

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

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

January 22, 2019

Dear Governor Murphy:

Pursuant to Chapter 150, Laws of 1979, I herein transmit the minutes of actions taken at the open session of the regularly 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 Wednesday, January 16, 2019.

Sincerely,

Original Signed By

Joyce J. Zuczek
Board Secretary

Enclosures

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

Open Session Minutes of the actions taken at the regularly 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 Wednesday, January 16, 2019.

Board Members Present

Diane Gutierrez-Scaccetti, Chair
Edmund Caulfield, Governor's Representative
Dini Ajmani, Treasurer's Representative
Flora M. Castillo, Board Member

Board Members Absent

Raymond W. Greaves, Board Member (Non-Voting)

Staff Present

Kevin S. Corbett, Executive Director
Joyce J. Zuczek, Board Secretary
Joseph E. Snow, Assistant Attorney General, Office of the Attorney General
Eric R. Daleo, Assistant Executive Director, Capital Planning & Programs
Michael P. Kilcoyne, Vice President and General Manager, Bus Operations

Chair Gutierrez-Scaccetti convened the Open Session at 9:04 a.m. in accordance with the Open Public Meetings Act. James Brown, Office of System Safety, provided a Public Safety Announcement. The Pledge of Allegiance to the Flag was conducted and Board Secretary Zuczek conducted a Roll Call, noting Board Member Greaves was absent.

Board Secretary Zuczek announced that adequate notice of the regularly scheduled meetings of the Board of Directors of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations Inc., NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. was provided in accordance with the Open Public Meetings Act, Public Law 1975, Chapter 231, and the NJ TRANSIT Reform Legislation, Public Law 2018, Chapter 162, and the meetings were occurring concurrently. Notices were filed on January 10, 2019 with the Secretary of State. These notices were sent to newspapers of general distribution, posted in the main entrance of NJ TRANSIT headquarters, published on the corporation's website, and sent to each individual, agency and organization that requested such notice. The meetings were viewable on the corporation's website in real time and were video recorded, archived, and made available to the public. Minutes will also be archived and published on the corporation's website.

Executive Session Authorization

At approximately 9:08 a.m., Chair Gutierrez-Scaccetti requested a motion to enter Executive Session to discuss personnel matters, contract negotiations, the status of pending and anticipated litigation, and matters falling within the attorney-client privilege, including, but not limited to, the Proposed Labor Agreements: NJ TRANSIT Bus Operations, Inc. and Amalgamated Transit Union (ATU), New Jersey State Council and Local Division Nos. 540, 819, 820, 821, 822, 823, 824, 825, 880, and Related Labor Agreements.

Board Member Flora M. Castillo moved the resolution, Board Member Edmund Caulfield seconded the motion, and it was unanimously adopted.

Return to Open Session

Board Secretary Zuczek conducted a Roll Call as Board Members returned to Open Session. All Board Members returned to open session at approximately 10:04 a.m.

Approval of Minutes

Chair Gutierrez-Scaccetti asked for a motion to approve the minutes of the December 12, 2018 Board meetings. A motion was made by Board Member Edmund Caulfield, seconded by Board Member Flora M. Castillo, and it was unanimously adopted.

Public Comments

There were nine speakers. Board Secretary Zuczek announced public comments would be limited to five minutes, and if there were several people speaking on the same topic, two speakers would have five minutes, and all others would have two minutes.

Orrin Getz, Vice Chairman of the Metro-North Rail Commuter Council, said the new Board Room looks much better and hopes that 2019 will be a better year for NJ TRANSIT as well. He has heard great things about Mr. Kenny from the MTA and hopes he will improve the railroad and provide much better service.

Mr. Getz said that morning when he boarded a train to Nanuet, a conductor asked if he could do something about the problems on the Pascack Valley Line. Mr. Getz said when the Metro North train is cancelled in the morning it has a cascading effect on the railroad. He said the following trains run short and are overcrowded so the conductors cannot get through to collect tickets. Mr. Getz asked NJ TRANSIT to do something to avoid the cancellation of their trains.

Mr. Getz said they have not received information on when they are going to get their second Pascack Valley express train service restored. He said they were notified in June that this service would be restored in January but have heard anything yet. Mr. Getz

believes since these trains are part of their regularly scheduled ones, they should be restored as soon as equipment is available.

Mr. Getz said he receives a lot of complaints from people about what happens during the evening commute on the Pascack Valley Line when it is cancelled. He said commuters coming out of Penn Station cannot make the connections at Secaucus, and this causes a very bad cascading effect and extreme crowding on the trains. Mr. Getz asked NJ TRANSIT what can be done to improve these connections.

Sally J. Gellert, Communications Director of the Lackawanna Coalition, welcomed Raymond Kenny, wished him well and said the Lackawanna Coalition would be glad to meet with him. If they were to travel to such a meeting, they would like to have rail schedules on which they can rely on. Ms. Gellert said train #267, the 5:25 P.M. outbound Montclair-Boonton train, during December reportedly did not run at all between the Monday of Thanksgiving week and December 28, 2018. She asked for a formal schedule that can be kept.

Ms. Gellert said they expect either full restoration in January which means in approximately two weeks or, should that fail, to be given a date certain when their trains will be back to normal. They suspect that engineer shortages have been a bigger problem than Positive Train Control installation. Although the government shutdown may delay a Federal Railroad Administration inspection, they believe such an inspection is needed only on the Atlantic City and Princeton Dinky lines. Ms. Gellert said reduced service has continued on all other lines, and service on the Raritan Valley Line and elsewhere should be restored as soon as the staff is available. If for any reason this does not happen by February 1, 2019, they expect an extended and increased discount, of perhaps 25 percent, until the trains are restored. Ms. Gellert said any attempt by NJ TRANSIT to make any of these cuts more permanent is unacceptable, as they will make clear at the public hearings that would be required under the new legislation.

Ms. Gellert said they have been following with interest the discussions about a less-expensive proposal for tunnel restoration along the L-train subway line. She encouraged NJ TRANSIT to look into the viability of a similar low-cost proposal that could lead to useful tunnels now, requiring only weekend closing as has been done before. Ms. Gellert said having two operating tunnels repaired in just a few years, rather than 12, would allow a much more affordable Gateway. They see the current massive proposal as benefiting mainly real-estate developers, consultants, and the infrastructure/industrial complex, not riders, particularly in the short term. Ms. Gellert urged NJ TRANSIT to learn from the past and find an inexpensive way to quickly expand Trans-Hudson capacity.

Ms. Gellert noted that the new legislation attempting to reform NJ TRANSIT has been signed and they are glad to see representatives of bus and rail unions on the Board and hope that they will soon be given actual votes to make their participation meaningful. They are concerned about none of the commuter and agency representatives being from grassroots rider-advocacy. They complained that not a single Board member is required to be dependent on transit for mobility and this important perspective will not be included.

Ms. Gellert said they were pessimistic about the effectiveness of a consumer advocate. She said times and attitudes can change, and in the case of NJ TRANSIT, they certainly hope that they do, and will be watching for positive signs.

Murray Bodin attended an MTA Board Meeting on January 15, 2019 that he thought was incredible because it changed the way everybody thought about things. He said it was about the L-Train Tunnel and five years of planning and work went down the tubes because they realized they cannot do things the way they use to. Mr. Bodin said artificial intelligence was not around five years ago, however it is today. He said they were all communicating differently in today's world and China just landed a probe on the far-side of the moon, which is something no one else has done. Mr. Bodin said his generation is finished and the millennials are taking over. He hopes this would be the last meeting he attends. Mr. Bodin believes NJ TRANSIT is taking the right steps in changing the way they look at and do things because technology is changing. Mr. Bodin thanked NJ TRANSIT for the incredible mentors and teachers he has had over the years.

Tim Sevener, from the Village of Mount Tabor, spoke as a member of the Sierra Club Transportation Committee and the New Jersey Association of Rail Passengers. Both groups and many others in the Save the Princeton Dinky Campaign were very concerned about the past truncation of the Princeton Dinky and now the shutdown of rail service on the Princeton Dinky, allegedly for Positive Train Control installation. Mr. Sevener said Princeton traffic was already a nightmare and could have been alleviated by following NJARP's recommendations years ago to extend the Dinky and increase service to light rail frequencies. Instead, he said Princeton got NJ TRANSIT to demolish the historic Princeton Dinky Station so Princeton could build a parking garage. Mr. Sevener asked what green committee in Princeton ever approved that?

Mr. Sevener said the Princeton Dinky service was suspended when it was needed more than ever with major traffic problems as the Department of Transportation diverts Alexander Road traffic to already overcrowded roads as they rebuild the Alexander Road Bridge. He believes this is the type of policy a new Governor and Board are supposed to change. While they all know the Gateway funding is critical, he said this was yet another case where they have existing rail green transit already built not being utilized.

Mr. Sevener said the Intergovernmental Panel on Climate Change (IPCC) has warned they may have 10 years to prevent catastrophic climate change, auto addiction is the biggest source of greenhouse emissions in New Jersey, and a major reason the United States increased CO2 emissions last year. He believes NJ TRANSIT needs to restore the Princeton Dinky service and all the rail service cut since 2006, including the direct weekend service on the Morris and Essex Line.

Joseph Clift spoke about what was happening over the last two weeks in New York and provided a handout showing a picture of the *Daily News* cover story that ran on January 4, 2019 with the title L-YEAH! Mr. Clift said the MTA has avoided a shut-down of the L-Train because Columbia and Cornell engineering deans and their people came up with a current

plan. He said they are not proposing to do what WSP, Amtrak, and NJ TRANSIT is trying to do, which is to restore something that was built in 1900/1910. Mr. Clift said Columbia and Cornell are using current technology.

Mr. Clift wants Amtrak to apply the Columbia/Cornell “no shutdown” Superstorm Sandy damage repair plan for the L-Train tunnels to its two Hudson River Tunnel tubes immediately. He argued: there is less damage to repair 10 percent of the Hudson versus 43 percent of the L-Train bench walls inundated with saltwater; it advances needed tunnel repairs from the late 2026 projected date in the Hudson Tunnel Project schedule, almost eight years in the future and 14 years after the storm, to this year 2019; it eliminates the stated need for the entire \$14 billion Hudson Tunnel Project to build two new tubes to allow the existing tubes to be shut down for repairs; the project’s September 7, 2018 Federal Transit Administration submission explicitly states it will provide no increase in train service between Newark Penn Station and Penn Station New York; and it saves a ton of repair money.

Mr. Clift welcomed Raymond Kenny and said their paths have crossed at the Long Island Railroad. He wished Mr. Kenny the very best and said he is a major boost to NJ TRANSIT’s efforts.

Jamie Bland, Chapter Leader for the National Action Network for Reverend Al Sharpton, stated she was there to remind the Board, as they are thinking and negotiating, not to forget about Mr. Graddy. Ms. Bland stated that she still could not wrap her head around the fact that Mr. Graddy had to pay rent for two consecutive years for a space he was not occupying. She asked the Board to make Mr. Graddy whole again and grant him the justice he deserves.

Donna Ivy said they need a resolution for Mr. Graddy so he can be made whole again. She said Mr. Graddy has been nothing but a positive force to the City of Paterson and to the State of New Jersey. While they appreciate the Board’s time to hear their concerns, she asked them to show Mr. Graddy some respect and grant him the justice he deserves.

Errol Kerr said Mr. Graddy filled him in on the developments of his case and what was being offered was not reasonable. He said they were there to remind the Board that they will continue attending the meetings until justice is served. Mr. Kerr said while his colleagues ask to make Mr. Graddy whole, he does not believe it is possible and spoke about the value of a dollar.

Mr. Kerr said the value of a dollar in 2004 would today be equivalent to \$1.34. He said during a previous arbitration hearing in 2004, Mr. Graddy was offered a \$1.3 million settlement and that value today would be \$1.7 million. Mr. Kerr asked that if an offer is made to Mr. Graddy, it must be reasonable, and a settlement of \$200,000 to \$300,000 in 2019 does not make sense and is laughable. He wants NJ TRANSIT to make it reasonable and something Mr. Graddy can feel good about.

Russell Graddy cannot believe this was the third year attending the meetings. He said in the past two years, he has only missed one meeting and he regretted missing that meeting because someone thought everything was over. Mr. Graddy said he had a meeting and there was an offer on the table. He said in all the years he has been attending the meeting; the time has not been wasted because they have given countless information, and Mr. Snow has all the facts and they all know the damage that was done. Mr. Graddy asked that they make a decent decision, and offer something that is reasonable. He asked them to be fair when deciding and they know what is fair and what is not. Mr. Graddy said it has been a pleasure coming before this Board and he hopes this will be the last time.

Advisory Committee Report

Suzanne Mack presented the Advisory Committee Report. Ms. Mack noted the new design of the Board Room. She said the agenda was pretty light but what was very important to her was the Board Item to purchase new buses. Ms. Mack said if they do not have working equipment, they cannot run their train system and service the people of New Jersey. She also likes to see Board Items on labor agreements. Ms. Mack said it shows respect for employees and it shows a return to normalcy, which is about keeping the system running.

Ms. Mack spoke about all the time NJ TRANSIT has spent getting the trains running again and now the government cannot review the files. She said the government shut-down has an impact on NJ TRANSIT and federal employees all over. Ms. Mack hopes this shut-down will end soon and that federal government will get back to business.

Ms. Mack believes it is also important to recognize what Mr. Clift said about New York and what is happening in New Jersey. She said it seems that both Governor Murphy and Governor Cuomo have taken on transit and transportation as a priority, and noted Governor Cuomo addressed it yesterday in his State of the State. Ms. Mack said they should remember that those people that go into New York come to New Jersey too and they are still in dire need of funding. She suggested Governor Murphy talk to Governor Cuomo and see if they could get some of that money because it still is about funding and leadership. Ms. Mack said last year was the first year of the new administration, and their focus was on the Audit, and now on the Reform Bill, the leadership at NJ TRANSIT, and all the priorities. She said they seem to be going in the right direction.

Ms. Mack thanked the senior staff for attending their joint meeting in Trenton with both the North Jersey and South Jersey Committees, two days after the last Board meeting. They focused on the South Jersey issues and she was glad Board Member Castillo was there today because they had a great conversation on what is happening in South Jersey. They also know that the Atlantic City Line is very important and hope that the commitments to this line will come shortly if they can get the Federal Government to reopen so that they can look at the file. Ms. Mack thanked NJ TRANSIT again for all their hard work last year and welcomed the new Rail Chief.

Board Capital Planning, Policy, and Privatization Committee Report

Chair Gutierrez-Scaccetti presented the report for the Capital Planning, Policy, and Privatization Committee. The Capital Planning, Policy, and Privatization Committee discussed the board items for the: Bus Stock Program Purchase of 85 Articulated Buses and NJ TRANSIT Bus Operations Proposed Labor Agreements.

Executive Director's Monthly Report

Executive Director Corbett noted they were closely monitoring the ongoing federal government shutdown. At this time, the lack of a federal budget has no immediate impact on NJ TRANSIT's current federally funded projects in the active construction phase. However, there are impacts to projects that require federal permits or other regulatory reviews, such as Northern Branch and Raritan River Draw. Should the government shutdown be further prolonged, they will need to reassess and possibly suspend federally funded projects.

One of their goals in restoring this agency to national prominence is to attract and bring on top talent. Executive Director Corbett believes they have done so with the latest two additions to their Executive Management Team.

With the Board's approval on January 4, 2019, Raymond Kenny took the reins as Senior Vice President & General Manager, Rail Operations. He has more than 45 years of railroad experience and rose through the ranks of the Long Island Railroad, starting as a summer ticket clerk in the early 1970s before ultimately serving as head of the nation's busiest commuter railroad. Mr. Kenny is an experienced professional with a demonstrated ability to lead teams of employees in passenger rail operations, training and labor relations, project and infrastructure management, and project coordination. His extensive background in rail operations will be invaluable in their quest to rebuild NJ TRANSIT and make the tangible improvements their rail customers deserve.

Executive Director Corbett thanked Ed Baksa who served in an acting role to lead the railroad through some challenging times the past nine months. Executive Director Corbett was pleased that Mr. Baksa will remain with NJ TRANSIT in his previous role of Deputy General Manager of Equipment.

Executive Director Corbett also welcomed the new Chief of the Office of System Safety, Brian Lapp. Mr. Lapp began his role last week and came to NJ TRANSIT as an accomplished transportation safety professional and leader, who brings expansive experience from intercity rail, and environmental safety positions in both the private and public sectors. Most recently he was the Lead System Safety Specialist for the East Region at Amtrak, where he was responsible for the safety, compliance, and operations of the mechanical, transportation, and engineering departments. Additionally, he served as a leading force at Amtrak in conducting risk assessments and safety assurance audits. He is highly skilled in investigating health and safety incidents and in the tracking

of corrective action plans to eliminate future occurrences and is a Certified Safety and Security Director with the World Safety Organization.

Executive Director Corbett thanked James Merritts for his leadership in assuming the Acting Chief role. He now resumes his position as Deputy Chief of System Safety.

Executive Director Corbett said an effective and experienced management team is crucial to fulfilling their efforts to restore this agency. The addition of Raymond Kenny and Brian Lapp in these critical leadership positions will serve NJ TRANSIT well as they continue to push forward.

On December 14, 2018, after successfully meeting all of NJ TRANSIT's 2018 year-end Positive Train Control milestones, they submitted their formal request for the Alternate Schedule approval to the Federal Railroad Administration. Approval for the Alternate Schedule would give NJ TRANSIT until December 31, 2020 to have Positive Train Control fully operational on all rail lines in full revenue service.

They were able to achieve what no one thought NJ TRANSIT could at the start of last year, and it was thanks to the incredible work done by the men and women of NJ TRANSIT in the field and at the Meadows Maintenance Complex, along with NJ TRANSIT's contractors. They had to accomplish four years' worth of work in just 10 months or face the real possibility of not running any rail service on January 1, 2019.

Meeting this milestone is something to be proud of, but there is still much work to be done before the Positive Train Control project is complete. Throughout the next two years they will continue to install equipment on the remaining locomotives and cab cars, as well as expand testing to include revenue service, and ultimately move to full implementation by the end of 2020.

Rail Service Planners are evaluating a number of factors that affect the timing of service restoration around the state. These factors include equipment availability, continuing engineer staffing challenges, and the potential effect of the continuing federal government shutdown. NJ TRANSIT's overarching goal is to ensure that the service they restore is reliable, so that their customers have the predictability they want and deserve. NJ TRANSIT does not want to bring a service back only to have irregularities and to have to adjust it again.

Executive Director Corbett introduced Assistant Executive Director of Capital Planning and Programs, Eric Daleo, to provide an update on their Positive Train Control progress.

Eric Daleo reiterated Positive Train Control is a safety enhancement system capable of automatically controlling train speeds and movements, reducing the risk of accidents due to human error. The Positive Train Control Enforcement and Implementation Act of 2015 required NJ TRANSIT to meet four key milestones by December 31, 2018, and to fully deploy Positive Train Control by December 31, 2020.

Those key milestones that needed to be completed by the end of 2018 were in the following areas: Vehicle Installation; Wayside Installation; Training of Employees on the Installation and Use of the PTC System; Testing; and Submission of an "Alternative Schedule" demonstrating how NJ TRANSIT will deploy the Positive Train Control System by December 31, 2020.

Mr. Daleo provided an update on NJ TRANSIT's progress demonstrating how NJ TRANSIT met those key milestones in 2018, and provided an update on where they are in accomplishing the 2019 and 2020 goals toward full Positive Train Control system implementation.

With regard to vehicle installation, they were required to install Positive Train Control equipment on 282 locomotives and controlling cab cars by the end of 2018. When they met last month, they had completed 261 vehicles. As of December 31, 2018, they had installed this equipment on 305 vehicles which was well over the 282 required.

At the time of the last report in December, they had installed all of the required poles and wayside interface units and had just two antennas left to install. They completed this work in advance of year end.

As previously reported, they had targeted training 823 employees by December 31, 2018. They exceeded this target having trained 1,745 employees.

The fourth key milestone by December 31, 2018 was testing. NJ TRANSIT was required to test the interface of their onboard equipment with their wayside equipment. With regard to the testing, as reported in previous months, they satisfied the 2018-year end requirement and are well into the field testing phase collecting data to ensure complete functionality and reliability of the system. This testing was conducted on a 16.5-mile stretch of the Morristown Line from Summit to Denville. Testing continues in this area.

The completion of these major milestones allowed NJ TRANSIT to submit to the Federal Railroad Administration, on December 14, 2018, an application for an Alternative Schedule and Sequence which memorializes how they met their 2018 milestones and describes the overall program of testing, commissioning, and certification to ensure that NJ TRANSIT will fully implement Positive Train Control.

By statute, they anticipate receiving an Interim Decision from the Federal Railroad Administration on their request within 45 days of that submittal, or January 28, 2019, and a Final Decision within 90 days, or March 14, 2019.

Mr. Daleo discussed NJ TRANSIT's 2019 and 2020 planned major activities that they presented in their alternative schedule request to the Federal Railroad Administration. Over the course of 2019 and 2020, NJ TRANSIT plans to: Continue installation of Positive Train Control equipment on the remaining fleet; Complete employee Positive Train Control training; Continue the important field functionality testing to demonstrate

system reliability and repeatability; Demonstrate the system in revenue service; Submit a Positive Train Control Safety Plan to the Federal Railroad Administration; and Complete interoperability and tenant railroad testing. These steps will allow by December 31, 2020, NJ TRANSIT to have a fully certified Positive Train Control system.

More information is available on the dedicated webpage www.njtransit.com/ptc.

Executive Director Corbett noted with the government shutdown on the safety side, the Federal Railroad Administration staff have been staying active and helping NJ TRANSIT with any safety issues to ensure they are operating a safe railroad.

Executive Director Corbett was pleased to report that NJ TRANSIT's recruitment efforts in 2018 proved to be extremely successful, for both engineers and bus operators. They hired more than 100 locomotive engineer trainees and received more than 4,000 applicants. They are currently running a record-setting six concurrent locomotive training classes; four of which will graduate by the end of this year. In October of last year, they initiated a new streamlined training course for train conductors to leverage their existing railroad knowledge and reduce the training time from 20 months to approximately 12 months.

On the Bus side, they saw more than 8,000 applicants express interest in bus operator positions, and hired 386 new bus operators, which is also a record number for operators hired in a single year. They continue to offer a \$6,000 incentive to those who already possess a CDL A or B with a passenger endorsement and air brakes.

On today's agenda is the purchase of 85 new articulated buses. With the Board's approval, the purchase will allow for the retirement of the current articulated fleet which has been in revenue service for more than 15 years. The articulated buses are 60 feet long and are used on some of their highest ridership routes that require additional capacity.

By retiring the older buses NJ TRANSIT will be able to increase mechanical reliability and have buses spend more time on the road rather than in the shop. The new buses will also feature important customer amenities such as USB charging ports at the seats, new bike racks, an improved intercom system and LED lighting. When combined, more reliable performance and updated amenities of a modern fleet bring an improved all-around customer experience.

Executive Director Corbett thanked all of NJ TRANSIT's employees who worked over the holidays and spent time away from their families. They had a successful holiday season which included safely transporting customers by bus and rail to and from the New Year's Eve ball drop in New York City. Again, he thanked everyone for all of their work through the year and he looks forward to continue building on their successes in 2019.

Action Items

1901-02: BUS STOCK PROGRAM: PURCHASE OF 85 ARTICULATED BUSES

Executive Director Corbett introduced Eric Daleo, Assistant Executive Director, Capital Planning and Programs, to present Action Item #1901-02.

Eric Daleo provided a presentation (attached) and recommended approval of Action Item #1901-02: Bus Stock Program: Purchase of 85 Articulated Buses.

Approval of this board item would advance NJ TRANSIT's fleet strategy. Features on the new articulated buses will include low flooring, wheelchair ramps, security video systems, improved intercom systems, as well as new customer amenities such as USB ports and LED lighting. If approved, the purchase of 85 60-foot articulated buses will provide fleet reliability and reduce operating and maintenance costs.

Approval was requested to enter into a contract with New Flyer of America, for the purchase of 85 sixty-foot Articulated Buses, including capital spare parts, at a cost not to exceed \$65,810,166, plus five percent for contingencies, subject to the availability of funds.

Approval will allow for the replacement of the aging articulated bus fleet, which is reaching the end of its expected service life. Articulated buses by their nature, are longer vehicles comprised of two permanently attached segments at a pivot point which allows for easier negotiation in urban traffic and sharp turns. The new fleet will be equipped with the latest technology to reduce vehicle exhaust emissions. They anticipate that a notice to proceed will be issued to New Flyer of America in the first quarter of 2019, and anticipate that the first vehicle delivery would be approximately eight months later, with the final vehicle delivery arriving in the third quarter of 2020.

While they were proposing to purchase articulated buses, Mr. Daleo took this opportunity to brief the board on NJ TRANSIT's next bus procurement which introduces electric vehicles into their fleet. NJ TRANSIT's team has identified eight potential routes in Camden County that are conducive with electric vehicle characteristics. NJ TRANSIT applied for and received a federal grant of \$500,000 in Fiscal Year 2017 and \$1.5 million in Fiscal Year 2018 toward part of an electric vehicle program. This funding will be used toward the acquisition of eight electric buses, electric vehicle charging equipment, training, and capital spare parts. As part of this effort, NJ TRANSIT is evaluating obtaining a professional services firm to analyze maintenance costs, energy costs, operating performance and to perform other technical analysis to examine future electric bus deployment.

NJ TRANSIT staff, led by Vice President General Manager of Bus Operations, Michael Kilcoyne, is coordinating with other agencies including MTA and SEPTA, as well as attending programs such as the upcoming International Electric Bus Training Program

for North America this spring. They are excited about what is to come with NJ TRANSIT’s electric vehicle program.

Mr. Daleo said Board Item 1901-02 seeks authorization to purchase 85 sixty-foot articulated buses, which addresses the important, present need to upgrade the current aging bus fleet with more efficient vehicles.

Mr. Daleo asked for approval of Item #1901-02.

Board Member Flora M. Castillo made a motion to approve Action Item #1901-02 and Board Member Edmund Caulfield seconded it.

Board Member Castillo congratulated staff for the pilot on the electrical buses, which she thinks is terrific. She also thanked staff for including the additional amenities on the articulated buses. Board Member Castillo asked about future provisions for testing the WiFi capability for additional amenities for customers.

Mr. Daleo noted this procurement was the first time buses will have the customer amenity of USB ports to charge personal devices. The specification for articulated buses also includes a provision in the future to add in Wi-Fi technology for customers. It is something they are very interested in exploring but there are a few steps that they need to take. First, before they deploy any technology, they want to make sure they can meet the minimum customer quality of service expectations. They do not want to launch something that the customers will not use or does not meet their needs. Second, more importantly, they want to make sure the introduction of Wi-Fi technology does not interfere with other onboard safety sensitive and other computers systems that currently also rely on cellular and other connections. The manufacturer will not provide Wi-Fi, but will provide a future provision for it. Once prototypes vehicles are delivered, staff would explore the testing.

Chair Gutierrez-Scaccetti clarified cellular service was available for customers on the bus and they will be able to charge their device using the USB port and will be able to get internet access on their own but it would not be something NJ TRANSIT is providing through the bus.

The item was unanimously adopted.

Roll Call Vote:

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

Executive Director Corbett noted part of NJ TRANSIT stepping up and being a leader in the industry needs to be more than rhetoric. Together with his colleague Phil

Washington at LA Metro, they are seeing the challenges of using electric buses faced with realistic constraints. Michael Kilcoyne will participate in national forums to evaluate the serious challenges they face using electric buses.

1901-03: PROPOSED LABOR AGREEMENTS: NJ TRANSIT BUS OPERATIONS, INC. AND AMALGAMATED TRANSIT UNION (ATU), NEW JERSEY STATE COUNCIL AND LOCAL DIVISION NOS. 540, 819, 820, 821, 822, 823, 824, 825, 880, AND RELATED LABOR AGREEMENTS

Executive Director Corbett introduced Michael Kilcoyne, Vice President and General Manager of Bus Operations, to present Action Item #1901-03.

Michael Kilcoyne recommended approval of Action Item #1901-03: Proposed Labor Agreements: NJ TRANSIT Bus Operations, Inc. and Amalgamated Transit Union (ATU), New Jersey State Council and Local Division Nos. 540, 819, 820, 821, 822, 823, 824, 825, 880, and Related Labor Agreements.

Approval was requested to (1) approve and ratify the Memoranda of Agreement for Hourly, Field Salary and General Office Clerical employees; (2) authorize the President and/or Vice President and General Manager of Bus Operations to take all necessary steps to finalize and implement same; and (3) authorize the President and/or Vice President and General Manager to negotiate, renew and execute related Labor Agreements with the Utility Workers' Union of America and the Amalgamated Transit Union, Local 819, each representing approximately 25 employees, as discussed in executive session.

Board Member Flora M. Castillo made a motion to approve Action Item #1901-03, Board Member Edmund Caulfield seconded it, and the item was unanimously adopted.

Roll Call Vote:

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

Adjournment

Since there were no further comments or business, Chair Gutierrez-Scaccetti called for adjournment and a motion to adjourn was made by Board Member Flora M. Castillo, seconded by Edmund Caulfield, and unanimously adopted. The meetings were adjourned at approximately 11:03 a.m.

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

JANUARY 16, 2019

MINUTES

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➤ PLEDGE OF ALLEGIANCE TO THE FLAG	-
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➤ ADVISORY COMMITTEE REPORT	-
➤ BOARD COMMITTEE REPORT	-
➤ EXECUTIVE DIRECTOR'S MONTHLY REPORT	53869

ACTION ITEMS

- 1901-02 BUS STOCK PROGRAM: PURCHASE OF 85 ARTICULATED BUSES – 53900**
Authorization to enter into NJ TRANSIT Contract No. 18-032 with New Flyer of America, for the purchase of 85 Articulated Buses, including spare parts, at a cost not to exceed \$65,810,166, plus five percent for contingencies, subject to the availability of funds
- 1901-03 PROPOSED LABOR AGREEMENTS: NJ TRANSIT BUS OPERATIONS, INC. AND AMALGAMATED TRANSIT UNION (ATU), NEW JERSEY STATE COUNCIL AND LOCAL DIVISION NOS. 540, 819, 820, 821, 822, 823, 824, 825, 880, AND RELATED LABOR AGREEMENTS – (1) Authorization to approve and ratify the Memoranda of Agreement for Hourly, Field Salary, and General Office Clerical employees attached as Exhibit A; and (2) authorization for the President and/or Vice President and General Manager of NJ TRANSIT Bus Operations, Inc. 53904**

NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS, INC.
NJ TRANSIT RAIL OPERATIONS, INC.
NJ TRANSIT MERCER, INC.
NJ TRANSIT MORRIS, INC.
REGULARLY SCHEDULED BOARD OF DIRECTORS' MEETINGS
JANUARY 16, 2019
MINUTES
PAGE 2

to take all necessary steps to finalize and implement same; and (3) authorization for the President and/or Vice President and General Manager to negotiate, renew and execute related Labor Agreements with the Utility Workers' Union of America and ATU, Local 819 (NJTMorris), each representing approximately 25 employees, as discussed in executive session.

➤ **ADJOURNMENT**

EXECUTIVE SESSION AUTHORIZATION

BE IT HEREBY RESOLVED pursuant to N.J.S.A. 10:4-12 and N.J.S.A. 10:4-13 that the Board of Directors of the New Jersey Transit Corporation hold an executive session to discuss personnel matters, contract and collective bargaining negotiations, the status of pending and anticipated litigation, and matters falling within the attorney-client privilege, including, but not limited to, the Proposed Labor Agreements: NJ TRANSIT Bus Operations, Inc. and Amalgamated Transit Union (ATU), New Jersey State Council and Local Division Nos. 540, 819, 820, 821, 822, 823, 824, 825, 880, and Related Labor Agreements; and

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

APPROVAL OF MINUTES

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

WHEREAS, pursuant to Section 4(f) of the New Jersey Public Transportation Act of 1979, the minutes of actions taken at the December 12, 2018 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 December 17, 2018;

NOW, THEREFORE, BE IT RESOLVED that the minutes of actions taken at the December 12, 2018 New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. Board of Directors' meetings are hereby approved.

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



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

TO: BOARD OF DIRECTORS
FROM: KEVIN S. CORBETT *K. S. Corbett*
DATE: JANUARY 16, 2019
SUBJECT: EXECUTIVE DIRECTOR'S REPORT – JANUARY 2019

We are closely monitoring the ongoing federal government shutdown. At this time, the lack of a federal budget has no immediate impact on NJ TRANSIT's current federally funded projects in the active construction phase. However, there are impacts to projects that require federal permits or other regulatory reviews, such as Northern Branch and Raritan River Draw. Should the government shutdown be further prolonged, we will need to reassess and reevaluate current federal projects.

One of our goals in restoring this agency to national prominence is to attract and bring on top talent. I believe we've done so with the latest two additions to our Executive Management Team. With the Board's approval on January 4th, Ray Kenny took the reins of our rail operations. Ray has more than 45 years of railroad experience and rose through the ranks of the Long Island Railroad before ultimately serving as head of the nation's busiest commuter railroad. Ray's extensive background in rail operations will be invaluable in our quest to rebuild NJ TRANSIT and make the tangible improvements our rail customers deserve.

We also welcome our new Chief of the Office of System Safety Brian Lapp. Brian began his role last week and comes to us as an accomplished transportation safety professional and leader. Most recently he was the Lead System Safety Specialist for the East Region at Amtrak, where he was responsible for the safety, compliance, and operations of the mechanical, transportation, and engineering departments. The addition of Ray and Brian in these critical leadership positions will serve NJ TRANSIT well as we continue to push forward.

On December 14th, after successfully meeting all of our 2018 year-end PTC milestones, we submitted to the FRA our formal request for the Alternate Schedule approval. Approval for the Alternate Schedule would give us until December 31, 2020 to have PTC fully operational on all rail lines in revenue service. We were able to achieve what no one thought we could at the start of last year, and it was thanks to the incredible work done by the men and women of NJ TRANSIT in the field and at our MMC, along with our contractors. Meeting the milestone is something to be proud of, but there is still much work to be done before the PTC project is complete. Throughout the next two years, we will continue to install equipment on our remaining locomotives and cab cars as well as expand our testing to include revenue service and ultimately move to full implementation by the end of 2020. Rail Service planners are evaluating a number of factors that affect the timing of service restoration around the state. Our overarching goal is to ensure that the service we restore is reliable, so that our customers have the predictability they want and deserve.

I'm pleased to report that our recruitment efforts in 2018 proved to be extremely successful, for both engineers and bus operators. We hired more than 100 locomotive engineer trainees and received more than four thousand applicants. We're currently running a record-setting six concurrent locomotive training classes, four of which will graduate by the end of this year. In October of last year, we initiated our new streamlined training course for train conductors to leverage their existing railroad knowledge and reduce the training time from 20 months to approximately 12 months. On the Bus side, we saw more than 8,000 applicants express interest in bus operator positions, and we hired 386 new bus operators, also a record number for operators hired in a single year. We continue to offer a six-thousand-dollar incentive to those who already possess a CDL A or B with a passenger endorsement and air brakes.

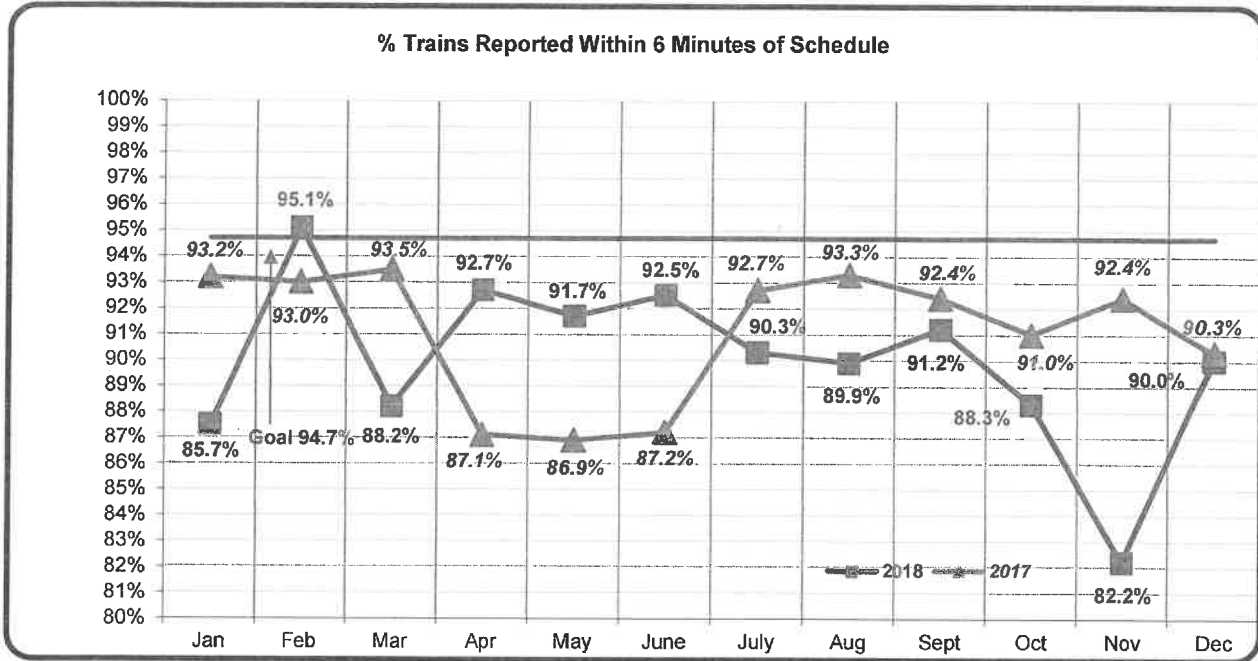
On today's agenda you will see the purchase of 85 new 60-foot articulated buses. With the Board's approval, the purchase will allow for the retirement of the current articulated fleet which has been in revenue service for more than 15 years. By retiring our older buses, we'll be able to increase mechanical reliability and have buses spend more time on the road rather than in the shop. The new buses will also feature important customer amenities such as USB charging ports at the seats, new bike racks and an improved intercom system. When combined, more reliable performance and updated amenities of a modern fleet bring an improved all-around customer experience.

EXECUTIVE DIRECTOR'S MONTHLY REPORT JANUARY 16, 2018

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

PERFORMANCE MEASURES

NJ TRANSIT ON-TIME PERFORMANCE RAIL JANUARY 2017 - DECEMBER 2018



	2017	2018	# Change
December Comparison	90.3%	90.0%	-0.3%

	1/2017-12/2017	1/2018-12/2018	# Change
12-Month Average Jan. 2017 - Dec, 2018	91.1%	90.0%	-1.1%

Analysis:

Rail On-Time Performance was 90.0% for December, 2018. Of the 16,481 trains scheduled to operate, 14,826 were on time, while 1,655 trains (or 10.0%) were delayed. Key causes included:

- Amtrak trackside interference, NJT PTC work and equipment issues contributed to 76 delays resulting in 83.5% OTP on December 13.
- Amtrak and NJT equipment issues, NJT man power shortage and PTC work, contributed to 73 delays resulting in 84.6% OTP on December 20.
- NJT equipment issues, and PTC work contributed to 82 delays resulting in 84.5% OTP on December 21.

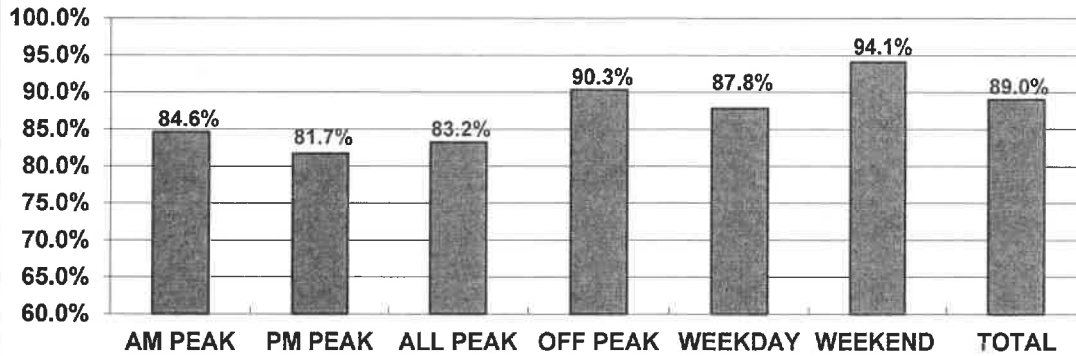
The 12-month average for Rail On-Time Performance January, 2018 - December, 2018 was 90.0%, which has decreased by 1.1%.

ON-TIME PERFORMANCE RAIL

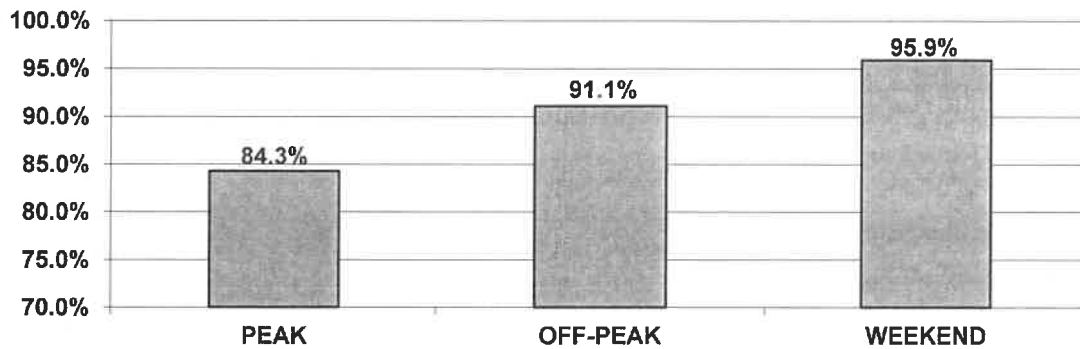
SUMMARY BY TIME PERIOD DECEMBER, 2018

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

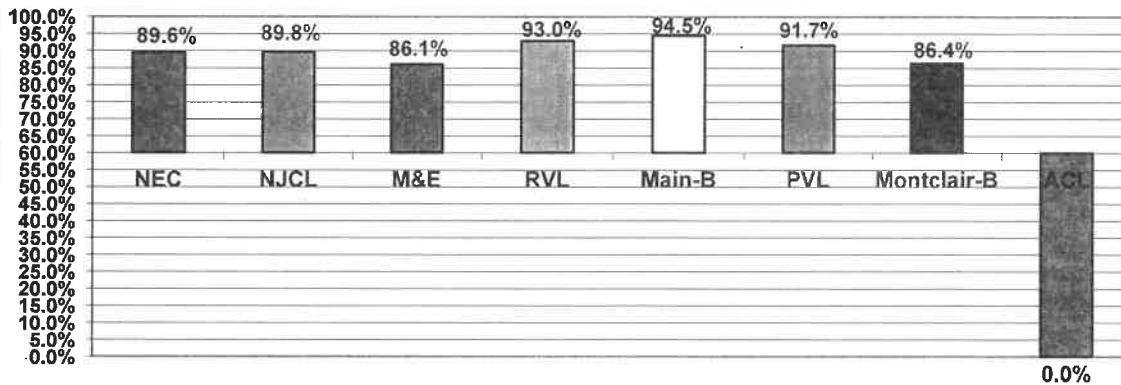
% NEW YORK PENN STATION Trains Reported On Time *



% SYSTEMWIDE Trains Reported On Time

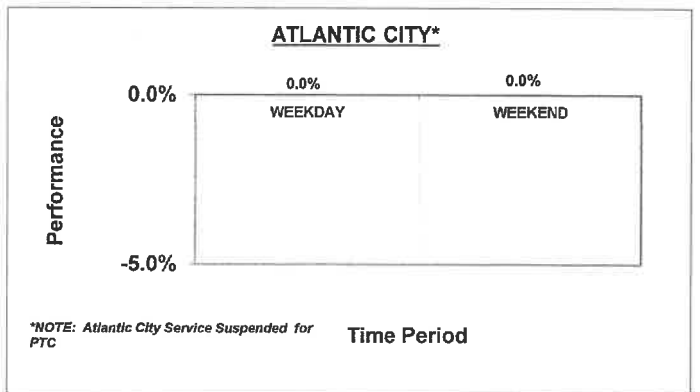
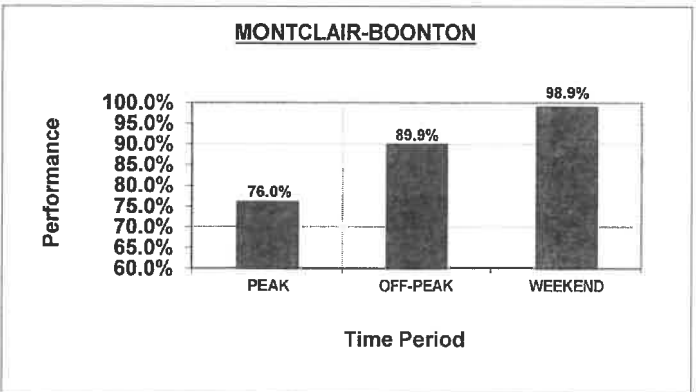
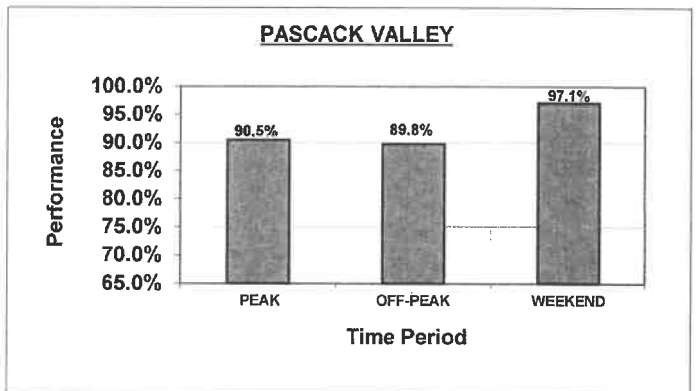
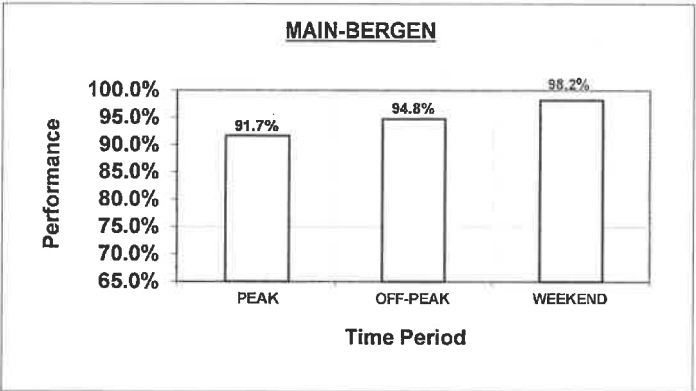
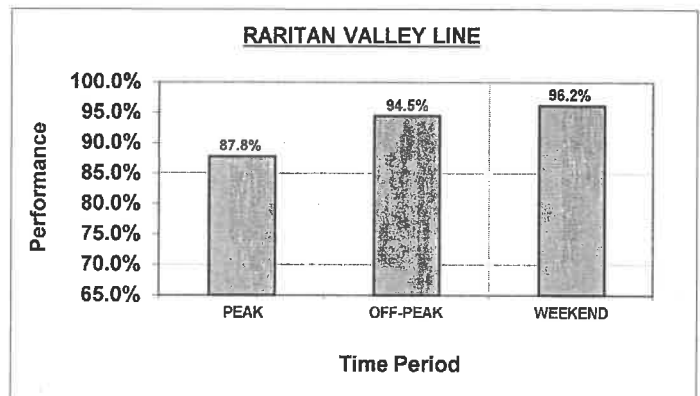
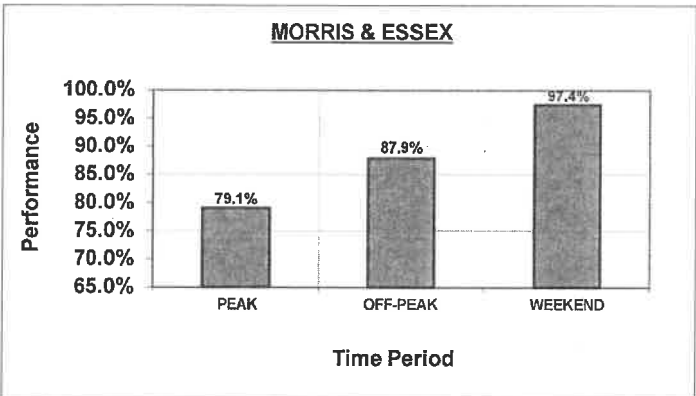
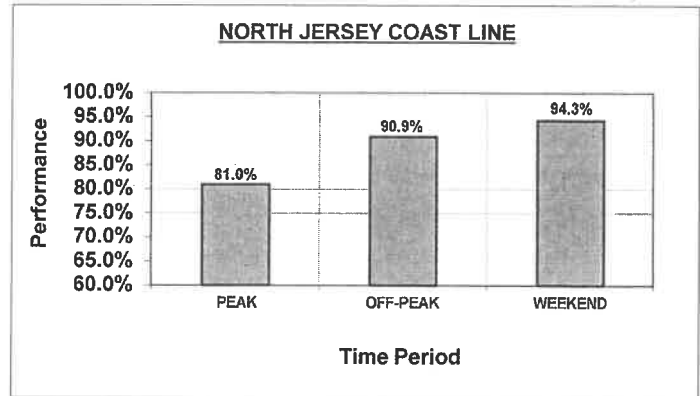
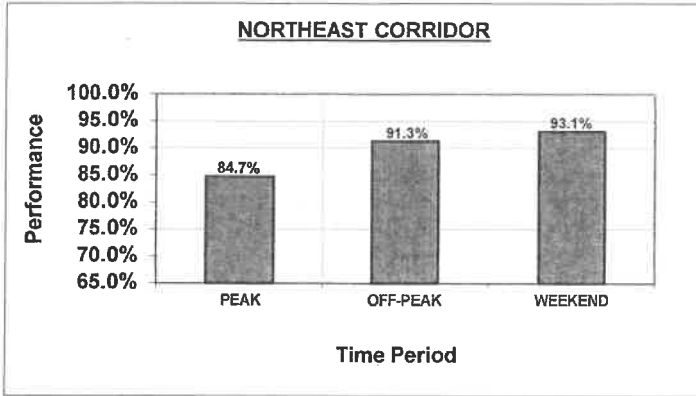


% BY LINE Trains Reported On Time



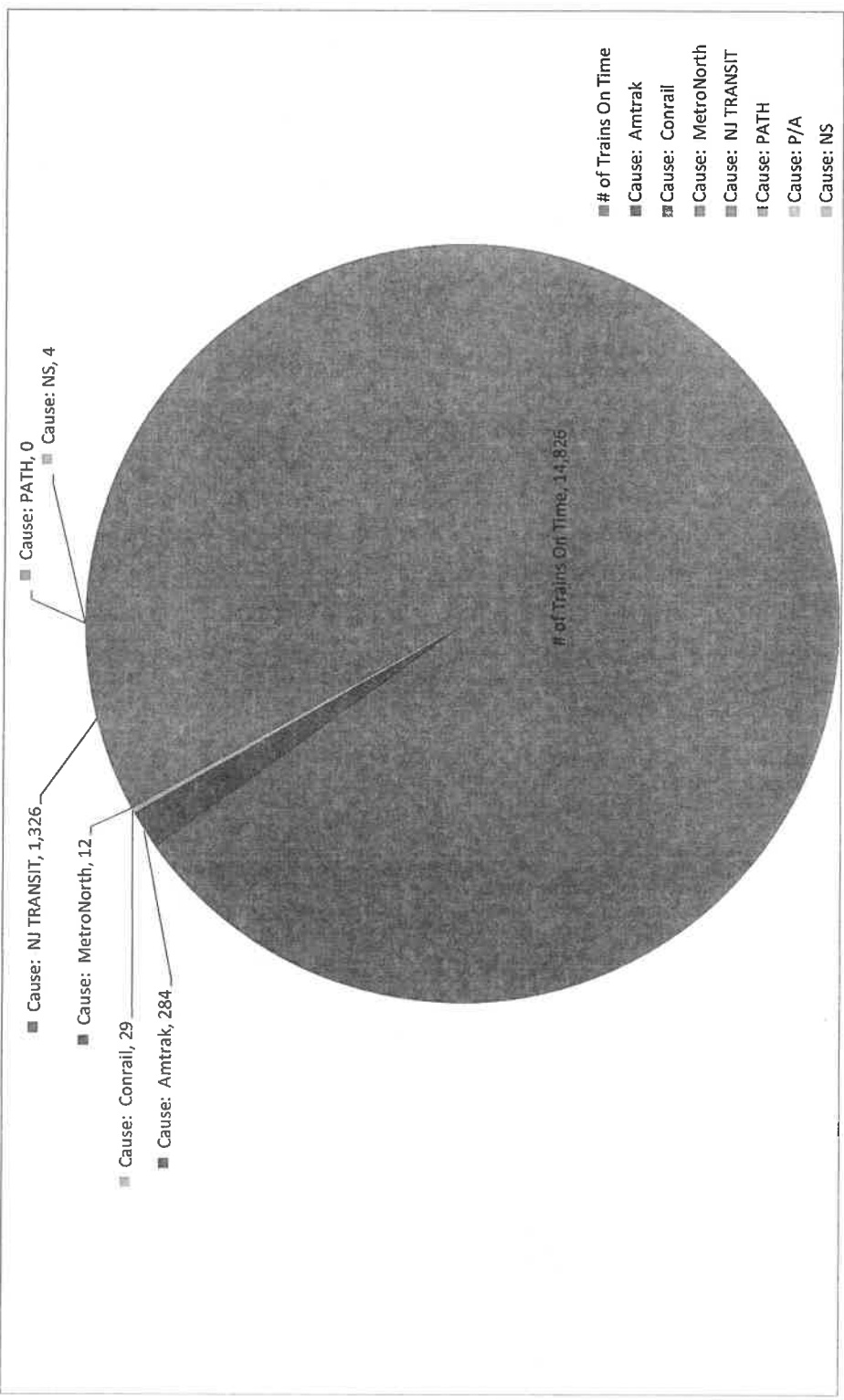
NOTE: ATLANTIC CITY SERVICE SUSPENDED FOR PTC

ON-TIME PERFORMANCE BY RAIL LINE & TIME PERIOD DECEMBER, 2018



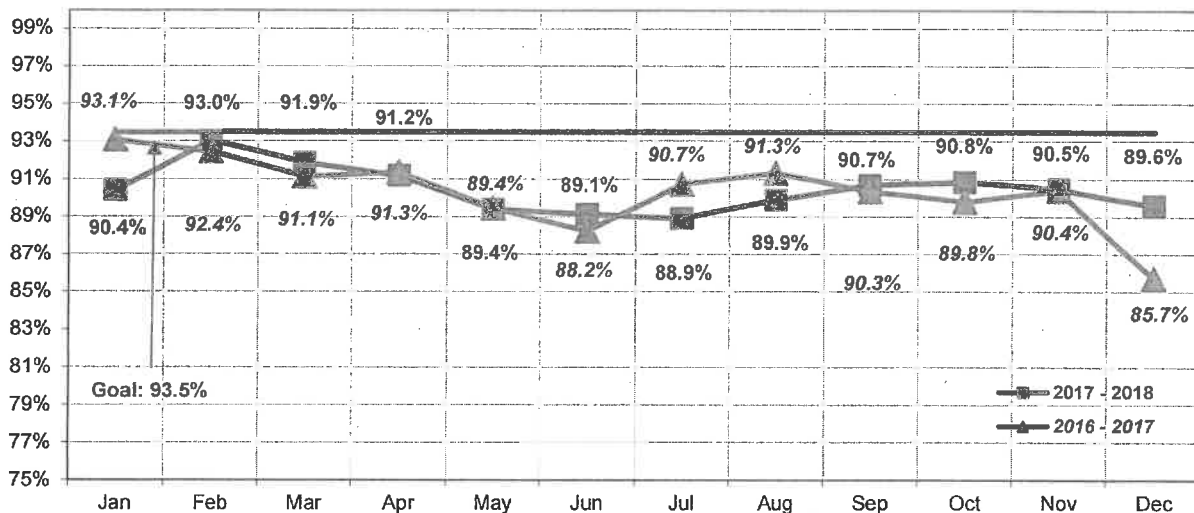
NJ TRANSIT Performance - NOVEMBER, 2018
Late NJ TRANSIT Trains

# of Trains On		Cause: Amtrak		Cause: Conrail		Cause: MetroNorth		Cause: NJ TRANSIT		Cause: PATH		Cause: P/A		Cause: NS	
# of Trains On Time	14,826	284	1.72%	29	0.18%	12	0.07%	1,326	8.05%	0	0.00%	0	0.00%	4	0.02%
# of Late Trains	1,655														
Total # of Trains	16,481														
Percentage On Time	90.0%														



NJ TRANSIT ON-TIME PERFORMANCE BUS JANUARY 2017 - DECEMBER 2018

% Buses Departing Major Terminals Within 6 Minutes of Schedule



	2017	2018	% Change
December Comparison	85.7%	89.6%	3.9%

	2017	2018	% Change
12-Month January - December	90.3%	90.4%	0.1%

Analysis:

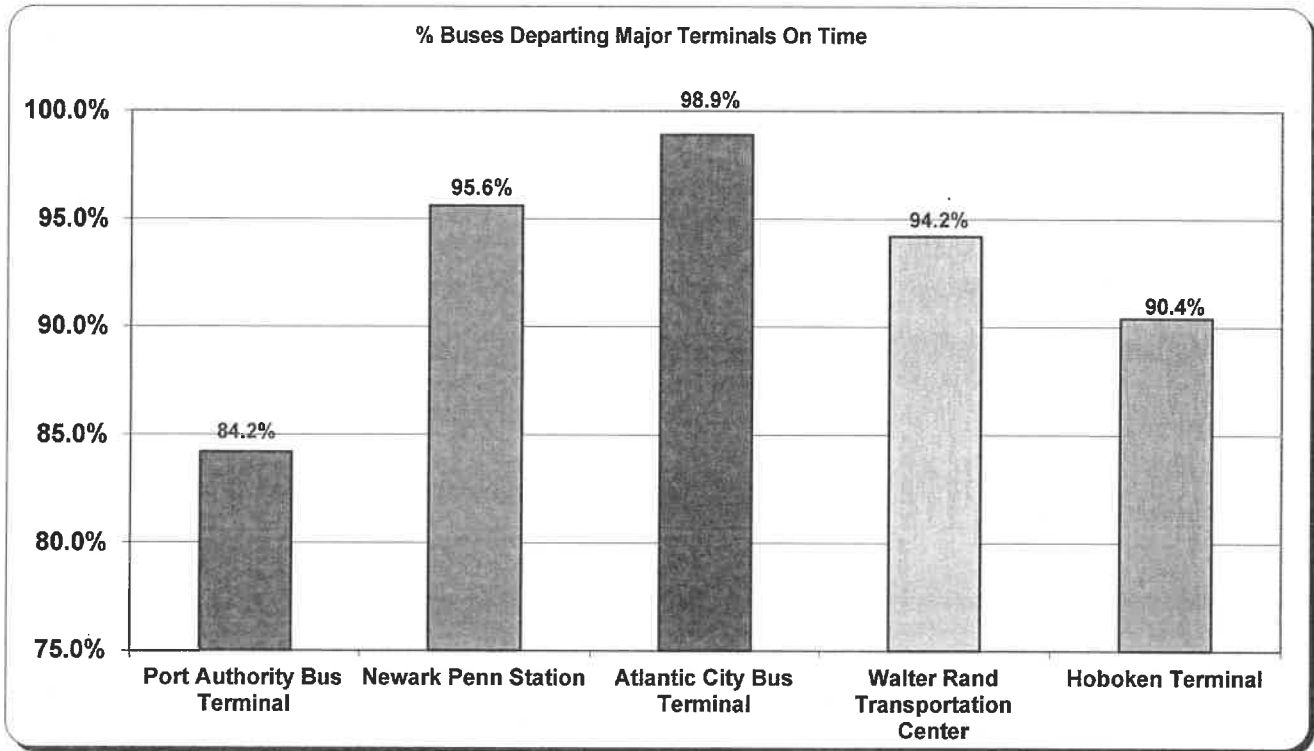
Bus On-Time Performance was 89.6% for December 2018. Of the 40,165 monitored departures 4,186 (or 10.4%) experienced delays. Key causes included:

- At Port Authority Bus Terminal, on December 7, traffic in the South tube was stopped due to a medical emergency. On December 11, the Port Authority Police Department closed the outbound ramps due to an incident on board a Coach bus. There were 3 gridlock alert days during the week of December 23, which impacted service.
- At Hoboken, there are continuing delays due to Washington Street construction; the new completion date is February 2019.

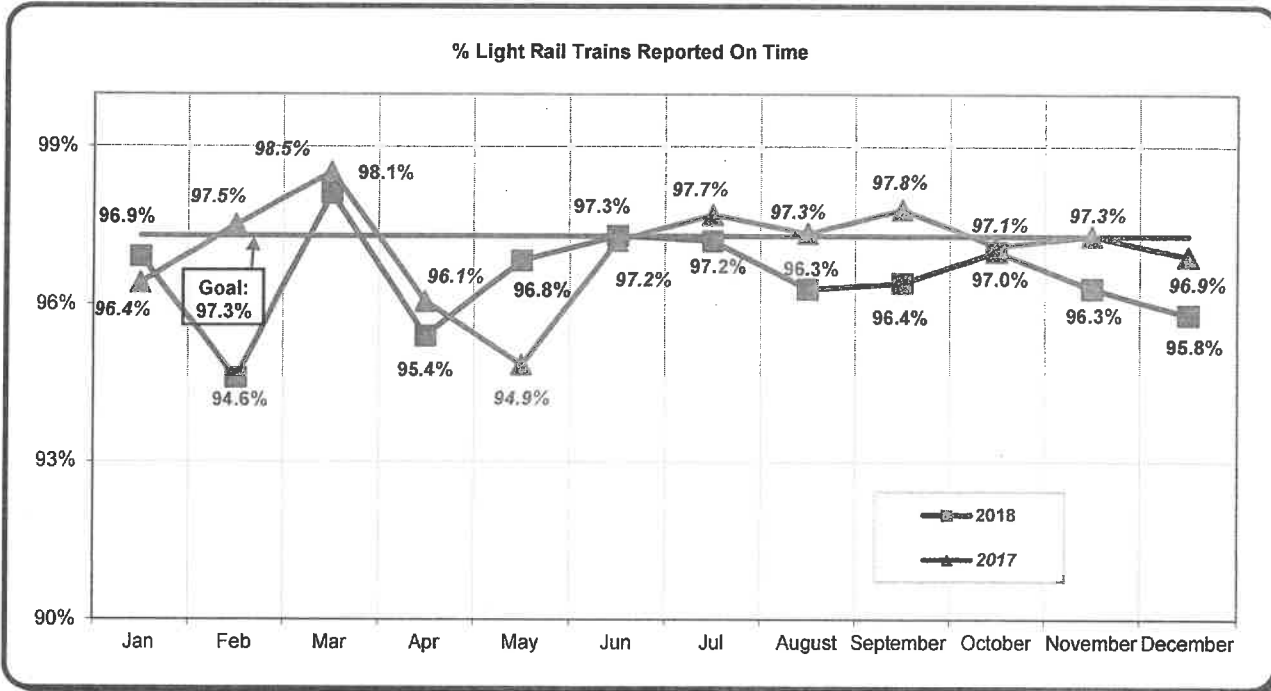
The 12-month average for Bus On-Time Performance for January - December was 90.4%, which was up by 0.1% from the previous year.

ON-TIME PERFORMANCE BUS

SUMMARY BY TERMINAL DECEMBER 2018



NJ TRANSIT ON-TIME PERFORMANCE LIGHT RAIL JANUARY 2017 - DECEMBER 2018



	2017	2018	# Change
December Comparison	96.9%	95.8%	-1.1%

	2017	2018	# Change
12-Month Average Ended Dec 2016 & Dec 2017	97.05%	96.51%	-0.54%

Analysis:

Light Rail On-Time Performance system wide was 95.8% for the month of December 2018. Of the 25,921 scheduled departures, 933 experienced delays.

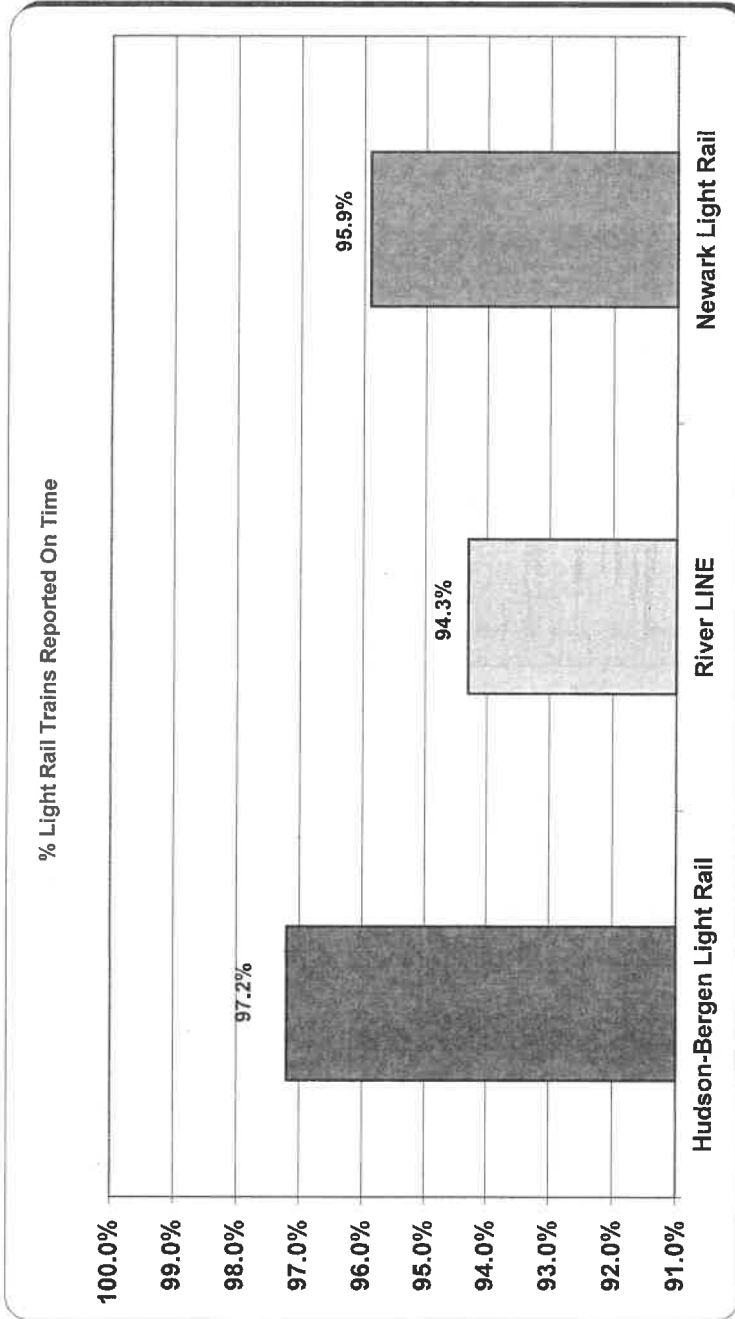
Key Causes included:

- River LINE - Delays on select dates in December were caused by track obstruction and equipment malfunctions.
- Hudson Bergen Light Rail - Multiple delays were caused by equipment issues throughout the month of December.
- Newark Light Rail - Manpower issues, equipment issues, and police activity caused delays throughout the month of December.

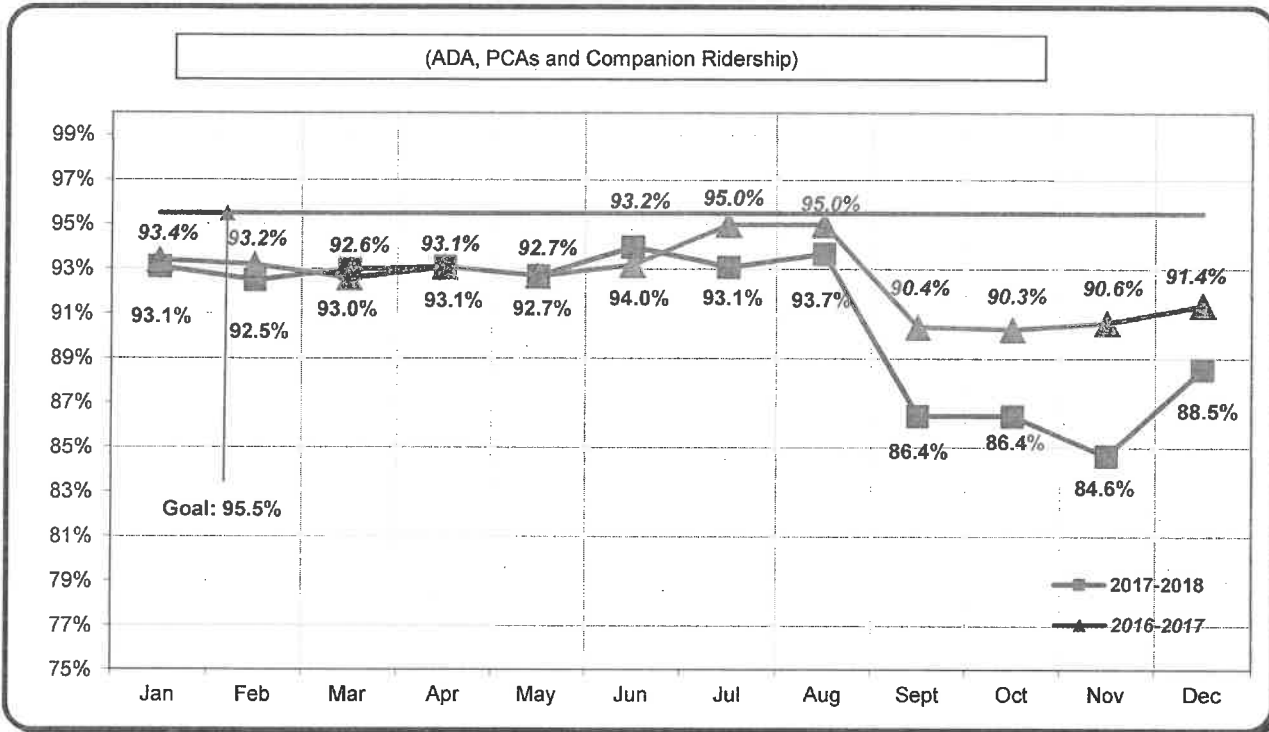
The 12 month Average for Light Rail On-Time Performance for January 2018 to December 2018 was 96.51%, which decreased by 0.54%.

ON-TIME PERFORMANCE LIGHT RAIL

SUMMARY BY LINE December 2018



NJ TRANSIT ON-TIME PERFORMANCE ACCESS LINK January 2017 - December 2018



	2017	2018	% Change
December Comparison	91.4%	88.5%	-2.9%

	2017	2018	Difference
December Ridership	129,648	132,009	2,361

	2016-2017	2017-2018	% Change
12-Month Average January-December	92.6%	90.9%	-1.7%

Analysis:

Access Link On-Time Performance was 88.5% for December, 2018. In serving 132,009 total riders, for 119,670 ADA customers trips, 13,735 (or 11.5%) experienced delays.

Key causes include:

- * Road closures / due to construction
- * Customer no-shows and cancellations

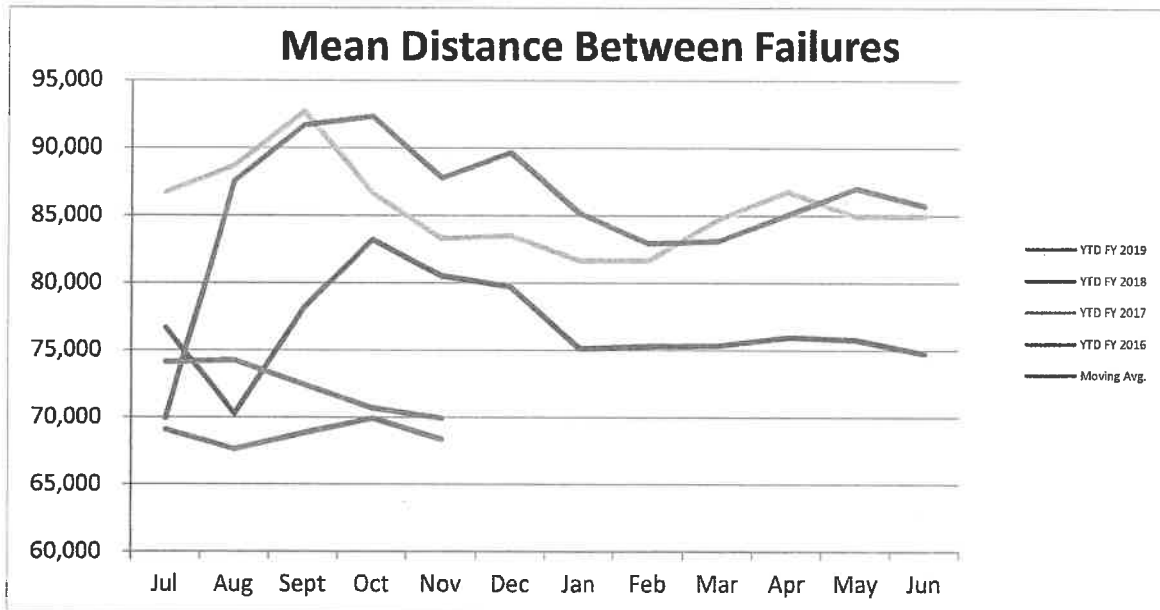
The 12-month average for Access Link On-Time Performance for January 2017 - December 2018 was 91.8%, which decreased by 1.4%.

MEAN DISTANCE BETWEEN FAILURES

November 2018

NJ TRANSIT Rail Operations
Mean Distance Between Failures

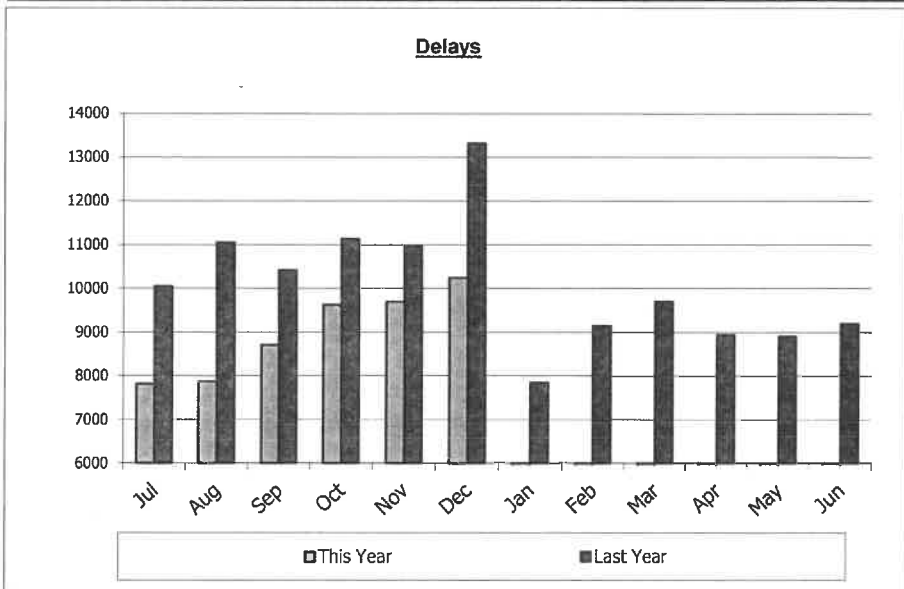
Month	YTD FY2018	YTD FY2017	YTD FY2016	YTD FY2015	12 Month Moving Avg.
Jul	69,055	76,674	86,683	69,926	74,107
Aug	67,612	70,263	88,680	87,565	74,238
Sept	68,823	78,151	92,705	91,669	72,424
Oct	69,913	83,213	86,626	92,329	70,679
Nov	68,356	80,523	83,272	87,756	69,908
Dec	-	79,711	83,501	89,655	-
Jan	-	75,139	81,633	85,167	-
Feb	-	75,324	81,639	82,949	-
Mar	-	75,376	84,715	83,112	-
Apr	-	75,968	86,771	85,060	-
May	-	75,787	84,920	87,022	-
Jun	-	74,776	84,936	85,722	-



Garage Performance Parameters

December 2018

Location	Miles Between In-Service Delays			
	FY2019 Goal	This Month	FY2019 YTD	FY2018 YTD
Fairview	6,000	5,421	4,059	6,226
Greenville	7,500	6,412	4,969	5,270
Market Street	8,500	6,869	6,401	8,661
Meadowlands	10,200	7,129	5,319	6,958
Oradell	10,500	7,047	7,195	9,527
Wayne	10,500	11,610	7,785	10,251
Northern Division	-	7,545	6,190	8,198
Big Tree	8,800	5,298	5,542	7,582
Hilton	10,200	8,435	7,408	9,671
Howell	16,750	9,167	24,202	35,804
Ironbound	9,600	9,358	8,118	10,721
Orange	9,250	5,958	7,249	9,393
Morris	10,500	45,531	40,690	47,425
Central Division	-	9,997	9,686	12,983
Egg Harbor	15,500	29,049	20,331	16,318
Hamilton	13,000	9,497	8,653	13,767
Newton Avenue	12,000	12,100	11,725	14,226
Washington Twp.	14,500	27,275	18,400	12,961
Southern Division	-	19,061	15,269	14,375
Bus Operations	-	10,239	8,874	11,060

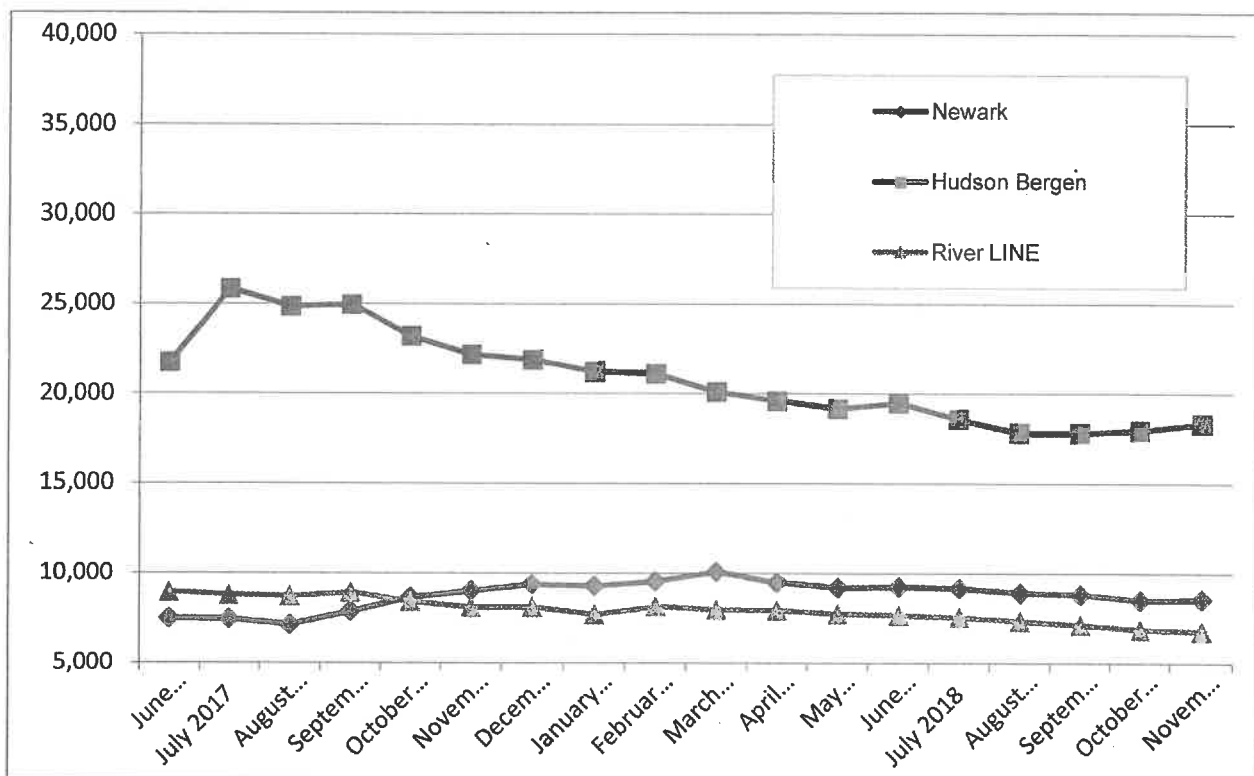


NJ TRANSIT - LIGHT RAIL, November 2018

Average Miles Between In Service Failures

NJT LIGHT RAIL	MDBSF * November 2018
Newark Light Rail	8,498
Hudson Bergen	18,305
River LINE	6,743

AVERAGE MILES BETWEEN IN-SERVICE MECHANICAL FAILURES



* Mechanical failure data for 3 LR systems, calculated as a rolling average over multiple months.

** Newark Light Rail operates much less mileage, with all single-car trains and a 5 mile alignment.

DBE/SBE PROGRAM

State Funded Contracts

During the month December 2018, NJ TRANSIT awarded **\$2,440,852.57** in state funded contracts. Of that total, Small Business Enterprises (SBEs) received **\$144,632.10** or **5.93%**.

During the State Fiscal Year **2019** (July 1, 2018 through June 30, 2019) NJ TRANSIT awarded **\$122,768,089.52** in state funded contracts. Of that total, SBEs received **\$10,635,180.92** or **8.66%**.

Note: The above reflects the Procurement Report of Awards received January 4, 2019.

SBE Goal Attainment from July 1, 2018 through June 30, 2019 (FY 2019)

Category 1 SBEs received	\$35,174.92	or 0.03%
Category 2 SBEs received	\$5,700,689.46	or 4.64%
Category 3 SBEs received	68,363.54	or 0.06%
Category 4 SBEs received	\$0.00	or 0.00%
Category 5 SBEs received	\$4,830,953.00	or 3.94%
Category 6 SBEs received	\$0.00	or 0.00%

FTA Funded Contracts (updated Quarterly – next update will occur April 2019)

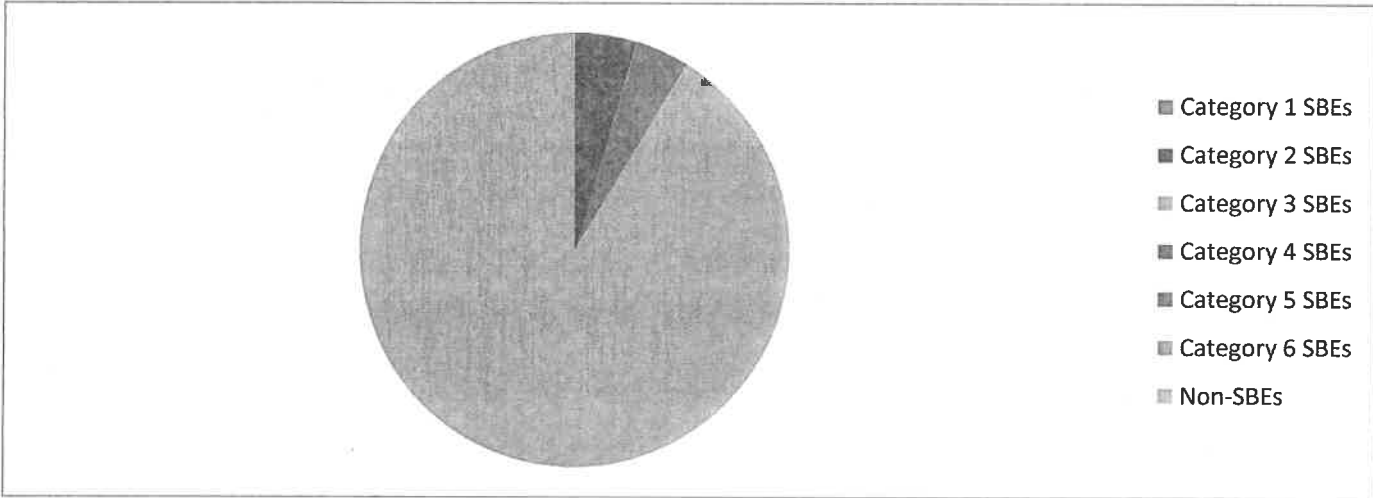
During the 1st Quarter (October 1, 2018 – December 31, 2018) of Federal Fiscal Year 2019 (October 1, 2018 through September 30, 2019), the FTA funded share of NJ TRANSIT’s federal contracts awarded was **\$149,452,230.34**. Of that total, Disadvantaged Business Enterprises (DBEs) received **\$28,300,272.54** or **18.94%**.

DBE Goal Attainment from October 1, 2018 – December 31, 2018 (FFY 2019)*

Contracts awarded	\$149,452,230.34
DBEs received	\$ 28,300,272.54 or 18.94%

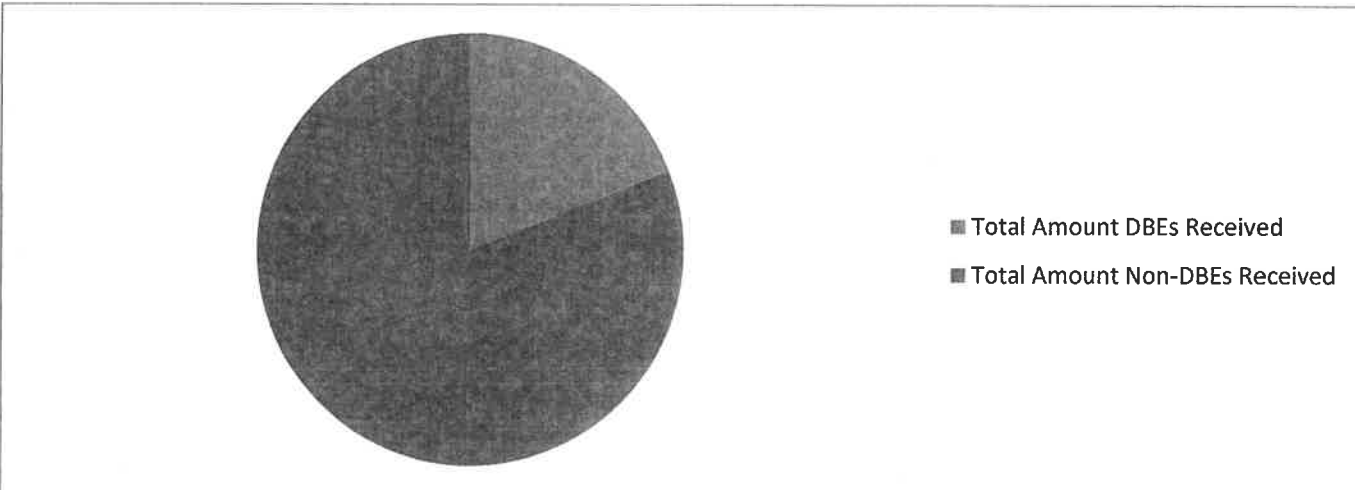
**Numbers reflect federal share.*

<i>Category 1 SBEs</i>	\$35,174.92	0.03%
<i>Category 2 SBEs</i>	\$5,700,689.46	4.64%
<i>Category 3 SBEs</i>	\$68,363.54	0.06%
<i>Category 4 SBEs</i>	\$0.00	0.00%
<i>Category 5 SBEs</i>	\$4,830,953.00	3.94%
<i>Category 6 SBEs</i>	\$0.00	0.00%
<i>Non-SBEs</i>	\$112,132,908.60	91.34%



DBE PARTICIPATION
FEDERAL CONTRACTS
FEDERAL FYTD 2018

Total Amount DBEs Received	\$28,300,272.54	18.94%
Total Amount Non-DBEs Received	\$121,151,957.80	81.06%



EMPLOYEE RECOGNITION

NJ TRANSIT employees bid farewell after outstanding careers

27 NJ TRANSIT employees retired recently with careers ranging 13 to 45 years of service:

1. Edward R. Carrow, Operator – Oradell – 21 years
2. Kevin Boardley, Operator – Newton Ave. – 15 years
3. Mohamed Elzayat, Operator – Howell – 16 years
4. Kenneth Gaskill, Mechanic – Wash. Twp. – 19 years
5. Samuel Cherrington, Director of Accounts Payable – Penn Plaza – 30 years
6. Joey L. Gaskins, Asst. Supt. Transportation – Summit – 29 years
7. Trivedi Persuad, Mgr. Station Operations & Improvement – Penn Plaza – 32 years
8. Brian Pickett, Sr. Project Engineer – Penn Plaza – 30 years
9. Lourdes A. Quinn, Garage Supervisor – Hilton – 23 years
10. Gary J. Whritenour, Principle Budget Analyst – Penn Plaza – 25 years
11. John H. Cooper, Operator – Egg Harbor Twp. – 42 years
12. Gail McLallen, Operator – Wash. Twp. – 13 years
13. David Nickodemus, Depot Master – Wash. Twp. – 39 years
14. Margaret M. Thompson, Starter – Camden – 19 years
15. Lee Crutcher, Operator – Orange – 28 years
16. Calin Deleanu, Sr. Project Engineer – Penn Plaza – 26 years
17. John E. Magdziak, Mgr. PABT Transportation – PABT – 43 years
18. Mark Downey, Principle Software Engineer – Penn Plaza – 28 years
19. Patrick Flanagan, Division Engineer – Red Bank – 37 years
20. James M. Galvin, DGM Infrastructure Engineer – Penn Plaza – 34 years
21. Timothy E. Hawkins, Shift Supervisor – Penn Plaza – 31 years
22. George Krajewski, Director Maintenance – GOB – 45 years
23. Alan K. Maiman, DGM Bus Service Planning – Penn Plaza – 36 years
24. Joseph Malaspina, Director General Ledger – Penn Plaza – 37 years
25. Kevin T. Quigley, Mgr. Rail Infrastructure – Hoboken – 28 years
26. Kenneth Rowe, Principle Accountant – Penn Plaza – 34 years
27. Michael Slack, Chief Information Officer – Penn Plaza – 36 years

(NJT Board - 01/16/2019)



53890

NJ TRANSIT's Implementation of Positive Train Control

January 16, 2019

Update to NJ TRANSIT Board of Directors



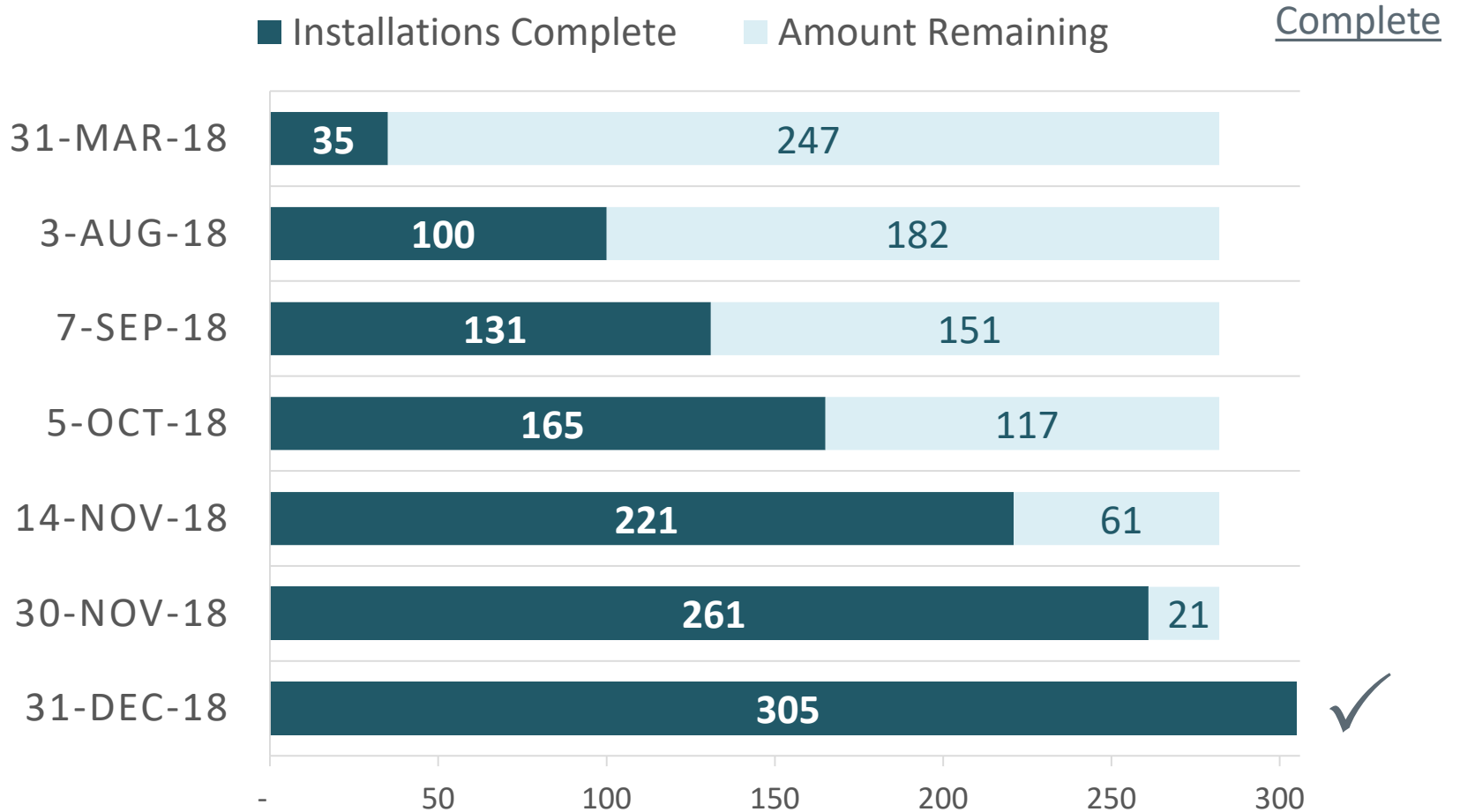


Achievement of Key 2018 Year-End Targets

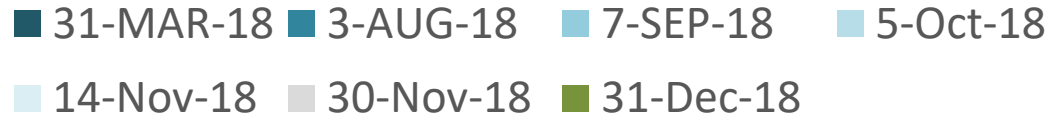


Path Forward Toward Implementation

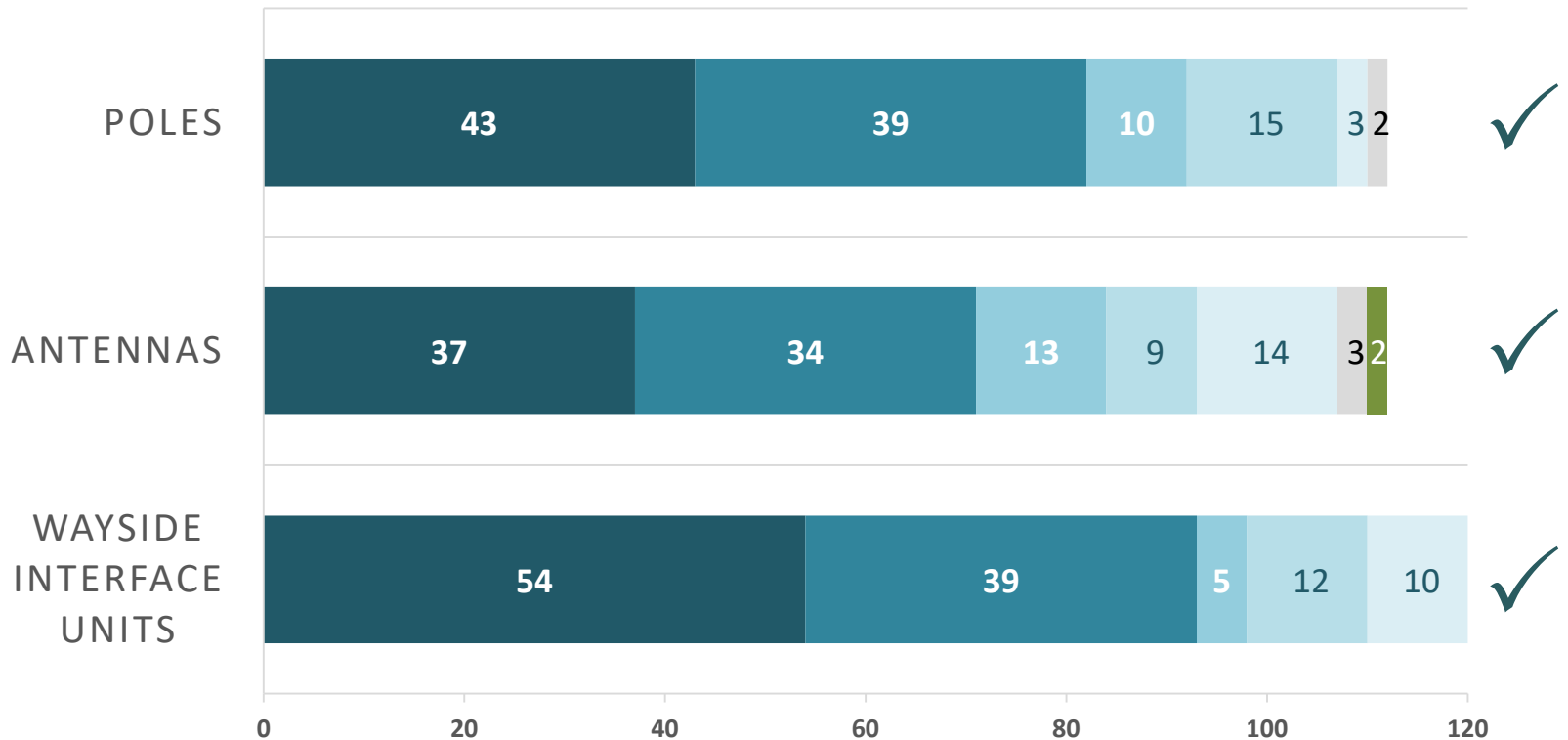
Achievement of Key 2018 Year-End Targets Vehicle Installations



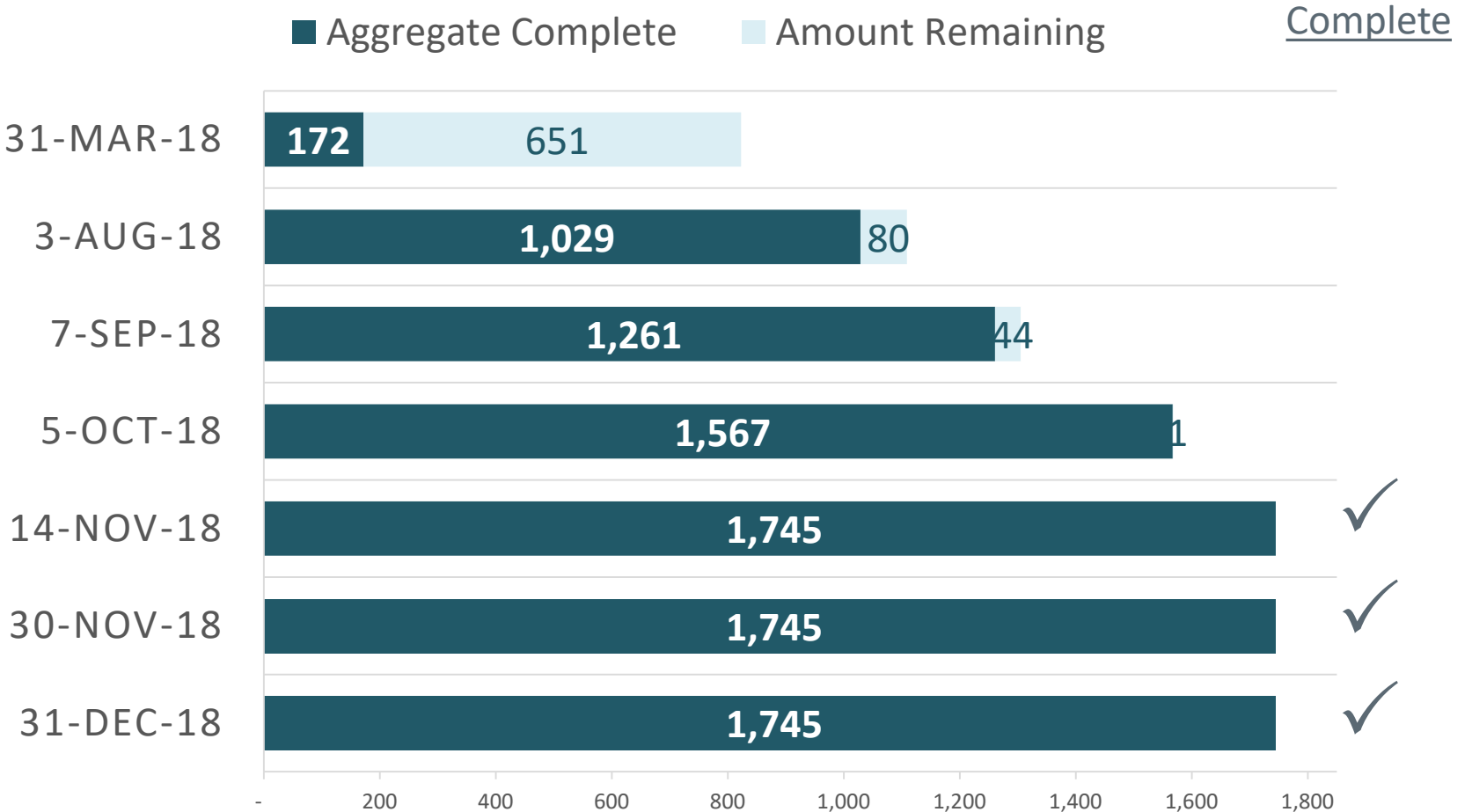
Achievement of Key 2018 Year-End Targets Wayside Installation



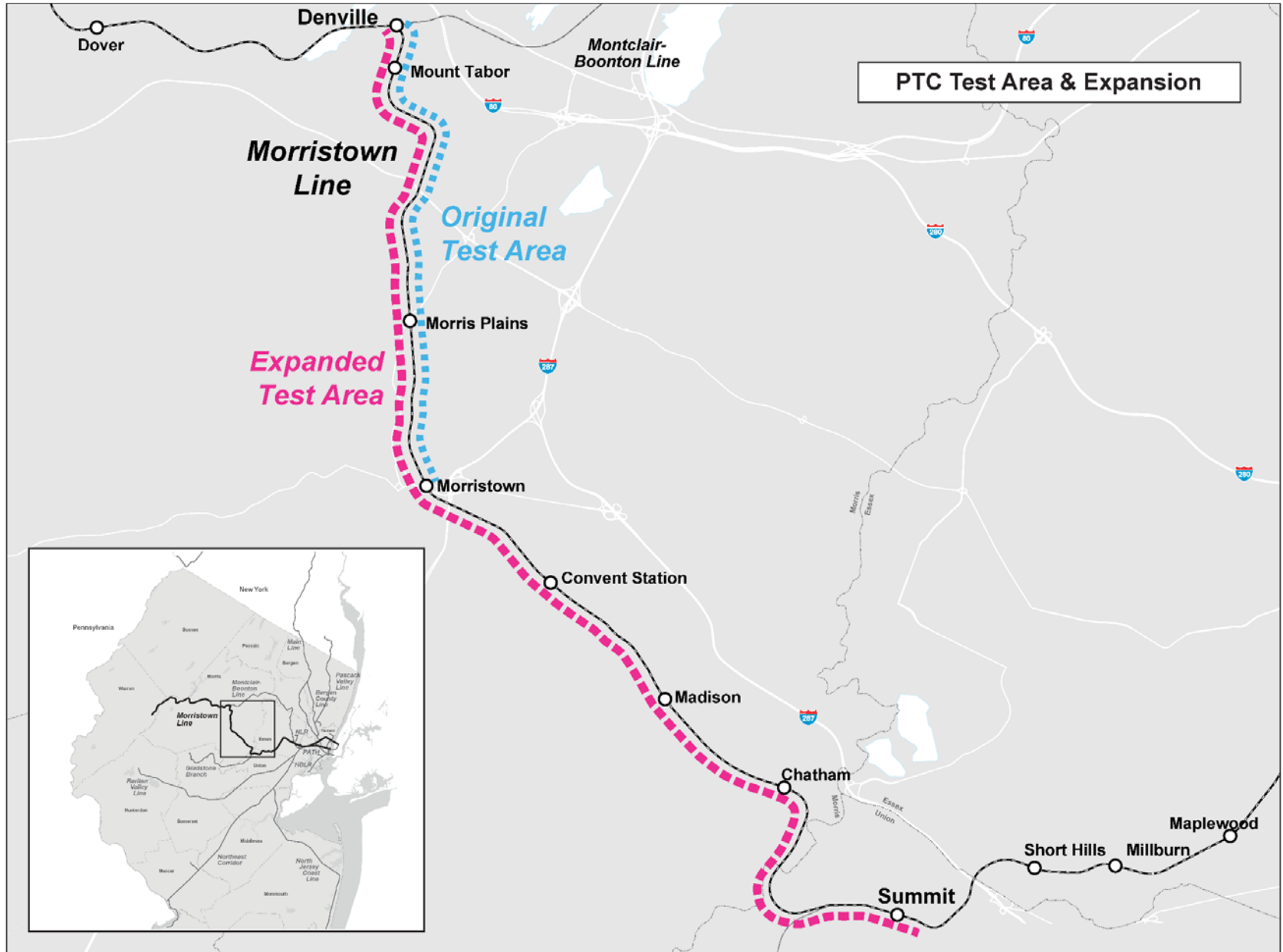
Complete



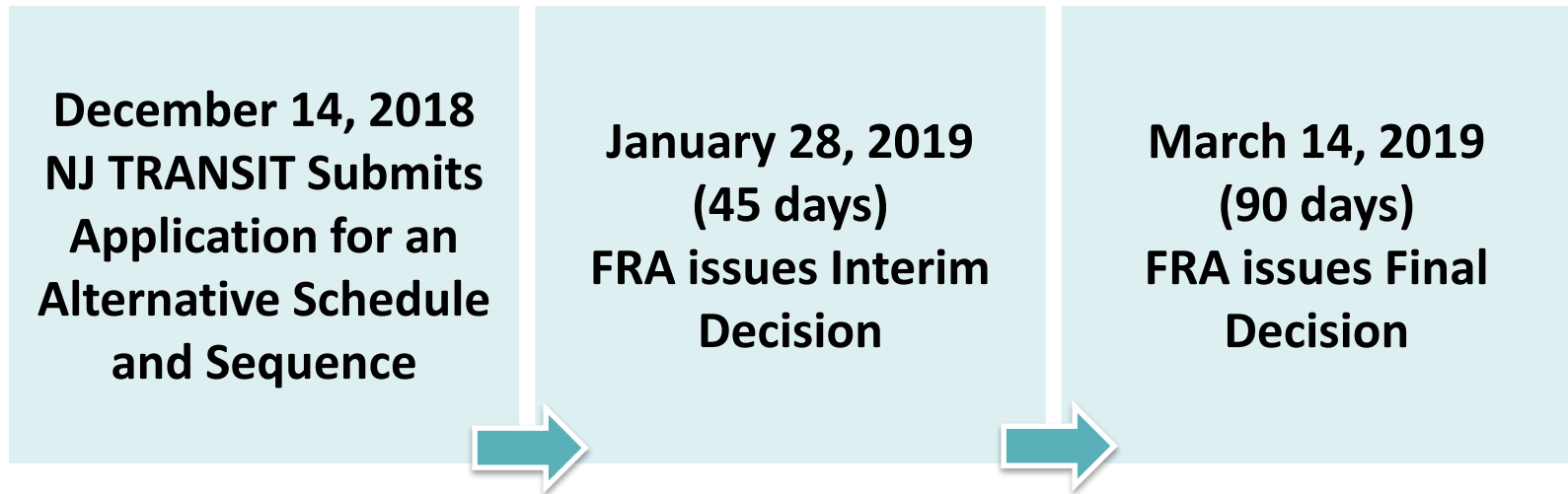
Achievement of Key 2018 Year-End Targets Aggregate Training



Achievement of Key 2018 Year-End Targets Testing



Federal Railroad Administration's Review of Alternative Schedule and Sequence



Path Forward Toward Implementation

- 1 Complete Installation on all Vehicles
 - 440 total number of vehicles must be equipped by December 31, 2020
- 2 Complete Employee PTC Training
- 3 Continue Field Testing to Demonstrate System Reliability/Repeatability
- 4 Demonstrate the system in revenue service
- 5 Submit PTC Safety Plan to FRA
- 6 Complete Interoperability and Tenant Railroad Testing
- 7 Full System Implementation by December 31, 2020



For more information
visit:



www.njtransit.com/ptc

ACTION ITEMS

ITEM 1901-02
BUS STOCK PROGRAM: PURCHASE OF 85 ARTICULATED
BUSES

The purchase of 85 sixty-foot articulated buses will provide fleet reliability and reduce operating and maintenance costs. The new articulated buses will feature low flooring, wheelchair ramps, USB ports, video security systems, improved intercom systems, and LED lighting.

- Seeking authorization to enter into a contract (No. 18-032) with **New Flyer of America**, for the purchase of 85 sixty-foot Articulated Buses, including capital spare parts, at a cost not to exceed **\$65,810,166**, plus five percent for contingencies, subject to the availability of funds.



ITEM 1901-02 BUS STOCK PROGRAM: PURCHASE OF 85 ARTICULATED BUSES

- Authorization of this contract will allow for the replacement of NJ TRANSIT's aging articulated bus fleet which is reaching the end of its expected service life.
- Articulated buses are longer vehicles comprised of two segments permanently attached to each other through a pivot point that allows them to negotiate urban traffic and sharp turns.
- These new buses will be equipped with the latest technology to reduce vehicle exhaust emissions.



AN EYE ON THE FUTURE

- NJ TRANSIT is introducing **electric buses** into its fleet.
- NJ TRANSIT identified **8 routes** in Camden County that are conducive with the use of electric vehicles.
- NJ TRANSIT received **Federal grants** in **FY2017 for \$500,000** and in **FY2018 for \$1.5M** toward an electric vehicle program. The funding will be used toward part of the acquisition of 8 electric buses, electric vehicle charging equipment, training, and spare parts.
- NJ TRANSIT will obtain a professional services firm to analyze maintenance costs, energy costs, operating performance, and to perform other technical analyses to examine future electric bus deployment.
- Staff, led by VP/GM of Bus Operations Michael Kilcoyne, is coordinating with other agencies to help inform NJ TRANSIT's electric vehicle program.

ITEM 1901-02: BUS STOCK PROGRAM: PURCHASE OF 85 ARTICULATED BUSES

WHEREAS, NJ TRANSIT provides its customers with regular route bus service throughout New Jersey and to New York City and Philadelphia which carries 154.5 million annual passenger trips (based on FY2017 data); and

WHEREAS, NJ TRANSIT utilizes its existing fleet of articulated buses – longer vehicles comprised of two permanently-attached segments to negotiate urban traffic and sharp turns – on routes where ridership levels warrant the use of higher capacity vehicles; and

WHEREAS, NJ TRANSIT's Bus Fleet Strategy calls for the replacement of the articulated bus fleet, which has been in revenue service for over 15 years and is reaching the end of its expected service life; and

WHEREAS, NJ TRANSIT will replace its existing articulated bus fleet with a “one for one” purchase of 85 new sixty-foot vehicles (the Articulated Buses); and

WHEREAS, the purchase of 85 new Articulated Buses will provide fleet reliability at reduced operating and maintenance costs and will be equipped with the latest technology to significantly reduce vehicle exhaust emissions; and

WHEREAS, the new Articulated Buses will feature low flooring so that passengers can embark and disembark more easily to provide for quicker operations; and

WHEREAS, the new Articulated Buses will include new passenger amenities such as USB ports, bicycle racks, wheelchair ramps, a video security system, an improved intercom system and LED lighting to enhance the customer experience; and

WHEREAS, upon completion of a competitive procurement process, it was determined that New Flyer of America was the most qualified responsive, responsible proposer; and

WHEREAS, the cost of the purchase for 85 Articulated Buses, including spare parts, is \$65,810,166 with a vehicle option to purchase up to an additional 85 Articulated Buses, which would be subject to future board authorization and when fully exercised, would be for a total contract value of \$128,100,291;

NOW, THEREFORE, BE IT RESOLVED that the Chair or Executive Director is authorized to enter into NJ TRANSIT Contract No. 18-032 with New Flyer of America for the purchase of 85 Articulated Buses, including spare parts, at a cost not to exceed \$65,810,166, plus five percent for contingencies, subject to the availability of funds.

ITEM 1901-03: PROPOSED LABOR AGREEMENTS: NJ TRANSIT BUS OPERATIONS, INC. AND AMALGAMATED TRANSIT UNION, NEW JERSEY STATE COUNCIL AND LOCAL DIVISION NOS. 540, 819, 820, 821, 822, 823, 824, 825 AND 880 AND RELATED LABOR AGREEMENTS

WHEREAS, NJ TRANSIT Bus Operations, Inc. (“NJTBus”) and the Amalgamated Transit Union, NJ State Council (“ATU, NJ State Council”) have collectively negotiated labor agreements (Hourly, Field Salary, and General Office Clerical)(collectively the “Labor Agreements”) for the approximately 5,200 employees represented by the ATU, NJ State Council; and

WHEREAS, the terms and conditions of the Labor Agreements are set forth in three (3) Memoranda of Agreement for Hourly, Field Salary, and General Office Clerical employees (“MOA’s) attached as Exhibit A; and

WHEREAS, on or about December 3, 2018, a majority of employees represented by the ATU, NJ State Council ratified the terms of the MOA’s between NJTBus and the ATU, NJ State Council; and

WHEREAS, the Utility Workers Union of America represents approximately 25 bus claims administration employees with a labor agreement that expired on June 30, 2017 that has historically been resolved based upon substantially similar terms as the ATU, NJ State Council; and

WHEREAS, ATU, Local 819 represents approximately 25 bus employees at a single bus garage in Dover, New Jersey (NJTMorris), with a labor agreement that expired on or about June 30, 2015;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby: (1) approves and ratifies the Memoranda of Agreement for Hourly, Field Salary and General Office Clerical employees; and (2) authorizes the President and/or Vice President and General Manager of NJ TRANSIT Bus Operations, Inc. to take all necessary steps to finalize and implement same; and (3) authorizes the President and/or Vice President and General Manager to negotiate, renew and execute related Labor Agreements with the Utility Workers’ Union of America and ATU, Local 819 (NJTMorris), each representing approximately 25 employees, as discussed in Executive Session.

EXHIBIT A

MEMORANDUM OF AGREEMENT
Between
NJ TRANSIT BUS OPERATIONS, INC.
and
AMALGAMATED TRANSIT UNION, NEW JERSEY STATE COUNCIL AND LOCAL
DIVISION NOS. 540, 819, 820, 821, 822, 823, 824, 825 AND 880
(Hourly Agreement)

This constitutes the Memorandum of Agreement made and entered into this 7th day of December, 2018 by and between NJ TRANSIT Bus Operations, Inc. ("NJTBus" or "NJTBO") and Amalgamated Transit Union, New Jersey State Council and Local Division Nos. 540, 819, 820, 821, 822, 823, 824, 825, and 880 ("ATU"). It is understood and agreed that the Collective Bargaining Agreement covering the hourly employees represented by the ATU that was in effect from July 1, 2010 through June 30, 2017 is hereby renewed for the term of July 1, 2017 until June 30, 2021, except as modified by the changes described herein.

1. Agreement
2. Section 1 – Union-Company Relationship
 - Subsection (B)(4) – Discipline (Immediate and Delayed Discipline)
3. Section 2 – Wages
 - Subsection A - Operators
4. Section 3 – Schedules
 - Subsection B
5. Section 6 – Uniforms
6. Section 10 – Seniority and Bidding of Runs
 - Subsection (B)(9) – Same Day Only Pick
7. Section 13 – General Provisions for Garages, General Office Building, General Shops and Stores Department
 - Subsection D – Equipment/Tools
8. Section 16 – General Provisions
 - Subsection L(1)(c)(i) – Benefits (Pension Benefits)
 - Subsection L(6) – Benefits (Life Insurance)
 - Subsection L(8) – Benefits (Eye Care Plan)
 - Subsection L(9) – Benefits (Drug Prescription Plan)
 - Subsection M(3) – Leave of Absence
 - Subsection O – Sick Days
 - Subsection P(z) – Part-Time Operators and Full-Time Provisional Operators
 - Subsection S – Duration and Issuance of Contract
9. Section 17A – City Subway Operators
 - Subsection I – City Subway Regular Light Rail Operator Wages
 - Subsection V - Uniforms
10. Section 17B – City Subway Maintenance Employees
 - Subsection XIII – Equipment/Tools
11. Section 19 – Provisions For Facilities Maintenance Department ("DIN Crew) and Terminals Department, Part 1 – General Provisions

EXHIBIT A

- Subsection D – Equipment/Tools
- 12. Appendix E – Wages
- 13. Appendix F – One Year Pilot Program - Vacation in Days for Bus Operators and Local Garages

None of the modifications contained herein are retroactive unless otherwise stated. Any language in the parties’ 2010-2017 Agreement not expressly modified by the enclosed revisions will remain unchanged in the parties’ 2017-2021 Agreement, except to the extent that minor changes may need to be made because of changes to other provisions. All other proposals, not listed above or contained herein, submitted by either party during the course of these negotiations are deemed withdrawn and without effect.

This Memorandum of Agreement is subject to ratification by ATU membership, and approval by the State of New Jersey, through the Board of Directors of New Jersey Transit Corporation, or its subsidiary, NJTBus.

- 1. Contract Section: Agreement**
Change: Modify Agreement Section as follows:

AGREEMENT

This agreement is made this ____ day of _____, _____, by NJ TRANSIT Bus Operations Inc., a body politic and corporate of the State of New Jersey, hereinafter called the Company or NJ TRANSIT, party of the first part, and the Amalgamated Transit Union, New Jersey State Council and Local Division Nos. 819, 820, 821, 822, 823, 824, 825, 880 and, as of April 2, 2016, Local Division No. 540, hereinafter called the Union, parties of the second part.

- 2. Contract Section: Section 1, Subsection (B)(4)**
Change: Modify Section 1, Subsection (B)(4) to read as follows:

4. Immediate and Delayed Discipline: Effective March 31, 2007, all suspensions of greater than one day shall not begin until after completion of the Third Step except in discharge cases and cases involving: (a) violence or threats of violence; (b) fighting; (c) possessions of a weapon; (d) theft or embezzlement; (e) fare-related irregularities; (f) sexual harassment or EEO violations; (g) drug or alcohol abuse; (h) criminal conduct or gross disregard of safety rules; (i) driving without a valid CDL; (j) gross insubordination; or (k) lewd conduct. In such cases (i.e.

EXHIBIT A

suspensions of greater than one day that involve one of the exceptions listed above), the suspension shall commence immediately upon issuance of the discipline at the First Step.

- 3. Contract Section: Section 2, Subsection A**
Change: Modify Section 2, Subsection A to read as follows:

A. OPERATORS

The wage rates for all operators shall be based upon length of service, and shall depend upon whether the employee was hired before or after June 26, 1997.

Hired Before June 26, 1997: For operators hired before June 26, 1997, wage rates shall be based upon the following six-step progression:

<u>Step</u>	<u>Length of Service</u>	<u>Percent</u>
1	First 12 Months Service	70.00%
2	12 Months to 24 Months	75.00%
3	24 Months to 36 Months	80.00%
4	36 Months to 48 Months	85.00%
5	48 Months to 60 Months	90.00%
6	Thereafter	100.00%

Hired After June 26, 1997: For operators hired after June 26, 1997, wage rates shall be based upon the following seven-step progression:

<u>Step</u>	<u>Length of Service</u>	<u>Percent</u>
1	First 6 Months Service	60.00%
2	6 Months to 12 Months	65.00%
3	12 Months to 24 Months	70.00%
4	24 Months to 36 Months	75.00%
5	36 Months to 48 Months	80.00%
6	48 Months to 60 Months	90.00%
7	Thereafter	100.00%

EXHIBIT A

Effective as soon as practicable following ratification of this Agreement: Wage rates for operators shall be based upon the following five-step progression:

<u>Step</u>	<u>Length of Service</u>	<u>Percent</u>
1	First 12 Months Service	70.00%
2	12 Months to 24 Months	75.00%
3	24 Months to 36 Months	80.00%
4	36 Months to 48 Months	90.00%
5	Thereafter	100.00%

Wage rates for operators during the length of this Agreement are fully set forth in Appendix "E", Part I.

- 4. Contract Section: Section 3, Subsection B**
Change: Modify Section 3 to read as follows:

B

Effective January 1, 2019, in addition to regular runs, all other combinations of two or more pieces of work totaling at least six (6) hours but less than eight and one-half (8 1/2) hours with spread of not over thirteen (13) hours will be made into runs to pay not less than eight (8) hours. Additional pieces of work cannot be added to combination runs totaling at least six (6) hours but less than eight and one-half (8 1/2) hours. Additional half time after a spread of ten (10) hours and thirty (30) minutes will be paid but only to the extent above and beyond the number of minutes already paid for with overtime. Such combination runs may be formed of pieces from more than one line.

In addition to combination runs, all pieces of scheduled line work totaling at least six (6) hours but less than eight (8) hours shall be paid eight (8) hours.

EXHIBIT A

- 5. Contract Section: Section 6**
Change: Modify Section 6 to read as follows:

SECTION 6 - UNIFORMS

The Company shall furnish each operator who has been employed by the Company a period of 90 days a uniform containing a Union label consisting of a jacket, 5 shirts (3 summer-2 winter), a tie, 2 pairs of trousers and a cap.

Effective with the Uniform Allowance payable in April 2019, the Uniform Allowance will be increased from four hundred fifty dollars (\$450.00) to four hundred seventy-five dollars (\$475.00); three hundred seventy-five dollars (\$375.00) of which shall be in the form of a voucher, and one-hundred dollars (\$100.00) of which shall be in the form of a check. Both amounts shall be paid on the first Friday of April each year. A new employee who has never been issued a uniform who enters a position requiring them to wear a uniform between January 1st and March 31st of any year will be issued a full uniform, but will not become eligible for the uniform allowance until one year from April 1st of the year in which the uniform was issued. The Uniform Allowance can also be used for company approved shoes and belts.

All operators will be required to wear their uniform while on duty.

- 6. Contract Section: Section 10, Subsection B(9)**
Change: Modify Section 10, Subsection B(9) to read as follows:

B

- ... 9. The Company will be permitted a "same day only pick" on four (4) occasions each year, subject to the following rules:
- a. The same day only pick may be run as a result of the Company implementing any change in schedule.
 - b. The pick shall be posted at least three weeks in advance.
 - c. Operators who pick to be off shall receive eight (8) hours pay for the day.

EXHIBIT A

d. All other operators that are scheduled to work shall pick by seniority for the work that is available. Operators who satisfy all of their assignments for the same day pick shall be guaranteed at least 8 hours pay for the day.

e. After the “same day only pick” is completed, the Company shall not assign operators picking to be off unless an emergency arises.

f. Depending upon the types and levels of service changes for “same day only picks,” garage maintenance staffing will be looked at on a garage by garage basis and a pick posted. Changes in staffing levels and their distribution across classifications will be vested with management. Picks will be posted as per current practice at each location.

- 7. Contract Section: Section 13, Subsection D**
Change: Modify Section 13, Subsection D to read as follows:

D. EQUIPMENT/TOOLS

The Company shall provide droplights, tape, hacksaw frames and blades, special tools, files, drills, hammer handles of all sizes, wire pliers, wheel dollies and flashlights and batteries when conditions warrant, or other special equipment needed.

Each repairman and mechanic shall be required to submit a list of their tools. This list shall be signed and dated by the Foreman, and a copy thereof supplied to the Union.

Effective for the tool allowance payable in December 2019, the Company will provide each repairman and mechanic with a \$425.00 annual tool allowance which will be paid in the second pay week of December and will provide metric tools as required.

Effective for the allowance payable in December 2019, the Company will provide a \$125.00 Safety Shoe Allowance for all Maintenance Department employees and further provide that Cleaners/Custodians, Mail Clerks, Central Stores Clerks, and Warranty Clerks, with at least one (1) year of service will be entitled to the Safety Shoe Allowance. This allowance will be paid in the second pay week of December.

EXHIBIT A

8. Contract Section: Section 16, Subsection L(1)(c)(i)
Change: Modify Section 16, Subsection L(1)(c)(i) to read as follows:

- i. **Pension Benefits**: Except as provided below, for all employees retiring on or after July 1, 2000, 2.00% will be used to calculate pension. This pension multiplier will increase from 2.00% to 2.125% for employees retiring on or after July 1, 2007. In addition, the following adjustments shall be made concerning pension benefits:
 - a. For those retirees that have a retirement date effective on or before November 1, 2018, an increase of 2.50% to their monthly pension benefit as soon as practicable following ratification of the labor agreement.

Contract Section: Section 16, Subsection L(6)
Change: Modify Section 16, Subsection L(6) to read as follows:

6. **Life Insurance**: Group insurance coverage up to \$7,000.00, shall continue to be available for the life of this Agreement. In addition, effective May 1, 2019, a \$50,000.00 term life insurance policy shall be provided to all active employees who have completed one (1) year of service. This term life insurance of \$50,000.00 replaces the prior term life insurance of \$20,000.00. Such insurance shall terminate upon termination of active employment.

Contract Section: Section 16, Subsection L(8)
Change: Modify Section 16, Subsection L(8) to read as follows:

8. **Eye Care Plan**: Company will provide active employees with at least 90 days of service the "NJ TRANSIT Bus Agreement Vision Plan".

EXHIBIT A

Contract Section: Section 16, Subsection L(9)
Change: Modify Section 16, Subsection L(9) by adding subsection L(9)(f) as follows:

9. Drug Prescription Plan:

. . . (f) The Company may include the following cost containment provisions in the Drug Prescription Plan:

- a. Compound Management Prescription Drug Program; and
- b. National Preferred Formulary Prescription Drug Program.

Contract Section: Section 16, Subsection M(3)
Change: Modify Section 16, Subsection M(3) to read as follows:

M. LEAVE OF ABSENCE

. . . 3. Employees suspended from employment after January 1, 1985 because of revocation of their driver's licenses shall be granted a leave of absence for a period of not more than seven (7) months. Effective January 1, 2019, such a leave of absence shall be granted for a period of not more than thirteen (13) months. While on leave of absence, the suspended employee shall not bid on any open jobs. Employees will return to their prior location after leave of absence. The Company may use a part-time employee to cover the leave period and the part-time hours involved shall not count against the percentage limitations upon the use of part-time employees.

Contract Section: Section 16, Subsection O
Change: Modify Section 16, Subsection O to read as follows:

O. SICK DAYS

A. Effective upon ratification of this Agreement, employees are entitled to five (5) paid sick days per calendar year. An employee must be employed for at least six (6) months before being entitled to utilize any sick days. A doctor's verification of the illness shall be required when a sick day is used: (i) on an employee's last scheduled working day prior to a holiday, (ii)

EXHIBIT A

on a holiday on which the employee is scheduled to work, (iii) on the first scheduled working day after a holiday, or (iv) as a working day for day off overtime consideration. Thus, if an employee fails to provide a doctor’s verification in any of the circumstances provided above, the employee shall not be entitled to the paid sick day.

B. The following are also applicable to paid sick days provided pursuant to this Section:

- 1) Paid sick days will be full days. (No partial sick days)
- 2) The paid sick days will be applied to the first five (5) days an employee is sick.
- 3) The employees will be reimbursed for any unused paid sick days during the calendar year, during the month of January of the following year.

Contract Section: Section 16, Subsection P(z)
Change: Modify Section 16, Subsection P(z) by adding subsection P(z)(22) as follows:

P. PART-TIME OPERATORS AND FULL-TIME PROVISIONAL OPERATORS

(z) . . .

. . . 22. Effective January 1, 2019, the Company shall no longer hire full-time provisional bus operators.

Contract Section: Section 16, Subsection S
Change: Modify Section 16, Subsection S to read as follows:

S. DURATION AND ISSUANCE OF CONTRACT

This Agreement is effective as of July 1, 2017, and shall remain in force through June 30, 2021, and yearly thereafter. Either party desiring changes shall, at least sixty (60) days prior to the 30th day of June, 2021, or in any year thereafter, notify the other of its desire for such change or changes to be made for the succeeding year, specifying such change or changes. In addition, the Company shall provide a contract booklet to all employees.

EXHIBIT A

9. Contract Section: Section 17A, Subsection I
Change: Modify Section 17A, Subsection I, to read as follows:

17A. CITY SUBWAY OPERATORS

I. CITY SUBWAY REGULAR LIGHT RAIL OPERATOR (OPERATOR) WAGES

The wage rates for all City Subway operators shall be based upon length of service, and shall depend upon whether the employee was hired before or after June 26, 1997. Wage rates for City Subway operators will be set at \$1.00/hour above the current comparable progression rate for Bus Operators.

Hired Before June 26, 1997: For City Subway operators hired before June 26, 1997, wage rates shall be based upon the following six-step progression:

Step	Length of Service	Percent
1	First 12 Months of Service	70.00%
2	12 Months to 24 Months	75.00%
3	24 Months to 36 Months	80.00%
4	36 Months to 48 Months	85.00%
5	48 Months to 60 Months	90.00%
6	Thereafter	100.00%

Hired After June 26, 1997: For City Subway operators hired after June 26, 1997, wage rates shall be based upon the following seven-step progression:

Step	Length of Service	Percent
1	First 6 Months Service	60.00%
2	6 Months to 12 Months	65.00%
3	12 Months to 24 Months	70.00%
4	24 Months to 36 Months	75.00%
5	36 Months to 48 Months	80.00%
6	48 Months to 60 Months	90.00%
7	Thereafter	100.00%

EXHIBIT A

Effective as soon as practicable following ratification of this Agreement: Wage rates for all City Subway operators shall be based upon the following five-step progression:

<u>Step</u>	<u>Length of Service</u>	<u>Percent</u>
1	First 12 Months Service	70.00%
2	12 Months to 24 Months	75.00%
3	24 Months to 36 Months	80.00%
4	36 Months to 48 Months	90.00%
5	Thereafter	100.00%

Wage rates for City Subway operators during the length of this Agreement are fully set forth in Appendix “E”, Part IV.

Contract Section: Section 17A, Subsection V
Change: Modify Section 17A, Subsection V to read as follows:

V. UNIFORMS

The Company shall furnish each operator who has been employed by the Company a period of 90 days a uniform containing a Union label consisting of a jacket, 5 shirts (3 summer – 2 winter), a tie, 2 pair of trousers, a cap and safety shoes.

Effective with the Uniform Allowance payable in April 2019, the Uniform Allowance will be increased from \$ 450.00 to \$ 475.00, three Hundred fifty (\$375.00) of which will be in the form of a voucher, and one hundred (\$100.00) by check, both of which will be paid on the first Friday of April each year. A new employee who has never been issued a uniform who enters a position requiring them to wear a uniform between January 1st and March 31st of any year will be issued a full uniform, but will not become eligible for the uniform allowance until one year from April 1st of the year in which the uniform was issued. The Uniform Allowance can also be used for company approved shoes and belts.

All operators will be required to wear their uniform while on duty.

EXHIBIT A

- 10. Contract Section: Section 17B, Subsection XIII**
Change: Modify Section 17B, Subsection XIII to read as follows:

XIII. EQUIPMENT/TOOLS

The Company shall provide droplights, tape, hacksaw frames and blades, special tools, files, drills, hammer handles of all sizes, wire pliers, wheel dollies and flashlights and batteries when conditions warrant, or other special equipment needed.

Each repairman, mechanic and technician shall be required to submit a list of his or her tools. This list shall be signed and dated by the Foreman, and a copy thereof supplied to the Union.

Effective for the tool allowance payable in December 2019, the Company will provide each repairman, mechanic, and technician with a \$425.00 annual tool allowance which will be paid in the second pay week of December and will provide metric tools as required.

Effective for the shoe allowance payable in December 2019, the company will provide a \$125.00 Safety Shoe Allowance for all Maintenance Department employees and further provide that Cleaners/Custodians, Mail Clerks, Central Stores Clerks, and Warranty Clerks, with at least one (1) year of service will be entitled to the Safety Shoe Allowance. This allowance will be paid in the second pay week of December.

- 11. Contract Section: Section 19, Part 1, Subsection D**
Change: Modify Section 19, Part 1, Subsection D to read as follows:

D. EQUIPMENT/TOOLS

The Company shall provide droplights, tape, hacksaw frames and blades, special tools, files, drills, hammer handles of all sizes, wire pliers, wheel dollies and flashlights and batteries when conditions warrant, or other special equipment needed.

Each repairman and mechanic shall be required to submit a list of their tools. This list shall be signed and dated by the Foreman, and a copy thereof supplied to the Union.

Effective for the tool allowance payable in December 2019, the Company will provide each repairman and mechanic with a \$425.00 annual tool allowance which will be paid in the second pay week of December and will provide metric tools as required.

EXHIBIT A

Effective for the shoe allowance payable in December 2019, the Company will provide a \$125.00 Safety Shoe Allowance for all Maintenance Department employees and further provide that Cleaners/Custodians, Mail Clerks, Central Stores Clerks, and Warranty Clerks, with at least one (1) year of service will be entitled to the Safety Shoe Allowance. This allowance will be paid in the second pay week of December.

12. Contract Section: Appendix E
Change: Modify wage rates in Appendix E to reflect across the board wage increases of 2.50% per fiscal year (compounded) as follows:

<u>Top Rate for Bus Operators</u>	<u>All Others</u>
\$.35 increase on 7/1/17	1.25%
\$.36 increase on 1/6/18	1.25%
\$.36 increase on 7/7/18	1.25%
\$.37 increase on 1/5/19	1.25%
\$.37 increase on 7/6/19	1.25%
\$.37 increase on 1/4/20	1.25%
\$.38 increase on 7/4/20	1.25%
\$.38 increase on 1/2/21	1.25%

A retroactive payment will be made as soon as practicable following ratification, with the intent to be within 60 days of ratification for salary increases in FY2018 and a pro-rated amount for the FY2019 increases.

Wage progression changes are not retroactive and will be made as soon as practicable following ratification of this Agreement. Wage progression changes for bus operators and City Subway operators are reflected in Sections 2A and Section 17A(I) of this Agreement. The only other wage progression changes will be for other employees with wage progression rates identical to that of operators. These wage progression changes will be the same as for operators (see Section 2A), will be contained in the Appendix E wage rates and will be implemented as soon as practicable following ratification of this Agreement.

EXHIBIT A

13. Contract Section: Appendix F
Change: Add a new Appendix F as follows:

APPENDIX "F"

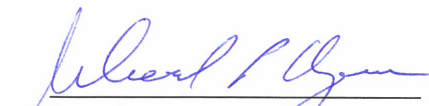
ONE YEAR PILOT PROGRAM – VACATION IN DAYS FOR CERTAIN EMPLOYEES

This one-year pilot program applies only to Bus Operators, TIC employees and Local Garage employees (see Section 14 of the Hourly Agreement) with more than two (2) weeks of vacation ("Eligible Employees"). The one-year pilot program will permit Eligible Employees to pick one week of vacation in days for calendar year 2020 subject to the following:

1. For purposes of this pilot program one week of vacation, picked in days, equates to five individually picked vacation days.
2. On or before September 30, 2019, an Eligible Employee may choose to select one week of vacation in days by completing a form provided by the Company for this purpose. The Company will provide such form at least two weeks in advance of September 30, 2019. An Eligible Employee may not later revoke the decision to select one week of vacation in days. An Eligible Employee who does not comply with the process set forth in this paragraph waives their ability to pick one week of vacation in days under this one year pilot program.
3. At the general vacation pick, those Eligible Employees who have elected to select one week of vacation in days will be provided with a separate vacation in days pick from which to choose their individual vacation days in accordance with seniority rules. All five days must be chosen at the time of the vacation pick.
4. Vacation in days will not be paid in advance, rather, they will be paid with their normal payroll check for the week in which the vacation day occurs.
5. Once chosen, vacation days cannot be changed.

This Memorandum of Agreement is hereby agreed to subject to necessary ratifications:

For NJTBus:


 Dated: 12-7-2018

For the ATU:

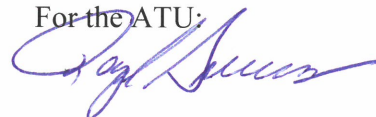

 12-7-18
 Dated:

EXHIBIT A

MEMORANDUM OF AGREEMENT
Between
NJ TRANSIT BUS OPERATIONS, INC.

and
AMALGAMATED TRANSIT UNION, NEW JERSEY STATE COUNCIL AND LOCAL
DIVISION NOS. 540, 819, 820, 821, 822, 823, 824, 825 AND 880
(Field Salary Agreement)

This constitutes the Memorandum of Agreement made and entered into this 7th day of December, 2018 by and between NJ TRANSIT Bus Operations, Inc. ("NJTBus" or "NJTBO") and Amalgamated Transit Union, New Jersey State Council and Local Division Nos. 540, 819, 820, 821, 822, 823, 824, 825, and 880 ("ATU"). It is understood and agreed that the Collective Bargaining Agreement covering the field salaried employees represented by the ATU that was in effect from July 1, 2010 through June 30, 2017 is hereby renewed for the term of July 1, 2017 until June 30, 2021, except as modified by the changes described herein.

1. Agreement
2. Section 1 – Union-Company Relationship
 - Subsection B(4) – Discipline (Immediate and Delayed Discipline)
3. Section 3 – Allowances
 - Subsection D - Uniforms
4. Section 6 – General Provisions
 - Subsection H(1)(c)(1) – Pension Benefits
 - Subsection H(3)(3) and H(3)(4) – Sick Days
 - Subsection H(4) – Life Insurance
 - Subsection H(7) – Eye Care
 - Subsection H(8) – Drug Prescription Plan
 - Subsection I (First Paragraph) – Leave of Absence
 - Subsection K – Duration of Contract
5. Appendix D – Wages
6. Appendix E – One Year Pilot Program - Vacation in Days

None of the modifications contained herein are retroactive unless otherwise stated. Any language in the parties' 2010-2017 Agreement not expressly modified by the enclosed revisions will remain unchanged in the parties' 2017-2021 Agreement, except to the extent that minor changes may need to be made because of changes to other provisions. All other proposals, not listed above or contained herein, submitted by either party during the course of these negotiations are deemed withdrawn and without effect.

This Memorandum of Agreement is subject to ratification by ATU membership, and approval by the State of New Jersey, through the Board of Directors of New Jersey Transit Corporation, or its subsidiary, NJTBus.

EXHIBIT A

- 1. Contract Section: Agreement**
Change: Modify Agreement Section as follows:

AGREEMENT

This agreement is made this ____ day of _____, _____, by NJ TRANSIT Bus Operations Inc., a body politic and corporate of the State of New Jersey, hereinafter called the Company or NJ TRANSIT, party of the first part, and the Amalgamated Transit Union, New Jersey State Council and Local Division Nos. 819, 820, 821, 822, 823, 824, 825, 880 and, as of April 2, 2016, Local Division No. 540, hereinafter called the Union, parties of the second part.

- 2. Contract Section: Section 1, Subsection B(4)**
Change: Modify Section 1, Subsection B(4) to read as follows:

4. Immediate and Delayed Discipline: Effective March 31, 2007, all suspensions of greater than one day shall not begin until after completion of the Third Step except in discharge cases and cases involving: (a) violence or threats of violence; (b) fighting; (c) possession of a weapon; (d) theft or embezzlement; (e) fare-related irregularities; (f) sexual harassment or EEO violations; (g) drug or alcohol abuse; (h) criminal conduct or gross disregard of safety rules; (i) driving without a valid CDL; (j) gross insubordination; or (k) lewd conduct. In such cases (i.e. suspensions of greater than one day that involve one of the exceptions listed above), the suspension shall commence immediately upon issuance of the discipline at the First Step.

- 3. Contract Section: Section 3, Subsection D**
Change: Modify Section 3, Subsection D to read as follows:

D. UNIFORMS

Any employee currently receiving a uniform shall be entitled to a uniform allowance one year after issuance provided that at the time of payment of the allowance, the employee is still required to be in uniform. Outer garments for the field salaried employees specified by mutual agreement of the Company and the Union shall be supplied.

EXHIBIT A

A new employee, or any employee who was never issued a uniform, who becomes a Field Salaried employee required to wear a uniform, on or before December 31st of any year, will be issued a full uniform and will receive the appropriate up-keep allowance on the first pay day in April of the following year.

A new employee, or an employee who was never issued a uniform, who becomes a Field Salaried employee required to wear a uniform, between January 1st, and March 31st, of any year, will be issued a full uniform, but will not become eligible for the up-keep allowance until one (1) year from April 1st of the current year.

Effective with the Uniform Allowance payable in April 2019, the Uniform Allowance will be increased from four hundred fifty dollars (\$450.00) to four hundred seventy-five dollars (\$475.00); three hundred seventy-five dollars (\$375.00) of which shall be in the form of a voucher, and one hundred dollars (\$100.00) of which shall be in the form of a check.

4. Contract Section: Section 6, Subsection H(1)(c)(1)
Change: Modify Section 6, Subsection H(1)(c)(1) to read as follows:

(1) **Pension Benefits**: Except as provided below, for employees retiring on or after July 1, 2000, 2.00% for each year of service multiplied by the average of the highest 3 years earning in the last 10 years of service shall be used in calculating pensions. This pension multiplier will increase from 2.00% to 2.125% for employees retiring on or after July 1, 2007. In addition, the following adjustments shall be made concerning pension benefits:

- a. For those retirees that have a retirement date effective on or before November 1, 2018, an increase of 2.50% to their monthly pension benefit as soon as practicable following ratification of this Agreement.

EXHIBIT A

Contract Section: Section 6, Subsections H(3)(3) and H(3)(4)
Change: Modify Section 6, Subsections H(3)(3) and H(3)(4) to read as follows:

(3) Sick Days - Effective upon ratification of this Agreement, employees are entitled to five (5) paid sick days each calendar year. An employee must be employed for at least six (6) months before being entitled to utilize any sick days. A doctor's verification of the illness shall be required when a sick day is used: (i) on an employee's last scheduled working day prior to a holiday, (ii) on a holiday on which the employee is scheduled to work, (iii) on the first scheduled working day after a holiday, or (iv) as a working day for day off overtime consideration. Thus, if an employee fails to provide a doctor's verification in any of the circumstances provided above, the employee shall not be entitled to the paid sick day.

(4) The following are also applicable to paid sick days provided pursuant to this Section:

- a. Paid sick days will be full days. (No partial sick days)
- b. The paid sick days will be applied to the first five (5) days an employee is sick. Except for field salaried employees and clerical employees who are not receiving the same sick benefits as hourly employees because they were hired or entered their bargaining unit prior to January 12, 1989. For these employees the five (5) paid sick days will be added to their existing present allotment of sick days, and will not be considered used unless they exceed their present allotment.
- c. Employees will be reimbursed for any of the five (5) unused paid sick days during January of the following year.
- d. During the period of the Agreement, the Company shall not suspend its Welfare Plan, embracing insurance, sick benefits, or diminish any of the benefits provided under said Plan, and the Union shall not request any changes in said Plan. However, the Company will discuss the Welfare Plan with the Union at its request.

EXHIBIT A

Contract Section: Section 6, Subsections H(4)
Change: Modify Section 6, Subsection H(4) to read as follows:

4. **Life Insurance:** Effective May 1, 2019 a \$50,000 term life insurance policy shall be provided to all active employees who have completed one year of service. This term life insurance of \$50,000.00 replaces the prior term life insurance of \$20,000.00. Such insurance shall terminate upon termination of active employment. No salaried employee or officer or committee member of the Union shall be entitled to benefits under more than one Union Agreement.

Contract Section: Section 6, Subsection H(7)
Change: Modify Section 6, Subsection H(7) to read as follows:

7. **Eye Care Plan:** Company will provide active employees with at least 90 days of service the “NJ TRANSIT Bus Agreement Vision Plan”.

Contract Section: Section 6, Subsection H(8)
Change: Modify Section 6, Subsection H(8) by adding Subsection H(8)(f)

8. **Drug Prescription Plan:**

- ... (f) The Company may include the following cost containment provisions in the Drug Prescription Plan:
- a. Compound Management Prescription Drug Program; and
 - b. National Preferred Formulary Prescription Drug Program.

EXHIBIT A

Contract Section: Section 6, Subsection I (First Paragraph)
Change: Modify Section 6, Subsection I (First Paragraph) to read as follows:

I. LEAVE OF ABSENCE

Employees suspended from employment after January 1, 1985, because of revocation of their driver's license shall be granted a leave of absence for a period of not more than seven (7) months. Effective January 1, 2019, such a leave of absence shall be granted for a period of not more than thirteen (13) months. While on leave of absence, the suspended employee shall not bid on any open jobs. The employee will return to their prior location after the leave of absence.

Contract Section: Section 6, Subsection K
Change: Modify Section 6, Subsection K to read as follows:

K. DURATION OF CONTRACT

This Agreement is effective as of July 1, 2017, and shall remain in force through June 30, 2021, and yearly thereafter. Either party desiring changes shall, at least sixty (60) days prior to the 30th day of June, 2021, or in any year thereafter, notify the other of its desire for such change or changes to be made for the succeeding year, specifying such change or changes. In addition, the Company shall provide a contract booklet to all employees.

5. Contract Section: Appendix D
Change: Modify wage rates in Appendix D to reflect across the board wage increases of 2.50% per fiscal year (compounded) as follows:

<u>Date of Increase</u>	<u>Percentage Increase</u>
Increase on 7/1/17	1.25%
Increase on 1/6/18	1.25%
Increase on 7/7/18	1.25%
Increase on 1/5/19	1.25%
Increase on 7/6/19	1.25%
Increase on 1/4/20	1.25%
Increase on 7/4/20	1.25%
Increase on 1/2/21	1.25%

EXHIBIT A

A retroactive payment will be made as soon as practicable following ratification, with the intent to be within 60 days of ratification for salary increases in FY2018 and a pro-rated amount for the FY2019 increases.

- 6. **Contract Section:** Appendices
- Change:** Add a new Appendix E as follows:

APPENDIX "E"

ONE YEAR PILOT PROGRAM – VACATION IN DAYS FOR CERTAIN EMPLOYEES


This one-year pilot program applies only to Field Salaried employees with more than two (2) weeks of vacation ("Eligible Employees"). The one-year pilot program will permit Eligible Employees to pick one week of vacation in days for calendar year 2020 subject to the following:

1. For purposes of this pilot program one week of vacation, picked in days, equates to five individually picked vacation days.
2. On or before September 30, 2019, an Eligible Employee may choose to select one week of vacation in days by completing a form provided by the Company for this purpose. The Company will provide such form at least two weeks in advance of September 30, 2019. An Eligible Employee may not later revoke the decision to select one week of vacation in days. An Eligible Employee who does not comply with the process set forth in this paragraph waives their ability to pick one week of vacation in days under this one year pilot program.
3. At the general vacation pick, those Eligible Employees who have elected to select one week of vacation in days will be provided with a separate vacation in days pick from which to choose their individual vacation days in accordance with seniority rules. All five days must be chosen at the time of the vacation pick.
4. Vacation in days will not be paid in advance, rather, they will be paid with their normal payroll check for the week in which the vacation day occurs.
5. Once chosen, vacation days cannot be changed.

This Memorandum of Agreement is hereby agreed to subject to necessary ratifications:

For NJTBus:

For the ATU:


 Dated: 12-7-2018



 Dated: 12-7-18

EXHIBIT A

MEMORANDUM OF AGREEMENT

Between

NJ TRANSIT BUS OPERATIONS, INC.

and

AMALGAMATED TRANSIT UNION, NEW JERSEY STATE COUNCIL AND LOCAL DIVISION NOS. 540, 819, 820, 821, 822, 823, 824, 825 AND 880

(General Office Clerical Agreement)

This constitutes the Memorandum of Agreement made and entered into this 7th day of December, 2018 by and between NJ TRANSIT Bus Operations, Inc. ("NJTBus" or "NJTBO") and Amalgamated Transit Union, New Jersey State Council and Local Division Nos. 540, 819, 820, 821, 822, 823, 824, 825, and 880 ("ATU"). It is understood and agreed that the Collective Bargaining Agreement covering the General Office Clerical employees represented by the ATU that was in effect from July 1, 2010 through June 30, 2017 is hereby renewed for the term of July 1, 2017 until June 30, 2021, except as modified by the changes contained herein.

- 1. Agreement
- 2. Section 1 – Union-Company Relationship
 - Subsection B(4) – Discipline (Immediate and Delayed Discipline)
- 3. Section 6 – General Provisions
 - Subsection G(1)(c)(1) – Pension Benefits
 - Subsection G(4) – Life Insurance
 - Subsection G(7) – Eye Care Plan
 - Subsection G(8) – Drug Prescription Plan
 - Subsection H (First Paragraph) – Leave of Absence
 - Subsection K – Sick Days
 - Subsection L – Duration of Contract
- 4. Appendix D – Wages

None of the modifications contained herein are retroactive unless otherwise stated. Any language in the parties' 2010-2017 Agreement not expressly modified by the enclosed revisions will remain unchanged in the parties' 2017-2021 Agreement, except to the extent that minor changes may need to be made because of changes to other provisions. All other proposals, not listed above or contained herein, submitted by either party during the course of these negotiations are deemed withdrawn and without effect. This Memorandum of Agreement is subject to ratification by ATU membership, and approval by the State of New Jersey, through the Board of Directors of New Jersey Transit Corporation, or its subsidiary, NJTBus.

- 1. **Contract Section:** Agreement
- Change:** Modify Agreement Section as follows:

AGREEMENT

This agreement is made this ____ day of _____, _____, by NJ TRANSIT Bus Operations Inc., a body politic and corporate of the State of New Jersey, hereinafter called the Company or NJ TRANSIT, party of the first part, and the Amalgamated Transit Union, New

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Jersey State Council and Local Division Nos. 819, 820, 821, 822, 823, 824, 825, 880 and, as of April 2, 2016, Local Division No. 540, hereinafter called the Union, parties of the second part.

2. Contract Section: Section 1, Subsection B(4)
Change: Modify Section 1, Subsection B(4) to read as follows:

4. Immediate and Delayed Discipline: Effective March 31, 2007, all suspensions of greater than one day shall not begin until after completion of the Third Step except in discharge cases and cases involving: (a) violence or threats of violence; (b) fighting; (c) possession of a weapon; (d) theft or embezzlement; (e) fare-related irregularities; (f) sexual harassment or EEO violations; (g) drug or alcohol abuse; (h) criminal conduct or gross disregard of safety rules; (i) driving without a valid CDL; (j) gross insubordination; or (k) lewd conduct. In such cases (i.e. suspensions of greater than one day that involve one of the exceptions listed above), the suspension shall commence immediately upon issuance of the discipline at the First Step.

3. Contract Section: Section 6, Subsection G(1)(c)(1)
Change: Modify Section 6, Subsection G(1)(c)(1) to read as follows:

1. **Pension Benefits:** Except as provided below, for all employees retiring on or after July 1, 2000, 2.00% will be used to calculate pension. This pension multiplier will increase from 2.00% to 2.125% for employees retiring on or after July 1, 2007. In addition, the following adjustments shall be made concerning pension benefits:

a. For those retirees that have a retirement date effective on or before November 1, 2018, an increase of 2.50% to their monthly pension benefit as soon as practicable following ratification of the labor agreement.

Contract Section: Section 6, Subsections G(4)
Change: Modify Section 6, Subsection G(4) to read as follows:

4. **Life Insurance:** Effective May 1, 2019 a \$50,000 term life insurance policy shall be provided to all active employees who have completed one year of service. This term life

EXHIBIT A

insurance of \$50,000.00 replaces the prior term life insurance of \$20,000.00. Such insurance shall terminate upon termination of active employment. No salaried employee or officer or committee member of the Union shall be entitled to benefits under more than one Union Agreement.

Contract Section: Section 6, Subsection G(7)
Change: Modify Section 6, Subsection G(7) to read as follows:

7. **Eye Care Plan:** Company will provide active employees with at least 90 days of service the “NJ TRANSIT Bus Agreement Vision Plan”.

Contract Section: Section 6, Subsection G(8)
Change: Modify Section 6, Subsection G(8) by adding Subsection G(8)(f)

8. **Drug Prescription Plan:**

. . . (f) The Company may include the following cost containment provisions in the Drug Prescription Plan:

- a. Compound Management Prescription Drug Program; and
- b. National Preferred Formulary Prescription Drug Program.

Contract Section: Section 6, Subsection H (First Paragraph)
Change: Modify Section 6, Subsection H (First Paragraph) to read as follows:

H. LEAVE OF ABSENCE

Employees suspended from employment after January 1, 1985, because of revocation of their driver's license shall be granted a leave of absence for a period of not more than seven (7) months. Effective January 1, 2019, such a leave of absence shall be granted for a period of not more than thirteen (13) months. While on leave of absence, the suspended

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employee shall not bid on any open jobs. The employee will return to their prior location after the leave of absence.

Contract Section: Section 6, Subsection K
Change: Modify Section 6, Subsection K to read as follows:

K. SICK DAYS

- A. Effective upon ratification of this Agreement, employees are entitled to five (5) paid sick days each calendar year. An employee must be employed for at least six (6) months before being entitled to utilize any sick days. A doctor's verification of the illness shall be required when a sick day is used: (i) on an employee's last scheduled working day prior to a holiday, (ii) on a holiday on which the employee is scheduled to work, (iii) on the first scheduled working day after a holiday, or (iv) as a working day for day off overtime consideration. Thus, if an employee fails to provide a doctor's verification in any of the circumstances provided above, the employee shall not be entitled to the paid sick day.
- B. The following are also applicable to paid sick days provided pursuant to this Section:
 - 1) Paid sick days will be full days. (No partial sick days)
 - 2) The paid sick days will be applied to the first five (5) days an employee is sick. Except for field salaried employees and clerical employees who are not receiving the same sick benefits as hourly employees because they were hired or entered their bargaining unit prior to January 12, 1989. For these employees the five (5) paid sick days will be added to their existing present allotment of sick days, and will not be considered used unless they exceed their present allotment.
 - 3) Employees will be reimbursed for any of the five (5) unused paid sick days during January of the following year.

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Contract Section: Section 6, Subsection L
Change: Modify Section 6, Subsection L to read as follows:

L. DURATION OF CONTRACT

This Agreement is effective as of July 1, 2017, and shall remain in force through June 30, 2021, and yearly thereafter. Either party desiring changes shall, at least sixty (60) days prior to the 30th day of June, 2021, or in any year thereafter, notify the other of its desire for such change or changes to be made for the succeeding year, specifying such change or changes. In addition, the Company shall provide a contract booklet to all employees.

4. Contract Section: Appendix D
Change: Modify wage rates in Appendix D to reflect across the board wage increases of 2.50% per fiscal year (compounded) as follows:


<u>Date of Increase</u>	<u>Percentage Increase</u>
Increase on 7/1/17	1.25%
Increase on 1/6/18	1.25%
Increase on 7/7/18	1.25%
Increase on 1/5/19	1.25%
Increase on 7/6/19	1.25%
Increase on 1/4/20	1.25%
Increase on 7/4/20	1.25%
Increase on 1/2/21	1.25%


A retroactive payment will be made as soon as practicable following ratification, with the intent to be within 60 days of ratification for salary increases in FY2018 and a pro-rated amount for the FY2019 increases.

This Memorandum of Agreement is hereby agreed to subject to necessary ratifications:

For NJTBus:

For the ATU:


Dated: 12-7-2018


Dated: 12-7-18