

Jon S. Corzine
Governor

Kris Kolluri, Esq.
Board Chairman

Richard R. Sarles
Executive Director

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



January 18, 2008

Dear Governor Corzine:

Pursuant to Chapter 150, Laws of 1979, I herein transmit the minutes of actions taken at the open session of the regularly scheduled meetings of the New Jersey Transit Corporation, NJ Transit Rail Operations, Inc., NJ Transit Bus Operations, Inc., and NJ Transit Mercer, Inc. Board of Directors held on Thursday, January 17, 2008.

Sincerely,

Gwen A. Watson
Board Secretary

Enclosures

Honorable Jon S. Corzine
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. and NJ TRANSIT Mercer, Inc. held at the Atlantic City Convention Center, One Miss America Way, Atlantic City, New Jersey on Thursday, January 17, 2008.

Present:

Flora Castillo, Acting Vice Chairwoman
Robert Shane, Governor's Representative
Patrick O'Connor, Treasurer's Representative
Kenneth E. Pringle
Susan L. Hayes

Richard R. Sarles, Executive Director
Gwen A. Watson, Board Secretary
Warren A. Hersh, Auditor General
Lynn Bowersox, Assistant Executive Director, Corporate
Communications & External Affairs
James Gigantino, Vice President & General Manager, Bus Operations
William Duggan, Vice President & General Manager, Rail Operations
Kenneth Worton, Deputy Attorney General
Vincent Soleo, Assistant Executive Director, Procurement & Support Services
James Redeker, Assistant Executive Director, Policy, Technology & Customer Services
Steve Santoro, Assistant Executive Director, Capital Planning and Programs
H. Charles Wedel, Chief Financial Officer & Treasurer
Alma Scott-Buczak, Assistant Executive Director, Human Resources
Jan Walden, Assistant Executive Director, Diversity

Acting Vice Chairwoman Flora Castillo convened the Open Session at 11:05 am in accordance with the Open Public Meetings Act and asked for a motion to enter Executive Session to discuss contract negotiations and attorney-client, litigation, personnel and public safety and security matters. A motion was made by Susan Hayes, seconded by Patrick O'Connor, and unanimously adopted.

Acting Vice Chairwoman Castillo reconvened the Open Session at 11:40 am and asked for a motion to adopt the minutes of the December 12, 2007 meeting. A motion was made by Patrick O'Connor, seconded by Robert Shane with an abstention by Kenneth E. Pringle and adopted.

Executive Director Richard R. Sarles highlighted the following from his monthly business report.

Executive Director Sarles welcomed everyone to the first board meeting of the New Year and said it was good to be in Atlantic City.

2007 Review

He provided a quick review of 2007 and said NJ TRANSIT had the highest ridership growth recorded on all three modes. As of September, 882,000 trips/weekday were provided and there were nearly 713,000 trips each weekend which is the highest ever. Growth in rail and bus especially focused on travel to and from Newark and New York in contrast to Hoboken, which has remained steady. This is consistent with post-9/11 trends with jobs shifting from lower Manhattan to Midtown. The Newark Airport access was expanded with an increase in the No. 62 bus service. There were improvements at Newark Penn Station and more robust Newark services supported the new Prudential Center with a healthy transit market share of 40 percent including PATH and NJ TRANSIT customers. There were continued advancements to the Access to the Region's Core project including finalizing preliminary engineering and securing \$4.5 billion which is the largest commitment of any such project nationally. New weekend and bi-directional Pascack Valley Line service was added doubling the number of trains/week.

Sad Milestones

Executive Director Sarles said it was also a year of sad milestones with the passing of former executive director, colleague and friend George Warrington. Most recently, Mr. Warrington is remembered for his remarkable leadership on the Access to the Region's Core project. He helped create a firm foundation for NJ TRANSIT with greatly expanded and modernized rail service and brought a new level of customer input to new car design. Executive Director Sarles recalled that he first met Mr. Warrington many years ago when he was an Executive Assistant to Lou Gambaccini at the New Jersey Department of Transportation. Due to Mr. Warrington's leadership, the bond referendum passed. As Vice President & General Manager of Rail Operations at NJ TRANSIT, Mr. Warrington led the organization by transforming it from the "bad old days" of disjointed railroads to a great transportation system today. Executive Director Sarles mourns his passing and salutes his legacy and said NJ TRANSIT will honor him in a fitting way in the coming months.

Executive Director Sarles remembered and saluted another friend and colleague, Rick Mariani, who rose through the ranks to become the Corporation's first customer advocate. NJ TRANSIT is a better, stronger public transportation agency thanks to the passion and talent of both men and the other members of the NJ TRANSIT family who passed away this year.

2008 Progress

Executive Director Sarles said 2008 will be another year of substantial progress. The first of 1,145 new, modern, transit and suburban-style buses will be delivered. NJ TRANSIT has 71 new multi-level vehicles in service (eight consists) and will have taken delivery of about 220 multi-level vehicles by the end of the year which will

maximize the value from existing services because the multi-level rail cars provide more capacity on the busy Northeast Corridor.

Executive Director Sarles said there will be continued focus on providing more intermodal service giving customers convenient connections across modes to help them make NJ TRANSIT their preferred choice by linking bus and light rail service at Pennsauken/Route 73 Station on the River LINE in Burlington County and by extending the No. 552 bus route to the Atlantic City Rail Terminal and Convention Center, making it simpler for customers to plan multi-modal trips. With the opening, of the Wayne 23 park/ride, customers can take the bus or train. Executive Director Sarles said next week, Mt. Arlington Station will open providing weekday service on the Morristown and Montclair-Boonton lines, enabling customers to park their cars and avoid I-80 congestion.

Executive Director Sarles said express rail service to Atlantic City is coming. The Atlantic City Express Service consortium is confident of launching service later this year. Executive Director Sarles said NJ TRANSIT is renewing the Senior Citizen and Disabled Resident Transportation Assistance Program, which now serves all 21 counties with more than 1000 vehicles, making 3.9 million passenger trips annually. NJ TRANSIT spends about \$58 million annually on county transit programs. Casino Revenue Funds are the single largest funding source for county transit programs more than \$400 million since 1984. Local services provide trips for seniors and people with disabilities to doctors' offices, grocery stores, jobs and education centers. Most of the vehicles are ramp or lift-equipped and provide curb-to-curb or modified fixed-route service.

New Rail Timetables

Executive Director Sarles mentioned that new rail timetables take effect January 20, 2008 for several rail lines, specifically the Northeast Corridor, North Jersey Coast Line, Morris & Essex Lines and the Montclair-Boonton Line. He said new timetables contain minor adjustments to many train departure times, especially on the Northeast Corridor, where speed restrictions have been placed on certain stretches of track, which adds a few minutes to most train schedules. He encouraged customers to review the new schedules carefully.

Possible Amtrak strike

Executive Director Sarles said NJ TRANSIT has been closely monitoring Amtrak's dispute with several of its labor unions. Amtrak has expressed some optimism that a strike can be avoided, but NJ TRANSIT will continue working with the New Jersey Department of Transportation and other transit agencies on contingency plans, because a strike of any duration that shuts down the Northeast Corridor will cause a severe disruption to service and will inconvenience tens of thousands of commuters in New Jersey. More than half of the 768 daily trains rely on the Northeast Corridor for all or part of their trips. A strike would also cause a partial shutdown of service on the North

Jersey Coast Line, the Raritan Valley Line and on the Atlantic City Rail Line, where there would be no NJ TRANSIT rail service to or from Philadelphia. There is PATCO service between Lindenwold and Philadelphia, and substitute bus service would operate on the normal rail schedule between 30th Street Station and either Lindenwold or Cherry Hill stations, to link with the unaffected segment of the Atlantic City Rail Line. Contingency plans will be communicated in detail next week with alternate recommendations for customers. The plan would include the start-up of seven shuttle bus operations from impacted rail locations in New Jersey to connect with PATH service in Newark, Hoboken and Harrison stations. In the event of a strike, alternate NJ TRANSIT service would generally operate in the peak period in the peak direction. The North Jersey Coast Line and the Raritan Valley Line would have limited off peak and reverse service. MidTOWN DIRECT trains would be re-routed to Hoboken, and some of those trains would be combined to avoid congestion in Hoboken. NJ TRANSIT is creating an Amtrak Service Guide that would be distributed to customers next week, if the dispute remains unresolved. It is important to note that NJ TRANSIT cannot replicate the rail capacity that would be lost due to a strike. In fact, NJ TRANSIT would only be able to accommodate about 50 percent of the normal peak Northeast Corridor travel. In the event of a strike, customers should expect significant crowding and delays, and should consider all options, from carpooling to telecommuting.

Acting Vice Chairwoman Castillo welcomed everyone to South Jersey and recognized David Peter Alan who travelled from North Jersey to South Jersey using various modes of public transportation.

Anna Marie Gonnella Rosato presented the Advisory Committee report. Ms. Gonnella welcomed everyone to South Jersey. She said the North and South Jersey Advisory Committees met in Newark on December 13, 2007 and were given a presentation by the NJ TRANSIT Police Department regarding the counter-terrorism program. In addition, they discussed reappointments for Committee members. Ms. Gonnella Rosato expressed appreciation to the Board for holding its meeting in South Jersey.

Board Member Kenneth E. Pringle presented the Capital Planning, Policy & Privatization (CP3) report to the Board. The Committee discussed two major capital projects, the Newark Drawbridge project to rehabilitate the heavily used bridge between Broad Street in Newark and Passaic Avenue in Harrison, as well as the need for an expanded Port Morris Yard. The Committee also discussed the agency's quarterly ridership trends indicating that rail ridership is at an all time high. Staff presented plans for a 115 acre redevelopment site adjacent to the station in Somerville which includes 25 acres owned by NJ TRANSIT which could be developed. Plans call for a new 500 space parking structure, 600 residential units and retail, office and hotel space. Forty five developers have expressed interest in the project and proposals are due in early March.

Board Member Robert Shane presented the Administration Committee report to the Board. Among the items the committee discussed were the grant programs that will allow NJ TRANSIT to apply, contract and administer the development of coordinated

community based transportation services that will benefit senior citizens, persons with disabilities and rural and economically disadvantaged residents. The services funded through these grants will provide non-emergency life-enhancing transportation. It is important that people who cannot use regular route service receive safe and reliable transportation, and the Board is pleased that staff is focusing on making sure that NJ TRANSIT provides the most efficient service for our customers with disabilities.

There was one public comment on agenda items. David Peter Alan, Member, Senior Citizens and Disabled Residents Transportation Advisory Committee was delighted to see an agenda item regarding grants to support local programs that improve mobility for senior citizens, persons with disabilities and others in the State who are most in need of transit and paratransit services to improve their mobility.

He said as a member of the Senior Citizens and Disabled Residents Transportation Advisory Committee he is fully aware of the need that seniors, persons with disabilities and other transit-dependent persons have for better mobility. This includes both the Casino Revenue funding and such Federal programs as Job Access Reverse Commute and assistance under Sections 5310 and 5311. The Committee reviews the applications made by counties for Casino Revenue Fund grants and appreciates the professionalism of the county transportation directors as well as the efforts of their staffs in preparing their applications. Mr. Alan recognized the efforts of Bob Koska and staff who are involved in the process and the day-to-day administration of support for county and municipally-sponsored transportation in the State.

Mr. Alan said the amount of money in the Casino Revenue Fund will probably decline in the future and said additional sources of funding will need to be identified to maintain the level of transportation services now available and to improve it. Mr. Alan and the Committee offered assistance toward this objective. He said good transit, whether in the form of rail, bus or paratransit, is needed to maintain mobility and quality of life.

Mr. Alan recognized the implementation of innovative ideas such as travel training for people with disabilities so they can use "regular" transit to the greatest extent possible, a program in Middlesex County that integrates scheduled rail service into the mix of transportation for persons with disabilities and county-operated minibus routes scheduled to connect with trains. Mr. Alan said more innovation should be encouraged so the available funds will provide the best transportation possible for the people who need it the most. In the future, there will be more senior citizens and more people with disabilities than there are today and that means the quality and quantity of transportation services available to those populations must increase and more funding will be required.

Mr. Alan said he personally considers this issue to be vitally important. To appear at the Board Meeting in Atlantic City, Mr. Alan took four trains and a light rail vehicle which required four hours travel time each way yet he was able to come to Atlantic City on transit. Mr. Alan said because of the grants board item, senior citizens and persons with disabilities will be able to go to places that they could not otherwise visit. In

addition to routine trips to the food store, doctor's office or senior center, they can enjoy a special occasion that would otherwise be off limits to them.

Executive Director Sarles presented the following Action Items for approval:

0801-1: NEWARK LIGHT RAIL INTEROPERABILITY PROJECT

Authorization is requested to contract with Millennium Communications Group for a new Newark Light Rail radio communications transmission system that delivers interoperable communication between NJ TRANSIT and multiple public safety agencies in the Newark Light Rail tunnels. The total cost will not to exceed \$2,582,568 plus five percent for contingencies.

Kenneth E. Pringle moved the resolution, Susan Hayes seconded it and it was unanimously adopted.

0801-2: NEWARK DRAWBRIDGE AND APPROACH STRUCTURES REHABILITATION: CONSTRUCTION CONTRACT AWARD AND CONTRACT AMENDMENT FOR CONSTRUCTION ASSISTANCE SERVICES

The Newark Drawbridge and Approach Structures are in need of rehabilitation. Approval of a construction contract with Skanska Koch for this project is requested at a cost not to exceed \$23,281,911 plus five percent for contingencies. Authorization is requested to amend a contract with Jacobs, Edwards & Kelcey for construction assistance in an amount not to exceed \$1,200,000 plus five percent for contingencies.

Robert Shane moved the resolution, Patrick O'Connor seconded it and it was unanimously adopted.

0801-3: PORT MORRIS YARD AND FACILITY IMPROVEMENT: DESIGN SERVICE

The rail fleet expansion requires additional yard and maintenance capacity at the Port Morris Yard. Approval of a design contract for this project is requested with Jacobs Edwards & Kelcey at a cost not to exceed \$7,769,781 plus five percent for contingencies.

Kenneth E. Pringle moved the resolution, Patrick O'Connor seconded it and it was unanimously adopted.

0801-4: BERGEN COUNTY LOCAL BUS SERVICE

Approval is requested to exercise an option of the current agreement with Academy Express LLC to operate Bergen County local bus service on eight routes for 24 months at a cost not to exceed \$14,686,454 plus five

percent for contingencies.

Patrick O'Connor moved the resolution, Robert Shane seconded it and it was unanimously adopted.

0801-5: NJ TRANSIT GRANT PROGRAMS SUPPORTING COORDINATED LOCAL TRANSPORTATION FOR SENIOR CITIZENS, PERSONS WITH DISABILITIES, RURAL AND ECONOMICALLY DISADVANTAGED RESIDENTS

Authorization is requested to take all actions necessary to implement the NJ TRANSIT Grant Programs Supporting Coordinated Local Transportation for Senior Citizens, Persons with Disabilities, Rural and Economically Disadvantaged Residents at costs not to exceed those outlined in the Board agenda item.

Patrick O'Connor moved the resolution, Robert Shane seconded it and it was unanimously adopted.

0801-6: ACTUARIAL AND CONSULTING SERVICES FOR NJ TRANSIT'S DEFINED BENEFIT PENSION PLANS

Approval of a contract with The Segal Company is requested to provide actuarial and pension plan consulting services for three years at a cost of \$630,000 plus five percent for contingencies and two additional one year options to extend to December 31, 2012 at an additional cost of \$445,536 plus five percent for contingencies.

Patrick O'Connor moved the resolution, Robert Shane seconded it and it was unanimously adopted.

There were nine public comments on non-agenda items.

John A. Costa, Amalgamated Transit Union (ATU), newly elected Chairman and State Business Agent representing 4,940 active bus and light rail employees and 1,504 NJ TRANSIT pensioners. Mr. Costa said he was hired in 1981 and has over 26 years of service and 13 years as a full time officer representing the largest Local 819 Essex County and four private bus companies, three in New Jersey and one in Pennsylvania and Union County paratransit and he is familiar in both private and public bus and light rail transportation.

Mr. Costa said in the 1980s and 1990s, he saw NJ TRANSIT grow to be the best Bus authority in the country because the prior Administrations cared for the public needs and added extra bus service and agreed to keep extra work in house. The company cared for its employees and families.

Mr. Costa said in the year 2000, the Administration changed and the feelings changed towards the bus public, the bus employees and the bus union. Bus was ignored and the company no longer cared for inner city service and instead sought to privatize the suburban lines. The company upgraded the control system with new technology, radios and cameras for better communication on the buses. He does not have a problem with technology but adding cameras in all bus garages to watch over employees when there are a number of supervisors present is not necessary. The equipment and safety to operators and to those served is collapsing. Mr. Costa said he can relay the problems the employees are having and the operators can relay how the public feels. Bus ridership is at an all time high and so is the cost of oil. Adding service is not only good for the public, it is good for the environment and is cheaper to maintain than rail or light rail and better bus service is cheaper to build and fast to move. Mr. Costa represents eight ATU bus locals who are attending the board meeting today and they speak for the bus riders and the workers of the State.

Earl C. Hardy Jr., Amalgamated Transit Union (ATU) Local 821, Business Agent, Greenville Garage said he supports Mr. Costa's statement 100 percent.

Benjamin Evans, Amalgamated Transit Union (ATU), newly elected business agent said his issue regards the bus rehabilitation program that was never completed. He asked for information as to why the project was stopped and never completed and has not received a response. Work is being diverted from Newark to South Jersey and NJ TRANSIT is paying operators to deadhead buses to South Jersey rather than sending the buses to Central Maintenance. Mr. Evans said the NOVA B rehabilitation program was approved by the Board of Directors in November 2004 and it just ceased without completion. He said independent buses are being brought in for repair rather than NJ TRANSIT's own fleet.

Acting Vice Chairwoman Castillo thanked Mr. Evans for bringing this matter to the Board's attention and asked Jim Gigantino, Vice President & General Manager of NJ TRANSIT Bus Operations to address Mr. Evan's concerns.

Michele Vigh, Amalgamated Transit Union (ATU), Local 22 said she started working when the bus company was called Transport of New Jersey and she has been around a long time. Her concern is the \$2.00 parking fee which is expected to increase. Passengers need park and rides at a convenient price. Ms. Vigh requested a better working relationship with Labor Relations. She represents 600 operators and there are 32 arbitrations scheduled. She said there is simply no working relationship with Labor Relations. The ATU is a good union and there is a need for a better working relationship with Labor Relations. Ms. Vigh also thanked Alma Scott-Buczak, Assistant Executive Director, Human Resources for her assistance and compassion in a pension matter for a bus operator.

Richard Stark, Amalgamated Transit Union (ATU) newly elected Business Agent, Local 825 concurred with Mr. Costa's statement.

Joseph Sullivan, Amalgamated Transit Union (ATU) newly elected Business Agent for Local 880, Southern Division and newly elected Vice Chairman of the State Local. He welcomed everyone to Atlantic City and South Jersey and looks forward to working with his team. Mr. Sullivan said a better working relationship between NJ TRANSIT and the ATU is very much needed. Mr. Sullivan said he was pleased to attend this meeting and NJ TRANSIT is the best company he ever worked for.

Nancy Spence, Amalgamated Transit Union (ATU) newly elected financial officer for Local 823 concurred with Mr. Costa's statement.

Anna Marie Gonnella Rosato requested support and funding for the Cape May Seashore Lines. She said due to a storm on April 15, 2007, service has been suspended between Woodbine and Cape May Court House. Funding is needed to restore the service since it is a vital link to tourism. She estimated the cost to be between \$200,000 and \$300,000 and urged NJ TRANSIT and Chairman Kolluri to fund that expense for the people of South Jersey.

David Peter Alan on behalf of the Lackawanna Coalition said he explored the South Jersey area and noted the area does not have a large amount of rail service. He said the region has the Atlantic City Rail Line and the River LINE from Trenton to Camden, however, years ago there was rail service all over South Jersey; trains to Philadelphia, Atlantic City and Cape May and local streetcars. Rebuilding of a rail network in this part of the State would require one new start after another, plus direct connections between existing lines. The River LINE has started successfully and the Coalition is working with light rail managers to extend that line's operating hours later into the evening. The underutilization of rail in South Jersey is staggering. Mount Holly and Moorestown have stations and tracks, but no passenger trains. Cape May is served only by a local "tourist railroad" with no connection to population centers like Philadelphia.

Mr. Alan said these services could return some day but it requires money for capital improvements to start the service and for operations on a continuing basis. The same is true for all of the proposed new starts in North and Central Jersey; the Monmouth-Ocean-Middlesex, the Lackawanna Cut-off, West Trenton, Phillipsburg, Bergen-Passaic and others. Every potential expansion of transit throughout the State is threatened because money is scarce.

Mr. Alan said transit fares have increased five times since the gasoline tax reached its present level and it has also been many years since highway tolls were raised. Increases in the motor fuels tax and highway tolls are long overdue but these alone are not the entire solution.

The Coalition has consistently called for the return to the original Access to the Region's Core project which would connect Penn Station with Grand Central Terminal in Manhattan, providing access to both the east side and west side of Midtown. This would be a far better choice than the currently proposed tunnel that would concentrate

new terminal capacity in a location that does not bring any riders closer to their offices or other destinations than they can go today.

Equally important in today's financial climate is the fact that the project, as currently devised, would be far too expensive which is estimated at \$9.8 billion. It would effectively preclude new starts in north and central Jersey for at least 15 years and in South Jersey for 25 to 30 years. Mr. Alan said the choice is simple: either the proposed "deep cavern terminal" or an extensive statewide rail network with several new lines.

Acting Vice Chairwoman Castillo thanked everyone for attending the Board Meeting in South Jersey and wished Board Member Susan Hayes and Chief Financial Officer Charles Wedel a belated happy birthday.

Since there were no further comments or business, Acting Vice Chairwoman Castillo called for adjournment and a motion to adjourn was made by Robert Shane, seconded by Patrick O'Connor and unanimously adopted.

The meeting was adjourned at approximately 12:20 pm.

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

JANUARY 17, 2008

MINUTES

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ACTION ITEMS

0801-1	NEWARK LIGHT RAIL INTEROPERABILITY PROJECT	39567
	Staff seeks authorization to contract (No. 08-029) with Millennium Communications Group, Inc. of East Hanover, New Jersey for services and a new, advanced Newark Light Rail radio communications transmission system for a total cost not to exceed \$2,582,568 plus five percent for contingencies.	
0801-2	NEWARK DRAWBRIDGE AND APPROACH STRUCTURES REHABILITATION: CONSTRUCTION CONTRACT AWARD AND CONTRACT AMENDMENT FOR CONSTRUCTION ASSISTANCE SERVICES	39570
	Staff seeks authorization to contract (No. 08-035X) with Skanska Koch of Carteret, New Jersey for the construction of Newark Drawbridge	

NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS, INC.
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and Approach Structures rehabilitation at a cost not to exceed \$23,281,911, plus five percent for contingencies, subject to the availability of funds.

Staff also seeks authorization to amend the existing professional services contract (No. 04-037) with Jacobs Edwards and Kelcey (formerly Edwards & Kelcey, Inc.) of Morristown, New Jersey, for construction assistance services to support the construction contract in the amount of \$1,200,000, plus five percent for contingencies, for a total contract authorization of \$3,937,500, subject to the availability of funds.

0801-3 PORT MORRIS YARD AND FACILITY IMPROVEMENT: DESIGN SERVICES 39573

Staff seeks authorization to contract (No. 08-017) with Jacobs Edwards and Kelcey of Morristown, New Jersey, for Design Services for the Port Morris Yard and Facility Improvements at a cost not to exceed \$7,769,781, plus five percent for contingencies, subject to the availability of funds.

0801-4 BERGEN COUNTY LOCAL BUS SERVICE 39576

Staff seeks authorization to exercise the contract option of the current agreement with Academy Express, LLC for the operation of Bergen County local bus service for an additional 24 months at a cost not to exceed \$14,686,454, plus five percent for contingencies; and to take all other actions necessary to implement and administer this agreement; provided, however, that funding of this agreement shall be subject to the availability of funds and Board approval of NJ TRANSIT's operating budgets.

0801-5 NJ TRANSIT GRANT PROGRAMS SUPPORTING COORDINATED LOCAL TRANSPORTATION FOR SENIOR CITIZENS, PERSONS WITH DISABILITIES, RURAL AND ECONOMICALLY DISADVANTAGED RESIDENTS 39579

Staff seeks authorization to submit grants and execute all appropriate contracts to implement the following programs:

(NJT Board – 1/17/2008)

NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS, INC.
NJ TRANSIT RAIL OPERATIONS, INC.
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Authorize agreements as necessary to implement the Fiscal Year 2008 Senior Citizen and Disabled Resident Transportation Assistance Program as set forth in Exhibit A for a total program amount of \$36,928,000.

Authorize all grant submittals and the execution of all contracts and agreements with subrecipients as necessary to implement the FY2008 Section 5311 Program as set forth in Exhibit B up to \$4,142,327 of which \$966,156 is the NJ TRANSIT share.

Authorize execution of all contracts and agreements as necessary to implement the annual FTA Rural Transit Assistance Program (FY2008) up to \$94,333 at no cost to NJ TRANSIT.

Authorize all grant submittals to FTA, the award of vehicles to agencies for services identified in local human services transportation coordination plans and the execution of all contracts and agreements as necessary to implement the FFY07 and FFY08 Section 5310 Program at a cost not to exceed \$4,190,065 of which \$838,013 is the NJ TRANSIT share for FY07 program and \$4,546,590 of which \$909,318 is the NJ TRANSIT share for the FY08 program.

Authorize all grant submittals and the execution of all contracts and agreements as necessary to implement the FY08 Jobs Access and Reverse Commute Program at a cost not to exceed \$7,000,000 of which \$3,500,000 or 50 percent are federal funds. No NJ TRANSIT match is required in this program.

Authorize all grant submittals and the execution of all contracts and agreements as necessary to implement various federally funded special projects under Congressional earmarks, Section 5307, CMAQ and New Freedom programs under the FY08 budget at a cost not to exceed \$8,000,000.

Authorize the procurement of all vehicles and related equipment necessary to implement these programs from the various funding described herein at a cost not to exceed \$9,000,000.

NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS, INC.
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0801-6 ACTUARIAL AND CONSULTING SERVICES FOR NJ TRANSIT'S 39588
DEFINED BENEFIT PENSION PLANS

Staff seeks authorization to contract (No. 08-028) with The Segal Company of New York for actuarial and consulting services at a cost of \$630,000, plus five percent for contingencies for the three-year period from January 1, 2008 until December 31, 2010, with two additional one-year options to extend to December 31, 2012 at an additional cost of \$445,536, plus five percent for contingencies.

PUBLIC COMMENTS ON NON-AGENDA ITEMS

(NJT Board – 1/17/2008)

EXECUTIVE SESSION AUTHORIZATION

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

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

APPROVAL OF MINUTES

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

WHEREAS, pursuant to Section 4(f) of the New Jersey Public Transportation Act of 1979, the minutes of actions taken at the December 12, 2007 Board meetings of the New Jersey Transit Corporation, NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Rail Operations, Inc. and NJ TRANSIT Mercer, Inc. were forwarded to the Governor on December 13, 2007;

NOW, THEREFORE, BE IT RESOLVED that the minutes of actions taken at the December 12, 2007 New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc. and NJ TRANSIT Mercer, Inc. Board of Directors' meetings are hereby approved.

Jon S. Corzine
Governor

Kris Kolluri, Esq.
Board Chairman

Richard R. Sarles
Executive Director

NJ TRANSIT
One Penn Plaza East
Newark, New Jersey 07105-2246
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TO: BOARD OF DIRECTORS
FROM: RICHARD R. SARLES *Richard R. Sarles*
DATE: JANUARY 17, 2008
SUBJECT: EXECUTIVE DIRECTOR'S REPORT – JANUARY 2008

In 2007, we experienced the highest ridership ever on our buses, trains and light rail lines, with growth on all three modes. As of September, we are providing nearly 882,000 trips on the system every weekday and nearly 713,000 trips on weekends—the highest weekend ridership level in our history. Growth in rail and bus is especially focused on travel to and from Newark and New York, in contrast to ridership to Hoboken, which has remained steady.

Last year, we advanced a number of milestones including the expansion of access to Newark Liberty International Airport with increased service on the No. 62 bus line, and improvements at Newark Penn Station with more robust Newark services and support for the opening of the new Prudential Center arena. We continued to advance the Access to the Region's Core project, finalizing preliminary engineering and securing \$4.5 billion in local funding. In addition, we launched new weekend and bi-directional rail service on the Pascack Valley Line, doubling the number of trains per week, and put into service our new multilevel rail cars.

The year was also one of sad milestones, with the passing of our former executive director, colleague and friend, George D. Warrington. Most recently, we remember his remarkable leadership on Access to the Region's Core. As you know, he also helped create a firm foundation for NJ TRANSIT with the bond referendum, expanded and modernized rail service, and brought a new level of customer input into new rail car design. We mourn his passing and salute his legacy at NJ TRANSIT. In the coming months, we will honor him in a fitting way.

We also remember and salute another friend and colleague, Rick Mariani, who rose through the ranks to become the corporation's first customer advocate. NJ TRANSIT is a better, stronger public transportation agency thanks to the passion and talent demonstrated by these men, and other members of the NJT family who passed away.

Looking ahead, 2008 will be another year of substantial progress. The first of 1,145 new, modern, transit- and suburban-style buses will be delivered, and we will continue to take delivery of new multilevel vehicles, adding to the 71 cars already in service. We will also provide more intermodal service, which enables us to offer more options and greater convenience for our customers while maximizing the value of our existing services. As an example of this effort, in Atlantic City we expanded the No. 552 bus route to serve the Atlantic City Rail Terminal and Convention Center, benefitting rail customers who use the bus to complete their trip. And, this month marks the opening of two intermodal transit centers—the new Wayne/Route 23 Transit Center, which is already open for bus and rail customers, and the new Mount Arlington Station which is set to open January 21.

Today, we are renewing our Senior Citizen and Disabled Resident Transportation Assistance Program, which now serves all 21 counties with more than 1,000 vehicles, making 3.9 million passenger trips annually, spending on average about \$58 million each year. More than \$400 million has been provided to this program through casino revenue funds since 1984. The local bus services made possible through this program provide trips for seniors and people with disabilities to doctors' offices, grocery stores, jobs and education centers.

Finally, we have been closely monitoring Amtrak's dispute with several of its labor unions. While we are gratified that Amtrak has expressed some optimism that a strike can be avoided, we will continue working with the DOT and other transit agencies to finalize contingency plans. A strike of any duration that shuts down the Northeast Corridor will cause severe disruption and inconvenience to tens of thousands of commuters in New Jersey, as more than half of our 740 daily trains rely on the Northeast Corridor for all or part of their trips. Next week, we will communicate detailed plans with alternate recommendations for customers, who are advised to expect significant delays in the event of a strike and should consider all options, from carpooling to telecommuting.

EXECUTIVE DIRECTOR'S MONTHLY REPORT JANUARY 2008

- 1. HIGHLIGHTS**

- 2. CUSTOMER AND COMMUNITY INITIATIVES**

- 3. EMPLOYEE RECOGNITION**

- 4. DBE/MBE PROGRAM**

- 5. PERFORMANCE MEASURES**

HIGHLIGHTS

NJ TRANSIT ridership reaches new record levels

More customers than ever made NJ TRANSIT their transportation choice to get to employment, educational and recreational destinations during the first quarter of Fiscal Year 2008, the three-month period ending September 30, 2007. System-wide, ridership increased to 64.4 million trips, 3.2 percent over the same period last year.

Ongoing efforts to improve service, along with strong regional employment trends and higher gas prices, propelled ridership to the highest ever first-quarter level with gains registered on rail, bus and light rail modes.

Ridership reached an average of 881,700 trips each weekday while weekend trips averaged 712,800. The weekend trip total was the highest for any quarter in the corporation's history.

During the first quarter, customers took 40.6 million bus trips, 18.9 million rail trips and five million trips on the system's three light rail lines.

Rail

Rail ridership increased by 5.4 percent compared to the first quarter of FY 07, with rail customers taking an average of 275,850 trips each weekday. Trips into and out of New York Penn Station increased 7.1 percent over last year. Nearly 80 percent of all new rail trips started or terminated at NYPS.

- Main/Bergen County Line led all lines in ridership growth, with an overall increase of 8.7 percent and a 23.5 percent increase on weekends.
- Northeast Corridor ridership increased 7.4 percent, including 14.7 percent ridership growth at Newark Airport Station.
- North Jersey Coast Line ridership increased 3.9 percent, with summer weekend ridership setting a new record with 6.7 percent growth.
- Raritan Valley Line ridership increased 3.5 percent, with most of the gains in weekday peak periods.
- Morris & Essex Lines recorded 3.2 percent growth, primarily during the weekday peak periods.

Light Rail

Customers took five million trips on the three light rail lines—Hudson-Bergen Light Rail, Newark Light Rail and River LINE—during the quarter, a 13.5 percent increase over last year.

On weekdays, the Wayne/Route 23 Transit Center is served by trains on the Montclair-Boonton Line, offering customers a new level of travel flexibility with 22 trains per day—eight inbound to Hoboken and 14 outbound. (Mountain View Station will remain open.)

The new facility also provides more than 1,000 parking spaces, heated shelters and bus service seven days a week. In addition, NJ TRANSIT has created a new bus route—the 324 Wayne/Route 23 Transit Center-New York Express line—to provide frequent express service between the new facility and the Port Authority Bus Terminal in midtown Manhattan.

The Transit Center is also served by the 194 Newfoundland-New York route and the new 198 William Paterson University-New York route (weekends only). Local service is offered on the 75 Butler-Newark line (weekday peak periods only) and the 748 Paterson-Willowbrook line (Monday-Saturday).

Portions of the Mothers Park & Ride (located one mile north of the new facility) will remain open with weekday-only bus service and new hours of operation. The new hours for New York bus departures are 7:30 a.m. to 9:30 a.m. Return service to Mothers is available throughout the day via the 194 and 324 lines.

With the opening of the new Wayne/Route 23 Transit Center, the Willowbrook Park & Ride also became a weekday-only operation. The Willowbrook Shoppers' Stop will continue to be served seven days a week.

In September 2006, the NJ TRANSIT Board of Directors awarded a \$16.3 million contract to J.H. Reid General Contractor of South Plainfield for construction of the facility, which includes an ADA-accessible high-level train platform, bus-boarding areas and a 1,000-space surface parking lot. The project also included equipping the facility with canopies and heated waiting areas for passenger comfort, as well as passenger information displays.

Located on a 10-acre parcel at the West Belt Road Interchange near the intersection of routes 23, 46 and Interstate 80, the new Wayne/Route 23 Transit Center is directly accessible from Route 23, eliminating the need for commuters to use local roads.

CUSTOMER AND COMMUNITY INITIATIVES

NJ TRANSIT offers extra service for busy holiday week

NJ TRANSIT offered extra bus and rail service during the busy holiday season to give customers more travel options, including “early getaway” rail and bus service on Friday, December 21 and Friday, December 28, and special late-night service after midnight on New Year’s Day.

In addition, NJ TRANSIT’s Family Super Saver Fare, which allows up to two children 11 and younger to travel free with each fare-paying adult, was extended from 7 p.m. Friday, December 21 until 6 a.m. Wednesday, December 26, and again from 7 p.m. Friday, December 28 until 6 a.m. Wednesday, January 2.

In addition to regularly scheduled weekday service, from Wednesday, December 26 through Friday, December 28, NJ TRANSIT offered extra New York-bound trains between 10 a.m. and noon on the Northeast Corridor, North Jersey Coast and Morris & Essex lines.

On Tuesday, January 1, late-night trains operated after midnight on all rail lines to accommodate holiday revelers. In addition, expanded bus service was provided from the Port Authority Bus Terminal between midnight and 5:30 a.m. on select routes.

To accommodate customers attending festivities on the Camden Waterfront, River LINE operated extended late-night service on New Year’s Eve and after midnight on New Year’s Day.

NJ TRANSIT extends bus route to Mountain Creek Ski Resort

NJ TRANSIT is making it easy to hit the slopes this winter by extending the No. 194 bus route with express service between the Port Authority Bus Terminal and Mountain Creek ski resort in Vernon, with stops in Wayne.

No. 194 buses operating to Mountain Creek served the Willowbrook Mall Park & Ride lot and Shoppers Stop in Wayne daily from December 26 to January 1 and on the weekend of January 5 and 6.

From Saturday, January 12 through March 2, the 194 route provides express weekend and major holiday service to the resort, stopping at the new Wayne/Route 23 Transit Center instead of Willowbrook Mall.

EMPLOYEE RECOGNITION

NJ TRANSIT employees bid farewell after outstanding careers

Seven NJ TRANSIT employees retired in December with careers ranging from 10 to 29 years of service:

1. Frederick L. McKinnon (Westville) Washington Township Foreman Garage II – 29 years
2. Alexander Dinkel (Middletown) Fairview Garage Repairman – 27 years
3. James F. McDermott (Cranford) Penn Plaza Regional Manager Gov. Relation – 27 years
4. Emma Winston (Clifton) Market Street Garage Bus Operator – 26 years
5. Manley D. Koonts (Jackson) General Office Building Manager/Bus Revenue – 25 years
6. Jacquelin Lamour (Union) Wayne Garage Bus Operator – 12 years
7. Martin H. Moore (Pennsauken) Southern Division Regional – 10 years

DBE/MBE PROGRAM

NJ TRANSIT – Office of Business Diversity DBE/SBE Participation

Federally Funded Contracts

\$21,567,655 in federal funds were awarded during October through December of FY 08.* Disadvantaged Business Enterprises (DBEs) were awarded \$1,703,472 or 7.9 percent, which includes both race conscious and race neutral awards.

State Funded Contracts

\$151,496,654 in state-funded contract dollars were awarded during July through December FY 08. ** Of that total, Small Business Enterprises (SBEs) received \$16,327,285 or 10.8 percent. Category 1 SBEs received \$667,549 or 0.5 percent. Category 2 SBEs received \$1,282,772 or 0.8 percent. Category 3 SBEs received \$449,496 or 0.3 percent. Category 4 SBEs received \$529,355 or 0.4 percent. Category 5 SBEs received \$13,398,113 or 8.8 percent ***

Federal & State Contracts Total

\$173,064,309 in federal and state contract dollars were awarded by NJ TRANSIT during this reporting period. Of that total, \$18,030,757 or 10.4 percent of federal and state contract dollars was won by DBEs and SBEs.

Hudson-Bergen Light Rail Transit System Project

Of \$1,433,024,411 in contract dollars awarded for the Hudson-Bergen Light Rail Transit System project****, \$180,729,496 or 12.6 percent has been received by DBEs. Of the \$180,729,496, 6 percent or \$86,823,647 has been won by Women Business Enterprises (WBEs) who are classified as DBEs.

*Fiscal year beginning October 1, 2007

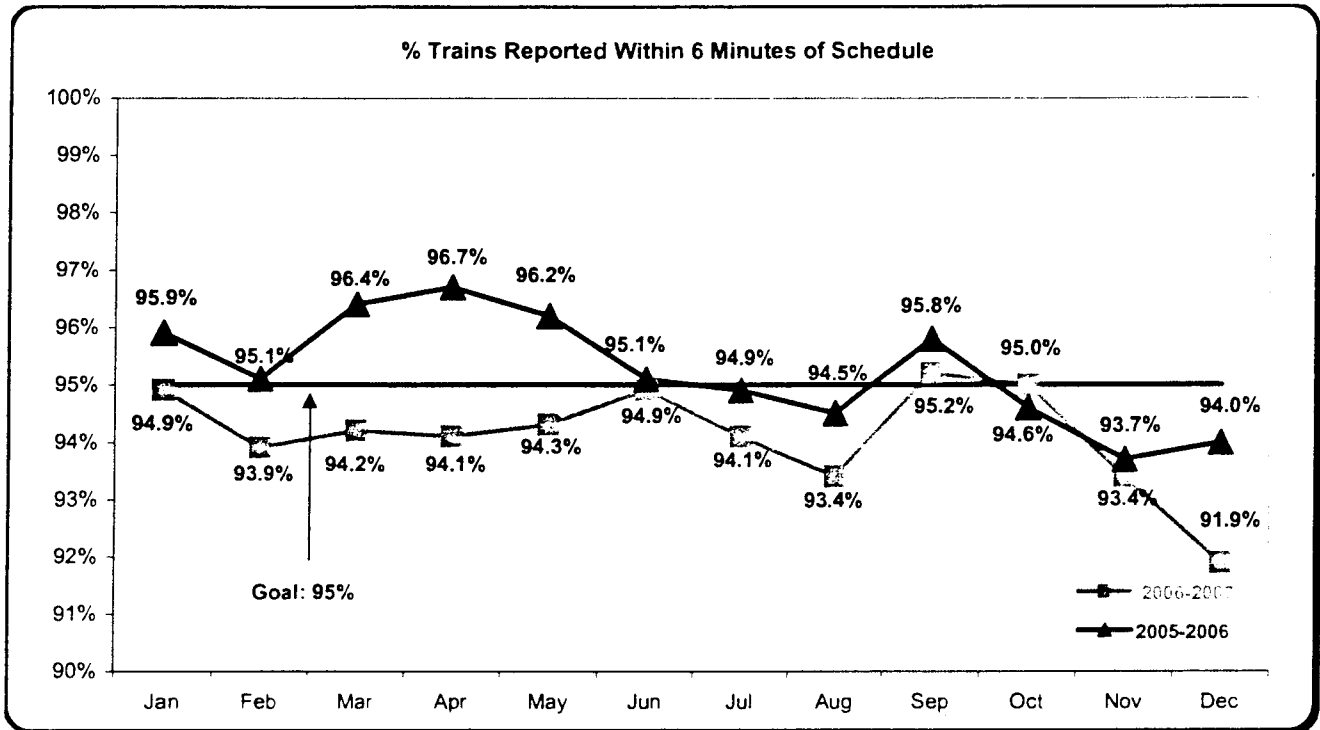
**Fiscal year beginning July 1, 2007

***Cat 1-Less than \$500,000 gross revenues, Cat 2-Less than \$5 million, Cat 3-Less than \$12 million, Cat 4 (construction)-Less than \$1 million, Cat 5 (construction)-Less than \$17,420,000

****This YTD figure reflects federal dollars expended on an annual basis, including change orders, for the period from December, 1996 through April 2005.

PERFORMANCE MEASURES

NJ TRANSIT ON-TIME PERFORMANCE RAIL JANUARY 2006 - DECEMBER 2007



	2005-2006	2006-2007	# Change
December Comparison	94.0%	91.9%	-2.1%

	2005-2006	2006-2007	# Change
12-Month Average January-December	95.2%	94.1%	-1.1%

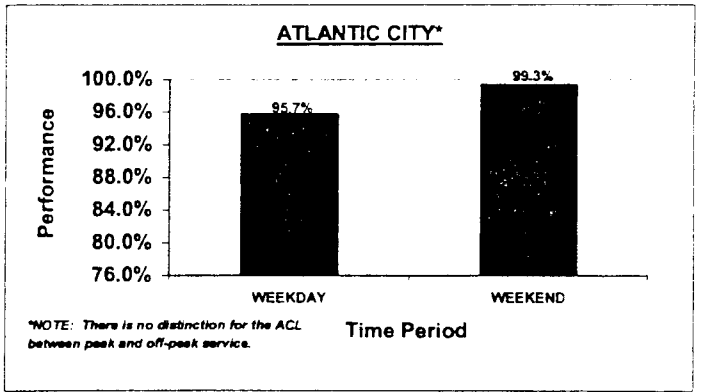
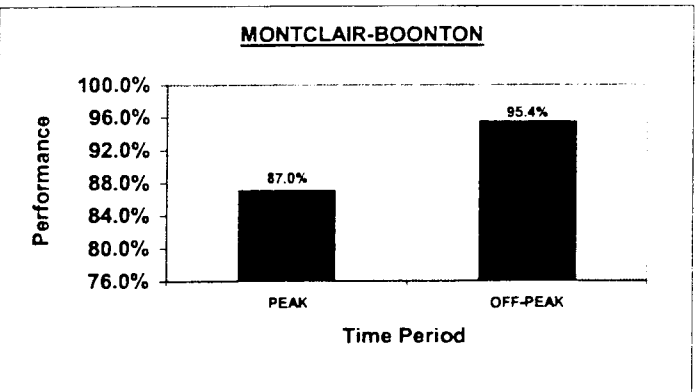
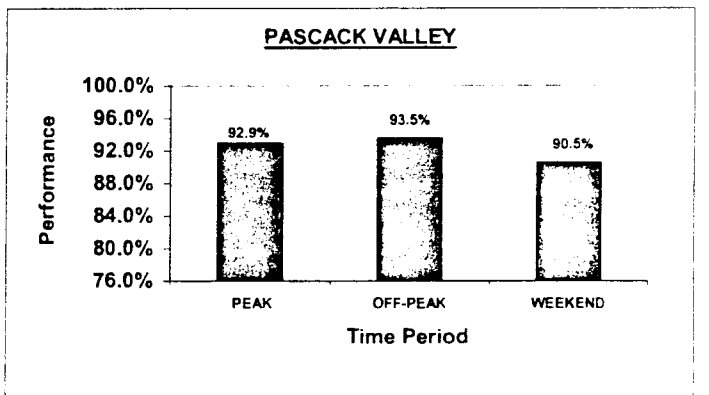
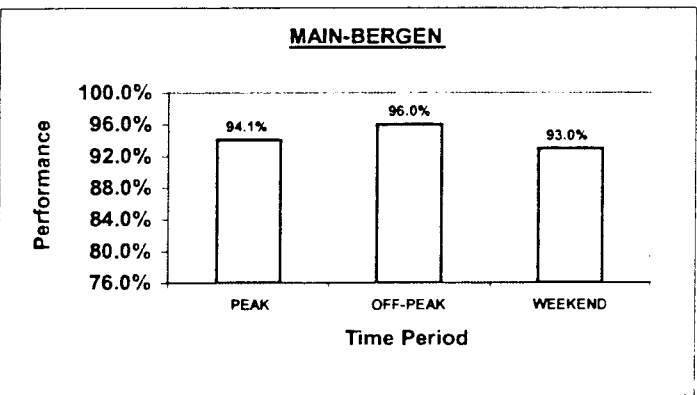
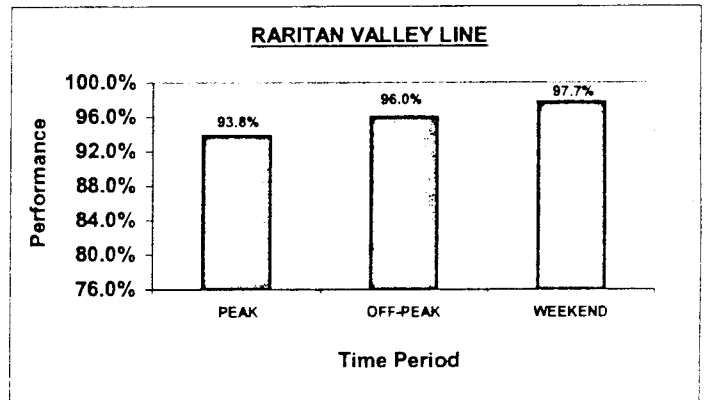
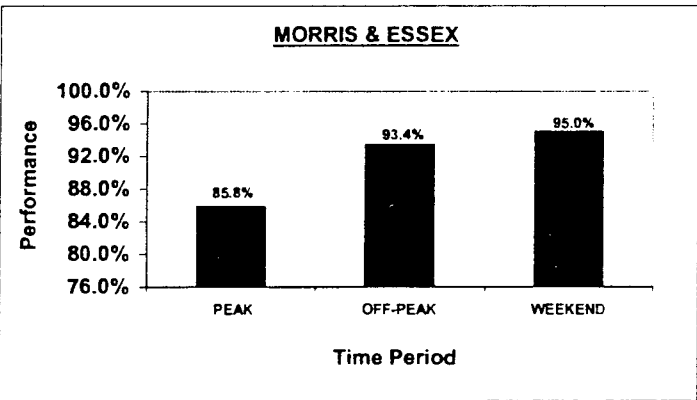
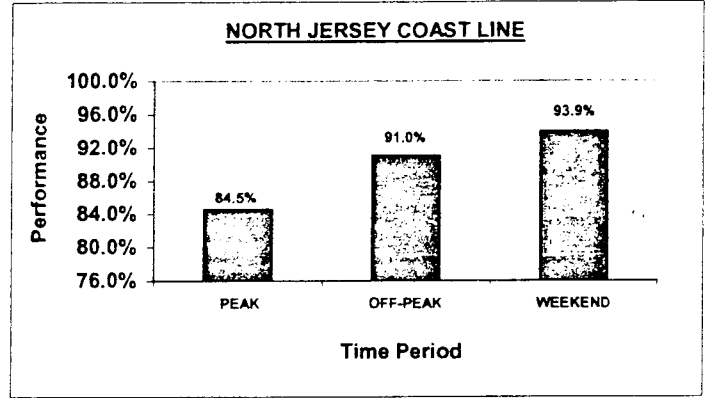
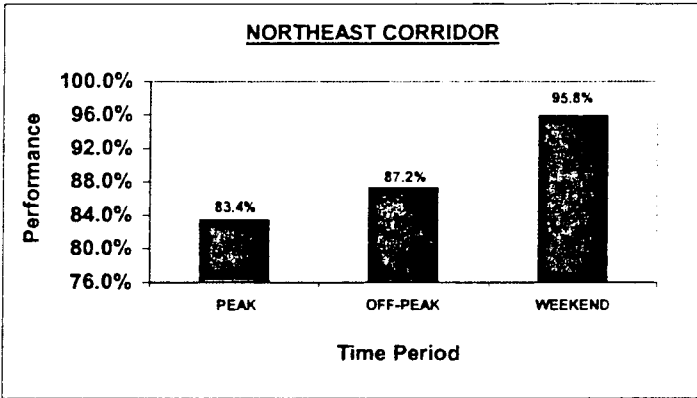
Analysis:

Rail On-Time Performance for December 2007 was 91.9%. Of the 19,684 trains that were scheduled to operate, 18,085 were on time, while 1,599 trains (or 8.1%) were delayed. Key causes of delay included:

- Amtrak's speed restrictions on the Northeast Corridor.
- Inclement weather throughout the month, which caused wheelslips and downed trees on overhead wires.
- The opening of the Portal Bridge during peak periods on December 5th, 7th, and 21st.
- A report of smoke in one of the tunnels leading from the yard in Queens to Penn Station New York on December 13th.

The 12-month average for Rail On-Time Performance for January 2006-December 2007 was 94.1%.

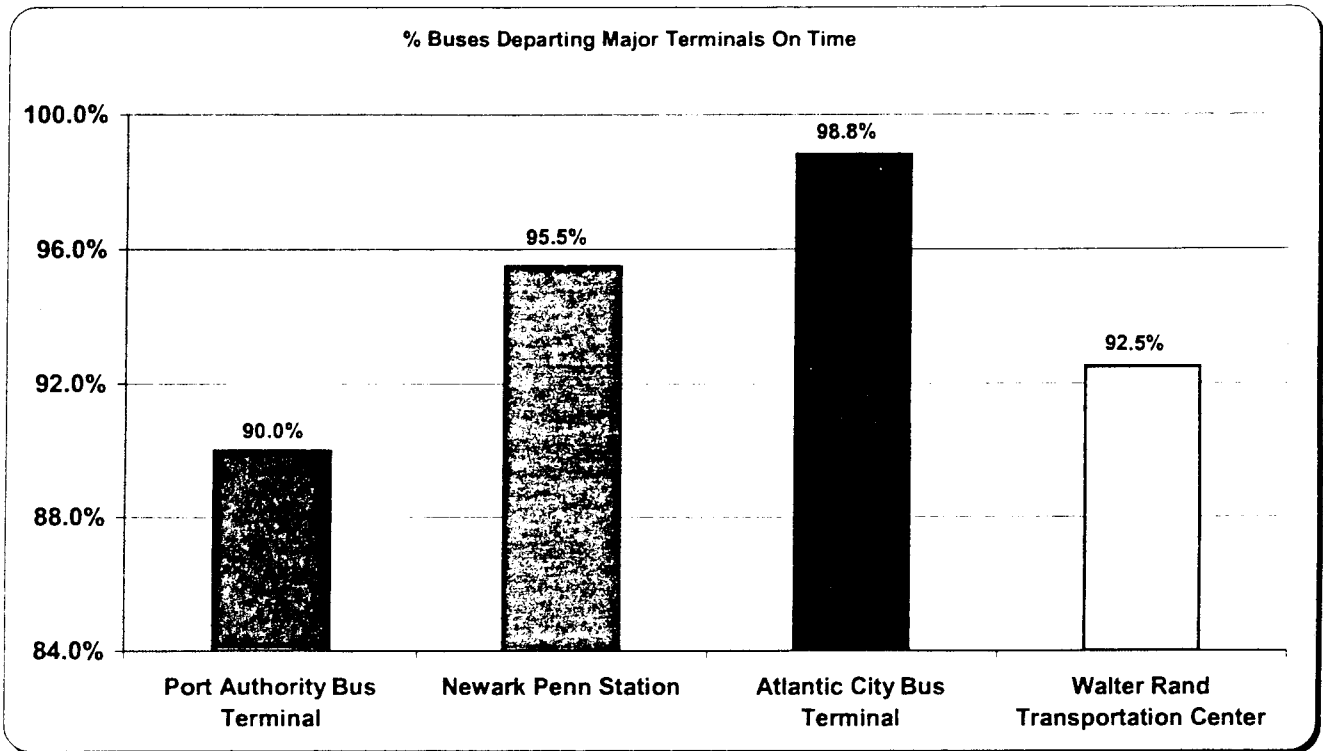
ON-TIME PERFORMANCE BY RAIL LINE & TIME PERIOD December 2007



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

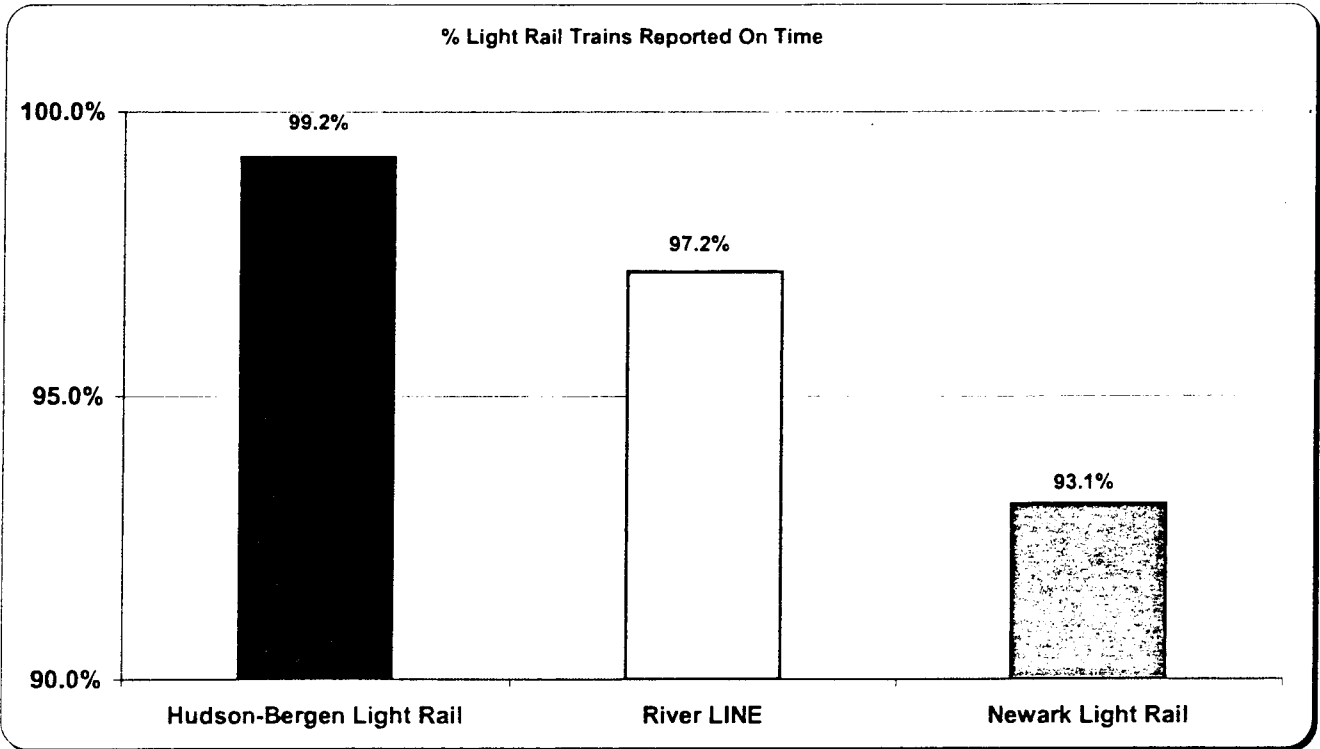
ON-TIME PERFORMANCE BUS

SUMMARY BY TERMINAL DECEMBER 2007



ON-TIME PERFORMANCE LIGHT RAIL

SUMMARY BY LINE DECEMBER 2007



ACTION ITEMS

ITEM 0801-1: NEWARK LIGHT RAIL INTEROPERABILITY PROJECT

BENEFITS

It is NJ TRANSIT's objective to use technology to improve radio communications to support passengers and employees and maintain continued operations. Management recommends the purchase of a consolidated radio communications system and implementation services for the Newark Light Rail system.

This project will result in increased subterranean radio coverage in the two Newark Light Rail tunnels with a system that delivers interoperable communications between NJ TRANSIT and multiple public safety agencies in an underground environment. This project addresses a Federal Communications Commission (FCC) compliance mandate and improves radio reliability and equipment maintainability. The project is funded with Homeland Security Funds.

PURPOSE

The current Newark Light Rail radio communication systems have exceeded their effective lifecycles and have insufficient capacity which limits interoperability within NJ TRANSIT as well as with other critical public safety agencies. The issue of reliability and maintainability of these systems are exhibited by the interference they are causing to other public safety agencies. This interference has resulted in a compliance matter with the Federal Communications Commission (FCC) whose enforcement branch has petitioned NJ TRANSIT for an immediate plan to address the interference. The investment in a new advanced radio communications technology for the Newark Light Rail system will provide:

- ◆ Seamless radio transmission coverage in the two tunnels of the Newark Light Rail for:
 - NJ TRANSIT Newark Light Rail Operations
 - NJ TRANSIT Police and Fare Inspectors
- ◆ Interoperable communications between NJ TRANSIT and its critical mutual aid partners that include:
 - Newark City Fire
 - Newark City Police
 - Essex County Office of Emergency Management
 - Essex County Fire
 - All Mutual Aid channels in the multiple radio bands
- ◆ Maintainable equipment located in areas that will not effect Newark City Subway operations
- ◆ Federal Communications Commission (FCC) compliance to remedy the harmful interference

ACTION (Justification: Improved Passenger/Employee Support, Improved Radio coverage and Interoperable Communications in the Newark City Subway (NCS) tunnels, compliance to Federal Communications Commission (FCC) petition to remedy harmful interference)

Staff seeks authorization to contract (No. 08-029) with Millennium Communications Group, Inc. of East Hanover, New Jersey for services and a new, advanced Newark Light Rail radio communications transmission system for a total cost not to exceed \$2,582,568 plus five percent for contingencies.

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

FISCAL IMPACTS

Requested Authorization:	\$2,582,568 plus five percent for contingencies
Projected Date of Completion:	June 30, 2008
Anticipated Source of Funds:	Office of Homeland Security & Preparedness (OHS&P) Appropriations Code 07-100-066-1005-003, OHS&P
Diversity Goal:	10%
Related/Future Authorization:	N/A
Impacts of Subsequent	N/A
Operating Budgets:	FY09 and subsequent fiscal years - \$5,000

RESOLUTION

WHEREAS, NJ TRANSIT depends upon communications in the Newark Light Rail tunnels to coordinate activities of NJ TRANSIT personnel and customers during daily operations and special events; and

WHEREAS, improved communications that impact employees and passengers; and

WHEREAS, the NJ TRANSIT Newark Light Rail, NJ TRANSIT Police Department and the Public Safety Mutual Aid agencies that require seamless radio communications in the Newark Light Rail tunnels to perform daily operations and interoperate to support each other during an emergency which may occur in the tunnels; and

WHEREAS, NJ TRANSIT must comply with a Federal Communications Commission (FCC) mandate to correct the existing system which has interfered with other public safety organizations; and

WHEREAS, after completion of a competitive procurement process, it has been determined that Millennium Communications Group, Inc. submitted the most advantageous proposal that will provide the best value;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to contract with Millennium Communications Group, Inc. of East Hanover, New Jersey for services and a new, advanced Newark Light Rail radio communications transmission system for a total cost not to exceed \$2,582,568 plus five percent for contingencies, subject to the availability of funds.

ITEM 0801-2: NEWARK DRAWBRIDGE AND APPROACH STRUCTURES REHABILITATION: CONSTRUCTION CONTRACT AWARD AND CONTRACT AMENDMENT FOR CONSTRUCTION ASSISTANCE SERVICES

BENEFITS

This project will rehabilitate the Newark Drawbridge and Approach Structures and extend their useful life. The work includes structural steel repairs in the superstructures, masonry and concrete repairs in the substructures, repairs to the fender system, and electrical and mechanical repairs to the Newark Drawbridge swing span. The Newark Drawbridge and Approach Structures are located between Broad Street in Newark and Passaic Avenue in Harrison. The Newark Drawbridge crosses over the Passaic River and carries approximately 60,000 passengers daily.

This project is a component of NJ TRANSIT's state of good repair program. Upon completion, the proposed Newark Drawbridge and Approach Structures rehabilitation work will assure continued and reliable service on the Morris & Essex and Montclair/Boonton lines between Newark and New York and Hoboken.

PURPOSE

This construction contract will provide for the rehabilitation of the Newark Drawbridge and Approach Structures.

The original procurement process for the consultant services contract included five tasks: Phase 1 – Engineering Study, Phase 2 – Design of Interim Repairs, Phase 3 – Preliminary Design (10% - 30%), Phase 4 – Final Design (30% - 100%) and Phase 5 – Construction Assistance. Phases 1 through 4 are complete; Phase 5 will provide construction assistance services to support construction of the Newark Drawbridge and Approach Structures Rehabilitation. The initial consultant services contract was awarded to Jacobs Edwards and Kelcey (formerly Edwards & Kelcey, Inc.) through a competitive procurement process for design services and construction assistance. This will be the final authorization for consultant services under this contract.

ACTION (Justification: State of Good Repair)

Staff seeks authorization to contract (No. 08-035X) with Skanska Koch of Carteret, New Jersey, for the construction of Newark Drawbridge and Approach Structures rehabilitation at a cost not to exceed \$23,281,911, plus five percent for contingencies, subject to the availability of funds.

Staff also seeks authorization to amend the existing professional services contract (No. 04-037) with Jacobs Edwards and Kelcey (formerly Edwards & Kelcey, Inc.) of Morristown, New Jersey, for construction assistance services to support the

RESOLUTION

WHEREAS, the Newark Drawbridge was built in 1905 and the proposed rehabilitation work will extend the useful life of the bridge and approaches thus assuring continued and reliable service on the Morristown line between Newark and New York and Hoboken; and

WHEREAS, following the completion of a competitive procurement process, it was determined that Skanska Koch was the lowest responsive and responsible bidder; and

WHEREAS, NJ TRANSIT previously selected Jacobs Edwards and Kelcey (formerly Edwards & Kelcey, Inc.) through a competitive procurement process for design services and construction assistance for the Newark Drawbridge and Approach Structures project;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to contract with Skanska Koch of Carteret, New Jersey for the construction of Newark Drawbridge and Approach Structures Rehabilitation improvements at a cost not to exceed \$23,281,911, plus five percent for contingencies, subject to the availability of funds; and

BE IT FURTHER RESOLVED that the Chairman or Executive Director is authorized to amend the contract with Jacobs Edwards and Kelcey (formerly Edwards & Kelcey, Inc.) of Morristown, New Jersey, for construction assistance in support of the Newark Drawbridge and Approach Structures Rehabilitation improvements at a cost not to exceed \$1,200,000, plus five percent for contingencies, for a total contract authorization of \$3,937,500, subject to the availability of funds.

(NJT Board – 1/17/2008)

ITEM 0801-3: PORT MORRIS YARD AND FACILITY IMPROVEMENT: DESIGN SERVICES**BENEFITS**

The planned expansion of the rail fleet, both coaches and locomotives, requires additional yard and maintenance capacity. Design, and eventual construction of additional tracks, a new Service and Inspection (S&I) Facility, and a new locomotive maintenance shop at Port Morris Yard will provide the infrastructure necessary to support the expanding rail fleet including future dual mode locomotives. The new S&I building will provide a weather-protected facility, allowing activities currently performed outside to be relocated to an indoor environment.

PURPOSE

Authorization of this contract will provide design for expansion of yard storage tracks, a new Service and Inspection Facility and a new locomotive Maintenance Shop.

The project scope includes a new 800-foot S&I facility with two pedestal/pit tracks, which will house a crew quarters with expanded outdoor parking for additional staff required for the new facility. The scope also includes design of a fully equipped locomotive maintenance shop, and reconfiguration of the yard to accommodate the new facilities.

ACTION (Justification: Capacity)

Staff seeks authorization to contract (No. 08-017) with Jacobs Edwards and Kelcey of Morristown, New Jersey, for Design Services for the Port Morris Yard and Facility Improvements at a cost not to exceed \$7,769,781, plus five percent for contingencies, subject to the availability of funds.

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

FISCAL IMPACTS

Requested Authorization: \$7,769,781 + 5% contingency

Total Project Cost: \$ 45,000,000

Projected Date of Completion: September 2009: Final Design

Anticipated Source of Funds: Transportation Trust Fund

Diversity Goal: 25% SBE

(NJT Board – 1/17/2008)

Related/Future Authorization: Construction
Construction Management
Construction Assistance

**Impact on Subsequent
Operating Budgets:** NA

(NJT Board – 1/17/2008)

RESOLUTION

WHEREAS, NJ TRANSIT seeks to improve and expand its transportation facilities; and

WHEREAS, the expansion of Port Morris Yard to include a Service and Inspection (S&I) Facility, additional tracks and a locomotive maintenance shop will support the expanding rail fleet and service and maintain future dual mode locomotives; and

WHEREAS, upon completion of a competitive procurement process it was determined that Jacobs Edwards and Kelcey was the highest ranked proposer;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to contract (No. 08-017) with Jacobs Edwards and Kelcey of Morristown, New Jersey, for Design Services for the Port Morris Yard and Facility Improvements at a cost not to exceed \$7,769,781, plus five percent for contingencies, subject to the availability of funds.

ITEM 0801- 4: BERGEN COUNTY LOCAL BUS SERVICE

BENEFITS

This contract extension will provide for the continued operation of local bus service in the Bergen County area (Exhibit A) for a two-year option period from February 3, 2008 through January 30, 2010. The eight routes serve various malls and office complexes in Bergen County and have a combined annual ridership of 1,600,000 passengers and generate annual cash fares \$1,700,000.

PURPOSE

Authorization will continue local bus service in Bergen County which staff has identified as appropriate service to be operated more economically by contracting for its performance. The carrier will comply with New Jersey's Conscientious Employee Protection Act.

ACTION

Staff seeks authorization to exercise the contract option of the current agreement with Academy Express, LLC for the operation of Bergen County local bus service as set forth in Exhibit A for an additional 24 months at a cost not to exceed \$14,686,454, plus five percent for contingencies; and to take all other actions necessary to implement and administer this agreement; provided, however, that funding of this agreement shall be subject to the availability of funds and Board approval of NJ TRANSIT's operating budgets.

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

FISCAL IMPACTS:

Requested Authorization:	\$14,686,454 (24 month operations) plus 5% for contingencies
Total Project Cost:	N/A
Projected Date of Completion:	January 30, 2010
Anticipated Source of Funds:	Fiscal Years 2008 - 2010 Operating Budgets
Diversity Goal:	Carrier is required to make a good faith effort to expend 5% of the value of the contract (excluding wages) on goods/services provided by Small Business Enterprises

Related/Future Authorizations: N/A

**Impact on Subsequent
Operating Budgets:** Provides passenger revenue

RESOLUTION

WHEREAS, staff has determined that it is appropriate to provide local bus service in Bergen County; and

WHEREAS, in December 2002 the Board of Directors authorized a contract with Academy Express, LLC for the operation of local bus service in Bergen County for a period of 60 months ending on February 2, 2008; and

WHEREAS, Academy Express, LLC has satisfactorily provided local bus service in Bergen County under contract with NJ TRANSIT since February 2003;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to exercise the contract option of the current agreement with Academy Express, LLC for the operation of Bergen County local service, as set forth in Exhibit A, for an additional 24 months at a cost not to exceed \$14,686,454, plus five percent for contingencies; and to take all other actions necessary to implement and administer this agreement; provided, however, that funding of this agreement shall be subject to the availability of funds and Board approval of NJ TRANSIT's operating budgets; and

BE IT FURTHER RESOLVED that the carriers shall comply, as a condition of the present or future contracts, and continued receipt of funds and subsidies, with New Jersey's Conscientious Employee Protection Act.

ITEM 0801-5: NJ TRANSIT GRANT PROGRAMS SUPPORTING COORDINATED LOCAL TRANSPORTATION FOR SENIOR CITIZENS, PERSONS WITH DISABILITIES, RURAL AND ECONOMICALLY DISADVANTAGED RESIDENTS

BENEFITS

Board authorization for the grant programs herein described will allow NJ TRANSIT to apply, contract and administer a variety of federal and state grant programs dedicated to the development of coordinated community based transportation services that benefit senior citizens, persons with disabilities, rural and small urban area residents and economically disadvantaged persons transitioning from welfare as well as special local transportation projects. The services funded through these grants provide non-emergency life enhancing transportation that include but are not limited to demand responsive, modified fixed-route services and community shuttles. NJ TRANSIT requires that grant subrecipients make every effort to coordinate services in order to maximize efficiency, and feed existing bus and rail services when possible. NJ TRANSIT also monitors subrecipients for compliance with relevant federal and state laws and regulations.

PURPOSE

NJ TRANSIT Policy, Technology and Customer Services department administers the state funded Senior Citizen and Disabled Resident Transportation Assistance Program, as well as a variety of Federal programs funded under the Federal Transportation Administration (FTA); Elderly and Persons with Disabilities Programs (Section 5310), Non-Urbanized (Rural) Transportation Programs (Section 5311), the Rural Transit Assistance Program (RTAP), the Jobs Access and Reverse Commute Program (JARC) as well as planning efforts under the FTA United We Ride program. In addition, from time to time local shuttle initiatives funded through a variety of federally funded sources including specially dedicated congressional appropriations, Congestion, Mitigation and Air Quality (CMAQ) and Section 5307 and 5309 programs, are applied for and administered by NJ TRANSIT on behalf of designated local providers. These programs assist a variety of private non-profit organizations, counties, various municipalities, county improvement authorities and NJ TRANSIT in meeting the mobility needs of New Jersey's senior citizens, persons with disabilities, and transportation disadvantaged and rural residents. Board authorization is sought to implement these programs in the year 2008. A description of each Program follows:

The Senior Citizen and Disabled Resident Transportation Assistance Program is funded from the Casino Revenue Tax Fund. Eighty-five percent of the annual appropriation is allocated by formula among the 21 counties for transportation of senior citizens and persons with disabilities. NJ TRANSIT is allocated the remaining 15 percent to provide administrative and compliance oversight, provide technical assistance to the counties, coordinate the program within and among the counties, and develop, provide and maintain those portions of capital improvements that afford accessibility to fixed route and other transit services.

Under administrative costs, technical assistance includes, as necessary, the awarding of grants to counties or the initiation of studies by NJ TRANSIT for planning efforts that foster coordination among counties as well as between counties, local community transportation and public transportation. Also included under planning efforts would be any studies that address statewide efforts to examine coordination of local transportation and human services programs as part of New Jersey's response to the federal United We Ride initiative. The Casino Revenue Program is shown in Exhibit A.

FTA Section 5311 (Non-Urbanized) provides capital, administrative and operating assistance for public transportation services in small urban and rural areas in New Jersey pursuant to a population-based formula. Board approval of the 2008 Program will allow 13 Section 5311 Projects to continue operation. Four additional designated rural areas are eligible for funding. The Section 5311 program is shown in Exhibit B.

Through the **Rural Transit Assistance Program (RTAP)**, NJ TRANSIT provides training and technical assistance for all small transit operators receiving federal funds. Private operators under contract to funding recipients are also allowed to participate. The Program is sponsored 100 percent by the FTA under Section 5311 and, together with Casino Revenue Administrative funds, provides a variety of training through the National Transit Institute (NTI) as well as in-house. In addition to holding training classes and workshops, NTI maintains a Community Transportation Training website, publishes a quarterly newsletter under this program and co-sponsors the annual New Jersey paratransit driver roadeo every spring.

FTA Section 5310 Program (Elderly and Disabled Transportation Capital Equipment) provides Federal funds to States for the purchase of vehicles and related equipment for private non-profit organizations and designated public bodies to provide transit services to senior citizens and persons with disabilities. The Federal funds available under this program can be used to pay up to 80 percent of the cost of vehicles. Since assuming administration of the program in 1979, NJ TRANSIT has purchased over 1,200 vehicles for non-profit organizations and designated coordinated public bodies in all 21 counties. This year the program is incorporating new FTA regulations requiring local projects be selected from locally developed human services-public transit transportation coordination plans. It is anticipated a final application for vehicles and related equipment will be submitted to the FTA this spring.

The FTA Section 5316 JOBS ACCESS AND REVERSE COMMUTE PROGRAM – (JARC) provides funds for operating and capital expenses for transit services that target employment transportation. Through a planning process initiated by the Metropolitan Planning Organizations (MPO's), applications for the FY08 program will be solicited and reviewed. NJ TRANSIT will then prepare and submit a statewide application to the FTA for funds. A dollar for dollar match is required under this program. Historically match dollars have come from local sources as well as the NJ Department of Human Services

In addition, in FY08 it is anticipated that various **Local Community Transit Initiatives** will be funded through specially dedicated Congressional appropriations, Sections 5307 and 5309, CMAQ and/or New Freedom Transit that will require the purchasing of capital equipment and/or the contracting for operating services for local transportation services.

ACTION (Justification: Mandate)

Staff seeks authorization to submit grants and execute all appropriate contracts to implement the following programs:

Authorize agreements as necessary to implement the Fiscal Year 2008 Senior Citizen and Disabled Resident Transportation Assistance Program as set forth in Exhibit A for a total program amount of \$36,928,000.

Authorize all grant submittals and the execution of all contracts and agreements with subrecipients as necessary to implement the FY2008 Section 5311 Program as set forth in Exhibit B up to \$4,142,327 of which \$966,156 is the NJ TRANSIT share.

Authorize execution of all contracts and agreements as necessary to implement the annual FTA Rural Transit Assistance Program (FY2008) up to \$94,333 at no cost to NJ TRANSIT.

Authorize all grant submittals to FTA, the award of vehicles to agencies for services identified in local human services transportation coordination plans and the execution of all contracts and agreements as necessary to implement the FFY07 and FFY08 Section 5310 Program at a cost not to exceed \$4,190,065 of which \$838,013 is the NJ TRANSIT share for FY07 program and \$4,546,590 of which \$909,318 is the NJ TRANSIT share for the FY08 program.

Authorize all grant submittals and the execution of all contracts and agreements as necessary to implement the FY08 Jobs Access and Reverse Commute Program at a cost not to exceed \$7,000,000 of which \$3,500,000 or 50 percent are federal funds. No NJ TRANSIT match is required in this program.

Authorize all grant submittals and the execution of all contracts and agreements as necessary to implement various federally funded special projects under Congressional earmarks, Section 5307, CMAQ and New Freedom programs under the FY08 budget at a cost not to exceed \$8,000,000.

Authorize the procurement of all vehicles and related equipment necessary to implement these programs from the various funding described herein at a cost not to exceed \$9,000,000.

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

RESOLUTION

WHEREAS, the Senior Citizen and Disabled Resident Transportation Assistance Act provides 100 percent State funding for the counties or their designees to provide community based transportation services, as well as for NJ TRANSIT to administer the program, to provide technical assistance to the counties and to develop, provide and maintain accessible improvements to fixed route systems; and

WHEREAS, Section 5311 of the Federal Transit Act provides 80 percent of the non-operating assistance and 50 percent of operating assistance, with NJ TRANSIT providing one-half of the local match, to improve public transit services in rural areas; and

WHEREAS, the Federal Transit Administration (FTA) makes available, under Section 5311, additional funding through the Rural Transit Assistance Program (RTAP), which provides 100 percent of the funds for training and technical assistance to Section 5311 and Section 5310 recipients; and

WHEREAS, Section 5310 provides 80 percent of the purchase price, with NJ TRANSIT providing the 20 percent match, for vehicles which are purchased for private non-profit organizations and/or designated public bodies to transport senior and disabled residents; and

WHEREAS, the FTA will make available funds, under Section 5316 Jobs Access and Reverse Commute (JARC) provides 50 percent assistance with 50 percent provided by state or local agencies other than NJ TRANSIT for transit services that address the needs of low income and WORKFIRST NJ customers; and

WHEREAS, the FTA will make available funds, under specially dedicated Congressional appropriations, CMAQ, Section 5307, Section 5309, and Section 5317 provides assistance with various match provided by state or local agencies other than NJ TRANSIT, for capital projects or equipment and/or local transit services that address the needs of community transit services; and

WHEREAS, in order to implement some of these and other community transit programs it will be necessary to purchase a variety of vehicle types in varying quantities is;

NOW, THEREFORE, BE IT RESOLVED that the Fiscal Year (SFY) 2008 Budget of the Senior Citizen and Disabled Resident Transportation Program, as set forth in Exhibit A, is hereby adopted, and the Chairman or Executive Director is hereby authorized to execute, extend or modify contracts to implement the SFY2008 Program subject to the availability of funds; and

BE IT FURTHER RESOLVED that the Chairman or Executive Director is authorized to submit the federal fiscal year FY07/08 grant applications to the FTA and execute all appropriate agreements, contracts, and take all other steps necessary to implement the FY2008 Section 5311 set forth in Exhibit B, including the expenditure of funds for the local match, subject to the availability of funds; and

BE IT FURTHER RESOLVED, that the Chairman or Executive Director is hereby authorized to submit any grant applications to the FTA, and execute all appropriate agreements, contracts and take all other steps to implement the Rural Transit Assistance Planning training program; and

BE IT FURTHER RESOLVED that the Chairman or Executive Director is authorized to submit the federal fiscal year FY07/08 grant applications to the FTA which will include the selection of local agencies to receive equipment, and execute all appropriate agreements and leases to implement the FY2008 Section 5310 program; and

BE IT FURTHER RESOLVED, that the Chairman or Executive Director is hereby authorized to submit any grant applications, and execute all appropriate agreements, contracts and take all other steps to implement the FY08 Jobs Access and Reverse Commute Program; and

BE IT FURTHER RESOLVED, that the Chairman or Executive Director is hereby authorized to submit any grant applications, and execute all appropriate agreements, contracts and take all other steps to implement the FTA FY08 New Freedom Program as well as specially dedicated Congressional appropriations, Section 5307, 5309 and CMAQ local projects; and

BE IT FURTHER RESOLVED, that the Chairman or Executive Director is hereby authorized to enter into any contracts to purchase vehicles and related equipment in order to implement any of the programs described herein, at a cost no to exceed \$9,000,000.

EXHIBIT A
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**SENIOR CITIZEN AND DISABLED RESIDENT
TRANSPORTATION ASSISTANCE PROGRAM
FY2008**

<u>COUNTIES</u>	<u>FY 2007 ALLOCATION</u>	<u>FY 2008 ALLOCATION</u>
ATLANTIC	\$ 915,342	\$ 967,700
BERGEN	2,653,292	2,805,060
BURLINGTON	1,430,991	1,512,844
CAMDEN	1,680,139	1,776,243
CAPE MAY	593,810	627,776
CUMBERLAND	593,810	627,776
ESSEX	2,555,948	2,702,149
GLOUCESTER	795,765	841,283
HUDSON	1,885,136	1,992,966
HUNTERDON	593,810	627,776
MERCER	1,166,921	1,233,669
MIDDLESEX	2,451,478	2,591,703
MONMOUTH	2,054,321	2,171,828
MORRIS	1,511,220	1,597,662
OCEAN	2,653,292	2,805,060
PASSAIC	1,579,368	1,669,708
SALEM	593,810	627,776
SOMERSET	905,285	957,068
SUSSEX	593,810	627,776
UNION	1,889,142	1,997,201
WARREN	593,810	627,776
TOTAL COUNTIES	<u>29,690,500</u>	<u>31,388,800</u>
NJ TRANSIT	<u>5,239,500</u>	<u>5,539,200</u>
	<u>\$34,930,000</u>	<u>\$36,928,000</u>

TOTAL

*100% State funds from the Casino Revenue Tax funds.

EXHIBIT B
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**Rural Transportation Assistance
FY 2008 Section 5311 Program**

	FEDERAL	STATE ****	LOCAL ****	TOTAL
<u>NORTHERN REGION</u>				
Morris County*	\$ 219,406	\$ 109,703	\$ 109,703	\$ 438,812
Passaic County (West Milford)	59,589	29,795	29,795	119,179
Sussex County	323,711	161,855	161,855	647,421
Warren County	203,621	96,621	96,621	396,863
<u>CENTRAL REGION</u>				
Hunterdon County	251,625	125,812	125,812	503,249
Mercer County **	--	--	--	--
Middlesex County **	--	--	--	--
Monmouth County	98,455	48,328	48,328	195,111
Ocean County **	--	--	--	--
Somerset County	63,695	24,087	24,087	111,869
<u>SOUTHERN REGION</u>				
Atlantic County	179,016	58,898	58,898	296,812
Burlington County	237,066	84,066	84,066	405,198
Camden County	12,401	6,201	6,201	24,803
Cape May County	75,600	31,041	31,041	137,682
Cumberland County	238,387	93,730	93,730	425,847
Gloucester County	112,557	42,826	42,826	198,209
Salem County ***	134,866	53,193	53,193	241,272
TOTAL	<u>\$2,210,015</u>	<u>\$966,156</u>	<u>\$966,156</u>	<u>\$4,142,327</u>
<u>Operating</u>	\$1,839,744	\$919,872	\$919,872	\$3,679,488
<u>Non-Operating (Administration)</u>	\$ 327,071	\$ 40,884	\$ 40,884	\$ 408,839
<u>Capital</u>	\$ 43,200	\$ 5,400	\$ 5,400	\$ 54,000
Total FY 2008 Program	\$2,210,015	\$966,156	\$966,156	\$4,142,327

* Morris County service contracted as part of NJ TRANSIT Private Carrier Affairs Program.

** Mercer, Middlesex and Ocean Counties currently eligible but inactive.

*** Salem County is currently planning service. No service provided at this time.

**** State match provided by NJ TRANSIT, local match provided by local grantee.

**ITEM 0801-6: ACTUARIAL AND CONSULTING SERVICES FOR NJ TRANSIT'S
DEFINED BENEFIT PENSION PLANS**

BENEFITS

The existing actuary/plan consultant agreement with The Segal Company has provided for the efficient and effective administration of the pension plans. Following a competitive procurement process, The Segal Company was again selected to provide actuarial and pension plan-consulting services.

PURPOSE

NJ TRANSIT's defined benefit pension plans require the assistance of an actuary for the purpose of preparing annual valuations and certifications, preparing individual annual pension benefit statements and summary plan descriptions and providing actuarial advice related to amendments to the agency's plans, as required. The consultant will act in an advisory capacity with respect to services normally provided by actuarial firms but will not provide legal opinions.

ACTION

Staff seeks authorization to contract (No. 08-028) with The Segal Company of New York for actuarial and consulting services at a cost of \$630,000, plus five percent for contingencies for the three-year period from January 1, 2008 until December 31, 2010, with two additional one-year options to extend to December 31, 2012 at an additional cost of \$445,536, plus five percent for contingencies.

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

FISCAL IMPACTS

Requested Authorization: \$630,000 – January 1, 2008 to December 31, 2010
\$445,536 – January 1, 2011 to December 31, 2012
Plus 5% contingency

Previous Authorization: \$210,000 – January 1, 2007 through
December 31, 2007
\$411,768 - January 1, 2005 through
December 31, 2006
\$586,500 - January 1, 2002 through
December 31, 2004
\$ 50,000 - July 1, 2001 through December 31, 2001
\$318,488 - July 1, 1999 through June 30, 2001
\$464,400 - September 1, 1996 through June 30, 1999

Projected Date of Completion: December 31, 2012

Anticipated Source of Funds: FY08 – FY13 Operating Budget

**Impacts on Subsequent
Operating Budgets:** None

Anticipated Source of Funds: NJ TRANSIT Pension Plans

Diversity Goal: N/A

RESOLUTION

WHEREAS, the existing contract with The Segal Company for actuarial/consulting services with regard to NJ TRANSIT's Defined Benefit Pension plans expired on December 31, 2007; and

WHEREAS, a three year contract was awarded to The Segal Company on December 2001 in the amount \$586,500 and extended for two additional years in the amount of \$411,768; and

WHEREAS, in an effort to ensure the cost effective and timely completion of existing projects already initiated, including the freezing of the NJTERP, the opt-out calculations of the NJTERP participants as well as necessary plan document revisions, the contract was extended through December 21, 2007; and

WHEREAS, in August 2007, a RFP was advertised to provide actuarial and consulting services; and

WHEREAS, three proposals were received and evaluated and The Segal Company was determined to be the most responsive proposer;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to contract with The Segal Company of New York for actuarial and consulting services at a cost of \$630,000, plus five percent for contingencies for the three-year period from January 1, 2008 until December 31, 2010, with two additional one-year options to extend to December 31, 2012 at an additional cost of \$445,536, plus five percent for contingencies.