WHEREAS, Board Item 0405-24 authorized an amendment of contract (No. 99CJ060) with the Joint Venture DMJM+Harris/STV of Iselin, New Jersey for construction management services in an amount of \$3,652,198, plus five percent for contingencies, for a total authorization of \$12,052,198;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to amend Board Item 0405-24 to fund construction management services contract (No. 99CJ060) with the Joint Venture DMJM+Harris/STV of Iselin, New Jersey, in support of Newark Light Rail Broad Street Extension project to an amount not to exceed \$4,578,284 plus five percent for contingencies, for a total contract authorization of \$12,052,198, subject to the availability of funds.

ITEM 0706-40: COMPUTER HARDWARE/SOFTWARE: SOLE SOURCE MAINTENANCE AND LICENSING AGREEMENT RENEWAL**BENEFITS**

Materials and services which are available from only one source of supply are exempt from competitive procurement under N.J.A.C. 16:72-1.5(d) and for the most part the vendors have proprietary control over the manufacture of parts, components and services needed for NJ TRANSIT's continued use of technology.

The need for NJ TRANSIT to exercise sole and single source authority relates to non-general areas of procurement. NJ TRANSIT uses support agreements from the following vendors to maintain its ability to use and expand products for these business functions:

Passenger Communications – Solari, ComNet, Gough & Associates, GE, Penta, Arinc, Alpine
Internal Operating Systems – IBM, HP, Microsoft, Software AG, Oracle, Computer Associates
Transit Communications – Renaissance, Mentor
Business Software – Metavera, Kronos, PS Technology, Numera, Tangoe, Maximus, Geac
Security – Nicevision, Checkpoint, Symantec, CommVault
Customer Relationship Mgmt – Salesforce.com, Viecore, Trapeze, PD Systems

PURPOSE

NJ TRANSIT utilizes a variety of computing equipment and software to process information and this equipment and software are necessary for the continued operation of services. The manufacturers of the hardware and software under proposal are the only firms capable of providing licensing and maintenance services for their products. In each case, the firm is the original equipment manufacturer for the software/hardware or has acquired the rights to act as such. Hardware having multiple suppliers of maintenance has been excluded from this proposal and will be competitively procured as existing contracts expire.

Historically, software and hardware maintenance and licensing fees increase in price anywhere from five to ten percent each year. For planning purposes, unless otherwise noted, we are utilizing a five percent escalation for the second and third year pricing of each product.

Software Maintenance will provide for:

- Program maintenance for all software modules including support for solving any software logic errors;
- Software enhancements periodically released by the vendor to provide for additional features;
- Telephone assistance for immediate correction of program problems with minimum interruption of end user service; and
- Services including consultation and educational credits associated with the vendors' software.

Hardware Maintenance will provide for:

- Correction of hardware failures either on-site or through remote services;
- Guaranteed response time to minimize end user downtime;

- High volume spare parts stored locally for quick access and error correction; and
- Hardware upgrades where necessary to accommodate technology upgrades.

ACTION (Justification: State of Good Repair)

Staff seeks authorization to initiate or renew sole source maintenance and licensing agreements with the firms listed in Exhibit A for the hardware and software required to operate NJ TRANSIT's Information Systems at a total cost not to exceed \$6,580,670 for one-year contracts with two one-year renewals at a cost not to exceed \$13,829,061 for a total of \$20,409,731.

Staff seeks authorization to contract on a sole source basis with the firms listed in Exhibit A to upgrade and purchase hardware/software services for a total contract amount not to exceed \$8,354,065 subject to the availability of funds.

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

FISCAL IMPACTS:

Requested Authorization:	\$20,409,731 (One year contract with two one-year renewals)
	and in addition;
	\$8,354,065 (Hardware/Software purchase and upgrade)
Projected Date of Completion:	June 2010
Anticipated Source of Funds:	FY 08, 09, 10 Operating Funds
Diversity Goal:	N/A - Sole Source Procurement
Future/Related Authorization:	N/A

RESOLUTION

WHEREAS, various software maintenance contracts and licensing agreements expire this year; and

WHEREAS, these contracts insure the continued operation of both the computers and software which support NJ TRANSIT's system applications; and

WHEREAS, these products are being fully utilized throughout the corporation and demand for customer services and software upgrades continues; and

WHEREAS, NJ TRANSIT has attempted to identify other sources to provide these services and has found that the software is copyright protected; and

WHEREAS, the proposed vendors are the only vendors capable of providing these services;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to initiate or renew sole source maintenance and licensing agreements with the firms listed in Exhibit A for the hardware and software required to operate NJ TRANSIT's Information Systems at a total cost not to exceed \$6,580,670 for one-year contracts with two one-year renewals at a cost not to exceed \$13,829,061 for a total of \$20,409,731, subject to the availability of funds; and

BE IT FURTHER RESOLVED that the Chairman or Executive Director is authorized to contract on a sole source basis with the firms listed in Exhibit A to upgrade and purchase hardware/software services for a total contract amount not to exceed \$8,354,065, subject to the availability of funds.

EXHIBIT A

<p> IBM HP Development Company Software AG American Software Inc. GEAC Corporation KRONOS Corporation Renaissance Systems Inc. Computer Associates Inc. Metavera Solutions Inc. Oracle Corporation Bentley Systems Inc. Intergraph Corporation Attachmate Corp. PS Technology Maximus Inc. Process Software Corporation Network Associates Trapeze Software BEA Systems, Inc. Checkpoint Software Technology Ltd. Microsoft SYSTRA Consulting, Inc. SurfControl Plc. BigFix Inc. Viecore GE Transportation Systems Nice Systems Inc. iRail LLC. Solari USA Gough and Associates Inc. ComNet Software Specialists Inc. Automated Control Concepts Baran Design Associates Parsons Brinckerhoff Funkwerk Information Tech. York LTD Penta Corporation Arinc Inc. Alpine Systems Tangoe Numera Software CommVault Symantec Salesforce.com PD Systems Mentor Engineering </p>	<p> Operating System Software Operating System Software Mainframe Database Mgmt Software Software – Inventory /Materials Mgmt Software – HR/Payroll Software – Pay Time Collection Communications – Bus Radio System Operating System Software Software – Bus Operator Payroll Database Mgmt Software Computer Aided Design Software GIS Infrastructure Desktop/Mainframe Connectivity Rail Crew Dispatching Rail/Corp Fleet Maintenance Operating System Software Network Security Software Transit Itinerary Planning Software Website Software Platform Network Security Software Oper. Sys. Software & Office Suite Light Rail SCADA & Rail Simulation Internet Browsing Control Software Network Security Software IVR Software Passenger Information Systems Transit Security Software – Procurement Rail Parts Passenger Information Systems Passenger Information Systems Passenger Information Systems Passenger Information Systems Passenger Information Systems Software - Train Planning Software – Train Planning Passenger Information Systems Passenger Information Systems Passenger Information Systems Telephone Management Software – Help Desk Software - Back Up and Recovery Network Security - AntiSpam Soft. – Customer Relationship Mgmt ATIS software support Access Link Mobile Communications </p>
---	---

CONSENT CALENDAR

ITEM 0706-41: ATLANTIC CITY RAIL TERMINAL SHUTTLE SERVICE**BENEFITS**

Atlantic City Rail Line riders rely on connecting shuttle bus service between various hotel and casino locations and the Atlantic City Rail Terminal and Convention Center. The Atlantic City Jitney Association (ACJA) has provided the shuttle service under contract with NJ TRANSIT since July 1998. Continuation of this service is important to Atlantic City Rail Line riders and to the Atlantic City community.

PURPOSE

Authorization will continue operation of the Atlantic City Rail Terminal shuttle service past June 30, 2007 when the current agreement with ACJA expires. The shuttle service meets each arriving and departing train and operates 23 hours per day and 365 days per year.

ACTION (Justification: Cost Efficiencies)

Staff seeks authorization to extend the existing agreement with the Atlantic City Jitney Association for the operation of Atlantic City Rail Terminal shuttle service for up to six months, from July 1, 2007 through December 31, 2007, at a total cost not to exceed \$914,600, plus five percent for contingencies.

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

FISCAL IMPACTS:

Requested Authorization:	\$914,600 (6-month operations), plus 5% for contingencies
Total Project Cost:	N/A
Projected Date of Completion:	December 31, 2007
Anticipated Source of funds:	Fiscal Year 2008 Operating Budget
DBE Goals/Participation:	N/A
Related/Future Authorizations:	N/A
Impact on Subsequent Operation Budgets:	None

RESOLUTION

WHEREAS, the Atlantic City Jitney Association (ACJA) has provided shuttle bus service between various hotel and casino locations in Atlantic City and the Atlantic City Rail Terminal and Convention Center since July 1998; and

WHEREAS, NJ TRANSIT recognizes that the Atlantic City community and Atlantic City Rail Line riders benefit from the rail terminal shuttle service; and

WHEREAS, an extension of the current agreement with ACJA will continue operation of the Atlantic City Rail Terminal shuttle service past June 30, 2007 when the current agreement with ACJA expires;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to execute all agreements and to take other actions necessary and consistent with this Board action to extend the current contract with the Atlantic City Jitney Association for the operation of the Atlantic City Rail Terminal shuttle service for up to six months, at a cost not to exceed \$914,600, plus five percent for contingencies, subject to the availability of funds.

ITEM 0706-42: ANNUAL NOTICE OF MEETINGS

BENEFITS

The By-Laws, as amended, for the New Jersey Transit Corporation, NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Rail Operations, Inc. and NJ TRANSIT Mercer, Inc. state that the regular meetings of the Board of Directors be held on the second Wednesday of each month. A list of the meetings schedule is approved at the June meeting each year. The Annual Notice of Meetings is then transmitted to newspapers, filed with the Secretary of State, posted at NJ TRANSIT headquarters and mailed to any person who requests it.

Unless otherwise noted in the annual notice (Exhibit A), or as otherwise modified by the Board during the year in accordance with the Open Public Meetings Law, meetings will be held on the second Wednesday of each month at NJ TRANSIT headquarters in Newark, New Jersey, with the exception of at least two of the meetings during Fiscal Year 2008 that may be held at different locations within the State.

PURPOSE

The Open Public Meetings Law, P.L. 1975, c.231 requires that the public be given adequate notice of meetings of public bodies. Section 13 specifically provides that at least once each year, within seven days following the annual organization or reorganization meeting, a public body must provide adequate notice of the schedule of regular meetings to be held during the succeeding year. The schedule must contain the location, to the extent known, the time and the date of each meeting.

ACTION

Adopt the Annual Notice of Meetings (Exhibit A) for all of the Board of Directors meetings during Fiscal Year 2008.

FISCAL IMPACTS

Requested Authorization:	Adopt Annual Notice of Meetings
Anticipated Source of Funds:	N/A
Projected Date of Completion:	June 30, 2008
Diversity Goal:	N/A

RESOLUTION

WHEREAS, pursuant to the Open Public Meetings Law, P.L. 1975, c.231, an annual notice of regular meetings of the Board of Directors must be disseminated; and

WHEREAS, the Annual Notice of Meetings must be prominently posted in one public place reserved for announcements of this type, transmitted to newspapers, filed with the Secretary of State, and mailed to any person who requests it; and

WHEREAS, the By-Laws, as amended, for the New Jersey Transit Corporation, NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Rail Operations, Inc., and NJ TRANSIT Mercer, Inc. provide that regular meetings shall be held on the second Wednesday of each month except as otherwise noted in the Annual Notice of Meetings; and

WHEREAS, the June meeting serves as the annual meeting;

NOW, THEREFORE, BE IT RESOLVED that the Annual Notice of Meetings, Exhibit A, is adopted; and

BE IT FURTHER RESOLVED that the Annual Notice of Meetings shall be disseminated in accordance with the provisions of the Open Public Meetings Law, P.L. 1975, c.231.

EXHIBIT A

ANNUAL NOTICE OF MEETINGS: FISCAL YEAR 2008

**NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS, INC.
NJ TRANSIT RAIL OPERATIONS, INC.
NJ TRANSIT MERCER, INC.**

In accordance with the "Open Public Meetings Law," P.L. 1975, c.231, the above organizations will hold regular meetings, open to the public, at 9:00 a.m. on the second Wednesday of each month for the period July 1, 2007 through June 30, 2008, except as noted below.

The June meeting will serve as the annual meeting.

Unless otherwise indicated, meetings will be held at NJ TRANSIT's corporate headquarters in Newark, New Jersey. The meetings will convene at 9:00 a.m. in the Board Room at NJ TRANSIT's Headquarters, One Penn Plaza East, Ninth Floor, Newark, NJ.

The specific dates are as follows:

July 11, 2007
August 8, 2007
September 13, 2007 (Second Thursday)
October 10, 2007
November 14, 2007
December 12, 2007
January 17, 2008 (Third Thursday)
February 13, 2008
March 12, 2008
April 17, 2008 (Third Thursday)
May 14, 2008
June 11, 2008

ITEM 0706-43: ANNUAL DESIGNATIONS AND BOARD COMMITTEE MEMBERSHIP SELECTION

BENEFITS

NJ TRANSIT and its subsidiaries are governed by its statute, regulations and By-Laws. The New Jersey Public Transportation Act of 1979, P.L. 1979, c. 150 provides that the Commissioner of Transportation serve ex officio as Chairman of the New Jersey Transit Corporation Board of Directors, and the Vice Chairman and Board Secretary shall be selected annually, as stated in Article III, Section 2 of the NJ TRANSIT By-Laws.

Article II, Section 11 of the NJ TRANSIT By-Laws establish and structure the membership of the Board Committees so that they shall be composed of a Chairman of the Committee, who shall be appointed by the Chairman of the Board, and up to two additional members who shall be selected by and serve at the pleasure of the Chairman of the Board. Each committee consists of no more than three Board members with, in some cases, an alternate, and meets on a monthly or as-needed basis. The committees' membership is outlined in Exhibit A.

PURPOSE

The effect of this item is to fulfill the statutory and By-Law requirements of the annual designation of the Vice Chairman of the Board and the Secretary to the Board. Appointments are also being made to all Board Committees.

ACTION

Approval of this item will designate Myron P. Shevell to serve as Vice Chairman of the Board of Directors and Gwen A. Watson as Secretary of the Board of Directors through June 2008 and appoint the members of all Board Committees as set forth in Exhibit A.

FISCAL IMPACTS

Requested Authorization:	Designations of officers, committee membership authorization
Anticipated Source of Funds:	N/A
Projected Date of Completion:	June 30, 2008
Diversity Goal:	N/A

RESOLUTION

WHEREAS, the New Jersey Public Transportation Act of 1979, P.L. 1979, c.150 requires the annual designation by the NJ TRANSIT Board of Directors of a Vice Chairman of the Board and a Secretary to the Board; and

WHEREAS, Article III, Section 2 of the NJ TRANSIT By-Laws also provides that the Board Vice Chairman and Secretary be designated annually, and that the Commissioner of Transportation serve as Chairman; and

WHEREAS, the Chairman of the Board is charged with the selection of Board Committee members and recommendations to the committee membership are proposed in Exhibit A;

NOW, THEREFORE, BE IT RESOLVED that Myron P. Shevell is designated as Vice Chairman of the New Jersey Transit Corporation Board of Directors to serve a term through June 30, 2008 and Gwen A. Watson is designated as Secretary of the Board of Directors to serve a term through June 30, 2008; and

BE IT FURTHER RESOLVED that the membership of the Board Committees is adopted as set forth in Exhibit A.

EXHIBIT A

FY2008 BOARD COMMITTEES

Administration Committee

Flora Castillo, Chair
Susan L. Hayes
Governor's Representative

Audit Committee

Kenneth E. Pringle, Chair
Myron P. Shevell
Treasurer's Representative

Capital Planning, Policy and Privatization Committee

Myron P. Shevell, Chair
Kenneth E. Pringle
Treasurer's Representative

Customer Service Committee

Flora Castillo, Chair
Kenneth E. Pringle
Governor's Representative