

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

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

May 20, 2014

Dear Governor Christie:

Pursuant to Chapter 150, Laws of 1979, I herein transmit the minutes of actions taken at the open session of the re-scheduled meetings of the New Jersey Transit Corporation, NJ Transit Rail Operations, Inc., NJ Transit Bus Operations, Inc., NJ Transit Mercer, Inc., and NJ Transit Morris, Inc., Board of Directors held on Thursday, May 15, 2014.

Sincerely,

Original Signed By

Joyce J. Zuczek
Acting Board Secretary

Enclosures

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

Minutes of the actions taken at the Open Session of the re-scheduled Board of Directors' meetings of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. held at NJ TRANSIT Headquarters, One Penn Plaza East, Newark, New Jersey on Thursday, May 15, 2014.

Present

James S. Simpson, Chairman
Bruce M. Meisel, Vice Chairman
Peter Simon, Governor's Representative
Steve Petrecca, Treasurer's Representative
Myron P. Shevell, Board Member
James C. Finkle, Jr., Board Member
Flora M. Castillo, Board Member (By Telephone)
Raymond W. Greaves, Board Member (non-voting)

Also Present

Veronique Hakim, Executive Director
Stanley Wrobel, Acting Vice President/General Manager, Bus Operations
Robert Lavell, Acting Vice President/General Manager, Rail Operations
Christopher Trucillo, Chief of Police
Kathleen M. Sharman, Chief Financial Officer & Treasurer
Penny Bassett Hackett, Acting Assistant Executive Director, Communications and Customer Service
Steve Santoro, Assistant Executive Director, Capital Planning & Programs
Alma Scott-Buczak, Assistant Executive Director, Human Resources
Leotis Sanders, Vice President Civil Rights & Diversity Programs
Warren Hersh, Auditor General
Michael Gonnella, Deputy Attorney General
Joyce J. Zuczek, Acting Board Secretary

Chairman Simpson convened the Open Session at 6:15 p.m. in accordance with the Open Public Meetings Act. Acting Board Secretary Zuczek announced that the Board Meeting was being video recorded.

Chairman Simpson welcomed everyone to one of the two evening Board meetings. He explained the agency has worked to be transparent and NJ TRANSIT realized people who work during the day are unable to attend the day meetings. Therefore, NJ TRANSIT will have two evening Board meetings each year so people who work

during the day can attend the evening meetings and be heard. Chairman Simpson thanked NJ TRANSIT's staff for staying late for the evening meetings.

Chairman Simpson welcomed Peter Simon, and said he is one of the brightest young attorneys who works at the Governor's Authorities Unit and really understands transportation. Chairman Simpson also welcomed the entire Board of Directors and noted Vice Chairman Meisel would arrive shortly. Acting Board Secretary noted Board Member Castillo was participating by telephone.

Chairman Simpson asked for a motion to adopt the minutes of the April 8, 2014 Board Meeting. A motion was made by Board Member Myron P. Shevell, seconded by Board Member James C. Finkle, Jr. and unanimously adopted.

Public Comments on Agenda Items and Other Matters

There were 12 public comments. Acting Board Secretary Zuczek announced the public comments would be limited to five minutes in order to give everyone an opportunity to be heard.

David Peter Alan, Chair of the Lackawanna Coalition, said they advocate for better transit, representing the communities and riders along the Morris & Essex, Montclair-Boonton and Gladstone Lines, and connecting transit.

Mr. Alan said he had not expected to address Chairman Simpson's departure. He said they were all impressed with Chairman Simpson's speech two months ago and had hoped the team of Chairman Simpson and Executive Director Hakim could affect some very positive change at NJ TRANSIT. Mr. Alan said they hope that can still happen, although they know it will be harder with a brand new Executive Director and a new Chairman. He said they will do everything they can to help bring about those policies that Chairman Simpson mentioned two months ago.

Mr. Alan said that an evening meeting was a truly historic occasion. He said the last time he stood at that podium at that hour of the day was over four years ago, when he objected to a proposed fare increase that was so large that it obliterated discounts for rail riders outside of peak commuting hours by 50 percent and sometimes more.

Mr. Alan said he addressed them at a regular meeting of the NJ TRANSIT Board of Directors, scheduled at that hour, in response to a request made a few months ago by Donald Winship, their Director of Communications. Mr. Alan said although he has advocated for better transit for nearly three decades, he did not remember a prior Board meeting held during the evening. He said NJ TRANSIT listened to their request and granted it, and for that reason alone, the evening makes history.

Mr. Alan said the meeting was even more momentous because NJ TRANSIT was honoring the Lackawanna Coalition, in celebration of 35 years of service to the riding public. On behalf of the Lackawanna Coalition, as well as the riders and communities they serve, he expressed their deepest appreciation for the honor. Mr. Alan said he has advocated for better transit for almost 30 years, and he never expected to live to see that day. He was deeply saddened that their longtime Legislative Director, Jim Raleigh did not live to see this day.

Mr. Alan said he knows how rare it is for government to honor an organization of concerned citizens, particularly for a governing board of a transit agency to honor rider advocates. He had never heard of a time when it happened anywhere else in the country, until one of their members showed them a clipping from the *Millburn Item* that reported a resolution from NJ TRANSIT's Board in 1984 that honored their organization following the massive re-electrification project. Mr. Alan said transit is even more important today than it was 35 years ago. He said they need it for personal mobility, community vitality, a healthy business climate, and an environment in which they can continue to live.

Mr. Alan said their leaders and members have always been people of vision, who know that transit riders must organize and fight for better transit. He said their founders did that before NJ TRANSIT was created. Mr. Alan said in 1979, Millburn Mayor Maureen Ogden founded a local commuter watchdog organization, which became the Lackawanna Coalition. He said their original Chair, Sid Palius, saw the organization through the re-electrification project of the early 1980s.

Mr. Alan said they later advocated for Midtown Direct service, the Montclair Connection, and other transit improvements, under the leadership of Al Papp, Jim Laurie, and Dave Timmer, who is currently a Project Director in NJ TRANSIT's Capital Planning and Programs Department. He said more recently they advocated for new tunnels to Penn Station initially and ultimately to Grand Central Terminal. Mr. Alan said they continue to advocate for better mobility for transit riders, and for the legitimacy and credibility that they, as representatives, deserve.

Mr. Alan said NJ TRANSIT's Board demonstrates vision by recognizing the legitimacy and credibility of the Lackawanna Coalition as a representative of NJ TRANSIT's riders and their communities. He said these attributes are now recognized, and they see it as a promise by NJ TRANSIT that they will be taken seriously in the future. In light of this, they expect to work more closely with NJ TRANSIT's Board and management than has been allowed to date.

Mr. Alan said they compliment Chairman Simpson on his vision in recognizing the importance of the Coalition and other advocacy organizations. He also expressed their hope that the experiment Chairman Simpson began by opening two of the Board's

committee meetings to the public becomes permanent for all committees, and that they will have a full and fair opportunity to influence the decisions that affect them so profoundly as riders. Mr. Alan said that should be an important part of Chairman Simpson's legacy.

Mr. Alan said they pledge to continue to advocate for better mobility for NJ TRANSIT's riders, whether they live, work or visit there. He said that includes near-term and long-term improvements in trans-Hudson mobility, restoration of trains they lost, a better fare structure and service plan, and increased transparency and openness from the Board and management, without which none of their other goals can be attained.

Board Member Bruce M. Meisel joined the Board Meeting.

Mr. Alan said their overarching objective is a genuine seat at the table for transit riders, at the time all decisions that affect transit riders are made. He said they pledge that they will not rest until that goal has been achieved. Mr. Alan said their legitimacy and credibility would be recognized officially at the Board meeting that night. He said they deeply appreciate the honor, and believe the recognition will enable them to advocate more effectively and credibly for better transit and for the riders and communities they serve.

Chairman Simpson thanked Mr. Alan for his public service and for keeping their feet to the fire. Mr. Alan said he was glad to do it and will continue to for as long as he can.

Stephen Thorpe said on a personal note, and in a special way with a heart full of gratitude, he would miss Chairman Simpson. Mr. Thorpe said Chairman Simpson did a lot of good for the NJ TRANSIT riders. He wished him the best and success in all his future endeavors and said he hopes to keep in contact with Chairman Simpson.

Mr. Thorpe said he is grateful that NJ TRANSIT rolled out the quiet cars during the off-peak hours. He said he decided to ride them to see what they are like. Mr. Thorpe said he rode on seven trains on Monday, May 5, 2014 and Friday, May 10, 2014. He said the pilot looks like a half-hearted attempt that is destined to fail by design, or a good example of how not to implement a policy.

Mr. Thorpe explained that he rode seven different trains on two different days and in the course of his travels, he found only two out of seven trains that were fully compliant with the new policy. By fully compliant, he means there was a quiet car, there was signage in the car, and there were crew announcements that it was a quiet car.

Mr. Thorpe said he found two trains on two separate lines that were fully non-compliant. He said they had no quiet cars for all or some of the trip, and only one car on one three-car train was open for the entire trip.

Mr. Thorpe said from his observations, for the most part, the crews were ambivalent about the policy. He said the Line Supervision needs to ensure it is enforced uniformly on all the lines it is being tested on. Mr. Thorpe does not believe it is being enforced uniformly.

Mr. Thorpe said additionally there has been insufficient publicity regarding the quiet car pilot program. He expressed concern about it being announced on the intercom and said sometimes it is not even announced. Mr. Thorpe said that is one of the problems because it is not being given official recognition. He asked that something be done to increase the publicity so the public riding the trains are aware of it. Mr. Thorpe said one particular example was a train from Hoboken to Spring Valley and the crew made an announcement at Hoboken but then 30 people boarded at Secaucus and there was no announcement. He said these are the types of inconsistencies he found from just a few trips.

Mr. Thorpe also raised the issue of open and closed cars. He said besides the fact that two of the trains he described as part of the quiet car program had only one car open and thus completely eliminated the possibility for a quiet car, he has noticed on many occasions that cars are closed to the public on crowded trains. Mr. Thorpe said he could not name more than one specific instance that stands out as the most egregious; however, he thinks others can cite more.

Mr. Thorpe said train #6935, the 8:20 pm train from Secaucus to Dover, on May 4, 2014 had the first west-facing car closed to passengers and in the next car, which was the first one open for passengers, they were standing until Newark Broad Street. Mr. Thorpe said when he questioned a crew member, she said not to worry because there would be seats after they left Newark Broad Street.

Mr. Thorpe does not think it is acceptable to have customers stand for 20 minutes when seats are available and said it needs to be addressed immediately. He said it was a quality of ride issue and said NJ TRANSIT needs a basic paradigm shift. Mr. Thorpe said the focus should be on transporting people, not running trains and buses.

Mr. Thorpe said in the 1960s a little wisdom was printed on the back-cover of each railroad operator's timetable. He said it stated, "Who are railroad patrons? They are the people most important to the Jersey Central Lines – in person, on the telephone or by mail. They are not dependent on us – we are dependent on them. They are not an interruption of our work – they are the purpose of it. We are not doing them a favor by serving them – they are doing us a favor by giving us an opportunity to serve them. They are not outsiders to our business – they are part of it. They are not cold statistics – they are flesh and blood human beings with feelings and emotions like our own. They

are people who bring us their business. It is our job to see that their business and requests are handled promptly and courteously.”

Chairman Simpson said the words ring true today. He said he does not think it can be said more appropriately and suggested to Executive Director Hakim it might be worth putting the policy on the back of the timetable. Chairman Simpson asked Executive Director Hakim to address the issue of the closed cars, and Mr. Thorpe to email Acting Board Secretary Zuczek the details regarding the car and line. Mr. Thorpe said he did not do it for #6935 but he usually submits the information via the website. Executive Director Hakim said that is the right thing to do.

Mr. Thorpe commended Conductor Jim Zimenoff for his proactive enforcement of the quiet car policy on the first day and said he did a fantastic job. Mr. Thorpe said he received an email stating that they were going to commend him. Chairman Simpson asked Executive Director Hakim to make sure the employee is notified and commended.

Matthew Walters said he lives in Montclair and commutes to New York City. He thanked Chairman Simpson, Executive Director Hakim and all of the Board, on behalf of the commuters, for choosing a career in public service. Mr. Walters said they realize it can often be a thankless job, but they are grateful for their help improving NJ TRANSIT. He said they hope that NJ TRANSIT can, in the words of the Beatles, take a sad song and make it better.

Mr. Walters said he is responsible for the Twitter account “Delayed on NJ TRANSIT” that has been re-tweeting hundreds of NJ TRANSIT complaints per day for the last three months. He said he recently found out that tweets do not count as official complaints to NJ TRANSIT Customer Service so he felt compelled to take a handful of the 6,000 plus tweets that he has aggregated in the last three months and read them into the public record. Mr. Walters said it was not meant to embarrass anyone, but simply to make sure that the people are heard in a public forum.

Mr. Walters read the following tweets: “So both your trains and your buses are delayed. There are only so many times my boss will take this excuse. Love when Departure Vision tells you train is coming, has arrived, and left when you have been standing at station entire time. All of those hating NJ TRANSIT for their endless delays just remember this is a product of decades of underinvestment in our infrastructure. After five months I’ve given up hope of trying to have a consistent ride on your trains. Moving to private bus service in May. Let’s talk honestly. Aren’t you horrified and embarrassed by your organization? You’re the Houston Astros of train systems and don’t seem to care. If we had more tunnels into New York City then one problem wouldn’t bring the entire system to its knees. NJ TRANSIT and Amtrak can have my first-born child if they please fix the overhead wires. Someone should do a study on how much money

NJ TRANSIT costs the economy in lost productivity every year. Amtrak is responsible too. So tired of NJ TRANSIT I think I will start driving to work. The few dollars I save is not worth the headache. I'm always late to work anyway. This is getting ridiculous. If I didn't receive email alerts my job would not believe me. Was almost written up for this before. How does it make you feel that you make countless amounts of people spend their nights in Port Authority rather than at home with families? If I win the lottery, the first thought that goes through my head will not be how rich I am, but that I no longer need NJ TRANSIT. Half the clocks in Newark Penn Station are the wrong time, it's no wonder you can't run the trains on time. I don't blame the employees of NJ TRANSIT; Chris Christie and the New Jersey Senate should be investing in NJ TRANSIT. These trains are awful. Hey if anybody is job-hunting, I am pretty sure anybody who takes the NJ TRANSIT bus to New York City daily is getting fired today. Of course I'd rather be in line than at my kid's first softball practice. Thanks NJ TRANSIT. I live seven miles from New York City. It took two hours to get home. Keep raising that bar NJ TRANSIT. NJ TRANSIT late again. Wow. Thanks for making me late to work over and over again. I love working late. If I could quit you I would. I've been commuting for two years and already it makes me want to drop out of school and move to the other side of the country."

Mr. Walters said on behalf of the 800 followers who are commuters, 50 of which are journalists and politicians, they request that NJ TRANSIT begin filing tweets as official complaints or provide an automatic link from the NJ TRANSIT official handle that sends a link to the contact us page to every single complainer. He said a lot of what he just read is humorous or giving NJ TRANSIT a hard time, but a lot are serious problems that need to be addressed. Mr. Walters said NJ TRANSIT has a Twitter account, but they are not using it properly.

Mr. Walters said on a very serious note, in the last three months he has been receiving "live tweets" during the rush hour commute, seven individuals confirmed they have moved from New Jersey to New York City, either in part or largely because of NJ TRANSIT's unreliable service. He said he has seven quotes but he knows he doesn't have time so he read the top two. Mr. Walters said Kate said "Last time I commute on NJ TRANSIT. The happiness is too much to bear. I'm moving to Brooklyn. I couldn't have a train schedule and downed wires dictate my agenda anymore." Mr. Walters said last week Tom said, "Thank God I only have to deal with you for three more weeks. It's not the only reason but definitely a big part of it. Corey Booker, Senator Menendez, come June 1st I will be living in New York City to escape this NJ TRANSIT nightmare."

Mr. Walters believes NJ TRANSIT should aim to be the best mass transit system in the region. He said he has only lived there for six months after spending 15 years in New York City. Mr. Walters said the Metropolitan Transportation Authority runs 24/7 and he understands NJ TRANSIT can't do that but said the Metropolitan Transportation

Authority did a great job for him from 1998 to last October, and still does when he commutes into the city.

Mr. Walters said when NJ TRANSIT runs, it runs amazingly, but his wife has experienced a three-hour commute from Montclair to New York Penn one way and it should be a 45-minute trip. He said in his opinion NJ TRANSIT should be like the best Bruce Springsteen songs; fun, up-tempo, and full of hope like Thunder Road or Born to Run because right now NJ TRANSIT feels like a slow depressing Springsteen song like Wreck on the Highway or Darkness on the Edge of Town.

Ryan Kuiken said he was thankful for the opportunity to speak and that the meeting was held in the evening. He said, like Mr. Walters, it was his first-time speaking at a Board meeting and he was speaking as an average commuter. He thinks it is really important that what they have to say is taken seriously and hopes other people take it seriously too. He thinks some of them do a really great job on twitter every day. He said he is very religious about it and so is Mr. Walters.

Mr. Kuiken said he hopes everyone takes it as seriously as they have a unique opportunity since they are “live tweeting” about problems every day. He said most people do not have another option to take outside of NJ TRANSIT. If the comments are taken seriously, NJ TRANSIT has time to fix problems because most people are not moving out of state. He said Mr. Walters read tweets of other people’s opinions of what is going on, but he wanted to tell his personal story.

Mr. Kuiken said last year he was assaulted by a conductor on a train. Mr. Kuiken said he attempted to board the train and the conductor physically pushed him off the train and said “the train is full son”. Mr. Kuiken said it was the gall with which the conductor said it that made him so angry.

Since then, Mr. Kuiken has taken the plight of all commuters very seriously while understanding that experience in his own perspective. Mr. Kuiken said the response he received from NJ TRANSIT was so lackluster that he lost all faith in the transit system and it is because of employee actions. He said this is one example of an egregious action by an employee.

Mr. Kuiken said he heard crew members say “NJ TRANSIT brass cares more about the color of their socks than they do about the actual running of the organization”. Mr. Kuiken said all people want as commuters is clear, concise communication and an OK experience. He said the commute should be one of the easiest parts of the day to go from Point A to Point B. Mr. Kuiken said NJ TRANSIT should not be the most stressful part of their day.

Chairman Simpson asked if he received a response from NJ TRANSIT and Mr. Kuiken said the response was that it would be handled internally, however he sees the conductor often. Mr. Kuiken said he filed a police report and posted it on Twitter.

Chairman Simpson recommended that Mr. Kuiken provide the information to the Executive Director and she will look into it. Chairman Simpson said there is a new Executive Director at NJ TRANSIT and there is a search for new Vice President/General Managers of Bus and Rail. Chairman Simpson assured Mr. Kuiken that he and the Board take the comments very seriously. Chairman Simpson said he grew up on transit and understands the importance. Two months ago he said the reason why people pay high taxes and live in this State is because of NJ TRANSIT and the ability to get to New York reliably, expeditiously and safely as possible. He said when that does not happen, people will sell their homes and leave the State. Chairman Simpson said they take these comments seriously and they are not lost on them. Chairman Simpson said he will be a commuter taking the train from Princeton Junction to New York two to three times a week. He and his wife have faced these challenges and they want to change it. Mr. Kuiken said he was happy to hear that and said for the record, he commutes from Ridgewood, New Jersey to New York Penn Station

Michele Kreisel said she is not representing anyone. Ms. Kreisel said she has disabilities – seizures and asthma. For those reasons, it is necessary for her to sit in the front seat of the bus in the disability area. She has a Medicare/Medicaid card that she presents to the driver when she boards the bus.

Ms. Kreisel said when people board the bus they usually sit in the front seat in the disability area even they do not need to. She said she asks people politely to please move to another seat due to her disability, but they get insulted and they do not move. She then asks the driver and the driver will say “well there is someone there, go sit in the back.” Since she cannot sit in the back of the bus, she gets off the bus and waits for another. When the second bus comes, sometimes the same thing happens again and it is frustrating. Chairman Simpson asked Ms. Kreisel if she takes the same line every day. She said yes and Chairman Simpson directed staff to obtain Ms. Kreisel’s line information. Ms. Kreisel said even though most of the time she takes the same route, she has experienced the same problem on buses in other parts of the State

Ms. Kreisel said when she contacts NJ TRANSIT to make a complaint she is told to tell them her problem and that is the end of it. When she asked if someone would contact her regarding her complaint, she was told no, if it is not necessary, they will decide and if she doesn’t hear from them, do not worry about it. Ms. Kreisel said in the past she would always get a response that the matter was taken care of or what was done about it. Ms. Kreisel said she has been on buses where the drivers were great and she wrote letters about the good drivers. She said the drivers and the passengers should work

together but she does not see that happening anymore. Chairman Simpson apologized and said they will see what they can do about it.

Donald Winship, Director of Communications for the Lackawanna Coalition, said coincidentally he is the man behind the Lackawanna Coalition's Twitter account. He said he wanted to join his colleagues at the Coalition in thanking the Board for its recognition of their 35 years of tireless service to the riding public. Mr. Winship said they hope to make the next 35 years even more productive than the last ones.

Mr. Winship thanked the Board and NJ TRANSIT management, for not only rescheduling the meeting, but committing to having two meetings per year at a more commuter accessible time than 9:00 am. He said he wished the new time was better publicized and perhaps a little later so commuters could get there more easily and not have to leave work early. Mr. Winship said his colleagues and he did their best to ensure the meeting was well attended.

Mr. Winship said he wanted to discuss two problems. He said one is a large one whose impacts are felt throughout the region. Mr. Winship said the other is a smaller one that hits him closer to home, literally.

Mr. Winship said the major problem is trans-Hudson mobility, and it is nothing short of a crisis. He said to steal a phrase from one of their Twitter followers, Amtrak's president Joe Boardman dropped a bomb on NJ TRANSIT three weeks ago when he announced that at least one of the existing tunnels to New York will have to be taken out of service for major repairs within the next 20 years, possibly much sooner. Mr. Winship said this suggests that they will need two new tunnels under the Hudson very soon, to ensure that three tunnels are in constant service, which is necessary to meet future, and frankly even present, demand adequately.

Mr. Winship said to that end, they strongly suggest marshaling a majority of unspent capital dollars to be invested in new tunnel capacity to the maximum extent possible. He said in particular, they suggest canceling the project to fill in the Hoboken Long Slip and delaying the expansion of County Yard, the Delco Lead, and Mid-Line Loop on the Northeast Corridor for a future budget year. Mr. Winship said they also suggest that the project to expand the Waterfront connection be paused pending an analysis of its utility against other ways to create additional capacity for trans-Hudson riders. He thinks this should free up over \$900 million in capital to invest in NJ TRANSIT Rails' single greatest need.

Mr. Winship said the smaller issue is the service level at his home station, Mount Tabor. He said since a few of his fellow Tabor riders were there for the meeting, he would let them tell most of the story. Mr. Winship said to quickly sum up, approximately half of the trains that run through their station do not stop, and there are three-hour service

gaps midday, at night, and on the weekend. He said although it is possible to walk to Denville, which has full service, the trip is an extra half a mile along the side of a state road, with limited sidewalk options that often were not cleared of snow and ice over the last winter. Mr. Winship said because of this, some of their residents drive to Denville despite its parking crunch, while others have given up on the train outright. He said they want to see more of the trains that pass them stop.

Mr. Winship said they believe management and the Board need to take up both issues soon. He said they are grateful that they have made the effort to engage them but would like them to do more. Mr. Winship said when they make rational proposals on issues such as the ones he mentioned, they want to hear more than silence, and they do not want to hear a word about what they cannot do. He said tell them what they can do, and if there are obstacles in the way, and tell them how they can work together to overcome them.

Patricia Winship said she was speaking for the Camp Meeting Association of Mount Tabor, New Jersey. She said when the community was founded in 1869, the Camp Meeting Association was part of the Methodist Church. Ms. Winship said today it functions as a homeowners' association, maintains parks and grounds, and a group of historic public buildings used by all the residents. She said it is one of the things that gives Mount Tabor its powerful and unique sense of community.

Ms. Winship said last month, they wrote Executive Director Hakim and read a portion of that letter into the record. She quoted it as stating, "We live in the small community of Mount Tabor. Mount Tabor residents have used the rail service since 1869. Because many of our residents walk to the train, it is important to us that the trains run and stop regularly at the Mount Tabor station. A representative of our Camp Meeting Association would have been pleased to attend this meeting to represent our community, but the date unfortunately coincides with their regular monthly Board meeting."

Ms. Winship continued quoting the letter stating, "In 2008, NJ TRANSIT cut the number of trains traveling to Hoboken. As a community, we met with NJ TRANSIT representatives, and since that time, eight trains have been reinstated. Unfortunately, there are many times during the day when trains run from Morris Plains to Denville and pass Mount Tabor without stopping. Often there are three and four hour off-peak service gaps before a train will stop. Because so many of our residents rely on walking to and from the train, this presents a hardship."

Ms. Winship finished quoting the letter as stating, "We hope you will be able to consider our request to increase the number of trains that stop in Mount Tabor. We want to continue to keep Mount Tabor a community that uses NJ TRANSIT daily. A 20 minute walk to the Denville Station is prohibitive for our residents and dangerous after dark and in inclement weather. Additionally, driving to a station that already has limited parking

seems senseless, while being able to walk to our Mount Tabor Station makes using public transportation practical, convenient, and enjoyable. Thank you for considering restoring our train service.”

Ms. Winship said Chairman Simpson might have misunderstood the statement she made at the March meeting, so she wanted to clarify. She said they are not asking for more trains to be added to accommodate Mount Tabor. Ms. Winship said they just want more of the ones that are already running on the line to stop for them. She said 90 seconds per train, and a little extra wear on the brake pads is not too much to ask. Ms. Winship said she would make it easy, and provide a list of trains that could fill the service gaps. She provided a written statement that listed the weekday trains as afternoon eastbound 6644, 6648, and 6654; evening eastbound 6664, 6668, 6670, and 6674; morning westbound 6613, 6619, and 6621; afternoon westbound 6625 and 6627; and evening westbound 6667, 6671, and 6679; and all weekend trains. Executive Director Hakim said they are taking a look at it.

Chairman Simpson welcomed Mr. Palmer to the meeting.

Peter Palmer, Chairman of the Raritan Valley Rail Coalition, said he was joined by Vice Chairman Tom Jardim, and thanked NJ TRANSIT for starting the one-seat ride service on March 3, 2014. Mr. Palmer presented a token of appreciation (poster) for this event. Mr. Palmer said the Coalition has been working cooperatively with NJ TRANSIT for 15 years; not as long as the Lackawanna Coalition, but they do their best. Mr. Palmer appreciates what was done and will continue to work with NJ TRANSIT. They appreciate Executive Director Hakim’s comments before the Legislative Committee about having the evening one-seat ride in the fall. He said the Coalition will continue to work with NJ TRANSIT to expand the one-seat ride to weekends and rush hour. Mr. Palmer wished Chairman Simpson great success in his next venture. Chairman Simpson asked Executive Director to let the people who put the service together to know they are appreciated.

Tim Sevenser, Resident of Mount Tabor, said his issue is transit villages. He said all over New Jersey they see signs of new development, which could be conducive to Transit Oriented Development, reducing the need for cars. He said South Orange has a new multiunit building going up across from the train station, Murray Hill has townhouses being finished, Berkeley Heights has townhouses, Bound Brook, and Dunellen. Mr. Sevenser said according to the New Jersey Department of Transportation website there are 28 officially designated Transit Villages but Murray Hill, Berkeley Heights, Great Notch, which just built a major senior condos unit and new developments on Route 10 in Morris County are not even on the list. He said the *New York Times* just had an article on Fanwood, also not on the official list.

Mr. Sevenser said this is a good development, which should allow New Jersey to reduce the \$70 million plus cost of snow removals for roads, pollution, land use by autos, traffic fatalities, and the expense of potholes and eternal highway maintenance. He said one major component, which is missing in Transit Oriented Development, is transit. Mr. Sevenser said since 2006 there have been a series of cuts for rail and bus transit access affecting all of these towns. He said they need to restore the critical train and bus services cut since 2006 to provide the transit part of the bargain.

Mr. Sevenser said one particular unofficial transit village has suffered the worst cuts despite the fact that it does not cost anything to add reasonable rail service. He said a transit village is a half mile walkable community which provides access to the major needs of life and work. Mr. Sevenser said a transit village might be expected to have a library, post office, school, parks and recreation, fire department, concert hall, community meeting area, grocery store, dry cleaners, florist, restaurants, pharmacy, golf course, and nail salon. He said to truly be a transit village, there needs to be a train station and a bus stop. Mr. Sevenser said Mount Tabor has all of these things and it is the 19th century transit village showing the way to the transit village of the 21st century.

Mr. Sevenser said Mount Tabor is already a transit village walkable community where most of the people taking the train or going most places in Mount Tabor walk rather than drive. He said many trains pass right by their train stop but they do not stop even though they have 1,200 people in Mount Tabor, townhomes within easy walking distance of the train station, and 800 people also within walking distance in the Beacon Hill section of Denville.

Mr. Sevenser said this is due to the decision, in the start of Midtown Direct train service on the Morris & Essex Line, that Mount Tabor would get no Midtown Direct service but only Hoboken service. He said Hoboken service was foolishly cut in 2006, 2008, and 2010 and Mount Tabor directly suffered the worst consequences. Also, he said Hoboken provides an option; a vital alternative to Midtown Direct.

Mr. Sevenser said after a meeting with NJ TRANSIT in 2008, eight more trains were restored. Mr. Sevenser said Mount Tabor would like to be recognized as a de facto transit village and have at a minimal hourly or better train service restored so they can truly be a transit village with access to Morristown, Dover and beyond.

Mr. Sevenser said data on train boarding and endpoints showed that one out of seven Mount Tabor train users had Mount Tabor as their destination. He said with concerts by prominent musicians like Art Garfunkel, Donovan, Richie Havens, Hot Tuna, John Sebastian, and a panoply of Grammy winners, they could provide access to many more without using cars if NJ TRANSIT simply stopped the trains going right by their transit village.

Joseph Clift said he was surprised, saddened, and excited for Chairman Simpson in his future endeavors. He said they will miss him. Mr. Clift said one thing he did well was act as a buffer for the Executive Director and he hopes the next one does as well. Chairman Simpson said he does not think Executive Director Hakim needs a buffer. Mr. Clift said one of the best things Chairman Simpson did for NJ TRANSIT was hire Executive Director Hakim.

Mr. Clift said he was going to go to Mount Tabor on Tuesday, May 13, 2014 for a meeting but there was a three hour gap from New York Penn to Mount Tabor. He said there are Hoboken Trains but it would have taken forever to attend the meeting so he participated by phone. Mr. Clift said someone from Mount Tabor should be able to go to New York Penn Station.

Mr. Clift said NJ TRANSIT is missing an opportunity to use Twitter. He said Matthew Walters and Donald Winship are an opportunity for a two way conversation. Mr. Clift said the dashboard at the Customer Service Committee Meeting was not on the website and was tweeted by Donald Winship. He suggested NJ TRANSIT talk to Matthew Walters and Donald Winship regarding how they can work together to communicate better.

Mr. Clift expressed his thanks and appreciation for the resolution honoring the Lackawanna Coalition's 35 years of advocating for improved rail service.

Mr. Clift asked that NJ TRANSIT provide its preliminary fiscal year 2015 operating and capital budgets to advocates and schedule two meetings on each with key managers to enable advocates to ask questions at the first meeting and discuss the answers at the second meeting. He said the meetings should occur prior to the next Board meeting on June 6, 2014, so that advocates will be able to provide informed input.

Mr. Clift said Executive Director Hakim suggested holding meetings with advocates on a thematic basis. He asked NJ TRANSIT to schedule the first meeting with advocates and key managers to have a dialogue on the theme of improving New York Penn Station service on time performance.

Mr. Clift asked NJ TRANSIT to take a serious look now at advancing the concept of constructing a third trans-Hudson tunnel using almost \$1 billion in federal Sandy resiliency and Transportation Trust Fund money. He said he provided a funding table and tunnel schematics on the opposite side of his written statement.

Mr. Clift said in the long term, more trans-Hudson rail tunnels are a necessity to not only provide more reliable service, but to increase capacity and scheduling flexibility. He said that is why he asks for a serious look at advancing a third tunnel as quickly as possible.

Mr. Clift said they started the conversation more than a year ago with Chairman Simpson, and changed circumstances argue for a hard look now. He said Joe Boardman has changed the circumstances by stating at least one of the existing tunnels will have to be taken out of service for major repairs within 20 years. Mr. Clift said Senator Schumer has shown that federal Sandy funds can now be used for building their part of the tunnel in New York so he requested New Jersey use their Sandy money for a new tunnel. Additionally he said NJ TRANSIT's management has changed.

Al Papp thanked Chairman Simpson for his service. He said, especially on behalf of the riders and New Jersey Association of Railroad Passengers, they appreciate his organization efforts to recast and update the restrooms in New York Penn Station that were discussed in July 2013. Mr. Papp said it is now okay for NJ TRANSIT to restate its motto: The Way to Go. He said everything was done well and it did make a great bit of difference.

Mr. Papp said he was the second Chair of the Lackawanna Coalition and the first Chair was Sid Palius. Mr. Papp said during the time they worked on the Coalition they were exciting times. He said they worked with Executive Director Jerry Premo during the time the electrification was put in place to get some of the push-pull diesel trains from the Raritan Valley Line to be placed on the Morris & Essex Line, to give the long suffering riders some air conditioning on the trains.

Mr. Papp said the Midtown Direct service was a major coup for the agency. He said prior to June of 1996, ridership had declined to an abysmal 8,000 riders; today he understands it is verging on 20,000. Mr. Papp said the positive unintended consequence was that real estate values, which had been stable, began to rise again and almost doubled in the first 10 years after Midtown Direct was put into service. He said this was another example of how transit can be beneficial to homeowner's values, if they are within walking distance of the station.

Mr. Papp said Maplewood also has a Jitney system that the Lackawanna Coalition was instrumental in putting in place. He said there are now four lines: the Wyoming, Maple Crest, Parker, and Hilton Jitneys. Mr. Papp said they run about five to six times during the rush hour. He said he used the service as recently as two nights ago and it has been a success. Mr. Papp said it forced the building of a multi-deck park and ride in their community.

Mr. Papp said with regard to making bus service better during the evening rush, he has addressed NJ TRANSIT on at least two occasions with the suggestion that an inbound express bus lane in the evening might be worthy of investigation. He said there is an inbound express lane during the morning rush. He said during the evening rush, the main traffic is jammed up from the exit on the New Jersey Turnpike and Route 3, all the

way through the Helix, into the Port Authority Bus Terminal. Mr. Papp said having an evening inbound express lane does not take rocket science and doesn't require a \$3-4 million study. He said it just requires a crew to install the lane dividers and markers. Mr. Papp said if they can get the buses into the Port Authority Bus Terminal, they can solve a lot of problems and it is a simple solution to implement.

Mr. Papp thanked NJ TRANSIT for all of its efforts working with the Lackawanna Coalition during the last 35 years. He said they look forward to working with NJ TRANSIT in the near future.

Carlos Costa thanked the Board for setting the meeting at 6:00 pm, which made it easier for the workday commuters to attend the meeting. He said it was a welcomed change, in what he hopes are many more changes to come.

Mr. Costa said he was a 10 years plus veteran of NJ TRANSIT rail. He took the Northeast Corridor from 2003 until 2010, and since then, he has been taking the North Jersey Coast Line from Woodbridge to Newark Penn Station. Mr. Costa said he has witnessed some improvements, such as the double decker trains, the email alerts, the CooCoo text message systems, and others. However, he said he is deeply concerned about the current quality of service.

Mr. Costa said even though the frequency of service has been cut since the 2010 budget cuts, the delays have increased a lot. He said after the three hour morning commute delay on March 13, 2014, he decided to track his own commute. Mr. Costa said even using NJ TRANSIT's criteria that a train up to six minutes late is on time, 25 percent of his trips in April were late. He said if he uses the exact time the trains are supposed to arrive, 52 percent of his trips were late. Mr. Costa said these delays are unacceptable. He also said a six minute delay on his 20 minute express commute from Woodbridge to Newark is too much.

Mr. Costa said he was not sure whether it was a result of Hurricane Sandy damage or not, but since Hurricane Sandy, the mechanical breakdowns have increased significantly. He said since Hurricane Sandy, the number of train rides that he has taken that have ended before the final destination of the ride have surpassed the incidents in the 10 years before Hurricane Sandy.

Mr. Costa said he is concerned about the lack of investments to upgrade NJ TRANSIT's infrastructure. He said Newark Penn Station, steps away from there, is falling apart. Mr. Costa said they cannot fail the future generations by continuing to not finally start to dig new tunnels to New York Penn Station. He said recently the press mentioned that Amtrak's existing two tunnels might not even have 20 years of lifespan without needing to be shut down for extensive repairs. Mr. Costa said New Jersey commuters to New York need and deserve to have the true ARC project, extending the

rail lines from New York Penn Station to Grand Central, finally started. He said New Jersey taxpayers only get 61 cents of every dollar they send to Washington, DC. Mr. Costa said it is time they get their entire money back, so that they can finish these key infrastructure projects.

Mr. Costa encouraged NJ TRANSIT to read on Twitter the many stories from commuters. He said they would find daily frustration by many of NJ TRANSIT's daily riders. Mr. Costa said they would even find the many stories of former New Jersey residents that decided they did not need to put up with NJ TRANSIT's unreliability and moved to New York.

Mr. Costa said NJ TRANSIT could also find many ideas to improve service with little money. He said for example, how about making certain North Jersey Coast Line and Northeast Corridor trains end in Hoboken, so that certain Raritan Valley Line rush hour trains can go to New York Penn. Mr. Costa suggested adding more cars to existing rush hour trains, so that more riders can have a seat in more crowded trains. He also suggested improving the timeliness and accuracy of NJ TRANSIT's delay communications. Mr. Costa said commuters understand that accidents happen, but if on the three hour delay NJ TRANSIT had told commuters about the problem closer to when it happened, instead of one hour after it started, many commuters could have worked from home or found alternative options and not be stranded on trains.

Mr. Costa asked the Board to consider adding a few daily commuters to the Board. He believes their unique vantage point can bring new ideas to improve NJ TRANSIT.

Board Member Comments

Chairman Simpson said he thinks it was beneficial having an evening meeting so they could hear from those who are usually busy traveling during the rush hour. He asked with respect to delays, whether one thing was causing the uptick in delays. Executive Director Hakim said no, she does not believe it was one thing. She said they have had very severe winter weather, but on-time performance is an issue they have discussed in the Board Room before. Executive Director Hakim said they established a group to look at how NJ TRANSIT was measuring on-time performance, reporting it, and how they can use that information for NJ TRANSIT's customers. She said more information regarding on-time performance will follow.

Chairman Simpson asked whether the Twitter feed can tie into the Scorecard. He said as a rider, people are very busy but when they are stuck on a train, or there is a problem, that is the most opportune time for the customer to be able to express their concerns, not at 4:00 pm when they get to the office.

Penny Bassett Hackett clarified that the tweets received with issues or complaints do automatically go to their Salesforce system and get captured so the customer service representatives can reach out to the customers. She said sometimes they receive random comments and when they ask for more information, they do not receive the information. Ms. Bassett Hackett said that makes it hard for the customer service representative to respond, however, she said they do track those tweets. Chairman Simpson said it seems the delays are the big issue. Executive Director Hakim agreed.

Chairman Simpson said it was his last Board meeting. He said he served the Governor and the State for the last four and a half years and it was a very difficult decision, but for personal reasons he needs to go back to his job that he has not been at since 2001. Chairman Simpson said it was comforting knowing they have Ronnie Hakim as Executive Director. He said they worked together for ten years and they have the same DNA from the MTA, which is very customer focused and real time. Chairman Simpson said he knows she was not only the best possible pick in New Jersey, but as the former Federal Transit Administrator who knew all the Executive Directors around the country, he knows that if they had done a broad based national search, they could not have found someone with her level of experience and her demonstrated track record in serving this Governor. Chairman Simpson said he knows he leaves her with a lot on her plate, but he knows he leaves her in good hands with an incredible Board.

Chairman Simpson said the stakeholders, particularly Jack May, Steve Thorpe, Joseph Clift, David Peter Alan, and the others, have provided input that has been really important to NJ TRANSIT. He said they cherish it and it does guide them in many ways. Chairman Simpson said they need to keep it up. Chairman Simpson said as Commissioner of Transportation, he wanted to thank them for always coming forward and being very professional and informing the Board regarding what was going on. He said without that information, the Board would not have a true idea of what the pulse of the organization was, and asked that they continue that.

Chairman Simpson said on a personal note, he wanted to thank a couple of the staffers who have helped him over the last four and a half years. He said first and foremost was Steve Santoro. Chairman Simpson said he wanted to thank him. He said through Hurricane Irene, Tropical Storm Lee, Hurricane Sandy and through the regular capital program, Hurricane Sandy capital program, and all those things, he has always been there even though it was not easy juggling so many things at once. Chairman Simpson expressed his thanks to Mr. Santoro.

Chairman Simpson expressed his thanks to Chief Trucillo for everything he has brought to NJ TRANSIT over the last four or so years. He said the Chief has made the NJTRANSIT Police Department shine even more. Chairman Simpson thanked him for all the emergency and 24 hour calls.

Chairman Simpson thanked Joyce Zuczek for being the Acting Board Secretary and all the help she has given him. He thanked Peter Busichio for serving at the Commissioner's level. Chairman Simpson also thanked the approximately 11,000 NJ TRANSIT employees. He said every organization has complaints, and they do not want to take away from the overwhelming majority of 11,000 employees who work hard.

Chairman Simpson expressed his thanks to his fellow Board Members. He particularly thanked Mike Shevell, who is the longest serving Board Member, for his service. Chairman Simpson expressed his thanks to Vice Chairman Meisel and all the Board Members for giving so much of their personal time. He also thanked Board Members Finkle, Greaves, Petrecca, Simon, and Castillo. Chairman Simpson thanked his wife Trudy, who was present at the Board meeting, for allowing him the four and a half years to serve the State and before that to serve the President of the United States and take time away from his family. Chairman Simpson expressed his thanks to everyone at the meeting.

Chairman Simpson said there is an Athenian oath that hangs at the Commissioner of Transportation's Office. He said he believes it was started by Lou Gambaccini, whose name the NJ TRANSIT Headquarters building was named after, and who was a real visionary and pioneer in transit. It states, you want to leave the organization in better shape than you found it. Chairman Simpson said he strived to do that over the last four and a half years and thanked everyone for their assistance with that.

Board Member Shevell said it was a privilege to serve with Chairman Simpson. He said he knows Chairman Simpson through his daughter, Nancy, who served with Chairman Simpson for ten years and also served with Executive Director Hakim. Board Member Shevell said his daughter cannot say enough nice wonderful things about Chairman Simpson and his brilliance. Board Member Shevell said, when he first met Chairman Simpson, it was a great thrill to finally meet and serve under Chairman Simpson and who his daughter talked about so much.

Board Member Shevell said people do not realize the amount of effort and time Chairman Simpson put into these four and a half years. He said Chairman Simpson did not think twice about picking up the phone at all hours to talk about issues they had, good things and bad.

Board Member Shevell said he had the pleasure, and displeasure in some instances, to serve ten Department of Transportation Commissioners and Chairman Simpson was heads and shoulders above the other ones, including good ones. He said these have been hard times in terms of weather, with the snowstorms, Hurricane Sandy and so many things that people do not realize.

Board Member Shevell said people sometimes complain justifiably, and sometimes unjustifiably, regarding late trains and buses. Board Member Shevell said he runs the largest motor carrier on the East Coast, and the problems they have moving freight are the same except they are moving freight as opposed to people. Board Member Shevell said when you have somebody who can sit up there and talk about both parts of it, which they had in Chairman Simpson, it is going to be very, very difficult for the Governor to replace him. Board Member Shevell said he hopes they find a new Commissioner with the same respect, knowledge, and fortitude, and the ability to work the untold hours that Chairman Simpson has for the last four and a half years. He said he has been by Chairman Simpson's side during that time, and he is not going to miss him because they are going to be together in whatever functions Chairman Simpson is going to be involved in.

Board Member Shevell expressed his personal thanks to Chairman Simpson and Trudy, who has given up many nights that she would have liked to go out to dinner, but has been home by herself with the kids while Chairman Simpson has been out working. Board Member Shevell told Chairman Simpson, "God bless you and my heart is with you". Chairman Simpson thanked Board Member Shevell and said he appreciates his kind words.

Advisory Committee Report

There was no Advisory Committee Report.

Board Customer Service Committee Report

Board Member Finkle said the Customer Service Committee had its second open public meeting last month. The Committee was briefed on the results of the most recent Customer Satisfaction Survey for the third quarter of fiscal year 2014. Staff reported on some of the actions taken to address the top reported issues.

Board Administration Committee Report

Board Member Finkle said the Administration Committee also had its second open public meeting last month. A financial update was provided which included a comparison of revenues and expenses to budget, as well as a revenue and ridership report.

Board Member Finkle said the Committee was also provided an update on Human Resources that focused on the functions performed by the Employee Development and Training unit.

Safety & Security Update

Board Member Finkle said he was very excited to report that they are steadily moving forward with the formation of the Safety and Security Committee. Their first meeting is scheduled for the beginning of July, and, to date, they have been busy selecting the appropriate members of the committee throughout various NJ TRANSIT organizations. They are presently drafting a charter and mission statement to present to the members at that first quarterly meeting, which will cover their charge of studying customer and employee incidents, employee lost time, training, recruitment, mean distance between failure and overall crime statistics.

In addition, Executive Director Ronnie Hakim and he and members of her staff met with the safety organization from New York City Transit, and they are traveling next week to Philadelphia to meet with representatives from SEPTA to gain insight into its multi-modal system safety organization. To that same end, they are planning to visit the Washington Metropolitan Area Transit Authority in the next few weeks to see how they address their safety and security issues.

All of this was on the heels of the Internal Audit that NJ TRANSIT's Rail operations team has undertaken at the Executive Director's request in response to the "Deep Dive" report issued by the Federal Railroad Administration in response to several Metro-North accidents.

On top of that, they have procured the services of a nationally recognized rail safety company to review NJ TRANSIT's safety practices, training, personnel procedures and physical systems to ensure our rail system is not lacking in any way. That audit is in week two of a 12-week study.

And last, but certainly not least, Executive Director Ronnie Hakim recently announced the formation of a new organization entirely dedicated to System Safety. The Office of System Safety will report directly to the Executive Director, and will be the guiding force to ensure that a corporate-wide safety culture is reinvigorated and will reinforce the knowledge of the importance of safety at all levels. They currently are conducting a nation-wide search for a Chief Safety Officer to head this organization, which ultimately will comprise all operating divisions as well as current staff talent within safety functions at NJ TRANSIT. They expect to work very closely with this new organization as they scrutinize, refine and evolve our safety philosophy at both a company and a board level.

Board Member Finkle said as Chairman Simpson sees, they are moving along at a good clip and they will have this complete shortly. Chairman Simpson told Board Member Finkle great work and said it is music to his ears. Chairman Simpson thanked Executive Director Hakim and said he knows it is a big undertaking every time you start a new initiative, but there is nothing more important than passenger safety.

Vice Chairman Meisel said Board Member Finkle and he were the Governor's appointees to NJ TRANSIT's Board. He said they were appointed a little late because it took a year to be confirmed. Vice Chairman Meisel said he had no idea what he was getting into when he came to NJ TRANSIT, but he got a little sample the second week. He said he was going somewhere with Chairman Simpson on Route 280 and Chairman Simpson picked up the phone to report trash on the side of the road at a particular location, and said it better be taken care of by 5:00 pm that day. Vice Chairman Meisel said that was when he realized this was going to be a ride that would be very interesting for him.

Vice Chairman Meisel said at the time, he knew some things about transportation issues, but he has been through some things together with Chairman Simpson and Chairman Simpson knows more about transportation in the United States and this region, than most people know. Vice Chairman Meisel said from his observations, Chairman Simpson is probably the most knowledgeable, intense, and trustworthy transportation person in the entire United States. He said they were very fortunate to have Chairman Simpson serve under this Governor, and the Governor was very wise to have appointed him. Vice Chairman Meisel said he knows the Governor is sad to see Chairman Simpson leave because he is an incredibly talented individual, only outdone by his wife. He said she is a saint because Chairman Simpson spent a lot of time working at all hours of the day and night. Vice Chairman Meisel said he thought he had a high energy level, but he is asleep compared to Chairman Simpson.

Vice Chairman Meisel told Chairman Simpson he is an amazing person. He said he may not realize it, but everyone on the Board has performed better, does a better job, and is more knowledgeable today as a consequence of Chairman Simpson being at NJ TRANSIT. Vice Chairman Meisel said Chairman Simpson putting Ronnie Hakim in as Executive Director makes them all feel much more comfortable that they have a leader on the management level that will take the organization to the next level. He said she has the capability to not only understand and navigate the day to day management, but also has a vision that looks over the hills to the future.

Vice Chairman Meisel said there are issues, and the organization is an incredibly complex organization in the toughest market in the world. He said to navigate that is not an easy task. Vice Chairman Meisel said to leave with a reputation that has enhanced, is not an easy thing to do. He said there will be people lining up to talk to Chairman Simpson and get his wise counsel in the private sector. Chairman Simpson thanked Vice Chairman Meisel.

Board Capital Planning, Policy & Privatization Committee

Vice Chairman Meisel said the Capital Planning, Policy and Privatization Committee discussed the Board Item for the Integrity Oversight Monitoring Services for the Superstorm Sandy Recovery Program to meet the requirement of State and Federal mandates.

The Committee also was briefed the extension of the agreement between NJ TRANSIT and the New Jersey Department of Transportation for the transfer, at no cost, of certain fee or easement interests in properties.

Executive Director's Monthly Report

Executive Director Hakim echoed Chairman Simpson's earlier comments by expressing her appreciation of staff for accommodating an evening meeting. She said it has obviously been well received.

Budget Hearings

Executive Director Hakim said two weeks ago she, along with Chairman Simpson and the partners at the Turnpike Authority and the Motor Vehicle Commission, traveled to the Statehouse to discuss the Fiscal Year 2015 budget in two separate sessions before the Assembly and State Senate. During these hearings, she discussed NJ TRANSIT's balanced, fiscally-sound proposed budget for Fiscal Year 2015, which holds fares stable for a fifth consecutive fiscal year.

Executive Director Hakim also discussed the progress made as an agency over the course of the past two and a half months, focusing most importantly on the work of the team of transportation professionals committed to providing safe, efficient public transportation for the nearly half a million customers who utilize buses, trains, light rail and Access Link vehicles every work day.

System Safety

Executive Director Hakim said one of the priority items Chairman Simpson has tasked her with was to promote and enhance the culture of safety at NJ TRANSIT, a responsibility she takes very seriously.

To that end, Executive Director Hakim was pleased to announce the establishment of the Office of System Safety to focus on promoting the health and safety of customers

and employees. Preventing accidents and injuries is a responsibility that is shared by all, and these efforts will be coordinated and managed through the Office of System Safety. She said the Office of System Safety will be the guiding force to ensuring corporate-wide system safety. The goal is to achieve the highest practicable level of safety for all transit modes.

As part of this initiative, NJ TRANSIT is currently conducting a search for a Chief, Office of System Safety to head this organization, which will ultimately comprise all operating divisions as well as current staff talent within safety functions at NJ TRANSIT. Executive Director Hakim will provide updates on the progress as this important effort is undertaken.

Through Ticketing

Executive Director Hakim said many of the transit advocates who regularly attend the Board meetings often generate very thoughtful ideas and suggestions. Recently proposed was the concept of issuing multi-modal tickets for ease of travel across the system.

Executive Director Hakim was pleased to announce that NJ TRANSIT has implemented changes that enable a rail customer to purchase tickets from a ticket vending machine, or ticket office at any NJ TRANSIT rail station, to destinations on the Atlantic City Line via the River Line in one single transaction.

Lackawanna Coalition

Executive Director Hakim said she has the honor of presenting a Resolution as an Expression of Appreciation and Recognition to the Lackawanna Coalition for their 35th Anniversary. Since 1979, the Lackawanna Coalition has advocated for better rail service on NJ TRANSIT's Morris & Essex Lines, Gladstone Branch and Montclair-Boonton Line, as well as connecting transit service in the region.

Executive Director Hakim invited David Peter Alan, long-time Chair of the Lackawanna Coalition, to accept the Resolution on behalf of the Lackawanna Coalition.

Bus Employee Recognition

Executive Director Hakim recognized an outstanding Bus employee who was celebrating 55 years of service this month with NJ TRANSIT and its predecessor agencies.

Luis Trujillo works as a Bus Ticket Agent, serving a split shift at the George Washington Bridge Bus Terminal in the morning and afternoon. He began his career in 1959 with

Intercity Buses, which later became Maplewood Equipment, then Transport of New Jersey, and ultimately NJ TRANSIT.

Mr. Trujillo began his career as a Dispatcher at the Port Authority Bus Terminal and George Washington Bridge Plaza. After a year and a half, he became a ticket agent at the George Washington Bus Terminal and has remained there to date.

His customers know him as the source of information at the bus terminal, and he is so well liked and missed so much that when he is on vacation, many of them prefer to use ticket vending machines until his return.

His Supervisor, Larry Gutierrez, will tell you that when asked why Mr. Trujillo does not retire, Mr. Trujillo simply says that he enjoys his job and likes treating everyone the same way he likes to be treated. And anyone who has interacted with him can attest that he does so with great courtesy, kindness and respect.

Mr. Trujillo takes great pride in his work, treating the ticket window as if it were his own business. Mr. Trujillo told Executive Director Hakim “customers’ happiness is money in the bank.”

Executive Director Hakim congratulated Mr. Trujillo on an incredible 55 years of service and on behalf of NJ TRANSIT, thanked him for taking such good care of the customers.

Customer Surveys

Executive Director Hakim provided an overview of the latest customer survey results as part of the Scorecard initiative. For the third quarter of Fiscal Year 2014, the customer satisfaction survey was conducted online at www.njtransit.com between February 17 and March 10, in both English and Spanish. Customer satisfaction with Bus and Rail service has declined during the quarter surveyed, which is a point of concern for Executive Director Hakim. Light Rail stayed the same, while Access Link went up slightly.

Executive Director Hakim said the purpose of Scorecard and these customer surveys has always been to highlight the weaknesses even more so than the strengths, enabling NJ TRANSIT to zero in on the areas that need most to improve. Going forward, the plan is to communicate back to customers all of the adjustments that have made in addressing their concerns and complaints.

Port Authority Bus Terminal Pilot Program

Executive Director Hakim said a pilot program has recently begun in an effort to improve service for the Port Authority Bus Terminal customers. To better meet customer demand during the evening rush, NJ TRANSIT has utilized buses already parked or stored in New York City lots that were scheduled to operate in the later part of the evening rush to fill in trips or enhance service on a few high-ridership routes between 5:00 p.m. and 5:30 p.m. Buses arriving in New York following that time are then assigned to fill the later slots. This approach has enabled a refocus of existing resources to meet the heaviest customer demand during the busiest time of the evening peak period.

Executive Director Hakim will be reporting in coming Board Meetings recommended actions to address the on-time performance problems at the Port Authority Bus Terminal.

Executive Director Remarks

Executive Director Hakim suggested to Chairman Simpson that the presentation on the Sandy Recovery Program be postponed to next month's Board Meeting. Chairman Simpson agreed.

On a personal note, Executive Director Hakim said it has been a pleasure and honor to serve under Chairman Simpson's leadership. He has been a stalwart supporter of NJ TRANSIT, New Jersey transportation and the entire State's transportation network. Chairman Simpson understands the criticality of providing customers, whether motorists, train riders, bus riders or whatever mode, the transportation needs for the State of New Jersey.

Executive Director Hakim said Chairman Simpson does it in a way that people can barely understand what it means to receive a phone call from Chairman Simpson anytime of the day or night. She said as soon as she receives a call from Chairman Simpson, she gets a pen and paper and is ready for the rapid fire of things to do. She said the Vice Chairman used the word "intense" to describe Chairman Simpson, and Executive Director Hakim said that is the word to describe him.

Executive Director Hakim said public service is something that she and many people commit their careers to and it is working with people like Chairman Simpson who raise the bar for what it means for everyone in this room to be committed to the members of public and the riders. Executive Director Hakim said Chairman Simpson is an example that she will follow and she commits to the Board that Chairman Simpson's DNA will

continue on at NJ TRANSIT, not only in this room, but on every mode of transportation at NJ TRANSIT. Executive Director Hakim said it has been a pleasure to work with Chairman Simpson.

Executive Director Hakim presented an Expression of Appreciation and Recognition to Chairman Simpson and read a portion recognizing his dedication and outstanding contributions to NJ TRANSIT and transportation in the State of New Jersey. She also presented a signal lamp and said it is probably the best metaphor for what Chairman Simpson has done for all the agencies, which is to shine a light on something, whether it is good or bad, and get things done.

Chairman Simpson thanked Executive Director Hakim.

Action Items:

Executive Director Hakim introduced Kevin Rittenberry, Accountability Officer, who presented Action Item 1405-19 for approval.

Chairman Simpson acknowledged Kevin Rittenberry and said to Executive Director Hakim not to let Mr. Rittenberry leave because he has so much institutional knowledge, especially about Real Estate. Chairman Simpson said it has been a pleasure to work with Mr. Rittenberry.

1405-19: SUPERSTORM SANDY RECOVERY PROGRAM: INTEGRITY OVERSIGHT MONITORING SERVICES-COMPETITIVE PROCUREMENT

Mr. Kevin Rittenberry, on behalf of Executive Director Hakim, recommended approval of Item #1405-19. Oversight monitoring of the Superstorm Sandy Repair and Resiliency Program is required at both the New Jersey State and Federal levels. Authorization was sought to obtain services from up to four consultants to provide integrity oversight monitoring of the various Recovery and Resiliency contracts having a value of \$5 million or more and as otherwise needed. Grant requirements for Tier #2 funding by the Federal Transit Administration, as well as potential awards being applied for under Tier #3, mandate implementation of integrity oversight monitoring. In addition, such services are required on contracts of \$5 million or more under N.J.S.A. 52:15D-2 (A60) in order to help ensure that they are carried out in accordance with the contract requirements and applicable law and to mitigate potential for fraud, waste or abuse. It is anticipated that integrity oversight monitoring services may also apply program wide, which will focus on general oversight of contracts that have a value less than \$5 million; such services will also

include risk assessments and the identification of potential criminal activity and fraud, waste and abuse.

Authorization was requested to enter into contracts with CohnReznick LLP, Eisner Amper LLP, McGladrey LLP and TA Thatcher Associates, being the four consultants offering the best value, which are in the best interests of NJ TRANSIT for a total authorization not to exceed the sum of \$15,000,000, for all approved Work Authorizations that may be issued to these four consultants during the contracts' three-year term, subject to the availability of funds.

A motion was made by Board Member Myron P. Shevell, seconded by Vice Chairman Bruce M. Meisel and unanimously adopted.

Consent Calendar

Executive Director Hakim requested approval of the Consent Calendar.

1405-20: EXTENSION OF 2004 AGREEMENT BETWEEN NJ TRANSIT AND NEW JERSEY DEPARTMENT OF TRANSPORTATION FOR THE TRANSFER AT NO COST OF CERTAIN FEE AND/OR EASEMENT INTERESTS IN PROPERTY BETWEEN THE PARTIES

Authorization was requested to extend on the same terms and for an additional ten (10) years, the 2004 Agreement with the New Jersey Department of Transportation, which currently allows the two Agencies to transfer fee and/or easement interests, at no cost, provided that the property interest is valued by the transferor at no more than \$250,000.

The Consent Calendar was moved by Board Member Myron P. Shevell, Vice Chairman Bruce M. Meisel, seconded it and unanimously adopted.

Executive Session

Chairman Simpson concluded the open session agenda items at approximately 7:54 p.m. and requested a motion to enter Executive Session to discuss contract negotiations, attorney-client, litigation and personnel matters.

A motion was made by Board Member Myron P. Shevell, seconded by Vice Chairman Bruce M. Meisel and unanimously adopted.

Chairman Simpson, Vice Chairman Meisel, Board Members Simon, Finkle and Petrecca returned to open session at approximately 8:33 p.m.

Adjournment

Since there were no further comments or business, Chairman Simpson called for adjournment and a motion to adjourn was made by Board Member Myron P. Shevell., seconded by Vice Chairman Bruce M. Meisel and unanimously adopted. The meeting was adjourned at approximately 8:35 p.m.

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

MAY 15, 2014

MINUTES

PAGE

➤	CALL TO ORDER	-
➤	APPROVAL OF MINUTES OF PREVIOUS MEETINGS	46470
➤	PUBLIC COMMENTS ON AGENDA ITEMS AND OTHER MATTERS	-
➤	BOARD MEMBER COMMENTS	-
➤	ADVISORY COMMITTEE REPORT	-
➤	SENIOR CITIZEN AND DISABLED RESIDENT TRANSPORTATION ADVISORY COMMITTEE REPORT	-
➤	BOARD COMMITTEE REPORTS	-
	*Customer Service Committee	
	*Administration Committee	
	*Capital Planning, Policy and Privatization Committee	
➤	EXECUTIVE DIRECTOR'S MONTHLY REPORT	46471

ACTION ITEMS

1405-19	SUPERSTORM SANDY RECOVERY PROGRAM: INTEGRITY OVERSIGHT MONITORING SERVICES—COMPETITIVE PROCUREMENT	46492
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Authorization to enter into NJ TRANSIT Contract Nos. 14-033A, 14033B, 14033C, and 14033D (Contract(s)) with CohnReznick LLP, Eisner Amper LLP, McGladrey LLP and TA Thatcher Associates, respectively, being the four consultants offering the best value, which are in the best interests of NJ TRANSIT for a total authorization not to exceed the sum of \$15,000,000 (Fifteen Million Dollars), for all approved Work Authorizations (WAs) that may be issued to these four consultants during the Contract three-year term, subject to the availability of funds.

NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS, INC.
NJ TRANSIT RAIL OPERATIONS, INC.
NJ TRANSIT MERCER, INC.
NJ TRANSIT MORRIS, INC.
RE-SCHEDULED BOARD OF DIRECTORS' MEETINGS
MAY 15, 2014
MINUTES
PAGE 2

CONSENT CALENDAR

1405-20 EXTENSION OF 2004 AGREEMENT BETWEEN NJ TRANSIT AND NEW JERSEY DEPARTMENT OF TRANSPORTATION FOR THE TRANSFER AT NO COST OF CERTAIN FEE AND/OR EASEMENT INTERESTS IN PROPERTY BETWEEN THE PARTIES 46502

Authorization to extend on the same terms and for an additional ten (10) years, the 2004 Agreement with NJDOT (copy attached), which currently allows the two agencies to transfer fee and/or easement interests, at no cost, provided that the property interest is valued by the transferor at no more than \$250,000.

- **EXECUTIVE SESSION AUTHORIZATION 46505**
- **ADJOURNMENT**

APPROVAL OF MINUTES

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

WHEREAS, pursuant to Section 4(f) of the New Jersey Public Transportation Act of 1979, the minutes of actions taken at the April 8, 2014 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 April 10, 2014;

NOW, THEREFORE, BE IT RESOLVED that the minutes of actions taken at the April 8, 2014 New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. Board of Directors' meetings are hereby approved.

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



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

TO: BOARD OF DIRECTORS
FROM: VERONIQUE "RONNIE" HAKIM 
DATE: MAY 15, 2014
SUBJECT: EXECUTIVE DIRECTOR'S REPORT – MAY 2014

Two weeks ago, along with Commissioner Simpson and our partners at the Turnpike Authority and the Motor Vehicle Commission, I traveled to the Statehouse to discuss NJ TRANSIT's Fiscal Year 2015 budget in two separate sessions before the Assembly and State Senate. During these hearings, I discussed our balanced, fiscally-sound proposed capital program and operating budget for FY15, which holds fares stable for a fifth consecutive fiscal year. I also discussed the progress we have made as an agency over the course of the past two and a half months, focusing most importantly on the work of our team of transportation professionals committed to providing safe, efficient public transportation for the nearly half a million customers who utilize our buses, trains, light rail and Access Link vehicles every work day.

Today, I am pleased to announce the establishment of NJ TRANSIT's Office of System Safety (OSS) to promote a culture of safety at NJ TRANSIT and focus on the health and safety of our customers and employees. Preventing accidents and injuries is a responsibility that we all share, and these efforts will be coordinated and managed through the OSS. As part of this initiative, we are currently conducting a search for a Chief of Office System Safety to head this organization, which will ultimately comprise all operating divisions as well as current staff talent within safety functions at NJ TRANSIT. I look forward to keeping you up to date on our progress as we undertake this important effort.

This month, we published our latest customer survey results online at njtransit.com as part of our *Scorecard* initiative. For the third quarter of Fiscal Year 2014, we conducted our customer satisfaction survey between February 17 and March 10, in both English and Spanish. Customer satisfaction with Bus and Rail service has declined during the quarter surveyed, which is a point of concern for me. Light Rail stayed the same, while Access Link went up slightly. The purpose of *Scorecard* and these customer surveys has always been to highlight our weaknesses even more than our strengths, enabling us to zero in on the areas we most need to improve. Going forward, our plan is to communicate back to customers all of the adjustments we have made in addressing their concerns.

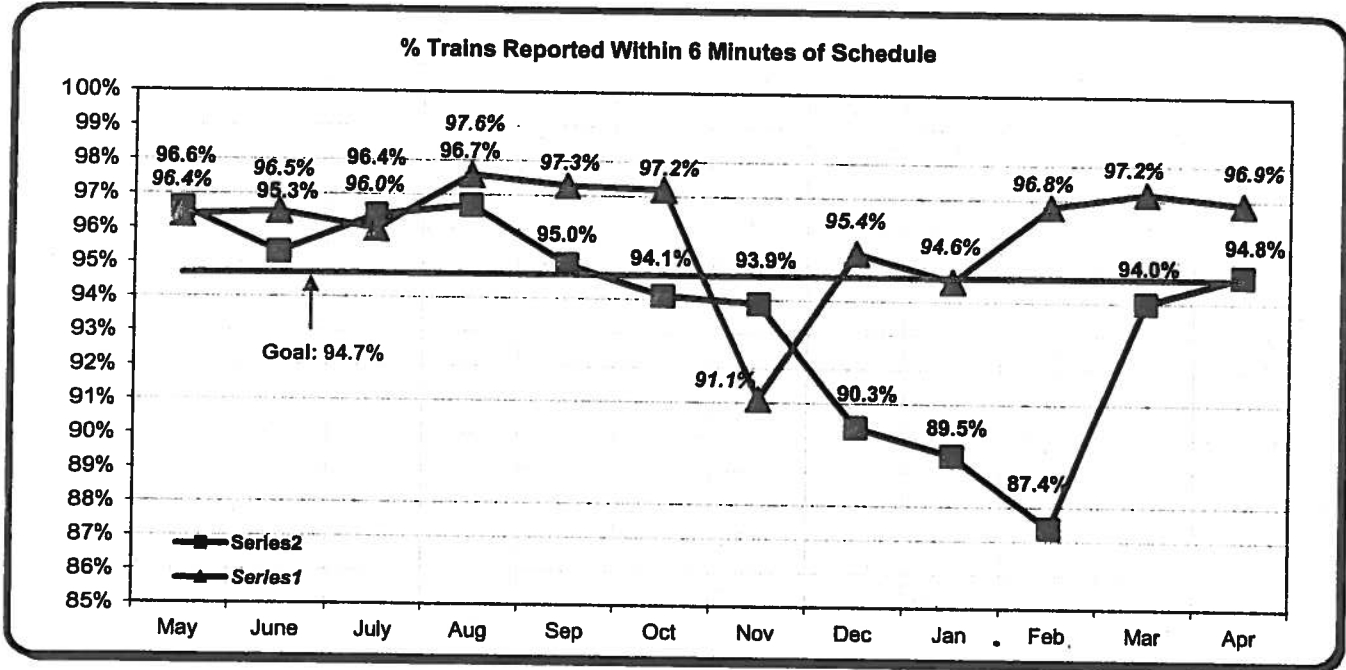
We have also recently begun a pilot effort to improve service for our Port Authority Bus Terminal customers. To better meet customer demand during the evening rush, we have utilized buses already parked or stored in New York City lots that were scheduled to operate in the later part of the p.m. rush to fill in trips or enhance service on a few high-ridership routes between 5 and 5:30 p.m. Buses arriving in New York following that time are then assigned to fill the later slots. This approach has enabled us to refocus existing resources to meet the heaviest customer demand during the busiest time of the evening peak period. I will be reporting in coming Board meetings more robust actions that staff has recommended to address the on-time performance problems at the Port Authority Bus Terminal.

EXECUTIVE DIRECTOR'S MONTHLY REPORT MAY 2014

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

PERFORMANCE MEASURES

NJ TRANSIT ON-TIME PERFORMANCE RAIL MAY 2012 - APRIL 2014



April Comparison	2013	2014	# Change
	96.9%	94.8%	-2.1%

12-Month Average May - April	2012-2013	2013-2014	# Change
	96.1%	93.7%	-2.4%

Analysis:

Rail On-Time Performance was 94.8% for April 2014. Of the 18,548 trains scheduled to operate, 17,577 were on time, while 971 trains (or 5.2%) were delayed. Key causes included:

- Amtrak switch failure, along with 16 other miscellaneous issues, caused 86 delays for an OTP of 86.2% on April 24.
- NJT human error, locomotive and coach equipment failures, grade crossing problem and Amtrak Dock Bridge opening caused 77 delays for an OTP of 87.4% on April 28.
- NJT equipment problems, Conrail code failure, Amtrak preference and Amtrak high-speed rail project work caused 58 delays for an OTP of 89.3% on April 30.

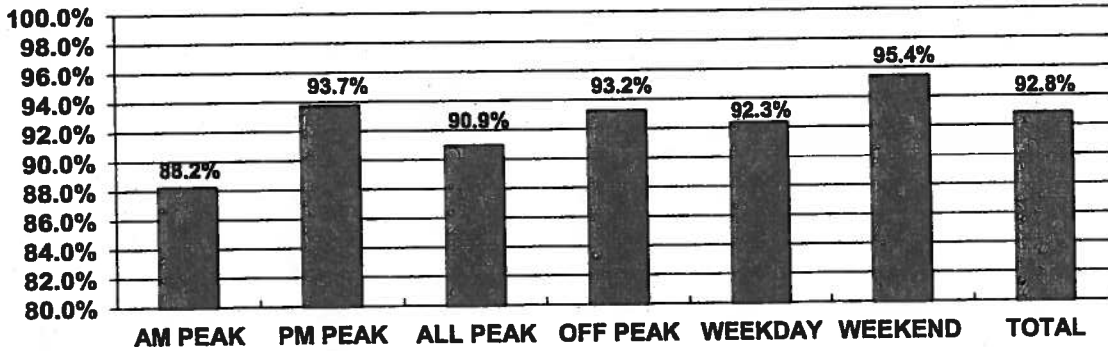
The 12-month average for Rail On-Time Performance for May 2012 - April 2014 was 94.9%.

ON-TIME PERFORMANCE RAIL

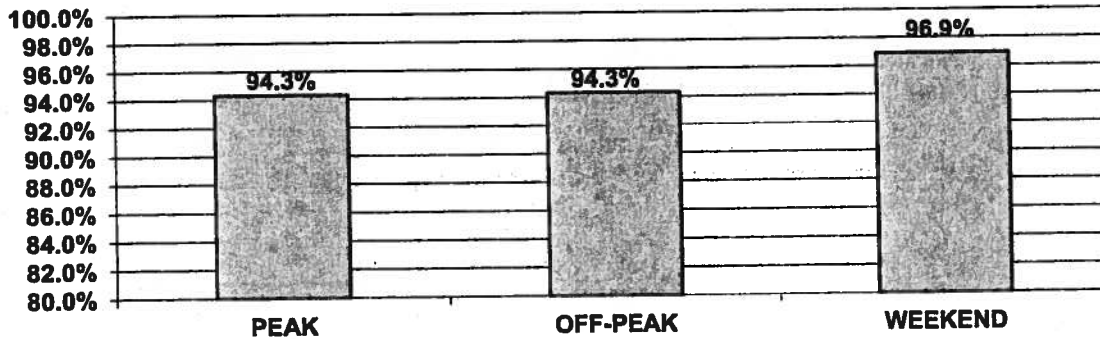
SUMMARY BY TIME PERIOD APRIL 2014

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

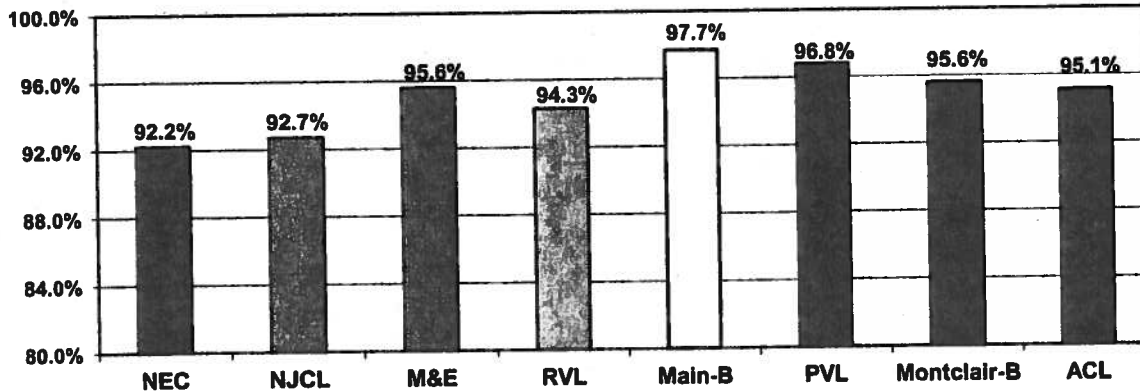
% NEW YORK PENN STATION Trains Reported On Time *



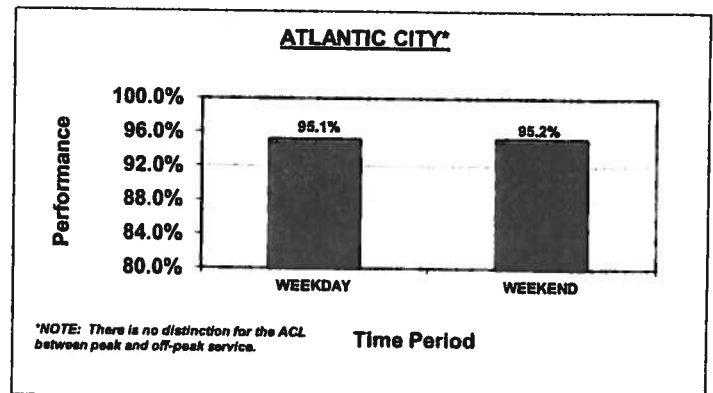
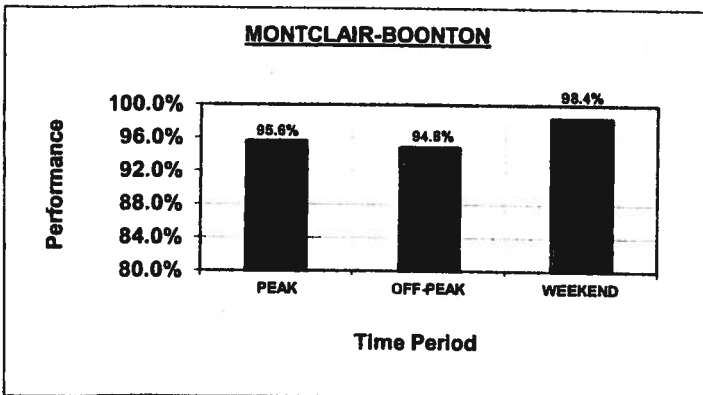
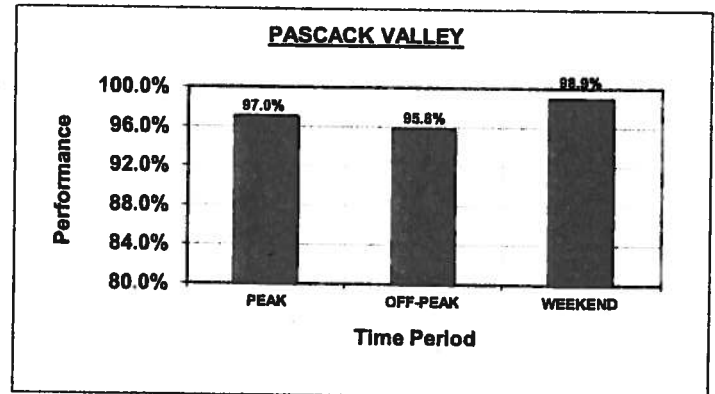
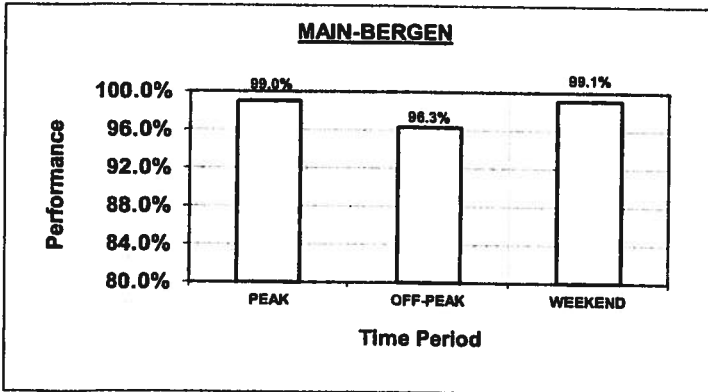
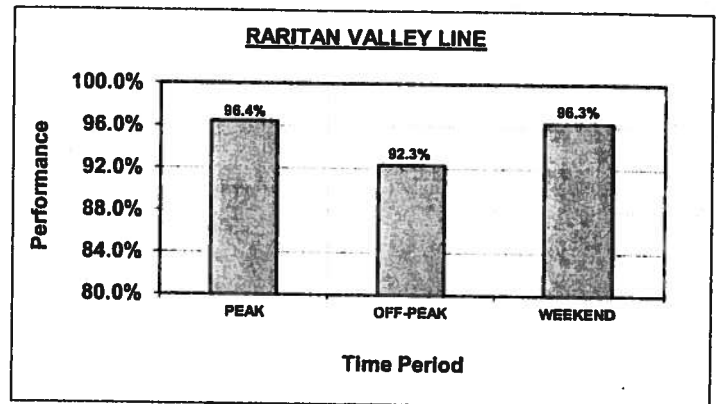
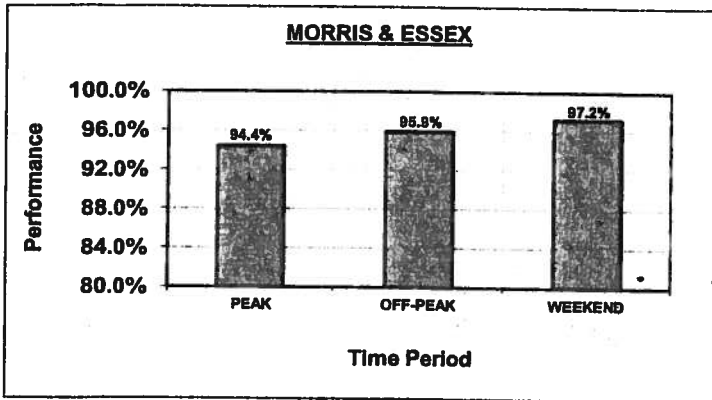
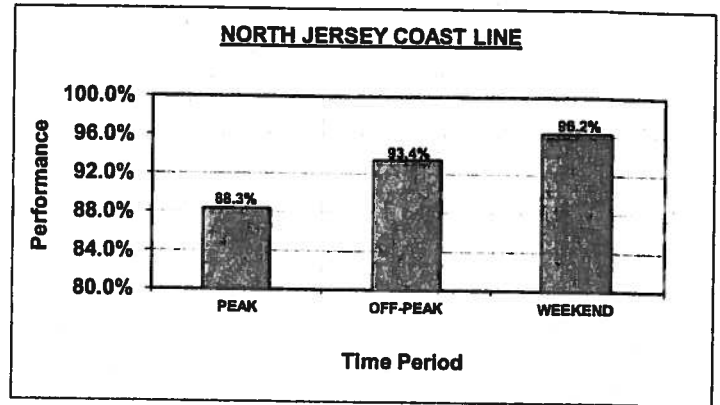
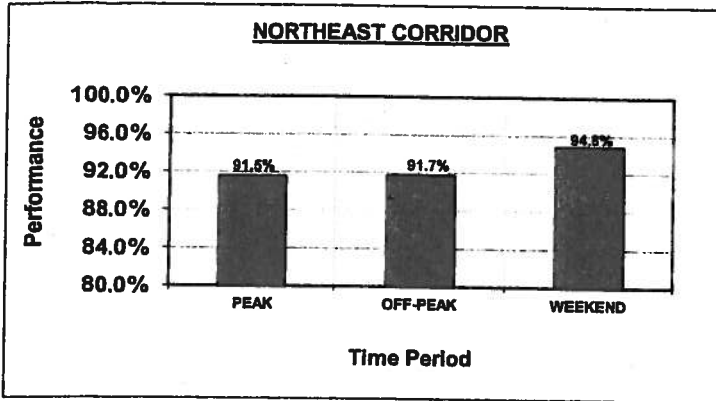
% SYSTEMWIDE Trains Reported On Time



% BY LINE Trains Reported On Time

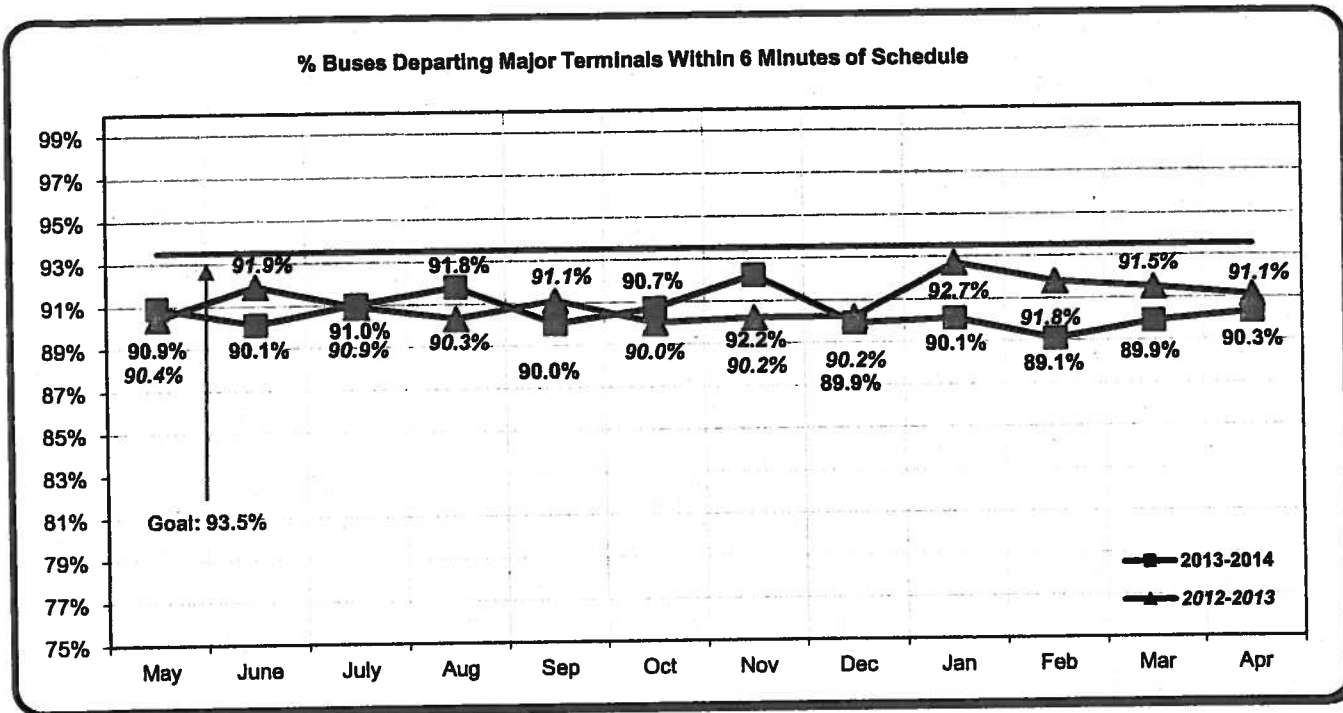


ON-TIME PERFORMANCE BY RAIL LINE & TIME PERIOD APRIL 2014



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

NJ TRANSIT ON-TIME PERFORMANCE BUS MAY 2012 - APRIL 2014



	2014	2013	% Change
April Comparison	90.3%	91.1%	0.8%

	2012-2013	2013-2014	% Change
12-Month Average May - April	91.0%	90.5%	-0.5%

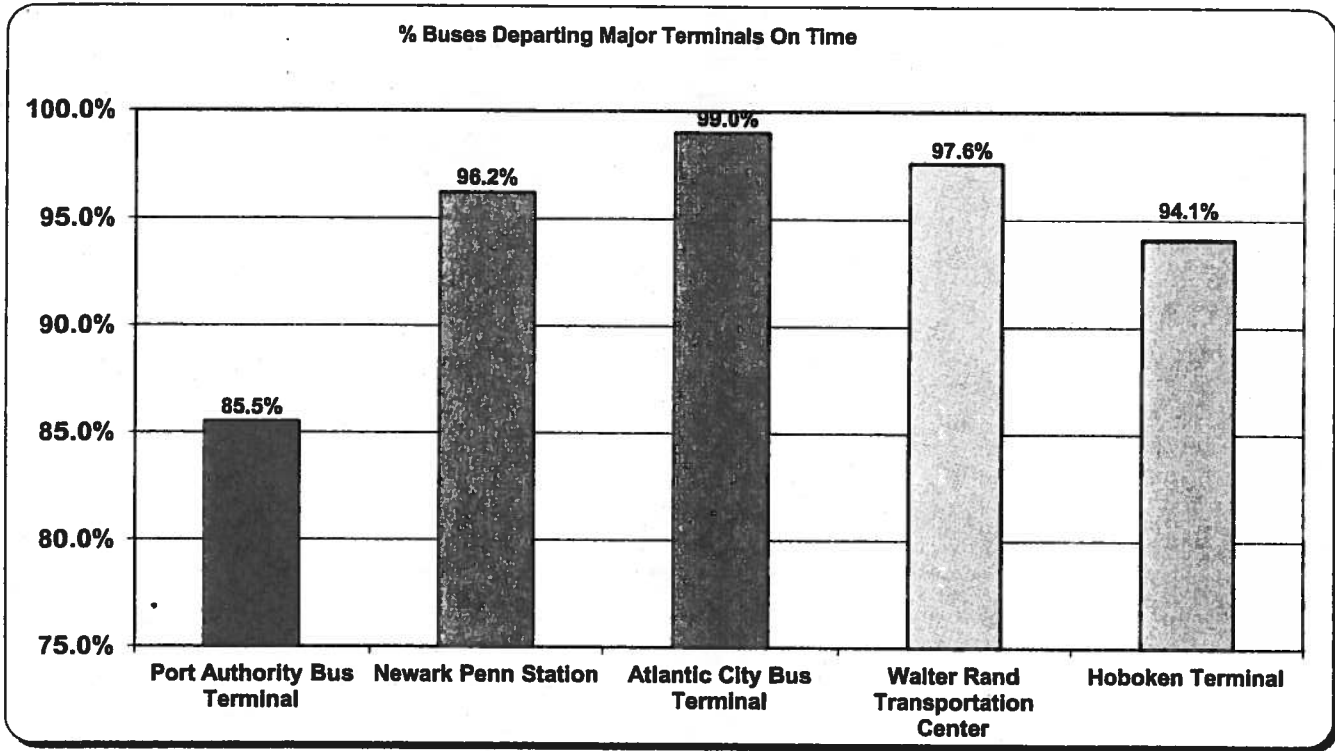
Analysis:

Bus On-Time Performance was 90.3% for April 2014. Of the 39,020 monitored departures, 3,771 (or 9.7%) experienced delays. Key causes included:

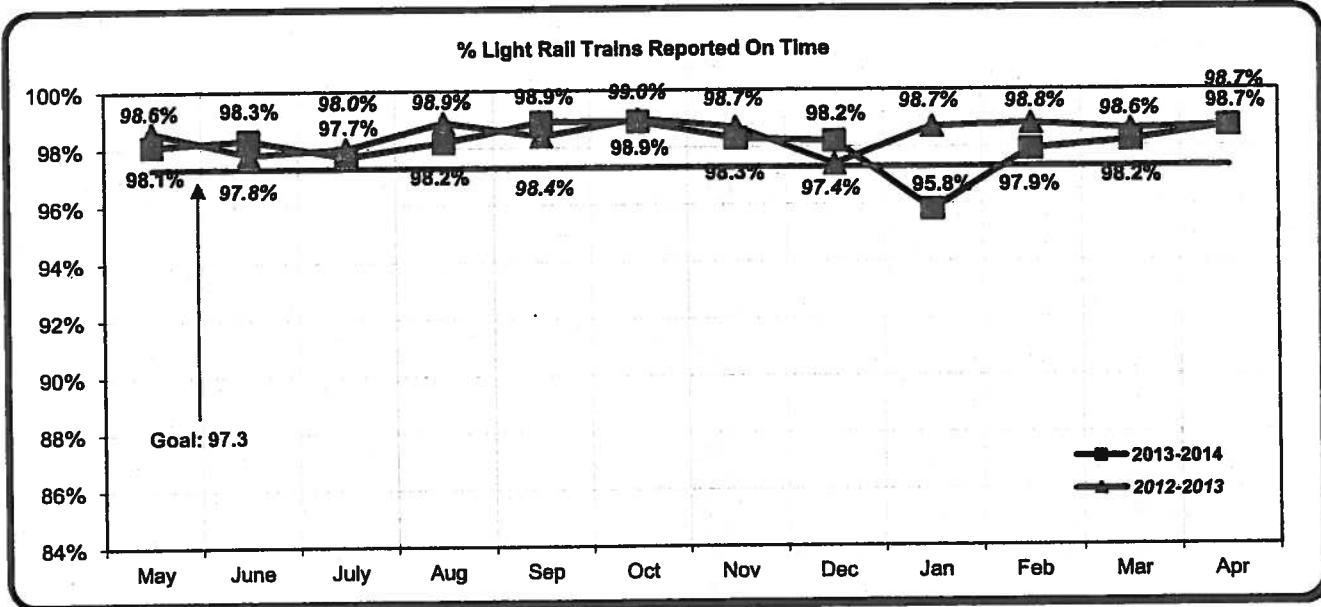
- Accident in Lincoln Tunnel on 4/14, police activity on 11th Ave. on 4/25, and heavy rain throughout the month affecting Port Authority Bus Terminal service.
- Road flooding, traffic detours and 8 bus breakdowns throughout the month affecting Walter Rand Transportation Center service.
- Heavy rains on 4/4, 4/7, 4/29 and 4/30 with flooding on 4/7 and 4/30 affecting Newark Penn Station service.
- Daily detours in Wildwood and Cape May Courthouse - Haven Road affecting Atlantic City Bus Terminal service.
- A water main break at month's end resulting in road closures affecting Hoboken Terminal service.

ON-TIME PERFORMANCE BUS

SUMMARY BY TERMINAL MARCH 2014



NJ TRANSIT ON-TIME PERFORMANCE LIGHT RAIL MAY 2012 - APRIL 2014



	2013	2014	# Change
April Comparison	98.7%	98.7%	0.0%

	2012-2013	2013-2014	# Change
12-Month Average May - April	98.5%	98.1%	-0.4%

Analysis:

Light Rail On-Time Performance systemwide was 98.7% for the month of April 2014. Of the 27,133 scheduled trains, 356 (or 1.3%) experienced delays. Key causes included:

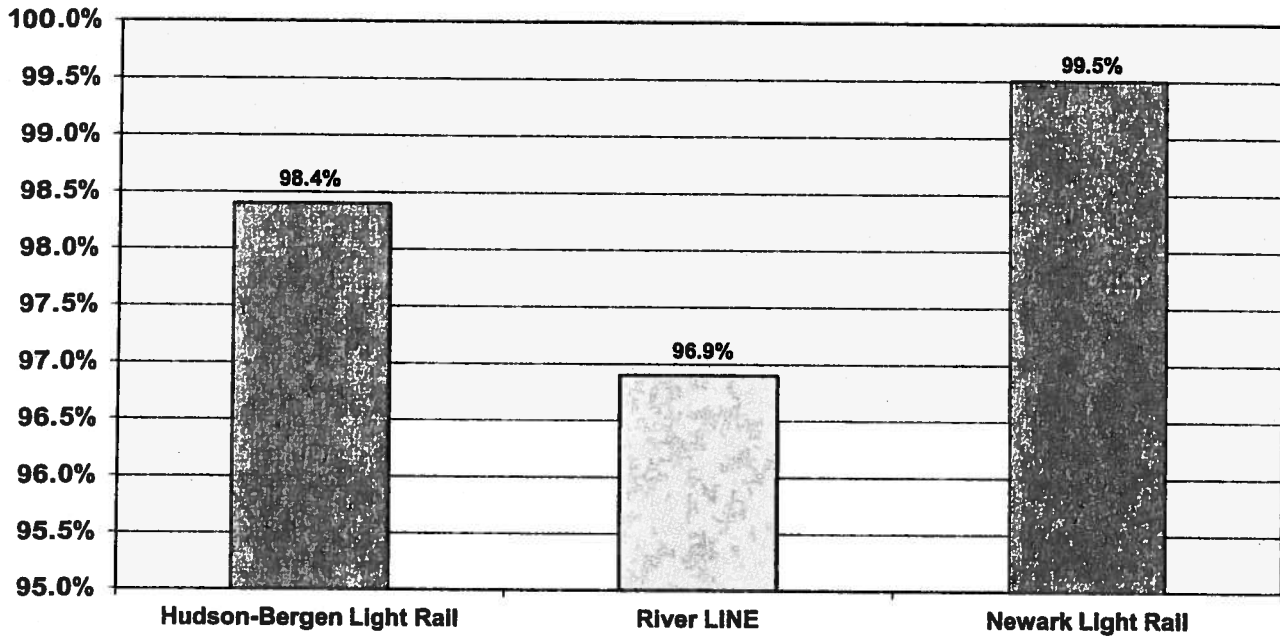
- PSE&G disruption and loss of communications at several interlockings delayed 45 Hudson-Bergen Light Rail trains on April 23.
- Flooding along Delaware Avenue in downtown Camden delayed 46 River Line trains on April 30.
- Switch failure at Broad St. Interlocking, maintenance equipment derailment, Broad Street signal failure and other minor issues delayed 4 Newark Light Rail trains each day on April 12, 13, 19 and 26.

The 12-month average for Light Rail On-Time Performance for May 2012 - April 2014 was 98.3%.

ON-TIME PERFORMANCE LIGHT RAIL

SUMMARY BY LINE APRIL 2014

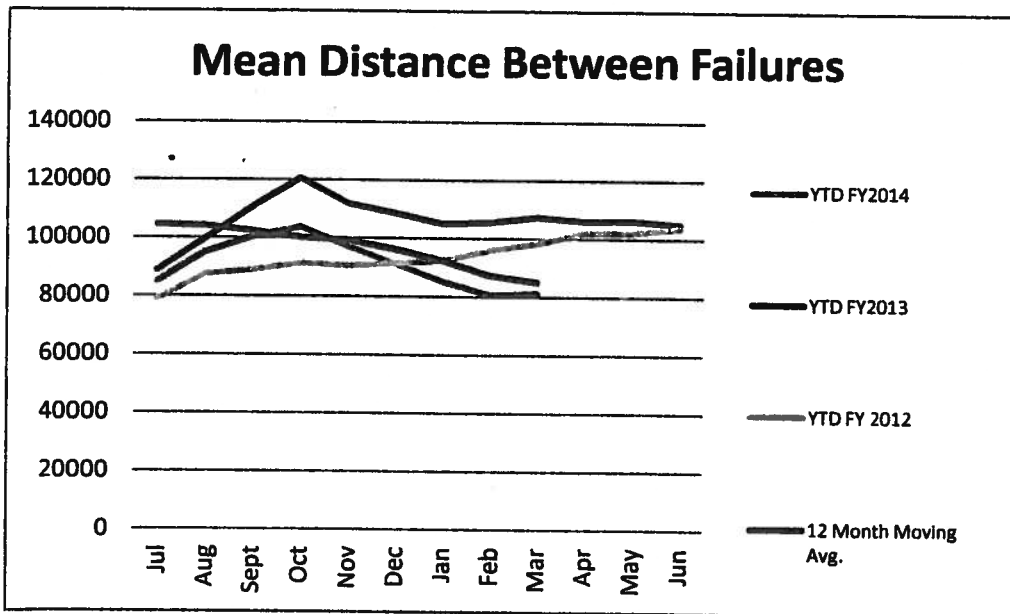
% Light Rail Trains Reported On Time



MEAN DISTANCE BETWEEN FAILURES

NJ Transit Rail
Mean Distance Between Failures

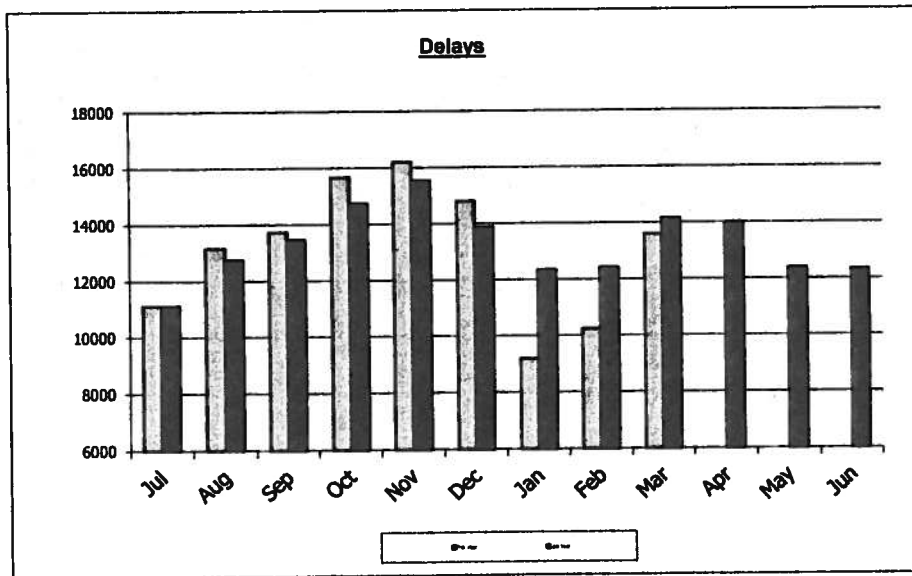
Month	YTD FY2014	YTD FY2013	YTD FY 2012	12 Month Moving Avg.
Jul	85097	88,735	78,933	104,485
Aug	95116	99,585	87,525	104,066
Sept	100341	110,530	89,028	102,384
Oct	103813	120,591	91,327	100,146
Nov	97,112	111,758	90,518	99,274
Dec	91128	108,579	91,523	96115
Jan	85161	104,917	92,489	92,375
Feb	80639	105,580	96,166	87,218
Mar	81229	107,335	98,412	85,057
Apr		106,048	102,149	
May		106,287	102,237	
Jun		104975	103,748	104,975



Garage Performance Parameters

March 2014

Location	Miles Between In-Service Delays			
	FY2014 Goal	This Month	FY2014 YTD	FY2013 YTD
Fairview	9,000	7,420	7,459	8,226
Greenville	10,000	6,937	8,731	11,056
Market Street	12,500	13,223	13,457	12,566
Meadowlands	11,300	10,406	9,759	11,971
Oradell	15,500	17,265	11,836	16,170
Wayne	15,500	12,754	11,220	14,744
Northern Division	-	11,806	10,688	13,004
Big Tree	9,000	12,415	12,190	10,954
Hilton	8,500	11,987	12,632	8,428
Howell	16,500	19,638	16,553	16,083
Ironbound	12,500	10,096	9,430	12,881
Orange	6,200	17,327	12,808	7,800
Morris	11,000	50,293	50,044	54,872
Central Division	-	14,106	12,649	11,393
Egg Harbor	15,800	20,820	18,826	14,499
Hamilton	24,500	25,397	22,081	24,255
Newton Avenue	14,500	11,198	14,307	17,164
Washington Twp.	18,225	13,658	14,262	19,207
Southern Division	-	15,769	16,337	17,345
Bus Operations	-	13,586	12,638	13,216

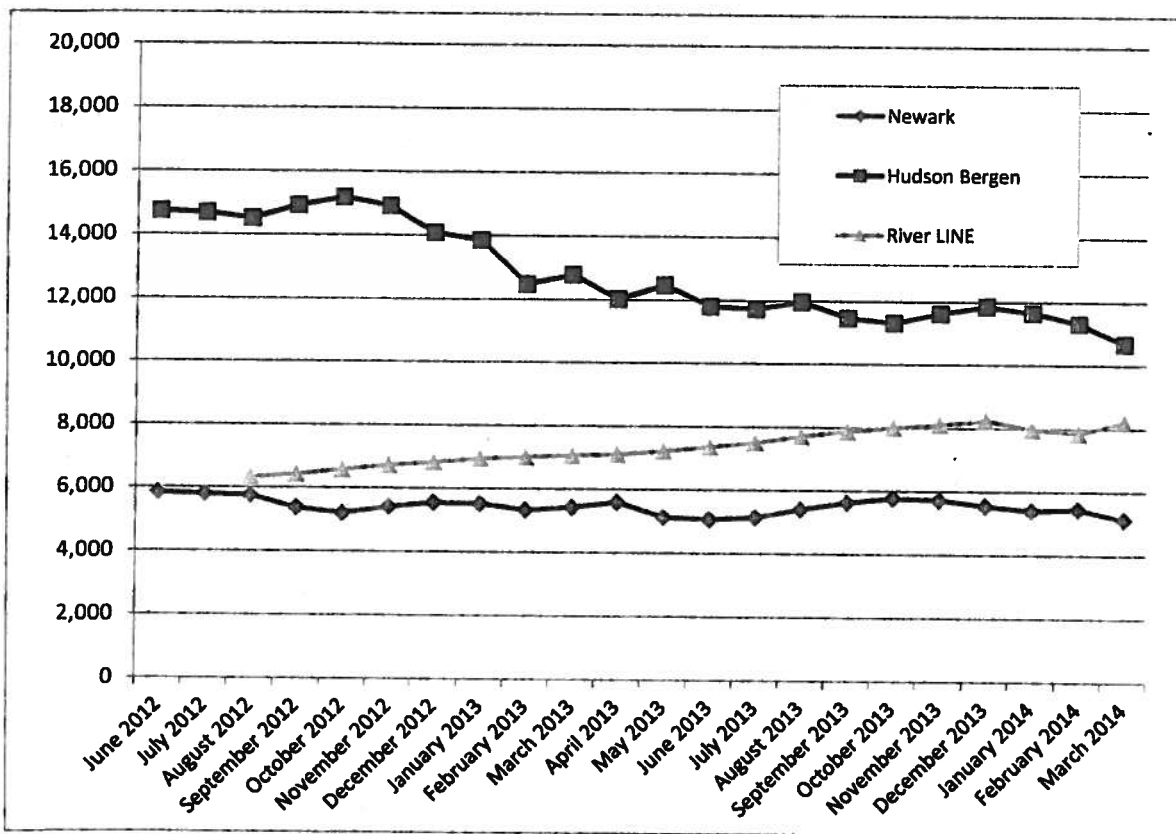


NJ TRANSIT - LIGHT RAIL, March 2014

Miles Between In-Service Delays (Mechanical Failures)

Light Rail System	March 2014 (Current Month)	12 Month Moving Average (Mean)
Newark	3,249	5,130
Hudson Bergen	10,509	10,687
River LINE	12,024	8,217

MEAN DISTANCE MILES BETWEEN IN-SERVICE DELAYS (DELAYED TRAINS)



Notes: Newark Light Rail's totals are impacted by the short 5 mile alignment distance and single car consists.

DBE/MBE PROGRAM

State Funded Contracts

During the month of April 2014, NJ TRANSIT awarded **\$1,902,865.28** in state funded contracts. Of that total, Small Business Enterprises (SBEs) received **\$45,000.00** or **2.36%**.

During the State Fiscal Year 2014 (July 1, 2013 through June 30, 2014) NJ TRANSIT awarded **\$70,668,571.09** in state funded contracts. Of that total, SBEs received **** \$10,399,476.11** or **14.72%**.

SBE Goal Attainment from July 1, 2013 through April 30, 2014 (FY 2014)

Category 1 SBEs received	\$73,389.00	or 0.10%
Category 2 SBEs received	\$370,455.66	or 0.52%
Category 3 SBEs received	\$0	or 0.00%
Category 4 SBEs received	\$5,319,148.67	or 7.35%
Category 5 SBEs received	\$2,945,201.43	or 4.17%
Category 6 SBEs received	\$1,691,281.35	or 2.39%

FTA Funded Contracts (updated Quarterly – next update will be available July 2014)

During the 2nd Quarter (Jan 1, 2014 through March 31, 2014) of Federal Fiscal Year 2014 (October 1, 2013 through September 30, 2014), the FTA funded share of NJ TRANSIT's federal contracts awarded was **\$11,832,853.33**. Of that total, Disadvantaged Business Enterprises (DBEs) received **\$3,025,430.00** or **25.57%**.

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

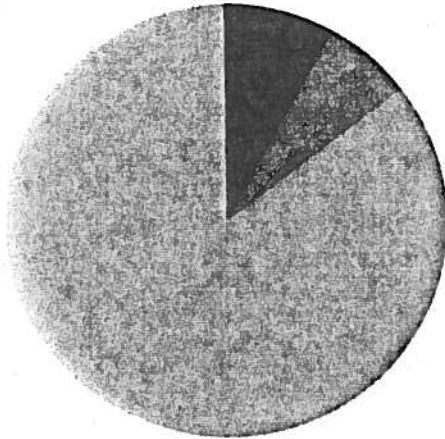
Contracts awarded	\$20,157,685.79
DBEs received	\$3,778,374.93 or 18.74%

*Numbers reflect federal share.

** \$3.00 correct from previous months

SBE PARTICIPATION
STATE CONTRACTS
STATE FYTD 2014

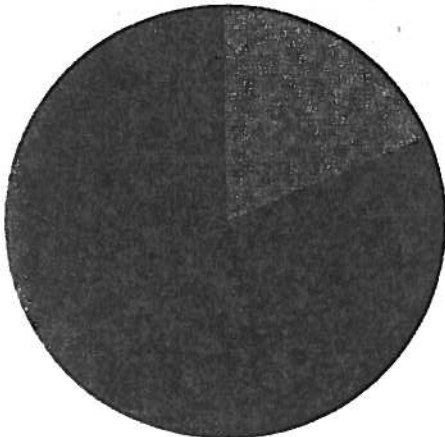
Category 1 SBEs	\$73,389.00	0.10%
Category 2 SBEs	\$370,455.66	0.52%
Category 3 SBEs	\$0.00	0.00%
Category 4 SBEs	\$5,319,148.67	7.53%
Category 5 SBEs	\$2,945,204.43	4.17%
Category 6 SBEs	\$1,691,281.35	2.39%
Non-SBEs	\$60,269,091.98	85.28%



- Category 1 SBEs
- Category 2 SBEs
- Category 3 SBEs
- Category 4 SBEs
- Category 5 SBEs
- Category 6 SBEs
- Non-SBEs

DBE PARTICIPATION
FEDERAL CONTRACTS
TRIENNIAL YEARS 2014-2016

Total Amount DBEs Received	\$3,778,374.93	18.74%
Total Amount Non-DBEs Received	\$16,379,310.85	81.26%



- Total Amount DBEs Received
- Total Amount Non-DBEs Received

EMPLOYEE RECOGNITION

NJ TRANSIT employees bid farewell after outstanding careers

Twenty-one NJ TRANSIT employees retired in April with careers ranging from 11 to 40 years of service:

1. Ricardo C. Goldstein, Chief Trainmaster – Penn Plaza – 40 years
2. Richard A. Smith, Bus Operator – Howell Garage – 40 years
3. Charles W. Wolfe, Depot Master – Washington Township Garage – 36 years
4. Michael J. Munczenski, Senior Technical Training Specialist – Penn Plaza – 34 years
5. Amos Dickerson, Jr., Garage Supervisor – Greenville Garage – 33 years
6. Thomas M. Cantwell, Director Rail Communications – Hoboken – 32 years
7. Rita McBryde, Bus Operator – Oradell Garage – 25 years
8. Napoleon Villalta, Bus Operator – Meadowlands Garage – 29 years
9. Marc O. Mondesir, Repairman Class "A" – Ironbound Garage – 27 years
10. Robert L. Smith, Facility Systems Representative – WRTC – 26 years
11. David E. Gillespie, Director Energy & Sustainability – Penn Plaza – 20 years
12. Moses T. Owen, Bus Operator – Wayne Garage – 16 years
13. Fernando Alix, Bus Operator – Oradell Garage – 15 years
14. Enoch Buahin, Bus Operator – Oradell Garage – 15 years
15. Charles T. Ladzenski, Regional Supervisor – Newton Avenue Garage – 15 years
16. Rosalie Rodriguez, Bus Operator – Newton Avenue Garage – 13 years
17. Viola Sanders, Bus Operator – Greenville Garage – 13 years
18. James R. Lothian, Director Property Development – Penn Plaza – 11 years
19. Thomas Ferretti, Conductor
20. Terry DeBolt, Locomotive Engineer
21. Anthony Pillitteri, Locomotive Engineer

Twenty NJ TRANSIT employees retired in May with careers ranging from 13 to 36 years of service:

1. Stanley T. Peplowski, Mechanic Class "A" – Washington Township Garage – 36 years
2. James S. Patikowski, Mechanic Class "A" – Oradell Garage – 33 years
3. Joyce Gallagher, VPGM /Bus – Penn Plaza – 31 years
4. Benjamin F. Evans, Bus Operator – Orange Garage – 30 years
5. Pedro Rodriguez, Jr., Forman Garage I – Washington Township Garage – 30 years
6. Michael A. Arthars, Dir. TMAC System & Building – Hoboken Station – 27 years
7. Phillip P. Brooks, Bus Operator – Howell Garage – 27 years

8. James Humphrey, Atlantic City Terminal Worker – Atlantic City Bus Terminal – 27 years
9. Arthur Krizni, Jr., Mechanic Class "A" – Oradell Garage – 27 years
10. Barbara Briley, Bus Operator – Egg Harbor Garage – 26 years
11. John J. Chin, Bus Operator – Howell Garage – 26 years
12. Digno Mena, Bus Operator – Meadowlands Garage – 26 years
13. Angela Chiarulli, Bus Operator – Egg Harbor Garage – 24 years
14. Magdalena Gutierrez, Bus Operator – Meadowlands Garage – 18 years
15. William Blann, Repairman "A" – Egg Harbor Garage – 17 years
16. Burton Alford, Sr., Mechanic Class "AG" – Hamilton Garage – 15 years
17. Joseph Commings, Bus Operator – Hamilton Garage – 13 years
18. Peter Bobinta, Conductor
19. Neil Powers, Conductor
20. Kevin Emde, Locomotive Engineer

ACTION ITEMS

ITEM 1405-19: SUPERSTORM SANDY RECOVERY PROGRAM: INTEGRITY OVERSIGHT MONITORING SERVICES—COMPETITIVE PROCUREMENT

BENEFITS

In October 2012, Superstorm Sandy struck the State of New Jersey with high winds and torrential rains producing unprecedented severe weather conditions, including enormous storm surges and devastating flooding. Superstorm Sandy caused significant damage to a large portion of NJ TRANSIT's transportation assets requiring repair, reconstruction and implementation of a resiliency program.

Authorization is sought to obtain services from up to four consultants to provide integrity oversight monitoring of the various Sandy Recovery and Resiliency contracts having a value of \$5 million or more and as otherwise needed (See Attachment G to the RFP containing a potential list of Contracts, which may be subject to Oversight Integrity Monitoring Services). Grant requirements for Tier #2 funding by the Federal Transit Administration (FTA), as well as potential awards being applied for under Tier #3, mandate implementation of integrity oversight monitoring. Furthermore such services are required as to contracts of \$5 million or more under N.J.S.A. 52:15D-2 (A60) in order to help ensure that the various contracts are carried out in accordance with the contract requirements and applicable law and to mitigate potential for fraud, waste or abuse. It is anticipated that integrity oversight monitoring services may also apply program wide, which will in particular focus upon general oversight of contracts that have a value less than \$5 million; such services will also include risk assessments as well as identification of potential criminal activity and fraud waste and abuse, program wide.

The services are sought with the intention of achieving the following:

- a) Safeguarding NJ TRANSIT assets;
- b) Minimizing fraud, waste and abuse;
- c) Promoting prevention and detection of fraud waste and abuse;
- d) Ensuring Integrity of the procurement process;
- e) Providing independent monitoring that reports directly to NJ Treasury on a quarterly basis and directly to the NJ Attorney General and Office of the State Comptroller (OSC) when encountering suspected criminal activity, fraud, waste or abuse;
- f) Providing and updating a Fraud, Waste and Abuse Risk Assessment, as needed;
- g) Performing IT, Internal and Construction Auditing of Sandy contracts as part of the monitoring services on an as-needed basis.

ACTION (Scorecard: Financial Performance, Corporate Accountability)

Staff seeks authorization to enter into NJ TRANSIT Contract Nos. 14-033A, 14033B, 14033C, and 14033D (Contract(s)) with CohnReznick LLP, Eisner Amper LLP, McGladrey LLP and TA Thatcher Associates, respectively, being the four consultants offering the best value, which are in the best interests of NJ TRANSIT for a total authorization not to exceed the sum of \$15,000,000 (Fifteen Million Dollars), for all approved Work Authorizations (WAs) that may be issued to these four consultants during the Contract three-year term, subject to the availability of funds.

PURPOSE

To establish a program to further enhance the prevention and detection of fraud, waste, abuse, and potential criminal activity in relation to the Superstorm Sandy Recovery Program (SSRP).

The program is to be in accordance with New Jersey law and federal funding requirements mandating integrity oversight monitoring of contracts for the repair and reconstruction of damaged facilities in a more resilient manner under Tier #2 as well as new Resiliency Projects under Tier #2 and Tier #3 that are federally funded. The contract(s) will include two options, each for an additional two-year period; separate authorization will be sought from the Board to award these options where needed at the end of the initial contract term. WAs will be made during the three-year term of the contract but may extend beyond that timeframe until each individual WA is completed.

BACKGROUND

Oversight monitoring of the Sandy Repair and Resiliency Program is required at the New Jersey State and Federal levels as follows:

Federal Requirements for Oversight Monitoring:

As articulated in the Federal Register pages 32301 - 32302 (May, 29 2013) “[a]ny recipient receiving over \$100 million in Disaster Relief Appropriations Act funds will be required to hire and use independent Integrity Monitors.” It is in essence FTA’s expectation that such Integrity Monitors will:

- Conduct initial review of all existing processes and procedures in order to assess susceptibility for fraud, waste or abuse including reasonableness of project cost;
- Recommend and assist in implementation of procedures designed to mitigate identified risks for fraud, waste or abuse and to monitor implementation of recommendations;
- Monitor and assess progress of work in order to ensure projects are well planned and executed effectively;

- Recommend how to improve the procurement process, as well as contract bidding and award oversight in order to ensure compliance with the letter and spirit of procurement requirements
- Provide investigative services as necessary as well as unannounced visits to construction sites and meetings with prospective contractors and vendors to ensure procurements are properly conducted in accordance with applicable rules and regulations. Conduct forensic reviews of requisitions, change orders, and payments to ensure processes are being followed and there are no indications of contractor overcharging or other fraud;
- Report directly to the US DOT OIG when encountering suspected or potentially criminal activity, fraud, waste or abuse (This would be in addition to reporting directly to the New Jersey Attorney General and the OSC).

New Jersey Legislation Requiring Oversight Integrity Monitors

In accordance with N.J.S.A. 52:15D-2 [A 60], legislation adopted shortly after New Jersey suffered damage by the ravages of Sandy, the New Jersey Department of the Treasury (NJ Treasury) established a pool of Oversight Integrity Monitors and a program of quarterly reporting. Consistent with the mandates of Governor Chris Christie as set forth under EO 125, NJ TRANSIT has recognized the risks associated with a rapid recovery program shortly after NJ TRANSIT incurred extraordinary and unexpected damage to transportation facilities in New Jersey and the resulting need for transparency and independent oversight. Currently NJ TRANSIT has retained monitoring services from Hill International as part of its current oversight of the Sandy Repair and Recovery Program. Under this new procurement, Integrity Oversight Monitoring services will be applied to individual contracts of \$5 million or more in compliance with state and federal mandates and will also assist in the oversight of the overall SSRP.

Meeting the Requirement of State and Federal Mandates:

It was determined that in order to meet the prescribed FTA integrity oversight monitoring requirements and to receive federal reimbursement, a new procurement was in the best interests of NJ TRANSIT in consultation and in collaboration with NJ Treasury. To maintain independence of the monitoring services, it was determined that NJ TRANSIT's Internal Audit Department (NJTIAD) would manage the delivery of these services in direct consultation and collaboration with NJ Treasury since the NJTIAD reports directly to the Board and is independent of the Executive Director. The Technical Evaluation Committee had representation from NJ Treasury as well as from NJ TRANSIT including its Accountability Officer mandated under EO125. To ensure competition and the selection of the consultant best suited to monitor a particular contract or deliver a particular oversight task, competitions will be held between the consultants selected for each WA, where appropriate. NJ Treasury and the

Accountability Officer will participate in the selection process in consultation with the Procurement Department.

Procurement

On March 10, 2014, OSC approved NJ TRANSIT to advertise the RFP for Integrity Oversight Monitoring Services. The Office of Business Diversity (OBD) approved a goal of 10% Race-Conscious. The RFP was advertised and notice was provided to all of those consultants approved under the NJ Treasury procurement to provide Integrity Oversight Monitoring Services for various state and local Superstorm Sandy Recovery and Resiliency Programs and related projects. Competition, however, was not limited to only those previously approved consultants. The Technical Evaluation Committee reviewed all written technical proposals submitted and heard all oral presentations from those invited to do so. The written technical score constituted 70 percent of total evaluation score.

The Procurement Department evaluated the cost proposals which constituted 30 percent of the total evaluation score. The combined weighted written technical proposal evaluations (including evaluation of oral presentations and reference checks) and cost proposal evaluations were used to identify up to four consultants offering the best value, which are in the best interests of NJ TRANSIT.

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

FISCAL IMPACTS

Total Authorization Amount:	\$15,000,000 (Fifteen Million)
Past Authorizations:	None
Expenditures to Date:	None
Total Project Cost:	Part of Superstorm Sandy Recovery Program
Projected Date of Completion:	June 2017 and beyond
Capital Program Amount:	Up to 15,000,000 (Fifteen Million)
Operating Budget Amount:	None
PRINTS ID Number:	Work Authorizations (WAs)

Anticipated Source of Funds:	Federal Transit Administration and Transportation Trust Fund
DBE/SBE Goal:	10% Race-Conscious
<i>NJ Build</i> Amount:	None
Future/Related Authorizations:	TBD
Impact on Subsequent Operating Budgets:	None

RESOLUTION

WHEREAS, NJ TRANSIT serves a vital role in the State's transportation network and in the State's economy; and Superstorm Sandy jeopardized the public safety and welfare by obstructing safe transportation in New Jersey thereby making it difficult or impossible for citizens to obtain the necessities of life, limiting access to essential emergency services and restricting restoration of business and commerce vital to the region's economy; and

WHEREAS, Superstorm Sandy damaged NJ TRANSIT's transportation assets requiring continued repair to restore the transportation system to pre-storm conditions and make the system more resilient; and

WHEREAS, State law and federal funding requirements mandate integrity oversight monitoring of contracts for the repair and reconstruction of damaged facilities in a more resilient manner under Tier #2, as well as new Resiliency Projects under Tier #2 and Tier #3 that are federally funded; and

WHEREAS, there is a need to safeguard NJ TRANSIT Assets; and

WHEREAS, there is a further need to minimize fraud, waste and abuse and potential criminal activity, and promote prevention and detection thereof in order to better ensure the integrity of the procurement process; and

WHEREAS, it is in NJ TRANSIT's best interests and is required by state law or applicable regulations for NJ TRANSIT to secure independent monitoring that reports directly to NJ Treasury on a quarterly basis, and directly to the NJ Attorney General and Office of the State Comptroller (OSC) and by federal requirements to US DOT OIG when encountering suspected or potentially criminal activity, fraud, waste or abuse; and

WHEREAS, there is a need to maintain an independent Fraud, Waste and Abuse risk assessment to support the allocation of resources; and

WHEREAS, there is a need to secure independent IT, Internal and Construction Auditing of Sandy Contracts as part of the Monitoring services in keeping with FTA requirements; and

WHEREAS, NJTIAD and the NJ Treasurer have worked together with the NJ TRANSIT Procurement Department in developing an RFP in compliance with applicable state law and federal procurement and Sandy grant requirements as well as a work plan for management of the rendering of Integrity Monitoring Services; and

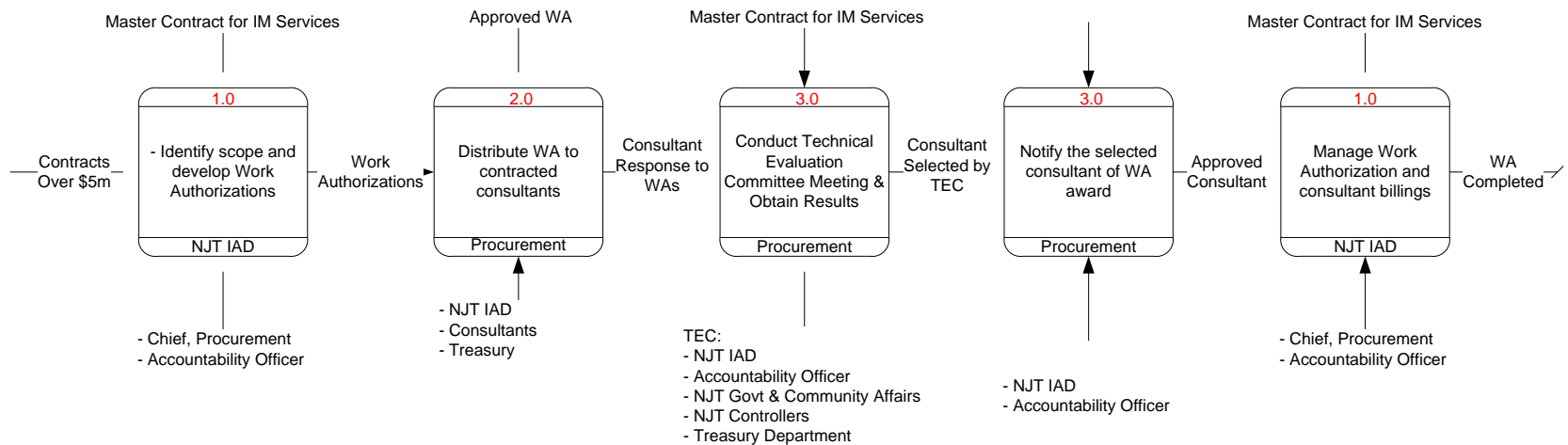
WHEREAS, after the completion of a competitive procurement process, it was determined that CohnReznick LLP, Eisner Amper LLP, McGladrey LLP and TA Thatcher Associates submitted the proposals for integrity oversight monitoring services for Superstorm Sandy Recovery Program that provide the best value, which are in the best interests of NJ TRANSIT;

NOW, THEREFORE, BE IT RESOLVED, that the Chairman or Executive Director is authorized to enter into NJ TRANSIT Contract Nos. 14-033A, 14-033B, 14-033C and 14-033D with CohnReznick LLP, Eisner Amper LLP, McGladrey LLP and TA Thatcher Associates respectively, being the four consultants offering the best value, which are in the best interests of NJ TRANSIT, for a total authorization not to exceed the sum of \$15,000,000 (Fifteen Million Dollars), for all approved Work Authorizations (WAs) that may be issued to these four consultants during the Contract three-year term.

ATTACHMENT A

**SUPERSTORM SANDY RECOVERY PROGRAM: INTEGRITY OVERSIGHT MONITORING SERVICES—
COMPETITIVE PROCUREMENT**

**NJ TRANSIT – SSRP INTEGRITY OVERSIGHT MONITORING SERVICES
WORK AUTHORIZATIONS SELECTION PROCESS OVERVIEW 1/28/2014**



NJ TRANSIT reserves the right to modify the Work Authorization Selection Process as it deems appropriate under the circumstances. The proposed flow chart reflects anticipated process that will apply to the selection of a consultant for a particular WA. Circumstances may require adjustments to the process in the future, during the life of the contract.

Potential List of Contracts to be Subject to Oversight Integrity Monitoring Services

Project Name	Scope of Work
Mason Traction Power Substation	Design and construct Mason Traction Power Substation with resiliency
Hoboken Yard Power Supply System Repairs (Wayside, Building, Yard Lighting, Traction Power Control, Switch Heater)	Repair and resiliency modifications including relocation and raising of the main power supply system (13.2 kVa - 3 phase) for Hoboken Yard including main feeders, transformers, switches, breakers, support structures, secondary feeders and the associated conduit and duct banks for supplying power to wayside power outlets, yard lighting, yard buildings, switch heater control cabinets, traction power control equipment. Included in the scope is to provide back up generator power for selected buildings including the Engine House and the Engineering Building.
System Wide Rail Yard Power Repairs and Upgrade	Replace all power feeders in yard with 13.2 KV rather than 4.16 KV. Requires replacement of transformers and controls which will be installed on raised platforms with stairs. Replace wayside 600 amp receptacles throughout the yard.
Hoboken Depot and Observer Highway Traction Power Substation	Design and construct Hoboken Depot and Observer Highway Substation at one central location, Pullman/Immigration Building. Modifications and repairs to the building structure/envelope as necessary to accommodate installation of switch gear, transformers and the associated relays, breakers, other electrical system components, and ancillary equipment.
Hoboken Yard Signal Power Supply System Repairs	Material to support the Repair and resiliency modifications including relocation and raising of the signal power supply system for Hoboken Yard including system components GS1 and GS2 feeders, transformers, switches, breakers, support structures, secondary feeders and the associated TMAC sub system
Building NO. 9 Substation at the Meadows Maintenance Complex	Design and construct Building No. 9 Substation with resiliency
Rail Inventory and Spares	The assessment and replacement in kind of parts and material inventory that was lost or damaged. This is also to provide additional stock of spare parts to enable NJT to recover quickly from a storm. Identify any offsite areas/facilities to provide additional spare parts storage such that material are available to bring damaged systems back online in a timely manner..
Henderson Street Traction Power Substation Repair	Design and repair/replacement of switch gear, transformers and the associated relays, breakers, back up power, other electrical system components, and ancillary equipment for Henderson Street Substation. A redundant utility service feeder will be included in the replacement substation.
Bayhead Yard Traction Power Substation	Design and repair/replacement of electrical equipment including breakers, transformers, load break switches, cooling fans and heaters, automatic transfer switches, back up power and ancillary equipment for Bay Head Yard Traction Power Substation. A redundant utility service feeder will be included in the replacement substation.
Hoboken Yard B Traction Power Substation	Rail/ET Substation repairs - Specific Scope TBD
North Jersey Coast Line River Draw Repairs	Permanent repairs at piers 8, 9, 10, 11, 12 & 13, which were damaged by Sandy
North Jersey Cost Line Cable Trays and Submarine Cables Repairs	Replacement of power supply cables from Essay to bridge approach spans; three transformers connecting power supply cables to submarine cables; connections to fender lights; replacement of signal cables on approach spans and from existing submarine cable to operators house; new overhead traction/fiber optic cable from Essay to new cabinet on east shore; new communication cables on approach spans; new cable trays on approach spans
Hoboken Station Ferry Terminal Repairs & Modifications	Restore and modify abandoned space off Main Terminal Waiting Room for relocation of Ferry Operations ticketing and employee welfare facilities. Repair and make resiliency improvements to Ferry concourse areas and piers including clean up and repairs/modifications to utility huts and rooms, power supply equipment, passenger information signs, heating equipment, spud wells , spud piles, corridor walls, berthing facilities and associated equipment.
Meadows Maintenance Complex Perimeter Protection	Protect perimeter of Meadow Maintenance Complex - Building 1, 2, 3, 4, 7, 10, 12 and 13. Priorities are Building 1, 2, 3, and 7. Options include repair and waterproof building joints, waterproof any windows that are below flood level, waterproof door openings with watertight doors or stop log systems. Use stop log system where tracks enter buildings. Also add back flow preventers on storm and sanitary sewers. Scope also includes emergency power for lighting and pumps.
North Jersey Coast Line Embankment Hardening	Assessment, design and construction of embankment hardening along the North Jersey Coast Line at various locations.
Yard Interoperable Communications Upgrade	This project involves assessment, design, and fit out, within the existing Maplewood General Office Building (GOB), a consolidated Emergency Operations Center (EOC) for all NJ TRANSIT Operations and Service including Rail, Light Rail, Bus, Access Link, Police, and Customer Communications. The GOB site has been selected for these critical functions as it is an existing NJ TRANSIT facility and is not in a floodplain. The work will include fit-out of spaces in the Maplewood GOB, (approximately 25,000 square feet) with electrical and communication systems hardware and software for LAN electronics, security system, CATV/AV, PA system, EOC phone system and backup power. New connections from Maplewood to existing wayside signal system infrastructure will be made so as to create new redundant pathways, avoiding the ROC, and located strategically to bypass or avoid known vulnerabilities. The GOB is located at the intersection of Springfield Avenue and Boyden Avenue in Maplewood, NJ. The work of this project is located entirely within the transit agency's existing right-of-way/footprint. This project will require Pre-award Authority, will not require the acquisition of any additional property and there potential utility coordination or redundant service. The area surrounding the project site is mixed residential and commercial and there are no significant environmental impacts anticipated in the work of this project.
SANDY Program Management/Oversight	This project involves the tasks associated with Program Management, Administration, and the mandated Oversight and Integrity Monitors required for the Superstorm Sandy Recovery Program. Such tasks may be performed by NJ TRANSIT personnel or by consultants.
Tier III Competitive Resiliency Project	Tier III Competitive Projects. Federal Transit Administration (FTA) as per the Notice of Funding Availability (NOFA) (December 2013) is awarding competitive \$3 Billion for the resilience projects in response to the Hurricane Sandy. NJ TRANSIT is applying for the grant money to protect the power grid, signals, substations, bridges, rail terminal, rail yards and bus garage assets by making them resilient against future disasters.

CONSENT CALENDAR

ITEM 1405-20: EXTENSION OF 2004 AGREEMENT BETWEEN NJ TRANSIT AND NEW JERSEY DEPARTMENT OF TRANSPORTATION FOR THE TRANSFER AT NO COST OF CERTAIN FEE AND/OR EASEMENT INTERESTS IN PROPERTY BETWEEN THE PARTIES

BENEFITS

A ten-year extension of the 2004 Agreement between NJ TRANSIT and the New Jersey Department of Transportation (NJDOT) for the transfer at no cost of fee and/or easement interests valued by an in-house appraisal at no more than \$250,000 would: (1) continue to save NJ TRANSIT and NJDOT external appraisals costs; (2) continue streamlining the time necessary to complete property transfers between NJ TRANSIT and NJDOT; and (3) continue mitigating the risk of project delays, thereby reducing the risk of additional agency costs resulting from delay. The foregoing benefits result in savings to New Jersey's taxpayers.

ACTION (Scorecard: Corporate Accountability and Financial Performance)

Staff seeks authorization to extend on the same terms and for an additional ten (10) years, the 2004 Agreement with NJDOT (copy attached), which currently allows the two agencies to transfer fee and/or easement interests, at no cost, provided that the property interest is valued by the transferor at no more than \$250,000.

PURPOSE

Board authorization will allow NJ TRANSIT and NJDOT to continue to streamline our process for transfer of property rights between the parties resulting in time and cost savings as well as to allow the parties to save substantial appraisal costs for property interests valued at \$250,000 or less. Board authorization would allow this agreement to be extended for an additional ten (10) years. The extension of the 2004 Agreement would continue to stipulate that the property interests can only be used for transportation purposes. The extension of the 2004 Agreement would also continue to stipulate that deeds would contain a reverter to the granting agency in the event that the use of the property interest by the grantee was no longer for transportation purposes.

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

FISCAL IMPACTS

Requested Authorization:

NJ TRANSIT seeks authorization to extend on the same terms and for an additional ten (10) years the 2004 Agreement with NJDOT which currently allows the two agencies to transfer fee and/or easement interests, at no cost,

provided that the property interest is valued by the transferor at no more than \$250,000.

Past Authorizations:

Board Item No. 0312-114 was approved on December 10, 2003. The Board authorized NJ TRANSIT to enter into the 2004 Agreement with NJDOT for the transfer, at no cost, of certain fee and/or easement interests between the parties provided that the property interest was valued by the transferor at no more than \$250,000.

Expenditures to Date:

None

Total Project Cost:

None

Projected Date of Completion:

January 2024

Capital Program Amount:

None

Operating Budget Amount:

None

PRINTS ID Number:

N/A

Anticipated Source of Funds:

N/A

DBE/SBE Goal:

None – transfer of property interests

***NJ Build* Amount:**

None – transfer of property interests

Related/Future Authorizations:

None known

**Impacts on Subsequent
Operating Budgets:**

None

RESOLUTION

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

WHEREAS, NJ TRANSIT and the New Jersey Department of Transportation (“NJDOT”) entered into an agreement in 2004 to provide for the acquisition of fee and/or easement property rights from each other, at no cost, for property interests with a value that does not exceed \$250,000 (the “2004 Agreement”); and

WHEREAS, NJ TRANSIT and the NJDOT believe that the 2004 Agreement has created greater efficiencies and allowed both agencies to save appraisal and other costs and to expedite project schedules; and

WHEREAS, NJ TRANSIT and the NJDOT desire to extend the 2004 Agreement for an additional ten (10) years;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is hereby authorized to extend on the same terms and for an additional ten (10) years, the 2004 Agreement with NJDOT (copy attached), which currently allows the two agencies to transfer fee and/or easement interests, at no cost, provided that the property interest is valued by the transferor at no more than \$250,000.

AGREEMENT

THIS AGREEMENT, made as of the ^{20th} day of ~~January~~ 2004 by and between NEW JERSEY TRANSIT CORPORATION, an instrumentality of the State of New Jersey, whose address is One Penn Plaza East, Newark, New Jersey 07105-2246 (hereinafter "NJ Transit"), and the STATE OF NEW JERSEY, Department of Transportation, by its Commissioner of Transportation, having offices at 1035 Parkway Avenue, Trenton, New Jersey 08625 (hereinafter "NJDOT"), collectively referred to as the "Parties".

WHEREAS, both NJ Transit and NJDOT are responsible for creating, operating and maintaining transportation systems to serve the citizens of New Jersey; and,

WHEREAS, those transportation systems may require the acquisition of right of way by one transportation agency from the other agency; and,

WHEREAS, the acquisition of a fee or easement interest by one of the Parties from the other Party currently requires costly appraisal of the value of the right of way to be acquired; and

WHEREAS, the Parties share a common interest in operating their respective transportation systems in a timely and cost effective manner; and

WHEREAS, there have been significant delays and expenses in transferring right of way from one Party to the other;

NOW THEREFORE it is agreed by and between the Parties that the acquisition of property for transportation purposes by one Party from the other Party shall be made in the most expeditious and cost effective manner possible, in accordance with the following terms and conditions:

1. The acquisition of fee and/or easement interests in property by one Party from the other Party as well as the granting of rights of entry and permits shall be made at no cost, provided

that the acquiring Party concludes, based upon an in-house appraisal, that the value of the proposed transfer is less than \$250,000.00.

2. Where the transferring Party estimates the value of the property transfer to exceed \$200,000.00, the acquiring Party shall have an appraisal prepared in accordance with that Party's regular procedures for purchase or sale of property. In the event that the appraised value is greater than \$250,000.00 then the regular property transfer procedures will apply, rather than the terms of this Agreement.

3. The acquiring Party shall use the property acquired pursuant to this Agreement for transportation purposes only and the deed shall include a reverter to the granting Party in the event the use of the property changes.

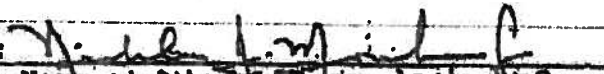
4. Where the grant of fee ownership pursuant to this Agreement would disrupt the effective function of the granting Party's transportation system, the granting Party shall convey an easement or lesser interest rather than a fee interest in the property.

5. Both parties agree to retain environmental responsibility for the conditions which existed within its property transferred pursuant to this Agreement prior to the transfer of a fee or easement or lesser interest.

6. This Agreement may be nullified by either party for any reason. The term of the Agreement shall be no longer than ten years, beginning on the date of execution of the Agreement by both Parties. Either party may decline to transfer any particular parcel of property for any reason.

7. The individuals who execute this Agreement acknowledge that they have full power and authority to act on behalf of their respective Party.

NEW JERSEY DEPARTMENT OF TRANSPORTATION


By: 
Name: Nicholas J. Monahan
Title: MANAGER, RIGHT-OF-WAY

NJ TRANSIT CORPORATION

By: 
Name: H. Charles Wedel
Title: Chief Financial Officer and Treasurer

Reviewed as to form only.

Peter C. Harvey
Attorney General of New Jersey

By: 
Deputy Attorney General

EXECUTIVE SESSION AUTHORIZATION

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

BE IT FURTHER RESOLVED that it is expected that discussions undertaken at this executive session could be made public at the conclusion of these matters as appropriate.