

Philip D. Murphy, Governor
Sheila Y. Oliver, Lieutenant Governor
Diane Gutierrez-Scaccetti, Commissioner
Kevin S. Corbett, President & CEO

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

June 26, 2020

Dear Governor Murphy:

Pursuant to Chapter 150, Laws of 1979, I herein transmit the minutes of actions taken at the open session of the rescheduled meetings of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc., Board of Directors held on Thursday, June 18, 2020.

Sincerely,

Joyce J. Zuczek

Joyce J. Zuczek
Board Secretary

Enclosures

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

Open Session Minutes of the actions taken at the rescheduled Board of Directors' meetings of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. conducted virtually by telephone on Thursday, June 18, 2020.

Board Members

Diane Gutierrez-Scaccetti, Chair
James D. Adams, Board Member
Dini Ajmani, Treasurer's Representative
Sangeeta P. Doshi, Board Member
Cedrick T. Fulton, Board Member
Bob M. Gordon, Board Member
Raymond W. Greaves, Board Member (Non-Voting) (Absent)
Richard A. Maroko, Board Member
David A. Rasmussen, Board Member (Non-Voting)
Brian T. Wilton, Governor's Representative

Staff

Kevin S. Corbett, President & Chief Executive Officer (CEO)
Joyce J. Zuczek, Board Secretary
Jeannie Kwon, Senior Vice President & Chief Administrative Officer
Eric R. Daleo, Senior Vice President, Capital Programs
Ronald E. Nichols, Chief, Light Rail & Contract Services
William Viqueira, Senior Vice President, Chief Financial Officer & Treasurer
Joseph E. Snow, Assistant Attorney General, Office of the Attorney General
Caroline Vachier, Deputy Attorney General, Office of the Attorney General

Chair Gutierrez-Scaccetti convened the Open Session at 9:03 a.m. in accordance with the Open Public Meetings Act. Board Secretary Zuczek conducted a roll call and noted Board Member Greaves was absent.

Board Secretary Zuczek announced that adequate notice of the rescheduled meetings of the Board of Directors of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations Inc., NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. was provided in accordance with the Open Public Meetings Act and Public Law 2018, Chapter 162, and the meetings were occurring concurrently. Notices were filed on June 12, 2020 with the Secretary of State. These notices were sent to newspapers of general distribution, posted in the main entrance of NJ TRANSIT headquarters, published on the corporation's website, and sent to each individual, agency, and organization that requested such notice. The meetings were viewable on the corporation's website in real time and would be recorded, archived, and made available to the public. Minutes will also be archived and published on the website.

Chair Gutierrez-Scaccetti asked the event call operator to advise how many public speakers were on the line to speak regarding agenda items only. He noted there were 20 people currently on the line. Board Secretary Zuczek noted there were about 31 people signed up. Chair Gutierrez-Scaccetti said they would proceed to executive session to hold faithful to the schedule posted.

First Executive Session Authorization

Chair Gutierrez-Scaccetti noted they needed to hold a brief executive session to discuss three matters that will be voted on that day, and the public portion of the meetings would resume no earlier than 10:00 a.m. which should be ample time for the other individuals who wish to make public comments on agenda items time to get on the line.

At approximately 9:07 a.m., Chair Gutierrez-Scaccetti requested a motion to enter Executive Session to discuss personnel matters, contract negotiations, the status of pending and anticipated litigation, and matters falling within the attorney-client privilege, including, but not limited to the NJ TRANSIT – Advertising Contractual Payment Modification, the Hoboken Records Building Project: Construction Contract Award, and the Advanced Speed Enforcement System II – Positive Train Control: Contract Amendments for Implementation. Board Member Brian T. Wilton made a motion, Board Member Cedrick T. Fulton seconded the motion, and it was adopted.

Roll Call Vote:

Adams	Ajmani	Doshi	Fulton	Gordon	Maroko	Wilton	Gutierrez-Scaccetti
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Chair Gutierrez-Scaccetti noted Board Member Gordon was now a full Board Member, able to vote and will join executive session, except for the Positive Train Control item he was recused from.

Return to Open Session

Board Secretary Zuczek conducted a Roll Call as Board Members returned to Open Session. All Board Members except Board Member Rasmussen returned to Open Session at approximately 10:39 a.m. Chair Gutierrez-Scaccetti asked the event call operator to ensure Board Member Rasmussen was moved back into the public session of the meetings. He noted Board Member Rasmussen’s line disconnected. Chair Gutierrez-Scaccetti said they would reach out to have him rejoin and asked the event call operator to have him given priority to rejoin the public session. The event call operator said they would monitor for his return call. Board Secretary Zuczek confirmed they had a quorum without Board Member Rasmussen.

Approval of Minutes

Chair Gutierrez-Scaccetti asked for a motion to approve the minutes of the May 13, 2020 Board meetings. Board Member James D. Adams made a motion, Board Member Cedrick T. Fulton seconded the motion, and it was adopted.

Roll Call Vote:

Adams	Ajmani	Doshi	Fulton	Gordon	Maroko	Wilton	Gutierrez-Scaccetti
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

President & CEO’s Monthly Report

President & CEO Corbett was sad to report that since their last meeting, another long-serving member of NJ TRANSIT passed away due to confirmed COVID-19-related complications. Alfonso Villamarin served the state and customers for nearly two decades as a Bus Operator in Orange Garage. He was deeply committed to his job, and they will always be grateful for his contributions to NJ TRANSIT Bus Operations.

President & CEO Corbett said they also received news earlier in the month that Tiran Billups, the ATU President of Local 819, passed away from complications related to the virus. He led the largest ATU local in the state with over 2,000 members, beginning his career with NJ TRANSIT in 1996.

President & CEO Corbett said their thoughts and prayers are with Alfonso’s and Tiran’s families and loved ones at this difficult time and asked for a moment of silence in their honor.

In their continuing efforts to protect the health and safety of employees, they added four new sites for employee COVID-19 testing. The new appointment-only sites are open Monday through Friday from 8:30 a.m. to 4:30 p.m., in Trenton, Manahawkin, Toms River, and Edison, New Jersey.

Since the last Board meeting, NJ TRANSIT received an award of \$1.4 billion in federal aid through the Coronavirus Aid, Relief, and Economic Security (CARES) Act. These funds are being used to offset the dramatic revenue losses and increasing COVID-related expenses, in order to have sufficient funds to continue current operations.

President & CEO Corbett said this funding is certainly welcome and much appreciated, but it will not be enough to get them through this crisis. Since the initial request in March, the effects of the pandemic significantly worsened. A fuller picture has emerged of the breadth and depth of the financial impacts nationwide on transit systems and in particular on NJ TRANSIT, which is why on May 12, 2020, they made an additional request for \$1.2

billion in federal relief funding. President & CEO Corbett said they are now counting on the Congressional Delegation for their continued support.

While continuing to take any and all measures to maintain the safest system possible for our customers and employees, NJ TRANSIT has been developing their recovery plan to prepare for their customers' gradual return to the system. To inform their operational decisions as they prepare for their customers' return, NJ TRANSIT has been actively leveraging data, tools, and regional information sources to monitor and identify projected trends in ridership and customer behavior. This comprehensive trend analysis will continue throughout the recovery period to ensure their recovery plans will remain flexible, responsive, and data-driven.

They have branded their service restoration phase as "NJ TRANSIT – Your Ride to Recovery." On Tuesday, they released new Recovery Guidelines, detailing the critical steps being taken to protect customers and employees. These guidelines are consistent with The Road Back – New Jersey's roadmap for restoring economic health through public health – and focus on six core objectives: cleanliness, distancing, transit service, communication, testing, and personal protective equipment/public safety. The complete list of Recovery Guidelines can be found at njtransit.com/recovery.

The first campaign of NJ TRANSIT's Ride to Recovery will be "SAFE NJ." The campaign's main objective is to encourage customers to model good transit behaviors following the easing of COVID-19 restrictions when on NJ TRANSIT's system. The messages are simple and direct and will be delivered consistently to NJ TRANSIT customers and employees across vehicles, stations, and facilities, and all communication channels.

Another goal of the campaign is to assure the 90 percent of NJ TRANSIT's customers who have not been riding over the last three months that their system is safe, clean, and ready for their return. And for the 10 percent or so who have been riding, they are continuing to work harder than ever.

They are also planning to have ambassadors at key stations and terminals throughout the system later this summer to welcome customers back. This customer communications effort is just one part of a larger "Restoration Unit" in their Incident Command Structure.

The Restoration Unit is comprised of several sub-committees focusing on service planning, employee and customer facilities, communications, and customer experience. They have been doing an incredible amount of work developing ridership projections, conducting extensive customer surveys, and regularly engaging with peer agencies in the region, as well as across the country and internationally.

As some may know, President & CEO Corbett represents New Jersey on a seven-state transportation task force along with Pennsylvania, New York, Massachusetts, Rhode Island, Connecticut, and Delaware. They are all going to face similar challenges when ridership begins to exceed the 50 percent mark, because they all know that it is extremely

difficult to take the “mass” out of “mass transit.” That’s why they also agree that the recovery plan must include shared responsibilities if they are going to be successful.

President & CEO Corbett said what he means by “Shared Responsibility” is that NJ TRANSIT is responsible for maintaining the cleanest and safest possible transit system for customers and employees. They are committed to continuing to take any and all measures that we can to accomplish that, including, but not limited to: continuing to clean and disinfect vehicles every 24 hours; continuing regular cleaning and disinfecting of their stations and facilities; ensuring their frontline employees have the necessary personal protective equipment (PPE), such as gloves and face coverings; communicating effectively, which includes real-time information; and extensive signage and messaging to ensure customers and employees are all modeling safe behaviors and adhering to all requirements; and, delivering service that manages capacity to the greatest extent possible, as ridership begins to return to the system. All the while being guided by the latest state and federal health recommendations and remaining consistent with New Jersey’s “Road Back” recovery plan.

Again, NJ TRANSIT cannot do this alone. They are relying on customers to do their part as well. Customers should continue to follow New Jersey Department of Health guidelines, including complying with the face-covering requirement and being cognizant of distancing to the greatest extent possible.

Numerous health authorities have declared, including the World Health Organization (WHO), the challenges of distancing on mass transit, make the wearing of face coverings to limit the spread of the virus absolutely essential. Wearing a proper face covering correctly, along with every day preventive actions, will help protect everyone riding the system.

Obviously, if customers are sick, they should stay home. If they have an underlying health condition, they should consider alternatives to mass transit.

Finally, employers have a significant role in the shared responsibility for a successful recovery and can do their part by allowing all employees who can work from home to continue working from home, and when working from home is not feasible, offer flexible work hours or stagger work shifts.

There’s been a lot of talk of flattening the curve as it relates to the virus, but there’s another flattening of the curve we’re intently focused on. They are really counting on employers for this work flexibility to flatten the peak period travel curves to spread ridership more evenly across the service daily to improve distancing.

President & CEO Corbett said the point is, they are all in this together, and it will take each committed to doing their part, to avoid further spread of the virus, and deliver the safest possible customer experience until all the restrictions are lifted.

As mentioned, they will be closely monitoring ridership in an effort to manage capacity as customers begin to return. Toward that end, on Monday, June 8, 2020, they adjusted weekday bus service from a special modified weekday schedule to a full, regular weekday service. They were providing roughly 13,000 bus trips under the modified weekday schedule and are now providing about 16,500 trips under the regular weekday schedule. This service increase was coordinated with New York City's Phase One reopening.

Regarding rail service, NJ TRANSIT strategically deployed extra trains and crews around the system to address potential hotspot crowding on select trains. They will continue to closely monitor ridership daily in order to make service adjustments that add capacity as needed as they have since the onset of the pandemic.

NJ TRANSIT's recovery planning includes more than just transit service. It also includes NJ TRANSIT's role in supporting New Jersey's economic recovery. On June 8, 2020, President & CEO Corbett was proud to join Governor Murphy at his daily press briefing in Trenton to make an exciting announcement that will truly be transformational for NJ TRANSIT. There, they unveiled NJ TRANSIT's 10-year strategic plan, NJT2030, and a new five-year Capital Plan.

The release of these plans marked the culmination of more than two years' worth of work by NJ TRANSIT employees from across the entire organization. Together, these plans will build on the significant progress they have already made over the last two years, support their state's economic recovery following the effects of the COVID-19 pandemic, and provide a roadmap that will guide decision-making as they move forward over the next decade. It is important to note that these plans are designed to be living documents and will continue to be refined moving forward.

President & CEO Corbett started with NJT2030, NJ TRANSIT's 10-year Strategic Plan. He provided just high-level overviews of the strategic and capital plans, but each plan can be viewed in its entirety by visiting njtplans.com.

The COVID-19 pandemic has reinforced the need for a long-term strategic plan that is anything but static. And again, NJT2030 is a living document that they fully expect to refine as they progress toward 2030. It provides the core strategic vision for NJ TRANSIT, with the flexibility to evolve to meet the ever-changing and sometimes unexpected needs of their customers and region. The plan's five overarching goals, 26 strategies, and more than 100 strategic initiatives carve out an ambitious roadmap for NJ TRANSIT.

This plan is really about their customers and putting them first in every decision they make. They have included metrics to measure success. This plan will hold them accountable for meeting deliverables within the first two years, the second phase in years three through five, and finally years six through 10.

Some of those deliverables include: goals for improving on-time-performance; increasing service on the most congested bus routes; fleet replacement, including the advancement

of our net-zero emissions bus program; station rehabilitations; and improving accessibility to the system.

President & CEO Corbett again said those are just a few examples and encouraged anyone listening to visit njtplans.com to review NJT2030 and provide feedback as they continue to refine the plan moving forward.

President & CEO Corbett spoke briefly to the Capital Plan. He is extremely proud of the hard work that went into NJ TRANSIT's five-year Capital Plan. The development of the plan started approximately two years ago.

President & CEO Corbett said one of the first orders of business when he arrived was to order a systemwide condition assessment of all their capital needs. In order to prioritize projects, they need to know the condition of their assets. He was, frankly, extremely surprised that such an essential assessment did not exist.

The plan will also allow for the effective management of crucial lifecycle costs, that optimal decision point between continuing to maintain an asset versus replacing the asset. President & CEO Corbett said to think of their aging car. At some point, it will cost more to maintain it, than it would, than if a new car was purchased. They are maintaining locomotive engines that are more than 50 years old. Simply put, upgraded infrastructure and a modern fleet improve reliability and efficiency, driving down operating costs and expenses.

President & CEO Corbett noted that this is a rolling five-year Capital Plan, their first five-year Capital Plan, and it's an unconstrained vision for NJ TRANSIT; a plan that makes NJ TRANSIT a world-class system, and puts customers' needs first. What unconstrained means is it includes projects that are currently proceeding with funding already in place, as well as projects that are not funded but vital to NJ TRANSIT's service delivery. This unconstrained plan will be used to help determine the priority of capital projects within any future constrained capital plan.

An amount of \$5.78 billion in additional funding, above the approximately \$11.2 billion already identified and anticipated, would be required over the next five years to implement all the projects and other initiatives contemplated in this Plan. Which, when compared to the constrained, or funded, capital plan of an agency like the MTA is quite modest. The projects and programs in the Capital Plan, ranging from \$1 million to \$3 billion, are either already in progress or identified as vital for consideration.

The Rutgers Center for Advanced Infrastructure & Transportation (CAIT) estimates the Capital Plan would generate over \$54.9 billion of economic output within the state and over \$15 billion of earnings for New Jersey employees. That is the equivalent of 245,000 full-time equivalent job-years of New Jersey employment. Job years reflect a single year of full-time employment

Clearly, the Capital Plan offers a significant return on investment, and will also better position NJ TRANSIT to successfully secure additional funding through available grants and other sources of funding. The Plan also provides a comprehensive vision for transit and environmental advocacy groups, businesses, and employer organizations to rally support for funding that is so critical to delivering the caliber of service customers want and deserve.

President & CEO Corbett noted the plan does not include the Gateway tunnels, Penn Station New York expansion, or a new Port Authority Bus Terminal. Which, while critically important, are not owned by NJ TRANSIT and are not specified in NJ TRANSIT's Capital Plan. Obviously, they work with those agencies on those projects as well.

President & CEO Corbett again urged visiting njtplans.com to view and download the plans in their entirety. He thanked Governor Murphy and Commissioner and NJ TRANSIT Board Chair Gutierrez-Scaccetti for their tremendous leadership and very much appreciated continued support for NJ TRANSIT. President & CEO Corbett said he has never been more optimistic about the future of NJ TRANSIT.

President & CEO Corbett said that optimism was reinforced Friday evening, when the President posted his support on Twitter, following a meeting with the Governor, for one of the largest projects in the Capital Plan, and one of national significance, The Portal North Bridge. They are now ready to enter the engineering phase for Portal North, which is the next step toward a Full Funding Grant Agreement and getting shovels in the ground. This is truly an exciting time in NJ TRANSIT's history.

President & CEO Corbett turned the floor over to Terry Feters from their contractor, Parsons, and their subcontractor Alstom, to update the Board with a status of the Positive Train Control (PTC) project. He will talk about how Parsons and Alstom will ensure the project remains on schedule for full implementation by December 31, 2020.

Terry Feters noted he was the project manager for the PTC project for Parsons. He provided a brief update on how they are meeting their schedule targets as it relates to the updates in reference to the revenue service and extended revenue service demonstrations, their near-term goals, and their plan forward to certification ensuring their joint success.

He reported on their progress towards meeting the scheduled dates for the targets that were reported during the April Board meetings. At the April meetings, they announced the software releases would be completed in December 2019, and they achieved that. They also announced they would be done with the revenue service demonstration in March 2020, and they were able to complete that. They announced the extended revenue service demonstration would begin in June 2020, and they are on target. The next milestone is the Safety Plan submission scheduled for June 2020, and they are on target for that as well.

The other two remaining items were the Federal Railroad Administration (FRA) review period of six months, which remains the same. The Safety Plan and PTC Certification is December 31, 2020, and they are on target for that as well.

Mr. Fetters described further how they are on target. The extended revenue service demonstration 18.5 software for all vehicle types was approved on June 5, 2020. All vehicle types began running in the revenue service demonstration area on June 8, 2020, and as a result, the vehicle runs increased significantly.

Mr. Fetters said the major milestone for the FRA required completion of 384 Arrow III runs was completed this week. That was a tremendous milestone they have met. The NJ TRANSIT Safety Plan is also on target. Since the consecutive runs were completed, NJ TRANSIT's request for approval from the FRA to enter extended revenue service will also occur. Right after that, the Gladstone Line will go into extended revenue service. They are looking very positive to the future, and to that plan, and they are looking forward to the full PTC certification being on track for the end of the year.

As of June 15, 2020, with the new software approval on June 5, 2020, they now have 173 vehicles loaded with the new extended revenue service demonstration software, and 140 of those are ready for revenue service. This significant increase allows them to have the vehicles available in order to meet all their targets.

By the end of June, they will be 26 percent complete with Montclair-Boonton and Morristown lines in extended revenue service demonstration. By the end of August, they will complete 50 percent of NJ TRANSIT's track route miles by adding Gladstone, Raritan Valley, and Bergen lines into extended revenue service demonstration. They are on target for 100 percent completion by December 31, 2020.

In order to continue ensuring their success, they are having daily coordination meetings between Parsons, Alstom, and NJ TRANSIT. Additionally, they are having weekly meetings with all the stakeholders, including the FRA, NJ TRANSIT, WSP, Parsons, and Alstom to have collaborative and transparent discussion to progress the project. This is where they discuss their testing results, upcoming schedules, identify any mitigations necessary, as well as identify opportunities for efficiencies, which is an ongoing process that they do daily. Additionally, they are engaging with all the stakeholders, and Parsons and Alstom are committed to having a successful completion and have a plan forward for that by the end of the year.

President & CEO Corbett thanked Terry Fetters and noted it has been a very intense month for everyone involved in the project. Crossing that threshold of 384 runs and going into extended revenue service demonstration certainly gives a great sense of confidence in the ability of the software, the wayside system overall, and going into extended revenue service demonstration is a big sigh of relief for all of them. He thanked him for the presentation and noted there would be a monthly update at the Board meetings through the end of the year.

Before wrapping up, President & CEO Corbett highlighted some extraordinary police work by their very own New Jersey Transit Police Department (NJTPD). As some may know, last month, a man was fatally stabbed in South Amboy, in the vicinity of South Amboy Train Station. New Jersey Transit Police assisted in both the investigation and ultimate apprehension of the suspect.

A special thank you goes out to NJTPD Detective Sergeant Thomas Springs, Detective Michael Bavosa, and Detective Laquan Hudson for taking the lead on this case. President & CEO Corbett also gave special thanks to NJTPD Chief Christopher Trucillo, who has been fostering an inclusive and community-based policing approach at the NJTPD for the last decade, and his entire department for all their efforts to keep customers and employees safe during this pandemic.

The NJTPD is also proving to be a national model of progressive policing in the midst of the national outrage sparked by the abhorrent events last month, where George Floyd tragically lost his life at the hands of a Minneapolis police officer. In the aftermath of that incident, President & CEO Corbett sent a letter to all employees reaffirming NJ TRANSIT's unequivocal condemnation of racism and inequality at any level.

Now more than ever, they want to reinforce NJ TRANSIT's commitment to fostering an environment of diversity, inclusion, and equality. New Jersey is one of the most diverse states in the nation, and he is proud that NJ TRANSIT maintains a continued focus on ensuring that their workforce and values reflect the diversity of their great state.

Public Comments on Agenda Items

Chair Gutierrez-Scaccetti told the event call operator, they would like to open the floor for public comments pertaining to agenda items only. She asked the event call operator to provide instructions for entering the queue to make a public comment on agenda items only at this time.

The event call operator noted there were 25 people currently in the queue to speak on agenda items, and he would now explain to the entire audience how to enter the queue. Chair Gutierrez-Scaccetti noted for the record that that was 75 minutes of comments based on three minutes each. She also noted there is a state legislator on the list to speak, and if Senator Weinberg is on the line, she should be given the first opportunity to speak. The event call operator noted she was on the line, has been prioritized, and would be first in the queue.

The event call operator said the floor was open for the first public comment period, noting this public comment period was for addressing agenda items only. There will be another public comment period for other matters. If individuals wanted to make a public comment regarding an agenda item, they were instructed to press *1 on their telephone keypad to enter the queue. They would hear a brief tone to indicate they have successfully entered the queue. Priority access would be given to any participant who has pre-registered, and those comments will be taken in turn. They would then take public comments from

remaining participants on a first-come first-serve basis. Each person would have three (3) minutes for their public comment. A warning would be provided with one (1) minute remaining and again with 15 seconds remaining.

Senator Loretta Weinberg said on behalf of the State Legislature, they offer their sympathy to the families, survivors of those lost to the Coronavirus from the NJ TRANSIT family, and to those that have been sickened by the virus, they wish a speedy recovery. She was pleased to see that her former Senate colleague Bob Gordon was finally fully confirmed as a voting member on the NJ TRANSIT Board. Senator Weinberg looks forward to two more members joining in the near future after the Governor's Office decides on a regular bus rider to nominate to the Board.

Senator Weinberg said NJ TRANSIT faces significant challenges in the months and years ahead, some of which have been years in the making, others that are new have been exacerbated by the Coronavirus. They don't know what the "new normal" will look like for NJ TRANSIT, how commuting patterns and preferences will change, how the need and/or desire for social distancing will affect New Jersey Rail and Bus capacity, especially if there is a second outbreak, nor do they know if ridership will be affected in the long run. They don't know whether major employers will continue to allow or require thousands of employees to work from home instead of commuting every day, nor whether companies will set up satellite operations throughout New Jersey requiring a change to the long-term transit capital plan.

These are all new questions that will demand the vision, insights, and skillset of a strong NJ TRANSIT Board that the Legislature created. These core questions will need to be answered in NJ TRANSIT's 10-year Strategic and five-year Capital Plans, both of which were largely developed before the Coronavirus crisis hit. Senator Weinberg said to her knowledge there were no public hearings of any kind to ask commuters what they believed the priorities should be.

Senator Weinberg said she knows that environmentalists and urban activists are not happy with how long it will take to electrify the bus fleet in order to cut pollution. She was told she would be happy that the construction of the Hudson-Bergen Light Rail to Englewood was moving forward, until she read the Capital Plan and saw that virtually no money would be spent during the current five-year capital plan, and that real construction would not begin until after 2030.

Senator Weinberg said clearly, they need a full public reexamination of both these plans, but there is a more fundamental long-term issue. They in the Legislature worked hard to create a strong NJ TRANSIT Board, but to the best of her knowledge, these plans were developed with little of the ongoing input, guidance, and expertise the Legislature would have expected the NJ TRANSIT Board to provide. Senator Weinberg said there were no plans also, to the best of her knowledge, with the ongoing input, guidance, and expertise of the public. That is why they introduced new legislation this past Monday to strengthen powers of the NJ TRANSIT Board, and to make NJ TRANSIT more accountable to the hundreds of thousands of riders it was created to serve.

Senator Weinberg said the new legislation would require public hearings on the capital program and strategic plan. The new bill would facilitate Board and Management collaboration by expanding direct Board oversight to include any major planning document, including, but not limited to, any strategic plan, capital plan, unconstrained capital plan, or any other planning document. Senator Weinberg said this would give the Board the direct power to hire the Executive Director as well as other positions of senior staff, including the Customer Advocate. She said, as promised previously, the legislation assures the independence of the Customer Advocate by taking the position out from under the Executive Director, and placing it within the Office of the Auditor, who reports directly to the Audit Committee of the Board, and not to the Executive Director.

In furtherance of the Audit Committee's independence and purpose, the bill requires NJ TRANSIT to make available to the Board in a centralized database, all materials related to internal audits. NJ TRANSIT would be required to produce these materials to Board members upon request, and NJ TRANSIT would be barred from submitting a fiscal item to another department of the state or municipal planning organization without first presenting the item to the Administration Committee, and the full Board should have final say on executing fiscal items as recommended by the Administration Committee.

Senator Weinberg said the legislation makes it clear that both Board Committees and the full Board are free to discuss wider policy questions on any issues of public interest, the Board can add items to the agenda, and NJ TRANSIT Management is required to provide documents for information requested by any Board Committee. It provides for the direct election of the Board Chair and Vice Chair by NJ TRANSIT for two-year terms. Finally, this gives the Board a greater role in the development of new By-Laws, sets a firm deadline for new By-Laws to be adopted 180 days after passage of the bill. Senator Weinberg said they don't take these steps lightly but recognize that a strong Board is vital to NJ TRANSIT achieving its full potential and returning to its previous status as one of the finest mass transit systems in the nation.

Senator Weinberg said she hopes they will look over the draft legislation and would be privileged to receive any input that any of the Board Members might care to share with her, and thanked everyone for the courtesy of allowing her to speak about what the legislators expect, and that they want a full robust NJ TRANSIT Board running NJ TRANSIT. She thanked the NJ TRANSIT employees for their hard work during these trying times.

Randy Glucksman is Chair of the Metro North Rail Commuter Council and a Board member of the MTA. He thanked NJ TRANSIT Rail Operations for providing a reliable service to my constituents on the Port Jervis and Pascack Valley Lines for the month of May. He had to modify what he wanted to speak on due the PTC update that was given by Parsons, and the updates that were made yesterday on the NJ TRANSIT website. Mr. Glucksman said the fact remains that for more than a year he has spoken about PTC. He emailed a copy of last month's MTA's PTC report to President & CEO Kevin Corbett, Paul Wyckoff, Chief of Government & External Affairs, and Board Secretary Zuczek, per his request to Metro North, to provide some data on their Hudson Line, which is contained

in the PTC report which is being presented to their Metro North Board members this month.

Mr. Glucksman said there are too many details that are still lacking. As they may have seen, the Metro North PTC report has Gantt charts which clearly show each line and branch, a method he strongly recommends being implemented in NJ TRANSIT's PTC reporting. While NJ TRANSIT is still not where they would like them to be on PTC, they hope they will be able to cross the finish line. Mr. Glucksman asked them to remember the clock is ticking towards the deadline for full PTC implementation on December 31, 2020. He said ultimately it will be the Board Members that will have to answer to customers if NJ TRANSIT fails to meet all the requirements and is forced to cease rail operations January 1, 2021.

Mr. Glucksman said in case they didn't notice, everyone else did, the Executive Session took one-hour and 21 minutes. He mentioned previously to the Board that the MTA Executive Sessions are held at the end of the meeting and generally take a few minutes. Mr. Glucksman said NJ TRANSIT needs to do better.

Joseph Clift recognized the bill signed by Governor Murphy allowing Board Member Bob Gordon to vote and gave his congratulations. Mr. Clift asked the Board to look at Board Item 2006-43 which is an item to amend the PTC contract with Parsons Transportation. He said this will be the seventh amendment to give Parsons more money to do the same scope of work.

Mr. Clift said NJ TRANSIT is reporting to the FRA and the limited information on the NJ TRANSIT website dated on June 1, 2020 suggests great risk of failing to finish and operate under PTC fully by December 31, 2020. He said despite what they heard from Parsons today, NJ TRANSIT has no reports. Mr. Clift said there is a link to a letter from the Federal Railroad Administration (FRA) writing to the Governor, Commissioner, and President & CEO saying NJ TRANSIT was at risk, that he circulated to Board Members.

Mr. Clift said as a comparison on March 31, 2020, revenue service demonstration which is a key metric, Long Island Railroad is at 76 percent of track miles, Metro North is at 75 percent of track miles; now at 90 percent. He said Metro Chicago, the only other major commuter railroad that received a letter from the FRA, is at 54 percent in revenue service demonstration, and NJ TRANSIT is at five percent revenue service demonstration as of March 31, 2020, and he just checked the website and it still says NJ TRANSIT is at five percent complete. He said NJ TRANSIT has 120 vehicles done out of 500 that can work on revenue service demonstration. Mr. Clift said he was concerned when he read all of this on March 31, 2020, which means they only have 9-months to do all this work.

Mr. Clift asked where the reports are. He noted Mr. Glucksman talked about the reports that the Board members have been getting at Metro North for months, asked where NJ TRANSIT's reports are, and said they are not online. Mr. Clift said Board Members must demand PTC information, and this fits into what Senator Weinberg said about the Board running things. He said NJ TRANSIT needs milestones to show they are on track.

Allen Kratz, spoke as a private community member, recommending the Board table Board Item 2006-39 until its meeting in October 2020, so that in the interim NJ TRANSIT (a) can and shall prepare for the Board's consideration at that meeting a recommendation based on a completed Alternatives Analysis that is based upon further due diligence, including a full conditions assessment of the Hoboken Records Building, including an interior inspection and probes, to be performed by a historic structures engineering firm that has demonstrated its experience with deteriorated load-bearing masonry structures, adhering to industry safety standards and (b) can and shall protect the adjacent public right of way and facilities to the satisfaction of the Department of Community Affairs, with no penalties levied on NJ TRANSIT. His rationale is the estimated cost of demolition with salvage is \$2.74 million, and \$2.3 million is a private structural engineer's estimated cost of rehabilitation.

Mr. Kratz said the New Jersey Historic Trust, part of the DCA, grants up to \$2.5 million for similar rehab projects. He argued the private engineer's analysis and recommendations, plus NJ TRANSIT's own record of rehabilitating structures to historic standards, show that the Hoboken Records Building can be safely inspected from the inside, stabilized, and rehabilitated without NJ TRANSIT funds, for an economically viable new use consistent with flood-management regulations, historic preservation standards and fiscal prudence. For example, he said rehabilitating the Hoboken Records Building in place for NJ TRANSIT police use would simultaneously constitute a high-need utility and enable NJ TRANSIT to fulfill its core business function of providing safe and efficient public transportation without recourse to the Transportation Trust Fund. Mr. Kratz said NJDEP remediation funds and Department of Homeland Security funds could match \$2.5 million from the New Jersey Historic Trust at no cost to NJ TRANSIT. He said he elaborated in his May 22, 2020 comments to NJ TRANSIT's May 19, 2020 Draft Alternatives Analysis.

Matthew Smith, spoke on Board Item 2006-34, urging NJ TRANSIT to not purchase materials or services from approved vendors to support NJ TRANSIT's resiliency program. He is strongly opposed to NJ TRANSIT using any of the \$28 million in this action item for the NJ TRANSIT fracked gas power plant proposal. He spoke on behalf of the Food & Water Watch's nearly 70,000 members across the state of New Jersey who believed in Governor Murphy when he issued his Executive Order 23 to protect environmental justice communities.

Mr. Smith said to date no cumulative assessment of the proposed pollution from this plant has been completed, and this is in gross violation of Governor Murphy's Executive Order 23. He said NJ TRANSIT did not look at a comprehensive alternative assessment that looks at a combination of renewable energy alternative solutions and battery storage alternatives that can meet the proposed needs for the NJ TRANSITGRID. Mr. Smith noted Governor Murphy's own Energy Master Plan, the Clean Energy Act he signed into law that some members of this Board voted for when they were in the legislature and helped craft with the BPU, which called for aggressive energy storage goals, 600 megawatts within the next couple of years. He said nowhere in NJ TRANSIT's final Environmental

Impact Statement does it seriously look at a combination of renewable energy technology combined with battery storage alternatives to meet state objectives for the NJ TRANSITGRID project.

Mr. Smith encouraged NJ TRANSIT to immediately stop all work on the NJ TRANSITGRID project, and wants Governor Murphy to take action to immediately move forward with an updated and comprehensive alternatives assessment that looks at an integrated suite of renewable technology to meet state objectives without harming the public that is already suffering under a Pandemic with toxic pollution.

Tina Weishaus commented about Board Item 2006-34 in reference to NJ TRANSIT purchasing materials and services from vendors to support funding for the NJ TRANSITGRID project. She is opposed to any of the \$28 million to be used for the proposed fracked gas power plant in Kearny and demands that NJ TRANSIT and Governor Murphy stop this project and invest in a renewable energy storage alternative. She noted "I can't breathe" has become the rallying cry around the U.S. and the world, but it doesn't only pertain to police murders. Ms. Weishaus said this is also about the level of asthma and lung disease in environmental justice communities which this proposed fracked gas power plant will worsen, by adding additional pollutants and hardened burden of air breathed around this plant and throughout New Jersey.

Ms. Weishaus said there is no reason there needs to be a gas fired power plant and as others have said there was no sincere effort to look into renewable energy plus storage alternatives. She said New Jersey residents, and specifically residents of communities who will directly be affected by this additional fossil fuel polluting power plant, can no longer afford to allow these corrupt proceedings to go forward. She said "I can't breathe" is for real, and people are standing up and saying no more pollution, no more violence to their communities, and no more disregarding the needs of New Jersey, specifically black and brown people who are forced to live near these power plants. Ms. Weishaus said they have healthy alternatives that are available that are probably cheaper and urged them to move one step towards creating a better world.

Alana Horowitz Friedman commented about Board Item 2006-34 purchasing materials and services from vendors to support funding for the NJ TRANSIT Resiliency program. She is opposed to using any of the \$28 million in this line item for materials for NJ TRANSIT's fracked gas power plant, and strongly urged the Board to stop this project and invest in a renewable energy plus storage alternative. Ms. Friedman said Governor Murphy has acknowledged the scale of urgency of this crisis due to climate change and has indicated he wants New Jersey to transition to clean energy. She said this project would completely undermine the clean energy goal by going on a path they can't afford to take right now.

Ms. Friedman said this Coronavirus Pandemic has shown what happens if they don't act in time or aren't prepared for a crisis. She believes they must prepare now by leading the transition to safe renewable energy so that New Jersey can stop contributing to greenhouse gas emissions, and this fracked gas power plant would do the exact opposite.

She said fracked gas is a major contributor to climate change since methane leakage is a huge issue, and methane is 100 times more potent than carbon dioxide. Ms. Friedman said given that they have 10 years to change their energy pattern before it's too late, it is unconscionable to go forward with the fracked gas power plant especially, when the feasibility of renewable energy options hasn't been adequately considered. She said failure to evaluate clean renewable energy is in direct contradiction with several New Jersey Laws and Policies including the State's Clean Air Act, 2019 Clean Energy Act, and the 2019 Energy Master Plan to achieve 100 percent clean energy by 2050.

Ms. Friedman was glad she was able to hear the update provided at the beginning of the meeting of what's in store for NJ TRANSIT going forward and the precautions being taken in light of the Coronavirus. She noted the President & CEO stated the importance of continuing to move into technology of the future. Ms. Friedman said the consequences of a fracked gas power plant will be devastating to the climate, public health, and will worsen the conditions of people suffering from Asthma, COPD, and other illnesses, and will disproportionately harm communities of color and low-income communities.

Jeff Tittel, Director of the New Jersey Sierra Club, discussed two items: Resiliency and the Capital. They strongly believe that NJ TRANSIT needs to move forward with Resiliency and a Capital Plan that meets the needs of the future, however, he is very concerned about the \$28 million expenditure that could go towards planning for developing a permanent fossil fuel power plant for resiliency. He said this is an oxymoron and is the opposite of what they need.

Mr. Tittel said the Capital Plan should reflect a move towards electrifying not only the transit system and moving buses forward now, but also electrifying their transit system using renewable energy not just for the microgrid but for the entire line. They are very concerned that this power plant clearly will add a tremendous amount of air pollution to an overburdened polluted area where people are already suffering, in an area that has over five power plants and an incinerator within a few miles, plus the Turnpike and everything else.

Mr. Tittel said they cannot move into clean transportation with dirty fossil fuels and this is really the key when considering the Capital Plan and resiliency. He said they are in a climate crisis and New Jersey is the second highest ranked state for impact of climate change and flooding, and homes going underwater, and second in climate rise. Mr. Tittel said they all have to work together and follow the Governor's Executive Order and more importantly, they are building 7500 megawatts of wind off the coast and NJ TRANSIT should be a part of that.

Mr. Tittel said the State of New Jersey is committed to getting a third of their power from solar by 2050, and NJ TRANSIT should be a part of this too. He is very concerned about the misinformation and outright lie about the power plant during the EIS process, and afterwards stated that its cleaner than existing power. Mr. Tittel said that is a lie and this is the wrong project and the wrong way to do it. He urged working together to get to 100 percent renewable, hydro, and solar.

Paula Rogovin, Chairperson for the Coalition to Ban Unsafe Oil Trains and a retired New York City Teacher, discussed Board Item 2006-34 regarding NJ TRANSIT purchasing materials from approved vendors for the NJ TRANSIT Resiliency Program. She is opposed to using any of the funds from this line item for materials for NJ TRANSIT's proposed fracked gas power plant in Kearny. Ms. Rogovin demanded that NJ TRANSIT and Governor Murphy stop this project and invest in a renewable alternative. She said this power plant would be in Kearny, and the greatest impact from the pollution would be in the environmental justice communities in Kearny, Hoboken, Jersey City, and Newark.

Ms. Rogovin said Governor Murphy issued Executive Order 23 in April 2018 that said: Whereas Historically New Jersey's low-income communities and communities of color have been exposed to disproportionately high and unacceptable dangerous levels of air, water, and soil pollution with the accompanying potential for increased public health impact; Whereas the New Jersey Department of Environmental Protection has recognized that environmental justice includes at a minimum ensuring residents of all communities receive fair and equitable treatment and decision making that effects their environment, communities, and health. She said the Executive Order calls on the state government and any agency of authority, board, bureau, commission, and division institution office to provide advice and guidance.

Ms. Rogovin said there is an alternative, the renewable energy rail alternative. She said they met with NJ TRANSIT management at their request twice and are incredibly upset that NJ TRANSIT has chosen to move forward with the power plant rather than working with them for an alternative solution. She called on the Board to pass a resolution that will advise Governor Murphy that the NJ TRANSIT power plant violates his Executive Order 23. Ms. Rogovin believes it is their duty to take a stand even if it's uncomfortable. She urged them to stand up for environmental racism and believes standing up for environmental justice communities is the Board's civic duty and moral responsibility.

Richard Grant spoke about Board Item 2006-34 regarding purchasing materials and services from approved vendors for the NJ TRANSIT Resiliency Program. He is opposed to any of the money being used to purchase material for the NJ TRANSITGRID gas fired power plant and urged them instead to conduct a genuine review of a feasibility study for other various generation sources.

Mr. Grant said the consumer technology sector is constantly advancing with newer and better features and pricing. He noted if he needs a new cellphone or laptop in 2020, his decision is based on information that is currently or soon to be available. Mr. Grant said there are rapid changes occurring in the utility and energy sectors, it is being transformed with disrupters like Tesla, and its magnitude is more important that any decision on energy generation technology that involves factors of affordability, reliability, and sustainability based on information for versions currently or soon to be available, and not exclusively based on aging reports.

Mr. Grant believes it is ridiculously unlikely after a federal agency offers a technical report that it would immediately stop compiling new data that analyzes the future condition of the report. He said the gas plant Environmental Impact Statement said that a battery system of 230 megawatt hours would require 40-foot containers. Mr. Grant said the disrupters in the energy sector are making available generators and battery systems intended to drive down project costs with smaller containers, all which enable faster and cheaper installation.

John Reichman opposed allocating money towards a gas fired power plant. He said Superstorm Sandy showed how horrible the state was to the ravages of climate change, so what is NJ TRANSIT's solution, to make the problem worse by building a fracked gas power plant. Mr. Reichman believes this is a comparison to gun violence saying that the solution to gun violence is to put more guns out on the street.

Mr. Reichman said he wanted to address the Capital Plan that President & CEO Corbett described and the skewed transportation policy in the state that puts all of their resources into building new unneeded highways while starving public transportation from needed funds. He said when it comes to transportation funding on the one-hand, the Administration has approved a fully funded \$24 billion plan for the Turnpike Authority, which the bulk of the funds, \$16 billion, will go to expanding the Turnpike and the Parkway. On the other hand, he said NJ TRANSIT has now put out a more modest Capital Plan without having any funding to pay for the projects listed, much less the other public transportation projects, such as Gateway.

Mr. Reichman said pre-pandemic funding highway expansion at the expense of public transportation made no sense. He said expanding highways means more vehicles, more air pollution, and more greenhouse gases. Post-pandemic, he thinks this skewed funding of roads at the expense of public transit makes even less sense. Mr. Reichman said with a pandemic, NJ TRANSIT's need has become infinitely greater, and it's now uncertain whether vehicle travel will even return to its prior level.

Mr. Reichman said instead of thanking the Governor for his leadership, the Board needs to speak the truth and tally, because as Board members they have a fiduciary responsibility to the citizens of the State, in particular the riders of NJ TRANSIT. He believes they need to step up and advocate for a complete change in the State's priorities and stop putting roads ahead of rail, and special interests ahead of their people.

Holly Cox believes there has to be a better way to hold this comment period because she has been on the line for three and a half hours. She does not understand why the Board can't hold Executive Session after the public comment period. Ms. Cox would like to comment on Board Item 2006-34. She is opposed to NJ TRANSIT using any of the \$28 million in this line item to purchase materials and services for the proposed fracked gas power plant. Ms. Cox demanded that NJ TRANSIT and Governor Murphy stop this project and invest in a renewable alternative. She said the pollution from this power plant will worsen the conditions of people suffering from Asthma, COPD, and other lung illnesses.

Ms. Cox said the Coronavirus Pandemic has underscored the importance of clean air and healthy lungs. She said the air pollution from the fracked gas power plant would disproportionately harm communities of color and low-income communities, which is in direct contradiction of Governor Murphy's Executive Order 23. Ms. Cox said pollution is another form of racial violence and systemic racism, which they should all be acutely aware of after the death of George Floyd and recent events. She believes they should modify actions accordingly by not putting this fracked gas power plant in communities of color. Ms. Cox asked if any of the Board wants the power plant in their community.

Ms. Cox said the fracked gas power plant presents a wide range of serious negative public health, safety, economic, and environmental impact. She believes NJ TRANSIT's failure to seriously evaluate clean energy alternatives is in direct contradiction of several New Jersey Laws and Policies, including the State's Clean Air Act, 2018 Energy Act, and finally the 2019 Energy Master Plan to achieve 100 percent clean energy, economy wide in New Jersey by 2050. Ms. Cox urged NJ TRANSIT and Governor Murphy not to go back to a fossil fuel path.

Carol Katz, from Katz Government Affairs, spoke on behalf of the Bus Association of New Jersey. She said New Jersey's private bus operators are major providers of public transportation, and they estimate the private operators account for about 35 percent of the scheduled bus service in the State based on passenger miles. The first purpose of her testimony is to weigh in on Board Items 2006-36 and 2006-37 on the agenda that affect private bus carrier regulations. They are disappointed that only one of their several proposed amendments will be adopted. For example, they asked for a say should any significant changes be made to the PCCIP and for a change of the method calculating NJ TRANSIT's benchmark in the contracting out procedures. Even as they vote to regulate them, they respectively submit that NJ TRANSIT is abdicating its duty to help them survive the devastating impact of the pandemic, and that appears to be wishing them away in the Strategic and Capital Planning process.

Ms. Katz said private carriers have been crushed by the Pandemic, ridership levels tumbled more than 90 percent just like NJ TRANSIT. Unlike NJ TRANSIT, she said some carriers have had to close up shop completely for a time and those that are providing limited service may not be able to keep running at a loss for long. Yet, she said NJ TRANSIT was reserving for itself transportation funds provided in the federal CARES Act and tells them that they are ineligible for any of this relief.

Ms. Katz said this is startling because their operating miles were used in the formula that generated the \$1.4 billion in the first place. Their preliminary estimate based on passenger miles is the private carriers generated on the order of \$200 million of the \$1.4 billion, while they are being left to fend for their selves rather than have access to the funds that they helped to generate. They disagree with NJ TRANSIT's argument that they are precluded by FTA rules from sharing those funds. In fact, they believe that the law requires NJ TRANSIT to share the funds. She said the participation of private carriers in a coordinated public transportation system is an expressed legislative objective in NJ TRANSIT's enabling statute. Ms. Katz said the consequences of losing private carriers

would be devastating, where they could no longer provide services, and was concerned that their passengers will be left high and dry. She asked if NJ TRANSIT would have to take over these routes at a far greater cost to taxpayers.

Ms. Katz said they were stunned in the recent unveiling of the Strategic Plan that private bus companies are only mentioned twice, and then only to refer to the companies that NJ TRANSIT took over at its formation 40 years ago. They were surprised that they were not consulted at all in the strategic planning process, likewise the recently unveiled Capital Plan includes no mention of the very program for which NJ TRANSIT is adopting regulations today. Ms. Katz said the PCCIP is tiny in the grand scheme of NJ TRANSIT's Capital Budget, but it's very significant to them. She said it seems to her that private carriers seem to be an afterthought, but they are not an afterthought to their employees, or passengers and taxpayers too. Ms. Katz urged them to do everything they can to work with them to avoid a negative outcome.

Charles Nunzio commented on Board Item 2006-34. He agrees with many of the previous speakers in opposing that any funds of this line item be used for a fracked gas power plant in Kearny. Mr. Nunzio urged them to stop this project and invest his tax dollars in renewable alternatives. He believes power from fossil fuel is a step backwards, coal is dead, whale oil is dead, kerosene is dead, and noted these were fuels they once could not live without. Mr. Nunzio said New Jersey needs the proposed fossil fuel power plant in Kearny like they need a third nostril. Speaking of breathing, he said the plant would add air pollution to communities in Newark and Kearny that already suffer environmental insults and would contribute to their carbon footprint. Mr. Nunzio said St. Francis would be spinning in his grave. Finally, he pointed out the Hoboken City Council passed a resolution yesterday against the power plant.

Ann Kelly commented on Board Item 2006-34 pertaining to NJ TRANSIT purchasing materials and services from approved vendors for the NJ TRANSIT Resiliency program. She agreed with the previous speakers and opposed any of the \$28 million in this line item be spent on materials or services for NJ TRANSIT's proposed fracked gas power plant in Kearny. Ms. Kelly urged NJ TRANSIT and Governor Murphy stop this project and look at renewable alternatives. She said the air pollution from the power plant would harm people disproportionately, especially low-income communities and people of color who are already impacted by pollution in these areas. Ms. Kelly believes people of color will eventually start protesting as they are doing now because they are sick and tired of dirty air and water. She said stop using taxpayer dollars and Superstorm Sandy Resiliency grant money to fund this project. Ms. Kelly urged them to look to new and exciting renewable energy solutions such as, solar, tidal, wind, and geothermal and said this was the time to stop global collapse of their planet.

Sally Gellert, Communications Director of the Lackawanna Coalition, said on the agenda itself they are continually frustrated of the ever-moving Executive Session. They thank NJ TRANSIT sort of, for notifying them that they could call in as late as 9:45 a.m. in expectation that your first Executive Session would end no earlier than 10:00 a.m., although it was actually 10:45 a.m., and those willing to speak on non-agenda items can

call in at the beginning of the second Executive Session. She asked why they have two anyway and stated it seems to be an attempt to be considerate asking the public to call in later, but it doesn't quite get there. Ms. Gellert said people whose main concerns are non-agenda items will be pleased to not be on hold but will still be tied to their computers or telephones waiting for an unknown start time. She said Executive Session is their responsibility alone and nobody else's and should be held after the public has spoken. Ms. Gellert said as common courtesy as they all have learned as children, put guests first whether they have come to the meeting in person or virtual. She noted yesterday's article published by commuting reporter Larry Higgs voicing his concerns about the structure of public meetings in New Jersey, especially when they were virtual at NJ TRANSIT's May meeting was the worst example.

Ms. Gellert said Board Item 2006-39 the Hoboken Records Building Construction Contract Award is a complete misrepresentation of reality. First, she said the building is called the Lackawanna Records Building and of course they are probably more sensitive to that than most, as the Lackawanna Coalition. Ms. Gellert said it was another remnant of their heritage railroad that NJ TRANSIT is trying to lose. More importantly, she said the reality of the project is not a construction contract, it is a demolition contract and they stand with Allen Kratz's earlier comments. Ms. Gellert argued against demolishing a historic 104-year old building that has many local supporters for the potential of historic preservation that they can possibly gage for funding and interested local organizations too. She believes instead of acting like a responsible transit agency they are acting like a spoiled child. Ms. Gellert said they did little of anything to keep the building in good repair in the last decade and now they are using the DCA deadline to further shirk responsibility and they call for this item to be tabled.

Sam DiFalco, an organizer with Food & Water Action, spoke on behalf of over 70,000 members and supporters in New Jersey. She commented on Board Item 2006-34 pertaining to NJ TRANSIT purchasing materials and services from approved vendors to support NJ TRANSIT's Resiliency program. They are opposed to NJ TRANSIT using any of the \$28 million for this line item for the fracked gas power plant in Kearny and urged NJ TRANSIT and Governor Murphy stop this project and invest in a renewable alternative. Ms. DiFalco said opposition has grown on this project, just last night the Hoboken City Council unanimously passed a Resolution against this power plant. She said the resolution stated: Be it further resolved that the City of Hoboken urges Governor Murphy to direct NJ TRANSIT to immediately undertake a comprehensive engineering and economic analysis of the use of various renewable energy and storage technologies to power a traction power system microgrid and report back to the Governor and public on the results of this analysis before it proceeds to construct the system.

As an Agency of Governor Murphy, Ms. DiFalco believes NJ TRANSIT has an obligation to uphold his commitment to protect environmental justice communities and not add any more major pollution in their state. She said West Essex and Hudson Counties have suffered greatly from the Coronavirus Pandemic in New Jersey. Ms. DiFalco said these areas also have failing grades of high ground levels of ozone pollution caused by burning fossil fuel, these dangerous levels of ground ozone will increase if another power plant is

built in this region and ground level ozone is directly related to asthma, reduced lung function, and chronic lung disease. She said right now, more than 700,000 people in New Jersey suffer from asthma and this is directly tied into their current health crisis because chronic lung disease is one of the major factors that increases one's risk of dying from COVID-19, and they are seeing the worst outcomes of this virus happen along racial lines. Ms. DiFalco said black residents have asthma at two to four times the rate of white residents in their state, because low-income communities of color have historically faced the biggest pollution burden in New Jersey. She believes building another fossil fuel power plant in Kearny will increase pollution surrounding Kearny, Newark, Secaucus, and Jersey City Heights, all environmental justice communities and this is simply environmental racism.

David Peter Alan said his colleagues at the Lackawanna Coalition and the New Jersey Association of Railroad Passengers are in accord to his comments. He addressed the Lease at Two Hudson Place in Hoboken which is a component of a plan that's a bad idea for a number of reasons. Mr. Alan said it is a common practice that NJ TRANSIT propose a small part of an overall plan as a separate item, approve spending for it, and then push for the rest of the plan arguing that sunk costs would be wasted. He said anyone that went to business school or owned a business knows this to be wasteful and misguided, truthfully, one of the worst practices. Mr. Alan believes it would make more sense to use the Lackawanna Records Building for the purpose rather than demolishing it and the entire Hoboken plan is a wasteful disaster which must be rejected now.

Mr. Alan said he was familiar with the Hoboken Terminal and has been using it for more than 53 years. He believes the current plan of which today's agenda item is part would build unnecessary tracks in the most inconvenient location available beyond the Light Rail tracks and an additional walk which is five-minutes away from the PATH, buses, and the streets of Hoboken. Mr. Alan said the additional travel time would inconvenience almost everybody and propose a particular difficulty to persons who have trouble walking, especially those with disabilities.

Mr. Alan believes Hoboken is underutilized and does not need additional infrastructure. He said it has been NJ TRANSIT's deliberate policy for many years to discourage Hoboken ridership in favor of Penn Station to bolster the case for the ARC Project that was cancelled in 2010, and now for the Gateway program. Mr. Alan said every service change on the Morris and Essex Line to Hoboken since 2006 has been a cut and not a single Hoboken train that was eliminated during that period has ever been restored, including trains that were discontinued in 2018 and were supposed to return early in 2019 but have not. Mr. Alan said NJ TRANSIT could have encouraged riders especially on the Morris & Essex and Montclair & Boonton Lines to use Hoboken, but that would require increases in service and changes in fare structures because going to New York through Hoboken is more expensive than on Midtown Direct.

Mr. Alan believes Hoboken will remain one of NJ TRANSIT's most chronically underutilized assets. He said the COVID-19 pandemic has changed everything, so the old rules no longer apply, and it's time to put a hold on capital spending as New York has done.

Mr. Alan believes it is time to reassess NJ TRANSIT's Capital Plans in light of changes in commuting that will come as a result from people working from home and the Strategic Plan is completely obsolete including the plans for Hoboken.

Christian Nowell, a New Jersey high school teacher, commented on Board Item 2006-34 pertaining to NJ TRANSIT purchasing materials and services from approved vendors to support NJ TRANSIT's Resiliency program. He is also opposed to using any of the \$28 million in this line item for NJ TRANSIT's proposed fracked gas power plant and requested that this project be stopped, and NJ TRANSIT invest in a renewable alternative. Mr. Nowell said imagine that they know for a fact that the natural gas supply will run out entirely within five years. If this were the case, he asked if they would be saying that's it, no more electricity, no more trains. He said of course not, because it's possible for a transit system to run on renewables.

Mr. Nowell said Germany is planning continuous operation of hydrogen fuel trains by 2022. Indian Railways is planning to go 100 percent renewable in the next decade installing solar on remote unused land owned by the railways. According to pv-tech.org, they are skipping entirely the so-called bridge of natural gas. Mr. Nowell said it is necessary to have a transit system run on renewables for all of the environmental and public health concerns that were raised there today.

While Joe Biden does not presently support a nationwide ban on fracking, Mr. Nowell believes he could shift his views and decide to ban it within the next few years. Additionally, he noted international agencies think that they may have reached peak fossil fuel demand in 2019, which moved up due to the COVID-19 crisis. According to a recent article he read, the declining demand in fossil fuels will mean perennial over capacity and low prices punctuating the periods of under supply prices. Mr. Nowell believes relying on natural gas will only become more volatile and less reliable. He asked how this will make NJ TRANSIT more resilient for the next 20-30 years and urged they think about long-term solutions that will not harm New Jersey residents.

Kurt Thoens asked Chair Gutierrez-Scaccetti if there was still a full Board quorum before he spoke. Chair Gutierrez-Scaccetti asked Board Secretary Zuczek to take a roll call and all Board Members confirmed they were in attendance.

Mr. Thoens commented on Board Item 2006-34 pertaining to purchasing materials and services from vendors for NJ TRANSIT's Resiliency program. He is opposed to any of the \$28 million in this line item to be used for the proposed fracked gas power plant. He strongly urged NJ TRANSIT and Governor Murphy to stop this project and consider renewable alternatives. Mr. Thoens said the fracked gas power plant presents a wide range of serious negative public health and safety environmental impacts and threatens the ongoing recovery of the Hackensack River. He was very excited to hear about their state's plan for large scale wind power, but this gas power plant will counteract all the progress they have made. Mr. Thoens believes New Jersey and NJ TRANSIT should be leaning forward in regard to clean energy.

In addition, as one of the previous speakers said, Mr. Thoens believes the format of the agenda for these Board meetings needs to be revisited. He sits on several Boards and Council meetings and has never seen a meeting, even a virtual one, where the public must wait several hours before public commenting even begins. Mr. Thoens believes Executive Session should be held at the end of all meetings.

Manijeh Saba is a resident of New Jersey and has been an environmentalist for over 30 years. She said this process makes it difficult for the public to give their comments in a timely manner and get on with their daily lives. Ms. Saba spoke on Board Item 2006-34 pertaining to purchasing materials and services from vendors for NJ TRANSIT's Resiliency program. She strongly opposes that any of the \$28 million in this line item to be used for the proposed fracked gas power plant in Kearny. Ms. Saba demanded that NJ TRANSIT and Governor Murphy stop this project and invest in renewable energy to ensure public health is in line with the Resiliency Program.

Ms. Saba said most of North New Jersey has gotten an (F) grade from the American Lung Association for receiving high levels of smog, air pollution, and ground level ozone. Much of these high population density region residents are low-income people of color. She said the "I Can't Breathe Cry" has been an unanswered experience of New Jersey for decades, and the results of building this proposed fracked gas power plant is a direct attack on people who are already suffering from various lung disease, cardiovascular disease, and diabetes. Considering the current climate during this Pandemic, she asked how NJ TRANSIT can consider adding to this without exploring renewable alternatives such as solar, wind, and tidal combined with battery energy storage alternatives.

Carol Folan is a member of the environmental group called FRF. She commented on Board Item 2006-34 pertaining to purchasing materials and services from vendors for NJ TRANSIT's Resiliency program. Ms. Folan opposed to the \$28 million in this line item to be used to purchase materials and services for the proposed fracked gas power plant in Kearny. She believes they should instead use this money to finance renewable energy alternatives. As people have said earlier, Ms. Folan said the Hoboken City Council took a Historic vote to unanimously pass a resolution opposing this massive power plant on the Hackensack River in Kearny.

Ms. Folan said she could not put it any better than Samantha DiFalco who is a Food & Water Action organizer who spoke previously about how Hoboken has taken historic action against the expansion of dirty and dangerous unnecessary fossil fuel power plant projects in New Jersey and the TRANSITGRID project would worsen already poor air quality in the region with a disproportionate impact on low-income black and brown communities in Kearny, Newark, Jersey City, and Hoboken; many of the same communities who have been hit the hardest by the Coronavirus Pandemic. Ms. Folan believes allowing this project to move forward directly contradicts Governor Murphy's Executive Order 23 which is supposed to protect the health of the state's most vulnerable residents and the only responsible course of action would be for the Governor to replace this project with clean energy alternatives for public transit resiliency. She believes they cannot in good conscience say they have seriously evaluated clean energy alternatives

in a meaningful way. Ms. Folan was sorry to say she felt like she was wasting her breath and time making her case there.

Doug O'Malley, Director of Environment New Jersey representing more than 20,000 citizens and members, thanked President & CEO Corbett for taking a moment of silence for the brothers and sisters from the ATU and employees of NJ TRANSIT that have been stricken by this Coronavirus Pandemic. They strongly support Senator Weinberg's comments on the NJ TRANSIT Capital Plan, especially regarding the need for electrification of the NJ TRANSIT bus fleet, and investment to reflect the electric vehicle mandate bill. Others have said this, but he believes it is critical to note that the public waited 90 plus minutes to speak while Executive Session took place. Mr. O'Malley said this should not be a Hunger Games endurance exercise to issue public comment, in previous COVID moments the public was welcome to provide public comments at the beginning of the meeting, and he strongly suggested the Board return to this format.

Mr. O'Malley commented on Agenda Item 2006-34 pertaining to purchasing materials and services from vendors for NJ TRANSIT's Resiliency program. He is opposed to using any of the \$28 million in this line item to purchase materials and services for NJ TRANSIT's proposed fracked gas power plant in Kearny. Mr. O'Malley said NJ TRANSIT and Governor Murphy should work to stop this project and invest in a renewable energy alternative. He said they obviously heard a lot of comment on this already and the Hoboken City Council passing the resolution against this. Mr. O'Malley said half the residents in Kearny are dependent upon transit which is a remarkable show of support against this project in the community. He said it is impossible to comment on this agenda item without directly referencing the NJ TRANSIT Capital Plan.

Mr. O'Malley said the Capital Plan includes a reference to the NJ TRANSITGRID project but is not referenced in the sustainability section. He believes not including it was with good reasoning because it is not sustainable for the climate or environment. Mr. O'Malley said the Capital Plan has no resource of funding to pay for any of these transit capital needs. He said the \$5 billion price tag is for what they need to build, but don't have a way to get there and that was true pre-COVID and is especially true right now. Mr. O'Malley said they were living in a tale of two plans, the NJ TRANSIT Capital Plan unfunded and the New Jersey Turnpike Authority Plan that's funded to the tune of \$24 billion, with \$16 million slated for highway widening and not a single commitment in that plan to fund NJ TRANSIT during this unprecedented crisis. He said it was impossible to vote on these items without acknowledging this discrepancy.

Claire Lukacs, a long-time resident of Hoboken, requested tabling Board Item 2006-39 Hoboken Records Building Project Construction Contract Award until the October Board Meeting, so that NJ TRANSIT can fulfill their duties in a proper manner with due diligence. Ms. Lukacs said NJ TRANSIT employees are rushing to demolish the records building thereby robbing the citizens of Hoboken. Built in 1904, she said it's the earliest surviving structure and the last remaining original brick building in the Hoboken Terminal Complex. Ms. Lukacs said this building was entrusted into NJ TRANSIT's care with the commitment to preserve it, and it's currently under Preservation New Jersey's 10 most endangered historic buildings list.

Ms. Lukacs fears members of the Board are being guided in the wrong direction. She believes NJ TRANSIT could easily seek an extension to the DCA demolition and/or repair notice. Ms. Lukacs said the 106 process is ongoing and if they look at the NJ TRANSIT website documentation for the public meeting, they will find the majority of responses are from the community including the Responsible Development Taskforce and the Quality of Life Coalition wish to keep the building for adaptive reuse.

Ms. Lukacs believes if they contract to demolish it now without full transparent consideration, they are risking their reputation. She said this building has weathered Superstorm Sandy and 116 years. Ms. Lukacs said more than likely its walls were made with three layers of brick, not one. Ms. Lukacs said an independent engineer Donald Friedman has contradicted NJ TRANSIT's engineering report and has noted buildings like this have standard procedures to inspect and evaluate. She said his report is also available on the website documentation of the public meeting, and they are being asked to use the Transportation Trust Funds which can be put to better use. Ms. Lukacs suggested asking employees to seek an extension to the DCA notice and to listen to the broad communities' support for the records building.

Paul Somerville commented on Board Item 2006-39 the Hoboken Records Building. He said while NJ TRANSIT is giving serious consideration to either demolishing the Records Building or deconstructing it for relocation to another site, both are costly and NJ TRANSIT has never fully engaged with the potential buyer or tenant that Mr. Somerville mentioned at the last Board meeting. Mr. Somerville said it is a state mandate that NJ TRANSIT maximize its non-fare box revenue from properties such as the Records Building. Working with the developer he referred to, or another, using the same dollars it is now considering spending on demolition, he suggested using it on rehabilitation instead, which would be a win/win and Hoboken would not lose more historic fabric.

Mr. Somerville said without authority, and on more than one occasion in public and online meetings, the current Chair of the Hoboken Historic Preservation Commission alluded to conversations he's been having with NJ TRANSIT regarding the relocation of the Records Building. Mr. Somerville believes this ignores and negates the importance of the structure's historic context as part of the ferry and rail terminal complex.

Mr. Somerville said he served on Hoboken's Preservation Commission for 14 years, during which time NJ TRANSIT appeared before them on a few occasions. He said each time the commissioners used the opportunity to remind NJ TRANSIT about the upkeep and use of the Records Building. Mr. Somerville said NJ TRANSIT representatives unanimously agreed each time that it had been an oversight that the Records Building was not described in the original nomination form for National Register listing, and that it was taking steps to correct that and find a use for the building. He believes it is obvious that those things never happened and now they are faced with another example of "demolition by neglect."

Mr. Somerville said mistakenly, NJ TRANSIT is often cited as the "owner" of this and all other NJ TRANSIT real estate in its portfolio. As an instrumentality of the State, he said NJ TRANSIT is the steward or property managers of those sites, not the owners. Mr. Somerville said NJ TRANSIT stands in the shoes of every New Jersey citizen who values their State's history, preservation, and careful use of taxpayers' dollars.

David Pringle, representing Clean Water Action which has over 100,000 members in New Jersey, is a regular NJ TRANSIT rider. He spoke on Board Item 2006-34 the resolution on policy procurements and expenditures. Mr. Pringle is opposed to spending any money on this line item for the NJ TRANSITGRID project, and believes NJ TRANSIT is not doing nearly enough to fund and expand the Capital Plan. He seconded the other commenters in saying NJ TRANSIT must do better at holding public comments before Executive Session. Mr. Pringle believes they are trying to limit public engagement rather than improving public commenting with meaningful engagement. He said they have lots of ideas and asked repeatedly to be engaged, but it's like talking to a brick wall that they try to reinforce. Mr. Pringle pleaded with the Board Members, especially Senator Gordon who goes back a long way and is a good man who champions mass transit and government. He asked Chair Gutierrez-Scaccetti to tear down this wall, open the door, and let them in for meaningful input and engagement.

Mr. Pringle said the resolution totals over \$58 million and NJ TRANSIT's budget is understandably tight, so they urged them to proceed very carefully. He said even before COVID-19 NJ TRANSIT's operating budget was underfunded as well as the capital budget recovering from years of former Governor Christie neglect. Mr. Pringle noted now with COVID-19 revenue and ridership is drastically down, expenses up, and they rely on the general fund which has taken a hit. He said NJ TRANSIT's Capital Plan documents that it is unfunded, unimaginative, and it is not nearly going far enough, which makes for spending every single dollar more carefully. Mr. Pringle asked that they ensure all of the \$58 million and the rest of your budget is well spent, and don't even spend a penny on the fracked gas power plant. He said they must do more to fully fund the capital plan and make it much more robust. Mr. Pringle urged the Board to not be a rubber stamp, be an advocate whether that's privately or publicly, and do whatever it takes. They call on the Board to work with them. Mr. Pringle said they are in an economic and racial crisis, and they clearly have a crisis in Democracy.

Janet Glass commented on Board Item 2006-34. She said she supports having a resiliency program but is opposed to a fracked gas power plant in Kearny. Ms. Glass is a member of the Green Faith Coalition which is a congregation of all faiths around the environment. She is also a resident of North Bergen and Hudson County which is one of the environmental justice areas.

Ms. Glass pointed out that New York State put a fracking ban into law in 2015, and they did that because they had done a seven-year comprehensive review process that found that the potential environmental and health impacts were just too great to do hydraulic fracking. She said at that time Governor Cuomo was publicly applauded all over New York State for that and that was five-years ago. Ms. Glass believes by now they

should know better than building a fracked gas power plant. She noted Jeff Tittel said before this isn't clean energy and would be in direct contradiction to the clean energy goal of Governor Murphy's own Energy Master Plan. She urged NJ TRANSIT and the Board to help applaud Governor Murphy and New Jersey as they did Governor Cuomo, and do the right thing, renewables only.

Joe Basralian commented on Board Item 2006-34 and discourage using a penny of these funds to poison people with a fracked gas power plant, especially for people who have suffered enough with the dirtiest air in New Jersey. He does not mean to say this with hostile language at all. Mr. Basralian said by voting in any way for funds to go towards a fracked gas power plant in Kearny, they are essentially voting to strengthen systemic racism.

Mr. Basralian said the power plant would produce toxic air pollution and dump it into their dirtiest air area in the State, Hudson County. He said Hudson County is 42 percent Hispanic which is well above the New Jersey State average, so this plant would very disproportionately poisoning Hispanics. Mr. Basralian believes what NJ TRANSIT is proposing is basically racial violence against peoples' lungs and their bodies at a time when they are waking up to what they are doing. He said they can't do it in 2020 and Hudson County already has the highest asthma rate in the state. Mr. Basralian said 30 percent of COVID-19 cases were among Hispanics in New Jersey.

Mr. Basralian said the other terrible thing is that they would be using Superstorm Sandy funds, this storm was charged by global warming, and now they want to use those funds to add to global warming and a national disaster. He said this makes absolutely no sense, they have to say no, and stop and think of a serious solar and clean power alternative. Mr. Basralian said this is a moral obligation and urged them to make the right choice.

Nancy Griffith is a member of Unitarian Universalists, a faith-based group that subscribes to the principles of justice, equity, and compassion in human relations. She commented on Board Item 2006-34 pertaining to NJ TRANSIT purchasing materials and services from vendors to support the Resiliency program. They are opposed to NJ TRANSIT spending any money on the gas fired power plant in Kearny. They say this even though they agree with NJ TRANSIT that resiliency is important. They just don't think it should be a gas fired power plant because it violates what it says in the Energy Master Plan and will increase emissions in already overburdened areas. Finally, she argued no energy alternatives were even considered, so she called on the Board and Governor Murphy to stop the NJ TRANSIT gas fired power plant proposal, and to direct NJ TRANSIT to build a power plant with renewable energy rail alternatives.

Elizabeth Ndoye commented on Board Item 2006-34 pertaining to NJ TRANSIT purchasing materials and services from approved vendors to support the Resiliency program. She is opposed to using any of the \$28 million in this line item for the proposed fracked gas power plant in Kearny. Ms. Ndoye demanded that NJ TRANSIT and Governor Murphy stop this project and invest in a renewable alternative. She has been a resident

of Hoboken for 40 years and was proud to say their City Council last night unanimously voted to oppose the Kearny fracked gas power plant.

Ms. Ndoye said in speaking out against this power plant, she recently learned that Hoboken and Jersey City Heights will be most at risk from the emissions from this power plant. She said winds will prevail from a West to East direction putting Hoboken and Jersey City Heights in direct line for toxic air pollution.

Ms. Ndoye said it is estimated that this power plant will emit over 570 hundred thousand cubic tons of CO₂, and also emit nitric oxide and methane during operation. She said this is an unbelievable toxic disaster that will endanger members of her community, that she holds in high regard. Ms. Ndoye said Hoboken and Jersey City Heights residents are deeply committed to maintaining their health and well-being, as well as their neighbors. She urged the Board to do what is right, and if this power plant is truly needed, talk to the experts on solar, wind, and tidal energy.

Ilida Dupree commented on Board Item 2006-34 concerning the power plant. She said she is simply an ordinary user of NJ TRANSIT, her opinions are her own, and she represents herself. Ms. Dupree feel it is important as an agency to be aspirational. She looks towards the future to a public agency based in Oakland California called the San Francisco Bay Area Rapid Transit District, which operates an electric railroad known as BART. Ms. Dupree said in 2017 their Board of Directors signed power purchase agreements to buy over 100 megawatts of solar and wind power generation.

Ms. Dupree thinks it is important that they all, and NJ TRANSIT, invest in the future of New Jersey because purchasing natural gas is an expenditure, but buying battery, solar, and wind are an investment. She said with storage, they can purchase electricity when it's cheap, and deploy into their system when it's expensive. Ms. Dupree believes by reducing their operating cost through these investments, they could possibly help mitigate costs for fare increases to riders.

Ms. Dupree said this was not academics to her as she was sitting there in her all electric home powered entirely by renewable energy. She said she has a zero emissions kitchen, so she practices this in her daily life, and is a person of modest means. Ms. Dupree said this proves it is possible to access renewable energy and zero emissions practices at a time of use, and they don't need a lot of money to do so. She believes they need to move away from the past and should not go forward with a natural gas power plant.

Christian Hartman commented on Board Item 2006-34, especially as it pertains to Superstorm Sandy recovery and the usage of funds for the NJ TRANSITGRID in Kearny. He thanked the Board for the opportunity to speak and said their hearts go out to the NJ TRANSIT family who have been affected and lost their lives due to COVID-19. Mr. Hartman is Vice President of the New Jersey Alliance for Action. The Alliance's non-partisan mission is to improve New Jersey's economy through the promotion of capital construction and infrastructure investment and includes thousands of members from New Jersey's corporate, private, professional, labor, academic, and government sectors.

For over 40 years, the Alliance has focused exclusively on promoting responsible infrastructure investment in New Jersey and the region including transportation, water, coastal protection, and clean energy.

Mr. Hartman said he was also there not only as a representative of their thousands of members, but also as a resident of the Kearny area and an NJ TRANSIT rail user as well. He personally and the New Jersey Alliance for Action fully support the proposed Capital and Strategic vision and look forward to assisting in any way. They also support the funds going to the NJ TRANSITGRID storage system as well as the power plant. The transit system is vulnerable to power outages as well as the commercial power systems, and those are occurring more frequently due to their power distribution system, and the increasing intensity and frequency of severe weather events. This program will also create a microgrid, something he has studied a lot, and be one of the first of its kind in this country, providing highly reliable electric power to support service in one of the most important segments of NJ TRANSIT's service territory protecting it when the commercial grid faces an outage.

Mr. Hartman personally feels as a resident of the area he is personally happy it will be transforming a very unused dying brown field that has been sitting vacant for 40 years and will include a variety of technologies, including solar power and wetlands restoration. With respect to the Administration's Energy Plan which the New Jersey Alliance Action supports, this is not a fossil fuel only system and power plant, that will have a net carbon emission. He said they need to continue to diversify energy generation with multiple methods and we need to get there economically. As their area is looking to recover from the COVID-19 pandemic which he personally feels everyone has been affected by, investment in their infrastructure is critically important to New Jersey. This is a \$500 million project and is vital to the local economy, and the project will provide much needed construction jobs and permanent jobs when it's done. Mr. Hartman asked everyone to stay safe.

Tim Sevenser is from the New Jersey Association of Rail Passengers and spoke on Board Item 2006-34. They are opposed to any of the Resiliency money being used on a fracked gas power plant. He said it was important to understand that this power plant was planned based on a report from 2014, that's six years old. Mr. Sevenser said solar and renewable has more than doubled their capacity since then.

Mr. Sevenser said something very important to remember is that the purpose of this is to be able to run the trains and provide the power if needed when the commercial grid goes down for 14 days, and this is the fundamental objective. He noted in the business proposal it says that this power plant will run 100 percent of the time twenty-four-seven. Mr. Sevenser said this power plant will be burning dirty fossil fuels which is unnecessary, and they have already shown at other meetings with NJ TRANSIT the alternatives that one of the premiere solar experts advised them on. He said it is possible in 2020 to do solar plus tidal energy storage in order to run the NJ TRANSITGRID for the 14 days that are required, with minimal on-demand fossil fuel generation. Mr. Sevenser said they need the solar renewable component to be running year-round supplemented only by anything

that's required, and they have not been able to find the numbers on this because it all has been redacted.

Ken Dolsky, a member of Don't Gas the Meadowlands Coalition, commented on Board Item 2006-34 pertaining to the purchasing of materials and services for approved vendors to support the NJ TRANSIT Resiliency program. When they started reviewing the NJ TRANSIT project material, they realized NJ TRANSIT had not done any real analysis of renewables/storage. Mr. Dolsky said when they asked for the analysis, NJ TRANSIT could not produce anything. As they worked with NJ TRANSIT in meetings and via email, he said NJ TRANSIT realized their arguments had merit and could not be ignored by waving their arms as they had previously done, so they produced a new Appendix D as part of your Final EIS to try to demonstrate that renewables and storage could not work. Mr. Dolsky believes they have failed.

Mr. Dolsky said they are in the final stages of producing a response to this new NJ TRANSIT document that tries to prove that renewables/storage can't meet their needs. They expect to send this shortly, but he described the main points of their response. He said NJ TRANSIT ignored the proposal they gave showing that tidal power can meet all their needs including flywheel like power production over short periods of time for accelerating trains. Mr. Dolsky said NJ TRANSIT does not consider any mix of renewable energy sources; it only looks at each as a complete stand-alone solution, while the most optimal renewable energy solutions come from a mix of sources and storage; the NJ TRANSIT analysis on solar uses outdated assumptions from 2013 and previous years on efficiency (amount of power per acre) and cost; and does not consider hybrid solutions, i.e., augmenting a mainly renewable energy-based solution with a small amount of fossil fuel power. He said there are vendors such as Wartsila who specialize in combining such systems with storage to produce very competitive clean solutions and NJ TRANSIT ignores the rapidly improving cost effectiveness of solar/storage solutions and projections of further improvement over the next decade.

In summation they concluded that the use of renewable energy storage technology is simply an engineering and economic challenge to determine the optimum capabilities. In fact, Mr. Dolsky said the NJ TRANSIT Appendix D admits that solar and storage can meet its needs. He said NJ TRANSIT's approach clearly has not been to look for an engineered solution to maximize the use of renewable energy. Mr. Dolsky said this was not a professional, best practice approach but in fact, it was amateurish and would not get a passing grade in engineering school. They insist that the Board, specifically Board Member Gordon who is familiar with these issues, instruct NJ TRANSIT to construct a high-level design using an effective third party to determine how a renewable source solution compares to a fossil fuel solution. He said this must be made public on the best approach using funds for the long-term good of NJ TRANSIT.

Jeff Rapaport commented on Board Item 2006-34. He is opposed to any of the money being used to purchase materials and services for the NJ TRANSIT fracked gas power plant in Kearny. Mr. Rapaport believes this issue is of significant importance to be given

review especially on alternative energy, which hasn't been done. He supports renewable energy that is clean, economic, and within their interest.

Mr. Rapaport said trains are using renewable energy around the world. The one thing that wasn't mentioned was that very recently Tesla secured a massive project to replace a gas fired power plant from Ventura County. He said Ventura County was going to allow construction of a new gas fired power plant by NRG Energy to supply peak power to Southern California Edison, but the electric activity pivoted and used energy storage instead and plans to deploy several battery systems. Mr. Rapaport said last month they selected Strata solar to develop the biggest of those battery systems, a 100 megawatt or 400-megawatt battery and energy storage system. He said Strata Solar built its own battery system in large containers which is now known as the Tesla Megapack for its new project from Southern California.

Mr. Rapaport said they have heard about Australia, India, and other places in the United States. He strongly suggested they Google terms like battery technology and solar power. Mr. Rapaport said they will see the strong momentum that this has, and they should seriously consider it. He suggested doing a review of renewable energy under current technology, not technology from seven years ago, noting the world has changed dramatically. Mr. Rapaport asked why they won't go there. He said there are experts there to help, as Ken Dolsky mentioned, and they should use them.

Advisory Committee Report

Suzanne Mack provided the Advisory Committee Report. She noted she was very happy to be there to listen to all the public comments that have been made. She noted she reports back to her committee and they were very happy that NJ TRANSIT is going to help the Advisory Committee set up virtual meetings, which will probably start before the end of the month. This will give them the opportunity to examine some of the comments made there today. What she saw today were many speakers who broke down issues on bus and environmental issues surrounding Hoboken and how important transparency is, and how virtual meetings are conducted.

Ms. Mack said to the Commissioner and the Board that these are the types of issues that the North and South Jersey Advisory Committee would be happy to go over with staff and brainstorm and help make suggestions on how these things can be done. They have seen the environmental issues become more prevalent over the last four months at the meetings and the environmental community concerns need to be addressed. Ms. Mack represents Hudson County, heard everything that was said, and will be following up with the County Executives in Hoboken and Kearny.

Ms. Mack thanked Senator Weinberg for starting out as the first public speaker, noted she gave a very good frame on all the issues, and she was very pleased with former Senator Gordon finally being fully confirmed on the NJ TRANSIT Board, which they are pleased with as well.

Ms. Mack said the big issue they are facing now is how to keep NJ TRANSIT running in the midst of a pandemic and how to support them in those efforts. As they all know, the Board has requested \$1.2 billion in Federal Aid. Congressman Sires is spearheading this effort and they have to support those efforts in getting the money to help them get up and running again.

Ms. Mack said personally as she is in Hoboken, Bayonne, and Jersey City on many days, she sees the people who are waiting for those buses and if it were not for transit, they would not be able to get to their jobs. She congratulated not only the President & CEO and the Board, but the bus drivers also who have been on the frontline continuing to service the public during these terrible times. As they move towards the road to recovery and Governor Murphy continues with his plan, everyone from the Advisory Committee supports and thank them for what they do.

Although PTC is still controversial and this Board inherited this federal mandate, Ms. Mack was pleased at what she heard this morning on the progress that's being made. She said they came in and made promises of what they were going to do, and it has been done. She knows they will continue do what needs to be done under these extraordinary conditions.

Ms. Mack's final comments were regarding ridership. They don't know what the ridership is going to be in the future, and what the long-term effects are going to be as people continue to work from home. The existence of the Strategic and Capital Plans are good because they now have a blueprint in place to work from. Although this plan is going to have to change to meet the new realities, at least they have a starting point. Ms. Mack said the Advisory Committee will be delving into the Strategic and Capital Plans and will have comments.

Board Operations and Customer Service Committee Report

Board Member Wilton presented the report for the Operations and Customer Service Committee. The Operations and Customer Service Committee received an update on trends, analysis, and actions for rail, bus, light rail, and Access Link. The Committee also received an update on the Cost of Service.

Board Administration Committee Report

Board Member Maroko presented the report for the Administration Committee. The Administration Committee received a Financial Update. This included a summary of operating results, major variances, the impact of COVID-19 on ticket sales, major balance sheet items, and a report on cash management and liquidity.

Additional information was provided as part of the agenda materials including the cost of service key performance indicators, attrition and hires, ridership and revenue, infrastructure and operations metrics and reporting highlights, and a technology improvements timeline.

Capital Planning, Policy, and Privatization Committee Report

Board Member Fulton first congratulated the team for the Capital Plan and the Strategic Plan. He looks at these plans as beginning and not ends. Board Member Fulton said he took earnestly a lot of the comments they heard that day. He recognized things would be dynamic and certainly following COVID-19 and other issues like ridership and funding, he is sure the Board will work together with everyone to make sure they can adapt and plan as necessary.

Board Member Fulton presented the report for the Capital Planning, Policy and Privatization Committee. The Committee discussed the board items for the: Fiscal Year 2021 Sole, Single, and Limited Qualified Source Procurement by Exception Authorization; North Bergen Park & Ride, West Side Avenue Lot, Soil Removal Plan: Construction Contract; Regulation: Adoption of New Rules – N.J.A.C. 16:76 Private Carrier Capital Improvement Program Guidelines and Procedures; Regulation: Adoption of New Rules – N.J.A.C. 16:85 Contracting Out Policies and Procedures; NJ TRANSIT – Advertising Contractual Payment Modification; and Hoboken Records Building Project: Construction Contract Award.

Action Items

2006-34: FISCAL YEAR 2021 SOLE, SINGLE, AND LIMITED QUALIFIED SOURCE PROCUREMENT BY EXCEPTION AUTHORIZATION

President & CEO Corbett introduced Jeannie Kwon, Senior Vice President and Chief Administrative Officer, to present Action Item #2006-34. Jeannie Kwon recommended approval of Action Item #2006-34: Fiscal Year 2021 Sole, Single, and Limited Qualified Source Procurement by Exception Authorization.

Approval was requested to enter into procurement-by-exception contracts for the purchase of materials and services from approved vendors set forth in Exhibit A1 (subject to adjustments) to support Bus, Rail, Light Rail, and Headquarters operations at a cost not to exceed \$28,000,000, plus ten percent for contingencies to account for increase in ordering quantities and changing market conditions, subject to the availability of funds. New firms with new material or services whose aggregate value exceeds \$250,000 within the fiscal year will be submitted to the Board. This request will cover a 12-month period from July 1, 2020 to June 30, 2021.

Approval was also requested to enter into procurement-by-exception contracts for the purpose of maintaining/upgrading hardware and software systems from approved vendors set forth in Exhibit A2 (subject to adjustments) to support NJ TRANSIT's Information Systems at a total cost not to exceed \$27,450,000, subject to the availability of funds. New firms with new services whose aggregate value exceeds \$250,000 within the fiscal year will be submitted to the Board. This request will cover a 12-month period from July 1, 2020 to June 30, 2021.

Approval was also requested to enter into procurement-by-exception contracts for the purchase of materials and service from approved vendors set forth in Exhibit A3 (subject to adjustments) to support the NJ TRANSIT’s System Resilience Program at a cost not to exceed \$2,800,000, subject to the availability of funds FTA approval and all other applicable requirements. New firms with new services whose aggregate value exceeds \$250,000 within the fiscal year will be submitted to the Board. This request will cover a 12-month period from July 1, 2020 to June 30, 2021.

Board Member Richard A. Maroko made a motion and Board Member Sangeeta P. Doshi seconded the motion.

Board Member Adams said he discussed this item with staff and he has very big challenges approving the item as written and constructed. He has a problem with the 10 percent contingency and the explanation that was given to him, as well as challenges with the computer hardware, software, and resiliency portions. He said unfortunately at this time he would not be able to vote in favor of this item.

Chair Gutierrez-Scaccetti asked staff how much of the \$28 million pertained to NJ TRANSITGRID. Ms. Kwon said the category for resilience was \$2.8 million and out of that amount, less than \$500,000 for the vendor related to NJ TRANSITGRID services. Chair Gutierrez-Scaccetti noted she had some concerns about the process as well and it was her understanding that the Procurement Department would start the process of putting some of these out for RFIs to see if there are other firms that are competitive. Ms. Kwon confirmed that was correct.

Chair Gutierrez-Scaccetti asked for a roll call vote and the item was adopted.

Roll Call Vote:

Adams	Ajmani	Doshi	Fulton	Gordon	Maroko	Wilton	Gutierrez-Scaccetti
No	Yes	Yes	Yes	Yes	Yes	Yes	Yes

2006-35: NORTH BERGEN PARK & RIDE, WEST SIDE AVENUE LOT, SOIL REMOVAL PLAN: CONSTRUCTION CONTRACT

President & CEO Corbett introduced Eric Daleo, Senior Vice President, Capital Programs, to present Action Item #2006-35. Eric Daleo recommended approval of Action Item #2006-35: North Bergen Park & Ride, West Side Avenue Lot, Soil Removal Plan: Construction Contract.

The North Bergen Park & Ride, West Side Avenue Lot, Soil Removal will remove an existing soil stockpile and install a new reinforced gravel lot to accommodate up to 78 standard buses or 64 articulated buses. Approval of this construction contract will remove

and dispose of approximately 62,000 tons of soil stockpile and install a new reinforced gravel lot adjacent to the Meadowlands Bus Garage in North Bergen, New Jersey. These upgrades will help address bus capacity and needs in the northern portion of the state by providing a location to store and maintain new standard and articulated buses.

Approval was requested to enter into a contract with Kyle Conti Construction, LLC of Hillsborough, New Jersey, for the Construction Contract of the North Bergen Park & Ride, West Side Avenue Lot, Soil Removal Plan in the amount not to exceed \$3,773,773.00, plus five percent for contingencies, subject to the availability of funds.

Board Member James D. Adams made a motion and Board Member Richard A. Maroko seconded the motion. Chair Gutierrez-Scaccetti asked for a roll call vote and the item was adopted.

Roll Call Vote:

Adams	Ajmani	Doshi	Fulton	Gordon	Maroko	Wilton	Gutierrez-Scaccetti
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

2006-36: REGULATION: ADOPTION OF NEW RULES – N.J.A.C. 16:76 PRIVATE CARRIER CAPITAL IMPROVEMENT PROGRAM GUIDELINES AND PROCEDURES

President & CEO Corbett introduced Ronald Nichols, Chief, Light Rail and Contract Services, to present Action Item #2006-36. Ronald Nichols recommended approval of Action Item #2006-36: Regulation: Adoption of New Rules – N.J.A.C. 16:76 Private Carrier Capital Improvement Program Guidelines and Procedures.

Approval was requested to take all actions necessary to adopt N.J.A.C. 16:76 et seq., consistent with this Board item and corresponding Exhibits, put the regulation in the appropriate format, and take all other actions necessary to effectuate the final adoption and promulgation of NJ TRANSIT’s Private Carrier Capital Improvement Program Guidelines and Procedures.

Board Member Richard A. Maroko made a motion and Board Member Brian T. Wilton seconded the motion.

Board Member Fulton noted one speaker talked about the issue of private carriers securing funding in light of the issues associated with COVID-19. He noted he would approve the item but noted it was an important issue that at some point in time, they need to give consideration.

Chair Gutierrez-Scaccetti asked for a roll call vote and the item was adopted.

Roll Call Vote:

Adams	Ajmani	Doshi	Fulton	Gordon	Maroko	Wilton	Gutierrez-Scaccetti
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

2006-37: REGULATION: ADOPTION OF NEW RULES – N.J.A.C. 16:85 CONTRACTING OUT POLICIES AND PROCEDURES

President & CEO Corbett introduced Ronald Nichols, Chief, Light Rail and Contract Services, to present Action Item #2006-37. Ronald Nichols recommended approval of Action Item #2006-37: Regulation: Adoption of New Rules – N.J.A.C. 16:85 Contracting Out Policies and Procedures.

Approval was requested to take all actions necessary to adopt N.J.A.C. 16:85 et seq. consistent with this Board item and corresponding Exhibits, put the regulations in the appropriate format, and take all other actions necessary to effectuate the final adoption and promulgation of NJ TRANSIT’s Contracting Out Policies and Procedures.

Board Member Cedrick T. Fulton made a motion and Board Member James D. Adams seconded the motion. Chair Gutierrez-Scaccetti asked for a roll call vote and the item was adopted.

Roll Call Vote:

Adams	Ajmani	Doshi	Fulton	Gordon	Maroko	Wilton	Gutierrez-Scaccetti
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

2006-38: NJ TRANSIT – ADVERTISING CONTRACTUAL PAYMENT MODIFICATION

President & CEO Corbett introduced William Viqueira, Senior Vice President, Chief Financial Officer and Treasurer, to present Action Item #2006-38. William Viqueira recommended approval of Action Item #2006-38: NJ TRANSIT – Advertising Contractual Payment Modification.

Approval was requested to take any and all actions to implement a temporary modification of Intersection Media, LLC’s monthly Minimum Guarantee payments approved in Board Item 1808-587, in accordance with the terms discussed in Executive Session.

Board Member Brian T. Wilton made a motion and Board Member Bob M. Gordon seconded the motion. Chair Gutierrez-Scaccetti asked for a roll call vote and the item was adopted.

Roll Call Vote:

Adams	Ajmani	Doshi	Fulton	Gordon	Maroko	Wilton	Gutierrez-Scaccetti
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Board Secretary Zuczek noted Board Member Ajmani was recused from the next item 2006-39 and had the event call operator remove her from the meetings.

2006-39: HOBOKEN RECORDS BUILDING PROJECT: CONSTRUCTION CONTRACT AWARD

President & CEO Corbett introduced Eric Daleo, Senior Vice President, Capital Programs, to present Action Item #2006-39. Eric Daleo recommended approval of Action Item #2006-39: Hoboken Records Building Project: Construction Contract Award.

The Records Building in the City of Hoboken, Hudson County, New Jersey is located at Hoboken Terminal along Observer Highway on the north side of the yard. A recent roof parapet collapse, along with severe deterioration, has created an unsafe condition for the safety of pedestrians and the potential to damage the newly constructed substation located nearby.

The New Jersey Department of Community Affairs has ordered the building to be demolished by June 30, 2020 to create a safe area for pedestrian flow, rail operations, and protection of the newly constructed substation. The Hoboken Records Building project involves executing the final alternate, after conclusion of the Section 106 process which range from stabilization to demolition.

Approval was requested, for an amount as discussed in executive session, subject to the availability of funds, to allow NJ TRANSIT to move forward quickly with limited competition to engage a contractor to carry out the option concluded by the Section 106 process for public safety.

Board Member James D. Adams made a motion and Board Member Cedrick T. Fulton seconded the motion.

Board Member Doshi thanked the NJ TRANSIT team for working with the Mayor’s Office and town council to try to come up with a hybrid solution for the City of Hoboken.

Board Member Fulton asked for clarification that the action sought was in advance of the Section 106 determination of what NJ TRANSIT will be required to do. Mr. Daleo confirmed the Section 106 was not complete and they continue to work with the Federal Transit Administration, Department of Environmental Protection, and local stakeholders to complete that process. He also noted they previously hosted a public meeting with the

town to try to listen and understand concerns of those in and outside the community. They received comments, created a dedicated public website to share information about the project and about the Department of Community Affairs order, and they continue to attempt to work towards a solution.

Board Member Gordon commended President & CEO Corbett and staff for looking for a compromise approach, recognizing the architectural significance of the building, and striking a balance against the safety issues involved. Board Member Gordon was pained to learn the building would have to come down. When it comes to New Jersey’s industrial history and architectural heritage, they want to preserve it whenever possible, but they have to be mindful of safety issues. He believes the hybrid approach is good, he supports it, and he thanked President & CEO Corbett for trying to accommodate the Mayor’s request for the City of Hoboken.

Chair Gutierrez-Scaccetti asked for a roll call vote and the item was adopted.

Roll Call Vote:

Adams	Ajmani	Doshi	Fulton	Gordon	Maroko	Wilton	Gutierrez-Scaccetti
Yes	RECUSED	Yes	Yes	Yes	Yes	Yes	Yes

Board Member Ajmani returned to the meetings.

2006-40: LEASE OF TWO HUDSON PLACE, HOBOKEN, NEW JERSEY FOR THE RELOCATION OF NJ TRANSIT EMPLOYEES WORKING IN THE HOBOKEN TERMINAL LONG HALL

President & CEO Corbett introduced William Viqueira, Senior Vice President, Chief Financial Officer and Treasurer, to present Action Item #2006-40. William Viqueira recommended approval of Action Item #2006-40: Lease of Two Hudson Place, Hoboken, New Jersey for the Relocation of NJ TRANSIT Employees Working in the Hoboken Terminal Long Hall.

Approval was requested to enter into a ten-year and three-month lease with Hoboken Holdings L.P., a Delaware limited partnership, having a mailing address c/o National Realty and Development Corp., 3 Manhattanville Road, Suite 202, Purchase, New York 10577-2117, of approximately 11,168 square feet of office space in their building located at Two Hudson Place, Hoboken, New Jersey 07030, for a total cost discussed in executive session which includes rent, estimated expenses and fit out costs, plus five percent for contingencies.

Board Member Brian T. Wilton made a motion and Board Member Bob M. Gordon seconded the motion. Chair Gutierrez-Scaccetti asked for a roll call vote and the item was adopted.

Roll Call Vote:

Adams	Ajmani	Doshi	Fulton	Gordon	Maroko	Wilton	Gutierrez-Scaccetti
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

2006-41: MODIFICATION OF PARKING COVENANT IN DOVER, NEW JERSEY

President & CEO Corbett introduced William Viqueira, Senior Vice President, Chief Financial Officer and Treasurer, to present Action Item #2006-41. William Viqueira recommended approval of Action Item #2006-34: Modification of Parking Covenant in Dover, New Jersey.

Approval was requested to take all actions necessary, including, but not limited to the execution of all documents, to negotiate and enter into agreements with Dover Veterans Urban Renewal Housing Associates, LLC, an affiliate of Pennrose, and with the Town of Dover to modify the deed covenant on Block 1219, Lot 2 in the Town of Dover, to permit the development of affordable housing with a preference for Veteran’s housing, thus decreasing the number of spaces available for public parking to 40 in Block 1219, Lot 2, also known Lot D from 6 a.m. to 8 p.m., and relocating 34 parking spaces to the Town-owned parking lot identified as Block 1213, Lot 2, also known as Lot A, located on Dickerson Avenue, to be designated for public/commuter parking 24 hours a day, 7 days a week, in exchange for cash consideration discussed in Executive Session.

Board Member James D. Adams made a motion and Board Member Sangeeta P. Doshi seconded the motion. Chair Gutierrez-Scaccetti asked for a roll call vote and the item was adopted.

Roll Call Vote:

Adams	Ajmani	Doshi	Fulton	Gordon	Maroko	Wilton	Gutierrez-Scaccetti
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

2006-42: CORPORATE INSURANCE PROGRAM ANNUAL RENEWAL

President & CEO Corbett introduced William Viqueira, Senior Vice President, Chief Financial Officer and Treasurer, to present Action Item #2006-42. William Viqueira recommended approval of Action Item #2006-42: Corporate Insurance Program Annual Renewal.

Approval was requested to revise and renew the Corporate Insurance Program and to include services necessary to administer the Program for the period July 1, 2020 through

June 30, 2021 at an annual cost not to exceed an amount discussed in executive session, plus five percent for contingencies, subject to the availability of funds.

Approval was also requested to enter in an agreement with Helmsman Management Services, LLC for workers’ compensation claims handling and administration services at a cost not to exceed an amount discussed in executive session for a period of three years beginning on July 1, 2020 with two, one-year renewal options, subject to the availability of funds.

Board Member Brian T. Wilton made a motion and Board Member Cedrick T. Fulton seconded the motion. Chair Gutierrez-Scaccetti asked for a roll call vote and the item was adopted.

Roll Call Vote:

Adams	Ajmani	Doshi	Fulton	Gordon	Maroko	Wilton	Gutierrez-Scaccetti
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Board Secretary Zuczek noted Board Member Gordon was recused from the next item 2006-43 and had the event call operator remove him from the meetings.

2006-43: ADVANCED SPEED ENFORCEMENT SYSTEM II – POSITIVE TRAIN CONTROL: CONTRACT AMENDMENTS FOR IMPLEMENTATION

President & CEO Corbett introduced Eric Daleo, Senior Vice President, Capital Programs, to present Action Item #2006-43. Eric Daleo recommended approval of Action Item #2006-43: Advanced Speed Enforcement System II – Positive Train Control: Contract Amendments for Implementation.

Last July, the Board approved Staff to endeavor to negotiate resolution of certain claims with Parsons Transportation Group of New York, New York. Approval was requested to reduce the amount authorized in July 2019 based on the conclusion of negotiations with Parsons and to allow staff to enter a series of change orders, as required, based on the terms discussed in Executive Session.

Parsons presented NJ TRANSIT with a claim of \$7,800,000 for additional measures that NJ TRANSIT directed Parsons to deploy in 2018 in order to meet the December 31, 2018 PTC statutory installation deadline. Approval was also requested to settle that claim for \$2,700,000, and Parsons will agree to waive associated claims and counterclaims.

Parsons also presented NJ TRANSIT with a claim of \$51,450,000 for time delays to the project that Parsons alleges are solely due to NJ TRANSIT’s actions and dating back to 2017. NJ TRANSIT disputes this claim. After careful review of the claim, approval was also requested to settle that claim for an amount up to \$30,768,276 tied to three

performance milestones. These payment opportunities are designed to bolster meeting the end of year deadline and timely delivering the Positive Train Control project. Parsons will agree to waive associated claims and counterclaims if milestones are met.

Approval was also requested for a smaller additional reserve, to address a range of potential project needs, including infrastructure and design changes and materials requested by NJ TRANSIT, for an amount discussed in Executive Session. Following the execution of any additional change orders utilizing this reserve authorization, Staff will report to the Board a summary of the change order entered and value of settlement.

These approvals are subject to the availability of funds.

Board Member James D. Adams made a motion and Board Member Richard A. Maroko seconded the motion.

Board Member Adams complimented and thanked President & CEO Corbett, Eric Dale, and staff for coming up with this innovative solution to a truly difficult and challenging problem for NJ TRANSIT. He looks forward to the full implementation by Parsons by December 31, 2020.

Board Member Doshi reiterated thanks to the team for the effort and work on this innovative approach.

Board Member Fulton echoed his colleagues' comments. The ability to complete difficult projects requires a cooperation between all the parties. He was delighted to hear in the report that there is full expectation to meet the end of year mandate. Board Member Fulton looks forward to the reports through the end of the year, so they have clarity about exactly where they are at, both at the Board level as well as amongst the ridership.

Chair Gutierrez-Scaccetti asked for a roll call vote and the item was adopted.

Roll Call Vote:

Adams	Ajmani	Doshi	Fulton	Gordon	Maroko	Wilton	Gutierrez-Scaccetti
Yes	Yes	Yes	Yes	RECUSED	Yes	Yes	Yes

Board Member Gordon returned to the meetings.

Public Comments on Other Matters

Chair Gutierrez-Scaccetti asked the event call operator about the number of people who remain on the line for public comments. The operator noted there was no one queued at that time but there were approximately 25 participants from the public still connected who could potentially queue for public comment. Chair Gutierrez-Scaccetti asked those

interested in making public comments to queue before they go into their second executive session. At this moment, they were scheduled to go into their second executive session now. However, if there were others who wished to make public comments, they should make that known before they go into executive session and they will take the public comments before retiring to executive session. She asked the event call operator to provide instructions for entering the queue to make a public comment on other matters. The event call operator provided instructions for entering the queue to provide public comments.

David Pringle said he would defer to others who have not had an opportunity to speak in the first public comment period. Chair Gutierrez-Scaccetti responded that he is not harming anyone else's ability to speak and asked Mr. Pringle to proceed with his comments.

Mr. Pringle urged the Board to be the advocate for NJ TRANSIT that they should be. He said the Board pales in comparison to what the Turnpike Authority is doing. He said they have proposed a fully funded robust, yet horrible plan, while NJ TRANSIT has proposed a less than underfunded capital plan. He understands the Board has less control over funding sources than the Turnpike Authority does, however, he said the Board reports to the Governor and they should be a part of the same transportation system. Mr. Pringle said the Board needs to be a strong, forceful, independent advocate for NJ TRANSIT and mass transit.

Joseph Clift applauded Senator Weinberg for information on the new Legislation to make the Board of NJ TRANSIT a real governing Board, which would be a change from a rubber stamp Board that has prevailed in the past. He said it is up to the new Board Members to take advantage of their powers and make this change. Mr. Clift said six of the agenda items that spent money were done in executive session and that is a lot of opacity.

Mr. Clift talked about the Portal North Bridge and President Trump's tweet Friday and follow-up to Governor Murphy and said it does not change the process for Portal North Bridge qualifying for an \$811 billion-dollar federal discretionary grant. He said the project must still go through engineering and get a full funding grant agreement which will be hard to get with the vicarious sources of New Jersey funding proposed for the project. He said COVID-19 has severely diminished tolls and fuel taxes which are the major sources of money to pay for the New Jersey portion of Portal North Bridge. He said it does not change the fact that Portal North Bridge is of no benefit to NJ TRANSIT rail riders. There are no delays today because the bridge is locked closed in the morning and evening and hardly ever opens at any other time; and yet the public is expected to pay \$1.9 billion-dollars of scarce money. The project will take so long and will not be finished until two Governor's terms from now, when a four-track low level removable bridge would cost a quarter of the combined \$4 billion-dollar cost of Portal North and Portal South, and be done sooner, one Governor's term from now. He said it does not change the fact that NJ TRANSIT management in August, two months from now, is filing an update of its Portal North Bridge core capacity application with the Federal Transit Administration. He said to qualify, NJ TRANSIT management must again for the fifth year in a row, lie about

the benefits of the bridge and the Federal Transit Administration staff must ignore the facts and evidence. The fact is the bridge increases capacity into New York, there are zero peak hour seats. All the increases come from new cars which will be in place in 2023, three years before the bridge is built. Mr. Clift urged the Board to think about spending money wisely because there is less money now than four months ago.

Paul Teshima said he supports the need for NJ TRANSIT's back-up power for rail operations, but he opposes to using fossil fuels to power it. NJ TRANSIT should not be using its resources to get into a business which it has no current expertise. He said it is difficult enough to keep buses and trains running smoothly without taking on an additional task and straining resources, and maybe future reliability. Mr. Teshima said the risks and harms that this project proposes to the citizens of New Jersey far outweigh the benefits. The problems and the health of local residents caused by the constant pollution generated in an area that already has poor air quality is not worth a few days of fossil fuel necessary to back-up power. He said the pollution this power plant will cause every day on the local and statewide level is the opposite of what New Jersey needs. The pollution caused by this plant every day will exacerbate the climate chaos that causes storms to be bad enough to effect transit operations. Mr. Teshima said it is easy to see that the Earth is straining under the air pollution that we have spewed into the atmosphere. He said we should not risk more calamity by building a fossil fuel power plant, even if NJ TRANSIT is not convinced that climate change is caused by humans. Mr. Teshima said it would be certainly prudent to take a conservative course and stay away from risks that make these problems worse. The Coronavirus is just one way a mistake can change lives, climate change can harm us much worse and will last a lot longer.

Ilida Dupree mentioned earlier that she is a rider of NJ TRANSIT bus and rail since 1980. She is also a user of the NJ TRANSIT Mytix App which she downloaded a long time ago, and it is very helpful to her. Ms. Dupree has written to staff commenting on the Mytix App and they have listened and made improvements since she first used it in 2016 integrating it with the Route 320 Park & Ride. She asked for some completeness because during her last trip to New Jersey in 2019 she was not able to buy individual tickets for the Hudson Bergen Light Rail and the Newark Light Rail, so she had to do separate transactions to buy paper tickets. Ms. Dupree thinks this is important so that she can use the Mytix app for all of the services and fare products that NJ TRANSIT offers, especially with the need to be contactless. Ms. Dupree said she would like to see this Board be more aspirational, certainly considering electrification. She rode the Raritan Valley Line for years and thinks it should be electrified and some of the other short stops should be as well. She said there are still some train stations that are not ADA accessible and NJ TRANSIT needs to move forward quickly on making them ADA accessible so everyone can use the entire system.

Ryan Felmet lives in Summit and rode the Morris & Essex Line for years. He said NJ TRANSIT has to earn his ridership back. He said NJ TRANSIT's biggest issues were leadership, transparency, lack of communication with riders, lack of oversight, lack of operations and training of employees, and they all have been widely exposed, especially over the last couple of years.

As a regular rail rider, he studied NJ TRANSIT and there are many issues and it is his hope that NJ TRANSIT continues to look inwards instead of outwards in reaching out to the ridership, engaging, collaborating, and working alongside the 990,000 previous ridership, to fix these issues. He said Senator Weinberg did an excellent job commenting and laying out the issues and concerns on transparency and recalled that the last time the public ridership received transparency from Senior Management was in February of this year.

Mr. Felmet said four months ago, the New Jersey Senate Select Committee, Chaired by Senator Sweeney was the last time they had a real view of transparency into NJ TRANSIT from a more challenging angle. He said during that oversight meeting six of NJ TRANSIT executives were invited, but only the President & CEO appeared. During the legislative meeting, he only heard from President & CEO Corbett who appeared to answer but showed a lack of transparency to operations when asked the same questions. During this hearing, he learned that NJ TRANSIT had hired an outside public relations firm for \$250,000 to falsely pose as riders to testify at Senate hearings. Mr. Felmet said he heard President & CEO Corbett say funding was sound for bus and rail operators. Mr. Felmet said he has not heard of any action on the Customer Service Rail Advocate position.

Mr. Felmet shared the same concerns of previous speakers about the fracked gas power plant in Kearny.

Bruce Bergen, Chairman of the Raritan Valley Rail Coalition, spoke on behalf of the many commuters and other riders on the line as well as the many thousands of residents who live within the service area. Mr. Bergen was pleased to see that the recently adopted five-year capital plan which includes the long-awaited Roselle Park Station improvements with a planned project start date of 2021. He said this project has been previously funded and looks forward to getting it started next year. Mr. Bergen commended NJ TRANSIT on being proactive in the COVID-19 planning and urged NJ TRANSIT to continue to provide information to the riders and the public on procedures and requirements. He also acknowledged the positive news that the Portal North Bridge project has received a green light for funding and approval from the Federal Government. He said this long-delayed project is an important step forward in the critical Gateway Project. Also, Mr. Bergen was very glad to have submitted a letter to the Federal Railroad Administration in support of transit's grant application which if awarded would be utilized for preliminary engineering for the improvement of Newark Penn Station, Platform A and improvements to Conrail's Lehigh Line, and for the Hunter Flyover. Each of these projects would directly benefit the Raritan Valley Line riders.

Mr. Bergen said the most important issue is the one-seat ride on the Raritan Valley Line. He asked if there is a planned release date for the report mandated by S3574. He is concerned because the one-seat ride on the Raritan Valley River Line belatedly re-instated earlier this year was once again suspended during the COVID-19 schedule changes. Mr. Bergen asked NJ TRANSIT to advise sooner rather than later the plans to once again re-instate the limited direct service on the Raritan Valley Line. He suggested

that communication with riders regarding the return of the one-seat ride this time be better than what they received before. Also as stated in his written comments last month, he wondered if the need for more efficient service due to the virus would not make reinstating an increased one-seat ride a viable and useful option.

Allen Kratz wanted to make sure that he understood the vote on Board Item 2006-39, the Hoboken Records Building, and that he thought he heard one recusal, and one Board Member voting no. Chair Gutierrez-Scaccetti asked Board Secretary Zuczek to please confirm the vote on this item. Board Secretary Zuczek said there was one recusal and all other Board Members voted yes on this Board Item.

Adam Reich said in normal times he is a regular rider on the Northeast Corridor Line and asked the Board to review his written comments submitted, since he will not be able to cover everything in the time allotted to speak. Mr. Reich talked about the scheduling of Board Meetings, in April, May and June. He said the meetings have been scheduled for 9:00 a.m. and N.J.S.A. 27:25-421 states that half the meetings of the Board shall be held in the evening after 6:00 p.m. He said only four of the 10 meetings this fiscal year were scheduled at that time. Mr. Reich said he does not think that NJ TRANSIT is operating under the spirit of the law. Mr. Reich said to make sure the next scheduled meeting is 6:00 p.m. and adhere to the requirements.

Mr. Reich said regarding fares, he thinks it is important that NJ TRANSIT rethink the fare structure to adapt to the post COVID reality, consider restoring an off-peak discount and do what the MTA of Massachusetts is doing and consider new pass options. The MTA Massachusetts is going to implement, on a test basis, a pass that can be used for any five days within a 30-day period provided the discount is for round-trip travel. He said NJ TRANSIT offers weekly and monthly passes that are discounted. The reality for this post COVID world might be that people are going to be travelling regularly into the office maybe one - three times a week but they will not be able to use a weekly or monthly pass, which would not be a sensible option. He said doing this would give the benefit of some upfront cash from people as opposed to people buying one-way tickets.

Regarding restoration of service, Mr. Reich asked NJ TRANSIT to tell the public the plans for Phase III when ridership can return to the rails. He asked if a full schedule will run at the start of Phase III, because he has concerns considering there were 22 cancellations on the Northeast Corridor Line in the month of June.

Nat Bottigheimer, New Jersey Director for the Regional Plan Association, said the following is joint statement on the recently released transit Capital Plan by the Regional Plan Association, Tri-State Transportation Campaign, New Jersey Future, Environment New Jersey, Clean Water Action, and BlueWave New Jersey. He said they applaud NJ TRANSIT's leadership for publishing a comprehensive, readable, educational, and well-illustrated Capital Plan that puts forth NJ TRANSIT's capital funding needs for the upcoming decade and beyond. He said it is the lack of resources that are available to NJ TRANSIT that principally concern them. He called upon Commissioner Gutierrez-Scaccetti and Governor Murphy to use their numerous authorities to reprogram the

NJ Turnpike Authority toll revenue from unnecessary highway expansion towards funding for NJ TRANSIT's Capital Plan; and ensure that NJ TRANSIT's capital needs are a part of a comprehensive transportation strategy for the entire State. Since its inception the agency has lacked a complete inventory of investments needed which the publication of a new financially unconstrained capital plan revealed. He said the public now has better information to understand what investments among the many are needed. NJ TRANSIT is prioritizing to support equitable economic growth and to achieve the safe ambitious climate and environmental goals. He said the Capital Plan document does not reflect the needs that are obvious to the public, like buses, and rail cars, but rather, crew quarters, yards and garages, and interlocking business systems, which serve as educational purposes as does for financial planning purposes. He said the public now has a clearer picture of what the gap is in NJ TRANSIT's needs and what resources it has available.

Sally Gellert, Communications Director of the Lackawanna Coalition, said NJ TRANSIT published legally required and eagerly anticipated long-range plans for a ten-year operating and five-year capital plan. She said these are long overdue and riders and taxpayers have been waiting to see the results. Ms. Gellert asked a local reporter, Chris Neidenberg, to review the plans and his initial reaction was, is that all there is. She said his question is quite reasonable, and while she goes through the many colorful pages, illustrations, and tables of figures, she adds her own questions. Why is NJ TRANSIT planning preventable delays until 2025? Why must they wait five more years for a reliable schedule? How is it that preventable delays will hit zero in five years, decreasing 35 percent annually, while preventable injuries and fatalities will reach zero in the same five years, but decreasing 20 percent annually? These numbers do not make sense, and she asked how do we trust the rest? When can riders expect the restoration of many cancelled trains, those cancelled even before the COVID-19? Ms. Gellert said commuting and travel patterns have temporarily changed, and she expects that peak ridership will be permanently reduced to some degree, with more people working from home at least part-time. She said the riders need frequent, reliable trains and buses.

Ms. Gellert said how does NJ TRANSIT publish a five-year capital plan subtitled "An Unconstrained Vision for NJ TRANSIT" that requires almost \$6 billion over five years in addition to the annual subsidies? She said releasing these plans now shows a lack of understanding of the current realities.

Ms. Gellert said the unrestrained plan will be used to set priorities. She is appalled that NJ TRANSIT apparently refused to set parameters that would make the capital plan realistic. She asked when does NJ TRANSIT expect to get to something affordable? When do the riders hear what NJ TRANSIT really expects to do? She said this is nothing new for NJ TRANSIT and said many other plans were put forth in previous years and very few were ever done.

Summary of Written Statements Submitted in Lieu of Speaking

Ashley Park is a student at Bergen Tech, and said the NJ TRANSIT Power Plant proposal must be stopped to protect the health and safety of New Jersey citizens. The

power plant would exacerbate the already sickening levels of air pollution in New Jersey and especially with the pandemic, it is essential to improve air quality. The poor air quality is correlated to respiratory issues and chronic lung diseases, which will only be worsened by the power plant.

In order to protect public health and the environment, NJ TRANSIT must transition to using renewable alternatives and clean sources of energy instead of continuing to invest in fossil fuels that are detrimental to the climate and lives.”

Jiahn Son is a current high school student at Bergen Tech. As a youth environmental advocate, he is strongly opposed to this plant, because the facts show that it will contribute to climate change, increase air pollution, and harm the surrounding vulnerable communities. It will release hundreds of thousands of tons of greenhouse gases into the air, at a time when we are at a tipping point where it is critical to reverse the impact of these emissions. Furthermore, the health consequences for residents nearby could be devastating. Everyone deserves a livable planet, and this plant denies that right to those who live near it. He believes in a green future for New Jersey, and this plant does nothing but move in the opposite direction. It is the responsibility of those in power to listen to the youth, and to take action. What we are fighting for will not change anything if New Jersey continues to invest in destructive power plants that accelerate the climate change crisis. Therefore, he urges Governor Murphy to consider renewable energy alternatives, especially given his pledge to move New Jersey to 100 percent renewable energy by 2050. Please do not move ahead with the construction of this plant, for the good of New Jersey’s residents and the future of our planet.

Renee Alessio is opposed to the proposed fracked gas power plant and asked that NJ TRANSIT and Governor Murphy stop this project and invest in a clean renewable alternative. She retired two years ago as a Right to Know Specialist for Passaic County Health Department. She worked for over ten years protecting workers and communities from toxic chemicals that would affect their health. This plant would add more unnecessary toxic pollution into the environment.

She understands that Superstorm Sandy Resiliency Grant money is to be used to prepare for an outage so that trains could still run during a power outage, but this dirty plant would run and produce pollution 24/7.

She also knows that clean air and healthy lungs are important factors in surviving the Coronavirus during this current pandemic or any other disease.

“Black Lives Matter” has the right to clean air and water. The air pollution from the power plant would disproportionately harm communities of color and low-income communities in Kearny, Newark, and Jersey City, which is in direct contradiction to Governor Murphy’s Executive Order 23 to promote environmental justice for all.

Alana Horowitz Friedman is strongly opposed to the proposed fracked gas power plant being built in Kearny. She demands that NJ TRANSIT and Governor Murphy stop this project and invest in a renewable alternative.

Barbara Stomber said the issues of environmental justice that face the black and other minority communities cannot be pushed through at this critical time with the approval of a fracked gas power plant that will leave these communities with further declines in their quality of life. She asked NJ TRANSIT to use their moral compass when they assess what their vote is doing to a community already in distress. She said air pollution in an already polluted area can only increase the respiratory health risks, especially for children with asthma. She asked NJ TRANSIT to reject the Power Plant. She said NJ TRANSIT can do better with renewable energy.

Second Executive Session Authorization

Chair Gutierrez-Scaccetti noted they would adjourn to Executive Session and would only return to adjourn the meetings. There would be no further public comment or action taken.

At approximately 2:24 p.m., Chair Gutierrez-Scaccetti requested a motion to enter Executive Session to discuss personnel matters, contract negotiations, the status of pending and anticipated litigation, and matters falling within the attorney-client privilege. Board Member Cedrick T. Fulton made a motion, Board Member Bob M. Gordon seconded the motion, and it was adopted.

Roll Call Vote:

Adams	Ajmani	Doshi	Fulton	Gordon	Maroko	Wilton	Gutierrez-Scaccetti
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Return to Open Session

Board Secretary Zuczek conducted a Roll Call as Board Members returned to Open Session. All Board Members returned to Open Session at approximately 2:58 p.m.

Adjournment

Since there was no further business, a motion to adjourn was made by Board Member James D. Adams, seconded by Board Member Cedrick T. Fulton, and adopted. The meetings were adjourned at approximately 3:00 p.m.

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

JUNE 18, 2020

MINUTES

	PAGE
➤ CALL TO ORDER	-
➤ EXECUTIVE SESSION AUTHORIZATION	57121
➤ APPROVAL OF MINUTES OF PREVIOUS MEETINGS	57122
➤ PRESIDENT & CEO'S MONTHLY REPORT	57123
➤ PUBLIC COMMENTS ON AGENDA ITEMS	-
➤ ADVISORY COMMITTEE REPORT	-
➤ BOARD COMMITTEE REPORT	-

ACTION ITEMS

2006-34 FISCAL YEAR 2021 SOLE, SINGLE, AND LIMITED QUALIFIED SOURCE PROCUREMENT BY EXCEPTION AUTHORIZATION	57146
---	--------------

– Authorization to enter into procurement-by-exception contracts for the purchase of materials and services from approved vendors set forth in Exhibit A1 (subject to adjustments) to support Bus, Rail, Light Rail, and Headquarters operations at a cost not to exceed \$28,000,000, plus ten percent for contingencies to account for increase in ordering quantities and changing market conditions, subject to the availability of funds. New firms with new material or services whose aggregate value exceeds \$250,000 within the fiscal year will be submitted to the Board. This request will cover a 12-month period from July 1, 2020 to June 30, 2021.

Authorization to enter into procurement-by-exception contracts for the purpose of maintaining/upgrading hardware and software systems from approved vendors set forth in Exhibit A2 (subject to adjustments) to support NJ TRANSIT's Information Systems at a total cost not to exceed \$27,450,000, subject to the availability of funds. New firms with new services whose aggregate value exceeds \$250,000 within the fiscal year will be submitted to the Board. This request will cover a 12-month period from July 1, 2020 to June 30, 2021.

Authorization to enter into procurement-by-exception contracts for the purchase of materials and service from approved vendors set forth in Exhibit A3 (subject to adjustments) to support the NJ TRANSIT's System Resilience Program at a cost not to exceed \$2,800,000, subject to the availability of funds FTA approval and all other applicable requirements. New firms with new services whose aggregate value exceeds \$250,000 within the fiscal year will be submitted to the Board. This request will cover a 12-month period from July 1, 2020 to June 30, 2021.

- 2006-35 NORTH BERGEN PARK & RIDE, WEST SIDE AVENUE LOT, SOIL REMOVAL PLAN: CONSTRUCTION CONTRACT – 57153**
Authorization to enter into NJ TRANSIT Contract No. 20-047X with Kyle Conti Construction, LLC of Hillsborough, New Jersey, for the Construction Contract of the North Bergen Park & Ride, West Side Avenue Lot, Soil Removal Plan in the amount not to exceed \$3,773,773.00, plus five percent for contingencies, subject to the availability of funds.
- 2006-36 REGULATION: ADOPTION OF NEW RULES – N.J.A.C. 16:76 PRIVATE CARRIER CAPITAL IMPROVEMENT PROGRAM GUIDELINES AND PROCEDURES – 57158**
Authorization to take all actions necessary to adopt N.J.A.C. 16:76 et seq., consistent with this Board item and corresponding Exhibits, put the regulation in the appropriate format, and take all other actions necessary to effectuate the final adoption and promulgation of NJ TRANSIT's Private Carrier Capital Improvement Program Guidelines and Procedures.
- 2006-37 REGULATION: ADOPTION OF NEW RULES – N.J.A.C. 16:85 CONTRACTING OUT POLICIES AND PROCEDURES – 57167**
Authorization to take all actions necessary to adopt N.J.A.C. 16:85 et seq. consistent with this Board item and corresponding Exhibits, put the regulations in the appropriate format, and take all other actions necessary to effectuate the final adoption and promulgation of NJ TRANSIT's Contracting Out Policies and Procedures.
- 2006-38 NJ TRANSIT – ADVERTISING CONTRACTUAL PAYMENT MODIFICATION – 57175**
Authorization to take any and all actions to implement a temporary modification of Intersection Media, LLC's monthly Minimum Guarantee payments approved in Board Item 1808-587, in accordance with the terms discussed in Executive Session.
- 2006-39 HOBOKEN RECORDS BUILDING PROJECT: CONSTRUCTION CONTRACT AWARD – 57176**
Authorization for a cost not to exceed the amount discussed in Executive Session to allow NJ TRANSIT to move forward quickly with limited competition for demolition services for public safety upon completion of the Section 106 process and the selection of one of the alternatives.

- 2006-40 LEASE OF TWO HUDSON PLACE, HOBOKEN, NEW JERSEY FOR THE RELOCATION OF NJ TRANSIT EMPLOYEES WORKING IN THE HOBOKEN TERMINAL LONG HALL –** 57182
Authorization to enter into a ten-year and three-month lease with Hoboken Holdings L.P., a Delaware limited partnership, having a mailing address c/o National Realty and Development Corp., 3 Manhattanville Road, Suite 202, Purchase, New York 10577-2117, of approximately 11,168 square feet of office space in their building located at Two Hudson Place, Hoboken, New Jersey 07030, for a total cost discussed in Executive Session which includes rent, estimated expenses and fit out costs, plus five percent for contingencies.
- 2006-41 MODIFICATION OF PARKING COVENANT IN DOVER, NEW JERSEY –** 57183
Authorization to take all actions necessary, including, but not limited to the execution of all documents, to negotiate and enter into agreements with Dover Veterans Urban Renewal Housing Associates, LLC, an affiliate of Pennrose, and with the Town of Dover to modify the deed covenant on Block 1219, Lot 2 in the Town of Dover, to permit the development of affordable housing with a preference for Veteran's housing, thus decreasing the number of spaces available for public parking to 40 in Block 1219, Lot 2, also known Lot D from 6 a.m. to 8 p.m., and relocating 34 parking spaces to the Town-owned parking lot identified as Block 1213, Lot 2, also known as Lot A, located on Dickerson Avenue, to be designated for public/commuter parking 24 hours a day, 7 days a week, in exchange for cash consideration discussed in Executive Session.
- 2006-42 CORPORATE INSURANCE PROGRAM ANNUAL RENEWAL –** 57186
Authorization to revise and renew the Corporate Insurance Program and to include services necessary to administer the Program for the period July 1, 2020 through June 30, 2021 at an annual cost not to exceed an amount discussed in executive session, plus five percent for contingencies, subject to the availability of funds and adoption of the FY2021 Operating Budget.
- Authorization to enter in an agreement with Helmsman Management Services, LLC for workers' compensation claims handling and administration services at a cost not to exceed an amount discussed in executive session for a period of three years beginning on July 1, 2020 with two, one-year renewal options, subject to the availability of funds, adoption of the FY2021 Operating Budget, and future operating budgets.
- 2006-43 ADVANCED SPEED ENFORCEMENT SYSTEM II – POSITIVE TRAIN CONTROL: CONTRACT AMENDMENTS FOR IMPLEMENTATION –** 57187
Authorization to amend NJ TRANSIT Contract No. 10-099X with Parsons Transportation Group of New York, New York, at a cost not to exceed the amount discussed in Executive Session, subject to the availability of funds.

(NJT Board - 06/18/2020

57120

NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS, INC.
NJ TRANSIT RAIL OPERATIONS, INC.
NJ TRANSIT MERCER, INC.
NJ TRANSIT MORRIS, INC.
RESCHEDULED BOARD OF DIRECTORS' MEETINGS
JUNE 18, 2020
MINUTES
PAGE 4

- **PUBLIC COMMENTS ON OTHER MATTERS** -
- **EXECUTIVE SESSION AUTHORIZATION** 57189
- **ADJOURNMENT**

EXECUTIVE SESSION AUTHORIZATION

BE IT HEREBY RESOLVED pursuant to N.J.S.A. 10:4-12 and N.J.S.A. 10:4-13 that the Board of Directors of the New Jersey Transit Corporation hold an executive session to discuss personnel matters, contract negotiations, the status of pending and anticipated litigation, and matters falling within the attorney-client privilege, including, but not limited to and the NJ TRANSIT – Advertising Contractual Payment Modification, the Hoboken Records Building Project: Construction Contract Award; and the Advanced Speed Enforcement System II – Positive Train Control: Contract Amendments for Implementation; 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., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. Board of Directors be approved by the Board; and

WHEREAS, pursuant to Section 4(f) of the New Jersey Public Transportation Act of 1979, the minutes of actions taken at the May 13, 2020 Board Meetings of the New Jersey Transit Corporation, NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. were forwarded to the Governor on May 21, 2020;

NOW, THEREFORE, BE IT RESOLVED that the minutes of actions taken at the May 13, 2020 New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. Board of Directors' meetings are hereby approved.

Philip D. Murphy, Governor
Sheila Y. Oliver, Lieutenant Governor
Diane Gutierrez-Scaccetti, Commissioner
Kevin S. Corbett, President & CEO



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

TO: BOARD OF DIRECTORS
FROM: KEVIN S. CORBETT 
DATE: JUNE 18, 2020
SUBJECT: PRESIDENT & CEO'S REPORT – JUNE 2020

Since our last Board meeting, NJ TRANSIT has received an award of \$1.4 billion in federal aid through the Coronavirus Aid, Relief and Economic Security (CARES) Act. These funds are being used to offset dramatic revenue losses and increasing COVID-related expenses, in order to have sufficient funds to continue to operate service. This funding is certainly welcome and much appreciated, but it will not be enough to get us through this crisis. Since our initial request in March, a fuller picture has emerged of the breadth and depth of the financial impacts on NJ TRANSIT, which is why on May 12th, we made an additional request for \$1.2 billion in federal relief funding. And we are counting on our Congressional Delegation for their continued support.

While continuing to take any and all measures to maintain the safest system possible for our customers and employees, we are developing our recovery plan to prepare for our customers' gradual return to the system. We've branded our service restoration phase as: "**NJ TRANSIT – Your Ride to Recovery**," and on Tuesday, we released our new Recovery Guidelines detailing the critical steps being taken to protect customers and employees. The guidelines focus on six core objectives: Cleanliness, Distancing, Transit Service, Communication, Testing, and Protective Equipment/Public Safety, and can be found in their entirety at njtransit.com/recovery.

Our recovery planning efforts are focused on service planning, employee and customer facilities, communications and customer experience. To inform our operational decisions as we prepare for our customers' return, we have been actively leveraging data, tools, and regional information sources to monitor and identify projected trends in ridership and customer behavior. We are also closely monitoring ridership in an effort to manage capacity as our customers begin to return. Toward that end, on June 8th, we adjusted our weekday bus service from a special modified weekday schedule to a full, regular weekday schedule. We have also strategically deployed extra trains and crews around the system to address potential spot crowding on select trains. We will continue to closely monitor ridership in order to make service adjustments that add capacity as needed, as we have since the onset of the pandemic.

Our recovery planning also includes NJ TRANSIT's role in supporting New Jersey's economic recovery. On June 8th, I was proud to join Governor Murphy in Trenton to unveil two new transformational plans for our organization and our region: our 10-year strategic plan, **NJT2030**, and our new, 5-year Capital Plan. The release of these plans – both available for download at njtplans.com – marked the culmination of more than two years' worth of work by NJ TRANSIT employees from across our organization. Together, they will help us build on the significant progress we've already made over the last two years, support our state's economic recovery following the COVID-19 pandemic, and provide a roadmap that will guide decision-making as we move forward over the next decade.

NJT2030 provides the core strategic vision for our organization, with the flexibility to evolve to meet the ever-changing needs of our customers and region. The plan's five overarching goals, 26 strategies, and more than 100 strategic initiatives carve out an ambitious roadmap for NJ TRANSIT, but this plan is really about our customers, and putting them first in every decision we make.

Our 5-year Capital Plan is an unconstrained vision for NJ TRANSIT, meaning it includes projects that are already funded, and unfunded projects which are nonetheless vital to NJ TRANSIT's service delivery. This is a plan that will make NJ TRANSIT a world-class system, and puts customers' needs first.

In closing, and in light of the national outrage sparked by last month's abhorrent incident where George Floyd tragically lost his life at the hands of a Minneapolis police officer, I am reaffirming NJ TRANSIT's unequivocal condemnation of racism and inequality at any level. Now more than ever, we want to reinforce NJ TRANSIT's commitment to fostering an environment of diversity, inclusion, and equality.

New Jersey is one of the most diverse states in the nation, and I'm proud that NJ TRANSIT maintains a continued focus on ensuring that our workforce and values reflect the diversity of our great state.



PRESIDENT & CEO'S MONTHLY REPORT
JUNE 18, 2020

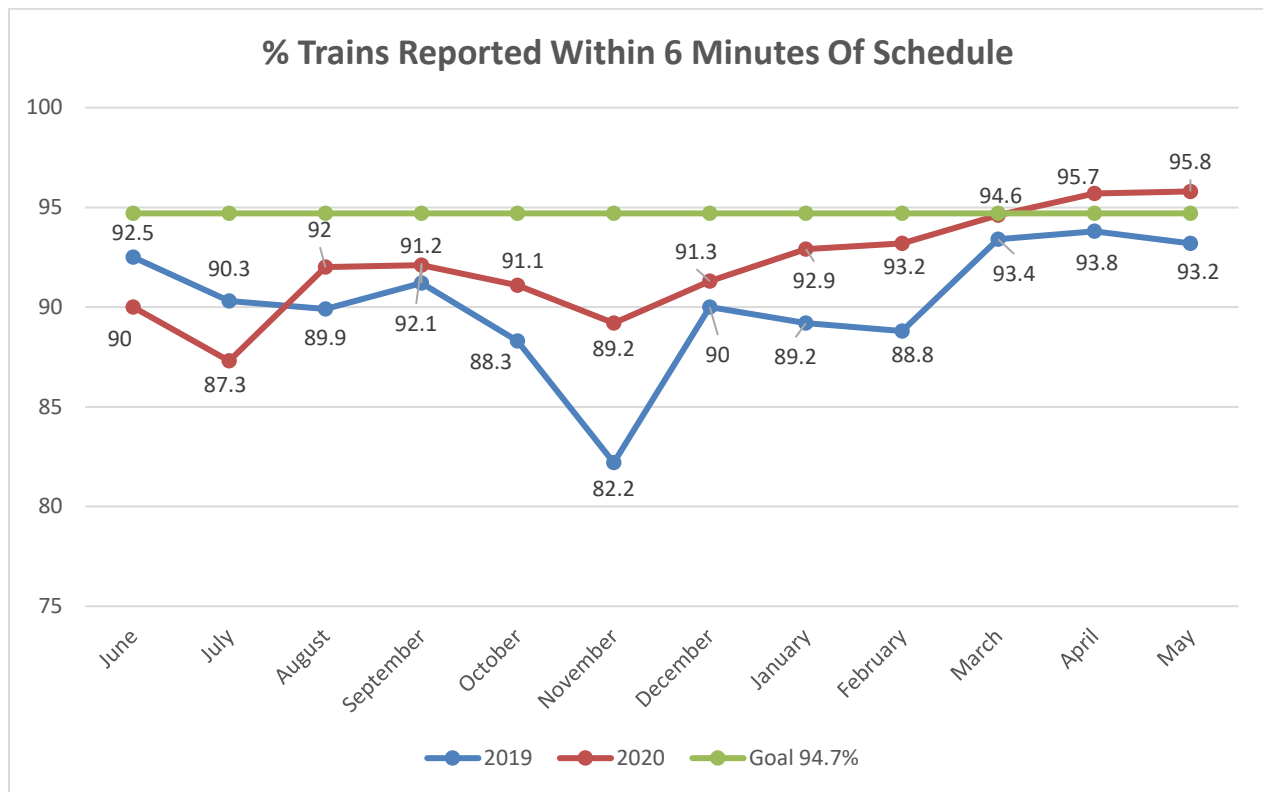
TABLE OF CONTENTS

JUNE 18, 2020

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

PERFORMANCE MEASURES

NJ TRANSIT ON-TIME PERFORMANCE RAIL JUNE 2018 – MAY 2020



	<u>2019</u>	<u>2020</u>	<u>%Change</u>
May Comparison	93.2%	95.8%	2.6%
12-Month Average June 2018 – May 2020	90.2%	92.1%	1.9%

Analysis:

Rail On-time Performance was 95.8% for May, 2020. Of the 12,351 trains scheduled to operate, 11,835 were on time, while 516 trains (or 4.2%) were delayed.

Key Causes included:

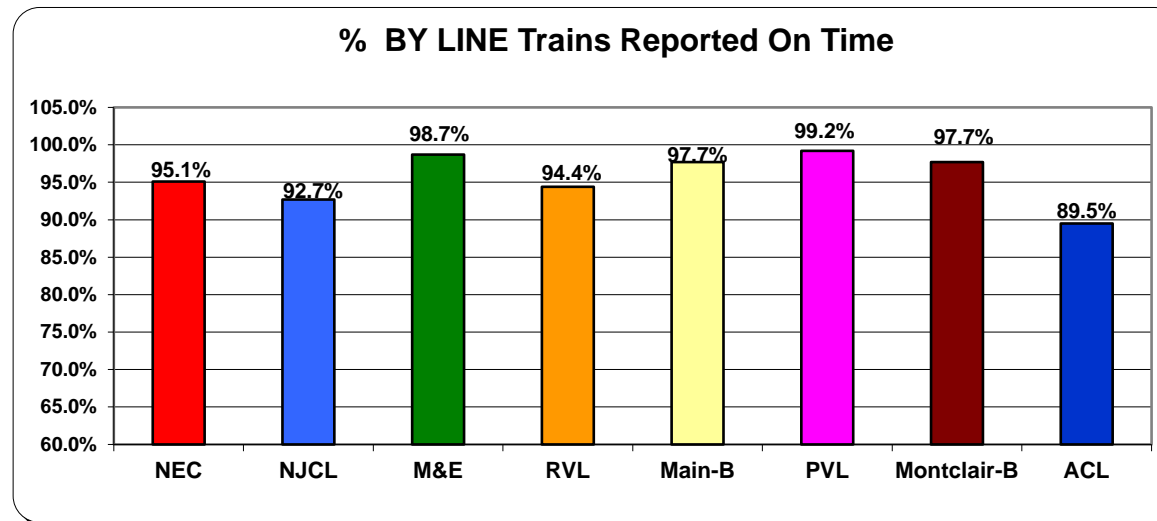
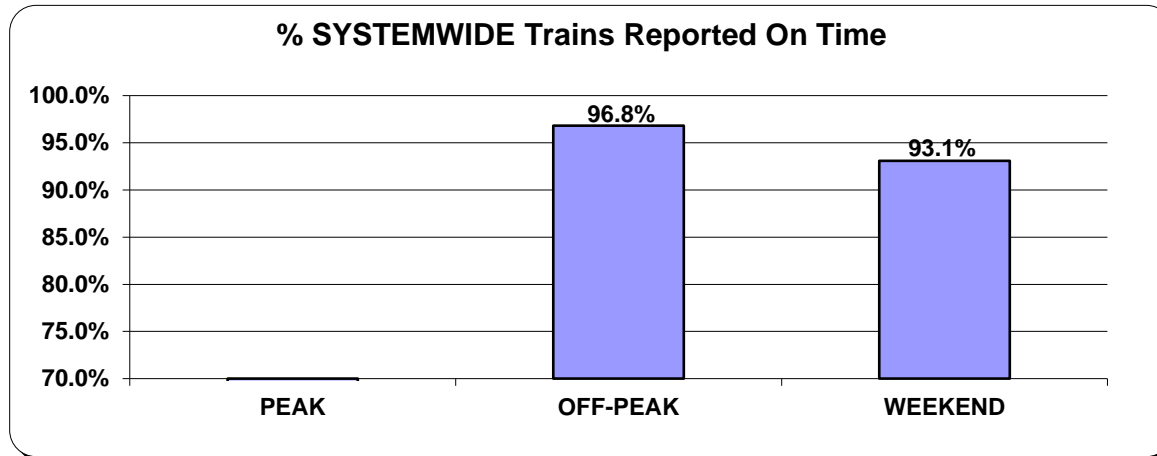
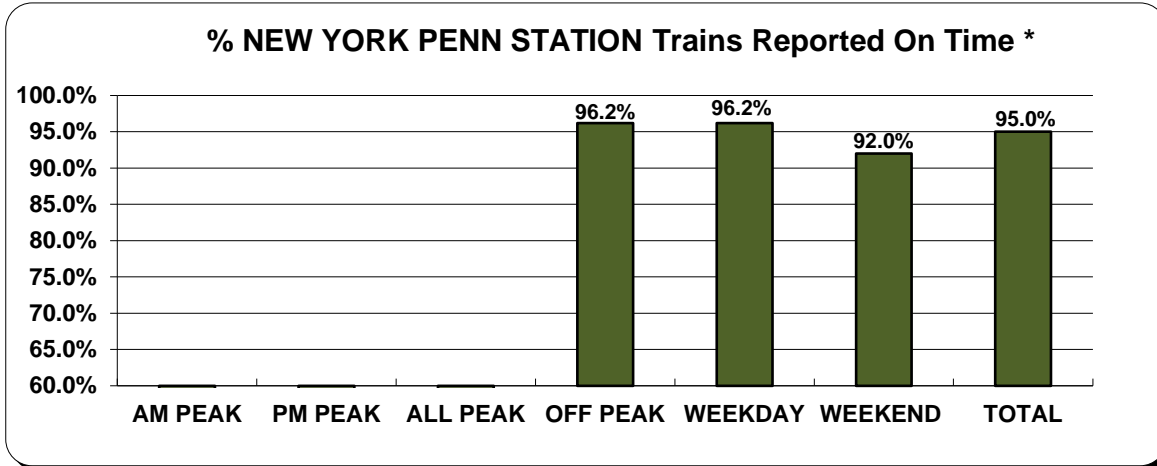
- NJT manpower shortages and bridge issues contributed to 42 delays on May 3.
- NJT manpower shortages contributed to 53 delays on May 10.
- NJT manpower shortages contributed to 18 delays on May 17.

The 12-month Average for Rail On-Time Performance was 92.1%.

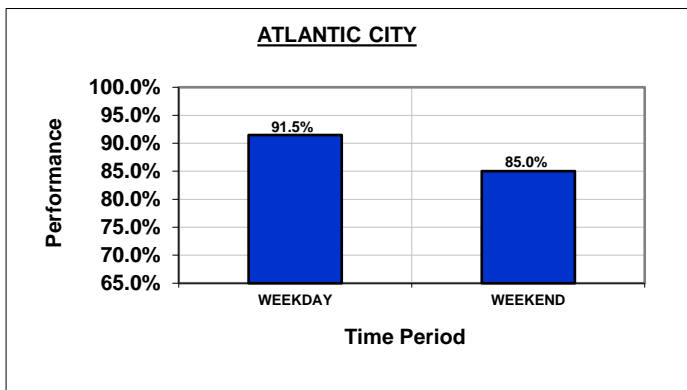
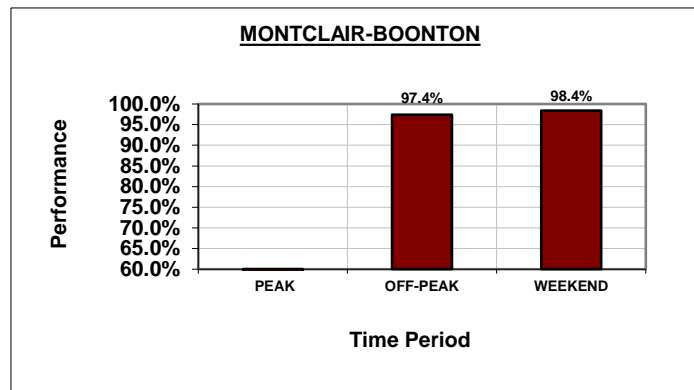
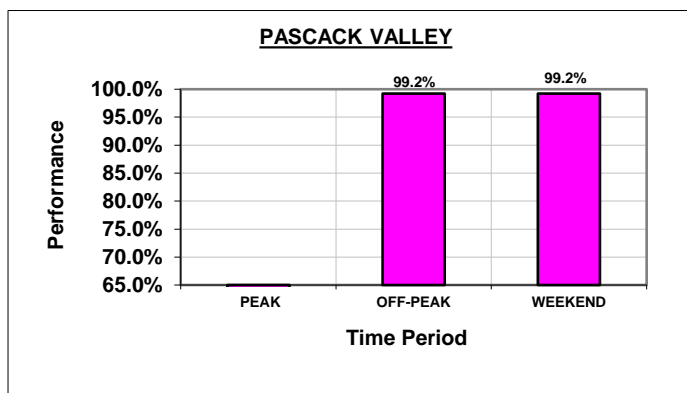
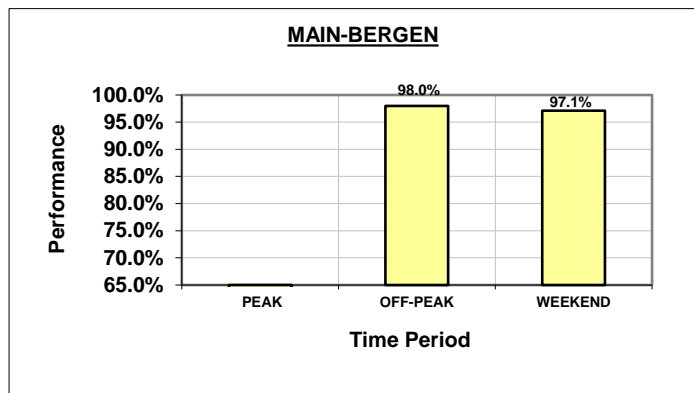
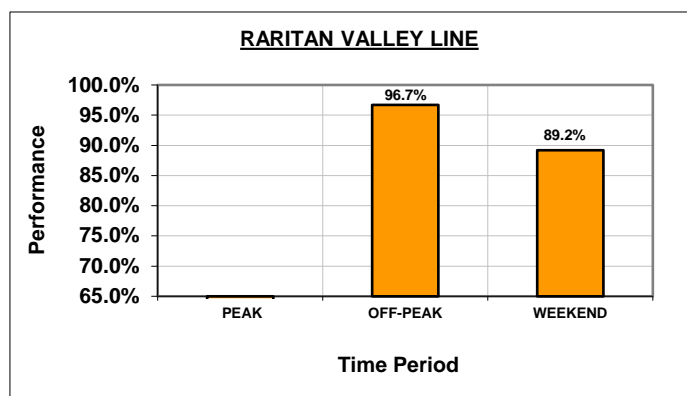
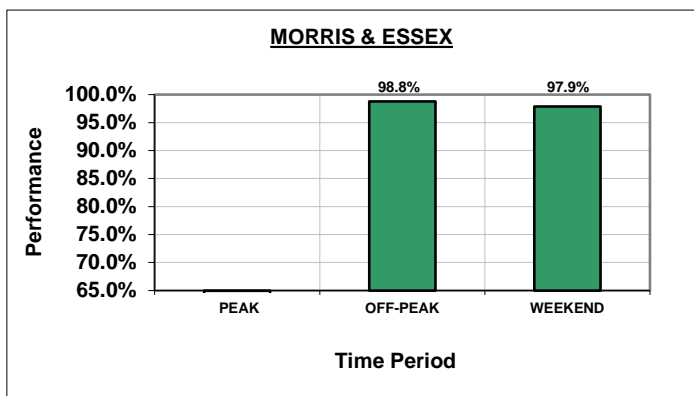
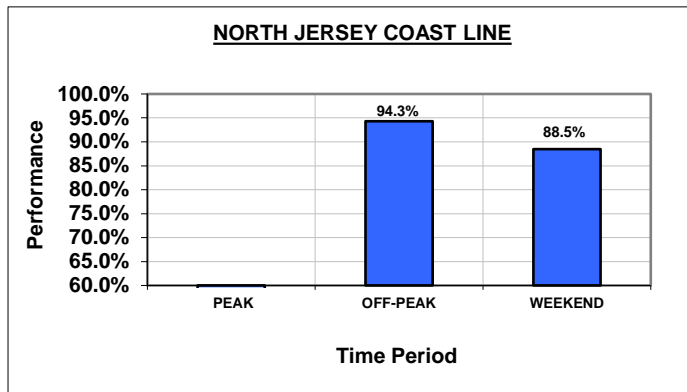
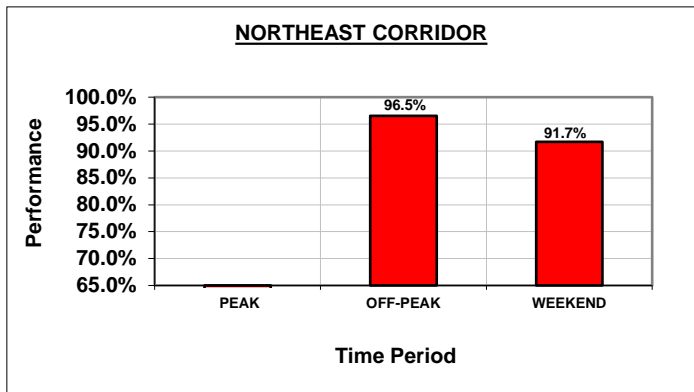
ON-TIME PERFORMANCE RAIL

SUMMARY BY TIME PERIOD MAY, 2020

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



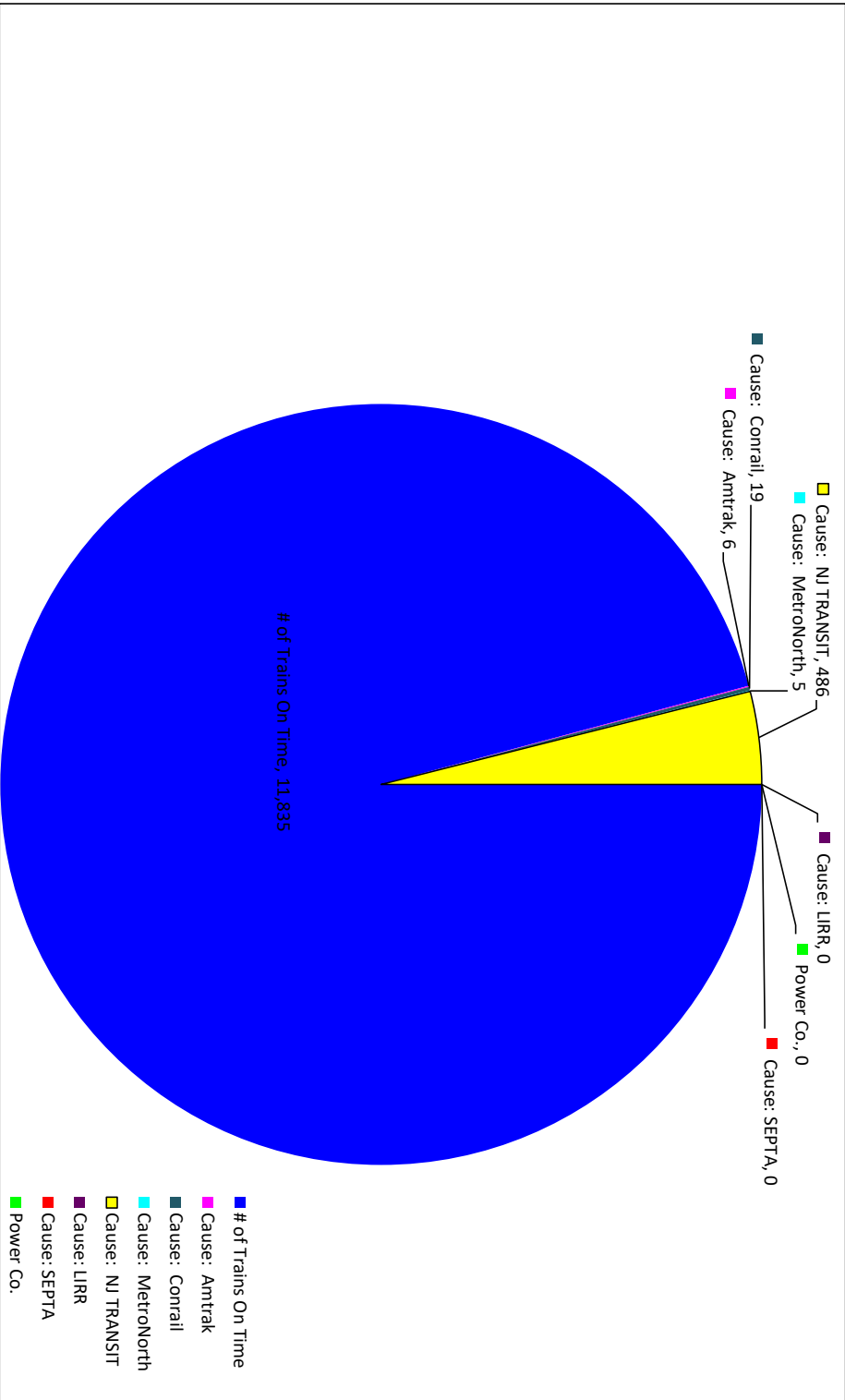
ON-TIME PERFORMANCE BY RAIL LINE & TIME PERIOD MAY, 2020



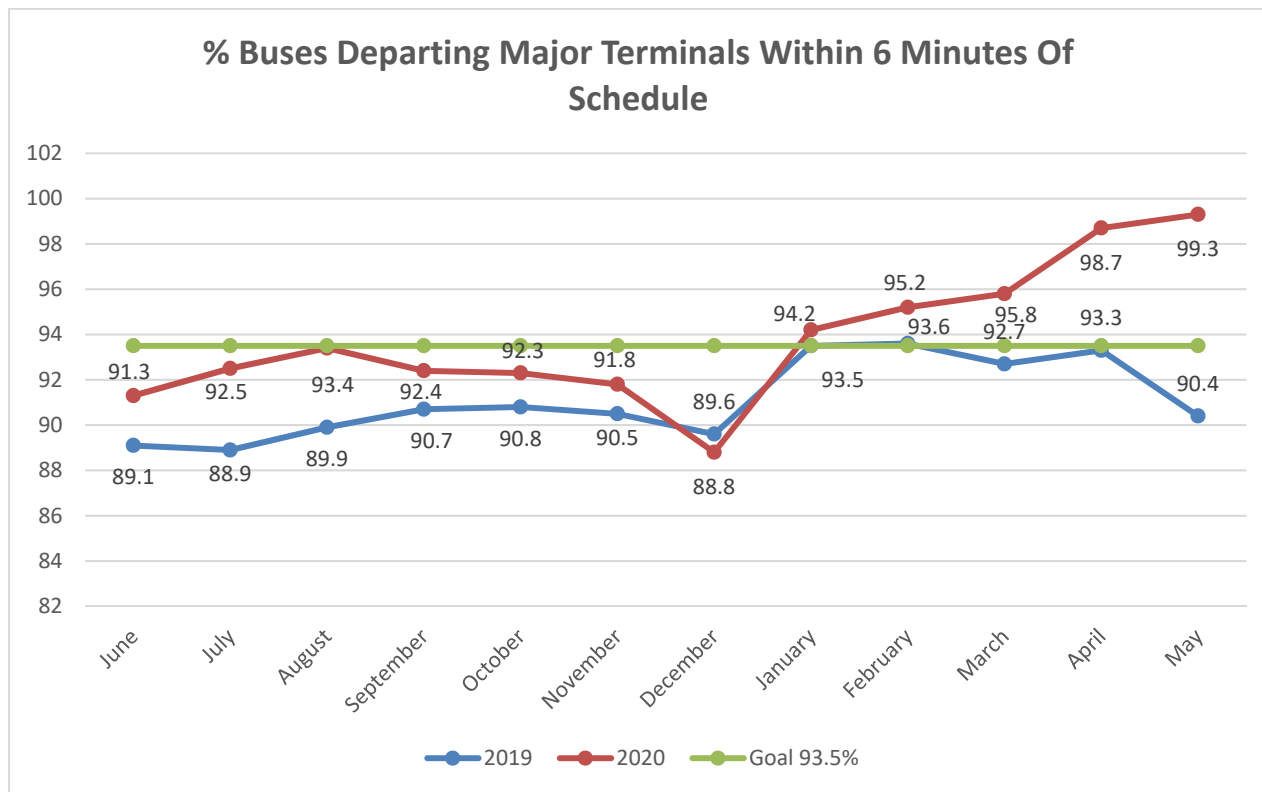
NJ TRANSIT Performance - MAY, 2020

Late NJ TRANSIT Trains

# of Trains On Time	11,835	Cause: Amtrak	6	0.05%	Cause: Conrail	19	0.15%	Cause: MetroNorth	5	0.04%	Cause: NJ TRANSIT	486	3.93%	Cause: LIRR	0	0.00%	Cause: SEPTA	0	0.00%	Power Co.	0	0.00%
# of Late Trains	516																					
Total # of Trains	12,351																					
Percentage On Time	95.8%																					



NJ TRANSIT ON-TIME PERFORMANCE BUS June 2018 – May 2020



	<u>2019</u>	<u>2020</u>	<u>%Change</u>
May Comparison	90.4%	99.3%	8.9%
12-Month Average June 2018 – May 2020	91.1%	93.8%	2.7%

Analysis:

Bus On-Time Performance systemwide was 99.3% for the month of May 2020. Of the 27,083 scheduled departures, 179 experienced delays.

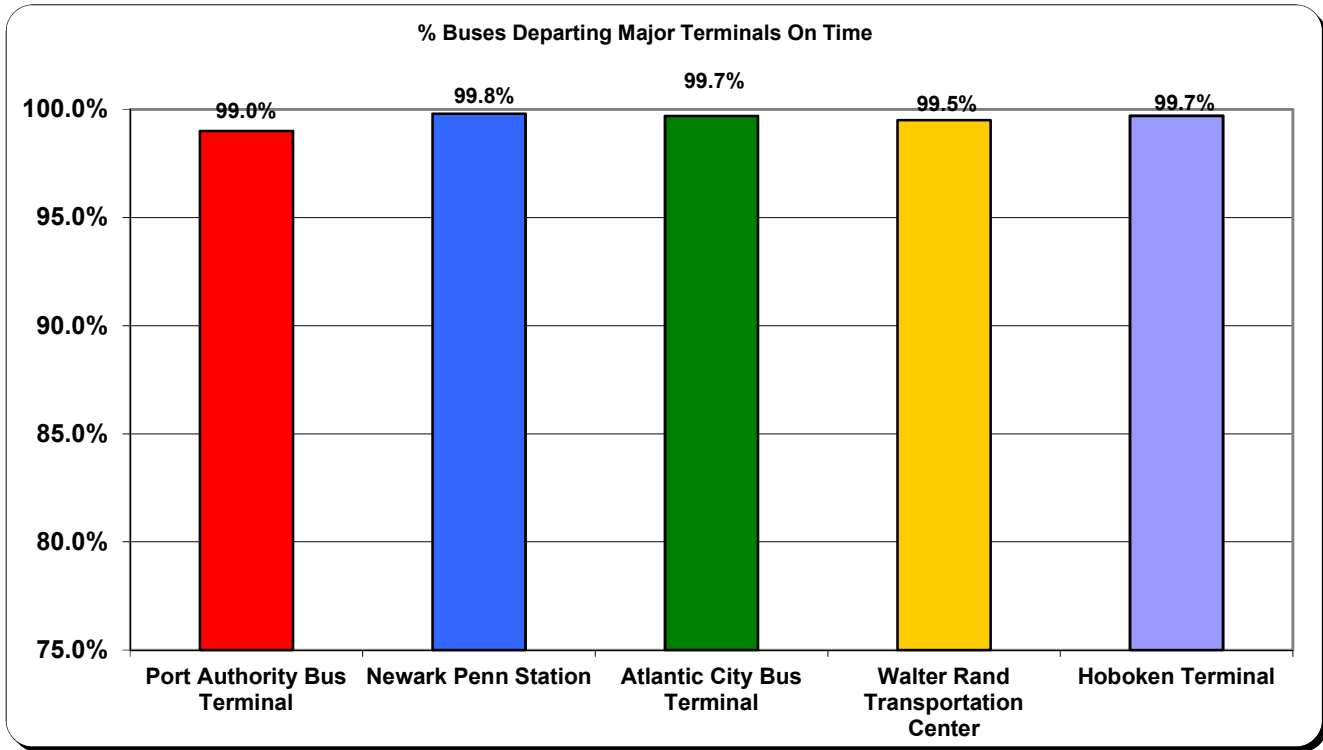
Key Causes included:

- Minor delays were caused due to weather, detours, traffic and road construction on various days at Port Authority Bus Terminal.
- Road closure due to multi-vehicle accident on May 21 and mechanical issues caused service delays. A road closure on May 26 due to construction with traffic congestion along the detour route caused service delays at Newark Penn.
- For various other locations, minor delays were caused due to weather, detours, traffic and road construction on various days.

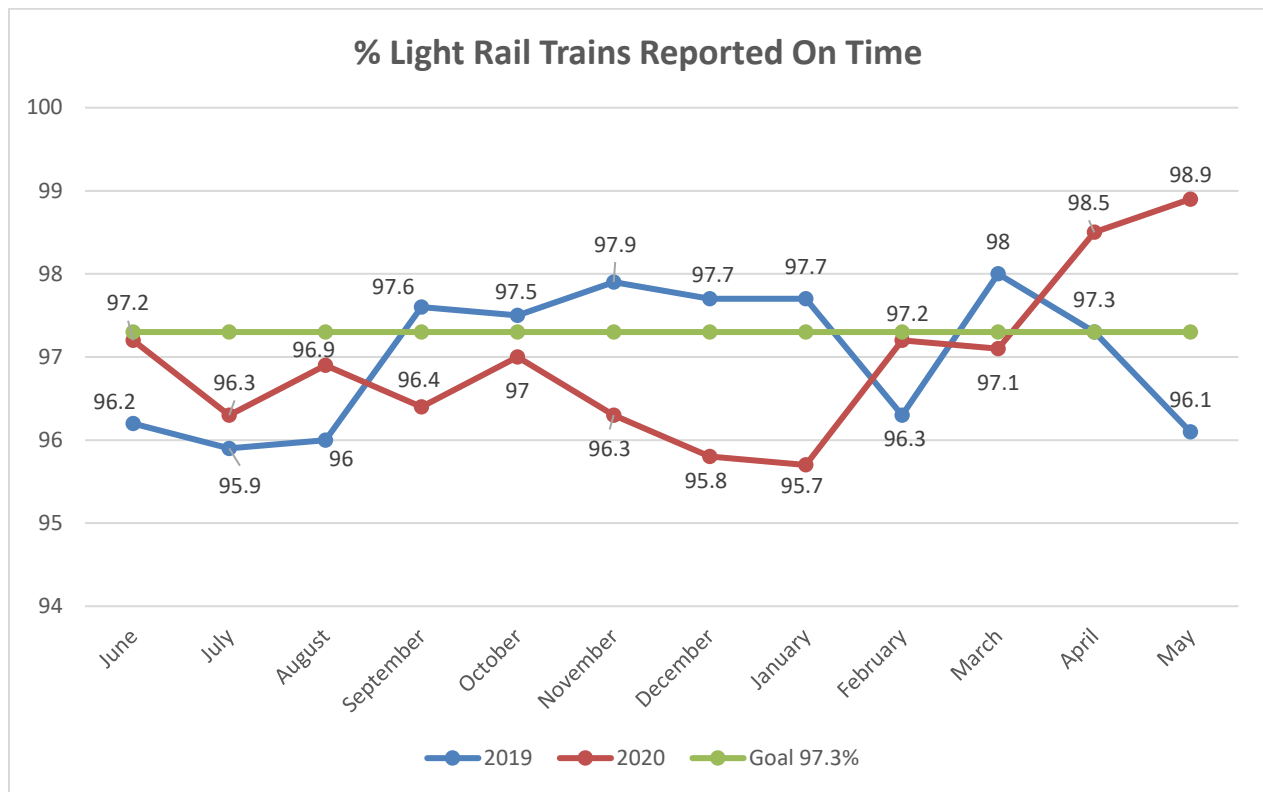
The 12-month average for Bus On-Time Performance was 93.8%.

ON-TIME PERFORMANCE BUS

SUMMARY BY TERMINAL



NJ TRANSIT ON-TIME PERFORMANCE LIGHT RAIL June 2018– May 2020



	<u>2019</u>	<u>2020</u>	<u>%Change</u>
May Comparison 12-	96.1%	98.9%	2.8%
Month Average June 2018 – May 2020	96.6%	97.3%	0.7%

Analysis:

Light Rail On-Time Performance system wide was 98.9% for the month of May 2020. Of the scheduled 20,505 departures, 280 experienced delays.

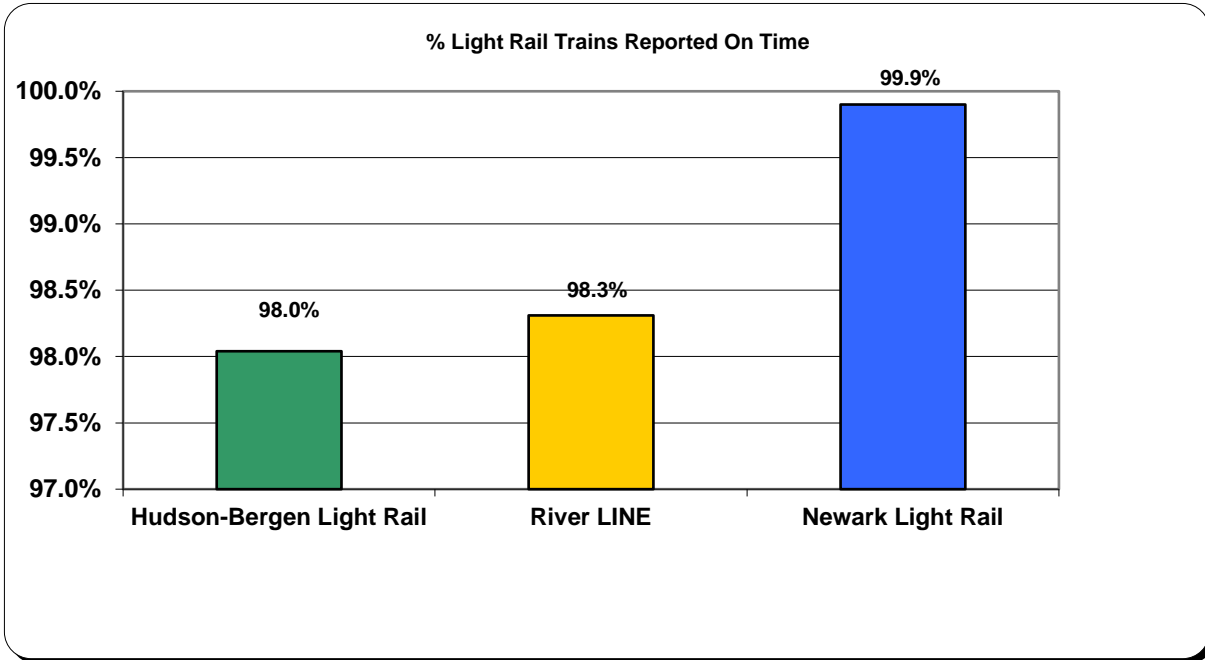
Key Causes included:

- Newark Light Rail operated at 99.90% and had no major issues.
- River LINE encountered delays due to equipment issues on multiple days, passenger interference on various days, a passenger requiring medical attention and track obstruction on various days which impacted service.
- Hudson-Bergen Light Rail encountered equipment issues, police activity and fire department activity on various days that impacted service.

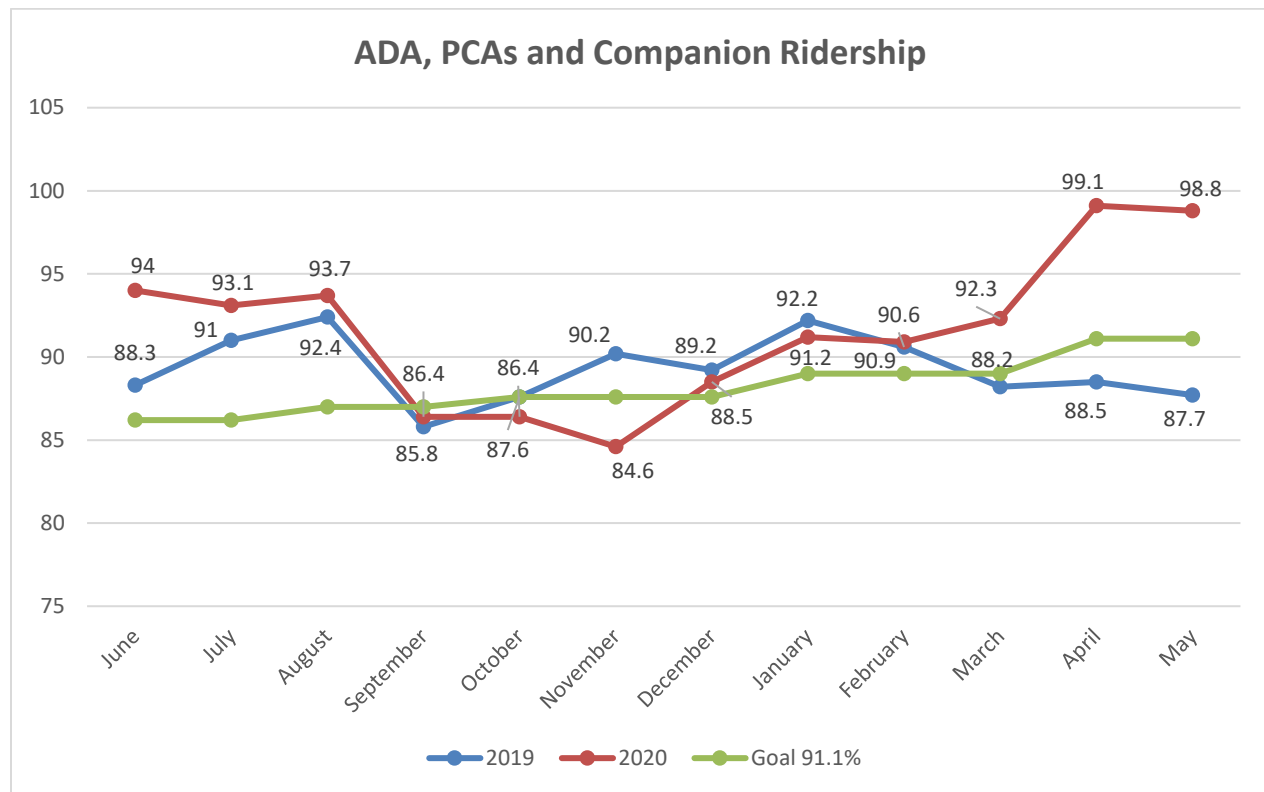
The 12-month Average for Light Rail On-Time Performance was 97.3%.

ON-TIME PERFORMANCE LIGHT RAIL

SUMMARY BY LINE May 2020



NJ TRANSIT ON-TIME PERFORMANCE ACCESS LINK JUNE 2018 – MAY 2020



	<u>2019</u>	<u>2020</u>	<u>%Change</u>
May Comparison	87.7%	98.8%	11.1%
May Ridership	142,451	45,698	-96,753
12-Month Average June 2018 – May 2020	89.5%	91.4%	1.9%

Analysis:

Access Link On-Time Performance was 98.8% for May 2020. In serving 50,556 total riders, for 45,698 ADA customers trips, 554 (or 1.2%) experienced delays

Key Causes included:

- Customer no-shows and delays
- Transfer trips
- Operator shortages

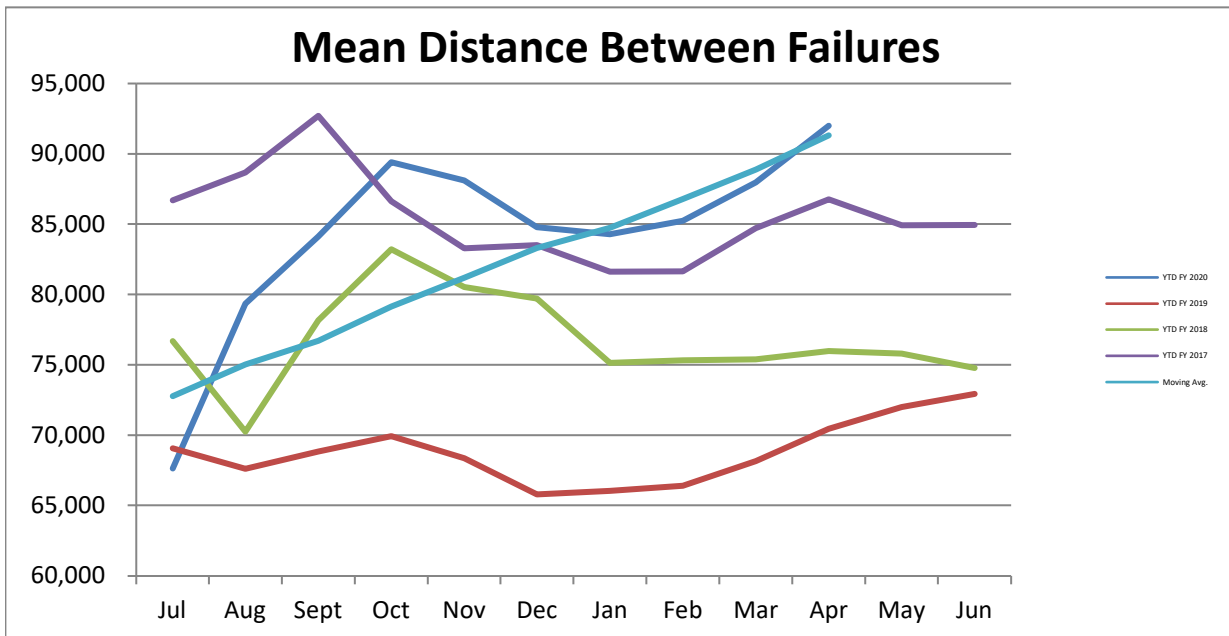
The 12-month Average for Access Link On-Time Performance was 91.4%.

MEAN DISTANCE BETWEEN FAILURES

April 2020

NJ TRANSIT Rail Operations
Mean Distance Between Failures

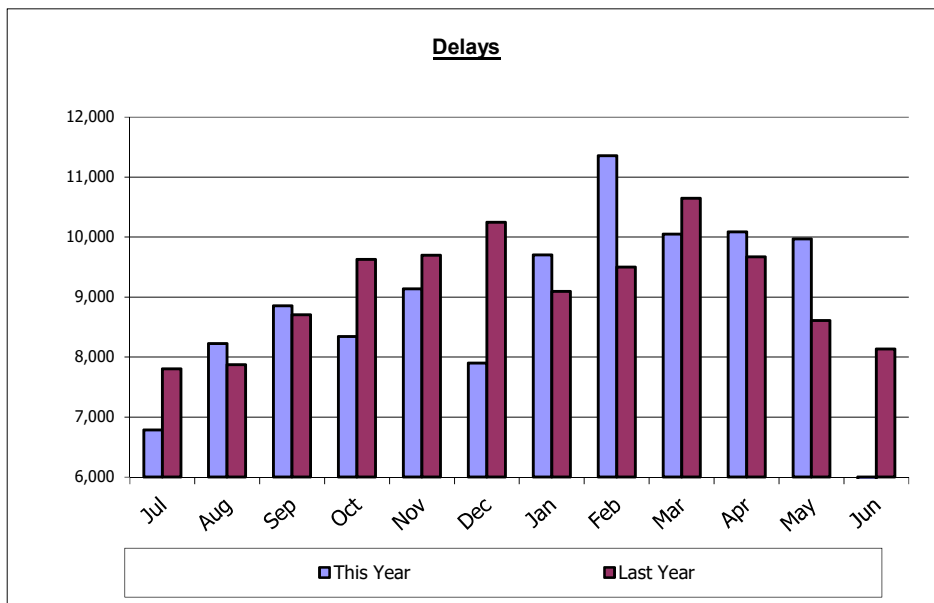
Month	YTD FY2020*	YTD FY2019	YTD FY2018	YTD FY2017	12 Month Moving Avg.
Jul	67,634	69,055	76,674	86,683	72,788
Aug	79,350	67,612	70,263	88,680	75,030
Sept	84,111	68,823	78,151	92,705	76,712
Oct	89,410	69,913	83,213	86,626	79,134
Nov	88,101	68,356	80,523	83,272	81,181
Dec	84,773	65,796	79,711	83,501	83,301
Jan	84,273	66,025	75,139	81,633	84,741
Feb	85,233	66,391	75,324	81,639	86,792
Mar	87,973	68,141	75,376	84,715	88,881
Apr	92,007	70,447	75,968	86,771	91,313
May	-	71,986	75,787	84,920	-
Jun	-	72,930	74,776	84,936	-



* FY2020 Numbers corrected to reflect start of FY2020

Garage Performance Parameters**May 2020**

Location	Miles Between In-Service Delays			
	FY2020 Goal	This Month	FY2020 YTD	FY2019 YTD
Fairview	6,000	3,934	3,462	3,950
Greenville	7,500	5,179	4,502	5,186
Market Street	8,500	6,818	6,532	6,831
Meadowlands	10,200	5,359	5,117	5,330
Oradell	10,500	9,227	6,724	7,438
Wayne	10,500	23,337	14,980	9,658
Northern Division	-	7,821	6,513	6,570
Big Tree	8,800	4,138	5,172	5,911
Hilton	10,200	6,607	7,207	7,775
Howell	16,750	35,753	31,164	25,115
Ironbound	9,600	9,408	7,360	7,974
Orange	9,250	6,067	5,391	6,739
Morris	10,500	42,451	25,400	26,065
Central Division	-	8,489	8,672	9,624
Egg Harbor	15,500	22,194	18,984	19,184
Hamilton	13,000	15,410	11,486	9,206
Newton Avenue	12,000	14,446	13,453	13,063
Washington Twp.	14,500	20,117	21,432	18,407
Southern Division	-	18,804	17,010	15,554
	-	-	-	-
Bus Operations	-	9,971	8,867	9,126

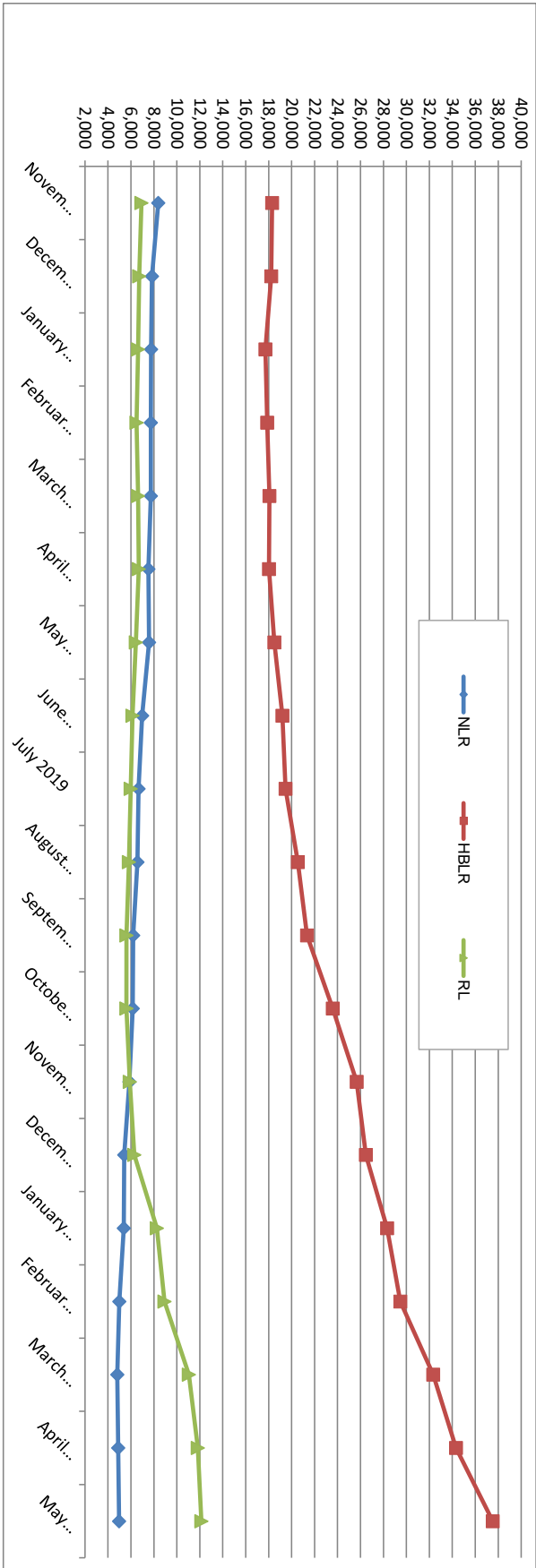


NJ TRANSIT - LIGHT RAIL, May 2020

Average Miles Between In Service Failures

	MDBSF * May 2020	MDBSF * April 2020
NJT LIGHT RAIL		
Newark Light Rail	4,973	4,886
Hudson Bergen	37,524	34,322
River LINE	12,135	11,819

AVERAGE MILES BETWEEN IN-SERVICE MECHANICAL FAILURES



DBE/SBE PROGRAM

State Funded Contracts

During the month May 2020, NJ TRANSIT awarded **\$1,297,988.00** in state funded contracts. Of that total, Small Business Enterprises (SBEs) received **\$ 576,000.00** or **44.38%**.

During the State Fiscal Year **2020** (July 1, 2019 through June 30, 2020) NJ TRANSIT awarded **\$245,533,028.05** in state funded contracts. Of that total, SBEs received **\$27,918,704.33** or **11.37%**.

Note: The above reflects the Procurement Report of Awards received June 3, 2020.

SBE Goal Attainment from July 1, 2019 through June 30, 2020 (FY 2020)

Category 1 SBEs received	\$580,010.90	0.24%
Category 2 SBEs received	\$5,172,749.57	2.11%
Category 3 SBEs received	\$6,127,317.65	2.50%
Category 4 SBEs received	\$4,664,430.87	1.90%
Category 5 SBEs received	\$1,649,859.91	0.67%
Category 6 SBEs received	\$9,724,335.43	3.96%

FTA Funded Contracts (Updated Quarterly – next update will occur July 2020)

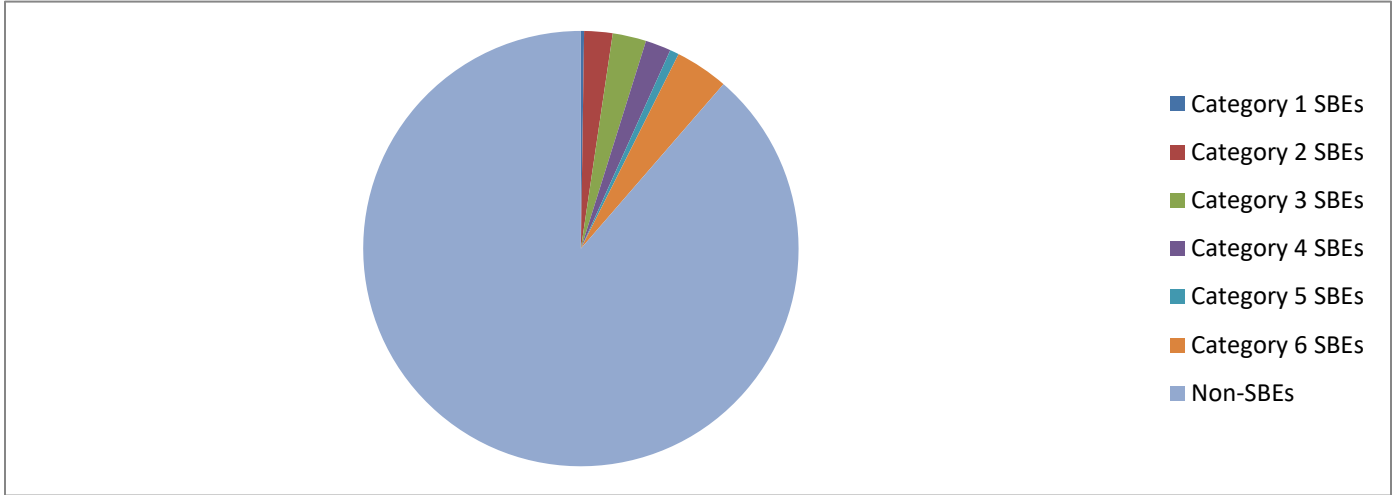
During the 2nd Quarter (January 1, 2020 – March 31, 2020) of Federal Fiscal Year 2020 (October 1, 2019 through September 30, 2020), the FTA funded share of NJ TRANSIT’s federal contracts awarded was **\$37,882,182.21**. Of that total, Disadvantaged Business Enterprises (DBEs) received **\$4,336,464.70** or **11.45%**.

DBE Goal Attainment from January 1, 2020 – March 31, 2020 (FFY 2020) *

Contracts awarded	\$37, 882,182.21
DBEs received	\$4,336,464.70 or 11.45%.

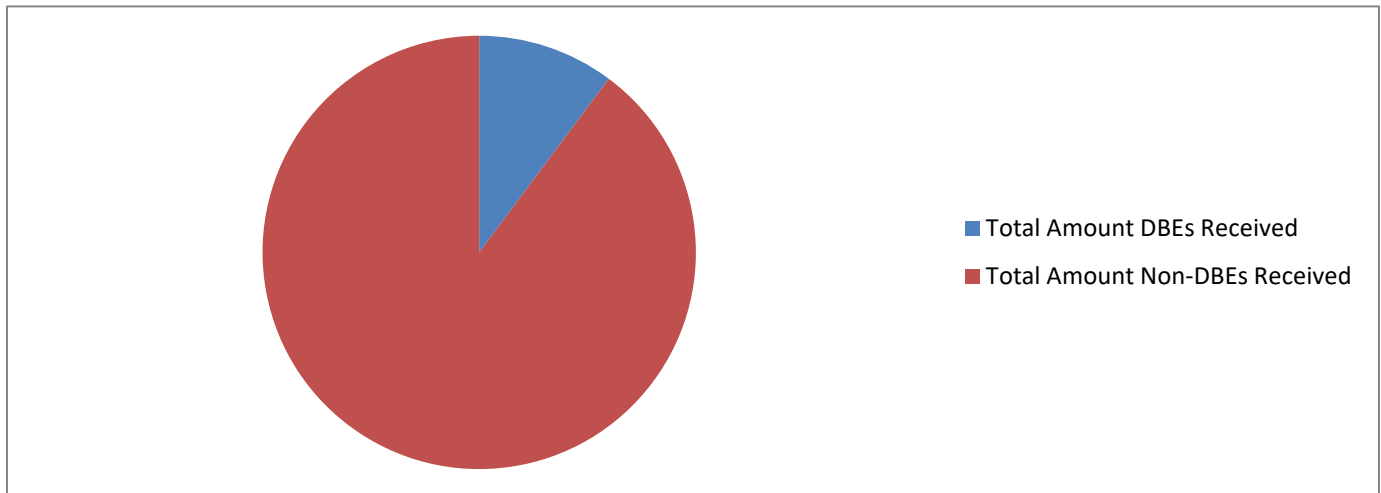
**Numbers reflect federal share.*

<i>Category 1 SBEs</i>	\$580,010.90	0.24%
<i>Category 2 SBEs</i>	\$5,172,749.57	2.11%
<i>Category 3 SBEs</i>	\$6,127,317.65	2.50%
<i>Category 4 SBEs</i>	\$4,664,430.87	1.90%
<i>Category 5 SBEs</i>	\$1,649,859.91	0.67%
<i>Category 6 SBEs</i>	\$9,724,335.43	3.96%
<i>Non-SBEs</i>	\$217,614,323.72	88.63%



DBE PARTICIPATION
FEDERAL CONTRACTS
FEDERAL FYTD 2019

Total Amount DBEs Received	\$4,336,464.70	10.21%
Total Amount Non-DBEs Received	\$38,155,830.51	89.79%



EMPLOYEE RECOGNITION

NJ TRANSIT employees bid farewell after outstanding careers

35 NJ TRANSIT employees retired recently:

1. Arnold Lauer, Store Room Spc., Newark Bus -- 23 years
2. Kevin Little, Operator -- Big Tree -- 25 years
3. Ralph Marrero, Operator -- Newton Ave. -- 14 years
4. Maria Nakal, Operator -- Market St. -- 19 years
5. Aubrey Pascall, Repairman -- Hilton -- 26 years'
6. Rose Roberts, Depot Master -- Howell -- 28 years
7. Jeff Sparrow, Operator -- Hilton -- 30 years
8. Bertram Thomas, Operator -- Hilton -- 23 years
9. Angela Vanmorter, Operator -- Hamilton -- 24 years
10. Carmine DeFalco, Mgr. Radio Systems -- Maplewood -- 16 years
11. Sherman Glass, Dir TMAC Sys -- Hoboken -- 43 years
12. Myrtle Phipps, Sr. Cust Serv Rep -- Penn Plaza -- 17 years
13. David Austin, Foreman Garage II -- Market St. -- 28 years
14. Dorothy Broker, Garage Manager -- Big Tree -- 28 years
15. Maurice DeStefano, Foreman Garage II -- Hilton -- 39 years
16. Rosalind Evans-White, Sr. Drug & Alcohol Tech -- Maplewood -- 15 years
17. Thomas Broschart, Locomotive Engineer -- Various -- 24 years
18. Martin Klein, Foreman MOE -- Port Morris -- 32 years
19. Kevin Manzi, Locomotive Engineer -- Various -- 31 years
20. Dawn Vines, Gateman -- Hoboken -- 30 years
21. Ronald Worl, Conductor -- Various -- 32 years
22. David Shin, Operator -- Meadowlands -- 14 years
23. Rinaldo Skalamera, Operator -- Fairview -- 18 years
24. Judith Gibbons, Operator -- Ironbound -- 14 years
25. Verna Starr, Operator -- Ironbound -- 16 years
26. Manuela Toro, Cleaner -- Market St. -- 18 years
27. Barry Watson, Operator -- Hamilton -- 25 years
28. Thelma Gibson, Operator -- Newton Ave. -- 11 years
29. Samypillai Jayaraj, Mgr. Ridership Analyst -- Penn Plaza -- 27 years
30. Kelvin Lewis, Foreman Garage -- Hilton -- 25 years
31. Richard Green Jr., Sr. Dir. Systems Operations -- Hoboken -- 31 years
32. Peter Bouchez, Sr. Comp -- Penn Plaza -- 17 years
33. Patrick Maher, Operator -- Howell -- 25 years
34. Ronald Booker, Operator -- Wayne -- 19 years
35. Jean Rhau, Operator -- Hilton -- 29 years

ACTION ITEMS

ITEM 2006-34: FISCAL YEAR 2021 SOLE, SINGLE, AND LIMITED QUALIFIED SOURCE PROCUREMENT BY EXCEPTION AUTHORIZATION

WHEREAS, NJ TRANSIT requires maintenance services and supplies to support the operation of various major equipment; and

WHEREAS, NJ TRANSIT requires signal and electrical equipment and parts to restore systems damaged by Superstorm Sandy; and

WHEREAS, it is necessary to obtain these required maintenance items and services from specific sources; and

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

WHEREAS, these contracts ensure the continued operation of both the hardware and software which support NJ TRANSIT's business units; and

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

WHEREAS, NJ TRANSIT is unaware of other sources for these services; and

WHEREAS, pursuant to N.J.S.A. 27:25-11(g)(3)(c) competitive procurement requirements may be waived in instances where only one source of supply is available; and

WHEREAS, pursuant to N.J.S.A. 27:25-11(g)(3)(c) competitive procurement requirements may be waived when more favorable terms can be obtained from a primary source of supply; and

WHEREAS, pursuant to N.J.S.A. 27:25-11(g)(3)(c) competitive procurement requirements may be waived when technical equipment will assure standardization and interchangeability; and

WHEREAS, pursuant to N.J.S.A. 27:25-11(g)(3)(b) competitive procurement requirements may be waived for technical services; and

WHEREAS, pursuant to N.J.S.A. 27:25-11(g)(3)(e) competitive procurement requirements may be waived with specialty vehicles, major equipment and signal and fare collection systems;

NOW, THEREFORE, BE IT RESOLVED that the Chair or President & CEO is authorized to enter into procurement-by-exception contracts for the purchase of materials and services from approved vendors set forth in Exhibit A1 (subject to adjustments) to support Bus, Rail, Light Rail, and Headquarters operations at a cost not to exceed \$28,000,000, plus ten percent for contingencies to account for increase in ordering quantities and changing market conditions, subject to the availability of funds. New firms with new material or services whose aggregate value exceeds \$250,000 within the fiscal year will be submitted to the Board. This request will cover a 12-month period from July 1, 2020 to June 30, 2021; and

BE IT FURTHER RESOLVED that the Chair or President & CEO is authorized to enter into procurement-by-exception contracts for the purpose of maintaining/upgrading hardware and software systems from approved vendors set forth in Exhibit A2 (subject to adjustments) to support NJ TRANSIT's Information Systems at a total cost not to exceed \$27,450,000, subject to the availability of funds. New firms with new services whose aggregate value exceeds \$250,000 within the fiscal year will be submitted to the Board. This request will cover a 12-month period from July 1, 2020 to June 30, 2021; and

NOW, THEREFORE, BE IT RESOLVED that the Chair or President & CEO is authorized to enter into procurement-by-exception contracts for the purchase of materials and service from approved vendors set forth in Exhibit A3 (subject to adjustments) to support the NJ TRANSIT's System Resilience Program at a cost not to exceed \$2,800,000, subject to the availability of funds FTA approval and all other applicable requirements. New firms with new services whose aggregate value exceeds \$250,000 within the fiscal year will be submitted to the Board. This request will cover a 12-month period from July 1, 2020 to June 30, 2021.

EXHIBIT A1

**FISCAL YEAR 2021 PROCUREMENT BY EXCEPTION VENDORS
REPLACEMENT PARTS AND SERVICES**

	Vendor	City	State
1.	ABB, Inc.	Cary	NC
2.	Airline Hydraulics Corp	Bensalem	PA
3.	Alstom Signaling Inc.	West Henrietta	NY
4.	Apollo Video Technology LLC	Bothel	WA
5.	Bombardier Transit Corporation	Ontario	Canada
6.	Brigade Electronics	South Darent	UK
7.	Clever Devices	Syosset	NY
8.	Conduent Transport Solutions	Dallas	TX
9.	Cubic Transportation Systems Inc.	Tulahoma	TN
10.	Dellner Couplers Inc.	Charlotte	NC
11.	Flowbird Transport	Poole, Dorset	England
12.	Foley Inc.	Piscataway	NJ
13.	Hanover Displays Inc.	Elk Grove Village	IL
14.	Hirail Corporation	Lisbon	IA
15.	Hogan Manufacturing Inc.	Escalon	CA
16.	Hytera America	Miramar	FL
17.	I/O Controls Corporation	Plano	TX
18.	Jamaica Bearings	New Hyde Park	NY
19.	Kinkisharyo International LLC	Jersey City	NJ
20.	Kirk's Automotive Inc.	Detroit	MI
21.	Knorr Brake Corp	Westminster	MD
22.	Luminator Technology Group, Inc.	Plano	TX
23.	Lux Aeterna	Quebec	Canada
24.	LYTX/DriveCAM	San Diego	CA
25.	Matrix Railway Corp (DBE)	West Babylon	NY
26.	McConway & Torley, LLC	Pittsburgh	PA
27.	Merak North America LLC	Westminster	MD
28.	Motive Equipment	New Berlin	WI
29.	National Railway Supply	Savannah	GA
30.	National Refrigerants Inc.	Philadelphia	PA
31.	NFI Parts	Louisville	KY
32.	Norfolk Southern	Altoona	PA
33.	ORX Railway Corporation	Tipton	PA
34.	Panel Component & Systems	Stanhope	NJ
35.	Penn Machine Company	Blairsville	PA

EXHIBIT A1

**FISCAL YEAR 2021 PROCUREMENT BY EXCEPTION VENDORS
REPLACEMENT PARTS AND SERVICES**

Vendor	City	State
36. Power Trunk, Inc.	New York	NY
37. Precision Transmission	Colmar	PA
38. Progress Rail Services	Albertville	AL
39. PSI Repair Services Inc.	Livonia	MI
40. Quester Tangent	SAANICHTON, B.C.	Canada
41. Railhead Corporation	Aslip	IL
42. Railroad Friction Prod	Laurinburg	NC
43. Ricon/Wabtec	San Fernando	CA
44. Saft America Inc.	Cockeysville	MD
45. Scantron Corporation	Irvine	CA
46. Selectron Solutions LLC	Marlton	NJ
47. Sherwood Electromotion	Ontario	Canada
48. Stavola Construction Materials	Bound Brook	NJ
49. Stewart & Stevenson Power	Lodi and Piscataway	NJ
50. The Aftermarket Parts Company LLC	Delaware	OH
51. Transtech of S.C.	Piedmont	SC
52. USSC LLC	Exton	PA
53. Voith Turbo Inc.	Sacramento	CA
54. VAPOR Doors International/Wabtec	Pittsburgh	PA
55. Vapor Stone Rail Systems	Plattsburgh	NY
56. Wabtec Global Service Center	Kansas City	MO
57. WABTEC Locomotive Products Division	Wilmerding	PA
58. Wabtec Passenger Transit	Spartanburg	SC
59. Westcode Inc.	Chadds Ford	PA
60. Whiting Corp.	Monee	IL
61. Winchester Interconnect	Winsted	CT
62. Windowman Inc.	South Bend	IN

EXHIBIT A2

**FISCAL YEAR 2021 PROCUREMENT BY EXCEPTION VENDORS
COMPUTER HARDWARE AND SOFTWARE**

Vendor	City	State
1. Activu (SBE)	Rockaway	NJ
2. Altura Communications	Closter	NJ
3. American Tower	Boston	MA
4. Apollo Video Technology	Bothell	WA
5. Baran Design Associates	Bergenfield	NJ
6. BEM Systems, Inc.	Chatham	NJ
7. Bentley Systems, Inc.	Exton	PA
8. Carahsoft Technology Corporation	Reston	VA
9. Cellgain	Red Bank	NJ
10. Clever Devices	Woodbury	NY
11. Collins-ARINC	Annapolis	MD
12. Conduent Transport Solutions	Dallas	TX
13. Crown Castle International	Dallas	TX
14. Cubic Transportation Systems, Inc.	Tulahoma	TN
15. Enghouse	Toronto	CANADA
16. Flowbird Transport Ltd.	Poole	ENGLAND
17. Gannett Fleming Co (formerly Geodecisions)	Camp Hill	PA
18. Giro Incorporated	Montreal	CANADA
19. Gough and Associates	Orlando	FL
20. HERE North America LLC (formerly Navteq)	Chicago	IL
21. Hexagon	Huntsville	AL
22. Highline Software Inc.	Toronto	CANADA
23. HUB Parking Technology USA	Warrandale	PA
24. IBM	Piscataway	NJ
25. Iron Mountain Intellectual Prop Mgmt.	New York	NY
26. Kronos	Chelmsford	MA
27. Luminex	Riverside	CA
28. Lytx	San Diego	CA
29. Michael Baker International, Inc.	Newark	NJ
30. Microsoft Corporation	Redmond	WA
31. MIS Sciences	Burbank	CA
32. New Demand, LLC	Boonton	NJ

EXHIBIT A2

**FISCAL YEAR 2021 PROCUREMENT BY EXCEPTION VENDORS
COMPUTER HARDWARE AND SOFTWARE**

Vendor	City	State
33. Nuance	Mahwah	NJ
34. Power Trunk, Inc.	New York	NY
35. PS Technology, Inc.	Bolder	CO
36. Qognify, Inc. (formerly Nice Systems)	Paramus	NJ
37. Resource System Group, Inc.	White River Inc	VT
38. Riskonnect Clear Sight	Kennesaw	GA
39. Rockwell Automation	Milwaukee	WI
40. S&A Systems	Rockwall	TX
41. Selectron Solutions	Marlton	NJ
42. Signature Rail Limited	York	UK
43. SITA (formerly Comnet)	Miamisburg	OH
44. Software AG, Inc.	Reston	VA
45. Solari Corporation	Udine	ITALY
46. Target Recruit LLC	Houston	TX
47. Trapeze Software Group	Scottsdale	AZ
48. Webhouse, Inc.	Bethpage	NY
49. Wireless Communications & Electronics, Inc.	West Berlin	NJ

EXHIBIT A3

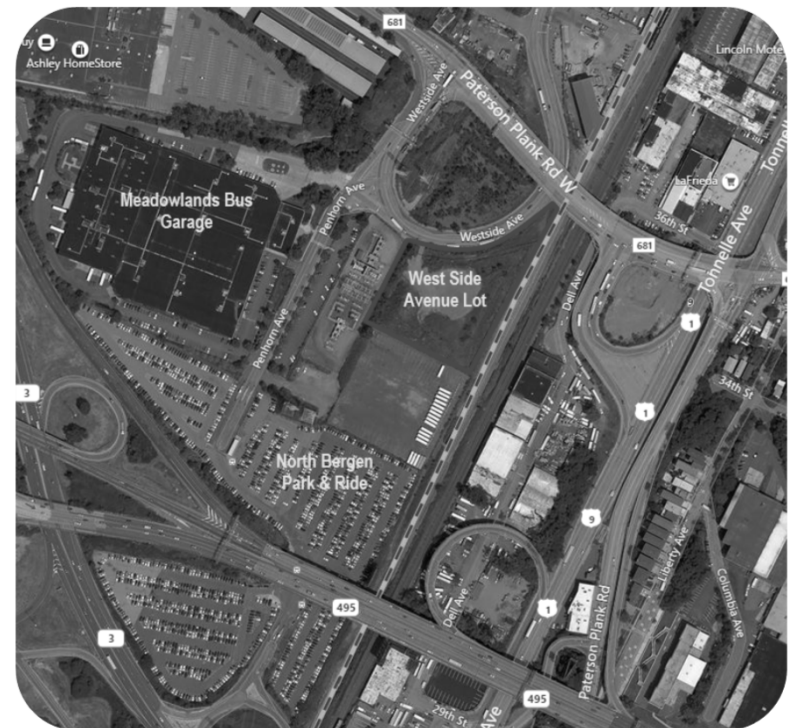
FISCAL YEAR 2021 PROCUREMENT BY EXCEPTION VENDORS RESILENCE PROGRAM

	Vendor	City	State
1.	Alstom Signaling, Inc.	West Henrietta	NY
2.	BEM Systems, Inc.	Millburn	NJ
3.	G & B Specialties Inc.	Berwick	PA
4.	Hitachi Rail STS (formerly Ansaldo STS USA)	Batesburg	SC
5.	Saft America Inc.	Cockeysville	MD
6.	Sandia Corporation	Albuquerque	NM
7.	Siemens Mobility Inc.	Alpharetta	GA

ITEM 2006-35 NORTH BERGEN PARK & RIDE, WEST SIDE AVENUE LOT, SOIL REMOVAL PLAN

The North Bergen Park & Ride, West Side Avenue Lot, Soil Removal Plan will remove an existing soil stockpile and install a new reinforced gravel lot to accommodate up to 78 standard buses or 64 articulated buses.

- **Location:** North Bergen Park & Ride,
West Side Avenue Lot
- **Municipality:** North Bergen, Hudson
County, New Jersey
- **Access:** West Side Avenue
Paterson Plank Road (CR 681)
NJ Route 3
U.S. Route 1 and 9
I-495
- **Nearby Facilities:** NJ TRANSIT Meadowlands Bus
Garage
NJ TRANSIT North Bergen Park
& Ride



ITEM 2006-35 NORTH BERGEN PARK & RIDE, WEST SIDE AVENUE LOT, SOIL REMOVAL PLAN

- Authorization of this Construction Contract will remove and dispose of approximately 62,000 tons of soil stockpile and install a new reinforced gravel lot adjacent to the Meadowlands Bus Garage in North Bergen, New Jersey.
- These upgrades will help address bus capacity and needs in the northern portion of the state by providing a location to store and maintain new standard and articulated buses.



ITEM 2006-35
NORTH BERGEN PARK & RIDE, WEST SIDE AVENUE LOT, SOIL
REMOVAL PLAN

- Seeking authorization to contract (No. 20-047X) with **Kyle Conti Construction, LLC** of Hillsborough, New Jersey for the removal of soil stockpile and installation of a reinforced gravel surface at the North Bergen Park & Ride, West Side Avenue Lot in the amount not to exceed **\$3,773,773.00**, plus five percent for contingencies, subject to the availability of funds.



**ITEM 2006-35: NORTH BERGEN PARK & RIDE, WEST SIDE AVENUE LOT,
SOIL REMOVAL PLAN: CONSTRUCTION CONTRACT**

WHEREAS, NJ TRANSIT's New York City-bound interstate bus system has continued to experience year-over-year growth and peak service to New York City's Port Authority Bus Terminal (PABT) operates near, at, or over capacity; and

WHEREAS, NJ TRANSIT has developed plans to purchase larger 45' and 60' buses with additional seating to address capacity issues on certain routes in the northern portion of the state; and

WHEREAS, NJ TRANSIT requires new facilities to store and maintain buses to support existing and future bus operations in the northern portion of the state; and

WHEREAS, NJ TRANSIT entered into a NJ TRANSIT Contract No. 18-032 with New Flyer of America (NFA) to purchase 85 new 60-foot articulated buses, built in St. Cloud, Minnesota, to replace existing articulated buses on a "one-for-one" basis; and

WHEREAS, NJ TRANSIT's contract with NFA includes options to purchase up to 85 additional articulated buses; and

WHEREAS, NJ TRANSIT authorized to exercise options contained in NJ TRANSIT Contract No. 18-032 to purchase 25 additional articulated buses; and

WHEREAS, the existing bus garages in the northern New Jersey are over capacity and cannot store any additional buses; and

WHEREAS, the storage location shall be such that the operation and maintenance of the buses can be done efficiently; and

WHEREAS, The West Side Avenue Lot is adjacent to NJ TRANSIT's Meadowlands Bus Garage to provide efficient maintenance of buses; and

WHEREAS, this new parking area will accommodate storage of up to seventy-eight (78) standard buses or sixty-four (64) articulated buses; and

WHEREAS, authorization of this Construction Contract will allow for the removal of an existing soil stockpile located on NJ TRANSIT's West Side Avenue Lot of the North Bergen Park & Ride; and

WHEREAS, this construction contract will provide clearing, grubbing, grading, and installation of a reinforced gravel surface lot; and

WHEREAS, on February 25, 2020, an Invitation For Bid (IFB) was advertised on BID EXPRESS, NJ TRANSIT's electronic bid system, and in *The Star-Ledger* and *Trenton Times*; and

WHEREAS, bids were received electronically from twelve firms and opened on April 30, 2020, at NJ TRANSIT Headquarters in Newark; and

WHEREAS, upon completion of a competitive procurement process, it was determined that Kyle Conti Construction, LLC of Hillsborough, New Jersey submitted the lowest responsive, responsible bid; and

WHEREAS, the NJ TRANSIT Office of Business Development (OBD) assigned a 15 percent Category 6 Small Business Enterprise (SBE) goal for this construction contract; and

WHEREAS, although Kyle Conti Construction (KCC) is a certified SBE firm, the actual SBE commitment approved by OBD is 46.42%, which is the percentage of work retained by KCC; and

WHEREAS, OBD accepted this good faith effort submission and gave approval to award this contract to Kyle Conti Construction at 46.42% SBE utilization commitment; and

WHEREAS, the Transportation Trust Fund is the anticipated source of funding for this project;

NOW, THEREFORE, BE IT RESOLVED, that the Chair or President & CEO is authorized to enter into NJ TRANSIT Contract No. 20-047X with Kyle Conti Construction, LLC of Hillsborough, New Jersey, for the Construction Contract of the North Bergen Park & Ride, West Side Avenue Lot, Soil Removal Plan in the amount not to exceed \$3,773,773.00, plus five percent for contingencies, subject to the availability of funds.

**ITEM 2006-36: REGULATION: ADOPTION OF NEW RULES – N.J.A.C. 16:76
PRIVATE CARRIER CAPITAL IMPROVEMENT PROGRAM
GUIDELINES AND PROCEDURES**

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

WHEREAS, in accordance with N.J.S.A. 27:25-5(e), (h), and (k) and N.J.S.A. 27:25-6(b), NJ TRANSIT has the statutory authority to promulgate rules and regulations; and

WHEREAS, the proposed adoption was published in the New Jersey Register, set forth in Exhibit A, on June 17, 2019 and the comment period expired on August 16, 2019; and

WHEREAS, the public comments suggested amended language in three instances and NJ TRANSIT’s applicable responses are set forth in Exhibit B; and

WHEREAS, N.J.A.C. 16:76, Private Carrier Capital Improvement Program Guidelines and Procedures, govern NJ TRANSIT’s procurement of capital maintenance improvements and support equipment to private motorbus carriers for the operation of regular route bus services, which were initially effective March 19, 1984; and

WHEREAS, staff seeks authorization to take all actions necessary to adopt the regulations N.J.A.C. 16:76 et seq., Private Carrier Capital Improvement Program Guidelines and Procedures; and

WHEREAS, adoption of the final rule for N.J.A.C. 16:76, Private Carrier Capital Improvement Program Guidelines and Procedures, will advance efforts to enhance all necessary guidelines and procedures;

NOW, THEREFORE, BE IT RESOLVED that the Chair or President & CEO, or the appropriate designee, is hereby authorized to take all actions necessary to adopt N.J.A.C. 16:76 et seq., consistent with this Board item and corresponding Exhibits, put the regulation in the appropriate format, and take all other actions necessary to effectuate the final adoption and promulgation of NJ TRANSIT’s Private Carrier Capital Improvement Program Guidelines and Procedures.

The public hearing will be held on Wednesday, July 17, 2019, from 9:30 A.M. to 4:30 P.M., with a recess for lunch. The hearing will be held in the Morris Room at the Division of Consumer Affairs, 124 Halsey Street, 6th floor, Newark, NJ 07101. A court reporter will be present to record the proceedings.

Requests to speak should be submitted in writing to Maryann Sheehan, Director of Legislative and Regulatory Affairs, Division of Consumer Affairs, PO Box 45027, Newark, NJ 07101 or electronically at: www.njconsumeraffairs.gov/Proposals/Pages/default.aspx no later than July 10, 2019. Individual speakers are requested to provide a copy of their prepared remarks to the Bureau at the time of registration and on the day of the hearing. Specific presentation times will be assigned. Individual presentations will be limited to 10 minutes. Based upon the number of individuals who request to speak, the Bureau reserves the right to reduce the allotted time to speak and/or to schedule additional hearings on future dates. Those who do not pre-register to speak will be given an opportunity to do so only as time permits.

TRANSPORTATION

(a)

NEW JERSEY TRANSIT CORPORATION Private Carrier Capital Improvement Program Guidelines and Procedures Proposed New Rules: N.J.A.C. 16:76

Authorized By: New Jersey Transit Corporation, Kevin S. Corbett,
Executive Director.

Authority: N.J.S.A. 27:25-5.e, h, and k and 6.b.

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

Proposal Number: PRN 2019-092.

Submit comments by August 16, 2019, to:

Christopher Lu
New Jersey Transit Corporation
One Penn Plaza East
Newark, NJ 07105-2246
Email: commentsprivatecarriercapitalimprovement@njtransit.com

The agency proposal follows:

Summary

The proposed new rules repromulgate expired rules governing the procurement and leasing of capital improvements and equipment to private motorbus carriers for the operation of regular route bus service. In accordance with N.J.S.A. 52:14B-5.1, N.J.A.C. 16:76 expired on February 4, 2007, and, therefore, New Jersey Transit Corporation (NJ TRANSIT) proposes this chapter as new rules.

NJ TRANSIT was established by the New Jersey Public Transportation Act of 1979, N.J.S.A. 27:25-1 et seq., as the instrumentality of the State of New Jersey to establish and provide for the operation and improvement of a coherent public transportation system in the most efficient and effective manner. One of the programs by which NJ TRANSIT fulfills this responsibility is through the procurement and leasing of capital improvements and equipment to private motorbus carriers for the operation of regular route bus service.

The proposed new rules are designed to govern the procurement and leasing of capital improvements and equipment to private motorbus carriers pursuant to N.J.S.A. 27:25-5.h and k. Subchapter 1 describes the purpose of these proposed new rules and the applicable definitions. Subchapter 2 sets forth the guidelines and criteria to be followed in determining the eligibility of private bus carriers and the regular route bus services operated by the carriers for participation in the Private Carrier Capital Improvement Program (PCCIP); factors to be considered for eligibility for the program; disposal of capital equipment; source of funds for the program, allocation methodology of PCCIP funds to participating

carriers; eligible and ineligible uses of allocated PCCIP funds; bus rehabilitation or refurbishment program process; and sets forth special needs. Subchapter 3 sets forth the indetermination of eligibility notification and dispute process procedures to be used.

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

Social Impact

The proposed new rules provide reasonable standards for the allocation of Private Carrier Capital Improvement Program funding to private motorbus carriers for the procurement of capital maintenance improvements and support equipment. The general purpose of NJ TRANSIT's Private Carrier Capital Improvement Program is to provide assistance to private bus carriers in acquiring capital improvements and equipment to improve regular route passenger service. The proposed new rules are designed to allocate Private Carrier Capital Improvement Program funds in a manner that is consistent with the provision of an efficient, effective, coordinated, and coherent public transportation system. For example, there may be some situations where the funds are not allocated to some private motorbus carriers because the expenditure of public funds for such private motorbus carriers is not consistent with sound transportation policy. The public benefit from the provision of capital improvements to private motorbus carriers for the provision of regular route passenger bus service is significant. The procedures delineated in the proposed new rules will protect the interests of the riding public and the taxpayers of New Jersey and aid the individual motorbus carriers who are eligible to participate in the Private Carrier Capital Improvement Program.

Economic Impact

The primary economic impact of these proposed new rules is on the riding public by sustaining the availability of affordable mass transit service. By reducing the need of private motorbus carriers to use financial resources for capital requirements and by making mass transit more attractive, the improvements and equipment provided may serve to hold down fares and contribute to increasing ridership. The Private Carrier Capital Improvement Program will provide needed funding to procure capital improvements, thus enabling the participating motorbus carrier to acquire, replace, and rehabilitate buses and other capital equipment and make facility improvements. The specific economic benefits to the motorbus carriers that may participate in the Private Carrier Capital Improvement Program cannot be calculated at this time.

NJ TRANSIT's recent funding of the Private Carrier Capital Improvement Program has been in the range of three to four million dollars annually. The program has provided needed capital equipment and/or improvements and enabled the participating carriers to replace major vehicle components on the buses utilized by the carriers to provide regular route bus services on various routes throughout the State.

Federal Standards Statement

The proposed new rules are not subject to any Federal standards and, therefore, a Federal standards analysis is not required.

Jobs Impact

NJ TRANSIT does not anticipate that implementation of these proposed new rules will result in the generation or loss of jobs in the State.

Agriculture Industry Impact

The proposed new rules have no impact on the agriculture industry.

Regulatory Flexibility Analysis

The proposed new rules apply to persons and entities who qualify as a motorbus carrier operating regular route bus service and who wish to participate in the program and receive capital improvements and equipment from NJ TRANSIT for use in the operation of regular route bus services. Some of these entities may be small businesses as the term is defined in the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq.

The proposed new rules impose recordkeeping and reporting requirements. The proposed new rules require that such requests be submitted in a specified manner. The proposed new rules provide funding for the procurement or lease of capital improvement and equipment to private carriers providing regular route bus service, thereby offering

PROPOSALS

economic support to the private carriers for the benefit of the riding public. The proposed new rules contain general requirements for retaining and providing access to basic accounting and vehicle maintenance records demonstrating compliance with the requirements of funding and regulatory agencies. All bus companies maintain these basic records as a necessary condition of operating a commercial enterprise regulated by Federal, State, and local jurisdictions. Accordingly, the rules do not establish differential reporting requirements.

The proposed new rules impose no additional costs on small businesses, nor will small businesses incur any additional expenditures for professional services for reporting, recordkeeping, or compliance purposes. The proposed new rules provide for economic support to all eligible private carriers, therefore, there is a positive economic impact on small businesses. No different treatment has been provided for small businesses. The proposed new rules provide for equal treatment of businesses in the process, whether large or small, in the interests of public safety and fairness to all carriers.

Housing Affordability Impact Analysis

NJ TRANSIT does not anticipate any impact on housing affordability as a result of the proposed new rules. The proposed new rules govern the provision of capital improvements and equipment to private motorbus carriers for the operation of regular bus service. As such, the proposed new rules will have no effect on housing units or on the average costs of housing.

Smart Growth Development Impact Analysis

NJ TRANSIT does not anticipate any impact upon smart growth or the implementation of the State Development and Redevelopment Plan as a result of the proposed new rules. The proposed new rules govern the provision of capital improvements and equipment to private motorbus carriers for the operation of regular bus service. The proposed new rules will have no effect on housing production within Planning Areas 1 or 2, or within designated centers, under the State Development and Redevelopment Plan. The proposed new rules will increase transportation options and transit availability and reduce automobile traffic and dependency.

Racial and Ethnic Community Criminal Justice and Public Safety Impact

NJ TRANSIT has evaluated this rulemaking and determined that it will not have an impact on pretrial detention, sentencing, probation, or parole policies concerning adults and juveniles in the State. Accordingly, no further analysis is required.

Full text of the proposed new rules follows:

CHAPTER 76

PRIVATE CARRIER CAPITAL IMPROVEMENT PROGRAM

SUBCHAPTER 1. GENERAL PROVISIONS

16:76-1.1 Purpose

NJ TRANSIT was established by the New Jersey Public Transportation Act of 1979, N.J.S.A. 27:25-1 et seq., as the instrumentality of the State government to establish and provide for the operation and improvement of a coherent public transportation system in the most efficient and effective manner. Pursuant to N.J.S.A. 27:25-1 et seq., NJ TRANSIT is authorized to purchase capital improvements for lease to eligible private bus carriers and to rehabilitate NJ TRANSIT owned or leased equipment that is leased to eligible private bus carriers. In doing so, public transit in the State will become more reliable, safe, efficient, and user-friendly for the State's public transit users. This chapter is designed to provide guidelines and procedures pursuant to which NJ TRANSIT will allocate such capital improvements to private bus carriers.

16:76-1.2 Definitions

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

"Affiliate" means any individual, company, proprietorship, corporation, agency, trust, or partnership where, by reason of the relationship of such entity with the carrier (whether by reason of the method of, or circumstances surrounding organization or operation, or

whether established through common directors, officers, stockholders, a voting trust or trusts, a holding or investment company or companies, family relationships, or any other direct or indirect means), there is a reason to believe that the affairs of the carrier may be managed in the interest of such individual, company, proprietorship, corporation, agency, trust, or partnership.

"Board" means the Board of Directors of NJ TRANSIT.

"Capital improvements" means items including, but not limited to, electronic equipment (including fareboxes or other revenue handling equipment), radios and related equipment, revenue and non-revenue vehicles, garage maintenance equipment, maintenance or garage facilities, and any other equipment, facility, or property useful for or related to the provision of regular route peak services by private bus carriers. It also includes the rehabilitation of NJ TRANSIT owned or leased equipment that is leased to eligible private bus carriers.

"Capital maintenance" shall mean, in relation to public transportation projects, the direct cost of any work necessary for preserving or maintaining the useful life of public transportation projects, provided the work is associated with the acquisition, installation, and rehabilitation of components that are not included in the normal operating maintenance of equipment and facilities or replaced on a scheduled basis. The work shall ensure the useful life of the project for not less than five years and shall not include routine maintenance or inspection of equipment and facilities that is conducted on a scheduled basis.

"Carrier" means any individual, partnership, association, corporation, limited liability company, joint stock company, trustee, or receiver or any other private entity operating or controlling regular route peak bus service on established routes within the State or between points in this State and points in adjacent states.

"Eligible" means a carrier providing public transit service that is qualified and authorized by NJ TRANSIT to participate in NJ TRANSIT's Bus Allocation Program.

"Executive Director" means the Executive Director of NJ TRANSIT, or his or her designee.

"FTA" means the Federal Transit Administration.

"Lease" means a lease or sublease agreement, as appropriate.

"NJ TRANSIT" means the New Jersey Transit Corporation and its operating subsidiaries.

"PCCIP" means the Private Carrier Capital Improvement Program.

"Peak period" means the weekday morning period of 6:00 A.M. through 9:30 A.M. or the weekday evening period of 4:00 P.M. through 7:00 P.M. representing the period of the day during which the carrier simultaneously operates the highest number of buses in revenue service and serves the highest passenger volumes in its regular route bus service.

"Public transit" means all regular route peak bus service operated by a private carrier.

"Regular route bus service" means the operation of any motor bus or motor buses on streets, public highways, or other facilities, over a fixed route and between fixed termini on a regular schedule for the purpose of carrying passengers for hire, in this State or between points in this State and points in other states. Services that are exclusionary or personal in nature, or are to special purpose areas, such as to casinos or special events, are not included within this definition.

SUBCHAPTER 2. GUIDELINES

16:76-2.1 Eligibility

(a) To be eligible to receive assistance pursuant to the PCCIP, a private carrier must have been:

1. Authorized by NJ TRANSIT to participate in NJ TRANSIT's Bus Allocation Program; and
2. Authorized to provide regular route peak bus service by the New Jersey Motor Vehicle Commission, the United States Department of Transportation, a municipality, or any other duly authorized regulatory body.

(b) Eligibility in the PCCIP is contingent upon the inclusion by NJ TRANSIT and acceptance by the FTA of a carrier's annual revenue mileage pursuant to the carrier's proper submission of a National Transit Database Report (see 49 U.S.C. § 5335(a)). NJ TRANSIT will not withhold private carrier annual revenue mileage data from the FTA;

TRANSPORTATION

however, the private carrier is solely responsible for providing accurate data to NJ TRANSIT in a format acceptable to the FTA.

(c) A carrier, or any of its affiliates, shall provide a certification that it is current in any and all accounts it has with NJ TRANSIT, as well as with the State of New Jersey and all of its agencies. The private carrier will not be able to receive any capital improvements through the PCCIP until such time as any outstanding sums are paid.

(d) The determination of a carrier's eligibility to receive funds for capital improvements pursuant to the PCCIP shall be determined by a review of the following factors:

1. A carrier's demonstrated need for capital improvements, as compared to the total need of all qualified carriers;

2. Consideration of the level of capital assistance the carrier has received under past programs, such as various bus allocations for transit, suburban, and cruiser type vehicles, including funds allocated to that carrier because of assets replaced under other NJ TRANSIT programs;

3. The extent to which the carrier has other equipment (leased privately or self-purchased) available for its use that is not otherwise eligible for replacement under the PCCIP;

4. The public need for all, or a portion of, the service operated by the carrier and the public's cost benefit interest in paying for all, or a portion of, the service operated by the carrier;

5. The impact of the service operated by the carrier or an affiliate of the carrier on other carriers, including NJ TRANSIT, the riding public, and the taxpayers of the State;

6. Consideration will be given to the adequacy of performance by the carrier, or any of its affiliates, under prior vehicle leasing or other contractual arrangements with NJ TRANSIT;

7. Consideration will be given to a carrier's ability to maintain and operate capital equipment that requires sophisticated and expensive maintenance systems; and

8. A carrier shall not be eligible under this program if NJ TRANSIT determines based on factors included in N.J.A.C. 16:75, Bus Allocation Program Guidelines and Procedures, that the lease of, or the continued lease of, capital equipment to the carrier is inconsistent with NJ TRANSIT's statutory obligation to provide an efficient, effective, coordinated, and coherent State public transportation system.

(e) In reviewing and analyzing the carrier's need for capital improvements, NJ TRANSIT shall utilize its expertise and experience in the field of public transit services and such analysis shall be conclusive for determining eligibility.

16:76-2.2 Other requirements

(a) Carriers shall abide by all requirements of NJ TRANSIT and the FTA to the extent applicable.

(b) Carriers shall provide any records or documentation that FTA or NJ TRANSIT may require to facilitate completion of any audit process in relation to any FTA grant or any report required to be submitted to FTA.

(c) Carriers shall certify to NJ TRANSIT that all capital improvements are being satisfactorily maintained along accepted product standards throughout their useful life span. Carriers shall develop and submit to NJ TRANSIT a maintenance plan if required by FTA or NJ TRANSIT.

(d) A carrier shall enter into a lease agreement with NJ TRANSIT for any items received through the PCCIP. Any capital improvements may be repossessed by NJ TRANSIT or cost of the improvement recovered, where applicable, if a fully executed lease agreement between the carrier and NJ TRANSIT has not been executed and/or appropriate insurance requirements have not been met. The lease will clearly outline all obligations pertaining to the carrier and NJ TRANSIT.

(e) NJ TRANSIT will retain title to all equipment purchased through the PCCIP throughout the life of the equipment. In the event that funds from the PCCIP are utilized to improve equipment or facilities owned by the carrier, or any affiliate or any other entity, NJ TRANSIT shall obtain a security interest in the equipment or facilities equal to the cost of the capital improvements and a carrier's certification that the asset will remain in public use for the length of its useful life. Based on past actions of the carrier and/or affiliates of the carrier, the lease may be conditioned on a carrier agreeing that it or any present or future affiliate shall not provide additional regular route bus services with NJ TRANSIT buses leased to the carrier without NJ TRANSIT's approval.

16:76-2.3 Disposal of capital equipment

(a) If capital assistance results in the replacement of carrier-owned equipment, the carrier shall remove the equipment from service.

(b) A carrier shall submit a request to NJ TRANSIT for the disposition of NJ TRANSIT equipment.

1. Disposition of NJ TRANSIT equipment cannot occur without prior written approval from NJ TRANSIT.

2. NJ TRANSIT may require the equipment to be returned to NJ TRANSIT for disposition.

3. If the item was originally purchased with FTA funds, the proceeds resulting from the sale of these items will revert to NJ TRANSIT for disposition in accordance with FTA regulations.

16:76-2.4 Source and allocation of funds

(a) The funds utilized for the Private Carrier Capital Improvement Program are provided by the FTA or by the Transportation Trust Fund of the State of New Jersey. Accordingly, expenditures of PCCIP funds are subject to the requirements of the FTA and to the requirements of the Transportation Fund Act, N.J.S.A. 27:1B-1 et seq.

(b) NJ TRANSIT will allocate the PCCIP funds to all participating carriers on an annual basis in proportion to the level of regular route bus service operated by each carrier, as measured by the peak vehicle requirements for the regular route bus service operated by each carrier.

(c) The allocation of PCCIP funds shall be weighted 2:1 between transit and cruiser-type buses. This weighting is intended to recognize the normally higher maintenance costs and shorter vehicle component lives associated with the all-day operation of local urban service. For the purpose of this allocation, suburban type buses shall be classified as cruiser-type buses.

(d) NJ TRANSIT may retain up to 10 percent of the total allocation of PCCIP funds each year to cover the cost to NJ TRANSIT of administering its private carrier programs and the costs associated with the expenditure of PCCIP funds.

16:76-2.5 Eligible and ineligible uses of allocated PCCIP funds

(a) PCCIP expenditures must be for capital improvements and/or capital maintenance.

(b) Allocated PCCIP funds may be utilized by participating carriers for the following types of expenditures:

1. Rehabilitation of NJ TRANSIT owned/leased vehicles — including, but not limited to, the complete overhaul of a bus engine and/or transmission, purchase of a complete bus engine or transmission, HVAC rehabilitation, and seat/cover replacements. This does not encompass the purchase or repair of engine or transmission component parts;

2. Rehabilitation of carrier-owned vehicles — same as (b)1 above, but only for vehicles used in regular route bus service;

3. Facility improvements — only facilities used to support the operation of regular route bus service;

4. Capital equipment purchases — including, but not limited to, electronic equipment (including fareboxes or other revenue handling equipment), radios, and related equipment and garage maintenance equipment;

5. Purchase of buses — only vehicles for principal use in regular route bus service; and/or

6. Support vehicle purchases — vehicles for road service, road supervision, driver relief, etc.

(c) PCCIP funds may not be utilized for any of the following types of expenditures: operating or routine maintenance expenses, compensation of any officer or owner, parts purchases, fuel storage tanks and related equipment, or office furniture.

16:76-2.6 Bus rehabilitation or refurbishment

(a) Based on its expertise and experience in the field of public transit service and knowledge of the condition of the private bus fleet in New Jersey, NJ TRANSIT may determine, at its discretion, to initiate a program providing for the rehabilitation or refurbishment of all or a portion of the bus fleets operated in regular route bus service by carriers in order to sustain the life of certain buses until they can be replaced. Such program will be subject to the availability of funding and may be conducted as an expansion of the PCCIP or as a replacement for the

PROPOSALS

allocation of all or a portion of PCCIP funds to participating carriers during a given year.

(b) NJ TRANSIT shall ensure that the PCCIP addresses the legitimate needs of aging buses. The project shall be designed to ensure that funds are invested wisely and in a way that maximizes the use of existing resources to maintain the buses for the benefit of the riding public until they can be replaced. The rehabilitation program may be expected to include power plant rebuilding, replacement of HVAC systems, seat cushion and upholstery replacement, structural repairs, and repainting. Work and funding priority among carriers shall be made on an equitable basis, taking into account each carrier's percentage of eligible equipment, the age and condition of the equipment, the responsiveness of the carrier in identifying the required repairs for its fleet, the demonstrated ability and commitment of the carrier to maintain the equipment.

16:76-2.7 Special needs

NJ TRANSIT may determine, at its discretion, to initiate a program to fulfill an identified need of a major segment of the participating carriers. By way of example, such needs may include the acquisition of revenue collection equipment, acquisition of vehicle emission components and the related installation services required to comply with mandated regulatory standards, acquisition of ticket sales equipment, and acquisition of sophisticated and expensive vehicle maintenance systems. In reviewing and analyzing such needs, NJ TRANSIT shall utilize its expertise and experience in the field of public transit services and such analysis shall be conclusive for purposes of determining whether PCCIP funds should be so utilized. Such program will be subject to the availability of funding and may be conducted as an expansion of the PCCIP or as a replacement for the allocation of all or a portion of PCCIP funds to participating carriers during a given year.

SUBCHAPTER 3. DETERMINATION OF INELIGIBILITY

16:76-3.1 Notification and dispute process

(a) When NJ TRANSIT contemplates declaring that a carrier is ineligible for the Private Carrier Capital Improvement Program, the Senior Director, Private Carrier Affairs, shall notify the carrier in writing of the preliminary decision, and the reasons therefor, and allow the carrier the opportunity to respond. The carrier shall submit its written response to such communication within 15 business days of the date the communication was received by the carrier. In its response, the carrier shall respond with particularity and detail to each and every assertion made by the initial communication. The carrier may submit any document with its response that may be relevant to the carrier's position.

(b) The Senior Director, Private Carrier Affairs, shall consider the carrier's response on the papers submitted by the carrier and all other relevant material, including the applicable provisions of N.J.S.A. 27:25-1 et seq., and any other applicable law and shall render a decision within 30 days of the receipt of the carrier's written response. Where NJ TRANSIT finds it necessary to request additional information, the carrier shall respond accordingly. NJ TRANSIT shall render a decision based on the facts, the law, and any relevant considerations of public policy. A carrier may seek a review of such decision by the Chief, Light Rail and Contract Services, by filing a notice of such intention within 10 days after receipt of the decision by the Senior Director, Private Carrier Affairs. The Chief, Light Rail and Contract Services, shall then establish a schedule for the filing of papers in connection with the carrier's appeal. A decision by the Chief, Light Rail and Contract Services, shall constitute a final agency determination of NJ TRANSIT appealable in the Appellate Division of the Superior Court of New Jersey, as provided by applicable law.

(c) No final action shall be taken by NJ TRANSIT regarding the carrier's eligibility for capital improvements until the carrier has had the opportunity to exhaust its right to respond to NJ TRANSIT's preliminary decision or seek review of that decision as described at (b) above.

(d) Where a carrier may be in breach of its obligations under any lease or other contracts between NJ TRANSIT and the carrier, any recourse or remedy for such breach shall be resolved and determined under the terms and conditions of the lease or contract and applicable law.

(a)

**NEW JERSEY TRANSIT CORPORATION
Contracting Out Policies and Procedures
Proposed New Rules: N.J.A.C. 16:85**

Authorized By: New Jersey Transit Corporation, Kevin S. Corbett,
Executive Director.

Authority: N.J.S.A. 27:25-5 and 6.b.

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

Proposal Number: PRN 2019-093.

Submit comments by August 16, 2019, to:

Christopher Iu
New Jersey Transit Corporation
One Penn Plaza East
Newark, NJ 07105-2246
Email: commentscontractingpoliciesrules@njtransit.com

The agency proposal follows:

Summary

The proposed new rules promulgate expired rules governing contracting with private bus carriers for the operation of regular route bus service. In accordance with N.J.S.A. 52:14B-5.1, N.J.A.C. 16:85 expired on October 4, 2004, and, therefore, New Jersey Transit Corporation (NJ TRANSIT) proposes this chapter as new rules.

In April 1986, the NJ TRANSIT Board of Directors adopted a contracting out policy to govern how NJ TRANSIT bus services might be contracted out in order to reduce the cost of providing such services. That policy also established that all new NJ TRANSIT regular route bus service, and all redefined routes resulting from a major restructuring of services, could be contracted out. The proposed new rules were first adopted in 1993 (see 25 N.J.R. 3450(a); 4925(a)). N.J.A.C. 16:85 contains the requirements governing the procurement by NJ TRANSIT of bus services pursuant to N.J.S.A. 27:25-6.b. Subchapter 1 describes the purpose of the proposed new rules and the applicable definitions. Subchapter 2 sets forth the guidelines and criteria to be used in seeking and evaluating proposals for the contracting of bus services, including financial criteria and non-financial considerations. Subchapter 3 sets forth the procedures to be used during the Request for Proposals (RFP) process including: solicitation of proposals, disqualifications, form and procedure of proposals, amendments for requests for proposals, cancellation of requests before opening, receipt and safeguarding of proposals, late submittals, evaluation of proposals, negotiations, cancellation, withdrawal, and rejection of proposals, rejection of individual proposals, debriefing, dispute resolution, and award.

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

Social Impact

The proposed new rules set forth the guidelines, criteria, and procedures to be followed when NJ TRANSIT seeks proposals from private motor bus carriers for the provision of regular route public transportation by bus. NJ TRANSIT presently contracts for such services throughout the State. The procedures delineated in the proposed new rules will provide protection for the interests of the riding public, the taxpayers who subsidize such services, and the individual motor bus carriers who submit proposals.

Economic Impact

NJ TRANSIT presently contracts with motorbus carriers to provide regular route bus services on various routes throughout New Jersey. For Fiscal Year 2018, approximately 11 million passenger trips were provided on these routes at a contract cost of approximately 47 million dollars. The continuation of this program is expected to provide economies to the residents of New Jersey, which would not be available without the program. Carriers choosing to respond to the competitive procurement process conducted for these contracts will incur administrative costs

EXHIBIT B

TRANSPORTATION

NEW JERSEY TRANSIT CORPORATION

New Jersey Transit Private Carrier Capital Improvement Program Guidelines and Procedures

Notice of Adoption: N.J.A.C. 16:76

Notice of Adoption of New Rules: N.J.A.C. 16:76

Proposed: June 17, 2019 at 51 N.J.R. 950

Adopted: ____, 2020, by New Jersey Transit Corporation, Kevin S. Corbett, President and Chief Executive Officer.

Filed: ____, 2020 as R. 2020 ____, without changes.

Authority: N.J.S.A. 27:25-5(e), (h), and (k); 27:25-6(b).

Effective Date:

Expiration Date:

Summary of Public Comments and Agency Responses:

The comment period officially ended on August 16, 2019. The New Jersey Transit Corporation ("NJ TRANSIT") received comments from the Bus Association of New Jersey, Inc ("Bus Association"). NJ TRANSIT appreciates the support for the changes that extend the rehabilitation program for eligible vehicles to carrier-owned vehicles. Additional comments are summarized below along with the responses.

1. COMMENT: The Bus Association opposes section 16:76-2.4(d) in its entirety and

EXHIBIT B

seeks to have it removed. Section 16:76-2.4(d) would allow NJ TRANSIT to retain up to 10 percent of Private Carrier Capital Improvement Program (PCCIP) funds each year to cover the cost of administering the private carrier programs. The comments suggest that the provision is inconsistent with N.J.S.A. 27:1B-1 and 27:25-5 (h) & (k), which limit the use of funds to capital equipment and facilities.

RESPONSE: Each fiscal year, NJ TRANSIT prepares its Annual Capital Program, which reflects the priorities approved by the Board of Directors. This program allocates funding received from all sources, including the Transportation Trust Fund, which is the source of the funds for the PCCIP. After this process is completed, it is implemented in accordance with the New Jersey Transportation Trust Fund Authority Act of 1984 (the "Act"), N.J.S.A. 27-1B-1 et. seq. The Act states, in relevant part, "in addition to all other powers granted to the authority in the act, the authority shall have power to... acquire, hold, use and dispose of its income, revenues, funds and moneys" and "do any and all things necessary, convenient or desirable to carry out its purposes and exercise the powers given and granted in the act." (see N.J.S.A 27:1B-6 (e) & (p)). NJ TRANSIT has determined that, in order to preserve and maintain the useful life of its equipment and to support the costs associated with their procurement, retaining a portion of the funds is consistent with its statutory authority to administer its obligations under the Act as well as N.J.S.A. 27:25. The Act does not strictly limit the fund to be spent on capital improvements. Rather, the statute give authority to "do any and all things necessary... to carry out its purpose." N.J.S.A. 27-1B-6(p).

EXHIBIT B

2. COMMENT: Section 16:76-2.5 establishes the proper uses of allocated PCCIP funds. The Bus Association proposes 16:76-2.5 be amended to allow PCCIP funds to be used for purchase or repair of engine or transmission component parts, allowing private carriers to use funds to keep motor bus engines running longer and delay the need for replacement.

RESPONSE: NJ TRANSIT agrees with the Bus Association that PCCIP funds could be used for certain component parts. However, under the terms of the NJ TRANSIT Equipment Lease, the carriers are responsible for routine maintenance purchases. The definition of “capital maintenance” at 16:76-1.2 already includes funds “associated with the acquisition, installation and rehabilitation of components which are not included in the normal operating maintenance of equipment and facilities” and that extend the life of the equipment for five years or more. The FY 2020 PCCIP guidelines establish that for this year, component parts over \$1,000 per unit meet the definition of capital maintenance in 16:76-1.2. In these instances, the private carriers must identify the affected bus with its individual vehicle number and they must describe the new part and its location on the bus. NJ TRANSIT has considered the comments to this section and will amend the proposed regulation to remove the sentence under 16:76-2.5 (b) 1 “This does not encompass the purchase or repair of engine or transmission component parts.”

3. COMMENT: Sections 16:76-2.6 (a) & 2.7(a) provide NJ TRANSIT with the ability

EXHIBIT B

to expand the PCCIP or to use existing funds to “initiate a program” to refurbish aging buses and to “fulfill an identified need.” Private carriers believe they would be affected by any new programs supported by PCCIP funds and, therefore request the proposal be amended to require NJ TRANSIT to notify carriers of its intentions prior to establishing new programming and asks that NJ TRANSIT moves forward only after reaching an agreement with private operators.

RESPONSE: In circumstances where NJ TRANSIT creates or amends PCCIP-supported programming, notification of the new program or amendment is provided to the affected carriers, via letter, through the Office of Private Carrier Affairs. NJ TRANSIT, using data provided by private carriers and information from its own fleet, is in the best position to determine the capital improvement needs of carriers leased buses throughout the State. Private Carriers are welcome to provide additional information about their maintenance schedule and operational requirements or suggest programs that would address their particular needs. NJ TRANSIT does not believe it is necessary to reach an agreement with each affected carrier prior to creating or amending a program under this provision.

Summary of Agency-Initiated Changes:

None.

Full text of the readopted rules can be found in the New Jersey Administrative Code at N.J.A.C. 16:76.

**ITEM 2006-37: REGULATION: ADOPTION OF NEW RULES – N.J.A.C. 16:85
CONTRACTING OUT POLICIES AND PROCEDURES**

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

WHEREAS, in accordance with N.J.S.A. 27:25-5 and, N.J.S.A. 27:25-6(b), NJ TRANSIT has the statutory authority to promulgate rules and regulations; and

WHEREAS, the proposed adoption was published in the New Jersey Register, set forth in Exhibit A, on June 17, 2019 and the comment period expired on August 16, 2019; and

WHEREAS, the public comments suggested amended language in two instances and NJ TRANSIT’s applicable responses are set forth in Exhibit B; and

WHEREAS, N.J.A.C. 16:85, Contracting Out Policies and Procedures, govern NJ TRANSIT’s contracting with private carriers for the operation of regular bus service; and

WHEREAS, staff seeks authorization to take all actions necessary to adopt the regulations N.J.A.C. 16:85 et seq., Contracting Out Policies and Procedures; and

WHEREAS, adoption of the final rule for N.J.A.C. 16:85, Contracting Out Policies and Procedures, will advance efforts to enhance all necessary guidelines and procedures;

NOW, THEREFORE, BE IT RESOLVED that the Chair or the President & CEO, or the appropriate designee, is hereby authorized to take all actions necessary to adopt N.J.A.C. 16:85 et seq. consistent with this Board item and corresponding Exhibits, put the regulations in the appropriate format, and take all other actions necessary to effectuate the final adoption and promulgation of NJ TRANSIT’s Contracting Out Policies and Procedures.

PROPOSALS

allocation of all or a portion of PCCIP funds to participating carriers during a given year.

(b) NJ TRANSIT shall ensure that the PCCIP addresses the legitimate needs of aging buses. The project shall be designed to ensure that funds are invested wisely and in a way that maximizes the use of existing resources to maintain the buses for the benefit of the riding public until they can be replaced. The rehabilitation program may be expected to include power plant rebuilding, replacement of HVAC systems, seat cushion and upholstery replacement, structural repairs, and repainting. Work and funding priority among carriers shall be made on an equitable basis, taking into account each carrier's percentage of eligible equipment, the age and condition of the equipment, the responsiveness of the carrier in identifying the required repairs for its fleet, the demonstrated ability and commitment of the carrier to maintain the equipment.

16:76-2.7 Special needs

NJ TRANSIT may determine, at its discretion, to initiate a program to fulfill an identified need of a major segment of the participating carriers. By way of example, such needs may include the acquisition of revenue collection equipment, acquisition of vehicle emission components and the related installation services required to comply with mandated regulatory standards, acquisition of ticket sales equipment, and acquisition of sophisticated and expensive vehicle maintenance systems. In reviewing and analyzing such needs, NJ TRANSIT shall utilize its expertise and experience in the field of public transit services and such analysis shall be conclusive for purposes of determining whether PCCIP funds should be so utilized. Such program will be subject to the availability of funding and may be conducted as an expansion of the PCCIP or as a replacement for the allocation of all or a portion of PCCIP funds to participating carriers during a given year.

SUBCHAPTER 3. DETERMINATION OF INELIGIBILITY

16:76-3.1 Notification and dispute process

(a) When NJ TRANSIT contemplates declaring that a carrier is ineligible for the Private Carrier Capital Improvement Program, the Senior Director, Private Carrier Affairs, shall notify the carrier in writing of the preliminary decision, and the reasons therefor, and allow the carrier the opportunity to respond. The carrier shall submit its written response to such communication within 15 business days of the date the communication was received by the carrier. In its response, the carrier shall respond with particularity and detail to each and every assertion made by the initial communication. The carrier may submit any document with its response that may be relevant to the carrier's position.

(b) The Senior Director, Private Carrier Affairs, shall consider the carrier's response on the papers submitted by the carrier and all other relevant material, including the applicable provisions of N.J.S.A. 27:25-1 et seq., and any other applicable law and shall render a decision within 30 days of the receipt of the carrier's written response. Where NJ TRANSIT finds it necessary to request additional information, the carrier shall respond accordingly. NJ TRANSIT shall render a decision based on the facts, the law, and any relevant considerations of public policy. A carrier may seek a review of such decision by the Chief, Light Rail and Contract Services, by filing a notice of such intention within 10 days after receipt of the decision by the Senior Director, Private Carrier Affairs. The Chief, Light Rail and Contract Services, shall then establish a schedule for the filing of papers in connection with the carrier's appeal. A decision by the Chief, Light Rail and Contract Services, shall constitute a final agency determination of NJ TRANSIT appealable in the Appellate Division of the Superior Court of New Jersey, as provided by applicable law.

(c) No final action shall be taken by NJ TRANSIT regarding the carrier's eligibility for capital improvements until the carrier has had the opportunity to exhaust its right to respond to NJ TRANSIT's preliminary decision or seek review of that decision as described at (b) above.

(d) Where a carrier may be in breach of its obligations under any lease or other contracts between NJ TRANSIT and the carrier, any recourse or remedy for such breach shall be resolved and determined under the terms and conditions of the lease or contract and applicable law.

(a)

**NEW JERSEY TRANSIT CORPORATION
Contracting Out Policies and Procedures
Proposed New Rules: N.J.A.C. 16:85**

Authorized By: New Jersey Transit Corporation, Kevin S. Corbett,
Executive Director.

Authority: N.J.S.A. 27:25-5 and 6.b.

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

Proposal Number: PRN 2019-093.

Submit comments by August 16, 2019, to:

Christopher Iu
New Jersey Transit Corporation
One Penn Plaza East
Newark, NJ 07105-2246
Email: commentscontractingpoliciesrules@njtransit.com

The agency proposal follows:

Summary

The proposed new rules promulgate expired rules governing contracting with private bus carriers for the operation of regular route bus service. In accordance with N.J.S.A. 52:14B-5.1, N.J.A.C. 16:85 expired on October 4, 2004, and, therefore, New Jersey Transit Corporation (NJ TRANSIT) proposes this chapter as new rules.

In April 1986, the NJ TRANSIT Board of Directors adopted a contracting out policy to govern how NJ TRANSIT bus services might be contracted out in order to reduce the cost of providing such services. That policy also established that all new NJ TRANSIT regular route bus service, and all redefined routes resulting from a major restructuring of services, could be contracted out. The proposed new rules were first adopted in 1993 (see 25 N.J.R. 3450(a); 4925(a)). N.J.A.C. 16:85 contains the requirements governing the procurement by NJ TRANSIT of bus services pursuant to N.J.S.A. 27:25-6.b. Subchapter 1 describes the purpose of the proposed new rules and the applicable definitions. Subchapter 2 sets forth the guidelines and criteria to be used in seeking and evaluating proposals for the contracting of bus services, including financial criteria and non-financial considerations. Subchapter 3 sets forth the procedures to be used during the Request for Proposals (RFP) process including: solicitation of proposals, disqualifications, form and procedure of proposals, amendments for requests for proposals, cancellation of requests before opening, receipt and safeguarding of proposals, late submittals, evaluation of proposals, negotiations, cancellation, withdrawal, and rejection of proposals, rejection of individual proposals, debriefing, dispute resolution, and award.

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

Social Impact

The proposed new rules set forth the guidelines, criteria, and procedures to be followed when NJ TRANSIT seeks proposals from private motor bus carriers for the provision of regular route public transportation by bus. NJ TRANSIT presently contracts for such services throughout the State. The procedures delineated in the proposed new rules will provide protection for the interests of the riding public, the taxpayers who subsidize such services, and the individual motor bus carriers who submit proposals.

Economic Impact

NJ TRANSIT presently contracts with motorbus carriers to provide regular route bus services on various routes throughout New Jersey. For Fiscal Year 2018, approximately 11 million passenger trips were provided on these routes at a contract cost of approximately 47 million dollars. The continuation of this program is expected to provide economies to the residents of New Jersey, which would not be available without the program. Carriers choosing to respond to the competitive procurement process conducted for these contracts will incur administrative costs

associated with the preparation of the carrier's RFP and the related RFP evaluation process.

Federal Standards Statement

The proposed new rules are not subject to any Federal standards and, therefore, a Federal standards analysis is not required.

Jobs Impact

NJ TRANSIT does not anticipate that implementation of the proposed new rules will result in the generation or loss of jobs in the State.

Agriculture Industry Impact

The proposed new rules have no impact on the agriculture industry.

Regulatory Flexibility Analysis

The proposed new rules apply to persons and entities who wish to submit proposals to operate regular route bus service pursuant to a contract with NJ TRANSIT. Some of these entities may be small businesses as the term is defined in the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq. The proposed new rules do not impose any recordkeeping or reporting requirements. The proposed new rules require compliance, in that such proposals be submitted in a specified manner and time period. No different treatment has been provided for small businesses. The proposed new rules provide for equal treatment of businesses in the process, whether large or small, in the interests of fairness to all proposers. The amount and types of information required are necessary for NJ TRANSIT to make decisions regarding not only the financial benefits, but of safety issues as well.

Housing Affordability Impact Analysis

NJ TRANSIT does not anticipate any impact on housing affordability as a result of the proposed new rules. The proposed new rules govern contracting with private bus carriers for the operation of regular bus service in order to reduce the cost of providing such services. As such, the proposed new rules will have no effect on housing units or on the average costs of housing.

Smart Growth Development Impact Analysis

The proposed new rules govern contracting with private bus carriers for the operation of regular bus service in order to reduce the cost of providing such services. The proposed new rules will have no effect on the affordability of housing or on housing production within Planning Areas 1 or 2, or within designated centers, under the State Development and Redevelopment Plan. The proposed new rules will increase transportation options and transit availability and reduce automobile traffic and dependency.

Racial and Ethnic Community Criminal Justice and Public Safety Impact

NJ TRANSIT has evaluated this rulemaking and determined that it will not have an impact on pretrial detention, sentencing, probation, or parole policies concerning adults and juveniles in the State. Accordingly, no further analysis is required.

Full text of the proposed new rules follows:

CHAPTER 85

CONTRACTING OUT POLICIES AND PROCEDURES

SUBCHAPTER 1. GENERAL PROVISIONS

16:85-1.1 Purpose

(a) New Jersey Transit Corporation (NJ TRANSIT) was established by the New Jersey Public Transportation Act of 1979, N.J.S.A. 27:25-1 et seq., as an instrumentality of the State to establish and provide for the operation and improvement of a coherent public transportation system in the most efficient and effective manner. One of the ways by which NJ TRANSIT fulfills this responsibility is by reviewing opportunities to contract out its regular route bus services. In April 1986, the NJ TRANSIT Board of Directors adopted a contracting out policy to govern how the bus services provided by NJ TRANSIT might be contracted out in order to reduce the cost of providing such services.

(b) The Board of Directors of NJ TRANSIT adopted its first contracting policies and procedures rules in 1993. This policy also

established that all new NJ TRANSIT regular route bus service, and all redefined NJ TRANSIT routes resulting from a major restructuring of service, could be contracted out. Since 1986, NJ TRANSIT has awarded numerous contracts for the provision of regular route service to private bus carriers or determined that such services would be operated by NJ TRANSIT in accordance with the procedures set forth in this chapter. The rules constitute NJ TRANSIT's policy statement and procedures concerning contracting for the operation of regular route bus service. They are intended to govern whenever NJ TRANSIT performs a competitive procurement process seeking proposals for the operation of regular route bus services.

16:85-1.2 Definitions

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

"Affiliate" means any individual, company, proprietorship, corporation, agency, trust, or partnership where, by reason of the relationship of such entity with the carrier (whether by reason of the method of, or circumstances surrounding, organization or operation, or whether established through common directors, officers, stakeholders, a voting trust or trusts, a holding or investment company or companies, family relationships, or any other direct or indirect means) there is a reason to believe that the affairs of the carrier may be managed in the interest of such individual, company, proprietorship, corporation, agency, trust, or partnership.

"Board" means the Board of Directors of NJ TRANSIT.

"Carrier" or "private carrier" means any person, firm, corporation, or any type of entity that proposes to provide regular route bus service for NJ TRANSIT.

"Direct costs" also known as "variable costs," means expenses that are directly attributable to the operation of the service and vary with the level of service provided, which, by way of example, include bus operator and mechanics' wages, tolls, fees, fuel, and parts.

"Executive Director" means the Executive Director of NJ TRANSIT, or his or her designee.

"Fixed costs" means expenses that tend to remain constant in amount regardless of variations in volume of activity within a relevant range of service level, which, by way of example, include garage leases and rentals and real estate taxes.

"Marginal cost" means the incremental cost, also known as avoidable cost, and not the fully allocated cost, as dictated by concepts of financial cost accounting and as deemed appropriate to mass transit activities by NJ TRANSIT.

"Marginal or avoidable cost analysis" means an evaluation of the cost of operating a service or the savings to be obtained from not operating a service utilizing direct costs. In addition, semi-variable costs may be utilized in the cost analysis but only if the semi-variable costs result in additional costs or in cost savings. If no additional costs or savings are to be incurred in the "semi-variable cost" category, such costs should not be included in the analysis.

"New service" and "major restructuring" of service means regular route bus service, that:

1. Has not been operated by any bus carrier (public or private) before;
2. Links or connects an origin/destination pair that has not been linked by regular route bus service before;
3. Links an origin/destination pair in a route pattern that has not existed before or is substantially different in streets, patterns, or bus stops, in response to significant changes in passenger trip generators and anticipated market demand;
4. Results from the reinstatement, in whole or in part, or in any modified manner, of any previously operated and discontinued service in response to significant changes in passenger trip generators and anticipated market demand;
5. Has been abandoned by a private carrier and which NJ TRANSIT has determined should continue, without interruption, either partially or completely, in the interest of public need; or
6. Results from the major restructuring of multiple NJ TRANSIT existing bus routes, meaning the restructuring of bus service in a specific contiguous area served by those routes, so as to materially and

PROPOSALS

substantially reduce from, add to, or alter the levels of service of those combined routes.

“NJ TRANSIT” means the New Jersey Transit Corporation.

“NJ TRANSIT operating subsidiary” means any of the three wholly owned bus operating subsidiaries of NJ TRANSIT: NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc.

“Regular route bus services” means the operation of any motor bus or motor buses on streets, public highways, or other facilities, over a fixed route and between fixed termini on a regular schedule for the purpose of carrying passengers for hire, in this State or between points in this State and points in other states. For purposes of this chapter, “regular route bus service” also refers to bus routes that NJ TRANSIT is authorized by law to possess or that NJ TRANSIT actually operates, or could operate, pursuant to law.

“Semi-variable costs” means that portion of expenses that change in total in the same direction as the changes in volume but not proportionately thereto which by way of example include garage costs, management and supervisory costs, finance and data processing costs, and labor relations/personnel costs.

SUBCHAPTER 2. CRITERIA FOR CONTRACTING OF BUS SERVICE

16:85-2.1 Introduction

(a) Carriers have no right of any kind to the receipt of any contract for any regular route bus service pursuant to this chapter and the award of such service contracts will always be at the sole discretion of NJ TRANSIT acting in the exercise of its business judgment and pursuant to N.J.S.A. 27:25-6.b.

(b) NJ TRANSIT is not required to contract for the operation of any regular route bus service. However, from time-to-time, as it may deem proper, NJ TRANSIT may offer for contracting, one or more regular route bus services. NJ TRANSIT’s decision as to which specific routes may be offered for contracting will be based on NJ TRANSIT’s determination of which services will serve NJ TRANSIT’s best interests by being operated through a contract for service. However, all new NJ TRANSIT regular route bus service, and all NJ TRANSIT routes resulting from a major restructuring of service, will be offered for contracting, unless NJ TRANSIT determines that doing so will not provide for the operation of such regular route bus service in the most effective, efficient, coordinated, safe, and responsive manner.

16:85-2.2 Financial criteria

(a) The decision to award to a carrier, a contract for regular route bus service will be made by NJ TRANSIT based upon whether such an award substantially improves the financial position of NJ TRANSIT. NJ TRANSIT will make such a determination by establishing a benchmark cost against which proposed costs shall be compared. The benchmark is not a bid, but rather is a detailed estimate of the incremental costs by an NJ TRANSIT operating subsidiary to operate the subject regular route service. Since the measurement of cost must be based on the net actual cost increase or cost savings to NJ TRANSIT, the marginal cost of operating the service will be used to determine the benchmark.

(b) The benchmark cost figure shall include, but not be limited to, the following types of costs: operators’ labor, mechanics’ labor, cleaners’ labor, fringe benefits, fuel and lubricants, rentals, insurance, toll and departure fees, commissions, and all other direct costs. The benchmark may reflect any cost-related agreements reached in advance in writing between any NJ TRANSIT operating subsidiary and its unions in accordance with the applicable collective bargaining agreements. The benchmark shall be prepared confidentially by designated staff and will not be disclosed to staff involved in the evaluation of private carrier cost proposals until all proposals have been received and opened.

(c) Proposals from carriers that achieve the minimum technical evaluation score in accordance with N.J.A.C. 16:85-3.8 and offer to provide the regular route bus service at a cost less than the established benchmark, subject to (a) above and (d) below, shall be deemed to improve NJ TRANSIT’s financial position. NJ TRANSIT shall determine whether such improvements in its financial position are substantial.

(d) Additional cost factors, which shall be included in NJ TRANSIT’s assessment of proposals shall include, but are not limited to:

1. Lost opportunities to use part-time labor on other NJ TRANSIT routes, which result in cost increases for NJ TRANSIT;
2. All costs related to labor protection (unless the carrier agrees to assume such cost);
3. Any additional cost that NJ TRANSIT will incur, including monitoring and administrative costs, such as revenue collection equipment and services associated with the contract; and
4. Any necessary facility improvement cost that NJ TRANSIT will incur in order to accommodate the proposed service.

16:85-2.3 Non-financial considerations

(a) NJ TRANSIT’s decision to contract out regular route bus service is not based solely on the financial factors described in N.J.A.C. 16:85-2.2. In determining whether to contract out regular route bus services, NJ TRANSIT shall also consider the following non-financial factors:

1. The impact that the contracting out of these services will have on the provision of regular route bus services in the most effective, efficient, coordinated, safe, and responsive manner;
2. The need to encourage, to the maximum extent feasible, the participation of private enterprise in the provision of regular route bus services;
3. Whether a carrier, or its affiliates, are current in its, or their, accounts, with NJ TRANSIT or any other agency of the State of New Jersey;
4. The adequacy of performance by a carrier or its affiliates under other contracts or leases with NJ TRANSIT;
5. The carrier’s compliance with applicable United States Department of Transportation Federal Motor Carrier Safety Administration (FMCSA) and New Jersey Motor Vehicle Commission (NJMVC) rules and regulations, the safety performance and rating of the carrier, and the record of the carrier’s vehicle inspections performed by FMCSA, NJMVC, or the regulatory agencies of other states;
6. Whether a carrier has the ability to maintain and operate the equipment associated with the service; and
7. Any other factor that NJ TRANSIT deems relevant to a particular proposal and deems to be in the public interest.

SUBCHAPTER 3. REQUESTS FOR PROPOSALS

16:85-3.1 Solicitation for proposals

Proposals for the provision of regular route bus services shall be solicited by NJ TRANSIT in a manner that encourages, to the maximum extent feasible, private carrier participation, unless it is otherwise deemed appropriate by NJ TRANSIT to utilize, on a case-by-case basis, a different method of solicitation due to the special needs and requirements of NJ TRANSIT.

16:85-3.2 Proposers’ disqualifications

Proposals from private carriers who, at the time of the proposal, are in breach of any agreement with NJ TRANSIT, debarred, and/or in destructive competition with NJ TRANSIT shall not be considered.

16:85-3.3 Form and procedure for proposal

(a) Where NJ TRANSIT uses a request for proposal (RFP) to seek proposals, the RFP shall identify and contain, but not be limited to, the following:

1. Standards of service;
2. Standards of equipment and facility maintenance;
3. Audit and inspections;
4. Revenue system and collection process;
5. Reporting requirements; and
6. Proposal format and evaluation process.

(b) The proposal format shall consist of two sections:

1. Technical qualification; and
2. Cost qualification.

(c) Both proposal sections must be separately sealed and delivered to the NJ TRANSIT Procurement Department no later than the deadline specified in the RFP. Proposals must comply with all the terms and conditions of the solicitation or may be rejected as non-responsive. Persons or entities who wish to receive an RFP from NJ TRANSIT must

file a written request to be provided with a specific RFP. A request for one RFP shall not be regarded as a continuing request for future RFPs.

16:85-3.4 Amendment of request for proposals

(a) If after the issuance of an RFP, but before the time of opening of the proposals, NJ TRANSIT deems it necessary to make changes in scope, closing dates, or any other part of the RFP, or to correct a defective or ambiguous RFP, such changes shall be accomplished by the issuance of an amendment to the RFP or the RFP may be cancelled if deemed appropriate by NJ TRANSIT. The amendment or notice of cancellation shall be sent to those parties who have indicated in writing an interest to be supplied with the specific RFP in accordance with N.J.A.C. 16:85-3.3.

(b) Any information given to a prospective proposer concerning an RFP shall be furnished promptly to all other prospective proposers as an addendum to the RFP, if such information is deemed by NJ TRANSIT to be beneficial to the proposers in submitting proposals, or if the lack of such information would be prejudicial to uninformed proposers.

16:85-3.5 Cancellation of requests before opening

Where an RFP is cancelled, proposals that have been received shall be returned unopened to the proposers and a notice of cancellation shall be sent to all prospective proposers to whom the RFP was issued. The notice of cancellation shall identify the RFP.

16:85-3.6 Receipt and safeguarding of proposals

(a) All proposals received prior to the time of opening shall be kept secure, and except as provided in (b) below, unopened. If an RFP is cancelled, or if a proposer withdraws its proposal, all proposals, or the withdrawn proposal, as the case may be, shall be returned.

(b) Unidentified proposals may be opened solely for the purpose of identification and then immediately resealed. A record of this event shall be kept in the RFP file.

(c) All proposals received prior to, or at the time designated in the RFP for formal receipt, shall be distributed by the Procurement Department for review to designated NJ TRANSIT employees who have been identified by the Director of Private Carrier Affairs.

(d) The NJ TRANSIT benchmark, and a copy of any agreement between NJ TRANSIT and its unions regarding cost considerations that have been agreed upon, shall be delivered to the Procurement Department where it will be held in confidence and safeguarded until completion of the evaluation of the technical and cost proposals.

16:85-3.7 Late submittals

Proposals not received prior to or at the time designated in the RFP for formal receipt shall not be considered. Late proposals shall be returned to the proposer unopened.

16:85-3.8 Evaluation of proposals

Based on a technical qualification evaluation, proposers' experience and ability to provide the service shall be scored. Proposers must obtain a minimum score as determined by NJ TRANSIT on the technical qualification evaluation before their cost proposal may be considered. The cost proposals of proposers not achieving the minimum technical qualification score will not be opened or considered. The technical evaluation criteria shall be specified in each specific RFP.

16:85-3.9 Negotiations

Negotiations may be conducted by NJ TRANSIT with all proposers whose proposals have the potential, following negotiations, to be considered by NJ TRANSIT to be in the best interests of NJ TRANSIT.

16:85-3.10 Cancellation, withdrawal, and rejection of proposals

(a) A request for proposals may be cancelled and withdrawn and all proposals rejected at any time before or after opening, but prior to award to a proposer, where NJ TRANSIT determines in writing that:

1. Inadequate or ambiguous specifications were given in the RFP;
2. The services being contracted are no longer required;
3. The RFP did not provide for consideration of all factors of service quality or cost to NJ TRANSIT;
4. All otherwise acceptable proposals received were at unreasonable prices as determined by the criteria established for a specific RFP;
5. Proposals were not independently arrived at in open competition, were collusive, or were submitted in bad faith; or

6. For other reasons, cancellation is in the best interest of NJ TRANSIT.

16:85-3.11 Rejection of individual proposals

(a) Any proposal that materially fails to conform to the requirements of the RFP shall be rejected.

(b) Proposals received from carriers determined by NJ TRANSIT to be not responsible shall be rejected.

(c) Those carriers whose proposals are rejected will be notified of the reasons therefor.

16:85-3.12 Debriefing

Upon written request, unsuccessful proposers shall be informed in general terms, through a face-to-face debriefing, only of reasons for non-acceptance of their proposals without disclosing other proposers' confidential information or NJ TRANSIT confidential information. NJ TRANSIT shall establish, within an RFP, specific time limits to request a debriefing in anticipation of a dispute.

16:85-3.13 Dispute resolution

NJ TRANSIT is an entity of the State of New Jersey. However, NJ TRANSIT may utilize as part of its RFP process a dispute resolution procedure. Such procedure may be used to resolve disputes arising out of NJ TRANSIT's decisions involving the contracting for bus service prior to the award of a bus service contract by the Board. Any such procedure is not designed to confer any right on a carrier to obtain a hearing under New Jersey's Administrative Procedure Act. Upon the Board's award of a bus service contract, any unsuccessful proposer may seek judicial review of the final agency action of NJ TRANSIT by filing the appropriate appeal with the Superior Court of New Jersey, Appellate Division, as provided by R.2:2-3(a)(2).

16:85-3.14 Award

If an award is made, the award shall be made to that carrier whose proposal, conforming to the request for proposals, will be most advantageous to NJ TRANSIT, as so determined by NJ TRANSIT.

TREASURY—GENERAL

(a)

OFFICE OF PUBLIC FINANCE

Public-Private Partnership Rules

Proposed New Rules: N.J.A.C. 17:49

Authorized By: Elizabeth Maher Muoio, State Treasurer.

Authority: P.L. 2018, c. 90.

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

Proposal Number: PRN 2019-086.

Please submit written comments by August 16, 2019, to:

Jennifer Keyes-Maloney
 Department of the Treasury
 225 W State Street, 4th Floor
 Trenton, NJ 08625-0211
 Attn: Public-Private Partnership Rule Proposal
Jennifer.maloney@treas.nj.gov

The agency proposal follows:

Summary

The Department of the Treasury ("Department" or "Treasury") proposes new rules at N.J.A.C. 17:49 to implement the Public-Private Partnership Program established pursuant to P.L. 2018, c. 90.

The law is intended to give State, county, and local officials flexibility to improve their communities while leveraging private capital to invest in public infrastructure. The government bodies, which include school districts, municipalities, counties, and State entities, including State colleges and universities, may enter into a public-private partnership agreement with a private organization, which would assume the financial

EXHIBIT B

TRANSPORTATION

NEW JERSEY TRANSIT CORPORATION

New Jersey Transit Contracting Out Policies and Procedures

Notice of Adoption: N.J.A.C. 16:85

Notice of Adoption of New Rules: N.J.A.C. 16:85

Proposed: June 17, 2019 at 51 N.J.R. 953

Adopted: ____, 2020, by New Jersey Transit Corporation, Kevin S. Corbett, President and Chief Executive Officer.

Filed: ____, 2020 as R. 2020 ____, without changes.

Authority: N.J.S.A. 27:25-5 and 6.b.

Effective Date:

Expiration Date:

Summary of Public Comments and Agency Responses:

The comment period officially ended on August 16, 2019. The New Jersey Transit Corporation ("NJ TRANSIT") received comments from the Bus Association of New Jersey, Inc ("Bus Association"). They are summarized below along with the responses.

1. COMMENT: As proposed, N.J.A.C. 16:85-2.2(b) establishes benchmarks used by NJ TRANSIT to determine whether to award a bid for regular bus service to a private carrier. The Bus Association seeks to amend the proposed benchmarks to include overhead allocation (the apportionment of indirect costs to operating a route). The

EXHIBIT B

comment states that bids will already include overhead allocation in cost determinations, since it's sound accounting methodology. As a result, the Bus Association believes that this additional information will serve as the basis of comparison for bids submitted by private carriers. Furthermore, the Bus Association believes that the inclusion of overhead allocation in the benchmark into the regulation will provide a more accurate representation of the actual cost to operate the route as well as a more realistic comparison.

RESPONSE: NJ TRANSIT reviewed the suggested language and determined it was not necessary. NJ TRANSIT's benchmark analysis under section 16:85-2.2 contains sufficient metrics relating to direct costs, which allow for a fair comparison between its operations and those of private carriers. NJ TRANSIT will not include this suggestion in the final rule.

2. COMMENT: Comments propose a new section requiring NJ TRANSIT to more closely review a private carrier's ability to financially absorb the route (as a part of the RFP process or prior to being awarded contract). Currently, the process requires audited financial statements from carriers. However, the comments suggest requiring private carriers to obtain a performance bond to demonstrate their ability to meet demands of route.

RESPONSE: NJ TRANSIT believes that its existing financial controls, under this new regulation and its RFP process, are adequate to make the necessary determinations.

EXHIBIT B

For this reason, it will not require carriers to obtain a performance bond prior to being awarded a contract to operate.

Summary of Agency-Initiated Changes:

None.

Full text of the readopted rules can be found in the New Jersey Administrative Code at N.J.A.C. 16:85.

ITEM 2006-38: NJ TRANSIT – ADVERTISING CONTRACTUAL PAYMENT MODIFICATION

WHEREAS, in 2017 NJ TRANSIT sought competitive proposals for a new seven-year advertising revenue contract, with a potential three-year extension, to start on September 1, 2018; and

WHEREAS, Intersection Media, LLC of New York, New York, offered the greatest value in terms of a combination of minimum annual guarantee, revenue share, capital expenditures, and expertise in both deploying and selling digital advertising assets that also offer amenities to transit customers; and

WHEREAS, the NJ TRANSIT Board approved Item 1808-58: Advertising Revenue Contract, whereby NJ TRANSIT authorized Intersection Media, LLC to expand NJ TRANSIT's advertising inventory to include the installation of new interactive kiosks as well as replacements and upgrades for existing NJ TRANSIT digital displays, which resulted in increased revenue for NJ TRANSIT as well as new and improved amenities for our customers; and

WHEREAS, NJ TRANSIT entered into Advertising Revenue Contract Agreement No. 17-033 (the "Agreement") in September 2018 for a term of seven years; and

WHEREAS, the Agreement mandates Intersection Media, LLC to pay to NJ TRANSIT an agreed Minimum Annual Guarantee amount for each contract year, in the form of monthly payments due on the twentieth (20th) of each calendar month; and

WHEREAS, Intersection Media, LLC is seeking temporary relief from their contractual monthly Minimum Guarantee payments, claiming they have experienced a drastic decrease in advertising revenue and operational cash flow due to the COVID-19 measures employed by local, state and federal government to support social distancing and the mandatory work from home policy; and

WHEREAS, NJ TRANSIT seeks authorization to modify the monthly contractual Minimum Guarantee payments from Intersection Media, LLC, for a period of six months, from March 2020 through August 31, 2020, at which time Intersection will revert back to the terms of the original Agreement, in accordance with the terms discussed in Executive Session, to provide relief to its advertising contractor and enable Intersection to continue to implement uninterrupted non-farebox revenue initiatives;

NOW, THEREFORE, BE IT RESOLVED that the Chair or President & CEO is authorized to take any and all actions to implement a temporary modification of Intersection Media, LLC's monthly Minimum Guarantee payments approved in Board Item 1808-587, in accordance with the terms discussed in Executive Session.

ITEM 2006-39

**HOBOKEN RECORDS BUILDING PROJECT;
CONSTRUCTION CONTRACT AWARD**

June 18, 2020



ITEM 2006-39 HOBOKEN RECORDS BUILDING



The Records Building in the City of Hoboken, Hudson County, NJ is located at Hoboken Terminal along Observer Highway on the north side of the yard.

ITEM 2006-39 HOBOKEN RECORDS BUILDING



A recent roof parapet collapse, along with severe deterioration, has created an unsafe condition for the safety of pedestrians and the potential to damage the newly constructed Substation located nearby. – DCA has ordered the building to be demolished by **June 30**

ITEM 2006-39 HOBOKEN RECORDS BUILDING

VISION/GOALS:

- To create a safe area for pedestrian flow, rail operations and protection of the newly constructed Substation.



ITEM 2006-39 HOBOKEN RECORDS BUILDING

The Action: The Hoboken Records Building project involves executing the final alternate after conclusion of the Section 106 process (still ongoing), which range from stabilization to demolition.

The Ask: Authorization for amount as discussed in executive session, subject to availability of funds, to allow NJ TRANSIT to move forward quickly with limited competition to engage a contractor to carry out the option concluded by the Section 106 process for public safety.

ITEM 2006-39: HOBOKEN RECORDS BUILDING PROJECT: CONSTRUCTION CONTRACT AWARD

WHEREAS, NJ TRANSIT's Hoboken Records Building Project is to mitigate the existing public safety and structural capacity concerns related to the Records Building in the City of Hoboken, Hudson County, New Jersey; and

WHEREAS, the Records Building is located at Hoboken Terminal along Observer Highway on the north side of the yard and is adjacent to the newly constructed Observer Highway Substation; and

WHEREAS, severe deterioration visibly observed in the Records Building façade have raised concerns for both the safety of pedestrians walking near the building and the possibility that the new substation could sustain damage should bricks fall away from the building's façade; and

WHEREAS, it was determined that, under the stipulations of the 2001 Programmatic Agreement for the Hoboken Terminal and Yard Master Plan, any action likely to result in an adverse effect to the Records Building (such as demolition) required review under the National Historic Preservation Act (Section 106); and

WHEREAS, the New Jersey Department of Community Affairs (DCA) has issued an order that the building is to either be demolished or have an agreement in place to stabilize the building by no later than June 30, 2020, or else incur fines; and

WHEREAS, the Section 106 process is not yet completed, and no agreement has yet been memorialized for future actions at the Records Building under Section 106 process; and

WHEREAS, as the June 30, 2020 deadline of the DCA order approaches, NJ TRANSIT is proactively seeking to retain a contractor to quickly execute the chosen option at the conclusion of the Section 106 process so as to reduce or eliminate incurring fines from the DCA; and

WHEREAS, this construction project for the Records Building will provide a safer area for pedestrian and employee thoroughfare along with protecting the adjacent Observer Highway and tracks adjacent to that location; and

WHEREAS, Transportation Trust Fund is the anticipated sources of funding for this project;

NOW, THEREFORE, BE IT RESOLVED, that the Chair or President & CEO is seeking authorization for a cost not to exceed the amount discussed in Executive Session to allow NJ TRANSIT to move forward quickly with limited competition for demolition services for public safety upon completion of the Section 106 process and the selection of one of the alternatives.

ITEM 2006-40: LEASE OF TWO HUDSON PLACE, HOBOKEN, NEW JERSEY FOR THE RELOCATION OF NJ TRANSIT EMPLOYEES WORKING IN THE HOBOKEN TERMINAL LONG HALL

WHEREAS, the condition of NJ TRANSIT's Hoboken Terminal has been deteriorating due to its age and recurring flooding events such as Superstorm Sandy; and

WHEREAS, approximately 170 employees, including Police and Hoboken Terminal employees, currently occupy the second-floor space in the Hoboken Terminal Building known as the Long Hall;

WHEREAS, the relocation of NJ TRANSIT's employees from the Long Hall will allow for the implementation of a plan to renovate the Terminal Building while protecting employees from potential hazards associated with continued deterioration of the building and with limited disruption to operations; and

WHEREAS, NJ TRANSIT has negotiated a ten-year and three-month lease with Hoboken Holdings L.P., a Delaware limited partnership, for approximately 11,168 square feet of space in their building at Two Hudson Place, Hoboken, New Jersey 07030, across the street from the Hoboken Terminal, with the total rent, estimated expenses and cost to fit out the space to NJ TRANSIT in an amount discussed in Executive Session;

NOW, THEREFORE, BE IT RESOLVED that the Chair or President & CEO is authorized to enter into a ten-year and three-month lease with Hoboken Holdings L.P., a Delaware limited partnership, having a mailing address c/o National Realty and Development Corp., 3 Manhattanville Road, Suite 202, Purchase, New York 10577-2117, of approximately 11,168 square feet of office space in their building located at Two Hudson Place, Hoboken, New Jersey 07030, for a total cost discussed in Executive Session which includes rent, estimated expenses and fit out costs, plus five percent for contingencies.

ITEM 2006-41: MODIFICATION OF PARKING COVENANT IN DOVER, NEW JERSEY

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

WHEREAS, a predecessor company to NJ TRANSIT, Hudson Realty, conveyed Block 1219, Lot 2 to the Town of Dover for \$1.00 with a deed covenant requiring that the property be used only for public/commuter parking; and

WHEREAS, Block 1219, Lot 2 in the Town of Dover currently contains 159 parking spaces designated for public/commuter parking; and

WHEREAS, the Town of Dover has designated Dover Veterans Urban Renewal Housing Associates, LLC, an affiliate of Pennrose, as Developer to develop affordable housing with a preference for Veterans on Block 1219, Lot 2 in the Town of Dover also known as Lot D, but would require that the deed covenant in favor of NJ TRANSIT be modified to permit such development; and

WHEREAS, NJ TRANSIT staff has negotiated with the Town of Dover and Pennrose, the designated Developer, to modify the Restrictive Covenant to permit the development of affordable housing with a preference for Veteran's housing; and

WHEREAS, the anticipated development project will result in a reduction of the number of parking spaces available for public/commuters use from 159 spaces to 74 spaces; and

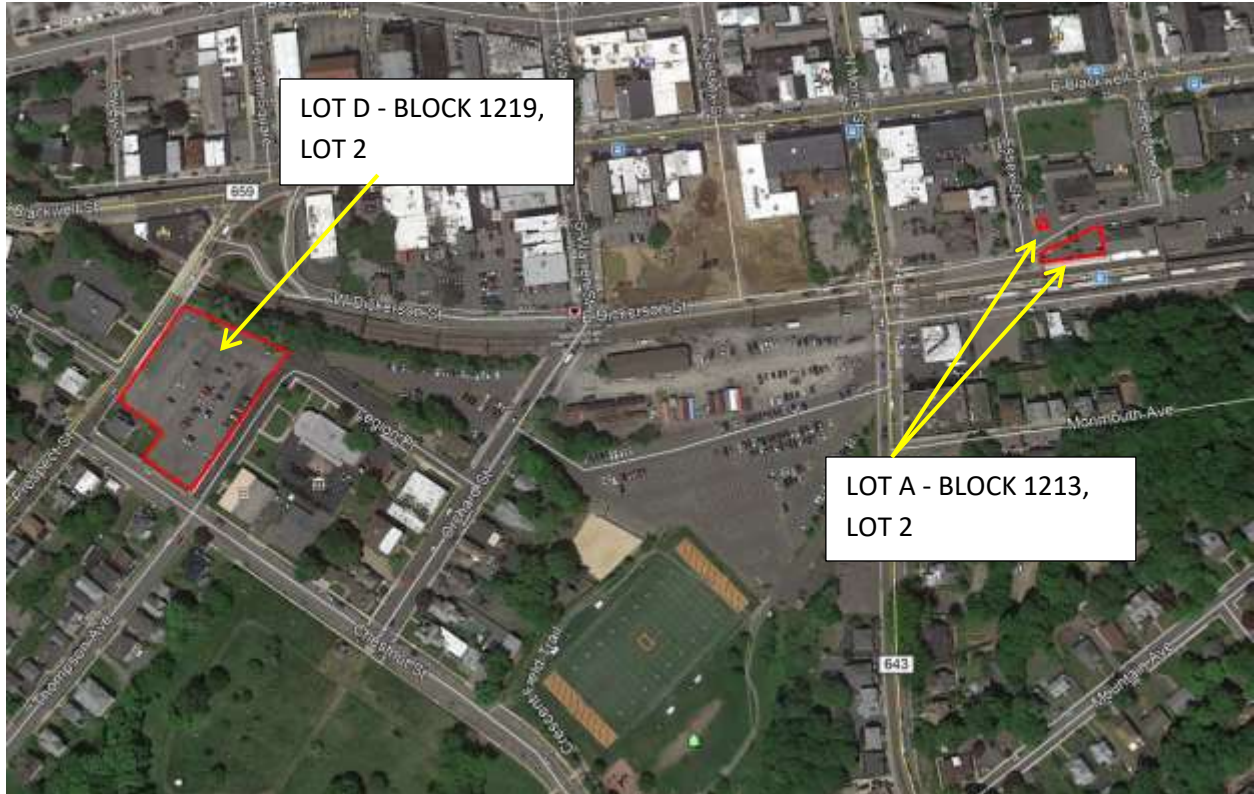
WHEREAS, 40 of the 74 parking spaces, will remain in Lot D, and be designated for public/commuter parking, from 6 AM to 8 PM, while 34 parking spaces will be relocated to the Town-owned parking lot identified as Block 1213, Lot 2, and also known as Lot A, located on Dickerson Avenue, adjacent to the Dover Station building, and will be available for commuter/or public use, 24 hours per day, 365 days per year; and

WHEREAS, in exchange for the modification of the Restrictive Parking Covenant, NJ TRANSIT will receive cash consideration in an amount discussed in Executive Session; and

WHEREAS, the negotiated agreement would assist the Town of Dover in providing affordable housing while preserving public parking and promoting Transit Oriented Development;

NOW, THEREFORE, BE IT RESOLVED that the Chair or President & CEO is hereby authorized to take all actions necessary, including, but not limited to the execution of all documents, to negotiate and enter into agreements with Dover Veterans Urban Renewal Housing Associates, LLC, an affiliate of Pennrose, and with the Town of Dover to modify the deed covenant on Block 1219, Lot 2 in the Town of Dover, to permit the development of affordable housing with a preference for Veteran's housing, thus decreasing the number of spaces available for public parking to 40 in Block 1219, Lot 2, also known Lot D from 6 a.m. to 8 p.m., and relocating 34 parking spaces to the Town-owned parking lot identified as Block 1213, Lot 2, also known as Lot A, located on Dickerson Avenue, to be designated for public/commuter parking 24 hours a day, 7 days a week, in exchange for cash consideration discussed in Executive Session.

EXHIBIT A



ITEM 2006-42: CORPORATE INSURANCE PROGRAM ANNUAL RENEWAL

WHEREAS, NJ TRANSIT maintains a Corporate Risk Management Insurance Program to protect its customers, employees, directors, officers and property against personal injury and damage in the event of accidents and other casualties; and

WHEREAS, it is in the best interest of NJ TRANSIT and sound fiscal policy to continue to maintain the Corporate Insurance Program; and

WHEREAS, NJ TRANSIT is negotiating the renewal of its Corporate Risk Management Insurance Program and the services necessary to administer the program for FY2021;

NOW, THEREFORE, BE IT RESOLVED that the Chair or President & CEO is authorized to revise and renew the Corporate Insurance Program and to include services necessary to administer the Program for the period July 1, 2020 through June 30, 2021 at an annual cost not to exceed an amount discussed in executive session, plus five percent for contingencies, subject to the availability of funds and adoption of the FY2021 Operating Budget; and

BE IT FURTHER RESOLVED that the Chair or President & CEO is authorized to enter in an agreement with Helmsman Management Services, LLC for workers' compensation claims handling and administration services at a cost not to exceed an amount discussed in executive session for a period of three years beginning on July 1, 2020 with two, one-year renewal options, subject to the availability of funds, adoption of the FY2021 Operating Budget, and future operating budgets.

ITEM 2006-43: ADVANCED SPEED ENFORCEMENT SYSTEM II – POSITIVE TRAIN CONTROL: CONTRACT AMENDMENTS FOR IMPLEMENTATION

WHEREAS, the Rail Safety Improvement Act of 2008 (RSIA 2008), Positive Train Control Enforcement and Implementation Act of 2015 (PTCEI 2015), and subsequent Federal Railroad Administration (FRA) regulations require commuter rail systems to implement Positive Train Control (PTC); and

WHEREAS, NJ TRANSIT is required to implement PTC along all its commuter rail line right-of-way and on rail rolling stock; and

WHEREAS, this PTC system, known as the Advanced Speed Enforcement System II (ASES II PTC), is also required to provide interoperability with Amtrak's Northeast Corridor (NEC) Advanced Civil Speed Enforcement System II (ACSES II) technology and the freight-based Interoperable Electronic Train Management System (I-ETMS); and

WHEREAS, implementation of PTC will enhance the safety of customers and employees on NJ TRANSIT rail services and permit compliance with Federal law; and

WHEREAS, the Positive Train Control Enforcement and Implementation Act of 2015 required that Class I railroads and certain commuter railroads, including NJ TRANSIT, implement PTC systems by December 31, 2018; and

WHEREAS, the law permits a railroad to request the FRA's approval of an "alternative schedule" with a deadline extending beyond December 31, 2018, but no later than December 31, 2020, for PTC system implementation; and

WHEREAS, to qualify for an alternative schedule, a railroad must demonstrate that certain statutory criteria were met on or before December 31, 2018; and

WHEREAS, NJ TRANSIT took a series of steps to position the railroad to meet the statutory compliance requirements of the Positive Train Control Enforcement and Implementation Act of 2015; and

WHEREAS, on June 26, 2018 the Federal Railroad Administration approved NJ TRANSIT's request for "substitute criteria" which clarified the requirements NJ TRANSIT must meet by December 31, 2018 in order to qualify for an alternative schedule; and

WHEREAS, NJ TRANSIT met those requirements, and qualified for an alternative schedule; and

WHEREAS, on February 22, 2019 the Federal Railroad Administration approved NJ TRANSIT's alternative schedule providing for a two-year extension for project completion to December 31, 2020; and

WHEREAS, NJ TRANSIT previously contracted with Parsons Transportation Group to design, furnish, construct, test, and commission the Advanced Speed Enforcement System II – Positive Train Control (ASES II PTC) system for NJ TRANSIT; and

WHEREAS, to meet the December 31, 2020 Positive Train Control project deadline and resolve certain open pending claims, Notices of Proposed Changes, and Contractor Initiated Changes, NJ TRANSIT and Contractor have agreed in principle to a proposed Change Order for resolve said issues;

NOW, THEREFORE, BE IT RESOLVED that the Chair or President & CEO is authorized to amend NJ TRANSIT Contract No. 10-099X with Parsons Transportation Group of New York, New York, at a cost not to exceed the amount discussed in Executive Session, subject to the availability of funds.

EXECUTIVE SESSION AUTHORIZATION

BE IT HEREBY RESOLVED pursuant to N.J.S.A. 10:4-12 and N.J.S.A. 10:4-13 that the Board of Directors of the New Jersey Transit Corporation hold an executive session to discuss personnel matters, contract negotiations, the status of pending and anticipated litigation, and matters falling within the attorney-client privilege; 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.