

Chris Christie, Governor
Kim Guadagno, Lieutenant Governor
Jamie Fox, Board Chairman
Veronique Hakim, Executive Director

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

November 13, 2014

Dear Governor Christie:

Pursuant to Chapter 150, Laws of 1979, I herein transmit the minutes of actions taken at the open session of the 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, November 12, 2014.

Sincerely,

Original Signed By

Joyce J. Zuczek
Acting Board Secretary

Enclosures

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

Minutes of the actions taken at the Open Session of the 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, November 12, 2014.

Present

Jamie Fox, Chairman
Bruce M. Meisel, Vice Chairman
Amy Herbold, Governor's Representative
Steven Petrecca, Treasurer's Representative
James C. Finkle, Jr., Board Member
Flora M. Castillo, Board Member
Myron P. Shevell, Board Member (By Telephone)
Raymond W. Greaves, Board Member (By Telephone)

Also Present

Veronique Hakim, Executive Director
Neil Yellin, Deputy Executive Director
Warren Hersh, Auditor General
Dennis J. Martin, Vice President/General Manager, Bus Operations
Robert Lavell, Vice President/General Manager, Rail Operations
John Squitieri, Chief, Light Rail and Contract Services
Christopher Trucillo, Chief of Police
Warren Hersh, Auditor General
Kathleen M. Sharman, Chief Financial Officer & Treasurer
Michael Slack, Chief Information Officer
Penny Bassett Hackett, Assistant Executive Director, Communications & Customer Svc.
Alma Scott-Buczak, Assistant Executive Director, Succession Planning & Workforce Dev.
Steve Santoro, Assistant Executive Director, Capital Planning & Programs
Gardner Tabon, Chief, Office of System Safety
Michael Gonnella, Deputy Attorney General
Joyce J. Zuczek, Acting Board Secretary

Chairman Fox convened the Open Session at 9:02 a.m. in accordance with the Open Public Meetings Act.

Acting Board Secretary Zuczek announced that this was a regular meeting 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. Adequate notice of this meeting has been provided in accordance with the Open Public Meetings Act, Chapter 231, P.L. 1975, and that notice has been given to newspapers of general distribution and notice has been forwarded to the Secretary of State, Trenton, New Jersey.

In addition, notice of said meeting has been and is being displayed in the main lobby of NJ TRANSIT's Headquarters in Newark, New Jersey. Acting Board Secretary Zuczek announced that the Board Meeting was being video recorded.

Chairman Fox asked for a motion to adopt the minutes of the October 8, 2014 Board Meeting. A motion was made by Vice Chairman Bruce M. Meisel, seconded by Board Member James C. Finkle, Jr. and unanimously adopted.

Public Comments on Agenda Items and Other Matters

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

Stephen Thorpe believes a third tunnel to New York is the most urgent top priority project and should start as soon as possible. He noted the existing tunnels are aging and Amtrak will need to close the existing tunnels while performing repair work. Additionally, Mr. Thorpe believes the Portal Bridge is in dire need of replacement work and urged NJ TRANSIT to find funds towards this part of the Amtrak Gateway Project.

Murray Bodin praised Executive Director Hakim for her leadership at NJ TRANSIT, and noted examples of her leadership while at NJ TRANSIT and the New Jersey Turnpike. He believes some of the railroad rules should change. Mr. Bodin thinks instead of blowing the train horn, a horn should sound at the railroad crossing. He also believes the lights at the crossings should use the type used by police cars instead of the existing devices which he believes are outdated.

Orrin Getz noted the Palisades Parkway Repaving Project was completed quickly and effectively and hopes to see that type of effort extended to other NJ TRANSIT projects. He would like the two sidings renegotiations he previously mentioned to move ahead. Additionally, he would like the Lackawanna Cutoff Project that he believes is currently moving forward slowly to move forward quicker. Mr. Getz also wants a 20-year comprehensive strategic fleet plan that includes rail fleet.

Mr. Getz said the Hudson tunnels and the Portal Bridge replacement are the real critical problems that need to be addressed. He also said the conditions at New York Penn Station need improvement. Mr. Getz expressed his appreciation for the focus on the Port Authority Bus Terminal.

Mr. Getz urged NJ TRANSIT to utilize Hoboken Terminal more effectively to improve overall service. He said the millennial generation relies more on mass transit, and NJ TRANSIT should take that into consideration and improve the service.

David Peter Alan thanked Stephen Thorpe for leading off the call for a third tunnel, and Orrin Getz for better utilization of Hoboken. Mr. Alan said the project needed the most is not under consideration and without it other projects will do no good. He noted Amtrak

said the tunnels will be taken out of service for repair work within the next 20 years. Mr. Alan argued that if this happens before there is a third tunnel, Amtrak will not suffer from the single tunnel but the emergency will fall on NJ TRANSIT and its riders. He said their most convenient rail route into New York City will be severely compromised and other modes will be challenged to handle all the displaced riders.

Mr. Alan said the Amtrak Gateway Project estimate is double ARC and has no source of funding. He believes it is reckless to say Amtrak is taking the lead and asked for one more tunnel before they shut down the existing tunnels for repairs. Mr. Alan does not believe a third tunnel is a priority for Amtrak and believes it is a mistake for NJ TRANSIT to rely on Gateway. He said Amtrak wants a boondoggle and the new tunnel is the last priority. Mr. Alan believes it is imperative that NJ TRANSIT takes the lead in securing funds for a third tunnel first. He said it is a matter of public responsibility that NJ TRANSIT owes its rail riders to ensure they have a means to access New York City during the repairs. Mr. Alan said the cost is far less than the entire Gateway Project.

Mr. Alan said the Lackawanna Coalition calls for a third tunnel first and for other projects to be deferred. He said all other projects are far less important than building a tunnel to New York City.

Carol Katz spoke on behalf of the Bus Association of New Jersey whose members are private providers of bus transportation. She commended NJ TRANSIT for their partnership to improve the commuter experience at the Port Authority Bus Terminal. Ms. Katz said they appreciated the efforts by law enforcement during the last few months and noted it has helped. She looks forward to continuing to work with all parties in partnership on improving the experience at the Port Authority Bus Terminal.

Joseph Clift apologized for being late and explained that it was due to a subway stairway that has been out of service since June and said it affects NJ TRANSIT customers. He expressed excitement about the Port Authority Bus Terminal and said it sounds like there is no longer a conga line. He believes the Manhattan Chelsea Board is probably thrilled and noted they were previously upset about the situation.

Mr. Clift said transparency is discussed a lot but more needs to be done. He thinks the online library is great but thinks it needs more information. Mr. Clift said it was the first Board meeting after the second anniversary of Superstorm Sandy and fourth anniversary since ARC was cancelled. He believes there needs to be more information available to the public and media.

Mr. Clift believes the narrative for Item 1411-55 has improved significantly since the Administration Committee on October 22, 2014 but inquired about when the Board approved the \$934,000 deposited with the Clerk of Superior Court in Trenton on or before January 26, 2010. He said he is sure the Board knows but he couldn't find it.

Mr. Clift wants more Sandy information posted online including cost information such as damage, repair costs, expenditures, and insurance claimed and collected to date. He said

the current information does not include 9 dual power locomotives titled to Bombardier and 39 Comet III cars. He would like a complete listing by unit to back up the \$120 million in damage and by incident to back up the \$635 million in damage.

Mr. Clift said NJ TRANSIT was awarded the most Superstorm Sandy resiliency money of \$1.28 billion and there was only a press release. He wants details posted on the website regarding the projects, project benefits, and price.

Mr. Clift said previously there was information online for ARC. Mr. Clift believes Amtrak's Gateway Project is important to NJ TRANSIT's future and NJ TRANSIT should provide information. He would like detailed ARC expenditures to date and a detailed list of open items, with estimate costs, put back online.

Mr. Clift asked NJ TRANSIT not to continue to let Amtrak have the exclusive lead on Gateway. He believes it is too important to NJ TRANSIT and said Amtrak can lengthen their trains but NJ TRANSIT will run out of capacity. Mr. Clift asked that NJ TRANSIT at least put information about the Gateway Project online and show how it compares to ARC.

Board Member Comments

There were no Board Member comments.

Advisory Committee Report

There was no Advisory Committee Report.

Board Customer Service Committee Report

Board Member Flora Castillo presented the report for the Customer Service Committee. The Committee was provided a Customer Service update and a report on the Social Media Dashboard for September. The Committee was also provided with a report on NJ TRANSIT's Customer-Facing Technologies and Amenities.

Board Administration Committee Report

Board Member James C. Finkle, Jr. presented the report for the Administration Committee. The Committee discussed the compensation of special counsel for the ongoing appeal and any future remand to trial court in the condemnation matter of New Jersey Transit Corporation vs. Mary Franco, Carol Franco, M&C Franco & Company, et al. In addition, the Committee was also provided a Financial Update for August 2014.

Executive Director's Monthly Report

Veterans Day

Executive Director Hakim began by noting that yesterday was Veterans Day and encouraged everyone to join her in thanking the men and women who have defended the country's freedom throughout the nation's history. She noted that since 2009, NJ TRANSIT has had a robust outreach program which recruits active and retired soldiers and their family members for employment opportunities at NJ TRANSIT. NJ TRANSIT's Human Resource team travels throughout the tri-state area going to military bases and military job fairs in an effort to match military members with jobs at NJ TRANSIT.

In recognition of Veterans Day, a few of NJ TRANSIT's military service members were in attendance. Executive Director Hakim recognized veterans from the Army and Army National Guard: Rail Substation Mechanic Lenny Araneo, Newark Light Rail Technical Training Specialist Joseph Bodine, and Quality Assurance Specialist Lisa Veloz; from the Marines, Bus Facility Maintenance Foreman Jim Damgen and Bus Training Instructor Robert Nadolski, Jr.; from the Navy, Rail Operations Substation Supervisor Ralph Glover; from the Air Force and Air National Guard, Bus Foreman David Calabrese and Rail Operations Assistant Superintendent Emanuel Couto; and from the U.S. Coast Guard and U.S. Coast Guard Reserves, Chief of Project and Construction Management Charles "Ty" Dickerson and Manager of Point-of-Sale and Fare Collection Frank Gorman. Executive Director Hakim thanked them for their service and sacrifice to the country.

Customer Surveys

On Monday, November 10, 2014, NJ TRANSIT began the latest Scorecard customer survey for the second quarter of Fiscal Year 2015, which will be available online until December 1, 2014. A new component to the initiative this quarter is the launch of the "*Your Feedback in Action*" segment. This is where NJ TRANSIT's operating units outline the action plan developed directly based on customer feedback from last quarter's survey.

Some of the real changes made to improve NJ TRANSIT's system include: for Rail, NJ TRANSIT installed redesigned dynamic-brake grids on 14 of its PL42 diesel locomotives to reduce rain and snow infiltration in the diesel engines, which causes the engines to shut down and ultimately cause delays to customers. Dynamic-brake grids installation on the rest of the PL42 locomotives will occur when additional materials are available in 2015.

On the Bus side, NJ TRANSIT is working to improve WiFi coverage within the Port Authority Bus Terminal to enhance customer amenities and improve communications during service disruptions. In the near future, NJ TRANSIT will be inviting its customers to help test the WiFi bandwidth with "*NJT underscore BetaTest*". NJ TRANSIT will encourage its customers to regularly use this test site as their input will enable

NJ TRANSIT to make necessary adjustments quickly to ensure a sustainable WiFi network moving forward. Customers will be notified when the beta testing will begin.

For Light Rail, NJ TRANSIT added two-car light rail trains on the Hudson-Bergen Light Rail system during the busiest parts of Saturdays and Sundays to reduce overcrowding.

NJ TRANSIT encourages its customers to support these efforts and take the current quarterly survey. Customer feedback is important to NJ TRANSIT and enables NJ TRANSIT to make informed decisions and best dedicate resources in areas where they are most needed.

Port Authority Bus Terminal Improvements

In May, Executive Director Hakim said she would report back to the Board regarding more robust actions to improve service for NJ TRANSIT's Port Authority Bus Terminal customers. Last spring, NJ TRANSIT started a pilot which utilizes buses that were already parked or stored in New York City lots to fill when needed on a few high-ridership routes.

To build on that improvement, NJ TRANSIT, in partnership with the Port Authority of New York and New Jersey, most recently enacted more staff-recommended operational adjustments to better meet customer demand during the evening rush. The intent is to improve on-time performance and the customer experience at Port Authority Bus Terminal.

In addition, NJ TRANSIT introduced a public network called "Access NJT" in an effort to enhance communication with its customers at the Port Authority Bus Terminal. This network gives customers access to NJ TRANSIT's Twitter feeds and NJ TRANSIT mobile website along with Service Alerts, Advisories, Bus Schedules and MyBus/MyBusNow.

Many of NJ TRANSIT's customers have long expressed a need for immediate access to planned gate change advisories, service delay and disruption information and alternate service options, and this network provides it. Customers have spoken and NJ TRANSIT listened and acted to address those issues. NJ TRANSIT is currently working to expand the "Access NJT" network to include *MyTix* when the application is available in North New Jersey.

To outline additional accomplishments and ongoing efforts at the Port Authority Bus Terminal, NJ TRANSIT's Vice President and General Manager of Bus Operations Dennis Martin provided a presentation (attached).

Executive Director Hakim thanked Mr. Martin and his team for all of the hard work and many, many hours on these efforts. She also thanked the Port Authority for their assistance as NJ TRANSIT could not have achieved what has been done without their support.

Executive Director Hakim said they cannot rest on their laurels and they understand their job in improving conditions at Port Authority Bus terminal is far from complete.

NJ TRANSIT will continue to closely monitor operations at Port Authority Bus terminal and explore other potential solutions to further enhance the customers' experience.

Action Items

1411-55: LEGAL SERVICES – LITIGATION SUPPORT (CONDEMNATION) – NEW JERSEY TRANSIT CORPORATION VS. MARY FRANCO, CAROL FRANCO AND M&C FRANCO & COMPANY

Executive Director Hakim introduced Kevin Rittenberry, Acting Chief, who presented Action Item 1411-55 for approval.

Kevin Rittenberry recommended approval of Item 1411-55. Authorization is requested to continue to compensate the law firm of DeCotiis, Fitzpatrick & Cole, LLP of Teaneck, New Jersey as Special Counsel, in accordance with the New Jersey Attorney General's retention, at a cost not to exceed \$150,000 for all legal and related work as to the ongoing appeal and any future remand to the trial court in the condemnation matter of New Jersey Transit Corporation vs. Mary Franco, Carol Franco and M&C Franco & Company.

Board Member Flora M. Castillo moved the resolution, Vice Chairman Bruce M. Meisel seconded it and it was unanimously adopted.

Executive Session Authorization

Chairman Fox concluded the open session agenda items and requested a motion to enter Executive Session to discuss the status of pending and anticipated litigation and matters falling within the attorney-client privilege, including, but not limited to, the Settlement of a Pending Legal Action, the Personal Injury Claim: Filippo Quattrocchi vs. NJ TRANSIT Rail Operations and the Personal Injury Claim: Keith Cruz vs. NJ TRANSIT Rail Operations at approximately 9:55 a.m.

Board Member Myron P. Shevell moved the resolution, Board Member James C. Finkle, Jr. seconded it and it was unanimously adopted.

Chairman Fox, Board Members Herbold, Petrecca, Finkle and Castillo returned to open session at approximately 10:19 a.m.

1411-56: PROPOSED SETTLEMENT OF A PENDING LEGAL ACTION

Executive Director Hakim recommended approval of Item 1411-56 to enter into a settlement agreement to resolve a civil action pending in the Superior Court of New Jersey in an amount and under the conditions described in the executive session board item.

1411-57: PERSONAL INJURY CLAIM OF FILIPPO QUATTROCCHI

Executive Director Hakim introduced Kathleen M. Sharman, Chief Financial Officer & Treasurer who presented Action Item 1411-57 for approval.

Kathleen M. Sharman recommended approval of Item 1411-57. Authorization is requested to settle the claim of Filippo Quattrocchi, through his attorney, at a cost of \$950,000. The Attorney General has approved this proposed settlement cost.

1411-58: PERSONAL INJURY CLAIM OF KEITH CRUZ

Executive Director Hakim introduced Kathleen M. Sharman, Chief Financial Officer & Treasurer who presented Action Item 1411-58 for approval.

Kathleen M. Sharman recommended approval of Item 1411-58. Authorization is requested to settle the claim of Keith Cruz, through his attorney, at a cost of \$950,000. The Attorney General has approved this proposed settlement cost.

A motion was made by Board Member James C. Finkle, Jr., seconded by Board Member Flora M. Castillo and unanimously adopted Item 1411-56, Item 1411-57 and Item 1411-58.

Adjournment

Since there were no further comments or business, Chairman Fox called for adjournment and a motion to adjourn was made by Board Member Flora M. Castillo, seconded by Board Member James C. Finkle, Jr. and unanimously adopted. The meeting was adjourned at approximately 10:22 a.m.

(NJT Board - 11/12/2014)



Port Authority Bus Terminal Improvements

November 2014



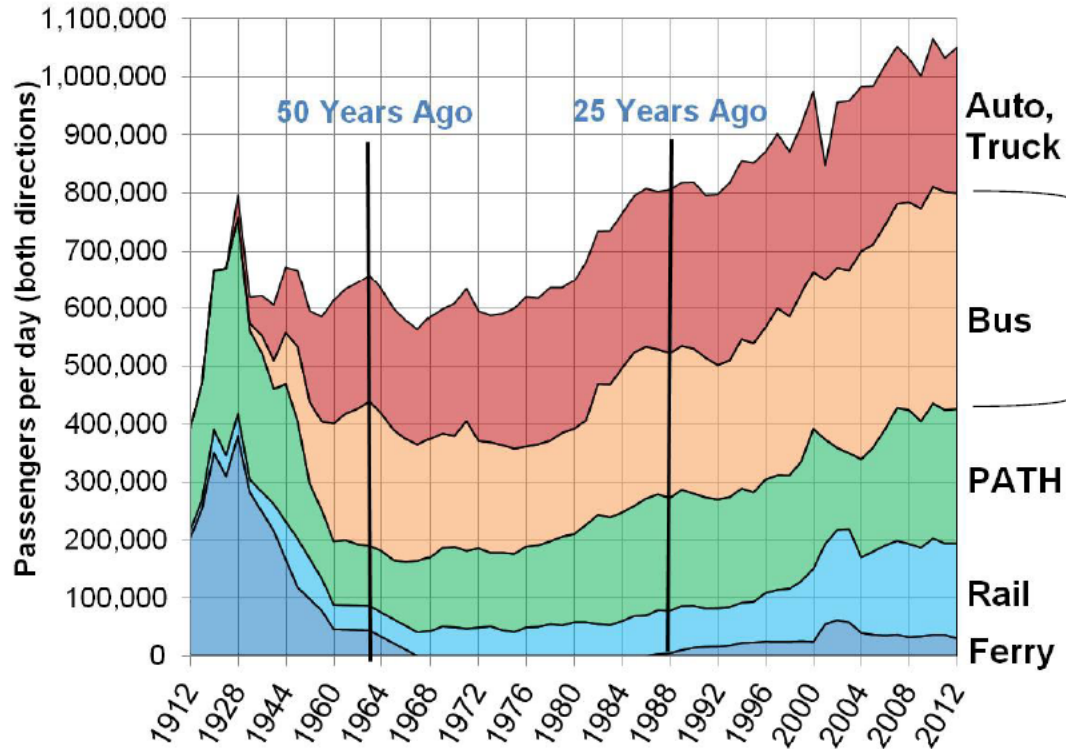
PABT Overview

- Busiest bus terminal in the world, largest in the United States
- Serving on an average weekday:
 - 220,000 total customer trips
 - 8,000 total bus arrivals/departures



PABT Overview

Trans-Hudson Travel, Manhattan below 60th St.



Source: NYMTC Hub Bound Travel Report

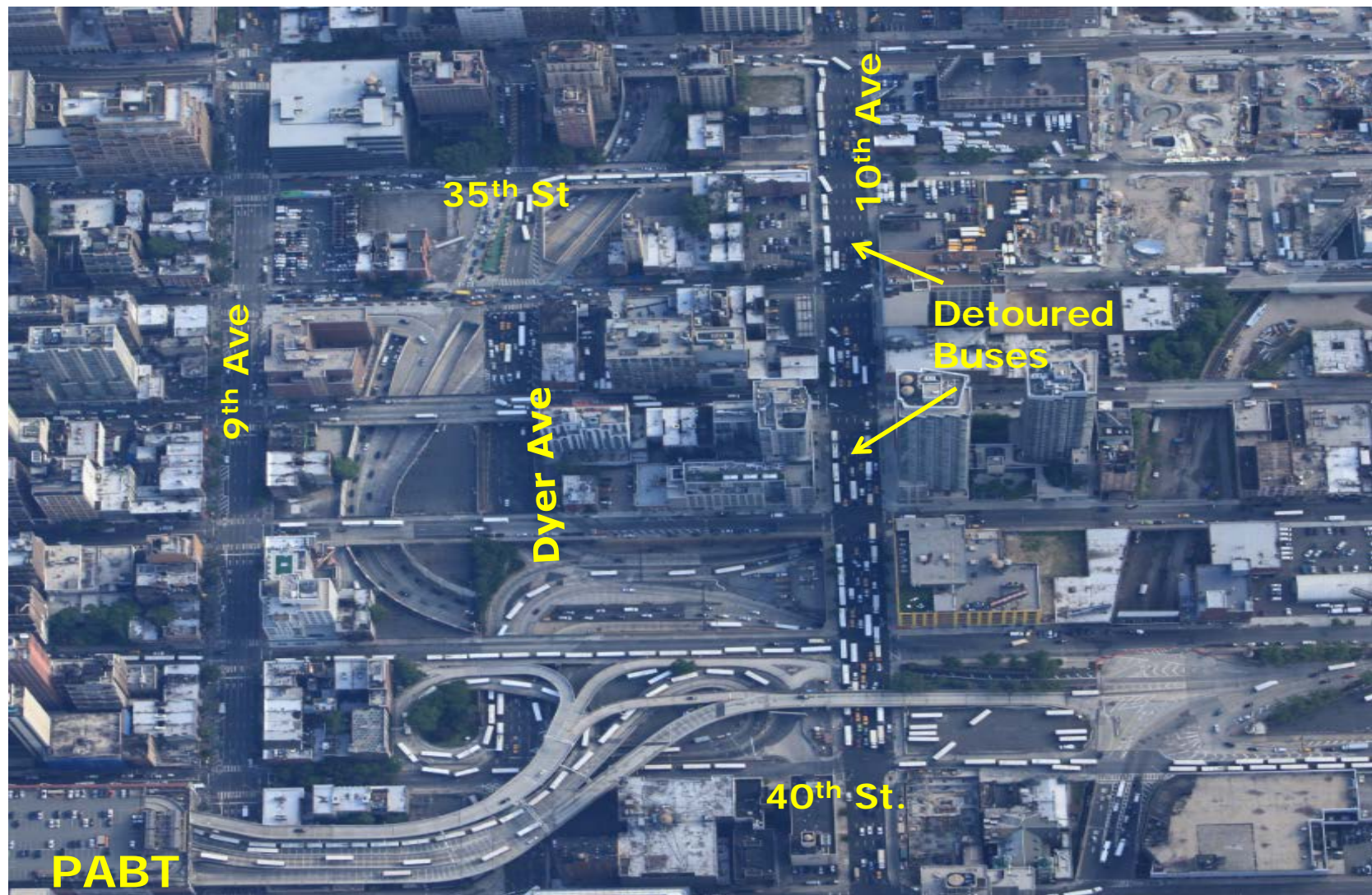
PABT Challenges

The 64-year-old terminal presents a number of operational challenges:

- Aging infrastructure
- Bus traffic volumes surrounding the terminal
- Communication issues



PABT Challenges



PABT Challenges

The 64-year-old terminal presents a number of operational challenges:

- Capacity constraints
- Delays and crowding



PABT Customer Outreach

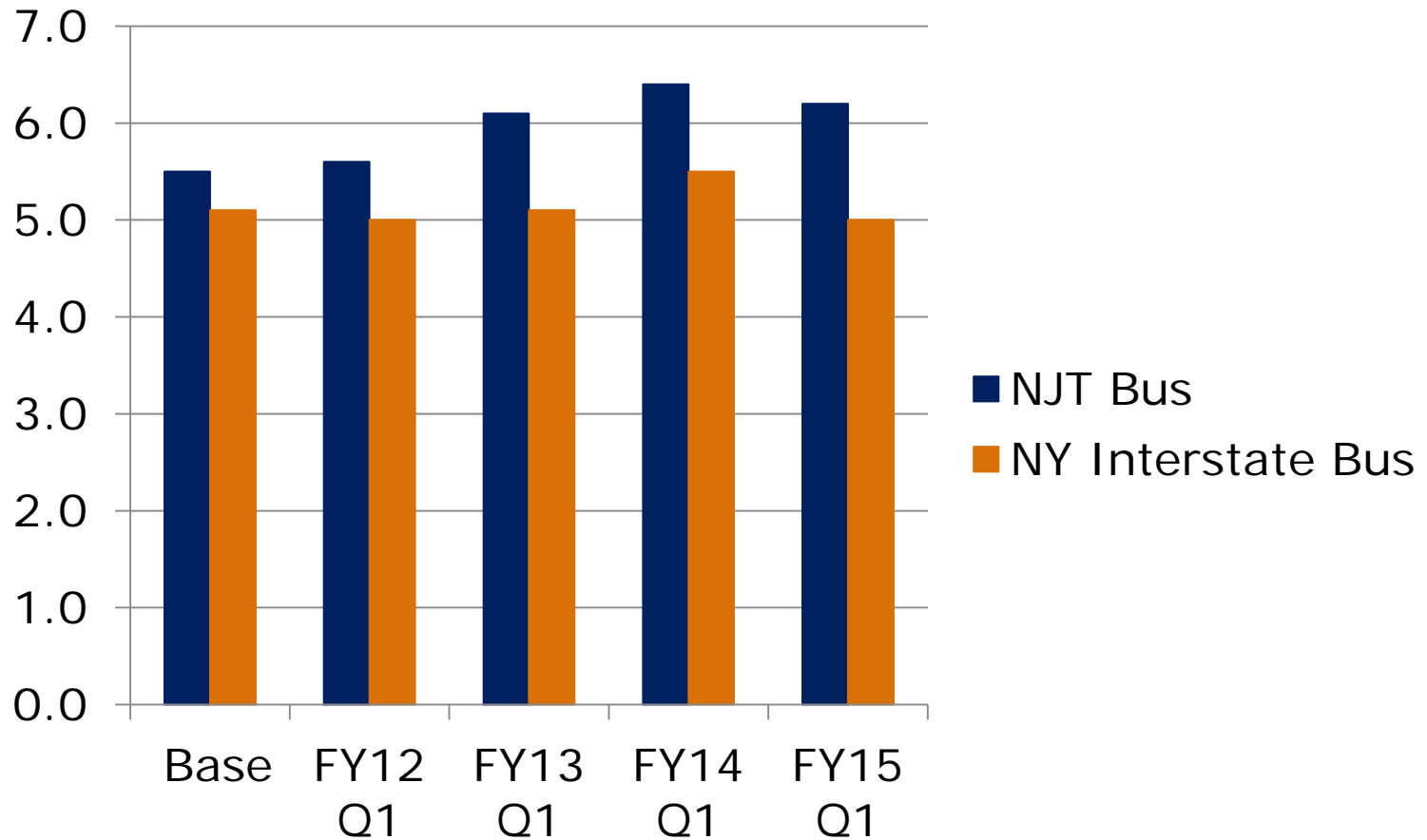
NJ TRANSIT regularly collects customer feedback via:

- “We Are Listening” forums
- Scorecard customer surveys
- Customer Service division



PABT Customer Experience

Scorecard survey results:



PABT Customer Experience

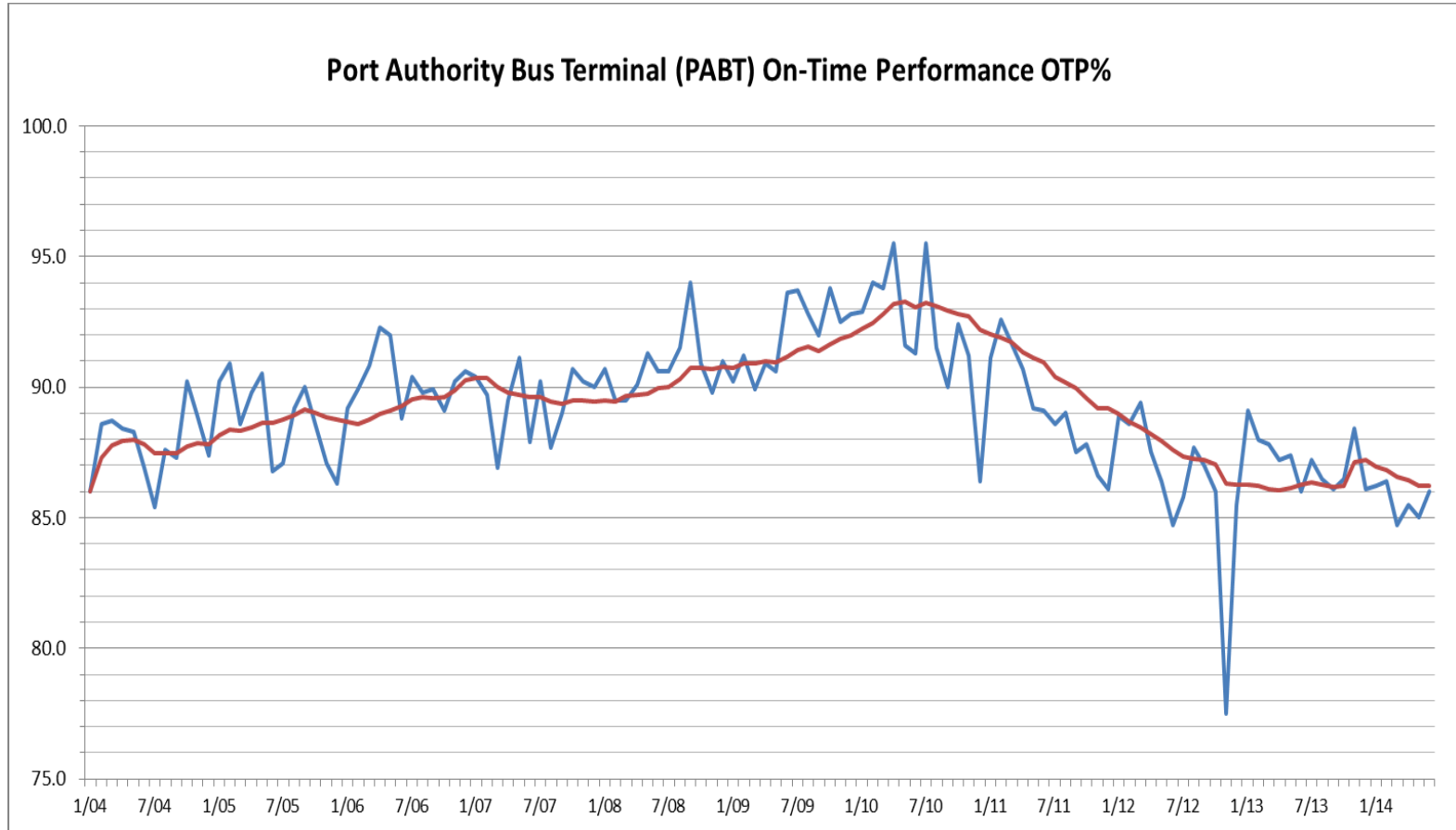
“Key Drivers”—the aspects of NJT service that customers would most like to see improved.



Key Drivers to Improve (Interstate Bus)	Scores (1-10 scale)
On-Time Performance	4.5
Weekday PM Peak Schedule	4.7
Weekday Evening/Night Schedule	4.8

PABT Customer Experience

On-Time Performance January 2004 – July 2014:




Pre-Implementation "Typical Commute"

"The lines for evening rush hour at the Port Authority are atrocious and buses are not allocated properly to the right gate to handle the traffic."

– *Route 165, Anonymous*



Every night between 5-7 at gate 234 in [#pabt](#) consists of this [#boardday](#) 



Pre-Implementation "Typical Commute"

Gate 222



@njtransit Typical night 100s waiting in lines. Anger building. PABT.



"The on time performance in the evenings is horrendous. Scheduling does not matter because the buses never show up on time anyway"

– Route 324, Greg

Pre-Implementation "Typical Commute"

"A ten for the morning on time performance.
A big zero for the evening"

- Route 137, Dennis



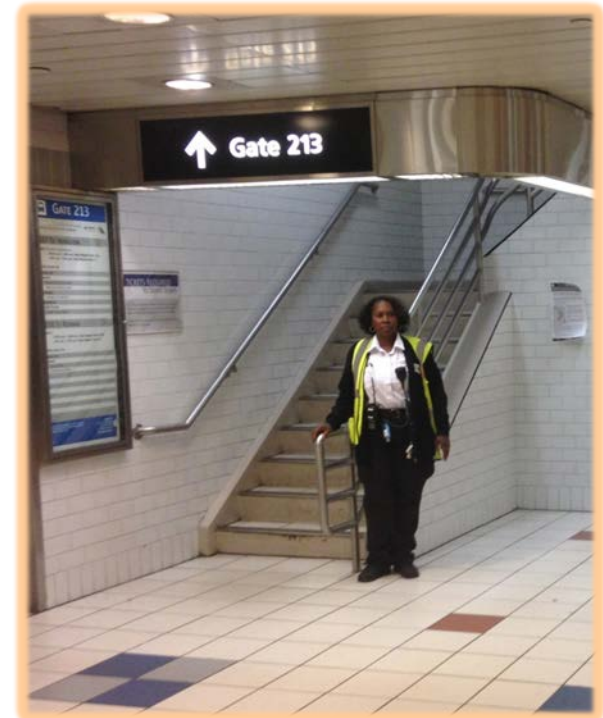
HERE'S YOUR 324 LINE AT @PABT
@NJTRANSIT



PABT Initiatives

Initial actions taken to address customers issues:

- Put in place an experienced management team
- Introduced Gate Agents
- Reassigned extra buses



PABT Partnership



**THE PORT AUTHORITY
OF NEW YORK & NEW JERSEY**



PABT Partnership

NJ TRANSIT established three working groups with the PANYNJ:

- Operations Management Group
- Customer Information and Technology Group
- Midtown Master Plan Group

PABT Partnership

Operations Management Group initiatives:

- Managing the diversion of Lincoln Tunnel traffic
- Enforcing traffic within PABT
- Reducing running time
- Regulating the flow of buses into NY and the PABT
- Ejecting early arriving buses
- Using the Galvin lot as a “relief valve”

Early Results

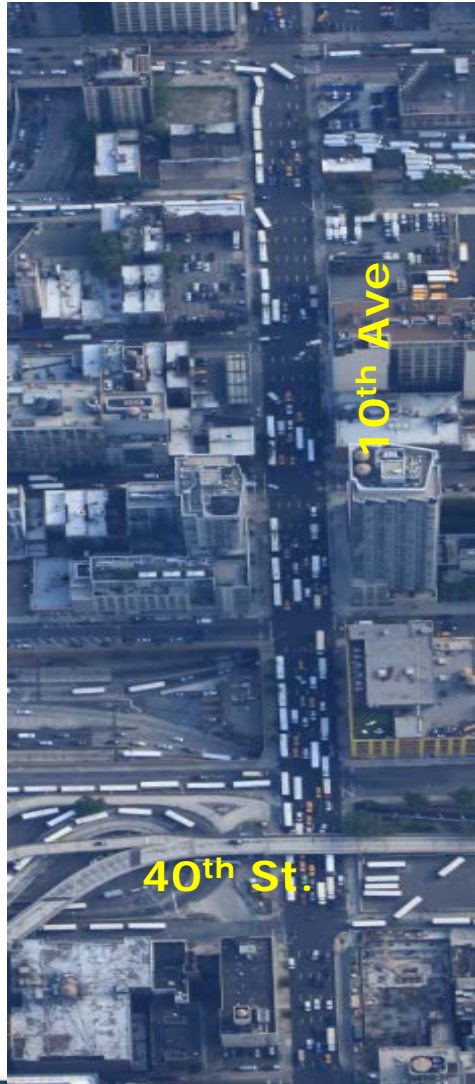
Since implementation, results during the PM peak include:

- Improved traffic flow
- Fewer diverted buses
- Reduced customer queues and wait times

Early Results – 10th Avenue

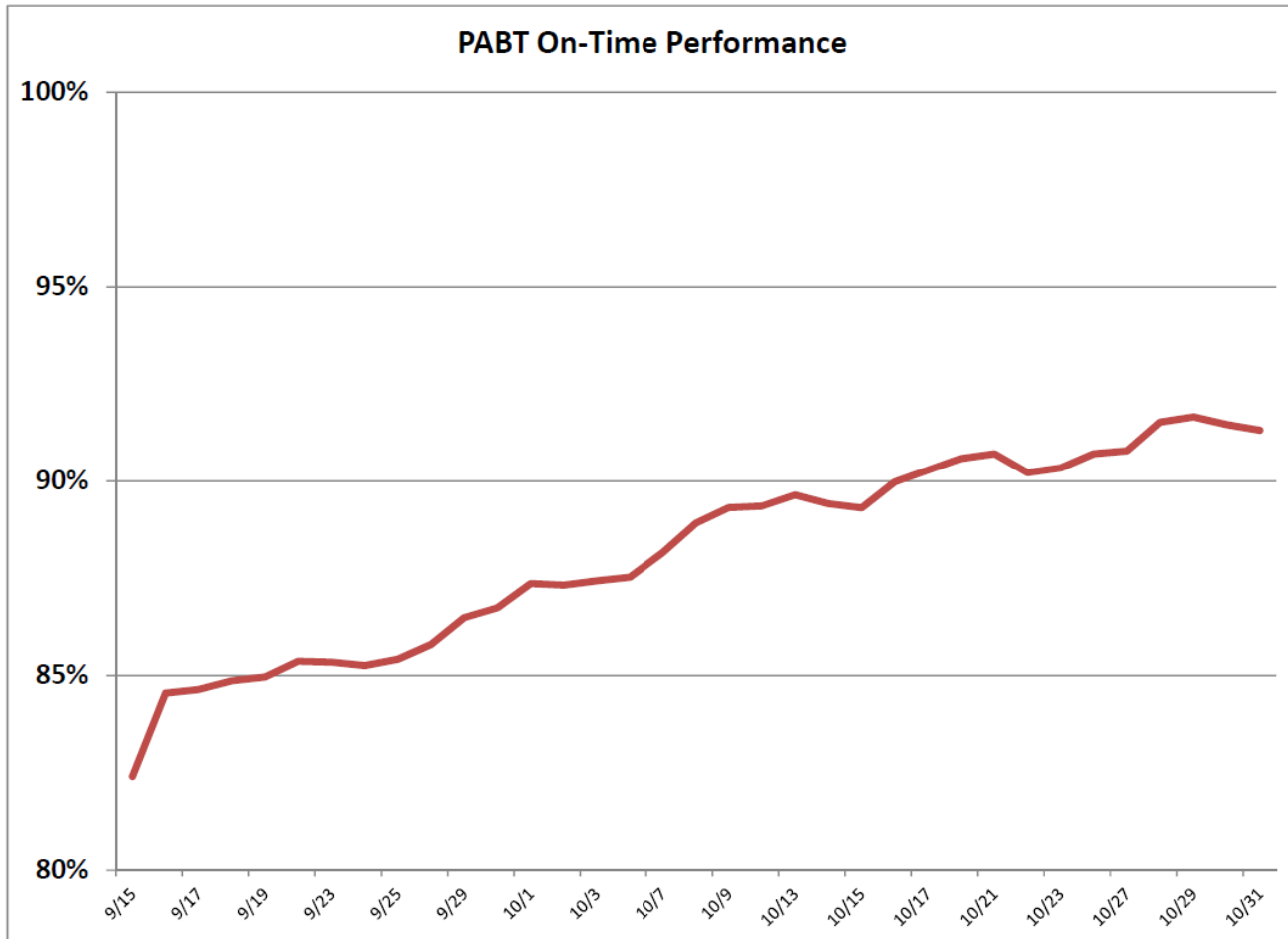
May 29, 2014 at 5:52 p.m.

October 29, 2014 at 5:47 p.m.



Results – OTP

On-Time Performance September 15 – October 31, 2014:



Pre- and Post-Implementation Comparison

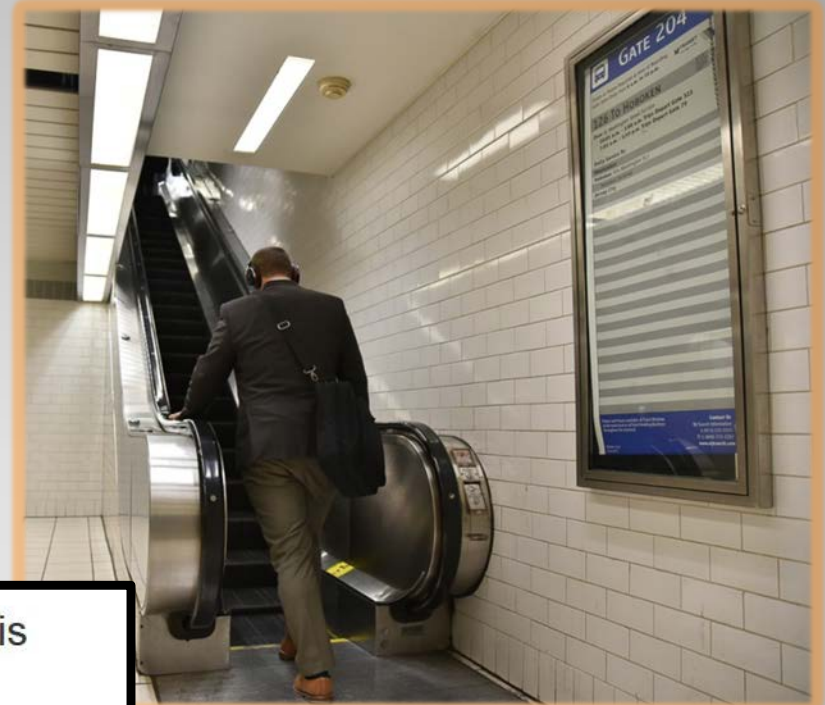


Redefining Expectations

I don't know what [@NJTRANSIT](#)
[@NJTRANSIT_NBUS](#) has been doing
lately, but service a has been on point.
Haven't waited in line all week. [#kiu](#)



5:58 PM - 9 Oct 2014



Whatever is going on with the buses this
week, keep it up. If it was like this
everyday, I'd work in the city forever.

[#PABT](#) [@NJTRANSIT](#)



RETWEET
1

FAVORITE
1



6:14 PM - 8 Oct 2014



Redefining Expectations



@NJTRANSIT the past few weeks at #pabt have been going much smoother. Keep it up! Also, the dispatcher at gate 234 has been awesome



6:28 PM - 30 Oct 2014



Summary

NJ TRANSIT's efforts at PABT to date are already yielding positive results:

- Higher on-time performance
- Improved customer experience
- More positive customer feedback

[@NJTRANSIT](#) Finally you've fixed the evening commute. Thanks. Sometimes it's good to praise instead of complain.

[#njtransit](#)

 Weehawken, NJ



6:14 PM - 30 Oct 2014



Next Steps

- WiFi access within the PABT
- Introduction of MyTix coming soon
- November 15 schedule change
- Gate utilization
- Midtown Master Plan
- Continued cooperation with partners

(NJT Board - 11/12/2014)



Port Authority Bus Terminal Improvements

November 2014



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

NOVEMBER 12, 2014

MINUTES	PAGE
➤ CALL TO ORDER	-
➤ APPROVAL OF MINUTES OF PREVIOUS MEETINGS	47137
➤ PUBLIC COMMENTS ON AGENDA ITEMS AND OTHER MATTERS	-
➤ BOARD MEMBER COMMENTS	-
➤ ADVISORY COMMITTEE REPORT	-
➤ SENIOR CITIZEN AND DISABLED RESIDENT TRANSPORTATION ADVISORY COMMITTEE REPORT (NEXT REPORT DECEMBER 2014)	-
➤ BOARD COMMITTEE REPORTS *Customer Service Committee *Administration Committee	-
➤ EXECUTIVE DIRECTOR'S MONTHLY REPORT	47138

ACTION ITEMS

1411-55	LEGAL SERVICES – LITIGATION SUPPORT (CONDEMNATION) – NEW JERSEY TRANSIT CORPORATION VS. MARY FRANCO, CAROL FRANCO AND M&C FRANCO & COMPANY	47159
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Authorization to continue to compensate the law firm of DeCotiis, Fitzpatrick & Cole, LLP of Teaneck, New Jersey as Special Counsel, in accordance with the New Jersey Attorney General's retention, at a cost not to exceed \$150,000 for all legal and related work as to the ongoing appeal and any future remand to the trial court in the condemnation matter of New Jersey Transit Corporation vs. Mary Franco, Carol Franco, M&C Franco & Company, et al. (Docket No. HUD-L-6300-09; A-003802-12T4).

➤ EXECUTIVE SESSION AUTHORIZATION: Discuss the status of pending and anticipated litigation and matters falling within the attorney-client privilege, including, but not limited to, the Settlement of a Pending Legal Action, the Personal Injury Claim: Filippo Quattrocchi vs. NJ TRANSIT Rail Operations and the Personal Injury Claim: Keith Cruz vs. NJ TRANSIT Rail Operations	47164
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1411-56 PROPOSED SETTLEMENT OF A PENDING LEGAL ACTION 47165

Authorization to enter into a settlement agreement to resolve a civil action pending in the Superior Court of New Jersey in an amount and under the conditions described in executive session board item.

1411-57 PERSONAL INJURY CLAIM OF FILIPPO QUATTROCCHI 47166

Authorization to settle the claim of Filippo Quattrocchi, through his attorney, at a cost of \$950,000. The Attorney General has approved settlement cost of \$950,000, subject to the availability of funds.

1411-58 PERSONAL INJURY CLAIM OF KEITH CRUZ 47168

Authorization to settle the claim of Keith Cruz, through his attorney, at a cost of \$950,000. The Attorney General has approved settlement cost of \$950,000, subject to the availability of funds.

➤ ADJOURNMENT

APPROVAL OF MINUTES

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

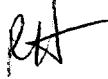
WHEREAS, pursuant to Section 4(f) of the New Jersey Public Transportation Act of 1979, the minutes of actions taken at the October 8, 2014 Board meetings of the New Jersey Transit Corporation, NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. were forwarded to the Governor on October 13, 2014;

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

Chris Christie, Governor
Kim Guadagno, Lieutenant Governor
Jamie Fox, Board Chairman
Veronique Hakim, Executive Director



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

TO: BOARD OF DIRECTORS
FROM: VERONIQUE "RONNIE" HAKIM 
DATE: NOVEMBER 12, 2014
SUBJECT: EXECUTIVE DIRECTOR'S REPORT – NOVEMBER 2014

In honor of Veterans Day this past Tuesday, I would like to encourage all at NJ TRANSIT to join me in thanking the men and women who have defended our country's freedom throughout the course of this nation's history. Their brave, courageous and selfless service to our state and country sets an example for all Americans. I especially want to recognize NJ TRANSIT military employees and their families for their service and sacrifice.

On Monday, we began our latest Scorecard customer survey, for the second quarter of FY15, which is available until December 1, 2014. A new component to our initiative this quarter is the launch of the "Your Feedback in Action" segment, where our operating lines outlined the action plan we have developed based on customer feedback from last quarter's survey. We invite our customers to participate in our current quarterly survey and support our efforts. Customer feedback will help us make informed decisions, track feedback, and dedicate resources to where they are most needed.

As part of today's meeting, we will be updating the Board on operational improvements made, in partnership with the Port Authority of New York and New Jersey (PANYNJ), at the Port Authority Bus Terminal (PABT) to improve the travel experience for customers. In addition to adjusting schedules and times buses arrive at and depart PABT, Port Authority police officers are managing traffic through and around the terminal. Additionally, NJ TRANSIT is introducing a public network in an effort to enhance communication with our PABT customers. This network gives customers access to our Twitter feeds and the NJ TRANSIT mobile website – including MyBus/MyBusNow, Service Alerts, Advisories, Bus Schedules and ultimately our mobile ticketing app, MyTix, once it is available in Northern New Jersey. You asked and we listened!

Last month, I had the pleasure of joining members of the Greater Mercer TMA in celebrating their 30th year anniversary as an association. NJ TRANSIT has long appreciated the support of the Greater Mercer TMA's contributions toward our mission of providing consistent service delivery to New Jersey residents. It is these kinds of partnerships that will be more important than ever in meeting the needs public transportation in the future.

NJ TRANSIT continues to monitor the Ebola public health issue and has formed an internal Ebola Task Force to provide continuous updates to all employees on what has been done since the group's inception on October 18th. The Task Force includes staff from Medical, Office of Emergency Management, Environmental, Safety and Communications, and is represented by all of the operating units. Some of Task Force's accomplishments include but are not limited to: Establishing a direct contact email and phone line for any employee seeking information on Ebola; providing additional Personal Protection Equipment (PPE) and cleaning solutions for all operating units; re-enforcing frontline employees on what they should do if they come into contact with an ill customer or employee or a potentially infectious material on our equipment; re-enforcing contractors on cleaning and disposal protocols; and the Office of System Safety (OSS) regularly reviewing standardized procedures throughout our system.

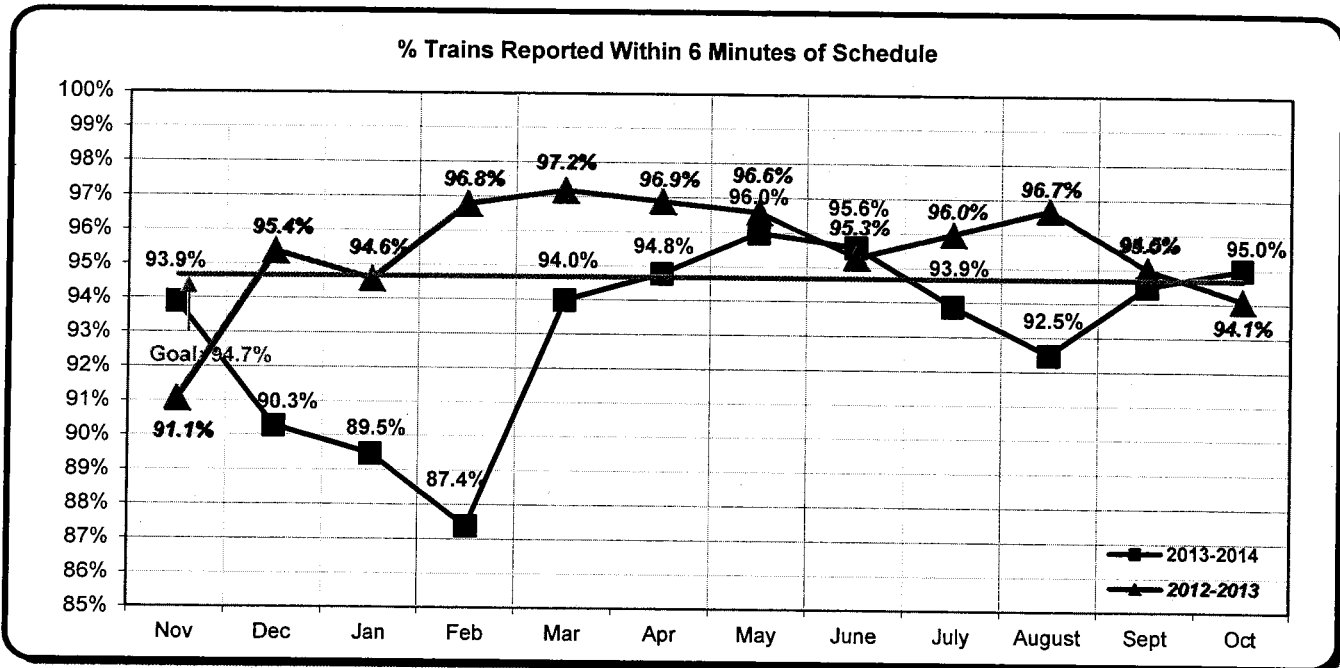
Rest assured that NJ TRANSIT's Ebola Task Force will continue to actively work with state, federal and internal stakeholders to obtain and disseminate accurate and timely information regarding this disease.

EXECUTIVE DIRECTOR'S MONTHLY REPORT NOVEMBER 2014

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

PERFORMANCE MEASURES

NJ TRANSIT ON-TIME PERFORMANCE RAIL NOVEMBER 2012 - OCTOBER 2014



	2013	2014	# Change
October Comparison	94.1%	95.0%	0.9%

	2012-2013	2013-2014	# Change
12-Month Average November - October	93.1%	95.5%	2.4%

Analysis:

Rail On-Time Performance was 95.0% for October 2014. Of the 19,255 trains scheduled to operate, 18,299 were on time, while 956 trains (or 5.0%) were delayed. Key causes included:

- NJT power problems, NJT trackside interference, Conrail open bridge, NJT heavy travel, and Amtrak programmed maintenance accounted for 55 delays for a total of 84.5% on October 5.
- Amtrak equipment failure, NJT weather-related wheelslip, Amtrak switch failure, NJT trackside interference, NJT miscellaneous, Amtrak preference, NJT programmed maintenance, Amtrak high-speed rail project work, and NJT diesel failure accounted for 74 delays for a total of 88.6% on October 15.
- NJT cab car failure, NJT dual mode engine failure, NJT open bridge, NJT heavy travel, NJT multi-level coach, NJT bridge failure, Amtrak Acela preference, Amtrak high-speed rail project accounted for 40 delays for a total of 93.3% on October 17.

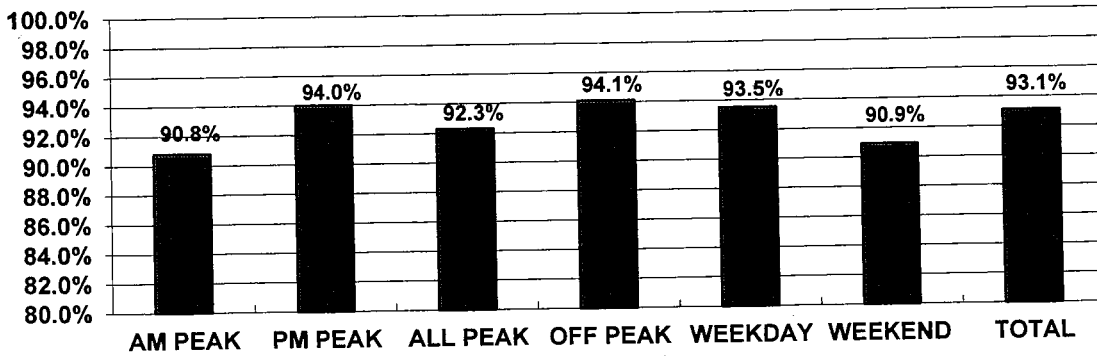
The 12-month average for Rail On-Time Performance for November 2012 - October 2014 was 94.1%.

ON-TIME PERFORMANCE RAIL

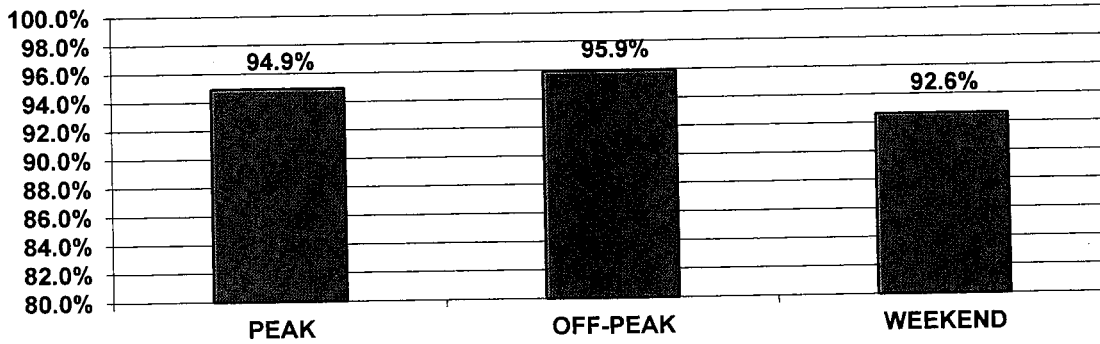
SUMMARY BY TIME PERIOD October 2014

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

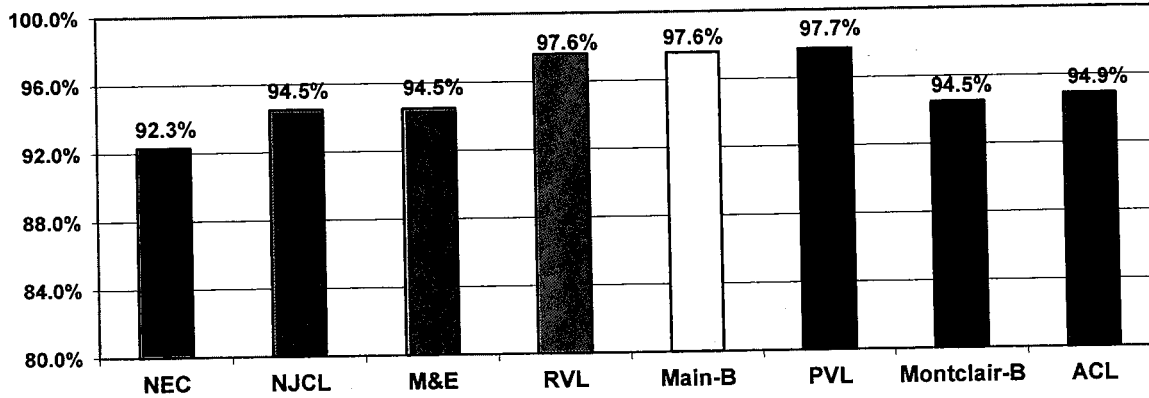
% NEW YORK PENN STATION Trains Reported On Time *



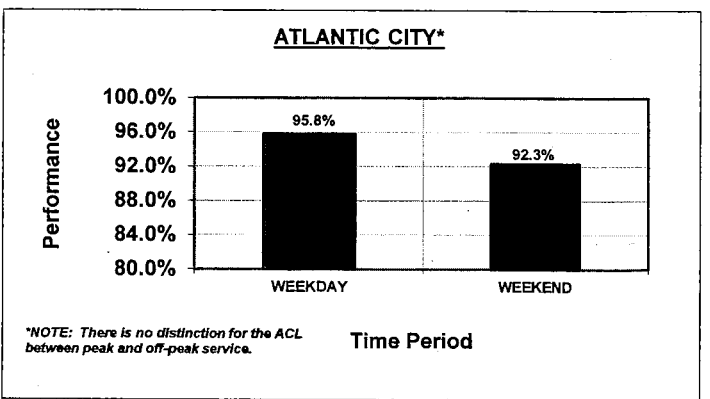
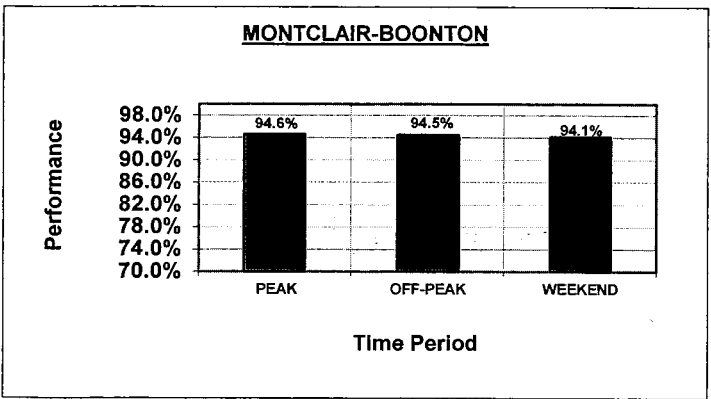
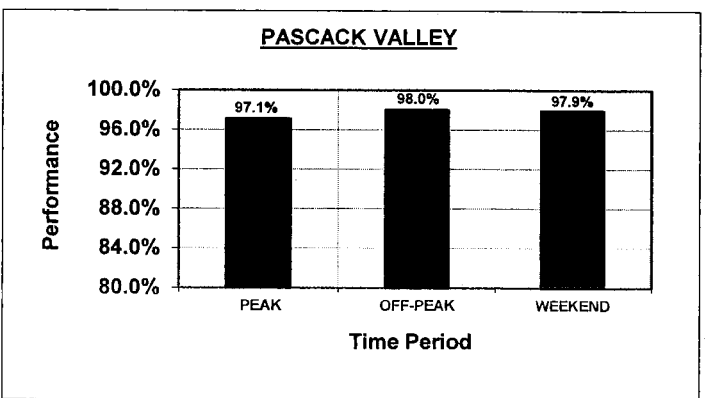
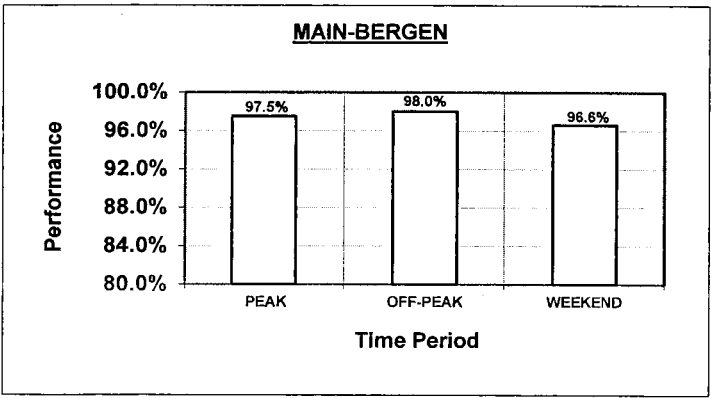
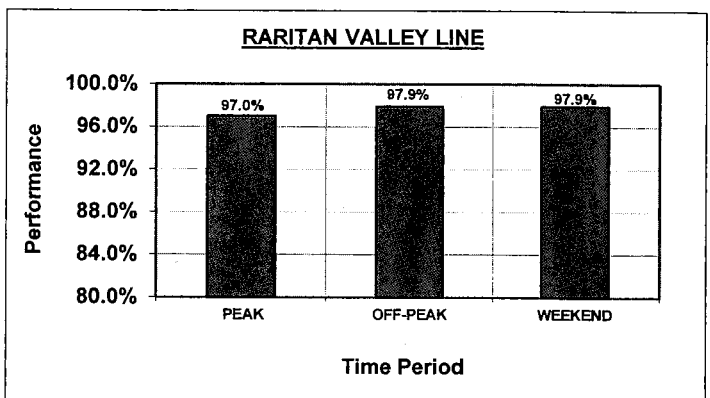
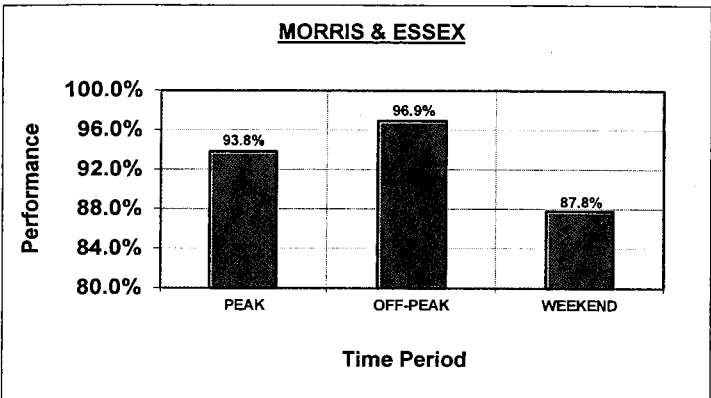
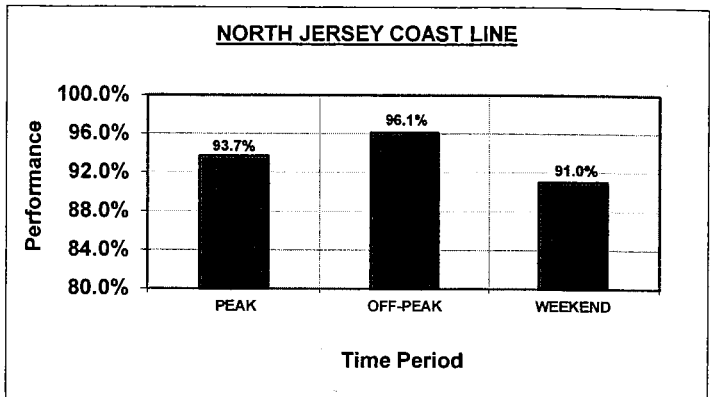
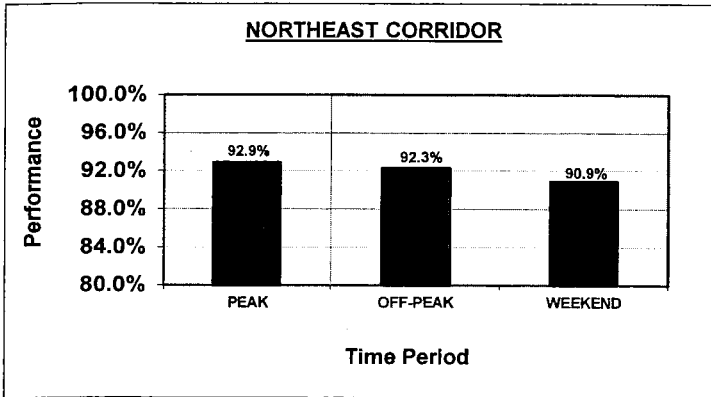
% SYSTEMWIDE Trains Reported On Time



% BY LINE Trains Reported On Time



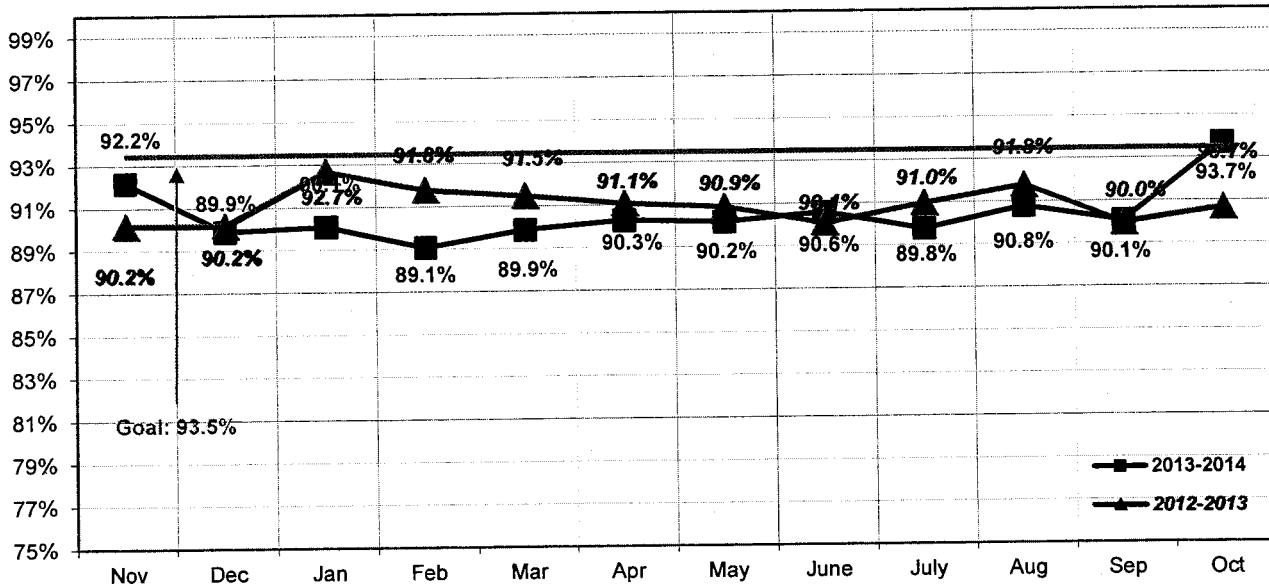
ON-TIME PERFORMANCE BY RAIL LINE & TIME PERIOD OCTOBER 2014



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

NJ TRANSIT ON-TIME PERFORMANCE BUS NOVEMBER 2012 - OCTOBER 2014

% Buses Departing Major Terminals Within 6 Minutes of Schedule



	2013	2014	% Change
October Comparison	90.7%	93.7%	3.0%

	2012-2013	2013-2014	% Change
12-Month Average November-October	91.0%	90.6%	-0.4%

Analysis:

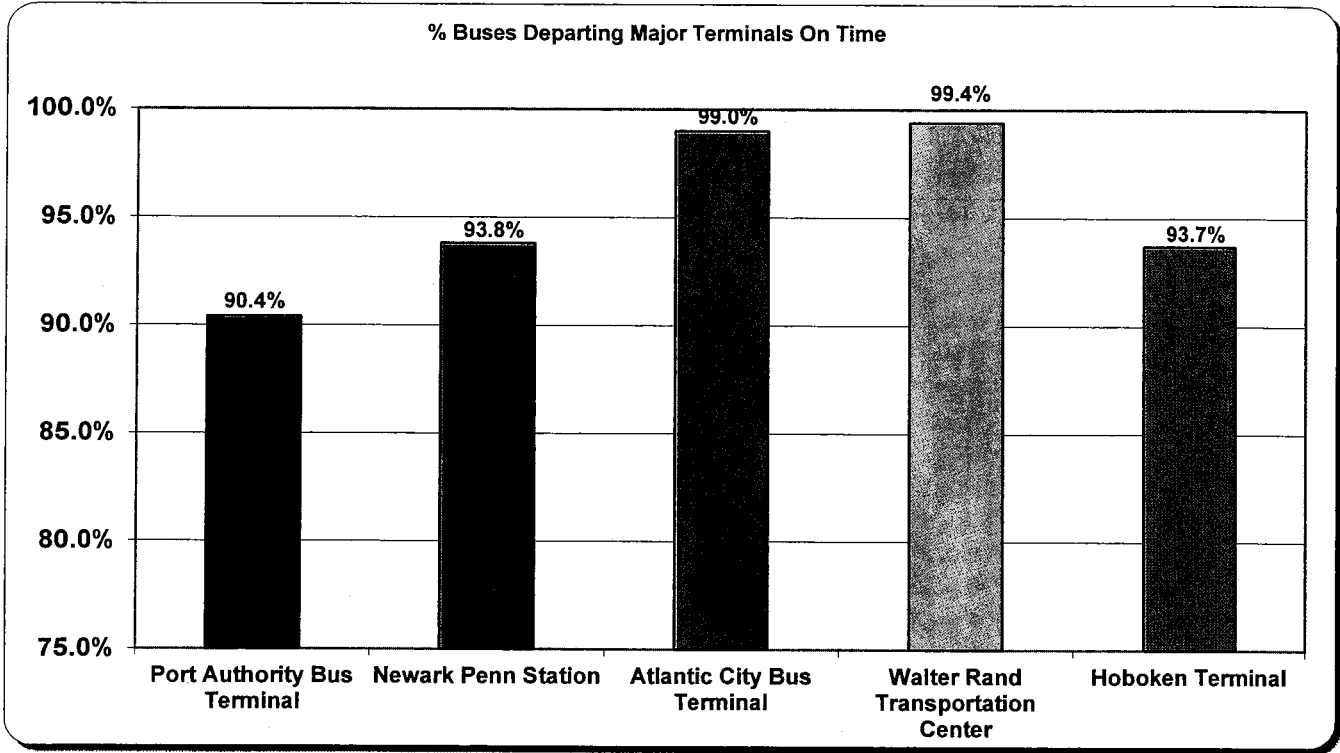
Bus On-Time Performance was 93.7% for October 2014. Of the 45,337 monitored departures, 2,847 (or 6.3%) experienced delays. Key causes included:

- Disabled vehicles/accidents in the Lincoln tunnel on four days caused delays of 20 minutes or more, and signal issues in the tunnel on three days caused delays of 35 minutes or more affecting at Port Authority Bus Terminal service.
- Several bus breakdowns and accidents (non-NJT related) on the Ben Franklin Bridge and in Philadelphia caused delayed Walter Rand Transportation Center service.
- Mechanical problems, accessibility accommodations, and detours affected Newark Penn Station.
- Detours in Wildwood and Cape May Court House-Crest Haven Road affected Atlantic City Bus Terminal Service.
- Heavy local traffic and significant construction in Jersey City impacted Hoboken Terminal service.

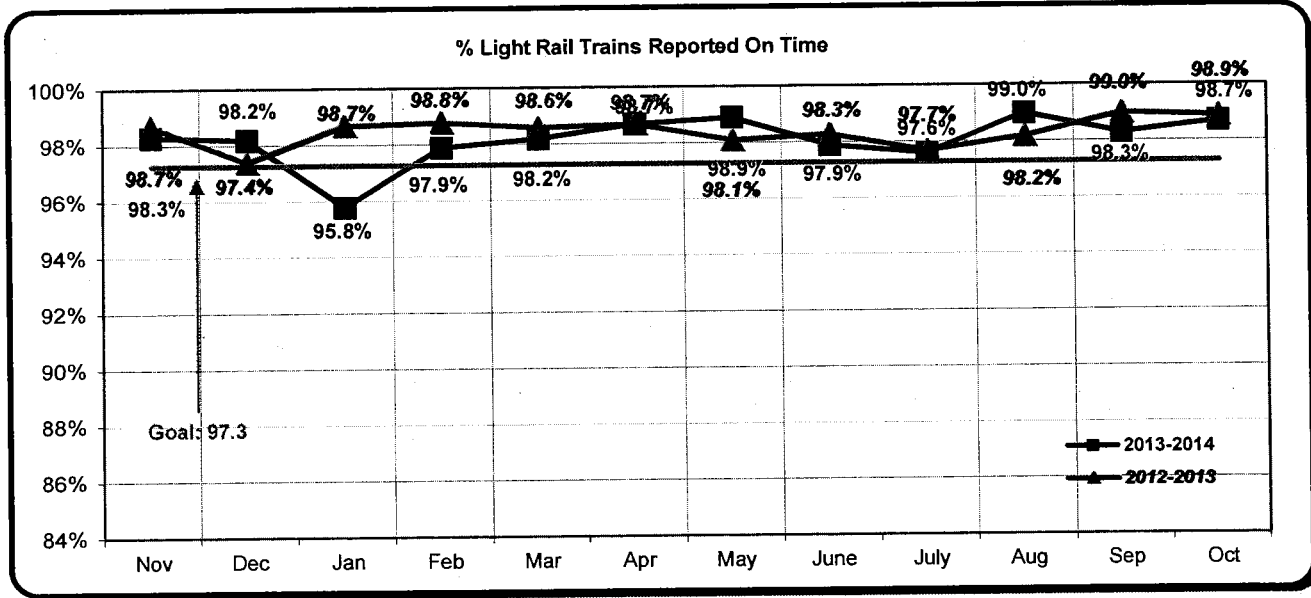
The 12-month average for Bus On-Time Performance for November 2012 - October 2014 was 90.8%.

ON-TIME PERFORMANCE BUS

SUMMARY BY TERMINAL OCTOBER 2014



NJ TRANSIT ON-TIME PERFORMANCE LIGHT RAIL NOVEMBER 2012 - OCTOBER 2014



	2013	2014	# Change
October Comparison	98.9%	98.7%	-0.2%

	2012-2013	2013-2014	# Change
12-Month Average November-October	98.4%	98.1%	-0.3%

Analysis:

Light Rail On-Time Performance systemwide was 98.8% for the month of October 2014. Of the 27,862 scheduled trains, 350 (or 1.2%) experienced delays. Key causes included:

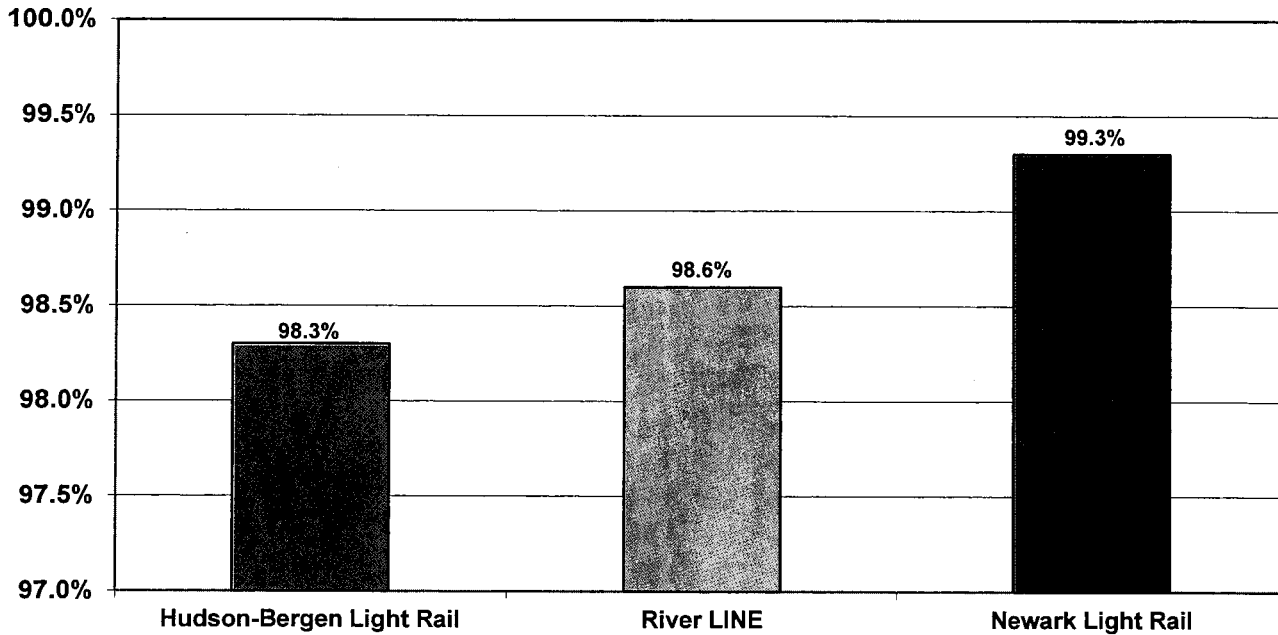
- Track outage for embedded slab repairs at 6th Street delayed 55 Hudson-Bergen trains on October 18.
- Mechanical problems delayed 10 River Line trains on October 1.
- Vehicle power faults near Davenport station delayed 17 Newark Light Rail trains on October 2.

The 12-month average for Light Rail On-Time Performance for November 2012 - October 2014 was 98.9%.

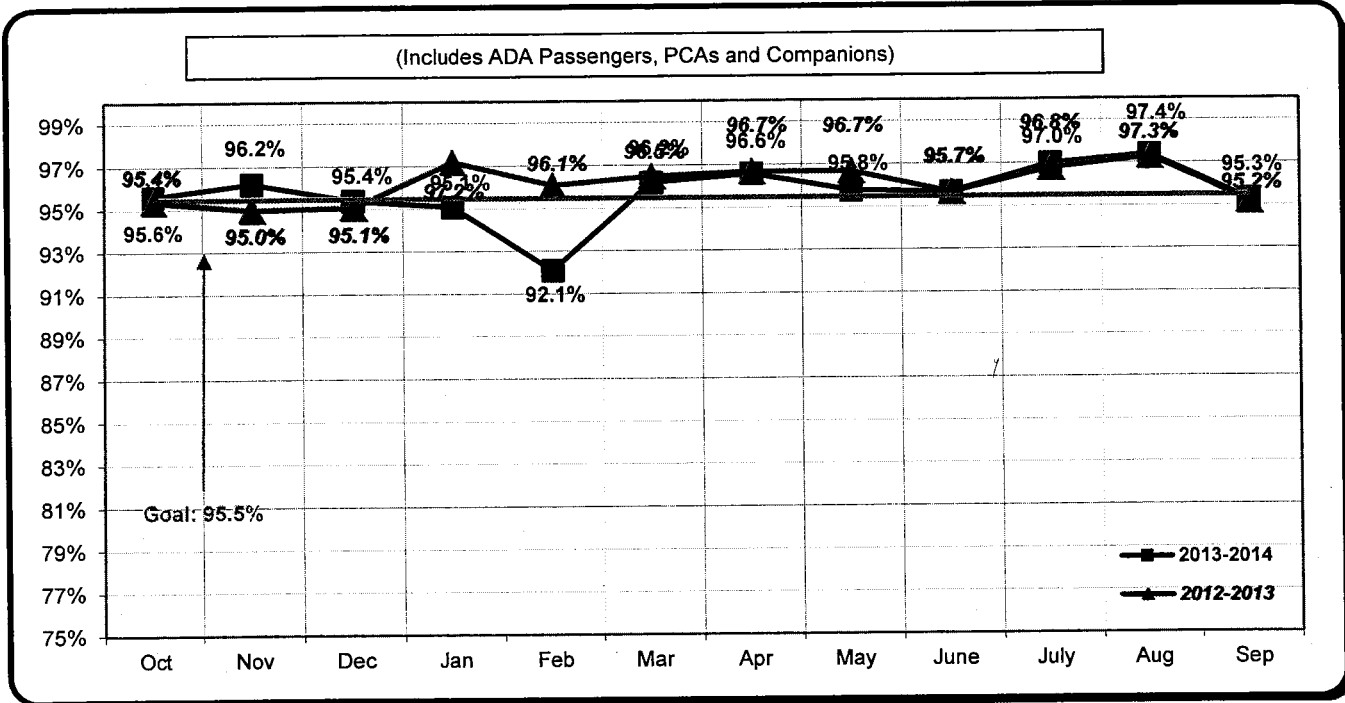
ON-TIME PERFORMANCE LIGHT RAIL

SUMMARY BY LINE OCTOBER 2014

% Light Rail Trains Reported On Time



NJ TRANSIT ON-TIME PERFORMANCE ACCESS LINK NOVEMBER 2012 - OCTOBER 2014



	2013	2014	% Change
October Comparison	95.2%	95.3%	0.1%

	2013	2014	Change
October Ridership	118,250	126,860	8,610

	2012-2013	2013-2014	% Change
12-Month Average November-October	96.1%	95.7%	-0.4%

Analysis:

Access Link On-Time Performance was 95.3% for October 2014. Of the 126,860 total trips, 6,015, or 4.7% experienced delays.

Key causes include:

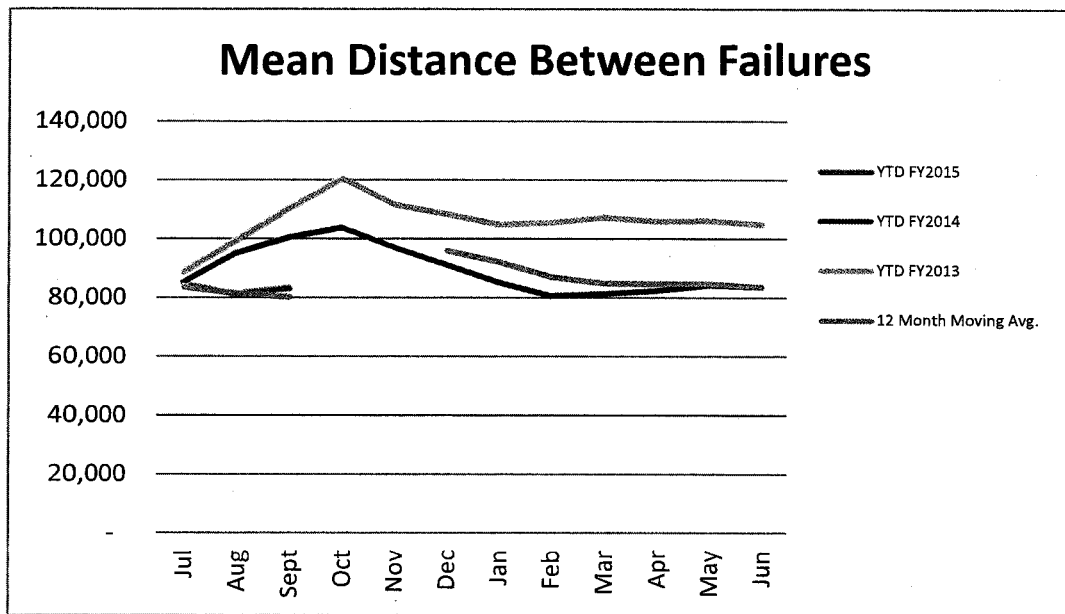
- * Delays or cancellations (e.g., customer not showing up at scheduled trip time, operator-related arrival and departure issues).
- * Traffic congestion.
- * Road construction/closures.

The 12-month average for Access Link On-Time Performance for November 2012 - October 2014 was 96.0%.

MEAN DISTANCE BETWEEN FAILURES

NJ Transit Rail
Mean Distance Between Failures (Composite - Entire Fleet)

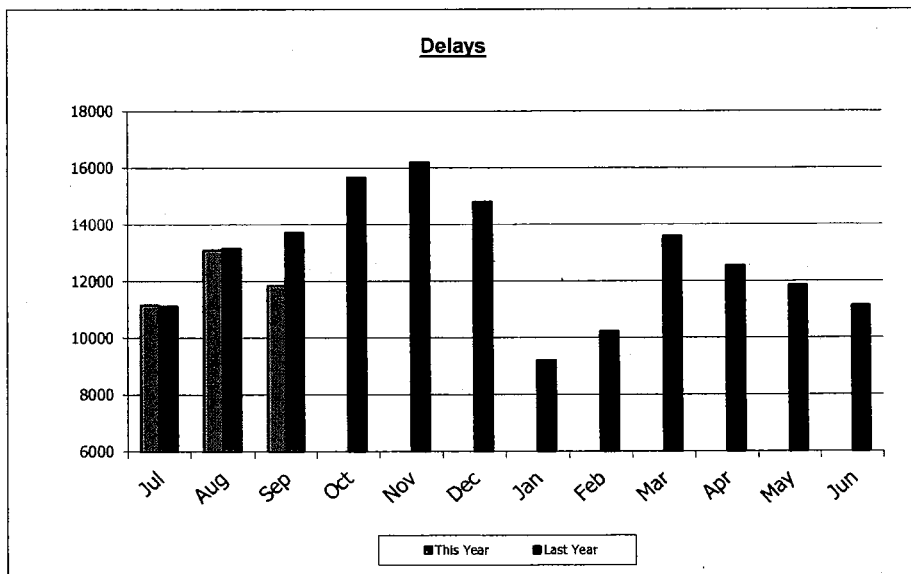
Month	YTD FY2015	YTD FY2014	YTD FY2013	YTD FY 2012	12 Month Moving Avg.
Jul	84,508	85,097	88,735	78,933	83,750
Aug	81,319	95,116	99,585	87,525	81,718
Sept	83,368	100,341	110,530	89,028	80,405
Oct		103,813	120,591	91,327	
Nov		97,112	111,758	90,518	
Dec		91,128	108,579	91,523	96,115
Jan		85,161	104,917	92,489	92,375
Feb		80,639	105,580	96,166	87,218
Mar		81,229	107,335	98,412	85,057
Apr		82,293	106,048	102,149	84,839
May		84,237	106,287	102,237	84,873
Jun		83,798	104,975	103,748	83,798



Garage Performance Parameters

September 2014

Location	Miles Between In-Service Delays			
	FY2015 Goal	This Month	FY2015 YTD	FY2014 YTD
Fairview	9,000	7,195	7,222	9,695
Greenville	10,000	7,884	7,997	8,111
Market Street	12,500	11,484	10,530	12,248
Meadowlands	11,300	7,703	8,256	9,059
Oradell	15,500	14,180	9,945	9,972
Wayne	15,500	9,828	11,335	10,855
Northern Division	-	9,874	9,507	10,103
Big Tree	9,000	9,634	9,144	14,363
Hilton	8,500	12,099	11,925	14,131
Howell	16,500	19,512	20,506	15,094
Ironbound	12,500	10,195	10,374	9,401
Orange	6,200	13,782	11,627	11,167
Morris	11,000	50,329	51,001	77,063
Central Division	-	13,388	13,098	12,357
Egg Harbor	15,800	14,851	16,362	20,207
Hamilton	24,500	18,805	19,402	22,722
Newton Avenue	14,500	12,367	13,985	14,945
Washington Twp.	18,225	10,682	13,228	16,480
Southern Division	-	12,989	14,968	18,170
BUS Operations	-	11,329	11,907	12,522

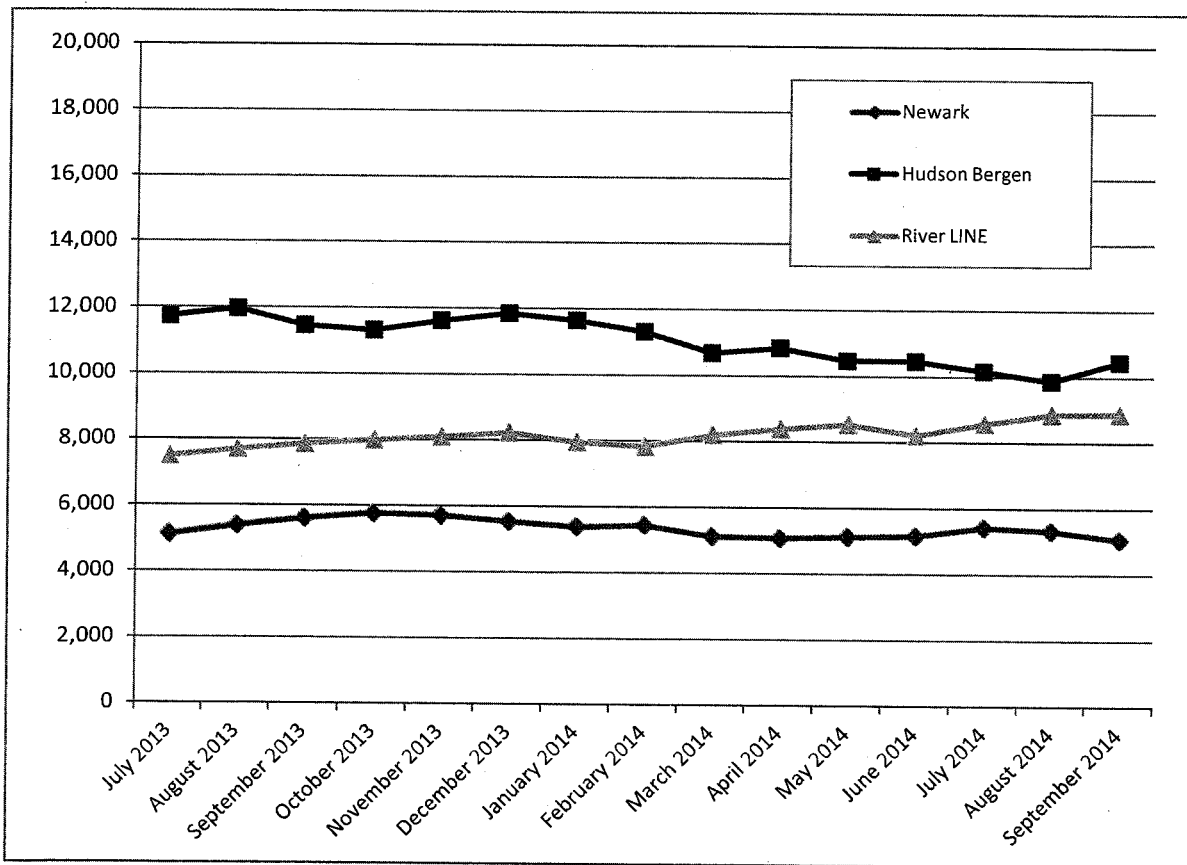


NJ TRANSIT - LIGHT RAIL, September 2014

Miles Between In-Service Delays (Mechanical Failures)

Light Rail System	September 2014 (Current Month)	12 Month Moving Average (Mean)
Newark	4,238	5,075
Hudson Bergen	13,826	10,456
River LINE	9,004	8,891

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



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

DBE/MBE PROGRAM

State Funded Contracts

During the month of October 2014, NJ TRANSIT awarded **\$7,951,614.00** in state funded contracts. Of that total, Small Business Enterprises (SBEs) received **\$763,350.00** or **9.60%**.

During the State Fiscal Year **2015** (July 1, 2014 through June 30, 2015) NJ TRANSIT awarded **\$9,501,551.46** in state funded contracts. Of that total, SBEs received **\$1,762,131.53** or **18.55%**.

SBE Goal Attainment from July 1, 2014 through June 30, 2015 (FY 2015)

Category 1 SBEs received	\$7,201.47	or 0.08%
Category 2 SBEs received	\$75,555.90	or 0.80%
Category 3 SBEs received	\$39,835.00	or 0.42%
Category 4 SBEs received	\$1,244,889.16	or 13.10%
Category 5 SBEs received	\$225,000.00	or 2.37%
Category 6 SBEs received	\$169,650.00	or 1.79%

FTA Funded Contracts (updated Quarterly – next update will be available January 2015)

During the 4th Quarter (July 1, 2014 through September 30, 2014) of Federal Fiscal Year 2014 (October 1, 2013 through September 30, 2014), the FTA funded share of NJ TRANSIT's federal contracts awarded was **\$724,449.00**. Of that total, Disadvantaged Business Enterprises (DBEs) received **\$0** or **0%**.

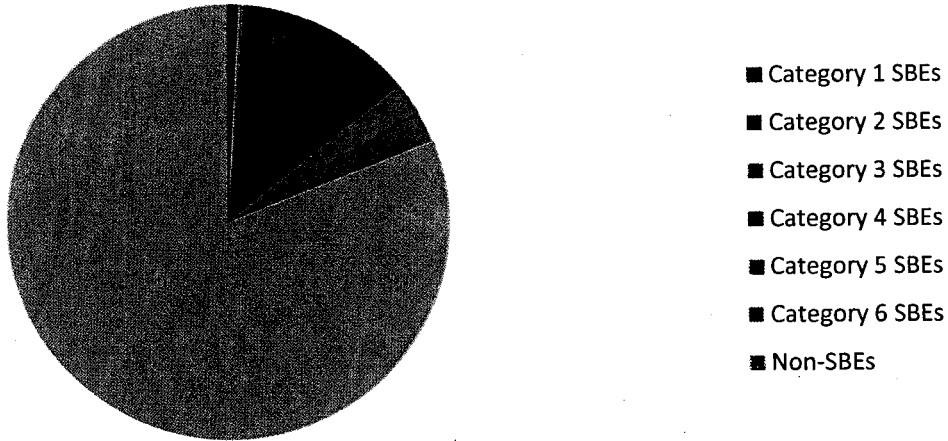
DBE Goal Attainment from October 1, 2013 (FFY 2014) - September 30, 2016 (FFY 2014)*

Contracts awarded	\$21,581,730.25
DBEs received	\$ 4,026,163.94 or 18.66%

*Numbers reflect federal share.

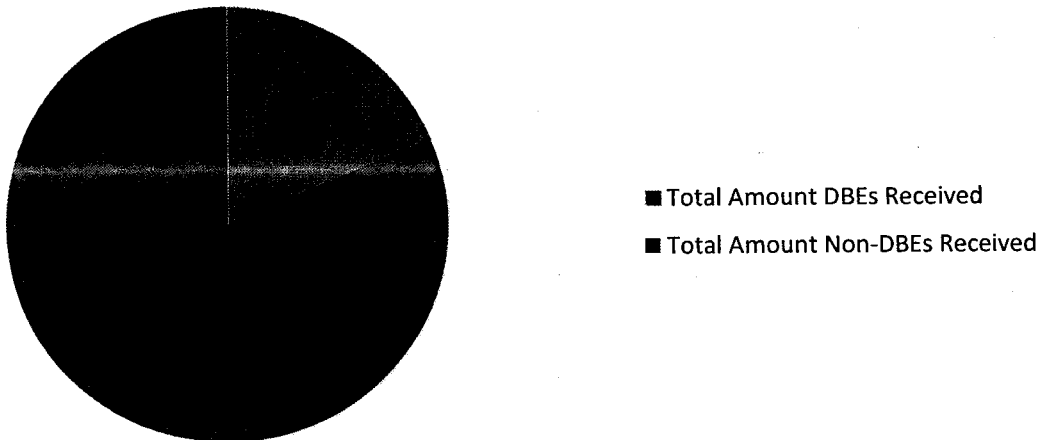
Contract awarded value decreased from the last report due to incorrect FTA funded share reported.

<i>Category 1 SBEs</i>	\$7,201.47	0.08%
<i>Category 2 SBEs</i>	\$75,555.90	0.80%
<i>Category 3 SBEs</i>	\$39,835.00	0.42%
<i>Category 4 SBEs</i>	\$1,244,889.16	13.10%
<i>Category 5 SBEs</i>	\$225,000.00	2.37%
<i>Category 6 SBEs</i>	\$225,000.00	1.79%
<i>Non-SBEs</i>	\$7,739,419.93	18.55%



DBE PARTICIPATION
 FEDERAL CONTRACTS
 TRIENNIAL YEARS 2014-2016

Total Amount DBEs Received	\$4,026,163.94	18.66%
Total Amount Non-DBEs Received	\$17,555,566.30	81.34%



EMPLOYEE RECOGNITION

NJ TRANSIT employees bid farewell after outstanding careers

Seventeen NJ TRANSIT employees retired in October with careers ranging from 11 to 35 years of service:

1. Roy Padin, FELA Claims – Penn Plaza – 35 years
2. Bruce Wigod, Chief Engineer Track – Penn Plaza – 35 years
3. Vincent Claderone, Depot Master – Orange Garage – 33 years
4. Anthony Passaro, Mechanic “Class A” – Meadowlands Garage – 33 years
5. William T. Nebel, Director Maintenance – Newton Avenue Garage – 33 years
6. Charles D. Brophy, Bus Operator – Egg Harbor Township Garage – 31 years
7. Juan Caban, “Mechanic Class A” – Newton Avenue Garage – 31 years
8. Hossein Goodarz, Sr. Director Newark Term Ops – Penn Plaza – 29 years
9. Steve Stavro, Manager Administrator Budget – Penn Plaza – 29 years
10. Denise Braswell-Johnson, Chief Clerk Claims – Penn Plaza – 25 years
11. Denise Clark, Sr. Investigator Claims – Penn Plaza – Penn Plaza – 24 years
12. Zora Thomas, Mechanic “A” – Washington Township Garage – 21 years
13. John W. Hodges, Jr., Ticket Agent – PABT – 21 years
14. Lucia Chavez, Bus Operator – Meadowlands Garage – 15 years
15. Richard O. Byrd, Bus Operator – Howell Garage – 13 years
16. Wayne Krier, Forman Garage II – Hamilton Garage – 13 years
17. Kenneth W. Herb, Ticket Agent – Camden – 11 years

ACTION ITEMS

**ITEM 1411-55: LEGAL SERVICES – LITIGATION SUPPORT (CONDEMNATION)
– NEW JERSEY TRANSIT CORPORATION VS. MARY FRANCO,
CAROL FRANCO AND M&C FRANCO & COMPANY**

BENEFITS

NJ TRANSIT is currently engaged in an appeal before the Appellate Division from a Final Judgment for Just Compensation, following a condemnation jury trial. The jury returned a verdict granting the defendants the sum of \$8,150,000.00 just compensation for the acquisition by NJ TRANSIT of the defendants' property. NJ TRANSIT's revised offer of just compensation was \$1,650,000.00, based on an independently prepared appraisal estimating fair market value. Continuation of the appeal is necessary in order to vacate the current judgment and have the matter remanded for further determination of just compensation of the real property acquired.

ACTION (Scorecard: Financial Performance, Corporate Accountability)

Staff seeks authorization to continue to compensate the law firm of DeCotiis, Fitzpatrick & Cole, LLP of Teaneck, New Jersey as Special Counsel, in accordance with the New Jersey Attorney General's retention, at a cost not to exceed \$150,000 for all legal and related work as to the ongoing appeal and any future remand to the trial court in the condemnation matter of New Jersey Transit Corporation vs. Mary Franco, Carol Franco, M&C Franco & Company, et al. (Docket No. HUD-L-6300-09; A-003802-12T4).

PURPOSE

The purpose is to authorize additional funds not to exceed \$150,000.00 in order to continue to compensate DeCotiis, Fitzpatrick & Cole as Special Counsel. Such action will enable NJ TRANSIT to continue the prosecution of the appeal of the excessive jury award before the Appellate Division and, if successful, any remand to the Law Division to determine the fair market value and just compensation due the former property owner for NJ TRANSIT's acquisition.

BACKGROUND

History of Franco Condemnation Litigation

On December 15, 2009, NJ TRANSIT filed a Verified Complaint in Condemnation to acquire a 1.89 acre of property from Mary Franco, Carol Franco and M&C Franco and Company for Trans Hudson Express (THE) Tunnel Project also known as ARC. This industrial site is an irregular, triangular shape situated in three different municipalities – Weehawken, Hoboken and Union City. The property was formerly occupied by an automotive maintenance facility and a "jitney" operator, with a salvage yard.

An initial offer letter, provided to the owner of record or their representative in July 2009, estimated just compensation for the property to be \$934,500.00 (later increased to

\$990,000.00), based upon an industrial highest and best use calculation. A Declaration of Taking was filed in Superior Court on December 15, 2009, and recorded with Hudson County Register of Deeds on January 08, 2010. Service of the complaint in condemnation and the recorded Declaration of Taking were served upon or were acknowledged by the attorney of the owners of record and other entities claiming an interest in the property on or before January 26, 2010. The sum of \$934,500, estimated compensation, was deposited with the Clerk of Superior Court in Trenton. Title to the property vested by operation of law upon service of the owner of record and all occupants of the Complaint and Declaration of Taking and upon the making of the deposit, which would have been on or before January 26, 2010. NJ TRANSIT took physical possession of the property acquired in the condemnation action on June 01, 2010 pursuant to an order of the Superior Court entered on May 28, 2010, granting NJ TRANSIT physical possession of the property and further ordering vacation by all occupants.

On February 11, 2010, an Order for Final Judgment and Appointment of Commissioners was entered. The condemnation hearing followed on October 13, 2010, resulting in a commissioners' award of \$1,350,000.00. The Francos filed a Notice of Appeal of the Award of the Commissioners to the Superior Court – Hudson County, for a jury trial and NJ TRANSIT filed a cross appeal. NJ TRANSIT's revised its offer of just compensation to \$1,650,000.00, based on an independently prepared appraisal estimating fair market value based on a reasonable probability to obtain approval to construct town houses. After a trial before a jury commencing on October 2, 2012 and concluding on October 12, 2012, a verdict was rendered in the amount of \$8,150,000 plus accumulated interest. An appeal was filed by NJ TRANSIT and the Francos filed a cross appeal. In addition to the issue whether certain evidence should have been admitted to the jury by the trial court, the appeal addresses reservation of compensation for environmental remediation of the property, it having been an industrial property. An appeal is currently pending. Briefs have been filed by both parties but counsel on behalf of NJ TRANSIT is to file an additional brief.

NJ TRANSIT acquired the subject property in fee simple on or about January 26, 2010 and took physical possession on June 1, 2010, which was before THE Tunnel project was canceled. After the jury verdict and entry of the final judgment determining just compensation, NJ TRANSIT has sought vacation of the judgment for just compensation and a remand of the matter so as to retry the issue of just compensation. The prior owners have filed a cross appeal wherein they contest the amount being held by Superior Court representing the estimated environmental remediation costs that may be incurred. Legal services continue to be needed to prosecute the appeal to conclusion and to handle the remand in the event one is granted.

Previously on November 11, 2008, the Board authorized, under Board Item 0811-82, the expenditure of a sum not to exceed \$2.0 million, plus five percent contingency, for all related attorney fees to be incurred by reason of the acquisition of the subject property as well as all properties then required and authorized for THE Tunnel Project. That authorization is about exhausted being expended for this and other condemnation

matters. Additional authorization is required to continue to compensate the law firm for continued work on the pending appeal and sought remand in the Franco condemnation matter.

History of Litigation Services Provided for Franco Condemnation

Starting in 2007, the DeCotiis law firm participated in bona fide negotiations and pre-complaint preparation. In December 2009, the firm prepared and filed pleadings that included a complaint, order to show cause, lis pendens, order appointing commissioners, declaration of taking and other notices. Thereafter, the firm prepared for a commissioners' hearing by meeting with the witnesses and familiarizing itself with the property and comparable sales and other evidence of value. Witnesses were then presented before a board of condemnation commissioners. After the Commissioners issued a report as to the amount of just compensation due by reason of the acquisition, a cross appeal was prepared to have the matter heard before a trial in Superior Court Law Division. Subsequent to the exchange of appraisals and other reports on behalf of the Francos, extensive review of the reports was conducted. The law firm retained expert witnesses to prepare rebuttal reports. It filed numerous motions to exclude net opinions and objectionable evidence to be presented on the part of the Francos and prepared legal briefs for the court. The firm then prepared for trial and took depositions of the Francos' proposed expert witnesses. Moreover, the firm selected a jury and tried the case starting on October 2 and concluding October 12, 2012. After filing a notice of appeal in 2013, the firm prepared and filed an appellate brief and on remand to the trial court presented evidence and expert opinions in a Suydam hearing as to the reasonableness of the Clerk of the Superior Court retaining \$1,967,865.00 for potential environmental remediation on behalf of NJ TRANSIT.

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

FISCAL IMPACTS

Requested Authorization:	\$150,000
Total Attorney Fees Paid or Billed to Date:	\$310,968
Projected Date of Completion:	June 2016
Anticipated Source of Funds:	TTF
CPAS Cost Objective:	HPD
Diversity Goal:	N/A
NJ Build Amount:	N/A

Related/Future Authorization:

N/A

**Impacts on Subsequent
Operating Budgets:**

None

RESOLUTION

WHEREAS, there is pending in the Superior Court, Hudson County, a condemnation matter entitled New Jersey Transit Corporation vs. Mary Franco, Carol Franco, M&C Franco & Company, et al, Docket No. HUD-6300-09 under which there was a full taking; and

WHEREAS, in January 2010, NJ TRANSIT acquired a parcel of land totaling 1.89 acres consisting of Block 136, Lot 62 and Block 142, Lot 1 in Hoboken, Block 143, Lot 2 and Block 192.01 Lot 1 in Union City, and Block 2, Lot 3 in the Township of Weehawken; and

WHEREAS, trial before a jury was held on October 2 through October 12, 2012 resulting in a Final Judgment in favor of the defendants; and

WHEREAS, NJ TRANSIT filed an appeal of the Final Judgment to the Appellate Division of the Superior Court in 2013 and defendants have filed a cross appeal; and

WHEREAS, it is in NJ TRANSIT's best interests to pursue the pending appeal and defense of the cross appeal in light of the amount of the judgment against it and the amount being held by the clerk pending environmental remediation of the property; and

WHEREAS, additional funds are needed in order to continue prosecution of the appeal, defense of the cross appeal and the remand in event the court grants the relief sought since the funds previously authorized for this and other unrelated legal matters are almost exhausted;

NOW, THEREFORE, BE IT RESOLVED that the Chairman, the Executive Director or their assignees are authorized to continue to compensate the firm of DeCotiis, Fitzpatrick & Cole LLP, Jersey as Special Counsel, in accordance with the New Jersey Attorney General's retention, at a cost not to exceed \$150,000 for all legal and related work as to the ongoing appeal and any future remand to the trial court in the condemnation matter of New Jersey Transit Corporation vs. Mary Franco, Carol Franco, M&C Franco & Company, et al. (Docket No. HUD-L-6300-09; A-003802-12T4).

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 the status of pending and anticipated litigation and matters falling within the attorney-client privilege, including, but not limited to, the Settlement of a Pending Legal Action, the Personal Injury Claim: Filippo Quattrocchi vs. NJ TRANSIT Rail Operations and the Personal Injury Claim: Keith Cruz vs. NJ TRANSIT Rail Operations; 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.

ITEM: 1411-56 PROPOSED SETTLEMENT OF A PENDING LAWSUIT

RESOLUTION

WHEREAS, a civil action complaint was filed against NJ TRANSIT; and

WHEREAS, NJ TRANSIT has voluntarily participated in mediation sessions in an attempt to amicably resolve this pending law suit; and

WHEREAS, NJ TRANSIT Corporate By-Laws under Article VI, Section 11 requires Board approval of the settlement of certain claims and lawsuits; and

WHEREAS, there developed a need to revise settlement terms beyond that which this Board approved on July 9, 2014, under Item 1407-40;

NOW, THEREFORE, BE IT RESOLVED that Item 1407-40 is hereby rescinded. In its place, the Chair or the Executive Director is authorized to execute the Settlement Term Sheet attached to Item 1411-56, so as to resolve the pending lawsuit presented to the Board, which settlement includes a lump sum payment in an amount and under the conditions, reservations and releases described in the Settlement Term Sheet and Executive Session Board Item 1411-56, in full satisfaction of all plaintiff's outstanding monetary claims arising out of that litigation, which is based on certain conditions provided in the Board Item; and

BE IT FURTHER RESOLVED THAT the Chair or the Executive Director is authorized to retain consultants and other necessary professionals and pay attorney fees, as needed in an amount further described in Executive Board Item 1411-56. NJ TRANSIT staff will further consult with the Board and obtain Board approval with regard to final action taken in resolution of any options afforded under this prospective settlement as further provided in the attached Settlement Term Sheet.

ITEM 1411-57: PERSONAL INJURY CLAIM OF FILIPPO QUATTROCCHI

BENEFITS

It is the opinion of NJ TRANSIT and defense counsel to recommend a settlement in the claim of Filippo Quattrocchi.

ACTION

Staff seeks authorization to settle the claim of Filippo Quattrocchi through his attorney, at a cost of \$950,000. The Attorney General has approved the proposed settlement, subject to the availability of funds.

PURPOSE

NJ TRANSIT By-Laws require Board approval of the settlement of all claims and lawsuits involving personal injury, death, or property damage in excess of \$500,000. This case is venued in the Middlesex County Superior Court, New Brunswick, NJ.

FISCAL IMPACTS

Requested Authorization:	Request authorization to settle the Personal Injury Claim of Filippo Quattrocchi
Projected Date of Completion:	FY 2015
Anticipated Source of Funds:	FY 2015 Operating Budget
Diversity Goals/Participation:	Not applicable. No goods or services to be procured.

RESOLUTION

WHEREAS, Article VI, Section II of the By-Laws requires Board Authorization for settlement of claims in excess of \$500,000; and

WHEREAS, Filippo Quattrocchi has presented a claim with a probable settlement cost greater than \$500,000; and

WHEREAS, staff has reviewed the claim and recommends settling this case out of court;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to settle the claim of Filippo Quattrocchi, through his attorney, at a cost of \$950,000. The Attorney General has approved the proposed settlement, subject to the availability of funds.

ITEM 1411-58: PERSONAL INJURY CLAIM OF KEITH CRUZ

BENEFITS

It is the opinion of NJ TRANSIT and defense counsel to recommend a settlement in the claim of Keith Cruz.

ACTION

Staff seeks authorization to settle the claim of Keith Cruz, through his attorney, at a cost of \$950,000. The Attorney General has approved the proposed settlement, subject to the availability of funds.

PURPOSE

NJ TRANSIT By-Laws require Board approval of the settlement of all claims and lawsuits involving personal injury, death, or property damage in excess of \$500,000. This case is venued in the Middlesex County Superior Court, New Brunswick, NJ.

FISCAL IMPACTS

Requested Authorization:	Request authorization to settle the Personal Injury Claim of Keith Cruz
Projected Date of Completion:	FY 2015
Anticipated Source of Funds:	FY 2015 Operating Budget
Diversity Goals/Participation:	Not applicable. No goods or services to be procured.

RESOLUTION

WHEREAS, Article VI, Section II of the By-Laws requires Board Authorization for settlement of claims in excess of \$500,000; and

WHEREAS, Keith Cruz has presented a claim with a probable settlement cost greater than \$500,000; and

WHEREAS, staff has reviewed the claim and recommends settling this case out of court;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to settle the claim of Keith Cruz, through his attorney, at a cost of \$950,000. The Attorney General has approved the proposed settlement, subject to the availability of funds.