

**NJ TRANSIT BOARD MEETING
MINUTES
OPEN SESSION
4/14/2010**

Chris Christie, Governor
Kim Guadagno, Lieutenant Governor
James S. Simpson, Board Chairman
James Weinstein, Executive Director

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

April 15, 2010

Dear Governor Christie:

Pursuant to Chapter 150, Laws of 1979, I herein transmit the minutes of actions taken at the open session of the regularly scheduled meetings of the New Jersey Transit Corporation, NJ Transit Rail Operations, Inc., NJ Transit Bus Operations, Inc., and NJ Transit Mercer, Inc., Board of Directors held on Wednesday, April 14, 2010.

Sincerely,



Gwen A. Watson
Board Secretary

Enclosures

Honorable Chris Christie
Governor, State of New Jersey
State House
Trenton, NJ 08625

**NJ TRANSIT BOARD MEETING
NARRATIVE
OPEN SESSION
4/14/2010**

(NJT Board – 04/14/2010)

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, April 14, 2010.

Present:

James S. Simpson, Chairman
Myron P. Shevell, Vice Chairman
Deborah L. Gramiccioni, Governor's Representative
Steve Petrecca, Treasurer's Representative
Flora Castillo
Kenneth E. Pringle

James Weinstein, Executive Director
Gwen A. Watson, Board Secretary
Lynn Bowersox, Assistant Executive Director, Communications & Customer Service
James Gigantino, Vice President & General Manager, Bus Operations
William Duggan, Vice President & General Manager, Rail Operations
Kim Vaccari, Chief Financial Officer & Treasurer
Steve Santoro, Assistant Executive Director, Capital Planning & Programs
Alma Scott-Buczak, Assistant Executive Director, Human Resource
Leotis Sanders, Vice President, Diversity
Warren A. Hersh, Auditor General
Kenneth Worton, Deputy Attorney General

Chairman James S. Simpson convened the Open Session at 9:04 a.m. in accordance with the Open Public Meetings Act and asked for a motion to enter Executive Session to discuss contract negotiations, attorney-client, litigation and personnel matters. A motion was made by Myron P. Shevell, seconded by Flora Castillo and unanimously adopted.

Chairman Simpson reconvened the Open Session at 9:45 a.m. and asked for a motion to adopt the minutes of the February 17, 2010 meetings. A motion was made by Myron P. Shevell and seconded by Kenneth E. Pringle and adopted.

Chairman Simpson remembered the late Bob Franks. Congressman Franks was a long time public servant and a leader in New Jersey for a generation. He served four terms representing New Jersey's 7th district. He was a member of the New Jersey General Assembly for 13 years, and served for a number of years as New Jersey Republican State Chairman.

Bob Franks was a constant and tireless advocate for transportation who helped to build New Jersey's transportation network over the last quarter of a century. Chairman Simpson was sorry to learn of his passing this week and asked for a moment of silence in his memory.

Executive Director James Weinstein highlighted the following from his monthly business report.

Executive Director Weinstein talked about the revised proposal of the fare and service plan. In early March, he presented a budget proposal calling for a 25 percent fare

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increase across the board, as well as certain service cuts and the elimination of select bus routes. A few weeks ago, the Governor announced his proposed budget for Fiscal Year 2011, which stabilized state assistance for NJ TRANSIT. This represents an extraordinary commitment to transit riders at a time when the state faces such a dire financial outlook. This commitment also prevents the budget gap from worsening and made possible the changes to the proposal that will be presented today.

Twelve public hearings provided a productive public dialogue that allowed management to develop a sustainable plan. In addition, management had an opportunity to read more than 5,000 public comments, many through email.

The proposal was discussed with Board Members in Committees who expressed concerns about certain aspects of the plan, as did the Transit Advisory Committee members, all of which have been taken into account in preparing a revised proposal for consideration today. Executive Director Weinstein said that these revisions are directly in response to what was heard from many of the riders.

Executive Director Weinstein thanked the municipal, county and state elected officials who worked with NJ TRANSIT to develop alternative approaches that are both cost-effective and preserve service for many customers. He also thanked some of the advocates who gave thoughtful comments, in particular the Tri-State Transportation Campaign.

FARES

Executive Director Weinstein said the revised plan is fiscally responsible and allows NJ TRANSIT to continue providing high-quality transit service. With respect to fares, the revised proposal modifies the increase for local bus and all light rail customers to 10 percent. This represents 52 percent of the riders. The new one-zone fare will increase from \$1.35 to \$1.50, instead of the originally-proposed \$1.70. This resets the system wide fare increase to 22 percent.

Executive Director Weinstein said he heard the question of using capital funding for operating expenses. Everyone can name a certain project he would trade for operating support, but that is not an option. Capital investment funding is only for longer construction projects, and day-to-day operating expenses are not eligible under most state and federal rules.

SERVICE

Executive Director Weinstein said on the service side, the public hearing process provided a clearer understanding of the impacts of discontinuing several bus routes in Morris County, including the impact on Access Link customers. He recommended retaining a number of routes including three of the Morris County local M routes, 1, 2 and 3, which have the highest ridership.

Executive Director Weinstein acknowledged the Morris County Freeholder's office, which offered thoughtful alternatives that enabled NJ TRANSIT to both save costs and preserve service. In Middlesex County, NJ TRANSIT is proposing to keep a number of

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routes including the Nos. 68 and 138 bus routes. In addition, several Monmouth, Warren, Hunterdon, Somerset, and Union County local and minibus services are also being retained as part of the new proposal. These changes will also have the effect of preserving all existing Access Link paratransit services, which shadow the regular route services, for people with disabilities.

Executive Director Weinstein also noted several adjustments that will be made on the rail system to change stopping patterns or departure times in an effort to accommodate riders on trains that will be eliminated. All together, NJ TRANSIT preserved the network of all modes of NJ TRANSIT service.

Executive Director Weinstein said a balanced budget is critical to NJ TRANSIT'S ability to deliver a reliable public transit system in New Jersey, and it must ultimately meet the financial responsibilities. This revised proposal helps to achieve that objective.

Executive Director Weinstein thanked the riders for their feedback, the Board and the dedicated staff for their work to make the hearings inclusive and to all those who sent in their comments.

Executive Director Weinstein is confident that NJ TRANSIT will emerge from this challenging time as a stronger agency, with a more stable financial future, and continued pride in service to the customers. He said all of the information regarding the new fare and service proposal will be on the website at www.njtransit.com once approved by the Board.

Advisory Committee

Suzanne Mack, representing the North and South Jersey Advisory Committees, thanked the Commissioner for recognizing Bob Franks, who recently passed away and was a strong advocate for transportation funding. NJ TRANSIT is a tribute to him because of his advocacy efforts.

She also thanked Ken Pringle who has acted as liaison to both Advisory Committees and noted the good working relationship he has maintained with the Committees to help north and south Jersey citizens.

Ms. Mack said the Advisory Committees are saddened by the current economy of the world. At the recent public hearings, the perception was that the input of the public would not be recognized and the fare increase and service cuts were a 'done deal'. However, the public comments were heard and incorporated in the decision-making process, thereby making the best of a bad situation.

She stressed the need for a dedicated funding source because next year there will be even less money. Ms. Mack is calling on all transit groups and riders to come together. A Blue Ribbon Panel needs to be formed by the Governor to come up with ways to gain funding. In South Jersey, tourism is the engine and cutting services is not the most responsible thing to do. She said there should be State funding from the Legislature and lobbying in Washington to get additional funding. When that happens, the NJ TRANSIT Board should look to the Advisory Committees to prioritize what should be put

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where. In addition, the South Jersey Advisory Committee is concerned about the discontinuance of the No. 423 bus which serves the farming community and asks that the Board look at this line again, if funding becomes available.

Ms. Mack said that NJ TRANSIT has been a premiere transit agency for 30 years and the Advisory Committees stand ready to fight for funding.

Board Committee Reports

Board Member Myron P. Shevell presented the Capital Planning, Policy and Privatization Committee report to the Board. The Committee spoke at length about the proposed fare modification and service adjustments and about keeping the service affordable for those who most depend on it. The Committee also discussed the Lindenwold Rail Station improvements to include a climate controlled waiting room and replacement of the existing shelter with new lighting, heating and signage and constructing a new elevator tower at New Brunswick station on the Northeast Corridor that will make the station fully accessible.

Board Member Flora Castillo presented the Administration Committee report to the Board. The Committee also discussed the fare pricing and service changes item in great detail. Difficult choices have to be made now in order to preserve future mobility for our state's residents. In addition, the Committee was briefed on the Community Mobility and Local Programs contract award for 33 heavy duty cutaway buses as well as the Federal Transit Administration's Substance Abuse Management Oversight program. The oversight program requires transit operators who receive federal funds to establish and conduct a multi-faceted anti-drug and alcohol misuse testing program.

Highlights of Public Comments on Agenda Items

There were 18 public comments on agenda items which all related to the fare pricing and service changes authorization agenda item. Those minutes were forwarded to the Governor for early approval on April 15, 2010.

(ITEM #1004-10, FARE PRICING AND SERVICE CHANGES AUTHORIZATION AND PUBLIC COMMENTS WERE FORWARDED TO THE GOVERNOR ON APRIL 15, 2010 AND EARLY APPROVAL BY APRIL 16, 2010 WAS REQUESTED.)

1004-11: COMMUNITY MOBILITY AND LOCAL PROGRAMS: CONTRACT AWARD FOR 33 HEAVY-DUTY CUTAWAY BUSES

Last fall, Board item 0910-77 authorized the purchase of 65 buses, both minibuses and heavy-duty cutaway buses, for use in rural and small urban area transportation programs. Due to a change in federal EPA emissions regulations, both bus vendors have advised staff that they were unable to provide the vehicles as specified due to engine re-design difficulty in meeting the new standards. Authorization is requested to partially rescind that Board item which authorized the purchase of 26 minibuses from Starcraft and 29 heavy-duty cutaway buses from American Bus. The heavy-duty cutaway bus purchase has been re-bid and authorization is

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requested to purchase up to 33 heavy-duty cutaway buses from American Bus.

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

1004-12: LINDENWOLD RAIL STATION IMPROVEMENTS: CONSTRUCTION CONTRACT AWARD

The Lindenwold Transit Center is the end of the PATCO Line and the transfer station to the Atlantic City Line. Four bus routes also serve the transit center. The facility has 3200 parking spaces and serves about 1130 weekday passenger trips. Authorization is requested to contract with Railroad Construction for a new heated and air conditioned one thousand foot waiting room, connecting to the PATCO station, along with new lighting and improvements to the existing shelter. New signage will be installed on the platform and two new waiting areas in the parking/bus area will be installed. Authorization is requested to approve this state-of-good-repair project at a cost not to exceed \$2,496,600 plus five percent for contingencies.

Flora Castillo moved the resolution, Myron P. Shevell seconded it and it was unanimously adopted.

1004-13: NEW BRUNSWICK STATION ACCESSIBILITY IMPROVEMENTS: CONSTRUCTION CONTRACT AWARD

The New Brunswick station on the busy Northeast Corridor Line serves 12,200 weekday passenger trips. The current station building is on the inbound platform, and the waiting room is above ground level so that it can only be accessed by the stairway and escalator. Authorization is requested to construct a new elevator tower to make the station fully accessible for all customers. The project is a component of and funded by the Liberty Corridor which was established by Senator Robert Menendez. A construction contract is requested with Railroad Construction Corporation at a cost not to exceed \$1,670,470 plus five percent for contingencies.

Myron P. Shevell moved the resolution, Flora Castillo seconded it and it was unanimously adopted.

1004-14: CULVERT REPLACEMENT ON THE NORTH JERSEY COAST LINE IN THE BOROUGH OF SAYREVILLE

In Sayreville on the North Jersey Coast Line, there is a culvert which is currently buried and non-functional causing rising water upstream and flooding problems at South Amboy municipal offices and damage to the tracks. For more than a year, continuous pumping has been necessary as NJ TRANSIT attempted to correct the non-functioning culvert.

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Authorization is requested to replace that culvert with a 48 inch steel pipe to ensure reliable commuter services for the 90 daily trains that pass over it. The proposed contract to install the pipe is with Green Construction Company at a cost not to exceed \$1,274,250 plus five percent for contingencies.

Myron P. Shevell moved the resolution, Steve Petrecca seconded it and it was unanimously adopted.

1004-15: WEST WHARTON SUBSTATION: PURCHASE AND INSTALLATION OF ONE NEW ENTRANCE CIRCUIT BREAKER TO TRU-VAL ELECTRIC CORPORATION

The Montclair and Morristown lines receive power partially through a substation located in West Wharton. The substation receives electricity from a utility company and transforms it to the type used by NJ TRANSIT trains and distributes along circuits to supply segments of the catenary system. At the West Wharton substation, a high voltage circuit breaker is in need of replacement, which is an anticipated element in maintaining a state-of-good-repair for the traction system. Authorization is requested to rescind a previous Board item, 0910-74 because the vendor was unable to fully meet the contract performance requirements and to contract with Tru-Val Electric Corporation to design, supply, deliver, install and test a new circuit breaker at West Wharton substation at a cost not to exceed \$1,717,000 plus five percent for contingencies.

Flora Castillo moved the resolution, Deborah L. Gramiccioni seconded it and it was unanimously adopted.

Executive Director Weinstein presented the following Consent Calendar for approval:

1004-16: FTA SUBSTANCE ABUSE MANAGEMENT OVERSIGHT PROGRAM: CONSULTANT CONTRACT AWARD

Authorization to contract (No. 10-045) with Compliance Oversight Solutions Ideal, LLC (COSI) of Downingtown, Pennsylvania, for the performance of professional services related to NJ TRANSIT's implementation of an FTA Substance Abuse Management Oversight Program for a three-year period plus two one-year option periods at a total cost not to exceed \$593,200, plus five percent for contingencies, subject to the availability of funds.

1004-17: PUBLIC/PRIVATE PARTNERSHIP (P3) FINANCIAL ADVISOR

Authorization to contract with Scott Balice Strategies to act as NJ TRANSIT's Financial Advisor for a period of one year to develop a strategy for maximizing revenue from the agency's parking assets throughout the system and develop financing structures, economic and demographic trends, identify the investor universe, analyze risk

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considerations and develop a procurement strategy. The cost will not exceed \$480,000.

The Consent Calendar was moved in its entirety by Flora Castillo, seconded by Myron P. Shevell and unanimously adopted.

Highlights of Public Comments on Non-Agenda Items

There were five public comments on non-agenda items. Board Secretary Watson announced a three minute time limit for speakers.

Douglas Krakauer was pleased with the strategic alliance NJ TRANSIT has with Google that improved NJ TRANSIT's website. He thinks there are a lot of areas where information about buses can be improved. With technology today, the cell phone can tell you when the next bus is scheduled to arrive. He said the customer service area and response time needs to be modernized and more efficient.

David Peter Alan said now that the fare increase has been approved by the Board, he can only look to the future. Mr. Alan appreciated Board Member Pringle's comments but wished he dissented on the fare and service change item.

Personally speaking, Mr. Alan said the inequity of the entire management of transportation user fees in this state is truly shocking. Motorists and truckers will pay no increase in user fees and, in fact, user fees on gasoline have not increased for the past 22 years. Rail riders who use the trains outside of peak commuting times will pay an increase of 47 percent with some increases as high as 64 percent. People who use transit will now rethink that choice like the man at a hearing who said "This made up my mind, I'm getting a car". Whether or not Governor Christie and his advisors who fashioned this plan intended to place the entire burden of suffering upon the transit rider or whether this policy was constructed with reckless disregard for the mobility of people without automobiles makes little difference. Governor Christie may not like the word, but this fare is unfair.

It is outrageous that NJ TRANSIT continues to pursue the construction of the deep cavern terminal in Manhattan. This management pleads poverty to make some bus and all rail riders pay the biggest increases in NJ TRANSIT history while making sure that big corporations get promises of money. Bus and rail riders are pitted against one another and now it is impossible to have an integrated bus and rail system. Today is one of the most infamous days for riders in the history of NJ TRANSIT. Mr. Alan hopes the legislators will work to achieve a solution that will bring back more reasonable fares, including the off-peak rail fare, but the action taken today has made that task extremely difficult.

Gary Johnson on behalf of the Senior Citizens and Disabled Residents' Transportation Advisory Committee commented that the proposed fare hikes and service cuts have a disproportionately negative impact on New Jersey's growing senior population. Many seniors have already aged out of driving due to financial and medical reasons and use public transportation to get to the grocery store, doctor's appointments and other essential destinations.

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The state funding of community transportation in all 21 New Jersey counties comes from the Casino Tax Revenue which has been on the decline for the last three years and is projected to decline further due to more gambling options in neighboring states that are resulting in a smaller Atlantic City share of the gaming industry. The county-operated services that are supported by casino revenue are already strapped for cash and the proposed elimination of NJ TRANSIT bus routes will force many additional riders onto the over-burdened county services.

Motorists and truckers will pay no additional user fee for their mobility but transit riders will pay 25 percent more money and will have fewer places and times to travel. This is discriminatory and downright unfair towards seniors and disabled riders, to low income people who can't afford to drive and to those who choose to use transit to improve the environment and the livability of their communities. A policy that disproportionately harms those constituents is not only unfair, but makes no economic, social or environmental sense.

Joseph M. Clift said there is a lot of talk about the Transportation Trust Fund going broke but the website contains no details about it. He asked that someone look at the Budget-in-Brief footnotes because it says the amount of money is subject to change, meaning going down. In the next fiscal year, there is no money for capital projects on the highway or transit side. Mr. Clift would appreciate if someone looked into this issue.

James T. Raleigh thanked NJ TRANSIT for holding the public hearings. He recognizes that NJ TRANSIT's fare concerns and capital construction projects are part of a bigger piece of the state budget. He said if people listened to Treasury and the Office of Legislative Services in their hearings last week, they would know the problem is worse than discussed today. Treasury and the Office of Legislative Services will have a very difficult time balancing the budget by June 30th. Mr. Raleigh recognized that NJ TRANSIT is dealing with two problems--this year's and next year's budget and offered his help.

Adjournment

Since there were no further comments or business, Vice Chairman Shevell called for adjournment, seconded by Kenneth E. Pringle and unanimously adopted. The meeting was adjourned at approximately 11:40 a.m.

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

APRIL 14, 2010

MINUTES

- EXECUTIVE SESSION AUTHORIZATION
- APPROVAL OF MINUTES OF PREVIOUS MEETINGS
- EXECUTIVE DIRECTOR'S MONTHLY REPORT
- ADVISORY COMMITTEE REPORTS
- BOARD COMMITTEE REPORTS
 - *Capital Planning, Policy & Privatization Committee
 - *Administration Committee
- PUBLIC COMMENTS ON AGENDA ITEMS

ACTION ITEMS

PAGE

1004-10	FARE PRICING AND SERVICE CHANGES AUTHORIZATION	42074
	Authorization to take all actions necessary to implement the proposed changes to the fares, fare policies and service levels set forth in this item and related exhibits.	
1004-11	COMMUNITY MOBILITY AND LOCAL PROGRAMS: CONTRACT AWARD FOR 33 HEAVY-DUTY CUTAWAY BUSES	42173
	Authorization to partially rescind Board Item 0910-77 for the purchase of 26 minibuses from Starcraft Division of Forest River/Jersey Shore Bus Sales of Toms River, New Jersey and for the purchase of 29 heavy-duty cutaway buses from American Bus of Trenton, New Jersey.	
	Authorization to contract (No. 10-055R) with American Bus of Trenton, New Jersey, for the purchase of 27 base order and six option heavy-duty cutaway buses in an amount not to exceed \$4,000,458, plus five percent for contingencies, subject to the availability of funds.	

NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS, INC.
NJ TRANSIT RAIL OPERATIONS, INC.
NJ TRANSIT MERCER, INC.
REGULARLY SCHEDULED BOARD OF DIRECTORS' MEETINGS
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1004-12 LINDENWOLD RAIL STATION IMPROVEMENTS: CONSTRUCTION 42177
CONTRACT AWARD

Authorization to contract (No. 10-062X) with Railroad Construction Company, Inc. of Paterson, New Jersey, for the renovation of the Lindenwold Rail Station, in an amount not to exceed \$2,496,600, plus five percent for contingencies, subject to the availability of funds.

1004-13 NEW BRUNSWICK STATION ACCESSIBILITY IMPROVEMENTS: 42180
CONSTRUCTION CONTRACT AWARD

Authorization to contract (No. 10-019X) with Railroad Construction Corporation of Paterson, New Jersey, for the construction of the inbound elevator tower at New Brunswick Station on the Northeast Corridor Line at a cost not to exceed \$1,670,470, plus five percent for contingencies, subject to the availability of funds.

1004-14 CULVERT REPLACEMENT ON THE NORTH JERSEY COAST LINE 42183
IN THE BOROUGH OF SAYREVILLE

Authorization to contract with Green Construction Company of South River, New Jersey to perform the construction of the 48 inch culvert replacement, at a cost not to exceed \$1,274,250, plus five percent for contingencies.

1004-15 WEST WHARTON SUBSTATION: PURCHASE AND INSTALLATION 42185
OF ONE NEW ENTRANCE CIRCUIT BREAKER TO TRU-VAL
ELECTRIC CORPORATION

Authorization to rescind Board Item 0910-74 and to enter into a contract with Tru-Val Electric Corporation of Hackensack, New Jersey to design, supply, deliver, install, test, and commission one new 230kV entrance circuit breaker at West Wharton Substation at a cost not to exceed \$1,717,000, plus five percent for contingencies, subject to the availability of funds.

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

**1004-16 FTA SUBSTANCE ABUSE MANAGEMENT OVERSIGHT PROGRAM: 42189
CONSULTANT CONTRACT AWARD**

Authorization to contract (No. 10-045) with Compliance Oversight Solutions Ideal, LLC (COSI) of Downingtown, Pennsylvania, for the performance of professional services related to NJ TRANSIT's implementation of an FTA Substance Abuse Management Oversight Program for a three-year period plus two one-year option periods at a total cost not to exceed \$593,200, plus five percent for contingencies, subject to the availability of funds.

1004-17 PUBLIC/PRIVATE PARTNERSHIP (P3) FINANCIAL ADVISOR 42192

Authorization to contract with Scott Balice Strategies to act as NJ TRANSIT's Financial Advisor for a period of one year to develop a strategy for maximizing revenue from the agency's parking assets throughout the system and develop financing structures, economic and demographic trends, identify the investor universe, analyze risk considerations and develop a procurement strategy. The cost will not exceed \$480,000.

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

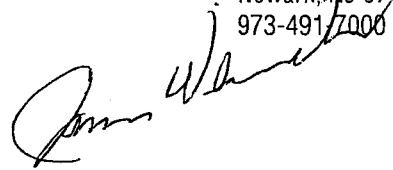
WHEREAS, pursuant to Section 4(f) of the New Jersey Public Transportation Act of 1979, the minutes of actions taken at the February 17, 2010, Board meetings of the New Jersey Transit Corporation, NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Rail Operations, Inc. and NJ TRANSIT Mercer, Inc. were forwarded to the Governor on February 22, 2010;

NOW, THEREFORE, BE IT RESOLVED that the minutes of actions taken at the February 17, 2010 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.

Chris Christie, Governor
Kim Guadagno, Lieutenant Governor
James S. Simpson, Board Chairman
James Weinstein, Executive Director

NJ TRANSIT

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



TO: BOARD OF DIRECTORS
FROM: JAMES W. WEINSTEIN
DATE: APRIL 14, 2010
SUBJECT: EXECUTIVE DIRECTOR'S REPORT – APRIL 2010

Today the Board will consider a modified plan for fare and service changes that will help NJ TRANSIT close a \$300 million budget gap. Following an inclusive public comment process, the proposal was revised in response to testimony provided by thousands of customers at hearings, in writing and online. The modified proposal seeks to minimize the impact of fare changes and service reductions on the greatest number of riders; including the most transit-dependent riders—low-income customers, students, seniors and customers with disabilities.

A few weeks ago, Governor Christie announced his proposed budget for FY2011, which stabilized state assistance for NJ TRANSIT. This represents an extraordinary commitment to transit riders at a time when the state faces such a dire financial outlook. This commitment also prevents our budget gap from worsening and made possible the changes to the proposal that we are presenting today.

The budget presented in early March called for a 25 percent fare increase across the board, as well as certain service cuts and the elimination of select bus routes. The revised proposal modifies the increase for local bus and all light rail customers—who represent 52 percent of NJ TRANSIT riders—to 10 percent. Under the plan, the new one-zone fare increases from \$1.35 to \$1.50, instead of the originally proposed \$1.70. This change reduces the systemwide fare increase to 22 percent.

On the service side, the public hearing process provided us a clearer understanding of the impacts of discontinuing several bus routes in Morris County, including the impact on our Access Link customers. To that end, we are recommending retaining a number of routes, including three of the Morris County local M routes—1, 2 and 3—which have the highest ridership.

In Middlesex County, we are proposing to keep a number of routes including the Nos. 68 and 138 bus routes. In addition, several Monmouth, Warren, Hunterdon, Somerset, and Union County local and minibus services are also being retained as part of our new proposal. These changes will preserve all existing Access Link paratransit services, which shadow our regular route services, for customers with disabilities.

Also, a number of train schedules will be adjusted to accommodate customers whose trains were eliminated as part of the effort to match service with current demand.

We recognize that any increase is a burden for our customers, particularly in tough economic times, and we know that people will have to make adjustments to their travel patterns because of service frequency changes. However, if we are to continue to have a reliable public transit system in New Jersey, we must ultimately meet our financial responsibility to balance the budget. This revised proposal helps us achieve that objective.

I want to again thank our riders for their feedback, our Board and dedicated staff for their work to make the hearings inclusive and to all those who sent in their comments. I also want to thank the municipal, county and state elected officials and other advocates who worked with us to develop alternative approaches that are both cost-effective and preserve service for many customers.

Again, I am confident we will emerge from this challenging time as a stronger agency, with a more stable financial future, and continued pride in our service to customers.

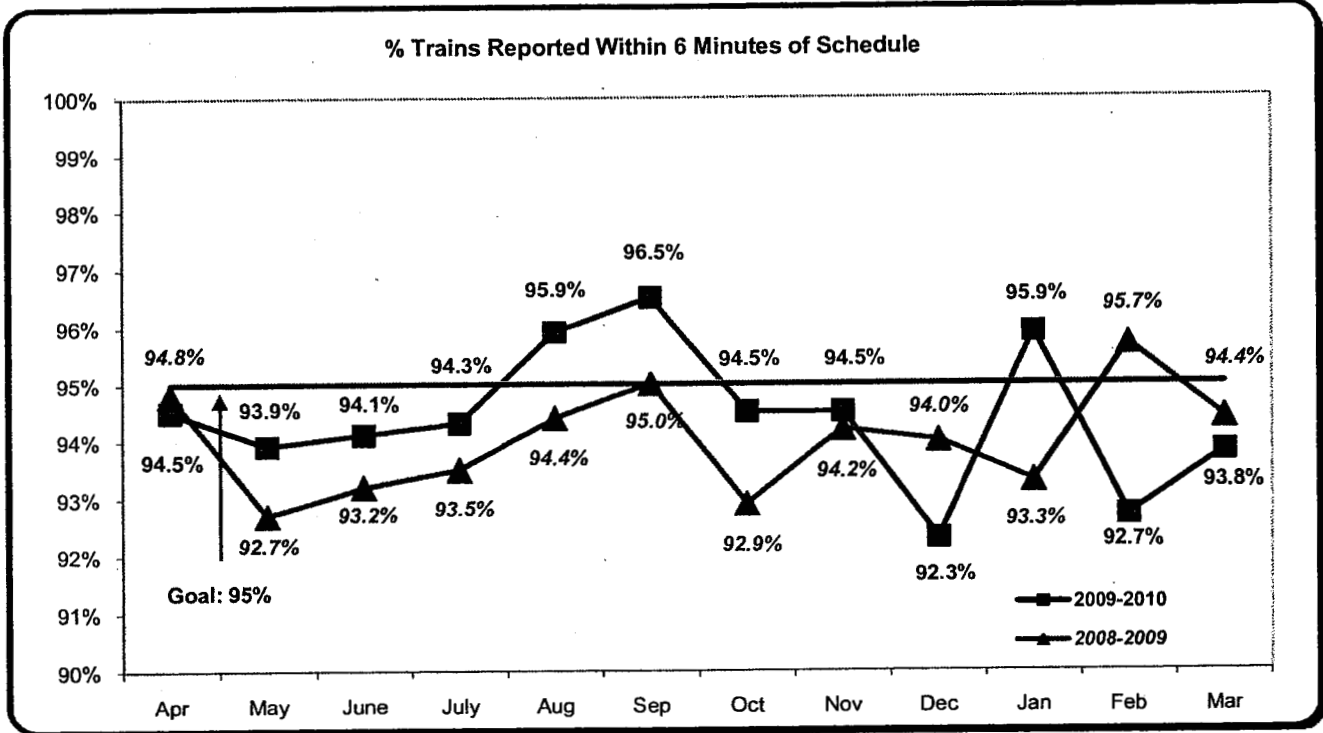
EXECUTIVE DIRECTOR'S MONTHLY REPORT APRIL 2010

- 1. PERFORMANCE MEASURES**
- 2. DBE/MBE PROGRAM**
- 3. EMPLOYEE RECOGNITION**

PERFORMANCE MEASURES

ON-TIME PERFORMANCE
RAIL

APRIL 2008 - MARCH 2010



	2009	2010	# Change
March Comparison	94.4%	93.8%	-0.6%

	2008-2009	2009-2010	# Change
12-Month Average April - March	94.0%	94.4%	0.4%

Analysis:

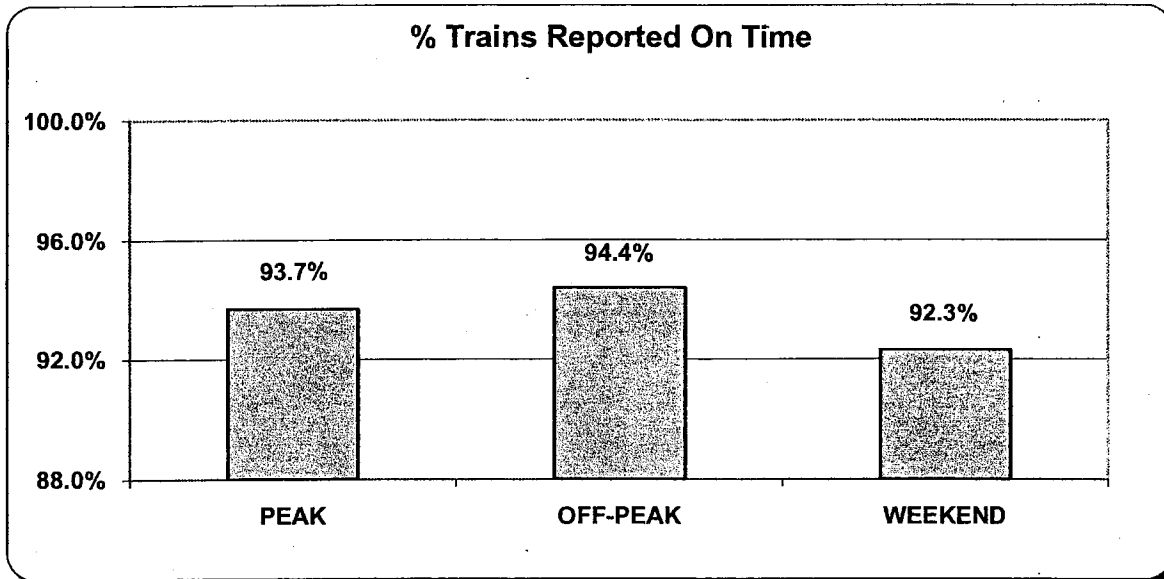
Rail On-Time Performance was 93.8% for March 2010. Of the 19,803 trains that were scheduled to operate, 18,568 were on time, while 1,235 trains (or 6.2%) were delayed. Key causes included:

- A major rain storm and its residual effects on March 13, 14 and 15.
- A brush fire in Harrison on March 19.
- An Amtrak power problem in New York Penn Station on March 29.

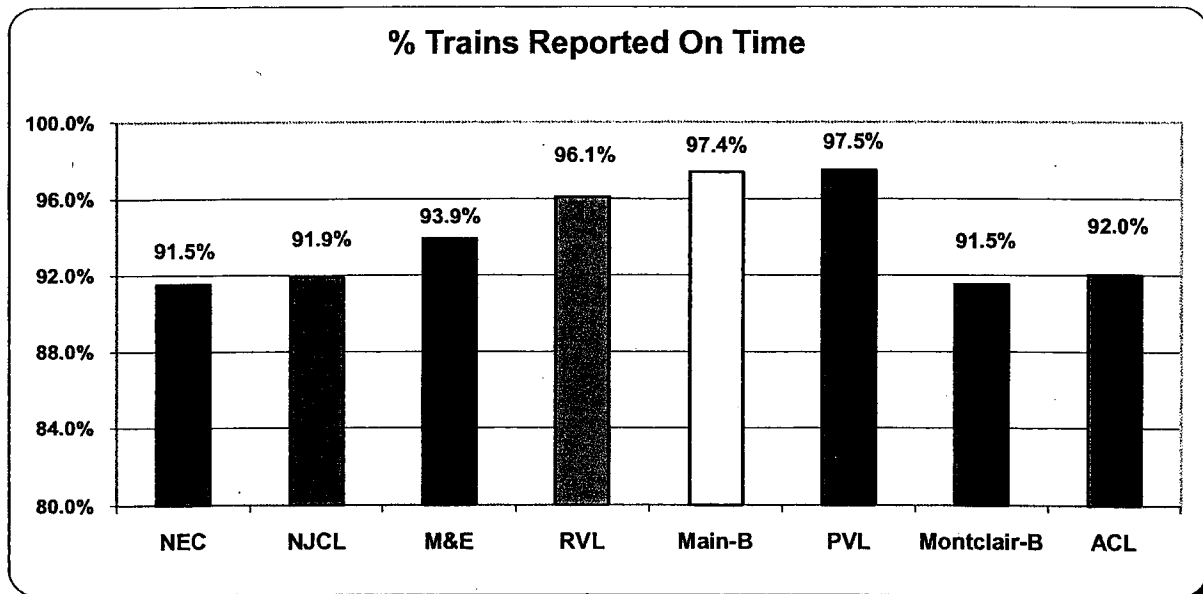
The 12-month average for Rail On-Time Performance for April 2009 - March 2010 was 94.4%.

ON-TIME PERFORMANCE RAIL

SUMMARY BY TIME PERIOD MARCH 2010

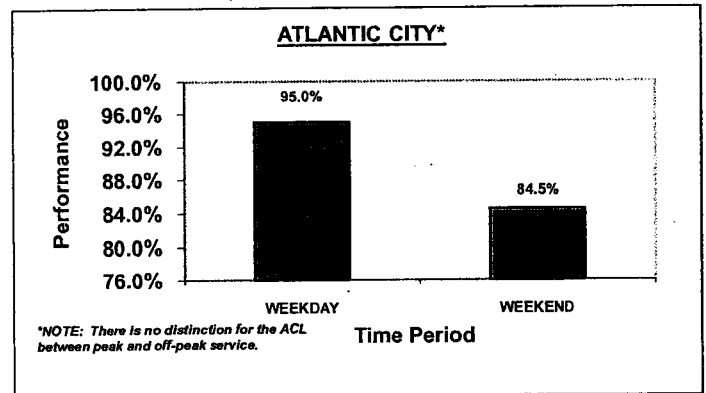
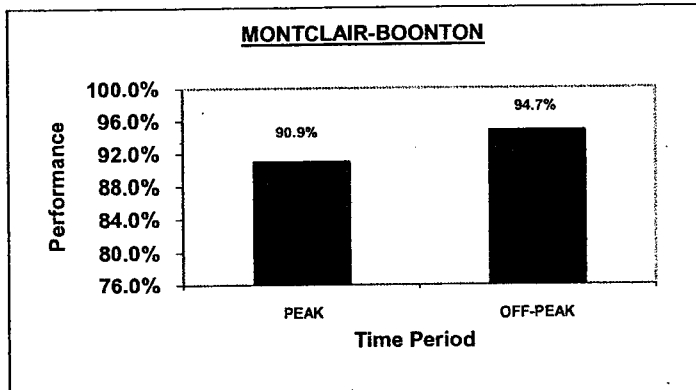
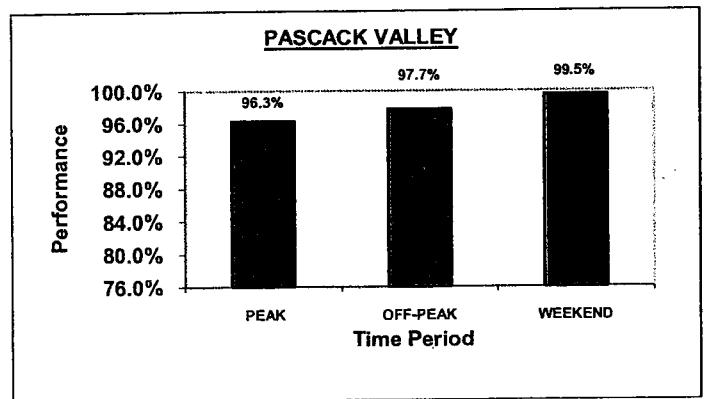
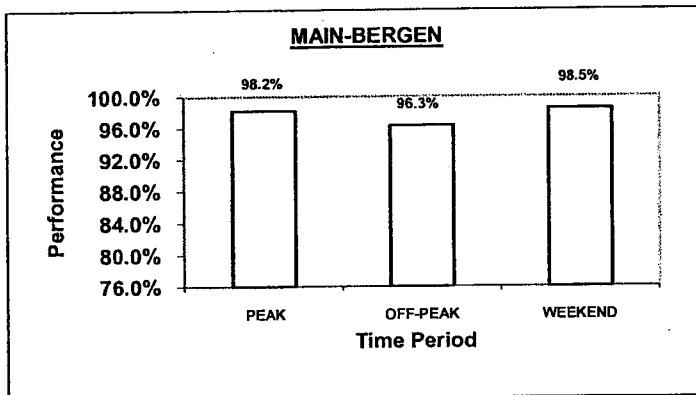
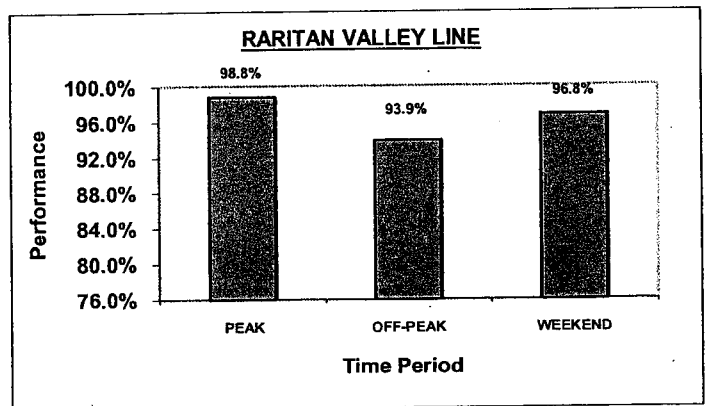
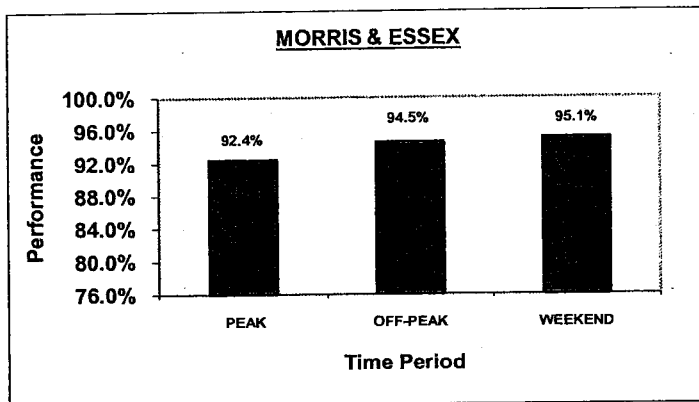
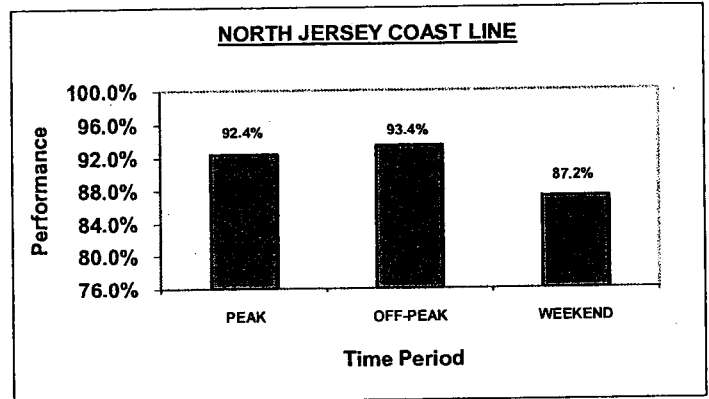
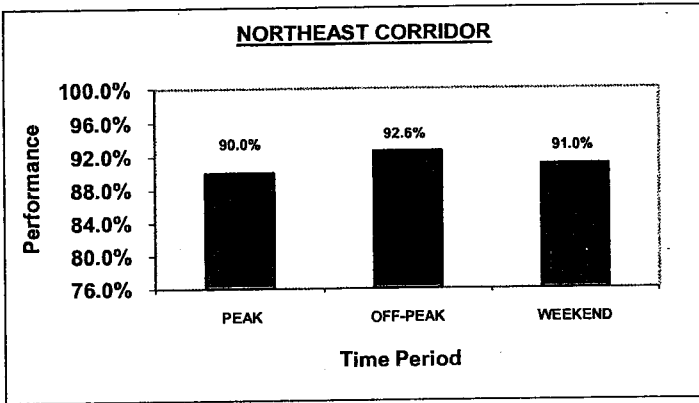


SUMMARY BY LINE MARCH 2010



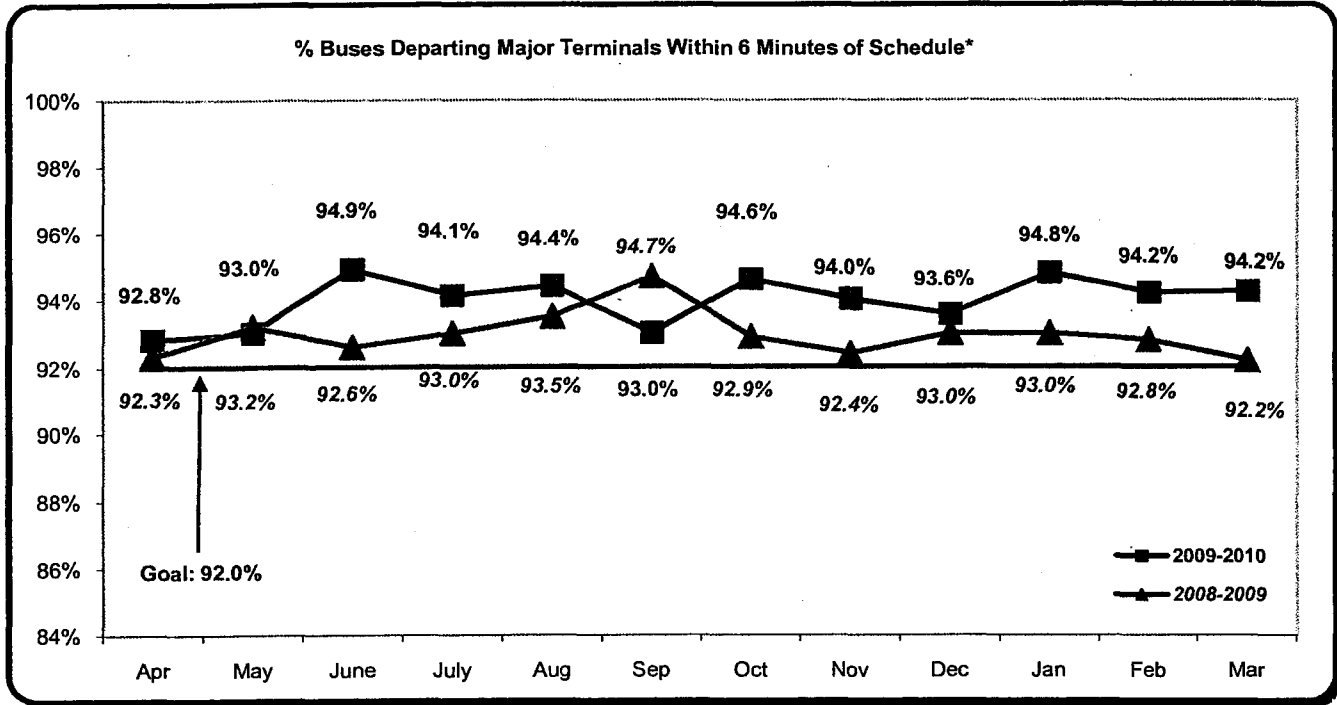
ON-TIME PERFORMANCE BY RAIL LINE & TIME PERIOD MARCH 2010

42161



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

ON-TIME PERFORMANCE BUS APRIL 2008 - MARCH 2010



*Note: Includes the Walter Rand Transportation Center, Atlantic City Bus Terminal, Port Authority Bus Terminal, Newark Penn Station, and, as of July, 2008, Hoboken Terminal.

	2009	2010	% Change
March Comparison	92.2%	94.2%	2.0%

	2008-2009	2009-2010	% Change
12-Month Average April - March	93.0%	94.0%	1.0%

Analysis:

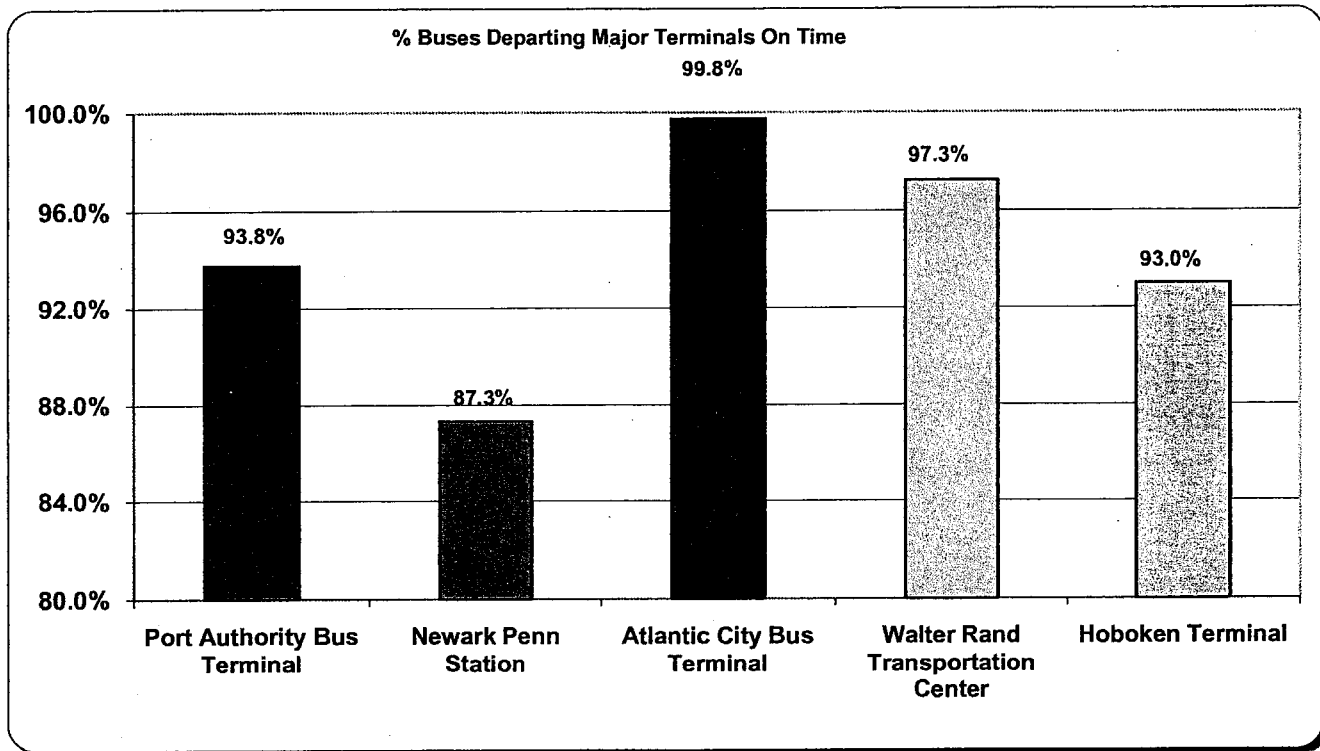
Bus On-Time Performance was 94.2% for March 2010. Of the 36,856 monitored departures, 2,123 (or 5.8%) experienced delays. Key causes included:

- Mechanical issues affecting Newark Penn Station routes on several days in early March.
- Rain and local flooding impacting Port Authority and Walter Rand Transportation Center routes on March 15.
- Heavy traffic in Jersey City affecting Hoboken Bus Terminal routes throughout the month.

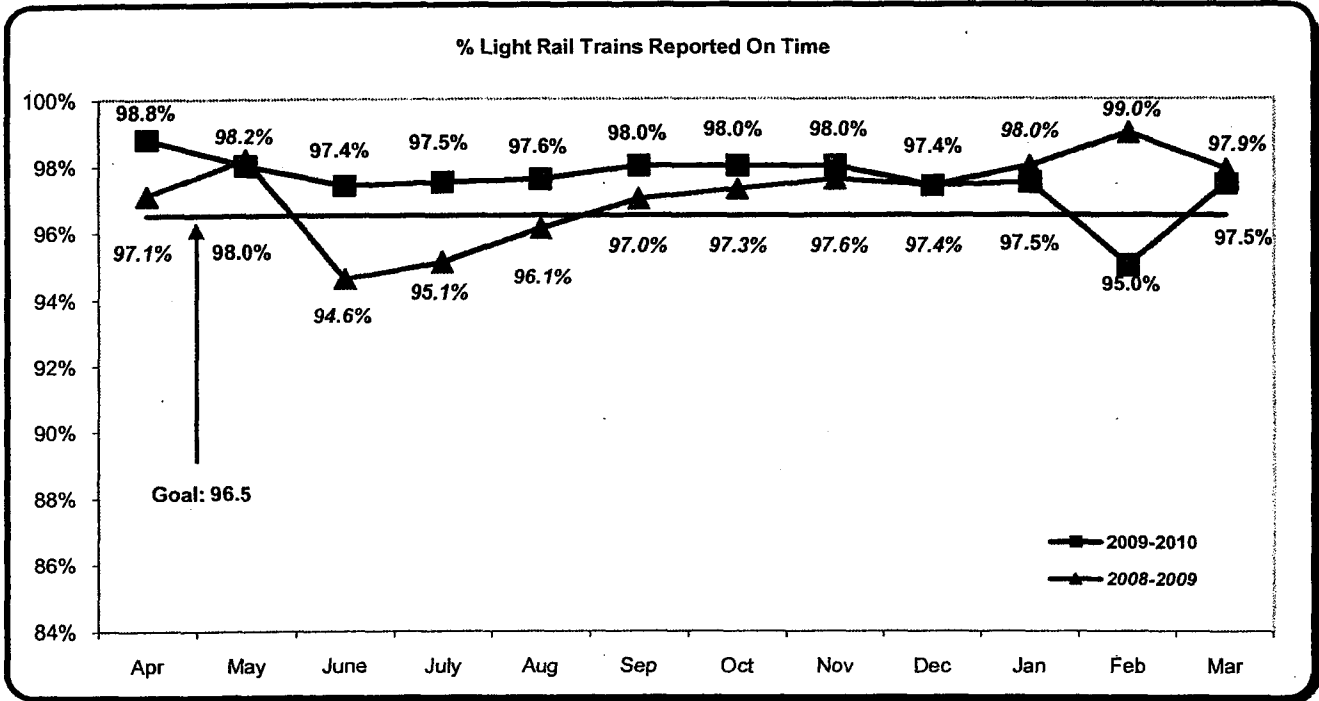
The 12-month average for Bus On-Time Performance for April 2009 - March 2010 was 94.0%.

ON-TIME PERFORMANCE BUS

SUMMARY BY TERMINAL MARCH 2010



NJ TRANSIT ON-TIME PERFORMANCE LIGHT RAIL - SYSTEMWIDE APRIL 2008 - MARCH 2010



*Note: Starting May 2007

	2009	2010	# Change
March Comparison	97.9%	97.5%	-0.4%

	2008-2009	2009-2010	# Change
12-Month Average April - March	97.1%	97.6%	0.5%

Analysis:

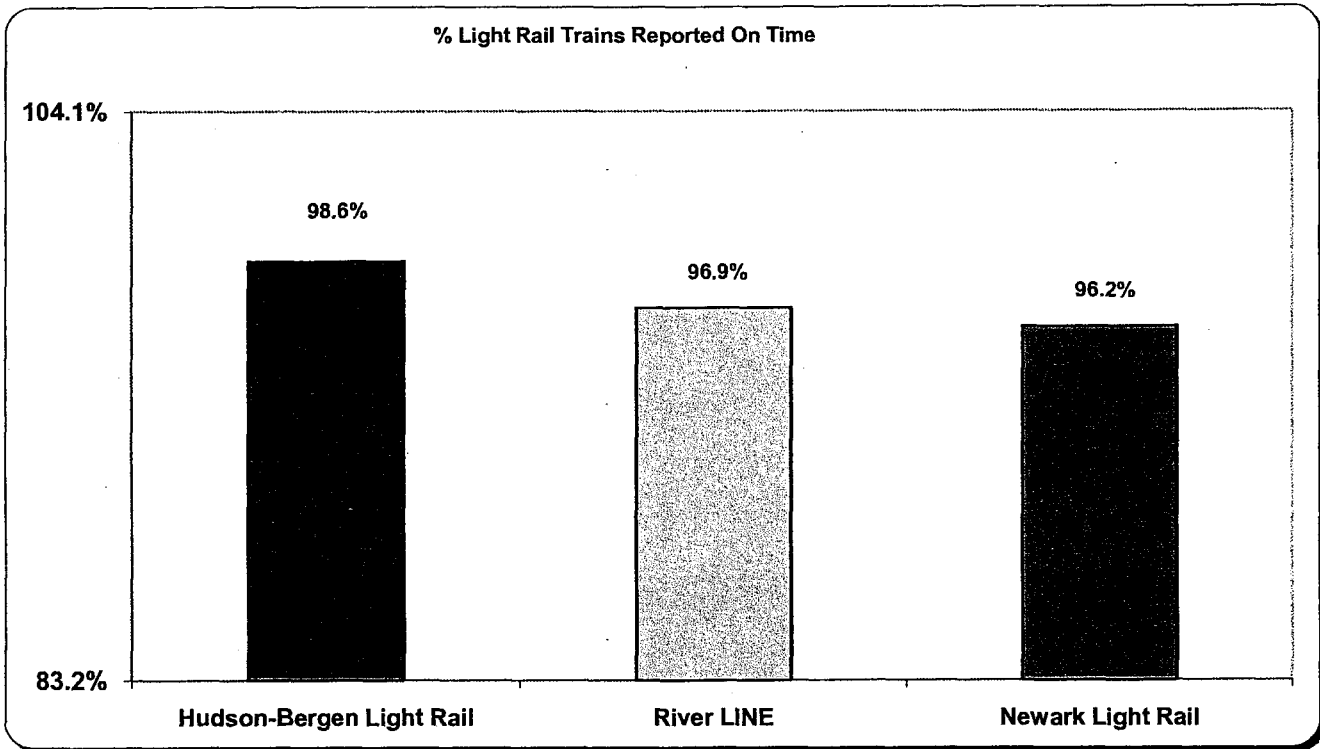
Light Rail On-Time Performance systemwide was 97.5% for the month of March 2010. Of the 30,735 scheduled trains, 783 (or 2.5%) experienced delays. Key causes included:

- A fire in Jersey City delaying HBLR trains on March 8.
- Major rain storm impacting River Line service on March 13.
- Equipment failure affecting Newark Light Rail service on March 31.

The 12-month average for Light Rail On-Time Performance for April 2009 - March 2010 was 97.6%.

ON-TIME PERFORMANCE LIGHT RAIL

SUMMARY BY LINE MARCH 2010



DBE/MBE PROGRAM

(NJT Board-04/14/10)

NJ TRANSIT – Office of Business Diversity DBE/SBE Participation

Federally Funded Contracts

\$77,943,330 in federal funds were awarded during October through March of FY 10.* Disadvantaged Business Enterprises (DBEs) were awarded \$12,325,135 or 15.8 percent, which includes both race conscious and race neutral awards.

State Funded Contracts

\$78,686,316 in state-funded contract dollars were awarded during July through March FY 10. ** Of that total, Small Business Enterprises (SBEs) received \$17,294,594 or 22 percent. Category 1 SBEs received \$703,750 or 0.9 percent. Category 2 SBEs received \$958,116 or 1.2 percent. Category 3 SBEs received \$1,885,392 or 2.4 percent. Category 4 SBEs received \$1,733,552 or 2.2 percent. Category 5 SBEs received \$11,978,784 or 15.2 percent. Category 6 SBEs received \$35,000 or 0.04 percent.***

Federal & State Contracts Total

\$156,629,646 in federal and state contract dollars were awarded by NJ TRANSIT during this reporting period. Of that total, \$29,619,728 or 18.9 percent of federal and state contract dollars was won by DBEs and SBEs.

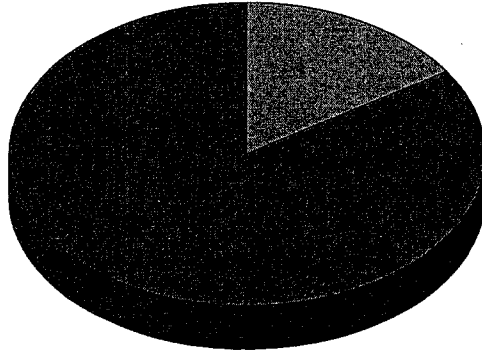
*Fiscal year beginning October 1, 2009

**Fiscal year beginning July 1, 2009

***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, Cat 6 (construction)-Up to \$33.5 million

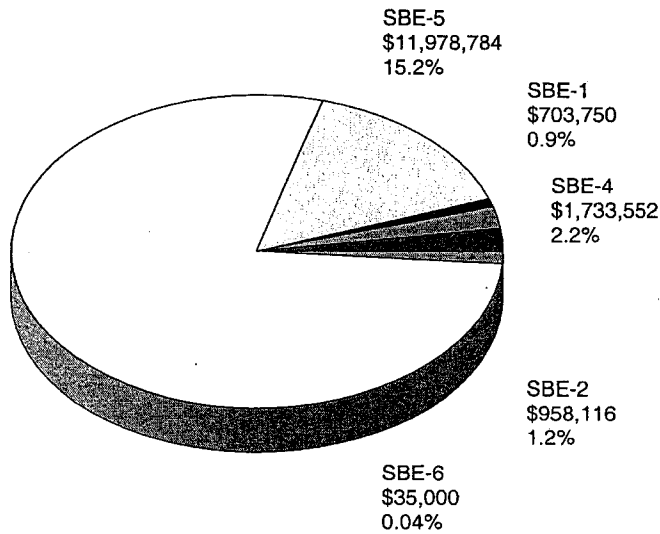
**DBE PARTICIPATION
FEDERAL CONTRACTS
FEDERAL FYTD (THROUGH MARCH FY10)***

NON-DBE
FEDERAL
\$65,618,195
84.2%



**SBE PARTICIPATION
STATE CONTRACTS
STATE FYTD (THROUGH MARCH FY10)****

NON-SBE STATE
\$61,391,722
78%



Fiscal Year Beginning October 1, 2009*
Fiscal Year Beginning July 1, 2009**
(This report covers contracts above \$29,000)

EMPLOYEE RECOGNITION

NJ TRANSIT employees bid farewell after outstanding careers

Sixteen NJ TRANSIT employees retired in April with careers ranging from 8 to 37 years of service:

1. Marc R. Ziegler (Towaco) General Foreman, MMC – 37 years
2. Alan Jimenez (Glenwood) Superintendent, Orange Garage – 34 years
3. George Jolly, III (Marlton) Bus Operator, Newton Avenue – 29 years
4. Kevin W. Hellhake (Cranford) TVM Quality Assurance Specialist, Penn Plaza – 28 years
5. Gary M. Johnson (Milford, PA) Mgr. Document Ctrl. ARC Tunnel, 2 Gateway – 28 years
6. Sherry O. Clements (Sayreville) Sr. Business Diversity Specialist, Penn Plaza – 26 years
7. Jose Correia (Roselle Park) Mechanic, CMF – 25 years
8. Manuel T. Lopes (Kearny) Mechanic "A," Newark Shop – 25 years
9. Eugene Peyton (Somers Point) Bus Operator, Egg Harbor Garage – 25 years
10. William H. Westervelt (Egg Harbor) Supervisor of Stations, Trenton – 25 years
11. Loureen Harris (Newark) Cleaner, Orange Garage – 23 years
12. Maximo J. Galipot, Jr. (Hamilton) Manager of Design Structural, Penn Plaza – 19 years
13. Vance Dixon (Willingboro) Bus Operator, Newton Avenue – 18 years
14. Tommie Newton (Philadelphia, PA) Bus Operator, Newton Avenue – 16 years
15. Wendell Archambo (Sewell) Bus Operator, Newton Avenue – 15 years
16. Richard R. Sarles (Westfield) Executive Director, Penn Plaza – 8 years

Sixteen NJ TRANSIT employees retired in March with careers ranging from 7 to 40 years of service:

1. Richard T. Gunderud (Hazlet) Mechanic, Meadowlands Garage – 40 years
2. Douglas M. Jones (Cliffwood) Depot Master, Orange Garage – 36 years
3. Fred J. Malchow (Watchung) General Supervisor Mechanic, Hoboken – 36 years
4. John E. Malik (Woodbridge) DIN Crew Specialist, Ferry Street – 36 years
5. James Wilno (Hamilton) Service Planner, Penn Plaza – 34 years
6. Edward A. Helmes (Audubon) Bus Operator, Newton Avenue Garage – 33 years
7. Robert Bellevue (Pt. Pleasant Beach) Bus Operator, Howell Garage – 31 years
8. Kenneth Boucher (Forked River) Lead Technician, Newark Light Rail – 31 years
9. Anthony Durzo (Manville) Manager, MMC – 31 years
10. Carmine DeLucia (Fairlawn) Bus Operator, Fairview Garage – 30 years
11. Charles T. Arrison, Jr. (Westville) Mechanic "A," Washington Township – 29 years
12. Willie Carroll (Willingboro) Bus Operator, Newton Avenue Garage – 27 years

13. Jimmie Johnson, Jr. (Somers Point) Bus Operator, Egg Harbor Garage – 25 years
14. Robert Oxenford, Jr. (Rahway) Depot Master, Greenville Garage – 24 years
15. Daisy L. Ragin (Glendora) Bus Operator, Washington Township – 17 years
16. Carolyn Caramiello (Freehold) Senior Police Secretary, Trenton – 7 years

Twenty-eight NJ TRANSIT employees retired in February with careers ranging from 11 to 45 years of service:

1. Vearlie Jones (Newark) Principal Bookkeeper, Penn Plaza – 45 years
2. Michael Bianchi (Kearny) Mechanic, CMF – 37 years
3. David Fuller (Maplewood) Bus Operator, Hilton Garage – 33 years
4. Melvin E. Bryant (Somerdale) Bus Operator, Washington Township – 32 years
5. Frank J. Kowalski, Jr. (Hackensack) Bus Operator, Oradell Garage – 31 years
6. Edward Kuzora (Elmwood Park) Mechanic "A," Oradell Garage – 31 years
7. Dennis Mahon (Milford) Repairman, Hilton Garage – 31 years
8. Douglas A. Mullaney (Bergenfield) Bus Operator, Oradell Garage – 30 years
9. Zeus Janbek (Brooklyn, NY) Terminal Supervisor, Port Authority – 29 years
10. Henry Kopec (Rahway) Director Capital Project Mgmt., Penn Plaza – 29 years
11. Vito Oliva (Pompton Lakes) Senior Investigator, General Office Building – 29 years
12. Johnny R. Vitetta (Emerson) Regional Supervisor, General Office Building – 29 years
13. Frank D. Williams (Lakewood) Ticket Agent, NY Port Authority – 29 years
14. John R. Hurst (Woodbury) Sr. Invest Claims, Newton Avenue – 28 years
15. Edith Lewis (Bloomfield) Depot Clerk "B," Orange Garage – 27 years
16. Andre Bentley (Jersey City) Bus Operator, Meadowlands Garage – 25 years
17. Artis Dennis (Paterson) Bus Operator, Wayne Garage – 25 years
18. Gustavo Pineda (Elizabeth) Foreman, Fairview Garage – 25 years
19. Harry Cortes (Pompton Plains) Repairman "A," Market Street Garage – 22 years
20. Paul E. Honrychs (Williamstown) Mechanic "A," Washington Body Shop – 21 years
21. Rosetta McClain (Bloomfield) Bus Operator, Orange Garage – 20 years
22. Carey Chandler (Franklinville) Bus Operator, Washington Township – 19 years
23. Angel Collazo (Runnemeade) Mechanic "A," Washington Body Shop – 18 years
24. Harry Young (Toms River) Bus Operator, Howell Garage – 17 years
25. Henry Gross (North Bergen) Bus Operator, Oradell Garage – 15 years
26. Nestor Perez (Jersey City) Bus Operator, Meadowlands Garage – 15 years
27. Sandro Montalvo (Newark) Mechanic "A," CMF – 13 years
28. Ronald H. Freeman (Egg Harbor Township) Bus Operator, Egg Harbor Twp. – 11 years

ACTION ITEMS

ITEM 1004-10: FARE PRICING AND SERVICE CHANGES AUTHORIZATION

BENEFITS

NJ TRANSIT's FY2011 preliminary budget proposal projects a budget gap of up to \$300 million. In addition to internal efforts implemented to cut spending, the Fiscal Year 2011 preliminary budget includes service adjustments, a proposed fare increase of 22 percent and the elimination of certain discount programs. The proposed service and fare adjustments included:

Original Fare and Service Change Proposal

In March 2010, management proposed a system wide fare increase of 25 percent effective May 1, 2010. The proposal contained a series of pricing and policy changes, including: the elimination of Rail off-peak round-trip (ORT) ticket discounts; increasing selected fares on the Main-Bergen and Pascack Valley Rail Lines to provide equity with pricing on other similar-distance rail lines; and capping the bus ten-trip ticket discount at 15 percent off.

The proposal also contemplated a series of service changes: reducing rail service by about 4 percent; reducing frequencies on certain bus routes, essentially increasing intervals between bus frequencies. Also, three bus routes were proposed for elimination, as well as certain underutilized WHEELS mini-bus and NJ TRANSIT-contracted local bus routes. Additionally, light rail service frequencies were slated for reduction.

Acting on the proposal, 12 public hearings and information sessions were held beginning on March 25, 2010 through March 27, 2010 throughout the State and New York City (Exhibit 1). Public input was also sought through letters and e-mails from the public. A special notice was distributed on all NJ TRANSIT buses, trains, and light rail vehicles as required by law.

A total of 1,186 people attended the hearings and 485 people offered public comments. The hearing officers' reports are set forth in Exhibit 2. Transcripts of the hearings were prepared and distributed to the Board of Directors.

A total of 3,983 individual submissions were received: via website – 3,620, email – 300, and hard copy letters - 63. These submissions contained 5,377 specific comments regarding the fare and service proposals. Over 2,500 of the comments related directly to the fare increase. The remaining comments related to service changes, savings proposals and the elimination of certain ticket discounts. The comments included:

(NJT Board-04/14/10)

<u>Issue</u>	<u>Comments</u>
General Fare Increase	2,526
Service Changes	2,098
Savings/Revenue Suggestions	607
Rail ORT Discount	112
Bus and HBLT 10-Trip Ticket Discounts	31
<u>Metro North Fares</u>	<u>3</u>
TOTAL	5,377

NJ TRANSIT staff also analyzed the proposal in compliance with the Federal Transit Administration Circular 4702.1A, Title VI and Title VI-Dependent Guidelines for FTA Recipients.

After reviewing the public comments, correspondence, and the hearing officers' reports, as well as the Title VI analysis, staff seeks Board approval of a modified fare increase, fare policy and service adjustment recommendation.

Final Fare and Service Change Recommendation

In response to comments from the public and concerns expressed by Board members, management proposes reducing the fare increase on Local and Contract Bus, and Light Rail from 25 percent to 10 percent. This revision will reduce the originally proposed increase in Local Bus, Contract Carrier, Newark Light Rail, and RiverLINE fares by 15 percent, with the base one-zone fare changing from \$1.35 to \$1.50. Also, the fare increase on the Hudson-Bergen Light Rail will be reduced from 25 percent to 10 percent. The fare increase for Rail and interstate bus will remain at the 25 percent level.

In addition, \$3.9 million in proposed bus service changes (i.e. proposed WHEELS, regular route and rural service) will be restored to continue providing local bus service to our most transit-dependent customers. These actions were taken to reduce the impact to low-income riders, as well as seniors and people with disabilities that utilize NJ TRANSIT local, contract bus and light rail as their sole mode of transportation. These revisions also leave intact all current Access Link paratransit services.

Overall, these actions result in \$126.6 million in revenue generated by a modified systemwide fare increase of 22 percent (115.3 million) and by eliminating Rail ORT and Bus 10-Trip ticket discount (\$11.3 million). These changes will be implemented on May 1, 2010.

The original Bus, Rail, and Light Rail service adjustments were expected to generate \$23.3 million. Based on input from our customers \$3.9 million in initial local bus changes were restored. This proposal is now expected to generate \$19.4 million in savings.

A listing of existing and recommended fares is found in Exhibit 3.

A listing of the original and recommended service changes is found in Exhibit 4.

PURPOSE

In February 2010, NJ TRANSIT outlined its Fiscal Year 2011 preliminary budget, including a proposed fare increase of 25 percent to cover the cost of lost one-time non-recurring revenue, reduced passenger revenue caused by the economic downturn and limited inflationary growth for core services. The preliminary budget identified an unfunded operating need of as much as \$300 million and a recommendation for consideration of a fare adjustment as an action of last resort.

Since that time, NJ TRANSIT has held 12 public hearings and information sessions throughout the State and New York City between March 25 and March 27, 2010 for the purpose of presenting the preliminary Fiscal Year 2011 Budget, Service Reduction and Fare Change Proposal. NJ TRANSIT welcomed public recommendations regarding the proposal and has, accordingly, incorporated recommendations to the budget, service reduction and fare plan.

As a result of the feedback from our customers, the original fare proposal was modified to reduce the initial increases on Local and Contract Bus, the Newark City Subway, Hudson-Bergen Light Rail and the RiverLine by 15 percent, to a total of 10 percent. Also, a total of \$3.9 million or 51 percent of the contract bus changes were restored.

These actions are a result of testimony given by our customers during the comment period and public hearing process focusing on keeping Local Bus service affordable for lower income and transit dependent riders.

Staff is seeking Board approval of this fare and service change plan to take effect on May 1, 2010 and August 30, 2010, respectively.

ACTION

Staff seeks authorization to take all actions necessary to implement the proposed changes to the fares, fare policies and service levels set forth in this item and related exhibits.

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

FISCAL IMPACTS

Requested Authorization:

Fare increase of 22 percent and the elimination of certain ticket discounts no later than May 1, 2010 and service changes listed in Exhibit 3 and Exhibit 4, effective no later than August 30, 2010.

(NJT Board-04/14/10)

Total Project Cost:	N/A
Projected Date of Completion:	N/A
Anticipated Source of Funds:	N/A
Diversity Goal:	N/A
Related/Future Authorizations:	N/A
Impacts on Subsequent Operating Budgets:	\$146,000,000

RESOLUTION

WHEREAS, NJ TRANSIT proposed a preliminary Fiscal Year 2011 Budget and Fare Increase program on February 17, 2010; and

WHEREAS, NJ TRANSIT held several public hearings and information sessions on a Fiscal Year 2011 preliminary budget gap of as much as \$300,000,000 and a proposed 25 percent fare increase; and

WHEREAS, NJ TRANSIT requested letters and e-mails and held 12 public hearings and information sessions throughout New Jersey and at the Port Authority Bus Terminal in New York City between March 25 and March 27, 2010; and

WHEREAS, the hearing officers have submitted their reports which summarizes the public input; and

WHEREAS, after reviewing the public comments, correspondence and hearing officers' reports, staff has recommended the final fare and service changes recommendation proposal set forth in this Board item;

NOW, THEREFORE, BE IT RESOLVED that the recommended fares, fare policies and service level proposals with an increase of 22 percent is adopted for implementation on May 1, 2010;

BE IT FURTHER RESOLVED that the Executive Director is authorized to take whatever actions are necessary to implement the proposed changes to the fares, fare policies and service levels set forth in this item and related exhibits.

ITEM 1004-11: COMMUNITY MOBILITY AND LOCAL PROGRAMS: CONTRACT AWARD FOR 33 HEAVY-DUTY CUTAWAY BUSES

BENEFITS

The Federal Transit Administration (FTA) Section 5311 Rural and Small Urban Area Program provides operating, administrative and capital assistance for public transportation services in small urban and rural areas in New Jersey pursuant to a population-based formula.

The passage of the American Recovery and Reinvestment Act of 2009 (ARRA) has provided the opportunity to increase Section 5311 Rural and Small Urban Area Program funds in New Jersey to purchase capital equipment.

Additional funding has been allocated through other grant programs, including the FTA Section 5310 Transportation for Elderly Persons and Persons with Disabilities Program, CMAQ, and the FTA Section 5309 Bus Program.

PURPOSE

In October 2009, the Board authorized the award of two contracts for 65 vehicles: Contract 09-127A with Starcraft Division of Forest River/Jersey Shore Bus Sales for 26 minibuses and Contract 09-276B with American Bus for the purchase of 10 hybrid minibuses and 29 heavy-duty cutaway buses. Subsequent to the award of the contracts, Starcraft advised NJ TRANSIT that they would not be able to provide the 26 minibuses as bid and American Bus advised NJ TRANSIT that they would not be able to provide the 29 heavy-duty cutaway buses as bid because they were no longer commercially available due to the model year change. NJ TRANSIT staff verified with the chassis manufacturers that the equipment was not available. Since the equipment could not be obtained, a determination was made to re-bid both the heavy-duty cutaway bus purchase and the minibus purchase.

NJ TRANSIT has re-bid the contract for the heavy-duty cutaway bus contract. The contract for the minibuses will be re-bid at a later date. American Bus will still provide the 10 hybrid minibuses.

Authorization of this action will rescind the previous contract awards for the purchase of 26 minibuses and 29 heavy-duty cutaway buses.

Authorization of this action will also allow for the award of a new contract for the purchase of 27 base order and six option heavy-duty cutaway buses.

ACTION (Justification: Mandate)

Staff seeks authorization to partially rescind Board Item 0910-77 for the purchase of 26 minibuses from Starcraft Division of Forest River/Jersey Shore Bus Sales of Toms River, New Jersey and for the purchase of 29 heavy-duty cutaway buses from American Bus of Trenton, New Jersey.

Staff also seeks authorization to contract (No. 10-055R) with American Bus of Trenton, New Jersey, for the purchase of 27 base order and six option heavy-duty cutaway buses in an amount not to exceed \$4,000,458, plus five percent for contingencies, subject to the availability of funds.

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

FISCAL IMPACTS

Requested Authorization: \$ 4,000,458 + 5% contingency

Total Project Cost: \$ 4,200,485

Projected Date of Completion: December 2010

Anticipated Source of Funds: Federal Transit Administration (ARRA)
Section 5310
Section 5309 (earmark)
CMAQ

Diversity Goal: Transit Vehicle Manufacturer

NJ Build Amount: NA

Related Future Authorization: Minibus purchase contract
Annual Community Mobility and Local Programs
authorization

**Impacts on Subsequent
Operating Budgets:** None

RESOLUTION

WHEREAS, the State of New Jersey has applied for and funded local non-urbanized (rural) services throughout the state through the annual Federal Transit Administration (FTA) Section 5311 Rural and Small Urban Area Program; and

WHEREAS, the American Recovery and Reinvestment Act of 2009 (ARRA) has made capital funding available under the FTA Section 5311 Rural and Small Urban Area Program; and

WHEREAS, funding is also available to purchase vehicles for local transportation programs under FTA Section 5310, CMAQ, and a designated earmark under FTA Section 5309; and

WHEREAS, in October 2009 the NJ TRANSIT Board of Directors authorized the award of two contracts for the purchase of three types of vehicles (hybrid buses, heavy-duty cutaway buses, and minibuses); and

WHEREAS, the two vendors advised NJ TRANSIT that they could not provide two of the vehicle types (heavy-duty cutaway buses and minibuses) as bid due to regulatory changes; and

WHEREAS, NJ TRANSIT re-bid the purchase of the heavy-duty cutaway buses; and

WHEREAS, upon completion of a competitive procurement process, American Bus was determined to be the lowest responsive, responsible bidder for the heavy-duty cutaway buses;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to partially rescind Board Item 0910-77 for the purchase of 26 minibuses from Starcraft Division of Forest River/Jersey Shore Bus Sales of Toms River, New Jersey and for the purchase of 29 heavy-duty cutaway buses from American Bus of Trenton, New Jersey; and

BE IT FURTHER RESOLVED that the Chairman or Executive Director is authorized to contract (No. 10-055R) with American Bus of Trenton, New Jersey, for the purchase of 27 base order and six option heavy-duty cutaway buses in an amount not to exceed \$4,000,458, plus five percent for contingencies, subject to the availability of funds.

**ITEM 1004-12: LINDENWOLD RAIL STATION IMPROVEMENTS:
CONSTRUCTION CONTRACT AWARD****BENEFITS**

The Lindenwold Station provides multi-modal transit service between NJ TRANSIT's Atlantic City Line and the Port Authority Transit Corporation (PATCO) Rail Line. NJ TRANSIT's Atlantic City Line (ACL) provides service between Atlantic City and Philadelphia 30th Street Station. The PATCO Rail Line provides service from Lindenwold to Center City Philadelphia. Additionally, four NJ TRANSIT bus routes also service the Lindenwold Transit Center. The facility is a major park-ride providing 3,257 parking spaces. NJ TRANSIT's Lindenwold Rail Station serves approximately 1,130 average weekday passenger trips. Approximately six percent of those passenger trips transfer from/to the buses and 28 percent from/to PATCO.

This project will provide a new heated and air-conditioned 1,000-square foot waiting room which will connect to the PATCO station. Additionally, the existing shelter will be replaced and new lighting and infrared heating will be installed. New lighting will be installed in the passageways between the ACL and PATCO stations and on the ACL platform.

Both passageways will be painted and dynamic signage will be installed on the platform. Two new waiting areas will be installed in the parking/bus area and the entranceway will be updated.

PURPOSE

Authorization of this construction contract will allow for the renovation of the Lindenwold Rail Station to include a new heated and air-conditioned waiting room; improved lighting; dynamic signage on the platform; and new bus shelters in the parking/bus area.

ACTION (Justification: Capacity)

Staff seeks authorization to contract (No. 10-062X) with Railroad Construction Company, Inc. of Paterson, New Jersey, for the renovation of the Lindenwold Rail Station, in an amount not to exceed \$2,496,600, plus five percent for contingencies, subject to the availability of funds.

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

FISCAL IMPACTS

Requested Authorization: \$ 2,496,000 + 5% contingency

(NJT Board-04/14/10)

Total Project Cost: \$ 4,095,000

Projected Date of Completion: March 2011

Anticipated Source of Funds: Transportation Trust Fund

Diversity Goal: 25% SBE

***NJ Build* Amount:** \$ 12,483

Future/Related Authorizations: None

Impact on Subsequent Operating Budgets: \$ 200,000 annually

RESOLUTION

WHEREAS, NJ TRANSIT seeks to improve the Lindenwold Rail Station; and

WHEREAS, the project includes a new climate-controlled waiting room; replacement of the existing platform shelter; installation of lighting on the platform and in the passageways; and new bus shelters in the parking/bus area; and

WHEREAS, upon completion of a competitive procurement process it was determined that Railroad Construction Company, Inc. was the lowest responsive, responsible bidder;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to contract (No. 10-062X) with Railroad Construction Company, Inc. of Paterson, New Jersey, for the renovation of the Lindenwold Rail Station, in an amount not to exceed \$2,496,600, plus five percent for contingencies, subject to the availability of funds.

**ITEM 1004-13: NEW BRUNSWICK STATION ACCESSIBILITY IMPROVEMENTS:
CONSTRUCTION CONTRACT AWARD****BENEFITS**

New Brunswick Station is located on NJ TRANSIT's Northeast Corridor Line in the City of New Brunswick and serves approximately 12,200 average weekday passenger trips. The existing two-story station building is located on the inbound platform. The main waiting room is located above street level and can only be accessed by stairs and escalator. The current inbound elevator is not proximate to the station and does not provide access to the main waiting room. The new elevator tower will be centrally located near the northwest corner of the station building and will make the station building fully accessible for all customers in compliance with the Americans with Disabilities Act (ADA) by providing access to the street, the main waiting room and the platform.

The construction of a new elevator tower is part of the New Brunswick Transit Connection Initiative, a component of the Liberty Corridor established by Senator Robert Menendez. Phase I of the Transit Connection Initiative project is the replacement of the inbound station platform elevator. The project will provide improved mass transit access to the existing businesses, clinical components of the hospitals, medical centers and research facilities in the immediate area.

PURPOSE

This contract will authorize construction of a new elevator located near the northwest corner of the inbound station building. This elevator construction project is Phase I of a multi-phase project using Liberty Corridor funding. Subsequent phases of the project will construct additional accessibility and passenger circulation improvements, including replacing the existing escalators and improving the bus waiting area.

ACTION (Justification: Customer Accessibility)

Staff seeks authorization to contract (No. 10-019X) with Railroad Construction Company, Inc. of Paterson, New Jersey, for the construction of the inbound elevator tower at New Brunswick Station on the Northeast Corridor Line at a cost not to exceed \$1,670,470, plus five percent for contingencies, subject to the availability of funds.

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

FISCAL IMPACTS:

Requested Authorization: \$ 1,670,470 + 5% contingency

(NJT Board-04/14/10)

Total Project Cost: \$ 10,354,000

Projected Date of Completion: May 2011

Anticipated Source of Funds: Federal Highway Administration
Transportation Trust Fund

Diversity Goal: 25% DBE

***NJ Build* Amount:** None

Related Future Authorizations: None

**Impacts on Subsequent
Operating Budgets:** \$ 10,000 annually

RESOLUTION

WHEREAS, NJ TRANSIT seeks to enhance the capacity and accessibility of its facilities and services; and

WHEREAS, the construction of the new elevator tower at New Brunswick Station on the Northeast Corridor Line will enhance customer access to various transportation modes serving the businesses, hospitals, medical school, and research facilities in the immediate area; and

WHEREAS, the project includes construction of a new elevator tower at the main station building adjacent to the inbound platform; and

WHEREAS, following a competitive procurement process, Railroad Construction Company, Inc. was determined to be the lowest responsive, responsible bidder;

NOW, THEREFORE, BE IT RESOLVED, that the Chairman or Executive Director is authorized to contract (No. 10-019X) with Railroad Construction Company, Inc. of Paterson, New Jersey, for the construction of the inbound elevator tower at New Brunswick Station on the Northeast Corridor Line at a cost not to exceed \$1,670,470, plus five percent for contingencies, subject to the availability of funds.

ITEM 1004-14: CULVERT REPLACEMENT ON THE NORTH JERSEY COAST LINE IN THE BOROUGH OF SAYREVILLE

BENEFITS

Currently, flooding which occurs on the geographic western side of the tracks on the North Jersey Coast Line just west of the South Amboy/Borough of Sayreville boundary is due primarily to a non-functional cast iron pipe. The flooding also impacts the access road to South Amboy Department of Public Works facility. Pumping is necessary in order to protect the railroad track from being overtopped. The pumping operation requires continuous monitoring of rainfall activity and localized ponding in the vicinity before the tracks become breached. The existing culvert will be replaced by a 48 inch steel pipe. This will ensure safe and reliable railroad commuter services for the 90 daily trains that pass over this culvert, as well as alleviate flooding of the access roadways.

PURPOSE

This authorization is for the award of a Construction Contract for the replacement of a buried and non-functional 48 inch culvert that is necessary to meet "state-of-good-repair" initiatives and to eliminate the possibility of future overtopping of the tracks.

ACTION (Justification: State of Good Repair)

Staff seeks authorization to contract with Green Construction Company of South River, New Jersey to perform the construction of the 48 inch culvert replacement, at a cost not to exceed \$1,274,250, plus five percent for contingencies.

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

FISCAL IMPACT

Requested Authorization:	\$ 1,274,250 + 5% contingency
Total Project Cost:	\$1.5 Million
Anticipated Contract Start:	April 2010
Projected Date of Completion:	November 2010
Anticipated Source of Funds:	State
Diversity Goal:	20 %
Future/Related Authorizations:	None
Impact on Future Operating Budgets:	None

RESOLUTION

WHEREAS, NJ TRANSIT owns and maintains the 48 inch cast iron pipe culvert located on the North Jersey Coast Line just west of the South Amboy/Borough of Sayreville boundary in the Borough of Sayreville, New Jersey; and

WHEREAS, it has become necessary to protect the railroad from potential overtopping utilizing a pumping operation; and

WHEREAS, replacement of existing 48 inch cast iron pipe culvert with one 48 inch ductile iron steel pipe is needed to meet "state-of-good-repair" initiatives and modern standards of safety and functionality; and

WHEREAS, following a competitive procurement process, Green Construction Company submitted the lowest responsive bid; and

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to contract with Green Construction Company of South River, New Jersey to perform Construction of the replacement of the existing 48 inch cast iron steel culvert with one 48 inch ductile iron steel pipe, at a cost of \$1,274,250, plus five percent for contingencies, subject to the availability of funds.

**ITEM 1004-15: WEST WHARTON SUBSTATION: PURCHASE AND
INSTALLATION OF ONE NEW ENTRANCE CIRCUIT BREAKER
TO TRU-VAL ELECTRIC CORPORATION**

BENEFITS

This Board action rescinds the previous Board Item 0910-74 to replace one of the SF6 Gas Insulated 230kV Entrance Breakers at West Wharton Substation that is necessary to ensure reliable electric train service. NJ TRANSIT owns and maintains 177 miles of electrified railroad on our Morris and Essex Line. Maintaining our electrical infrastructure power distribution system is essential to Rail Operations infrastructure.

PURPOSE

Electric Traction power for the Morristown and Montclair lines is provided through three electric supply substations located at Kearny, Summit, and West Wharton. These substations receive 230kV electricity from utility companies, transform it to the 27.6kV electricity used by our trains, and distribute it along various circuits that supply the different sections of our catenary system. Commissioned in 1984 as part of the Morristown Line re-electrification project, several components are nearing the end of their useful life. Authorization is requested to purchase one high-voltage entrance circuit breaker for West Wharton Substation.

The high-voltage entrance circuit breaker is a primary circuit breaker in the substation and protects the substation equipment from damage caused by an electrical fault similar to the main circuit breaker of a residential electric service. Replacement of these components is part of maintaining a state of good repair and is necessary to ensure the continued reliability of the electric traction system.

Five of the seven 230kV entrance circuit breakers on the Morris and Essex Line have been replaced. Utility Line East (ULE) and Utility Line West (ULW) circuit breakers located in West Wharton Substation are the last two scheduled for replacement. ULE is the only circuit breaker in service at West Wharton substation and is scheduled for replacement in 2012. ULW is not in service and authorization is sought to replace it under this board item. Various parts from ULW have been used to keep ULE and other circuit breakers in service over the years.

In October 2009, the Board authorized the award of a contract to ABB Inc. for this scope of work. Prior to award of the contract, material deficiencies in the ABB bid submission were identified by staff and the bid was rejected. NJ TRANSIT re-bid the contract and received only one responsive bid. The single bid was found to be price excessive and, in accordance with N.J.A.C. 16:72-1.5, staff entered into negotiations with the bidder, Tru-Val Electric Corporation. A fair and reasonable price was subsequently negotiated and staff recommends proceeding with the award.

ACTION

Staff seeks authorization to rescind Board Item 0910-74 and to enter into a contract with Tru-Val Electric Corporation of Hackensack, New Jersey to design, supply, deliver, install, test, and commission one new 230kV entrance circuit breaker at West Wharton Substation at a cost not to exceed \$1,717,000, plus five percent for contingencies, subject to the availability of funds.

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

FISCAL IMPACTS

Requested Contract Authorization:	\$ 1,717,000 + 5% contingency
Total Project Cost:	\$ 2,278,500
Anticipated Contract Start:	April 1, 2010
Projected Date of Completion:	June 1, 2011
Anticipated Source of Funds:	TTF
Diversity Goal:	0%
Future/Related Authorization:	None

RESOLUTION

WHEREAS, NJ TRANSIT owns and maintains over 177 track miles of electrified railroad on our Morris and Essex Line; and

WHEREAS, maintaining and upgrading of this electric traction system requires investment in replacement equipment; and.

WHEREAS, the replacement of one SF6 Gas Insulated 230kV Entrance Circuit Breaker at West Wharton is necessary to ensure reliable electric train service; and

WHEREAS, upon completion of a competitive procurement process, it was determined that Tru-Val Electric Corporation of Hackensack, New Jersey was the lowest responsive, responsible bidder;

WHEREAS, pursuant to NJ TRANSIT Procurement Regulations N.J.A.C. 16:72-1.5 Tru-Val's bid was determined to be price excessive and a fair and reasonable price was obtained through negotiations.

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to rescind Board Item 0910-74 and to enter into a contract with Tru-Val Electric Corporation of Hackensack, New Jersey to design, supply, deliver, install, test, and commission one new 230kV entrance circuit breaker for West Wharton substation at a cost not to exceed \$1,717,000, plus five percent for contingencies, subject to the availability of funds.

CONSENT CALENDAR

ITEM 1004-16: FTA SUBSTANCE ABUSE MANAGEMENT OVERSIGHT PROGRAM: CONSULTANT CONTRACT AWARD

BENEFITS

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

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

PURPOSE

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

Through this contract, NJ TRANSIT will engage the services of a Consultant to monitor the compliance of each of these contractors/subrecipients with the provisions of 49 CFR Parts 40 and 655 and to assist NJ TRANSIT with bringing/maintaining the contractors/subrecipients policies and programs into a state of full compliance.

ACTION (Justification: Mandate)

Staff seeks authorization to contract (No. 10-045) with Compliance Oversight Solutions Ideal, LLC (COSI) of Downingtown, Pennsylvania, for the performance of professional

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services related to NJ TRANSIT's implementation of an FTA Substance Abuse Management Oversight Program for a three-year period plus two one-year option periods at a total cost not to exceed \$593,200, plus five percent for contingencies, subject to the availability of funds.

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

FISCAL IMPACT

Requested Authorization: \$ 593,200 + 5% contingency

Total Project Cost: \$ 593,200

Projected Date of Completion: 2015

Anticipated Source of Funds: Operating Budget

Diversity Goal: 10% SBE

***NJ Build* Amount:** None

Impact on Subsequent Operating Budget:	FY 2010 (2 months)	\$ 24,242
	FY 2011	\$ 141,845
	FY2012	\$ 115,113
	FY2013	\$ 106,571
	FY2014	\$ 107,326
	FY2015 (10 months)	\$ 98,103

RESOLUTION

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

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

WHEREAS, the FTA requires NJ TRANSIT to certify that those contractors/subrecipients comply with 49 CFR Parts 655 and 40; and

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

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is hereby authorized to contract (No. 10-045) with Compliance Oversight Solutions Ideal, LLC (COSI) of Downingtown, Pennsylvania, for the performance of professional services related to NJ TRANSIT's implementation of an FTA Substance Abuse Management Oversight Program for a three-year period plus two one-year option periods at a total cost not to exceed \$593,200, plus five percent for contingencies, subject to the availability of funds.

ITEM 1004-17: PUBLIC/PRIVATE PARTNERSHIP (P3) FINANCIAL ADVISOR

BENEFITS

NJ TRANSIT is seeking the services of a financial advisor with experience in advising and assisting government entities with the development and implementation of Public/Private Partnership ("P3") programs/projects. In particular, NJ TRANSIT is seeking assistance in structuring efficient and innovative financing arrangements for its parking assets throughout the system.

PURPOSE

NJ TRANSIT's primary objective is to maximize the value of the assets to NJ TRANSIT while maintaining and improving customer service levels and sustaining high safety and security standards. We will focus on our parking portfolio and will work with the advisor to establish a program for the management and development of our parking assets throughout the state and to assess alternative financing viability. This will include the development of financial models to assess the viability of utilizing alternative financing structures for the financing of existing and new parking structures and quantifying the potential opportunities for NJ TRANSIT in partnering with the private sector to manage, acquire or lease any or all of its parking facilities. The recommended firm will support NJ TRANSIT in the completion of this effort including portfolio analysis, financial modeling, valuation of parking assets, industry outreach to identify potential bidders, implementation of the procurement process, evaluation of responses, facilitation of negotiations, assistance in the development of the appropriate form of innovative financing arrangement and facilitation of the closing process.

ACTION

Staff seeks authorization to contract with Scott Balice Strategies to act as NJ TRANSIT's Financial Advisor for a period of one year to develop a strategy for maximizing revenue from the agency's parking assets throughout the system and develop financing structures, economic and demographic trends, identify the investor universe, analyze risk considerations and develop a procurement strategy. The cost will not exceed \$480,000.

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

FISCAL IMPACTS

Requested Authorization: \$480,000 for a period of 12 months

Projected Date of Completion: June 30, 2011

(NJT Board-04/14/10)

Anticipated Source of Funds:	Operating Budget
Diversity Goal:	10%
Related/Future Authorizations:	N/A
Impacts on Subsequent Operating Budgets:	\$400,000 of this amount will be in FY 2011

RESOLUTION

WHEREAS, NJ TRANSIT has a need for a financial advisor to develop potential public-private partnerships for its parking assets, and

WHEREAS, in support of NJ TRANSIT's objective to maximize the value and return from its parking assets, engagement of a public/private partnership consultant team will help NJ TRANSIT to implement a public/private partnership program; and

WHEREAS, upon completion of a competitive procurement process, the Technical Evaluation Committee determined that Scott Balice Strategies submitted the most competitive proposal that provided the best overall value to NJ TRANSIT;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to retain Scott Balice Strategies for one year with compensation not to exceed \$480,000, subject to the availability of funds.