

Chris Christie, Governor
Kim Guadagno, Lieutenant Governor
Richard T. Hammer, Commissioner
Steven H. Santoro, Executive Director

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

June 20, 2017

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, June 14, 2017.

Sincerely,

Original Signed By

Joyce J. Zuczek
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, June 14, 2017.

Board Members Present

Richard T. Hammer, Chairman
Lisa R. LeBoeuf, Governor's Representative
Anthony Longo, Treasurer's Representative
James C. Finkle Jr., Board Member
Flora M. Castillo, Board Member (By Telephone)
Raymond W. Greaves, Board Member (Non-Voting) (By Telephone)

Staff Present

Steven H. Santoro, Executive Director
Jignasa D. Desai-McCleary, Chief, Procurement & Support Services
Michael P. Kilcoyne, Vice President & General Manager, Bus Operations
Robert Lavell, Vice President & General Manager, Rail Operations
Neal A. Fitzsimmons, Acting Chief, Light Rail & Contract Services
Kevin J. Amberg, Deputy Chief of Police, Administration
Todd C. Barretta, Chief Compliance Officer
Warren A. Hersh, Auditor General
Michael J. Lihvarcik, Chief Financial Officer & Treasurer
Michael K. Slack, Chief Information Officer
Penelope L. Bassett, Assistant Executive Director, Communications & Customer Service
Eric R. Daleo, Assistant Executive Director, Capital Planning & Programs
Gardner C. Tabon, Chief, Office of System Safety
Joseph E. Snow, Deputy Attorney General
Joyce J. Zuczek, Board Secretary

Chairman Hammer convened the Open Session at 9:07 a.m. in accordance with the Open Public Meetings Act.

Chairman Hammer noted NJ TRANSIT has faced challenging days of late and any loss of life was one incident too may. He mentioned the devastating tragedy that occurred the prior week at the Washington Township Bus Garage in Gloucester County. Ryon C. Reynolds was a bus operator for two years and drove routes including one between Philadelphia and Atlantic City. Chairman Hammer asked for a moment of silence in memory of Ryon C. Reynolds, his family, all the employees at the Washington Township Bus Garage and the entire NJ TRANSIT family.

Raji Jacob, Office of System Safety, provided a Public Safety Announcement. The Pledge of Allegiance to the Flag was conducted. Board Secretary Zuczek conducted a

Roll Call and noted Board Members Castillo and Greaves were participating by telephone.

Board Secretary Zuczek announced that adequate notice of the regularly scheduled meetings of the Board of Directors of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations Inc., NJ TRANSIT Bus Operations, Inc. NJ TRANSIT Mercer, Inc. and NJ TRANSIT Morris, Inc. was provided in accordance with the Open Public Meetings Act, Chapter 231, P.L 1975, and the meetings were occurring concurrently. Notices were filed on June 9, 2017 with the Secretary of State. These notices were mailed to newspapers of general distribution, posted in the main entrance of NJ TRANSIT headquarters, and sent to each individual, agency and organization that requested such notice. Board Secretary Zuczek announced that the Board meetings were being video recorded.

Chairman Hammer asked for a motion to approve the minutes of the May 17, 2017 Board meetings. A motion was made by Board Member James C. Finkle Jr., seconded by Board Member Lisa R. LeBoeuf, and unanimously adopted.

Public Comments on Agenda Action Items

There were three speakers on agenda action items. Board Secretary Zuczek announced public comments would be limited to five minutes.

Murray Bodin stated he is now against Board Item 1706-23: Fiscal Year 2018 Sole, Single and Limited Source Procurement By Exception Waiver Authorization. Mr. Bodin discussed a recent ruling made by the US Supreme Court in the Lexmark Toner Cartridge case. He said this ruling allows a customer Ownership Rights to Repair an item post- purchase from a manufacturer because it now belongs to them. Mr. Bodin stated due to cost constraints, they should have the right to choose who repairs their products and not be locked into using a Sole, Single and Limited Source Procurement. He believes with all of the market changes in the railroad industry, NJ TRANSIT may no longer be able to utilize the sole, single and limited source procurement. Mr. Bodin stated they should scale back to one-year and see how the industry plays out before agreeing to these terms.

Steven Thorpe discussed Board Item 1706-22: Contracting out Passaic County Local Bus Service. He noted the agenda item showed Community Transportation's proposal as more than \$50 million. Mr. Thorpe suggested looking at community transit to help with these low performing bus routes. He believes community transit could operate cheaper than these private carriers. He believes the procurement process must be very convoluted for NJ TRANSIT to only get this one proposal. Mr. Thorpe would like to know what Proposals B and C were, and feels there should be many more people bidding on this than Community Transportation. He believes anything that could be done to help community transit in operating bus routes like this is a win-win.

Joseph Clift discussed Board Items 1706-17, 1706-19 and 1706-20. Mr. Clift believes NJ TRANSIT is driving a Mack Truck through loopholes since they were supposed to be small dollar amounts. He wants the Treasurer's Representative to take a look at this because he does not think it is good accounting. Mr. Clift felt that the Contracting Out of Passaic County Local Bus Service should be bid out in two sections instead of one, and go after small and disadvantaged business enterprises to get more bids. He knows the bus industry is not easy, but believes entry into the business does not require a lot of overhead.

Mr. Clift said he has asked several times when the Fiscal Year 2018 Capital Budget will be available for the public to comment on and has not received an answer. He said there are only 16 days left in this month and the budget still is not available and believes this is not acceptable. Mr. Clift said the Department of Transportation usually has the whole budget, including NJ TRANSIT, out by April. Mr. Clift said he understands the Fiscal Year 2018 Operating Budget may not be available, but believes there is no reason for the Fiscal Year 2018 Capital Budget to not be available.

Mr. Clift understands the summer costs were not in the February budget proposal because they did not know it would happen. He said NJ TRANSIT needs to ask the legislature to budget more operating funds for the summer costs because otherwise they will have to cut service or direct capital funds for operating expenses.

Mr. Clift said NJ TRANSIT is behind in making the PRIIA payments to Amtrak and it was not fair to Amtrak to blame them for not maintaining Northeast Corridor infrastructure when NJ TRANSIT hasn't paid its required payments. He believes NJ TRANSIT should increase its capital budget so they can pay the legally mandated payments.

Mr. Clift believes NJ TRANSIT should have lengthened Platforms 1 and 2 serving Tracks 1 through 4 so it would have been in better shape to handle the upcoming summer problems. He wants NJ TRANSIT to change the Fiscal Year 2018 Capital Budget to provide \$10 million to cover the design costs to extend these platforms to the West End Concourse so they do not miss out on the Moynihan Project.

Advisory Committee Report

Suzanne Mack provided the Advisory Committee Report. Ms. Mack stated that last month they had their quarterly meeting with the Board Liaison, Board Member Finkle, and she thanked him for his time and participation. She said it has been a difficult quarter for riders, especially as it relates to unfortunate accidents, scheduling, and fare issues. Ms. Mack also stated the mood of riders has been down because they felt NJ TRANSIT has let them down. She believes the summer would be a great time to catch up on improvements, and she is glad to see Amtrak taking responsibility.

Ms. Mack said that the entire rail system is aging, underfunded, in need of repair, and unfortunately, the convergence of all of this has been impacting riders. Ms. Mack believes that people will forget and put this all behind them once the work is done.

Ms. Mack agreed with Mr. Clift and re-iterated that as an agency and a state they need to come up with a strategic plan to move forward in the next two to three years to make NJ TRANSIT like it once was.

Ms. Mack said their next Advisory Committee Meeting will be in September; however they are scheduled to conduct annual tours of the facilities which have been set-up thanks to Mr. Lavell.

In closing, Ms. Mack said her thoughts are with everyone involved in the Penn Station schedule changes and she hopes all goes well. She also said the Advisory Committee will be around for the summer and she is interested in the budget and providing any assistance she can to the Board.

Board Customer Service Committee Report

Board Member Finkle presented the report for the Customer Service Committee. The Customer Service Committee received a Customer Service update and report on the Social Media Dashboard. The Committee also received an update on the feedback from the We Are Listening Customer Forums.

Board Administration Committee Report

Board Member Finkle presented the report for the Administration Committee. The Administration Committee discussed the board items for the: Passaic County Local Bus Service; Fiscal Year 2018 Sole, Single, and Limited Source Procurement by Exception Waiver Authorization; Corporate Insurance Program Annual Renewal; and Information Technology Audit Services Agreements. The Committee also received a Financial Update, which included an analysis of ridership trends.

Board Capital Planning, Policy, and Privatization Committee Report

Chairman Hammer presented the report for the Capital Planning, Policy, and Privatization Committee. The Capital Planning, Policy and Privatization Committee discussed the NJ TRANSIT Resilience Program board items for the Hoboken Boiler and Terminal Repairs, Observer Highway Switching Station, Substations, and Integrity Oversight Monitoring Services. The Committee also discussed the 2018 Task Order Consultant Contracts Program and Annual Notice of Meetings board items.

Executive Director's Monthly Report

Executive Director Santoro noted as Chairman Hammer mentioned earlier, they tragically lost a member of the NJ TRANSIT team. Ryon Reynolds was a bus operator

out of the Washington Township Garage for two years and so this tragedy impacts all of Ryon's co-workers and friends. They immediately made NJ TRANSIT's Employee Assistance Program available to help their co-workers through this difficult time. When they heard about the tragedy, Executive Director Santoro and General Manager/Vice President of Bus Operations Michael Kilcoyne immediately went to the Washington Township Garage where they were able to speak to employees, as well as Ryon's family. The viewing was scheduled for Friday, June 16, 2017 followed by the funeral on Saturday.

This past Friday, NJ TRANSIT announced their service plan for the July and August Amtrak repair work at Penn Station New York. Given the reality of the track work that Amtrak must repair, NJ TRANSIT's service planning experts developed a plan with safety as the top priority, while maintaining the travel patterns of 75 percent of NJ TRANSIT's customers. This plan was created in coordination with the New Jersey Transit Office of Emergency Management, as they do with all of their large scale events, and follows the National Incident Management Systems (NIMS) process to ensure that safety remained the number one goal.

This will not be an ordinary summer of travel for any of NJ TRANSIT's customers across the system on rail, bus or light rail. They have developed a communication plan which includes a commitment to communicate frequently with customers and stakeholders utilizing social media and the traditional news media. They have established a special section of NJ TRANSIT's website, www.njtransit.com/theupdate. Customers have been directed to the website.

Prior to July 10, 2017, NJ TRANSIT's Emergency Operations Center (EOC) will be fully activated. The EOC will have representatives from rail, bus, light rail, police as well as their communications team, social media and customer service. The EOC will be monitoring the entire system in real time, on all modes of transportation.

NJ TRANSIT will have management deployed to key locations to ensure the service is operating as intended. To ensure that customers are getting through the system NJ TRANSIT will deploy employee Ambassadors helping to guide riders. In fact, they would have a number of Ambassadors out that week to answer questions following the release of the plan.

Executive Director Santoro noted they received confirmation that the West End Concourse would open up prior to July 10, 2017, in mid-June, which would help customer egress and access to platforms. More information will be sent so customers are aware of the new paths of travel.

In the lead up to this summer, they were also in the midst of National Safety Month. Executive Director Santoro said it is an appropriate time ahead of these service changes to remind customers and employees of the critical nature of safety.

NJ TRANSIT's Office of System Safety was conducting a month-long effort to raise the awareness by going to sites, talking with customers and employees, handing out safety tips and spreading the word that safety is the top priority. They have been contacting customers through social media, public address announcements and the FYI customer newsletter, all in an effort to have everyone thinking about safety.

They continue to make great progress on other safety initiatives with the installation of inward and outward facing cameras on their trains. More than 70 percent of NJ TRANSIT's rail fleet now has the forward facing cameras and more than 60 percent has the inward facing cameras. These camera systems prove to be helpful tools in conducting investigations and raising their level of safety another notch.

As they talk about camera systems, their technology upgrades are not limited to just rail. They are also installing 360-degree camera systems on buses. These cameras allow the bus operator to maintain a view around the bus and to prevent accidents, especially while turning.

They will also be procuring new bus and rail simulators to give NJ TRANSIT's operators and engineers the best and most comprehensive training that is available. As Executive Director Santoro has said many times before, NJ TRANSIT is hiring, and many of the jobs they are filling are related to safety.

Executive Director Santoro noted they were taking another step toward making NJ TRANSIT's rail system more resilient to future weather events. The public comment period for the Environmental Assessment of a new Raritan River Bridge begins that day and runs through July 14, 2017. This is a critical step in securing the needed approval to proceed to final engineering on this vital link on the North Jersey Coast Line.

Executive Director Santoro invited all members of the public and stakeholders to review the document, which is available on the website: www.njtransitresilienceprogram.com. Written comments can be submitted through that website, by email or by traditional mail.

The new lift bridge will replace the current swing span, which is more than 100 years old, to provide much stronger resiliency to weather events like Superstorm Sandy which caused heavy damage. As the sole rail link to 17 of the 20 stations on the North Jersey Coast Line, carrying nearly 10,000 customers every day, they cannot take that kind of chance again.

Executive Director Santoro reminded customers to stay vigilant. If they see something, say something. Customers may be focused on new travel patterns and new destinations. There may be more people in certain locations and fewer people in other locations. Customers may be utilizing different modes of transportation.

They cannot stress enough, that if something looks out of place or suspicious, let the professionals know immediately. The New Jersey Transit Police Department is always on patrol and will investigate every tip.

Action Items

1706-17: NJ TRANSIT RESILIENCE PROGRAM – HOBOKEN BOILER AND TERMINAL REPAIRS: CONSTRUCTION CONTRACT AWARD AND AMENDMENT TO 2012 TASK ORDER CONSULTANT CONTRACTS PROGRAM FOR CONSTRUCTION ASSISTANCE SERVICES

Executive Director Santoro introduced Eric Daleo, Assistant Executive Director, Capital Planning and Programs, who presented Action Item #1706-17 for approval.

Eric Daleo recommended approval of Item #1706-17, NJ TRANSIT Resilience Program – Hoboken Boiler and Terminal Repairs: Construction Contract Award and Amendment to 2012 Task Order Consultant Contracts Program for Construction Assistance Services. Approval was requested to enter into a contract with DMR Construction Services, Inc., for the construction of the Hoboken Boiler and Terminal Repairs Project in an amount not to exceed \$10,354,454.69, plus five percent for contingencies, subject to the availability of funds.

Approval was also requested to increase the total authorization amount for the 2012 Capital Planning and Programs Task Order Consultant Contracts Program with STV, Inc. by \$765,776 for Construction Assistance services and other related services to support the Hoboken Boiler and Terminal Repairs Project and coordination with other Hoboken area projects, for a maximum authorization amount of \$8,765,776 for this contract (NJ TRANSIT Resilience Program) and a maximum authorization amount of \$114,001,126 for the 2012 Task Order Consultant Contracts Program (NJ TRANSIT Resilience Program), subject to the availability of funds.

Board Member Lisa R. LeBoeuf moved the resolution and Board Member Anthony Longo seconded it. It was adopted with Board Member Flora M. Castillo voting against the item.

Roll Call Vote:

Hammer	LeBoeuf	Longo	Castillo	Finkle	Greaves
Yes	Yes	Yes	No	Yes	(Non-Voting Member)

1706-18: NJ TRANSIT RESILIENCE PROGRAM – OBSERVER HIGHWAY SWITCHING STATION: CONSTRUCTION CONTRACT AWARD

Executive Director Santoro introduced Eric Daleo, Assistant Executive Director, Capital Planning and Programs, who presented Action Item #1706-18 for approval.

Eric Daleo recommended approval of Item #1706-18, NJ TRANSIT Resilience Program – Observer Highway Switching Station: Construction Contract Award. Approval was requested to enter into a contract with DMR Construction, Inc. of Waldwick, NJ, for the construction of the Observer Highway Switching Station project in an amount not to exceed \$2,780,741.24, plus five percent for contingencies, subject to the availability of funds.

Board Member James C. Finkle Jr. moved the resolution and Board Member Lisa R. LeBoeuf seconded it. It was adopted with Board Member Flora M. Castillo abstaining from voting.

Roll Call Vote:

Hammer	LeBoeuf	Longo	Castillo	Finkle	Greaves
Yes	Yes	Yes	Abstain	Yes	(Non-Voting Member)

1706-19: NJ TRANSIT RESILIENCE PROGRAM – SUBSTATIONS: AMENDMENT TO 2012 TASK ORDER CONSULTANT CONTRACTS PROGRAM

Executive Director Santoro introduced Eric Daleo, Assistant Executive Director, Capital Planning and Programs, who presented Action Item #1706-19 for approval.

Eric Daleo recommended approval of Item #1706-19, NJ TRANSIT Resilience Program – Substations: Amendment to 2012 Task Order Consultant Contracts Program. Approval was requested to increase the total authorization amount for the 2012 Capital Planning and Programs Task Order Consultant Contracts Program with Gannett Fleming, Inc. by \$2,750,000, for a maximum authorization amount of \$13,390,000 for this contract (NJ TRANSIT Resilience Program) and a maximum authorization amount of \$116,751,126 for the 2012 Task Order Consultant Contracts Program (NJ TRANSIT Resilience Program), subject to the availability of funds.

Board Member Anthony Longo moved the resolution and Board Member James C. Finkle Jr. seconded it. It was adopted with Board Member Flora M. Castillo voting against the item.

Roll Call Vote:

Hammer	LeBoeuf	Longo	Castillo	Finkle	Greaves
Yes	Yes	Yes	No	Yes	(Non-Voting Member)

1706-20: CAPITAL PLANNING AND PROGRAMS TASK ORDER CONSULTANT CONTRACTS PROGRAM: CORRIDOR PLANNING; ENVIRONMENTAL CONSULTING SERVICES; QUALITATIVE AND QUANTITATIVE RESEARCH; RAIL OPERATIONS AND INFRASTRUCTURE PLANNING; AND STATIONS, ACCESS, PARKING, AND SITE PLANNING

Executive Director Santoro introduced Eric Daleo, Assistant Executive Director, Capital Planning and Programs, who presented Action Item #1706-20 for approval.

Eric Daleo recommended approval of Item #1706-20, Capital Planning and Programs Task Order Consultant Contracts Program: Corridor Planning; Environmental Consulting Services; Qualitative and Quantitative Research; Rail Operations and Infrastructure Planning; and Stations, Access, Parking, and Site Planning. Approval was requested to enter into contracts with the firms shown in Exhibit A for engineering, research and planning support services on a task order basis in five disciplines: Corridor Planning; Environmental Consulting Services; Qualitative and Quantitative Research; Rail Operations and Infrastructure Planning; and Stations, Access, Parking, and Site Planning. The total value of the 2018 Task Order Consultant Contracts Program, of which these contracts comprise the first package, is \$50,000,000. Each contract duration will be five years; the maximum task and contract limits for each discipline are shown in Exhibit B.

Approval was also requested to extend the term of the 2012 Capital Planning and Programs Task Order Consultant Contracts Program contracts in five disciplines: Architectural/Engineering; Bridge and Railway Engineering; Travel Demand Forecasting; and Transit-Friendly Planning, Land Use and Development for a targeted and limited extension as shown on Exhibit C. The current task limits, contract limits, and overall authorization for this program will remain unchanged.

Board Member Lisa R. LeBoeuf moved the resolution, Board Member Anthony Longo seconded it, and it was unanimously adopted.

Roll Call Vote:

Hammer	LeBoeuf	Longo	Castillo	Finkle	Greaves
Yes	Yes	Yes	Yes	Yes	(Non-Voting Member)

1706-21: NJ TRANSIT RESILIENCE PROGRAM: INTEGRITY OVERSIGHT MONITORING SERVICES CONTRACTS – EXTENSION OF TIME

Executive Director Santoro introduced Warren Hersh, Auditor General, who presented Action Item #1706-21 for approval.

Warren Hersh recommended approval of Item #1706-21, NJ TRANSIT Resilience Program: Integrity Oversight Monitoring Services Contracts – Extension of Time. Approval was requested to exercise the first two-year period option to extend contracts with CohnReznick, LLP, Eisner Amper LLP, RSM, LLP (formerly McGladery, LLP), and with Thacher Associates, LLC utilizing the previously approved total authorization amount not to exceed the sum of \$15,000,000 as authorized in Board Item 1405-19 dated May 15, 2014 for all approved Work Authorizations that may be issued to these four Consultants during the two-year contract extension period, subject to availability of funds.

Board Member Flora M. Castillo moved the resolution, Board Member Anthony Longo seconded it, and it was unanimously adopted.

Roll Call Vote:

Hammer	LeBoeuf	Longo	Castillo	Finkle	Greaves
Yes	Yes	Yes	Yes	Yes	(Non-Voting Member)

Chairman Hammer noted Board Member Finkle was recused from voting on the next item and Board Member Finkle left the room at approximately 9:41 a.m.

1706-22: CONTRACTING OUT: PASSAIC COUNTY LOCAL BUS SERVICE

Executive Director Santoro introduced Neal Fitzsimmons, Acting Chief, Light Rail and Contract Services, who presented Action Item #1706-22 for approval.

Neal Fitzsimmons recommended approval of Item #1706-22, Contracting Out: Passaic County Local Bus Service. Approval was requested to enter into a contract with Community Transportation, Inc. of Paramus, New Jersey, to operate the Passaic County Local Bus Service, as set forth in Exhibit A for a 36-month contract period from August 27, 2017 through August 29, 2020, at a total cost not to exceed \$20,202,815, plus five percent for contingencies.

Approval was also requested to exercise options to extend the contract for two 24-month periods, in accordance with the Request for Proposal and the carrier’s proposal, at a cost not to exceed \$14,566,020 the first option period from August 30, 2020 through August 27, 2022 and \$15,408,268 for the second option period from August 28, 2022 through August 31, 2024, plus five percent for contingencies.

The combined contract cost with option periods is not to exceed \$ 50,177,103, plus five percent for contingencies.

Board Member Flora M. Castillo moved the resolution and Board Member Anthony Longo seconded it. It was adopted with Board Member Finkle recused from voting.

1706-26: ANNUAL NOTICE OF MEETINGS

Executive Director Santoro introduced Joyce Zuczek, Board Secretary, who presented Action Item #1706-26 for approval.

Joyce Zuczek recommended approval of Item #1706-26, Annual Notice of Meetings. Approval was requested to adopt the Annual Notice of Meetings (Exhibit A) for all of the Board of Directors' meetings during Fiscal Year 2018.

Board Member James C. Finkle Jr. moved the resolution, Board Member Lisa R. LeBoeuf seconded it, and it was unanimously adopted.

Roll Call Vote:

Hammer	LeBoeuf	Longo	Castillo	Finkle	Greaves
Yes	Yes	Yes	Yes	Yes	(Non-Voting Member)

Executive Session Authorization

At approximately 9:48 a.m., Chairman Hammer requested a motion to enter Executive Session to discuss personnel matters, contract negotiations, the status of pending and anticipated litigation and matters falling within the attorney-client privilege.

Board Member Lisa R. LeBoeuf moved the resolution, Board Member James C. Finkle Jr. seconded it, and it was unanimously adopted.

Board Secretary Zuczek conducted a Roll Call as Board Members returned to Open Session. All Board Members, except Board Members Castillo and Greaves, returned to open session at approximately 10:05 a.m.

Public Comments on Other Matters

There were 27 speakers on other matters.

Murray Bodin would like to see use of technology like the self-parking car on NJ TRANSIT trains. He thinks it will work everywhere to stop the train, cost less money than Positive Train Control, and could be implemented quickly.

Mr. Bodin stated he would also like to see open rail cars with no separation between cars. He believes this type of train car would allow NJ TRANSIT to transport more passengers, use 12 cars at stations that only accommodate eight cars, and offer better safety to passengers when walking from car to car.

Mr. Bodin wants NJ TRANSIT to stop wasting time on Positive Train Control, which only work in limited areas and will not be effective for years. He believes it is NJ TRANSIT's responsibility to test different things and make the railways better.

David Peter Alan said history was made that morning when Board Member Castillo voted no to two action items. Mr. Alan extended his congratulations to her and said that everyone else should join him in doing so as well. Other than when Chairman Hammer first joined the Board and voted no on a personal injury item, he said this was the first time anyone ever voted no to an action item since April 2003.

Mr. Alan said the Lackawanna Coalition believes this coming summer of schedule changes is a great time for NJ TRANSIT to ingratiate itself with its riding community along the Morris & Essex Line. The Lackawanna Coalition would like to provide a valuable service to their riders and their towns but he said unfortunately this did not happen and NJ TRANSIT lost the opportunity and this sort of thing only comes along rarely. Mr. Alan stated that in July and August NJ TRANSIT will turn back the hands of time with the Morris & Essex Line reverting to 1996 levels of service, when all trains went into Hoboken. He believes their constituents were probably singled out differently for this decision because management thought it was easier for them and harder on the riders the Lackawanna Coalition represents.

Mr. Alan stated while they know of the need for the extensive repairs, Amtrak should have done this work years ago. He believes NJ TRANSIT should have brought the towns along the Morris & Essex Line and the Lackawanna Coalition into this process at the early stages. Mr. Alan said asking for feedback and suggestions on how to make the summer less painful for their riders, both commuter and occasional riders, would have been a good idea. He believes management displayed an attitude of we will let you know when we want you to know. Mr. Alan said NJ TRANSIT was criticized by the Mayors and Officials of several of their towns along the Morris & Essex Line, for not letting them know what was going to happen. He believes this level of secrecy is unacceptable. Mr. Alan said the Lackawanna Coalition is used to being ignored more than their elected officials. He stated that management could have made this summer far less painful for constituents if they would have worked with our constituents and elected officials along the Morris & Essex Line.

Mr. Alan said the Lackawanna Coalition learned from NJ TRANSIT at the Legislative hearing on May 31, 2017 that there will still be a capacity for 15 trains per hour this summer. The Lackawanna Coalition calculated from this information that it will only be necessary to divert trains to Hoboken between 7:00 a.m. and 9:00 a.m. in the morning and 4:30 p.m. through 6:30 p.m. in the afternoon and early evening. Mr., Alan said there is room at Penn Station at other times so midday and evening trains and trains on the shoulder of the peak commuting hours can still go into Penn Station.

Mr. Alan stated the Lackawanna Coalition is still doing what they can to help their constituents, however they still have a lot of unanswered questions. Mr. Alan said he has submitted a document to NJ TRANSIT management requesting answers within two

weeks so the Coalition can furnish their constituents with answers. He said the Coalition called upon NJ TRANSIT to add connection times with the Ferry and PATH including 33rd Street on their schedules and Mr. Alan was assured that this will happen. Mr. Alan said riders have a right to know, especially outside of peak times when PATH is not operating as frequently.

In closing, Mr. Alan stated the Coalition will continue to keep riders informed on what they can do on their website and via the Lackawanna Coalition "RAILGRAM" Newsletter. Mr. Alan does not feel this will be as effective as if he had been able to work closer with NJ TRANSIT management. Mr. Alan's last comment to NJ TRANSIT was riders really need to know when trains are coming in sooner rather than later with up-to-the-second announcements and boarding.

Joseph Clift said he was glad to see the West End Course is going to be open down to Track 5, however this is a year plus late. He said the Long Island Railroad has had access down to Track 13 for the last 30 years and NJ TRANSIT has not. Mr. Clift said the West End Concourse should be opening on June 15, 2017 and he heard that Governor Cuomo will be there at the opening, but Track 1 through 4 will not be accessible.

Mr. Clift stated he looked at the Long Island Railroad Summer Planning Schedule and it was very robust and they added three morning trains. He believes NJ TRANSIT should add a second train on the Morris & Essex Line getting in the morning. Mr. Clift said NJ TRANSIT has only added one, and second would have been better.

Mr. Clift said the Long Island Railroad is only diverting peak trains. He said on the Morris & Essex Line there were trains in the morning that push NJ TRANSIT over 15 trains an hour, but they are diverting in the current schedule 35 trains, which means (27) trains do not need to be diverted. Mr. Clift said NJ TRANSIT needs to come up with a new schedule to have trains go into Hoboken at peak and New York during off-peak and evenings. He said the Long Island Railroad has done this and NJ TRANSIT could have done this as well.

Mr. Clift said Long Island Railroad added cars to some trains and shifted things around and he thinks NJ TRANSIT could have done this on the Denville West Line. Leaving from Denville East, he said they could either go to the Montclair Branch or the Morris & Essex Line, but right now the quicker train out is the Morris & Essex Line. Mr. Clift said if service had been increased out of Montclair, with longer trains and good connecting times, they could have brought everyone from Denville into Montclair and transferred them there and allowed more people to go in on a reduced number of trains. He said Long Island Railroad has added 36 cars to existing trains going into Penn Station and they have literally taken three 12-car trains and moved capacity to other trains. Mr. Clift thinks NJ TRANSIT should have done this West of Denville.

Mr. Clift said that Long Island Railroad had a robust taskforce effort and they included officials from the counties and cities, and private citizens, and their collective efforts

shows in the improvements they have made during these upcoming summer months. Moving forward Mr. Clift stated NJ TRANSIT needs to include more people, legislative personnel, and the Lackawanna Coalition and NJ-ARP.

Mr. Clift said NJ TRANSIT needs to look at the summer schedules because they show them taking riders into Hoboken with no PATH information, so riders have to figure out how to get back out of Hoboken. This is not right. He said this may be a PATH issue and not NJ TRANSIT, but riders need more information and details and they need it in their hands as quickly as possible.

Kin Gee provided an update to JCP&L's proposal to build a 10-mile long 230,000 volt transmission line from Aberdeen to Red Bank in Monmouth County using NJ TRANSIT's right-of-way. The formal plenary hearing for JCP&L's petition before Administrative Law Judge Gail Cookson started on April 4, 2017 and continued through April 12, 2017. The hearing was on a break and would resume on June 14, 2017.

Mr. Gee said Judge Cookson agreed to a site visit and made the tour on Wednesday, June 7, 2017. The tour took about five hours and consisted of 18 stops in the five towns along NJ TRANSIT's tracks. Judge Cookson selected these 18 stops which included seven private residences where she could enter the backyards so that she could see the homeowner's perspective on how close the tracks are and where the poles would be.

Mr. Gee urged NJ TRANSIT to say no to JCP&L and not allow them the use the right-of-way.

Rachel Kanapka is President of the grassroots group Residents Against Giant Electric. Ms. Kanapka stated the recent primaries took place for the new Governor and she wanted to speak to their views on the JCP&L Project. She said Lieutenant Governor Kim Guadagno could not make a statement at this time because of ethical conflicts since she oversees some of the agencies. Ms. Kanapka said Serena DiMaso who was at a Board Meeting in October 2016 is in the process of arranging a meeting with the Lieutenant Governor, who said she would like to meet with the RAGE group and hear their side of the story. Ms. Kanapka noted the Lieutenant Governor does not know if she can publicly comment on this subject, but she is interested in hearing RAGE's perspective on the JCP&L Project.

Ms. Kanapka said Phil Murphy, another primary governor candidate, is on RAGE's side and she read a statement from Mr. Murphy. She said Mr. Murphy joined Congressman Palone and the numerous state local leaders who oppose the JCP&L proposal to run a high voltage power transmission lines across Monmouth County. Ms. Kanaka stated Mr. Murphy's solution to this was that we must encourage alternative renewable sources of energy that not only would minimize environmental and community impact and damage to private property; but will prove much more resilient in the long run.

Ms. Kanapka stated the Judge taking the tour was a win for RAGE and she said that herself, Kim Gee, and the attorney stopped at 18 places. She specifically referenced the covered bridge near Middletown which was close to NJ TRANSIT's catenary lines was about 40 feet. Ms. Kanapka noted how narrow this was and the dangers to fall zones near resident's yards, homes, sheds and the railways. She said these monster poles going up would be a safety risk to customers and riders and NJ TRANSIT workers driving the trains should these poles be hit. Ms. Kanapka pleaded for them to say no to JCP&L.

Janet Berk stated at the last Board meeting she asked them to send a clear message to the riders that their safety and convenience is their top priority by telling JCP&L no to using the right-of-way. She made the same request again. Ms. Berk said NJ TRANSIT riders are frustrated by the delays which will only get worse this summer, and the two year MCRP would extend the delays far longer.

Ms. Berk noted she made an OPRA request for JCP&L documents requesting the occupancy permit and she believes there is enough information to show how difficult this project would be to build. She said they would need to construct it during hours when the trains were operational. Ms. Berk noted the serious risks of downed lines and said trains would be within the fall zone. She believes this project would risk riders safety and increase NJ TRANSIT's insurance costs. Ms. Berk urged NJ TRANSIT to let riders know they are their top priority by telling JCP&L no now.

Christine Maiorana asked what NJ TRANSIT is waiting for to say no to the Monmouth County Reliability Project. She asked if they have not provided enough information to convince NJ TRANSIT that the project is wrong in so many ways for everyone except the JCP&L executives. Ms. Maiorana said she has been following the Delayed on NJ TRANSIT group stores and asked if NJ TRANSIT wants to make it worse. She said she drove to the meeting because she was afraid she would not make it in time on the train.

Ms. Maiorana said they were considering making improvements on their house including putting in a pool but have been waiting because they do not know what will happen with the project. She assumes NJ TRANSIT is waiting for the monetary offer from JCP&L before it makes a decision. Ms. Maiorana said no amount of money is enough for the horrors to come from the project. She said commuters trust NJ TRANSIT to keep them safe and to get them to work on time. Ms. Maiorana asked whether they want this as their legacy and urged them to say no to the project and end the agony the potential project is causing.

Adjournment

Since there were no further comments or business, Chairman Hammer called for adjournment and a motion to adjourn was made by Board Member James C. Finkle Jr., seconded by Board Member Lisa R. LeBoeuf, and unanimously adopted. The meeting was adjourned at approximately 10:35 a.m.

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REGULARLY SCHEDULED BOARD OF DIRECTORS' MEETINGS

JUNE 14, 2017

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	PAGE
➤ CALL TO ORDER	-
➤ SAFETY ANNOUNCEMENT	-
➤ PLEDGE OF ALLEGIANCE TO THE FLAG	-
➤ APPROVAL OF MINUTES OF PREVIOUS MEETINGS	50786
➤ PUBLIC COMMENTS ON AGENDA ACTION ITEMS ONLY	-
➤ ADVISORY COMMITTEE REPORT	-
➤ SENIOR CITIZEN AND DISABLED RESIDENT TRANSPORTATION ADVISORY COMMITTEE REPORT (NEXT SCHEDULED REPORT JULY 2017)	-
➤ BOARD COMMITTEE REPORTS	-
*Customer Service Committee	
*Administration Committee	
*Capital Planning, Policy and Privatization Committee	
➤ EXECUTIVE DIRECTOR'S MONTHLY REPORT	50787

ACTION ITEMS

1706-17	NJ TRANSIT RESILIENCE PROGRAM – HOBOKEN BOILER AND TERMINAL REPAIRS: CONSTRUCTION CONTRACT AWARD AND AMENDMENT TO 2012 TASK ORDER CONSULTANT CONTRACTS PROGRAM FOR CONSTRUCTION ASSISTANCE SERVICES	50808
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Authorization to enter into NJ TRANSIT Contract No.17-022X with DMR Construction Services, Inc., for the construction of the Hoboken Boiler and Terminal Repairs Project in an amount not to exceed \$10,354,454.69, plus five percent for contingencies, subject to the availability of funds.

Authorization to increase the total authorization amount for the 2012 Capital Planning and Programs Task Order Consultant Contracts Program with STV, Inc. (NJ TRANSIT Contract No. 13-006C) by \$765,776 for Construction Assistance services and other related services to support the Hoboken Boiler

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and Terminal Repairs Project and coordination with other Hoboken area projects, for a maximum authorization amount of \$8,765,776 for this contract (NJ TRANSIT Resilience Program and a maximum authorization amount of \$114,001,126 for the 2012 Task Order Consultant Contracts Program (NJ TRANSIT Resilience Program), subject to the availability of funds. The maximum task order and contract limits for these contracts previously approved for the 2012 Task Order Consultant Contracts Program will not apply to tasks related to the NJ TRANSIT Resilience Program.

1706-18 NJ TRANSIT RESILIENCE PROGRAM – OBSERVER HIGHWAY SWITCHING STATION: CONSTRUCTION CONTRACT AWARD 50818

Authorization to enter into NJ TRANSIT Contract No. 16-042X with DMR Construction, Inc. of Waldwick, NJ, for the construction of the Observer Highway Switching Station project in an amount not to exceed \$2,780,741.24, plus five percent for contingencies, subject to the availability of funds.

1706-19 NJ TRANSIT RESILIENCE PROGRAM – SUBSTATIONS: AMENDMENT TO 2012 TASK ORDER CONSULTANT CONTRACTS PROGRAM 50823

Authorization to increase the total authorization amount for the 2012 Capital Planning and Programs Task Order Consultant Contracts Program with Gannett Fleming, Inc. (NJ TRANSIT Contract No. 13-006A) by \$2,750,000, for a maximum authorization amount of \$13,390,000 for this contract (NJ TRANSIT Resilience Program) and a maximum authorization amount of \$116,751,126 for the 2012 Task Order Consultant Contracts Program (NJ TRANSIT Resilience Program), subject to the availability of funds. The maximum task order and contract limits for this contract previously approved for the 2012 Task Order Consultant Contracts Program will not apply to tasks related to the NJ TRANSIT Resilience Program.

1706-20 2018 CAPITAL PLANNING AND PROGRAMS TASK ORDER CONSULTANT CONTRACTS PROGRAM: CORRIDOR PLANNING; ENVIRONMENTAL CONSULTING SERVICES; QUALITATIVE AND QUANTITATIVE RESEARCH; RAIL OPERATIONS AND INFRASTRUCTURE PLANNING; AND STATIONS, ACCESS, PARKING, AND SITE PLANNING 50832

Authorization to enter into NJ TRANSIT Contract Nos. 16-018 through 16-022 with the firms shown in Exhibit A for engineering, research and planning support services on a task order basis in five disciplines: Corridor Planning; Environmental Consulting Services; Qualitative and Quantitative Research; Rail Operations and Infrastructure Planning; and Stations, Access, Parking,

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and Site Planning. The total value of the 2018 Task Order Consultant Contracts Program, of which these contracts comprise the first package, is \$50,000,000. Each contract will extend for five years; the maximum task and contract limits for each discipline are shown in Exhibit B.

Authorization to extend the term of the 2012 Capital Planning and Programs Task Order Consultant Contracts Program contracts in five disciplines: Architectural/Engineering; Bridge and Railway Engineering; Travel Demand Forecasting; and Transit-Friendly Planning, Land Use and Development for a targeted and limited extension as shown on Exhibit C. The current task limits, contract limits, and overall authorization for this program will remain unchanged.

1706-21 NJ TRANSIT RESILIENCE PROGRAM: INTEGRITY OVERSIGHT MONITORING SERVICES CONTRACTS – EXTENSION OF TIME 50847

Authorization to exercise the first two-year period option to extend NJ TRANSIT Contract Nos. 14-033A with CohnReznick, LLP, 14-033B with Eisner Amper LLP, 14-033C with RSM, LLP (formerly McGladery, LLP), and 14-033D with Thacher Associates, LLC utilizing the previously approved total authorization amount not to exceed the sum of \$15,000,000 (Fifteen Million Dollars) as authorized in Board Item 1405-19 dated May 15, 2014 for all approved Work Authorizations (WAs) that may be issued to these four (4) IOM Consultants during the two-year contract extension period, subject to availability of funds.

1706-22 CONTRACTING OUT- PASSAIC COUNTY LOCAL BUS SERVICE 50852

Authorization to enter into NJ TRANSIT Contract No. 17-001 with Community Transportation, Inc. of Paramus, New Jersey, to operate the Passaic County Local Bus Service, as set forth in Exhibit A for a 36-month contract period from August 27, 2017 through August 29, 2020, at a total cost not to exceed \$20,202,815, plus five percent for contingencies.

Authorization to exercise options to extend NJ TRANSIT Contract No. 17-001 for two 24-month periods, in accordance with the Request for Proposal and the carrier's proposal, at a cost not to exceed \$14,566,020 the first option period from August 30, 2020 through August 27, 2022 and \$15,408,268 for the second option period from August 28, 2022 through August 31, 2024, plus five percent for contingencies.

The combined contract cost with option periods is not to exceed \$ 50,177,103, plus five percent for contingencies.

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**1706-23 FISCAL YEAR 2018 SOLE, SINGLE, AND LIMITED SOURCE 50858
PROCUREMENT BY EXCEPTION WAIVER AUTHORIZATION**

Authorization to enter into sole, single or limited source procurement-by-exception contracts for the purchase of materials and services from approved vendors set forth in Exhibit A1 (subject to adjustments) to support Bus, Rail, Light Rail, and administrative operations at a cost not to exceed \$25,000,000, subject to the availability of funds. The Board will be notified of new firms whose aggregate spend exceeds \$250,000 within the fiscal year. This request will cover a 12-month period from July 1, 2017 to June 30, 2018.

Authorization to enter into sole, single, or limited source procurement-by-exception contracts for the purpose of maintaining/upgrading hardware and software systems from approved vendors set forth in Exhibit A2 (subject to adjustments) to support NJ TRANSIT's Information Systems at a total cost not to exceed \$27,000,000, subject to the availability of funds. The Board will be notified of new firms whose aggregate spend exceeds \$250,000 within the fiscal year. This request will cover a 12-month period from July 1, 2017 to June 30, 2018.

Authorization to enter into sole, single or limited source procurement-by-exception contracts for the purchase of materials and service from approved vendors set forth in Exhibit A3 (subject to adjustments) to support NJ TRANSIT's Resilience Program at a cost not to exceed \$10,000,000 subject to the availability of funds and FTA approval. The Board will be notified of new firms whose aggregate spend exceeds \$250,000 within the fiscal year. This request will cover a 12-month period from July 1, 2017 to June 30, 2018.

1706-24 CORPORATE INSURANCE PROGRAM ANNUAL RENEWAL 50874

Authorization to revise and renew the Corporate Insurance Program and to include services necessary to administer the Program for the period July 1, 2017 through June 30, 2018 at an annual cost not to exceed \$20,000,000, plus five percent for contingencies, subject to the availability of funds and adoption of the FY2018 Operating Budget.

1706-25 INFORMATION TECHNOLOGY AUDIT SERVICES AGREEMENTS 50879

Authorization to enter into NJ TRANSIT Contract Nos. 16-032A with Control Solutions International, Inc. of Woburn, Massachusetts, 16-032B with Experis US, Inc. of Parsippany, New Jersey and 16-032C with Protiviti of New York, New York, who will perform IT audit services for a three-year term and up to two individual option years at a total cost, for all three contracts, not to exceed

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\$750,000, plus five percent contingency, subject to the availability of funds. The total annual amount for all three contracts will not exceed \$150,000, plus five percent contingency, subject to the availability of funds.

50883

1706-26 ANNUAL NOTICE OF MEETINGS

Adopt the Annual Notice of Meetings (Exhibit A) for all of the Board of Directors' meetings during Fiscal Year 2018.

EXECUTIVE SESSION AUTHORIZATION: Discuss personnel matters, contract negotiations, the status of pending and anticipated litigation and matters falling within the attorney-client privilege.

50887

- **PUBLIC COMMENTS ON OTHER MATTERS**
- **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 May 17, 2017 Board Meetings of the New Jersey Transit Corporation, NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. were forwarded to the Governor on May 25, 2017;

NOW, THEREFORE, BE IT RESOLVED that the minutes of actions taken at the April 4, 2017 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
Richard T. Hammer, Commissioner
Steven H. Santoro, Executive Director



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

TO: BOARD OF DIRECTORS
FROM: STEVEN H. SANTORO
DATE: JUNE 14, 2017
SUBJECT: EXECUTIVE DIRECTOR'S REPORT – JUNE 2017

It was a very sad day last Tuesday for the NJ TRANSIT family. We tragically lost a member of our NJ TRANSIT team. Ryon Reynolds was a bus operator out of the Washington Township garage for two years and so this tragedy impacts all of Ryon's co-workers and friends. We immediately made available our Employee Assistance Program (EAP) to help our co-workers through this difficult time.

This past Friday, we announced our service plan for the July and August Amtrak repair work at Penn Station New York. Given the reality of the track work that Amtrak must repair, our service planning experts developed a plan with safety as the top priority, while maintaining the travel patterns of 75-percent of our customers. This plan was created in coordination with the New Jersey Transit Office of Emergency Management, as we do with all of our large scale events, and follows the NIMS process, the National Incident Management Systems, to ensure that safety remained the number one goal.

This will not be an ordinary summer of travel for any of our customers across the system on rail, bus or light rail. We have developed a communication plan which includes a commitment to communicate frequently with our customers and stakeholders utilizing social media and the traditional news media. We have established a special section of our website, njtransit.com/theupdate, which we've been directing customers to. Prior to July 10th, our Emergency Operations Center (EOC) will be fully activated. The EOC will have representatives from rail, bus, light rail, police as well as our communications team, social media and customer service. We will have management deployed to key locations to ensure the service is operating as intended and our employee Ambassadors will be out helping to guide riders.

In the lead up to this summer, we are also in the midst of National Safety Month. I think it's an appropriate time ahead of these service changes to remind customers and employees of the critical nature of safety. Our Office of System Safety is conducting a month-long effort to raise the awareness by getting out to sites, talking with customers and employees and spreading the word that safety is the top priority.

We continue to make great progress on other safety initiatives with the installation of inward and outward facing cameras on our trains. More than 70-percent of our rail fleet now has the forward facing cameras and more than 60-percent has the inward facing cameras. These camera systems prove to be helpful tools in conducting investigations and raising our level of safety another notch. We also are installing 360-degree camera systems on buses. These cameras allow the bus operator to maintain a view around the bus and to prevent accidents, especially while turning. We also will be procuring new bus and rail simulators to give our operators the best and most comprehensive training that is available.

Today, we take another step toward making our rail system more resilient to future weather events. The public comment period for the Environmental Assessment of a new Raritan River Bridge begins today and runs through July 14th. This is a critical step in securing the needed approval to proceed to final engineering on this vital link on the North Jersey Coast Line. I invite all members of the public and stakeholders to review the document, which is available on the website njtransitresilienceprogram.com. Written comments can be submitted through that website, by email or by traditional mail. The new lift bridge will replace the current swing span, which is more than 100 years old, to provide much stronger resiliency to weather events like Superstorm Sandy which caused heavy damage.

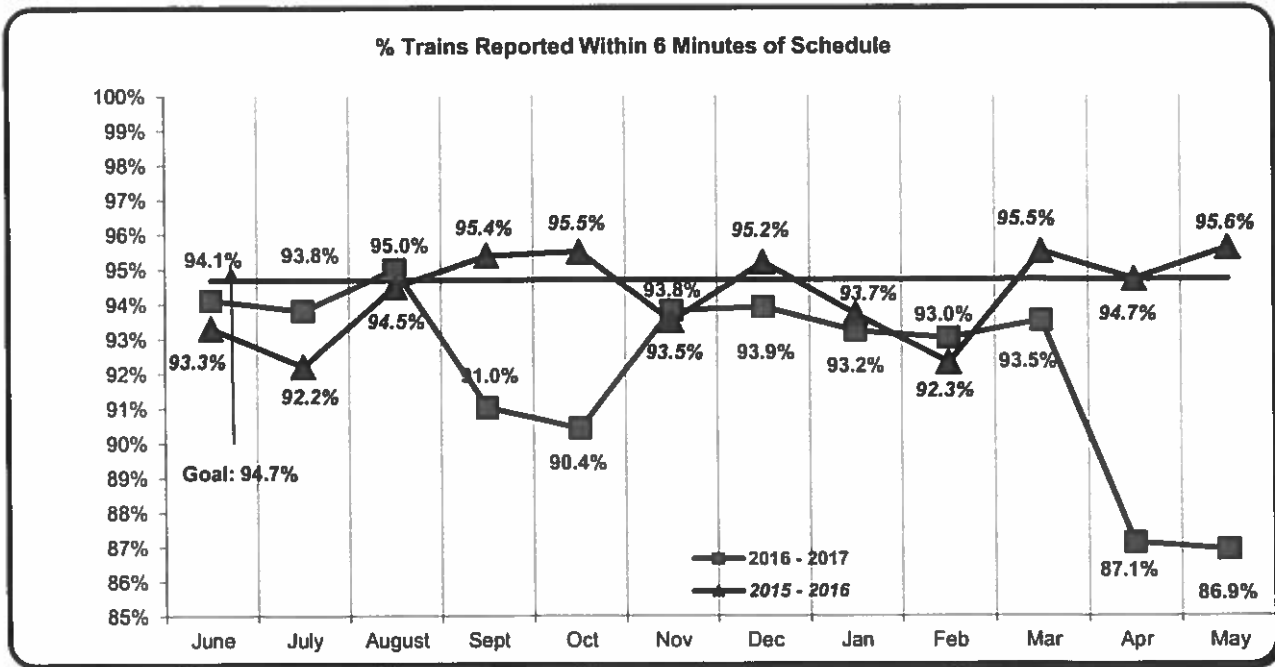
I also want to remind customers to stay vigilant. If you "see something, say something". Customers may be focused on new travel patterns and new destinations. Customers may be utilizing different modes of transportation than they're used to. We can't stress enough, that if something looks out of place or suspicious, let the professionals know immediately. The New Jersey Transit Police Department is always on patrol and will investigate every tip.

EXECUTIVE DIRECTOR'S MONTHLY REPORT JUNE 2017

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

PERFORMANCE MEASURES

NJ TRANSIT ON-TIME PERFORMANCE RAIL JUNE 2015 - MAY 2017



	2016	2017	# Change
May Comparison	95.6%	86.9%	-8.7%

	2015-2016	2016-2017	# Change
12-Month Average June 2015- May 2017	94.3%	92.1%	-2.2%

Analysis:

Rail On-Time Performance was 86.9% for May 2017. Of the 18,525 trains scheduled to operate, 16,096 were on time, while 2,429 trains (or 13.1%) were delayed. Key causes included:

- Amtrak track failure contributed to 129 delays resulting in 80.1% OTP on May 9.
- Amtrak track failure, Amtrak signal failure and Long Island Railroad human error contributed to 135 delays resulting in 78.3% OTP on May 10.
- Amtrak track failure, Amtrak switch failure and NJT diesel failure contributed to 172 delays resulting in 74.3% OTP on May 16.

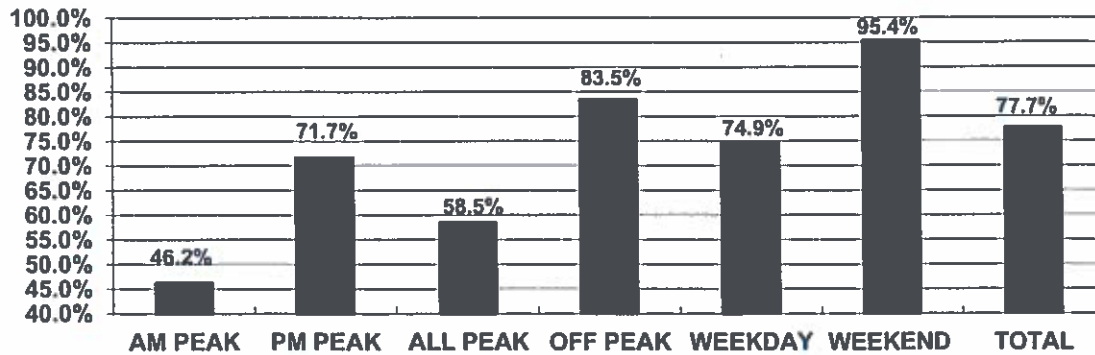
The 12-month average for Rail On-Time Performance for June 2016 - May 2017 was 92.1%, which has declined by 2.2%.

ON-TIME PERFORMANCE RAIL

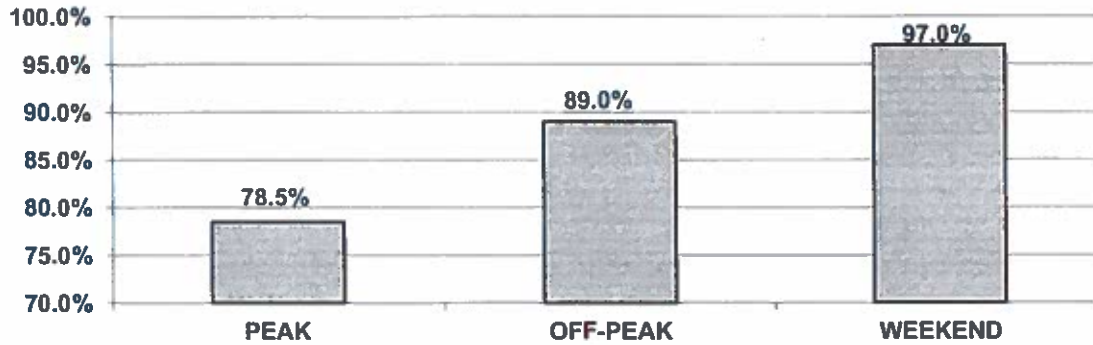
SUMMARY BY TIME PERIOD MAY 2017

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

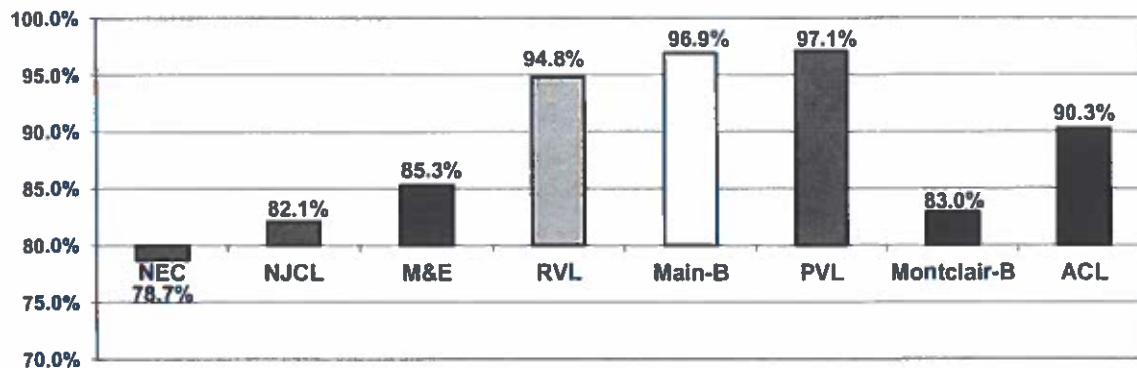
% NEW YORK PENN STATION Trains Reported On Time *



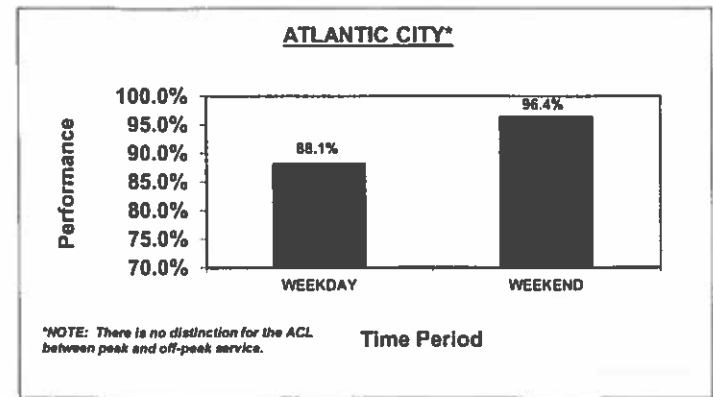
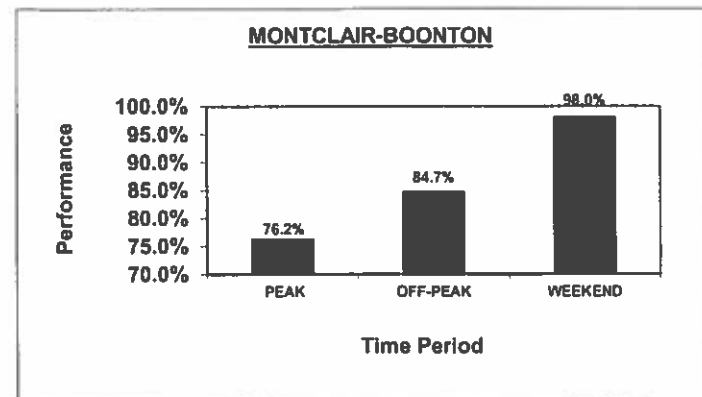
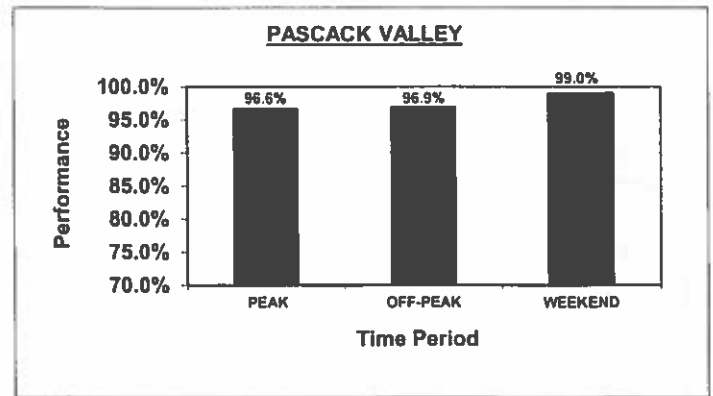
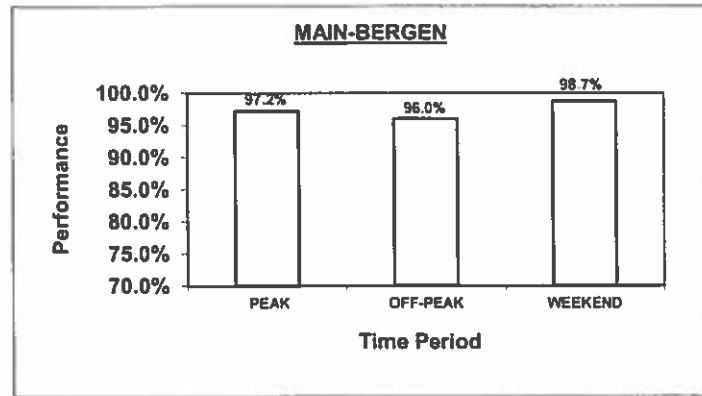
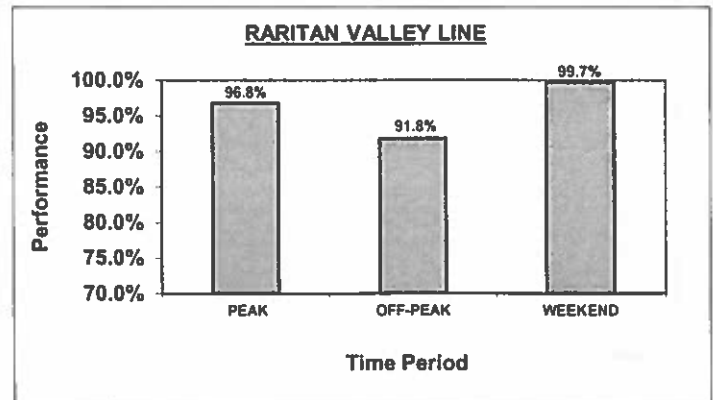
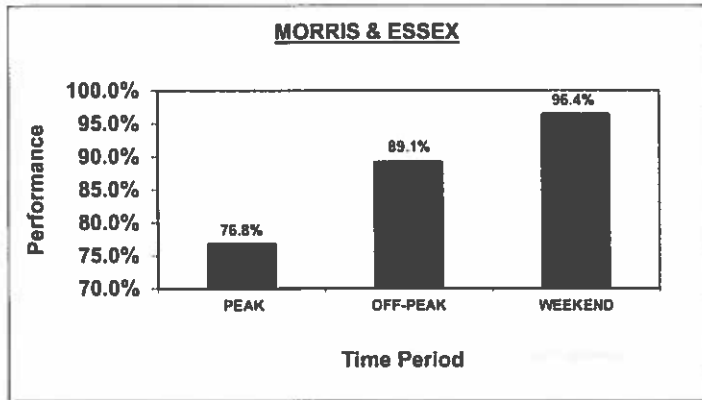
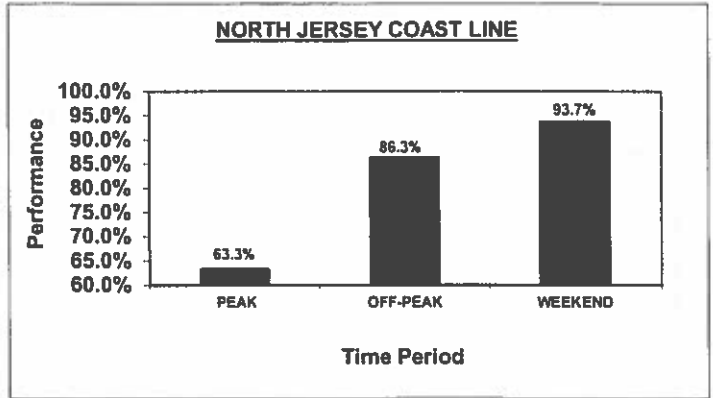
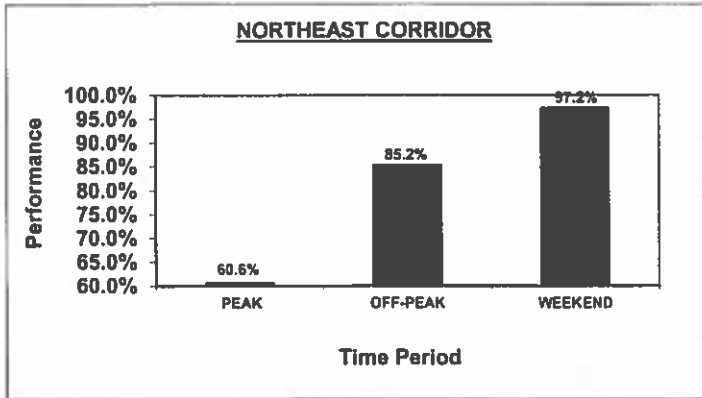
% SYSTEMWIDE Trains Reported On Time



% BY LINE Trains Reported On Time



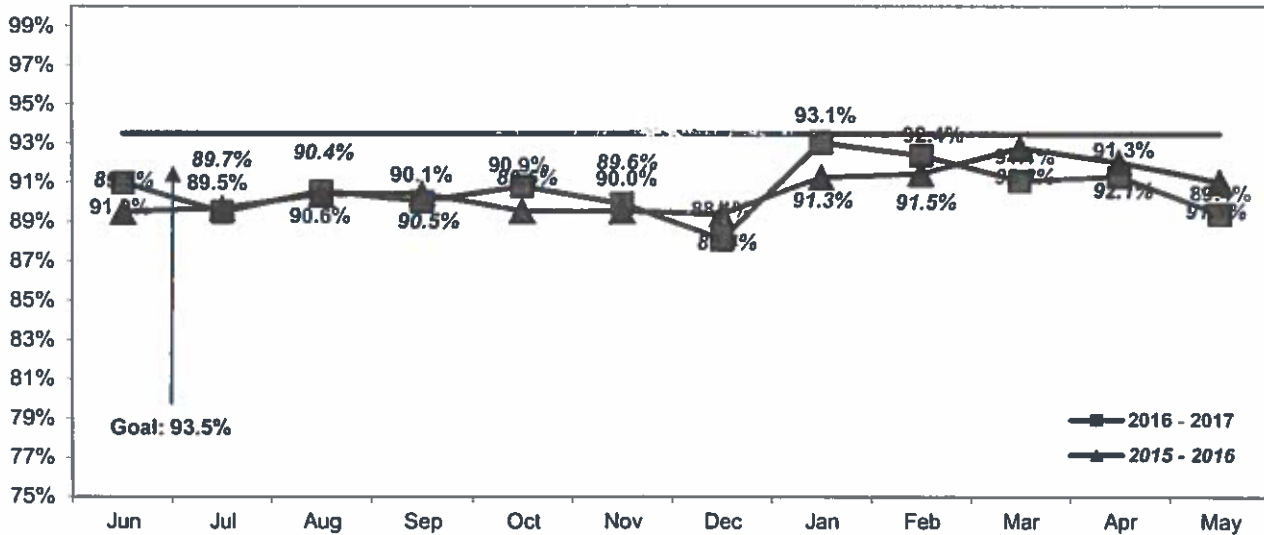
ON-TIME PERFORMANCE BY RAIL LINE & TIME PERIOD MAY 2017



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

NJ TRANSIT ON-TIME PERFORMANCE BUS JUNE 2015 - MAY 2017

% Buses Departing Major Terminals Within 6 Minutes of Schedule



	2015 - 2016	2016 - 2017	% Change
May Comparison	91.1%	89.4%	-1.6%

	2015 - 2016	2016 - 2017	% Change
12-Month June 2015 - May 2017	90.6%	90.6%	0.0%

Analysis:

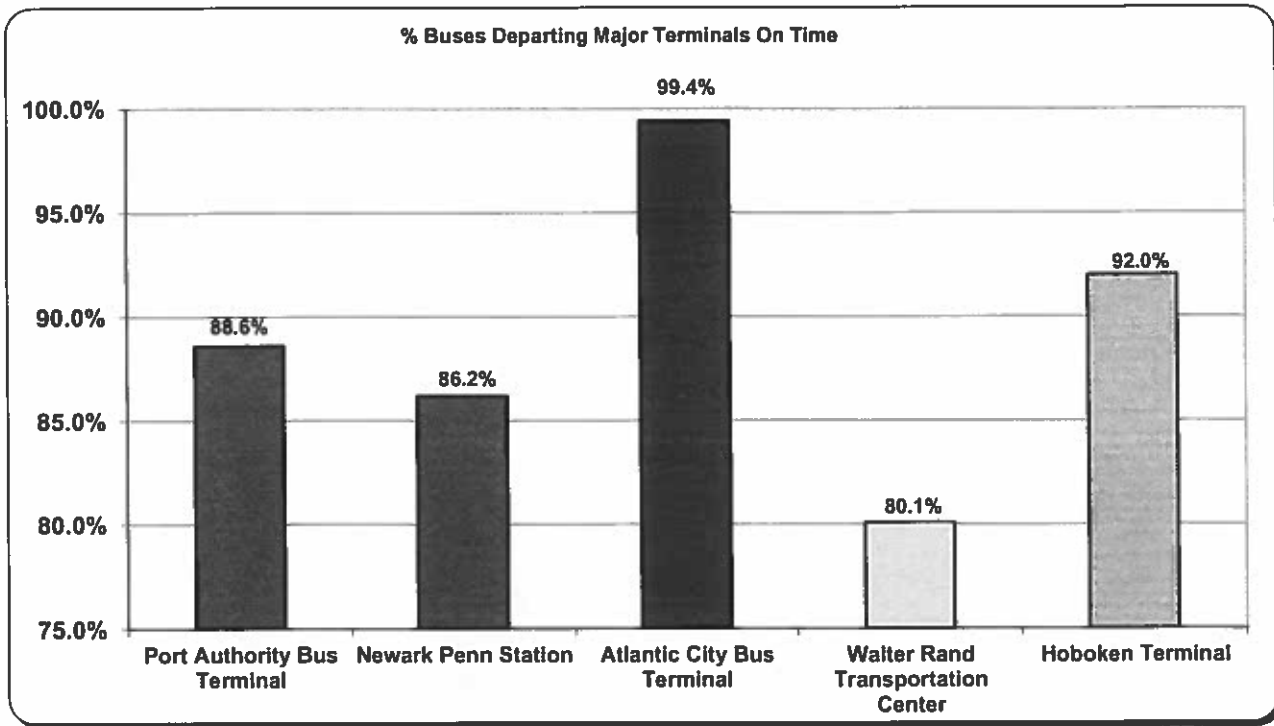
Bus On-Time Performance was 89.4% for May 2017. Of the 44,695 monitored departures, 4,720 (or 10.6%) experienced delays. Key causes included:

- Heavy rain and flooding affected performance at Port Authority Bus Terminal and Newark on May 5. A parade forced the closure of Broad Street in Newark on May 11.
- Protest marches in Philadelphia impacted performance at Walter Rand Transportation Center on May 1 and 9.
- Construction on Washington Street in Hoboken, an 18 month project, continues to impact performance at Hoboken.

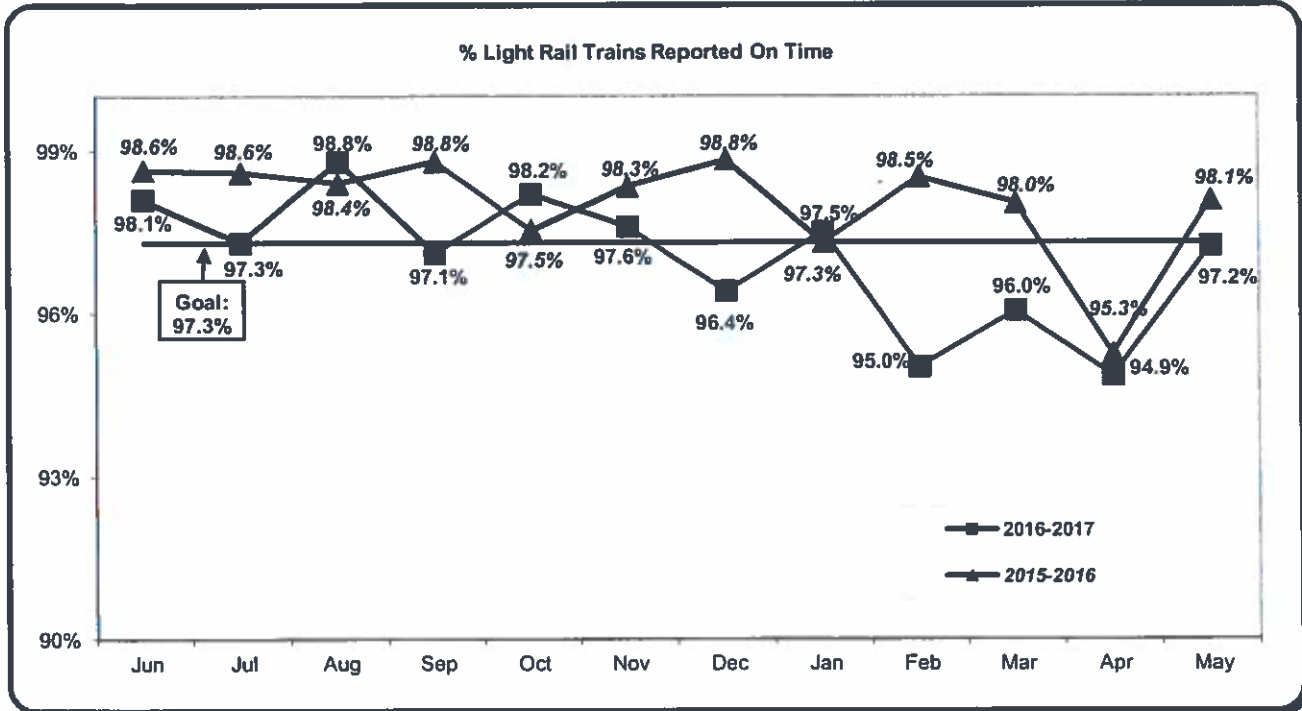
The 12-month average for Bus On-Time Performance for June 2016 - May 2017 was 90.6%, which was unchanged from the previous year.

ON-TIME PERFORMANCE BUS

SUMMARY BY TERMINAL MAY 2017



NJ TRANSIT ON-TIME PERFORMANCE LIGHT RAIL JUNE 2015 - MAY 2017



	2016	2017	# Change
May Comparison	98.1%	97.2%	-0.8%

	2016	2017	# Change
12-Month Average Ended May 2016 & May 2017	98.0%	97.0%	-1.0%

Analysis:

Light Rail On-Time Performance systemwide was 97.2% for May 2017. Of the 26,999 scheduled departures, 744 (or 2.76%) experienced delays.

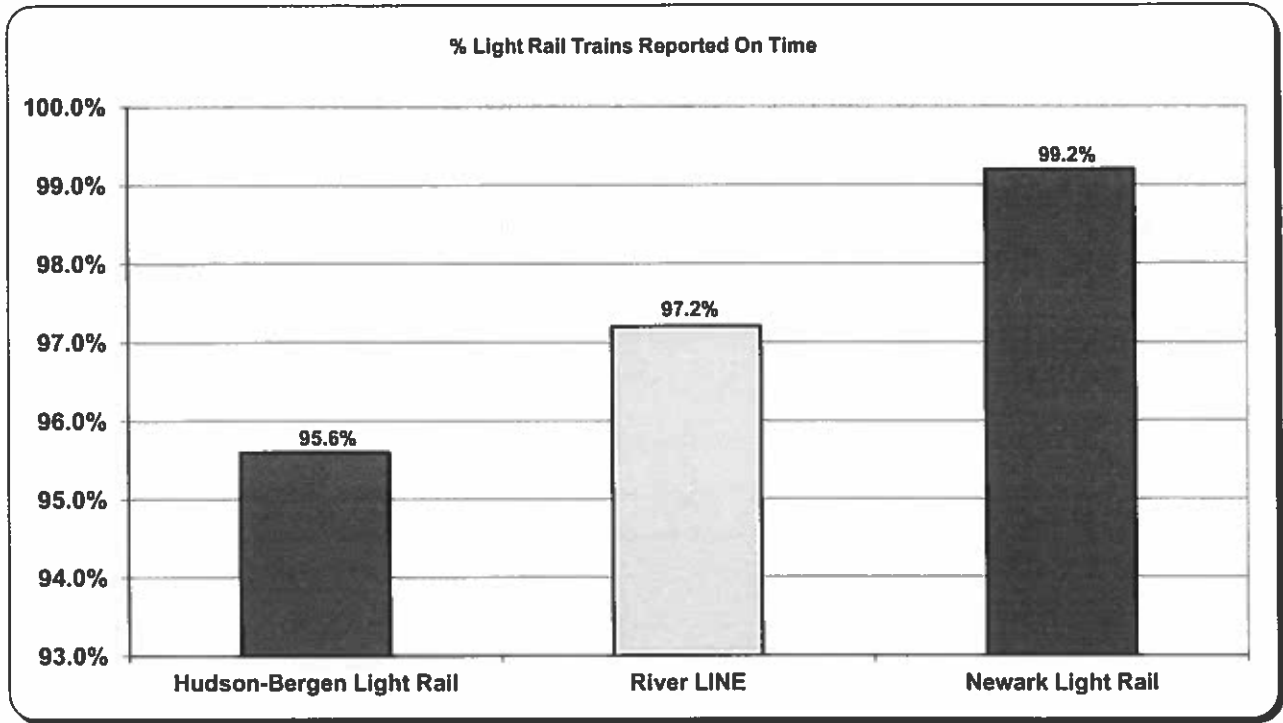
Key causes included:

- Scheduled construction for NJTPA 14A delayed 218 HBLR trains on May 6.
- Diesel engine fault on a light rail vehicle delayed 6 River LINE trains on May 1.
- Mechanical faults and switch failure delayed 45 Newark Light Rail trains on May 8.

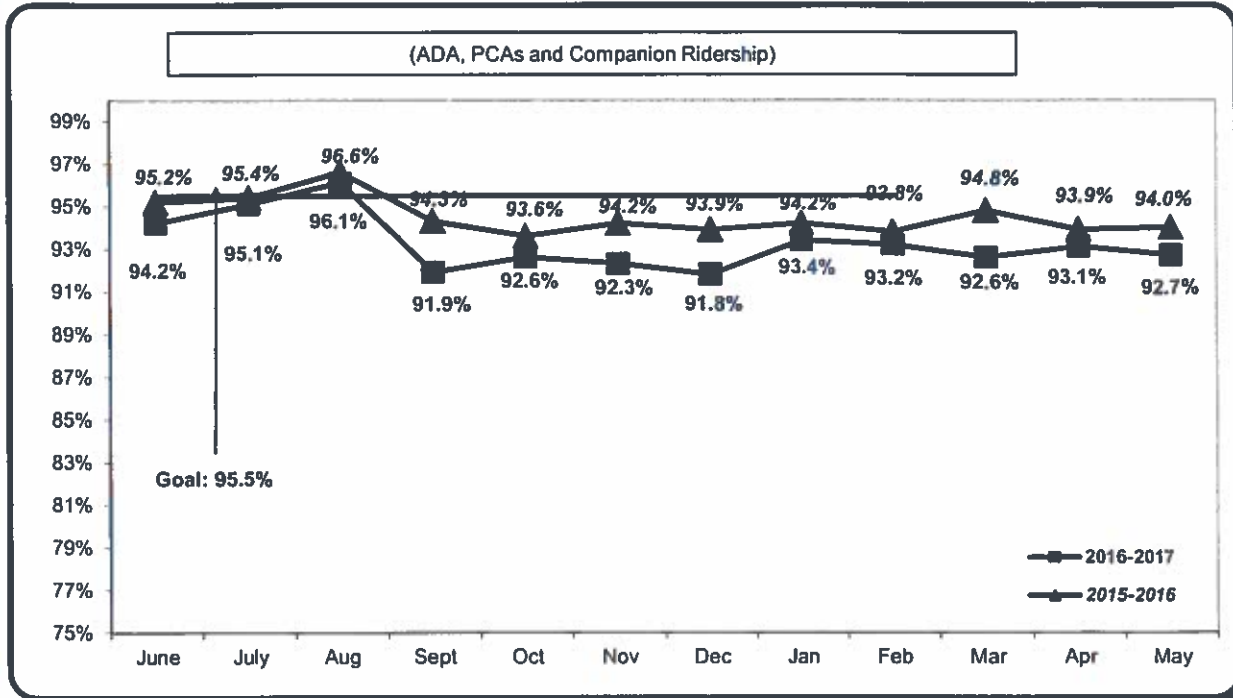
The 12-month average for Light Rail On-Time Performance for June 2016 - May 2017 was 97.01%, which decreased by 1.0% compared to June 2015 to May 2016.

ON-TIME PERFORMANCE LIGHT RAIL

SUMMARY BY LINE MAY 2017



NJ TRANSIT ON-TIME PERFORMANCE ACCESS LINK June 2015 - May 2017



	2016	2017	% Change
May Comparison	94.0%	92.7%	-1.3%

	2016	2017	Difference
May Ridership	133,989	144,195	10,206

	2015-2016	2016-2017	% Change
12-Month Average June-May	94.5%	93.3%	-1.2%

Analysis:

Access Link On-Time Performance was 92.7% for May 2017. In serving 144,215 total riders, for 131,354 ADA customers trips, 9,623 (or 7.3%) experienced delays.

Key causes include:

- * Road closures /construction
- * Traffic congestion/ higher due to school graduation ceremonies
- * Customer cancellation & No-shows

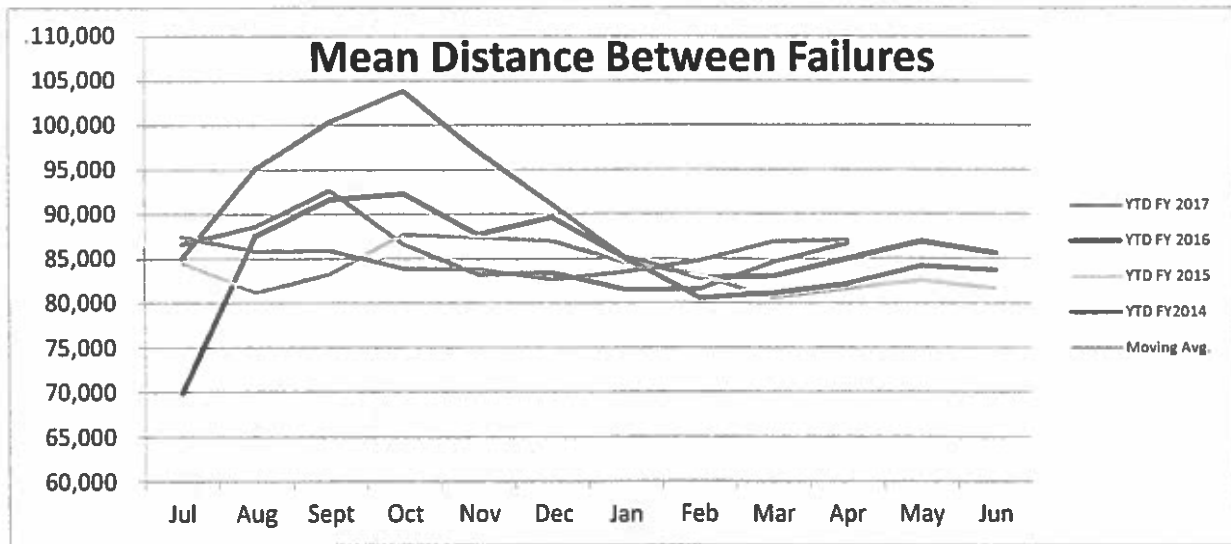
The 12-month average for Access Link On-Time Performance for June 2016 - May 2017 was 93.3%, which decreased by -1.2%.

MEAN DISTANCE BETWEEN FAILURES

April-17

NJ Transit Rail
Mean Distance Between Failures

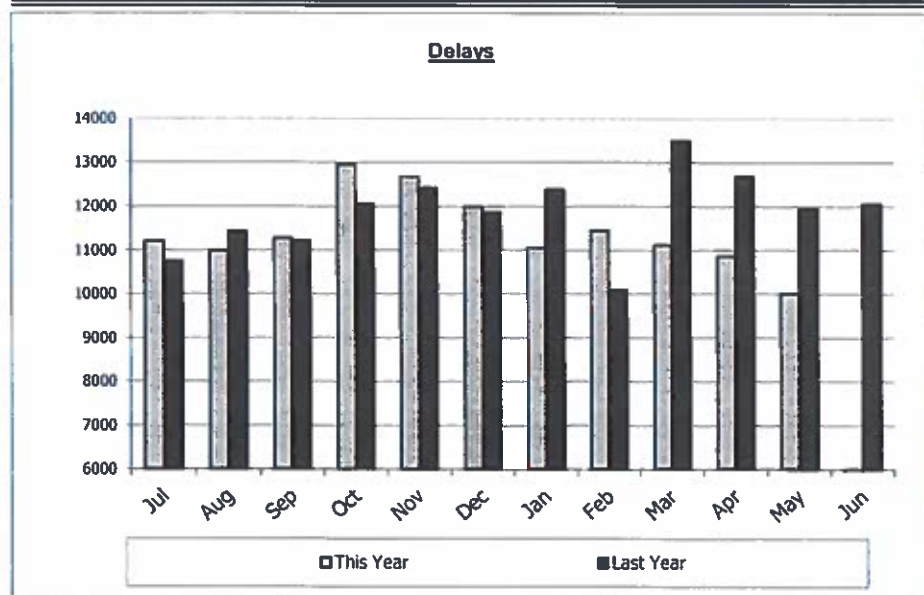
Month	YTD FY2017	YTD FY2016	YTD FY2015	YTD FY2014	12 Month Moving Avg.
Jul	86,683	69,926	84,508	85,097	87,513
Aug	88,680	87,565	81,319	95,116	85,898
Sept	92,705	91,669	83,368	100,341	85,954
Oct	86,626	92,329	87,750	103,813	83,937
Nov	83,272	87,756	87,434	97,112	83,870
Dec	83,501	89,655	87,042	91,128	82,753
Jan	81,633	85,167	84,607	85,161	83,609
Feb	81,639	82,949	83,179	80,639	84,826
Mar	84,715	83,112	80,659	81,229	87,026
Apr	86,771	85,060	81,649	82,293	87,172
May	-	87,022	82,566	84,237	-
Jun	-	85,722	81,704	83,798	-



Garage Performance Parameters

May 2017

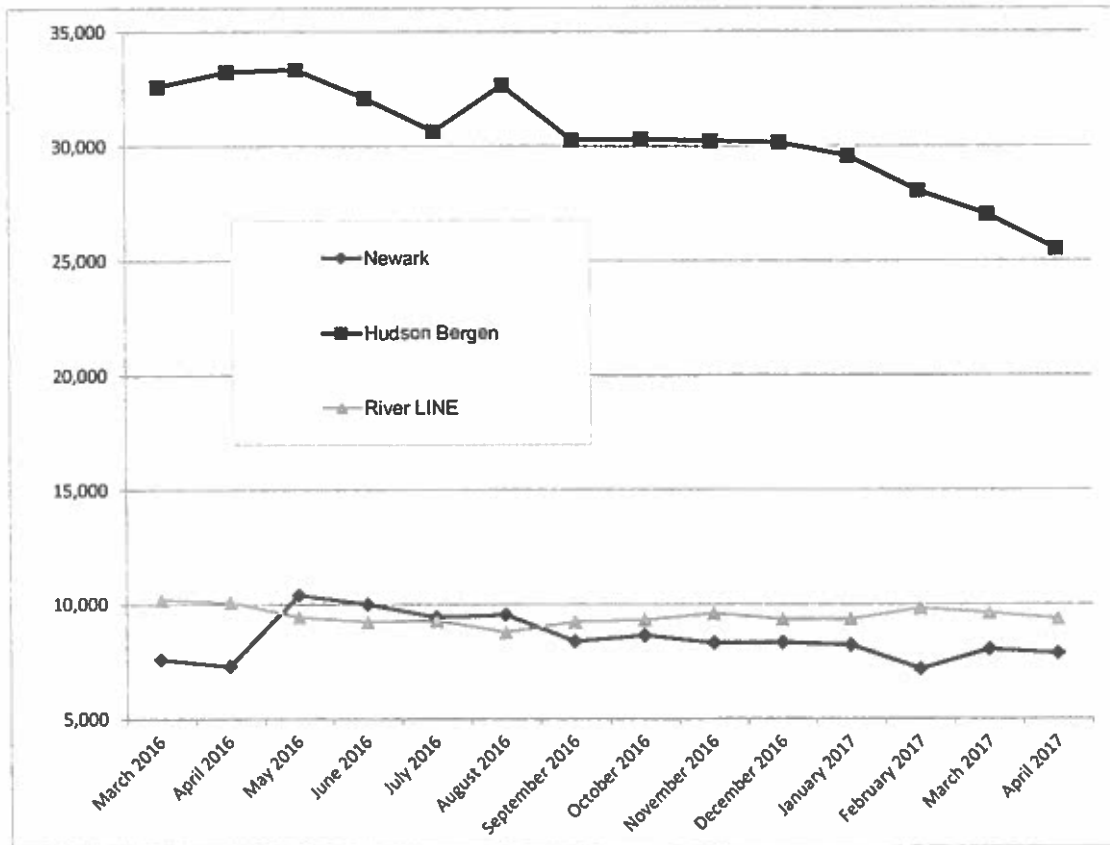
Location	Miles Between In-Service Delays			
	FY2017 Goal	This Month	FY2017 YTD	FY2016 YTD
Fairview	7,000	4,518	5,700	6,584
Greenville	9,900	5,988	6,175	6,800
Market Street	9,500	7,769	8,367	8,364
Meadowlands	11,500	5,969	7,344	8,412
Oradell	13,500	6,276	9,347	10,686
Wayne	12,500	8,953	12,281	11,987
Northern Division	-	6,678	8,541	9,256
Big Tree	9,600	8,155	9,210	8,055
Hilton	10,500	11,166	10,211	11,011
Howell	16,750	45,602	35,493	33,827
Ironbound	9,800	8,852	10,063	10,748
Orange	10,200	11,147	9,502	9,067
Morris	10,500	49,156	47,305	43,739
Central Division	-	13,477	13,116	13,157
Egg Harbor	16,500	16,671	15,659	15,411
Hamilton	20,000	14,755	17,619	22,137
Newton Avenue	15,700	15,038	14,273	14,071
Washington Twp.	14,500	10,945	13,288	12,971
Southern Division	-	13,776	14,736	14,777
Bus Operations	-	10,016	11,358	11,788



NJ TRANSIT - LIGHT RAIL, April 2017 Average Miles Between In Service Failures

NJT LIGHT RAIL	MDBSF * April 2017
Newark Light Rail	7,849
Hudson Bergen	25,543
River LINE	9,377

AVERAGE MILES BETWEEN IN-SERVICE MECHANICAL FAILURES



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

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

DBE/SBE PROGRAM

State Funded Contracts

During the month of May 2017, NJ TRANSIT awarded **\$3,809,506.53** in state funded contracts. Of that total, Small Business Enterprises (SBEs) received **\$780,515.61** or **20.49%**.

During the State Fiscal Year 2017 (July 1, 2016 through June 30, 2017) NJ TRANSIT awarded **\$21,911,096.30*** in state funded contracts. Of that total, SBEs received **\$5,548,536.38** or **25.32%**.

SBE Goal Attainment from July 1, 2016 through June 30, 2017 (FY 2017)

Category 1 SBEs received	\$120,000.00	or 0.55%
Category 2 SBEs received	\$35,000.00	or 0.16%
Category 3 SBEs received	\$780,515.61	or 3.56%
Category 4 SBEs received	\$2,379,000.00	or 10.86%
Category 5 SBEs received	\$1,811,070.77	or 8.27%
Category 6 SBEs received	\$422,950.00	or 1.93%

FTA Funded Contracts (updated Quarterly – next update will occur July 2017)

During the 2nd Quarter (January 1, 2017 – March 31, 2017) of Federal Fiscal Year 2017 (October 1, 2016 through September 30, 2017), the FTA funded share of NJ TRANSIT’s federal contracts awarded was **\$2,667,312.00**. Of that total, Disadvantaged Business Enterprises (DBEs) received **\$509,445.00** or **19.09%**.

DBE Goal Attainment from October 1, 2016 (FFY 2016) - September 30, 2017 (FFY 2017) **

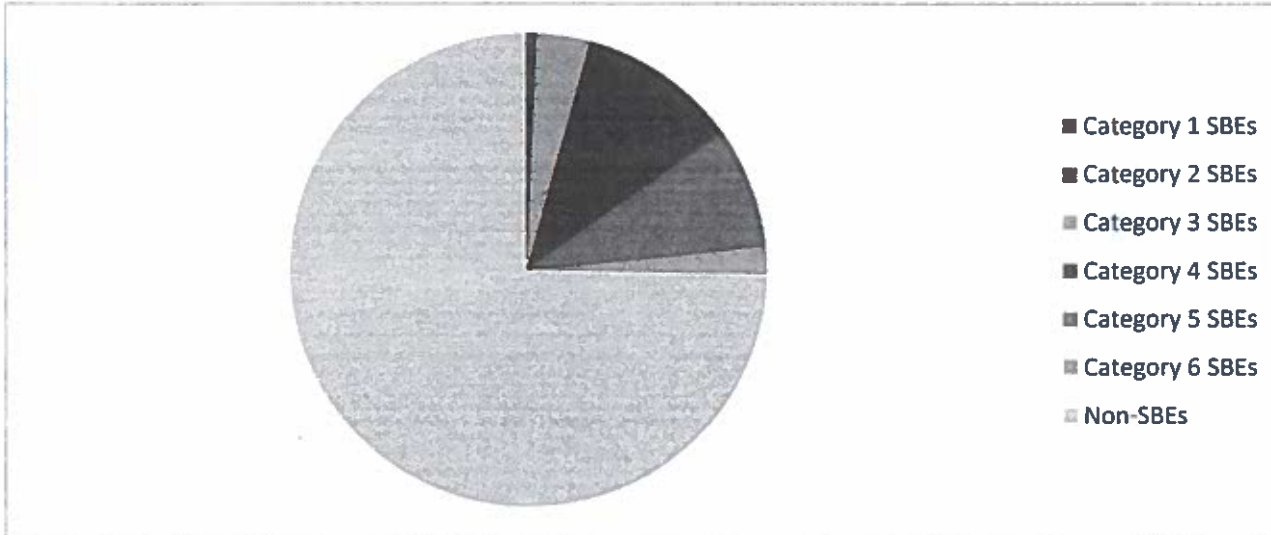
Contracts awarded	\$4,154,686.25
DBEs received	\$ 536,795.00 or 12.92%

**Figure adjusted from previous month’s award.*

***Numbers reflect federal share.*

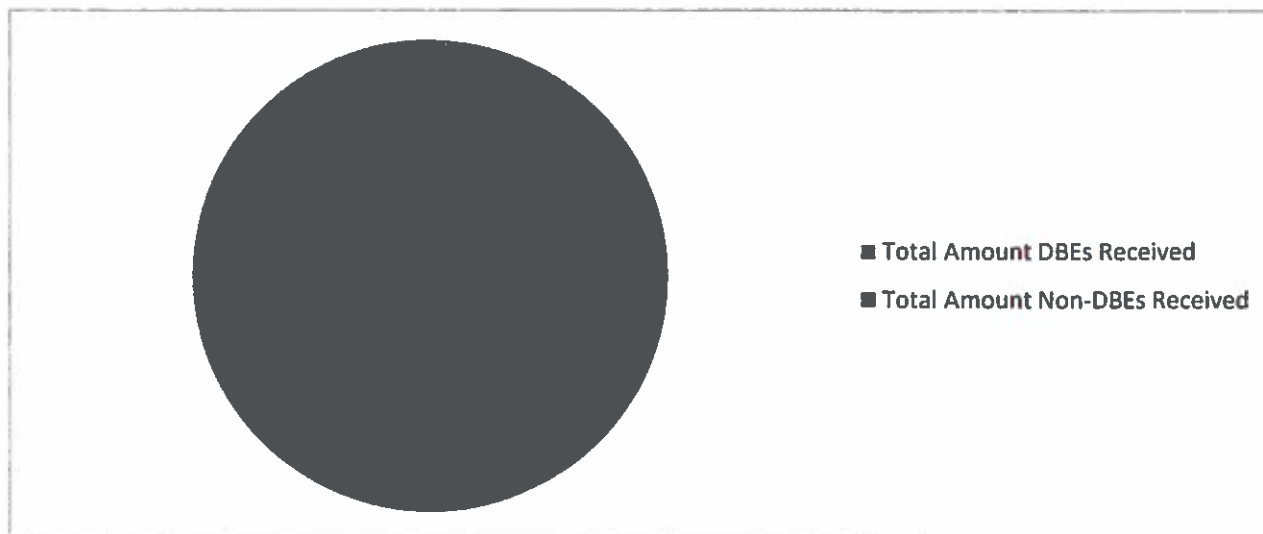
SBE PARTICIPATION
STATE CONTRACTS
STATE FYTD 2017

<i>Category 1 SBEs</i>	\$120,000.00	0.55%
<i>Category 2 SBEs</i>	\$35,000.00	0.16%
<i>Category 3 SBEs</i>	\$780,515.61	3.56%
<i>Category 4 SBEs</i>	\$2,379,000.00	10.86%
<i>Category 5 SBEs</i>	\$1,811,070.77	8.27%
<i>Category 6 SBEs</i>	\$422,950.00	1.93%
<i>Non-SBEs</i>	\$16,362,559.92	0.00%



DBE PARTICIPATION
FEDERAL CONTRACTS
TRIENNIAL YEARS 2017-2019

Total Amount DBEs Received	\$536,795.00	12.92%
Total Amount Non-DBEs Received	\$3,617,891.25	87.08%



EMPLOYEE RECOGNITION

NJ TRANSIT employees bid farewell after outstanding careers

Twenty-five NJ TRANSIT employees retired recently with careers ranging 7 to 42 years of service:

1. Arturo Estela, Cleaner – Newark Bus – 16 years
2. Anthony Asante, Operator – Orange – 18 years
3. John Colorado, Operator – Meadowlands – 26 years
4. Richard Daviou, Starter – PABT – 29 years
5. Stephen Girdwood, Repairman A – Greenville – 36 years
6. Philippe Guirand, Operator – Orange – 24 years
7. Michael Rivers, Operator – Oradell – 9 years
8. Derrick Garland, Operator – Orange – 23 years
9. Erickson Manlapid, Operator – Wayne – 18 years
10. Alberto Oruna, Repairman A – Wayne – 16 years
11. Alma Pittman, Operator – Ironbound – 13 years
12. Jose Ruiz, Operator – Wayne – 19 years
13. Maurice Horne, Managing Contract Specialist – Penn Plaza – 29 years
14. David Armstrong, Supervisor Facility Systems – Penn Plaza – 35 years
15. Hope DuBois, Principle Contract Specialist – Penn Plaza – 35 years
16. Thomas Licata, Manager Police Support/Emergency Management – Penn Plaza – 34 years
17. Patrick McGuire, Assistant Superintendent Mechanical – PSNY – 42 years
18. Denise McManus, Manager Rail Revenue Data Collection & Control – GOB – 35 years
19. Linda Primerano, Director Financial & Administrative Systems – Penn Plaza – 32 years
20. Howard Zimmerman, Managing Auditor- Capital – Penn Plaza – 18 years
21. James Albi, Locomotive Engineer – Various – 41 years
22. Wanda Beasley, Conductor – Various – 31 years
23. Judy Coleman, Ladies Room Attendant – Newark Penn Station – 18 years
24. Patricia Moran, Assistant Conductor – Various – 7 years
25. Charles Stean, Conductor – Various – 40 years

ACTION ITEMS

ITEM 1706-17: NJ TRANSIT RESILIENCE PROGRAM – HOBOKEN BOILER AND TERMINAL REPAIRS: CONSTRUCTION CONTRACT AWARD AND AMENDMENT TO 2012 TASK ORDER CONSULTANT CONTRACTS PROGRAM FOR CONSTRUCTION ASSISTANCE SERVICES

BENEFITS

Hoboken Terminal and Yard is one of NJ TRANSIT's major terminals and serves approximately 30,000 customers daily from across seven New Jersey counties and New York City. The Terminal is an intermodal facility served by nine NJ TRANSIT commuter rail lines, the Hudson-Bergen Light Rail, Port Authority Trans-Hudson (PATH) rapid transit system, NJ TRANSIT bus service, and NY Waterway ferry services.

On October 29, 2012, Superstorm Sandy's storm surge caused significant damage to Hoboken Terminal and Yard, including to the Terminal's building facilities, substations and electrical assets, and key signals and communications equipment. NJ TRANSIT advanced immediate repairs at the Terminal and Yard and is progressing construction of long-term recovery projects to rebuild or replace damaged assets and infrastructure in a resilient manner.

This project will ensure that Hoboken Terminal's hot water heating system, ferry ticketing suite, and associated electrical assets are in a state of good repair and resilient to future extreme weather events. The new location of the ferry ticketing area will improve customer access to ferry service to and from Hoboken Terminal, and the new location of the boilers will provide heat to some of the public areas of the facility, including the waiting room.

ACTION (Scorecard: Customer Experience, Corporate Accountability, Safety and Security)

Staff seeks authorization to enter into NJ TRANSIT Contract No.17-022X with DMR Construction Services, Inc., for the construction of the Hoboken Boiler and Terminal Repairs Project in an amount not to exceed \$10,354,454.69, plus five percent for contingencies, subject to the availability of funds.

Staff also seeks authorization to increase the total authorization amount for the 2012 Capital Planning and Programs Task Order Consultant Contracts Program with STV, Inc. (NJ TRANSIT Contract No. 13-006C) by \$765,776 for Construction Assistance services and other related services to support the Hoboken Boiler and Terminal Repairs Project and coordination with other Hoboken area projects, for a maximum authorization amount of \$8,765,776 for this contract (NJ TRANSIT Resilience Program and a maximum authorization amount of \$114,001,126 for the 2012 Task Order Consultant Contracts Program (NJ TRANSIT Resilience Program), subject to the availability of funds. The maximum task order and contract limits for these contracts previously approved for the 2012 Task Order Consultant Contracts Program will not apply to tasks related to the NJ TRANSIT Resilience Program.

PURPOSE

Authorization of the construction contract will allow for the construction of long-term repair activities at Hoboken Terminal's Ferry Ticketing Suite and hot water heating system, and Finger Pier #2. To the extent possible, the constructed assets and infrastructure will be resilient to storm surge associated with potential future extreme weather events.

Authorization of the amendment to the 2012 Capital Planning and Programs Task Order Consultant Contracts Program will allow for construction assistance services for the Hoboken Boiler and Terminal Repairs Project. The Board previously authorized \$8,000,000 for STV, Inc. for the NJ TRANSIT Resilience Program (Item 1303-07 – \$2,000,000; Item 1308-37 – \$3,500,000; and Item 1409-41 – \$2,500,000). This authorization request is for an additional \$765,776 for Construction Assistance services and other related services for the Hoboken Boiler and Terminal Repairs Project, for a total authorization for STV, Inc. (NJ TRANSIT Contract No. 13-006C) of \$8,765,776, as shown in Exhibit A.

BACKGROUND

Hoboken Boiler and Terminal Repairs Project

When completed, the Hoboken Boiler and Terminal Repairs Project will ensure that the building's hot water heating system, Ferry Ticketing Suite, and associated electrical assets are in a state of good repair and resilient to future extreme weather events.

The Terminal's hot water heating system, which is currently not usable and reliant on a temporary boiler system, will be replaced with two new hot water boiler plants to be installed on the second floor of the Terminal. The boiler plants will connect to both new and existing piping and feed hot water heating units in the waiting room and other locations. The existing steam boiler plant and all piping and equipment not incorporated in the new hot water heating system will be removed.

At the Ferry Terminal, a new 2,000-square-foot ticketing suite and 800-square-foot employee facility will replace facilities damaged by Superstorm Sandy. Environmental remediation and selective demolition will prepare the areas for rehabilitation and new construction. The new Ferry Ticketing Suite will include three ticket windows, two administrative offices, an employee break room, and other facilities. A masonry block flood wall will be constructed around the ticketing suite and entry doors and ticketing windows will be equipped for installation of flood plank panels for use in the event of an impending extreme weather event. A new employee facility will include men's and women's rest rooms, showers, and lockers.

Power to these facilities will come from a repaired Finger Pier #2 electrical distribution hut. Electrical equipment will be replaced and the Pier will be surrounded by a deployable stop-log system to protect the equipment, to the extent possible, from storm surge.

Hoboken Terminal and Yard Repair and Resilience Activities

In the aftermath of Superstorm Sandy, NJ TRANSIT was able to effect immediate repairs to Hoboken Terminal's main waiting room, vendor spaces, and public restrooms. Last year, NJ TRANSIT began construction to relocate and raise signal equipment to Terminal Tower.

Other repairs to critical infrastructure and assets at Hoboken Terminal and Yard require substantial engineering design in order to minimize operational impacts, to preserve historical visual aspects and physical features of the Terminal building, to comply with modern codes, and to be constructed in a manner resilient to future extreme weather events. Three new substations and other electrical and infrastructure improvements are currently in final engineering and will be advertised for construction in the near future. In addition, NJ TRANSIT is currently progressing preliminary engineering on the Long Slip Fill and Rail Enhancement and NJ TRANSITGRID projects which will enhance the resiliency of the Hoboken Terminal and Yard.

Procurement

On June 8, 2016, an Invitation for Bids was advertised on BID EXPRESS, NJ TRANSIT's electronic bid system, and in *The Star-Ledger* and *Trenton Times*. A Pre-Bid Conference was held on June 22, 2016, at Hoboken Terminal; a site visit followed the Pre-Bid Conference. Bids from six (6) firms were received electronically and opened on August 11, 2016 at NJ TRANSIT Headquarters in Newark. Subsequent to the bid opening, the Invitation for Bids was cancelled due to the following factors: on September 29, 2016, an NJ TRANSIT commuter train was involved in an accident in which the train continued past the Track 5 bumper block at Hoboken Terminal and into the concourse area. The resulting accident severely damaged various structural components on the course which support the train shed, passenger concourse roof, attached ticketing office, and associated electrical, mechanical, and communication infrastructure. Accordingly, it was determined that the Hoboken Terminal and Yard Repair project needed to be reevaluated, thus creating scope changes. As a result, the contract documents were revised and re-issued for bids.

Office of the State Comptroller approval to advertise the Construction Contract was received on March 6, 2017, as required by Executive Order 150. The NJ TRANSIT Office of Business Diversity assigned a 20 percent Disadvantaged Business Enterprise (DBE) goal for the Construction Contract and a 25 percent DBE goal for the 2012 Capital Planning and Programs Task Order Consultant Contracts Program Architectural/Engineering discipline.

An Invitation for Bid (IFB) for the revised contract scope was advertised on BID EXPRESS, NJ TRANSIT's electronic bid system, and in *The Star-Ledger* and *The Trenton Times* on March 13, 2017. A Pre-Bid Conference was held on March 29, 2017 at NJ TRANSIT's Hoboken Terminal Waiting Room; a site visit followed the Pre-Bid Conference. Bids were received electronically and opened on May 9, 2017 at NJ TRANSIT Headquarters in Newark.

IFB 17-022X RESULTS

Company	Total Bid Price
DMR Construction Services, Inc., Waldwick, NJ	\$10,354,454.69
Hall Construction Co., Inc., Howell, NJ	\$10,637,000.00
Hall Building Corp., Farmingdale, NJ	\$11,028,000.30
APS Contractors, Paterson, NJ	\$11,083,903.40

DMR Construction Services, Inc. has identified 22.51 percent DBE participation.

Funding

These contracts will be funded through a combination of Federal Transit Administration (FTA) Emergency Relief Program repair and recovery funds and Port Authority of New York and New Jersey (PANYNJ) ferry lease funds.

On February 4, 2013, the U.S. Department of Transportation (USDOT) announced the availability of \$2 billion through the FTA's new Emergency Relief Program to help protect, repair, reconstruct, and replace public transit equipment and facilities that were damaged by Superstorm Sandy. The funds are the first installment of up to \$10.9 billion appropriated to the FTA through the Disaster Relief Appropriations Act of 2013, which President Obama signed into law on January 29, 2013. The FTA announced the final allocation of Disaster Relief Appropriations Act funding on July 5, 2016. In total, NJ TRANSIT received \$444,822,739 in recovery and rebuilding funding.

The Port Authority of New York and New Jersey (PANYNJ) is contributing \$3,900,000 toward the Ferry Terminal improvement element of this project. On July 21, 2016, the Board of Commissioners of the PANYNJ approved its "First Supplement to Lease Agreement with New Jersey Transit" which, in relevant part, "authorize[d] a supplement to amend the existing lease agreement with New Jersey Transit Corporation (NJT) at the Hoboken Ferry Terminal (Terminal) to provide for the relocation of ferry ticketing, operations and crew quarters (Ferry Operations), the reallocation of \$2.7 million from amounts currently committed for the acquisition of ferry transportation assets to the relocation work, the allocation of \$1.2 million of previously authorized Port Authority funds towards the relocation work."

Schedule

The construction of the Hoboken Boiler and Terminal Repairs Project is scheduled to commence by Third Quarter 2017. It is anticipated that construction will take approximately 18 months, and is to be completed by the end of 2018.

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

FISCAL IMPACTS

Requested Authorizations:

DMR Construction Services, Inc. \$10,354,454.69+ 5% contingency
Contract No. 17-022X

2012 Task Order Consultant This Authorization \$ \$765,776 (STV, Inc.)
Contracts Program Total Authorization \$ \$8,765,776 (STV, Inc.)
(NJ TRANSIT Resilience Total Authorization \$ 114,001,126 (Total Program)
Program)

Past Authorizations:

DMR Construction Services, Inc. None

2012 Task Order Consultant Contracts Program

- October 2012 Task Order Consultant Contracts for Corridor
Item 1210-48 Planning; Environmental Consulting Services;
Qualitative and Quantitative Research; Rail Operation
& Infrastructure Planning; and Stations, Access &
Site Planning
- December 2012 Task Order Consultant Contracts for Architectural/
Item 1212-61 Engineering; Bridge and Railway Engineering; and
Travel Demand Forecasting
- March 2013 Superstorm Sandy Disaster Recovery Program**
Item 1303-07 Amendments to 2012 Task Order Consultant
Contracts – \$13,000,000
- April 2013 Superstorm Sandy Disaster Recovery Program**
Item 1304-12 Amendments to 2012 Task Order Consultant
Contracts – \$8,500,000
- April 2013 Task Order Consultant Contracts for Construction
Item 1304-14 Management
- May 2013 Task Order Consultant Contracts for Community
Item 1305-21 Transportation; Transit-Friendly Planning, Land Use
and Development ; Vertical Transportation; and
Access Link
- May 2013 Super Bowl 48 Amendment to 2012 Task Order
Item 1305-22 Consultant Contract
- August 2013 Superstorm Sandy Disaster Recovery Program**
Item 1308-37 Amendments to 2012 Task Order Consultant
Contracts – \$20,300,000
- April 2014 Superstorm Sandy Disaster Recovery Program**
Item 1404-15 Amendments to 2012 Task Order Consultant
Contracts – \$17,600,000
- September 2014 Superstorm Sandy Disaster Recovery Program**

Item 1409-41	Amendments to 2012 Task Order Consultant Contracts – \$8,000,000
October 2014 Item 1410-45	Superstorm Sandy Disaster Recovery Program Amendments to 2012 Task Order Consultant Contracts – \$290,000
December 2014 Item 1412-60	Superstorm Sandy Disaster Recovery Program Amendments to 2012 Task Order Consultant Contracts – \$2,000,000
May 2015 Item 1505-10	Superstorm Sandy Disaster Recovery Program – Rebuild by Design Amendment to 2012 Task Order Consultant Contracts – \$8,600,000
June 2015 Item 1506-14	Superstorm Sandy Disaster Recovery Program – Amendment to 2012 Task Order Consultant Contracts – \$11,500,000
September 2015 Item 1509-32	Superstorm Sandy Disaster Recovery Program – Amendment to 2012 Task Order Consultant Contracts – \$7,045,350
September 2015 Item 1509-33	Superstorm Sandy Disaster Recovery and Resilience Program – Amendment to 2012 Task Order Consultant Contracts – \$11,500,000
November 2015 Item 1511-43	NJ TRANSIT Resilience Program – Amendment to 2012 Task Order Consultant Contracts – \$400,000
November 2015 Item 1511-45	Capital Planning and Programs task Order Consultant Contracts: Extension of Time and Increase in Authorizations
March 2017 Item 1703-08	NJ TRANSIT Resilience Program – Program Management: Amendment to 2012 Task Order Consultant Contracts – \$4,000,000
March 2017 Item 1703-09	NJ TRANSIT Resilience Program – Rebuild by Design: Amendment to 2012 Task Order Consultant Contracts – \$500,000
April 2017 Item 1704-12	Hoboken Station Repairs: Amendment to 2012 Task Order Consultant Contracts (Task Limit increase)
Total Previous (NJ TRANSIT Resilience Program)	\$113,235,350
Expenditures to Date:	\$2,350,000 (as of 03/31/17)
Total Project Cost:	\$19,909,000

Projected Date of Completion: November 2018

Capital Program Amount: \$19,909,000

Operating Budget Amount: \$ 0

PRINTS ID Number: NJT00836
NJT00850

Anticipated Source of Funds: Federal Transit Administration
Port Authority of New York & New Jersey

DBE/SBE Goal:

DMR Construction Services, Inc. 20% DBE

STV, Inc. 25% DBE

***NJ Build* Amount:** NA

Future/Related Authorizations: None

Impact on Subsequent Operating Budgets: \$ 15,000 for pre-storm erection and testing of protective systems (per occurrence)

RESOLUTION

WHEREAS, NJ TRANSIT is committed to advancing long-term recovery projects from Superstorm Sandy that allow facilities and equipment to better withstand and recover from extreme weather events; and

WHEREAS, the Hoboken Terminal and Yard was damaged during Superstorm Sandy, including the building's hot water heating system, Ferry Ticketing Suite, and associated electrical infrastructure; and

WHEREAS, upon completion of a competitive procurement process, it was determined that DMR Construction Services, Inc. submitted the lowest responsive and responsible bid for the Hoboken Boiler and Terminal Repairs Project; and

WHEREAS, STV, Inc. is currently under contract with NJ TRANSIT following the completion of a competitive procurement process for the 2012 Capital Planning and Programs Task Order Consultant Contracts Program; and

WHEREAS, STV, Inc. is the designer of record for the Hoboken Boiler and Terminal Repairs Project improvements and construction assistance services and other related services are needed to ensure the improvements are constructed in accordance with the approved design documents;

NOW, THEREFORE, BE IT RESOLVED, that the Chairman or Executive Director is authorized to enter into NJ TRANSIT Contract No.17-022X with DMR Construction Services, Inc., for the construction of the Hoboken Boiler and Terminal Repairs Project in an amount not to exceed \$10,354,454.69, 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 increase the total authorization amount for the 2012 Capital Planning and Programs Task Order Consultant Contracts Program with STV, Inc. (NJ TRANSIT Contract No. 13-006C) by \$765,776 for Construction Assistance services and other related services to support the Hoboken Boiler and Terminal Repairs Project and

coordination with other Hoboken area projects, for a maximum authorization amount of \$8,765,776 for this contract (NJ TRANSIT Resilience Program) and a maximum authorization amount of \$114,001,126 for the 2012 Task Order Consultant Contracts Program (NJ TRANSIT Resilience Program), subject to the availability of funds. The maximum task order and contract limits for these contracts previously approved for the 2012 Task Order Consultant Contracts Program will not apply to tasks related to the NJ TRANSIT Resilience Program.

EXHIBIT A
SUMMARY OF REQUESTED AUTHORIZATION
2012 TASK ORDER CONSULTANT CONTRACTS PROGRAM AMENDMENT

Vendor	Contract No.	Additional NJ TRANSIT Resilience Program Authorizations				Base Program Authorizations	
		Task Limit	Previous Authorizations	This Authorization	Contract Limit	Task Limit	Contract Limit
URS Corporation	13-001C	NA	\$ 8,045,350	\$ 0	\$ 8,045,350	\$ 500,000	\$ 2,250,000
BEM Systems, Inc.	13-002B	NA	\$ 17,800,000	\$ 0	\$ 17,800,000	\$ 500,000	\$ 6,800,000
Dewberry, Inc.	13-002D	NA	\$ 9,100,000	\$ 0	\$ 9,100,000	\$ 500,000	\$ 6,800,000
Parsons Brinckerhoff	13-004A	NA	\$ 2,000,000	\$ 0	\$ 2,000,000	\$ 500,000	\$ 4,500,000
Christopher P. Statile	13-005C	NA	\$ 1,250,000	\$ 0	\$ 1,250,000	\$ 400,000	\$ 2,250,000
Gannett Fleming	13-006A	NA	\$ 10,640,000	\$ 0	\$ 10,640,000	\$ 500,000	\$ 5,250,000
Jacobs Engineering	13-006B	NA	\$ 8,900,000	\$ 0	\$ 8,900,000	\$ 500,000	\$ 5,250,000
STV, Inc.	13-006C	NA	\$ 8,000,000	\$ 765,776	\$ 8,765,776	\$ 500,000	\$ 5,250,000
Systra, Inc.	13-006D	NA	\$ 3,000,000	\$ 0	\$ 3,000,000	\$ 500,000	\$ 5,250,000
HNTB Corporation	13-007B	NA	\$ 40,500,000	\$ 0	\$ 40,500,000	\$ 600,000	\$ 3,000,000
TranSystems, Inc.	13-007D	NA	\$ 3,000,000	\$ 0	\$ 3,000,000	\$ 600,000	\$ 3,000,000
Hill International ¹	13-010F	NA	\$ 1,000,000	\$ 0	\$ 1,000,000	\$ 600,000	\$ 5,950,000

¹ Hill International was previously authorized under NJ TRANSIT Contract No. 09-085A in the amount of \$2,000,000 for Project Oversight.

ITEM 1706-18: NJ TRANSIT RESILIENCE PROGRAM – OBSERVER HIGHWAY SWITCHING STATION: CONSTRUCTION CONTRACT AWARD

BENEFITS

Hoboken Terminal and Yard is one of NJ TRANSIT's major terminals and serves approximately 30,000 travelers daily from across seven New Jersey counties and New York City. The Terminal is an intermodal facility served by nine NJ TRANSIT commuter rail lines, the Hudson-Bergen Light Rail system, Port Authority Trans-Hudson (PATH) rapid transit system, NJ TRANSIT bus service, and NY Waterway ferry services.

On October 29, 2012, the storm surge from Superstorm Sandy caused significant damage to the facilities in the Hoboken Terminal and Yard – including to Terminal building facilities, substations and electrical assets, and key signals and communications equipment. NJ TRANSIT advanced immediate repairs to the Terminal and Yard and is progressing construction of long-term recovery projects to rebuild or replace damaged assets and infrastructure in a resilient manner.

This authorization will advance construction of a resilient substation to replace the existing Observer Highway Switching Station and related catenary power switching controls, which both suffered significant damage during Superstorm Sandy. The new switching station has been designed and situated to be able to provide reliable and resilient electric power to the “Depot” Substation, which in turn powers the rail and ferry terminals and supporting infrastructure, and is being replaced under a separate project. The new catenary switching control facility, known as a Remote Terminal Unit (RTU), will provide resilient control of catenary power for the Hoboken terminal tracks. The new switching station and RTU facilities will be constructed adjacent to the existing facilities, above the predicted future flood elevation for this site. Primary power cables to, and distribution cables from, the switching station and RTU will each be above the applicable flood elevation, making the project fully resilient against future extreme weather events.



Rendering of the new Observer Highway Switching Station. View from Observer Highway, Hoboken.

NJ TRANSIT customers will benefit from improved power reliability for the rail and ferry terminal facilities; and, improved control of catenary power for the terminal tracks.

ACTION (Scorecard: Customer Experience, Corporate Accountability, Safety and Security)

Staff seeks approval to enter into NJ TRANSIT Contract No. 16-042X with DMR Construction, Inc. of Waldwick, NJ, for the construction of the Observer Highway Switching

Station project in an amount not to exceed \$2,780,741.24, plus five percent for contingencies, subject to the availability of funds.

PURPOSE

This construction contract is for the complete replacement of the Observer Highway Switching Station, which is currently situated at an elevation vulnerable to ocean surge flood damage. With completion of the subject project, the constructed assets and infrastructure will be resilient to storm surge associated with potential future extreme weather events.

BACKGROUND

Superstorm Sandy caused substantial, system-wide damage to NJ TRANSIT infrastructure, equipment, and assets. Substations and switching stations were inundated with storm surge. NJ TRANSIT is advancing the permanent repair and replacement of five substations, and working with Public Service Electric & Gas (PSE&G) to further the replacement of a substation in Kearny, New Jersey known as Mason Substation.

The existing Observer Highway Switching Station and adjacent RTU facilities were heavily damaged during Superstorm Sandy. NJ TRANSIT required several months to effect interim repairs to the switching station, which is a primary source of power for the “Depot”



Existing Observer Highway Switching Station that is slated to be demolished following the construction of the new switching station. The current switching station is located in the floodplain and was damaged by Superstorm Sandy.

Substation facility that powers the rail and ferry terminals and supporting infrastructure; and the RTU equipment, which controls catenary power in portions of the Hoboken Yard. During the time the Observer Highway switching station was out of service, temporary generators were used to provide critical power for critical terminal operations; and catenary switching continues to be done manually.

In parallel with the interim repairs, NJ TRANSIT designed a replacement substation and RTU facility at a much higher elevation, above the future predicted FEMA flood elevation for this site. When completed, the Project will ensure the provision of resilient source of power to both the Rail and Ferry terminal facilities; and restore remote control of capability for catenary power in the yard.

The existing RTU building will be demolished and an elevated platform above NJ TRANSIT's design flood elevation will be constructed of galvanized metal grating on steel beams supported on a concrete foundation system. The new RTU building will be a prefabricated, temperature controlled, pre-wired building, furnished, with switches and controls for sectionalizing the catenary power system in Hoboken Yard. It will include remote controls capability, a fire alarm and suppression system, and quick connect capability for a portable generator if required. The new switching station will incorporate a new PSE&G service feed and switchgear, and new medium voltage cable will be installed between the new Observer Highway Switching Station and the proposed new Depot Substation, which is also being replaced under a separate project.

Procurement

Office of the State Comptroller approval to advertise the Construction Contract was received on February 21, 2017, as required by Executive Order 150. The NJ TRANSIT Office of Business Development assigned a 13 percent race conscious Disadvantaged Business Enterprise (DBE) goal for the Construction Contract.

An Invitation for Bid (IFB) was advertised on BID EXPRESS, NJ TRANSIT's electronic bid system, and in *The Star-Ledger* and *The Trenton Times* on March 20, 2017. A Pre-Bid Conference was held on April 3, 2017 at NJ TRANSIT's Headquarters Building in Newark. Bids were received electronically and opened on May 9, 2017 at NJ TRANSIT Headquarters in Newark.

IFB 16-042X RESULTS

Company	Total Bid Price
DMR Construction Services Inc., Waldwick, NJ	\$2,780,741.24
Railroad Construction Co., Paterson, NJ	\$3,396,480.50
George Harms Construction, Farmingdale, NJ	\$4,323,704.90
NEIE Construction, Denville, NJ	\$4,473,900.00

DMR Construction, Inc. has identified 15.8 percent DBE participation.

Funding

This contract will be funded through a combination of insurance proceeds and Transportation Trust Fund (TTF) monies.

Schedule

The construction of the Observer Highway Switching Station project is slated to commence by September 2017. It is anticipated that construction will take approximately 15 months, and is to be completed by December 2018.

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

FISCAL IMPACTS

Requested Authorization: \$2,780,741.24 + 5% contingency

Past Authorizations: None

Expenditures to Date: \$ 797,954.80 (as of 04/30/17)

Total Project Cost: \$ 5,217,000

Projected Date of Completion: December 2018

Capital Program Amount: \$ 5,217,000

Operating Budget Amount: \$0

PRINTS ID Number: NJT00764

Anticipated Source of Funds: Insurance Proceeds
Transportation Trust Fund

DBE/SBE Goal: 13% DBE

Future/Related Authorizations: None

NJ Build Amount: \$350

**Impact on Subsequent
Operating Budgets:** None

RESOLUTION

WHEREAS, NJ TRANSIT is committed to advancing long-term recovery projects from Superstorm Sandy that allow facilities and equipment to better withstand and recover from extreme weather events; and

WHEREAS, the Observer Highway Switching Station and RTU facilities was damaged during Superstorm Sandy, requiring significant and costly repairs immediately after the storm; and

WHEREAS, NJ TRANSIT seeks to replace the existing non-resilient facilities with a fully-resilient asset, and better prepare the Hoboken Terminal for future extreme weather events; and

WHEREAS, upon completion of a competitive procurement process, it was determined that DMR Construction, Inc. submitted the lowest responsive and responsible bid;

NOW, THEREFORE, BE IT RESOLVED, that the Chairman or Executive Director is authorized to Contract No. 16-042X with DMR Construction, Inc. of Waldwick, NJ, for construction of the Observer Highway Switching Station project in an amount not to exceed \$2,780,741.24, plus five percent for contingencies, subject to the availability of funds.

**ITEM 1706-19: NJ TRANSIT RESILIENCE PROGRAM – SUBSTATIONS:
AMENDMENT TO 2012 TASK ORDER CONSULTANT
CONTRACTS PROGRAM**

BENEFITS

To power electric catenary lines needed to operate electric rail service and to provide power to critical facilities, NJ TRANSIT currently owns, operates, and maintains a network of substations across the State, including general power substations, switching and autotransformer substations, and traction power supply substations.

On October 29, 2012, Superstorm Sandy's storm surge damaged six of these NJ TRANSIT substations in Hoboken, Kearny, and Bay Head, New Jersey. Brackish, salt water inundated key components and wiring. The electric components of these substations remain particularly vulnerable to the corrosive effects of salt water. Two additional substations, located in Kearny and Maplewood, New Jersey, were not damaged but determined to be in the floodplain and subject to potential future flooding.

To address latent damage and resilience needs, NJ TRANSIT is advancing engineering and design for the replacement of these substations. The new, replacement substations will be constructed above the FEMA Base Flood Elevation and resilient to future extreme weather events. Each of the substations is now in final engineering, with the first construction award – for the replacement of the Observer Highway Switching Station – scheduled for consideration by the NJ TRANSIT Board of Directors in June 2017.

ACTION (Scorecard: Customer Experience, Corporate Accountability, Financial Performance, Safety and Security)

Staff seeks authorization to increase the total authorization amount for the 2012 Capital Planning and Programs Task Order Consultant Contracts Program with Gannett Fleming, Inc. (NJ TRANSIT Contract No. 13-006A) by \$2,750,000, for a maximum authorization amount of \$13,390,000 for this contract (NJ TRANSIT Resilience Program) and a maximum authorization amount of \$116,751,126 for the 2012 Task Order Consultant Contracts Program (NJ TRANSIT Resilience Program), subject to the availability of funds. The maximum task order and contract limits for this contract previously approved for the 2012 Task Order Consultant Contracts Program will not apply to tasks related to the NJ TRANSIT Resilience Program.

PURPOSE

This request for additional authorization allows Staff to issue a change order to NJ TRANSIT Contract No. 13-006A with Gannett Fleming, Inc. under the 2012 Capital Planning and Programs Task Order Consultant Contracts Program. First authorized in March 2013, Gannett Fleming progressed the design of these substations under NJ TRANSIT's existing Task Order Consultant Contracts Program, which was competitively procured.

A change order is needed for Gannett Fleming to undertake construction assistance activities for replacement substation projects in Bay Head, Hoboken, and Kearny, New Jersey. Contemplated services include providing responses to requests for information, performing shop drawing review and material approvals, preparing and evaluating change order documentation, performing construction inspections and developing the final punch list, and preparing as-built drawings. The change order also increases the value of the design task for work outside of the original design scope, including near-term storm preparation assistance, assistance with the preparation of insurance claim documentation, design changes needed to address additional damages identified as work progressed, coordination of work with the design for other recovery projects (including subsequently issued awards by the Federal Transit Administration), design modifications necessitated by utility company requirements and service availabilities, context sensitivity changes requested by local communities, and other design modifications incurred since Gannett Fleming's work was first authorized in 2013.

The Board previously authorized \$10,640,000 for Gannett Fleming, Inc. for the NJ TRANSIT Resilience Program (Item 1303-07 – \$2,000,000; Item 1304-12 – \$750,000; Item 1308-37 – \$5,000,000; Item 1404-15 – \$2,600,000; Item 1410-45 – \$290,000). This authorization request is for an additional \$2,750,000 for Construction Assistance services for the substations program, for a total authorization for Gannett Fleming, Inc. (NJ TRANSIT Contract No. 13-006A) of \$13,390,000, as shown in Exhibit A.

BACKGROUND

NJ TRANSIT Resilience Program

NJ TRANSIT developed an interdisciplinary program utilizing both in-house staff and consulting firms to manage the design and construction of the projects identified as critical to repairing and making more resilient NJ TRANSIT's infrastructure, including substations, signal and communications systems, and other building and infrastructure resilience measures. The objective of NJ TRANSIT's Resilience Program is to make the transportation system stronger, more durable, and more reliable, while meeting the needs of its train, bus, and light rail customers now and in the future.

Substations – Gannett Fleming, Inc.

As part of the NJ TRANSIT Resiliency Program, Gannett Fleming, Inc. was authorized to perform preliminary and final design work for improvements to and/or replacement of electrical substation facilities located in Hoboken, Kearny and Bay Head and related catenary control facilities known as Remote Terminal Units (RTU) on the Morris & Essex Lines and the North Jersey Coast Line that were damaged by Superstorm Sandy as well as performing design and construction assistance on separate effort for the replacement of the Gladstone Line catenary poles. This authorization is specifically related to the substation and RTU facilities work.

Gannett Fleming, Inc. has completed or is nearing completion of final design packages for the Observer Highway, Depot, Henderson Street substations in Hoboken; the ROC Unit Substation in Kearny; the Bay Head Substation; and the Observer Highway, Kearny Junction, Rare and Morgan RTU facilities; and, brought the Mason and Building 9 substation facilities in Kearny to the 60 percent design level. NJ TRANSIT is working with Public Service Electric & Gas (PSE&G) to further the replacement of the Mason and Building 9 substation facilities.

The completed final design packages for the Observer Highway, Depot, Henderson Street, ROC and Bay Head substation facilities and the Observer Highway RTU facility have been submitted to the NJ TRANSIT Procurement Department for public bid advertisement.

Funding

This contract will be funded through a combination of funding from the Federal Transit Administration, insurance proceeds, and Transportation Trust Fund (TTF) monies.

On February 4, 2013, the U.S. Department of Transportation (USDOT) announced the availability of \$2 billion through the FTA’s Emergency Relief Program to help protect, repair, reconstruct, and replace public transit equipment and facilities that were badly damaged by Superstorm Sandy. The funds were the first installment of up to \$10.9 billion appropriated to the FTA through the Disaster Relief Appropriations Act of 2013, which President Obama signed into law on January 29, 2013.

To date, NJ TRANSIT has received funding allocations from FTA in the following amounts:

Emergency and Other Repair Work Initiated Prior to 01/29/2013	\$ 144,416,559
Recovery and Restoration Projects	\$ 197,574,198
Locally Prioritized Resilience Projects	\$ 106,199,045
Fourth Allocation of Recovery Funds (FR July 5, 2016)	<u>\$ 102,831,982</u>
Total	\$ 551,021,784

On November 5, 2014, FTA announced its award of a total of \$1.27 billion to NJ TRANSIT in additional funding, through a 13-state competition, for five resilience projects, as follows:

NJ TRANSITGRID	\$ 409,764,814
Delco Lead Storage and Inspection Facility	\$ 184,493,910
Hoboken Long Slip Fill and Rail Enhancement	\$ 146,548,432
Raritan River Bridge Replacement	\$ 446,312,465
Signals & Communications Resilience	<u>\$ 88,903,190</u>
Total	\$ 1,276,022,811

Office of State Comptroller approval for this contract amendment was received on May 18, 2017, as required under Executive Order 125.

Office of the State Comptroller approval to advertise the Construction Contract was received on February 21, 2017, as required by Executive Order 150.

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

FISCAL IMPACTS

Requested Authorizations:

2012 Task Order Consultant	This Authorization	\$ 2,750,000
Contracts Program (Resilience	Total Authorization	\$ 116,751,126
Program)		

Past Authorizations:

October 2012 Item 1210-48	Task Order Consultant Contracts for Corridor Planning; Environmental Consulting Services; Qualitative and Quantitative Research; Rail Operation & Infrastructure Planning; and Stations, Access & Site Planning
December 2012 Item 1212-61	Task Order Consultant Contracts for Architectural/ Engineering; Bridge and Railway Engineering; and Travel Demand Forecasting
March 2013 Item 1303-07	Superstorm Sandy Disaster Recovery Program Amendments to 2012 Task Order Consultant Contracts – \$13,000,000
April 2013 Item 1304-12	Superstorm Sandy Disaster Recovery Program Amendments to 2012 Task Order Consultant Contracts – \$8,500,000
April 2013 Item 1304-14	Task Order Consultant Contracts for Construction Management
May 2013 Item 1305-21	Task Order Consultant Contracts for Community Transportation; Transit-Friendly Planning, Land Use and Development ; Vertical Transportation; and Access Link
May 2013 Item 1305-22	Super Bowl 48 Amendment to 2012 Task Order Consultant Contract
August 2013 Item 1308-37	Superstorm Sandy Disaster Recovery Program Amendments to 2012 Task Order Consultant Contracts – \$20,300,000
April 2014 Item 1404-15	Superstorm Sandy Disaster Recovery Program Amendments to 2012 Task Order Consultant Contracts – \$17,600,000
September 2014 Item 1409-41	Superstorm Sandy Disaster Recovery Program Amendments to 2012 Task Order Consultant Contracts – \$8,000,000

October 2014 Item 1410-45	Superstorm Sandy Disaster Recovery Program Amendments to 2012 Task Order Consultant Contracts – \$290,000
December 2014 Item 1412-60	Superstorm Sandy Disaster Recovery Program Amendments to 2012 Task Order Consultant Contracts – \$2,000,000
May 2015 Item 1505-10	Superstorm Sandy Disaster Recovery Program – Rebuild by Design Amendment to 2012 Task Order Consultant Contracts – \$8,600,000
June 2015 Item 1506-14	Superstorm Sandy Disaster Recovery Program – Amendment to 2012 Task Order Consultant Contracts – \$11,500,000
September 2015 Item 1509-32	Superstorm Sandy Disaster Recovery Program – Amendment to 2012 Task Order Consultant Contracts – \$7,045,350
September 2015 Item 1509-33	Superstorm Sandy Disaster Recovery and Resilience Program – Amendment to 2012 Task Order Consultant Contracts – \$11,500,000
November 2015 Item 1511-43	NJ TRANSIT Resilience Program – Amendment to 2012 Task Order Consultant Contracts – \$400,000
November 2015 Item 1511-45	Capital Planning and Programs Task Order Consultant Contracts: Extension of Time and Increase in Authorizations
March 2017 Item 1703-08	NJ TRANSIT Resilience Program – Amendment to 2012 Task Order Consultant Contracts – \$4,000,000
March 2017 Item 1703-09	NJ TRANSIT Resilience Program – Rebuild by Design: Amendment to 2012 Task Order Consultant Contracts – \$ 500,00
April 2017 Item 1704-12	Hoboken Station Repairs: Amendment to 2012 Task Order Consultant Contracts (Task Limit increase)
June 2017 Item 1706-XX	NJ TRANSIT Resilience Program – Hoboken Boiler and Terminal Repairs: Amendment to 2012 Task Order Consultant Contracts Program – \$765,776
Total Previous (NJ TRANSIT Resilience Program)	\$114,001,126
Expenditures to Date:	\$9,694,730 (Gannett Fleming, Inc. as of 11/30/16)
Total Project Cost:	Part of NJ TRANSIT Resilience Program

Projected Date of Completion: December 2021 (Resilience Program projects)

Capital Program Amount: Part of NJ TRANSIT Resilience Program

Operating Budget Amount: \$0

Anticipated Source of Funds: Federal Transit Administration
Insurance Proceeds
Transportation Trust Fund

PRINTS ID Number: Various

DBE/SBE Goal: 25% DBE

***NJ Build* Amount:** N/A

Related/Future Authorizations: Construction contracts
Construction Management services

**Impact on Subsequent
Operating Budgets:** N/A

RESOLUTION

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

WHEREAS, NJ TRANSIT currently owns, operates, and maintains a network of substations across the State that power electric catenary lines needed to operate electric rail service and to provide power to critical facilities;

WHEREAS, on October 29, 2012, Superstorm Sandy damaged six of NJ TRANSIT's substations, the brackish, salt water inundated key components and wiring of these substations, and the electric components of these substations remain vulnerable to the corrosive effects of salt water;

WHEREAS, NJ TRANSIT is advancing engineering and design for the replacement of all substations, which will be constructed above the FEMA Base Flood Elevation and resilient to future extreme weather events; and each of the substations is now in final engineering; and

WHEREAS, Gannett Fleming, Inc. is currently under contract to NJ TRANSIT following the completion of a competitive procurement process; and

WHEREAS, NJ TRANSIT anticipates a portion of the costs associated with Gannett Fleming, Inc.'s work to be reimbursed from insurance proceeds and the Federal Transit Administration;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to increase the total authorization amount for the 2012 Capital Planning and Programs Task Order Consultant Contracts Program with Gannett Fleming, Inc. (NJ TRANSIT Contract No. 13-006A) by \$2,750,000, for a maximum authorization amount of \$13,390,000 for this contract (NJ TRANSIT Resilience

Program) and a maximum authorization amount of \$116,751,126 for the 2012 Task Order Consultant Contracts Program (NJ TRANSIT Resilience Program), subject to the availability of funds. The maximum task order and contract limits for this contract previously approved for the 2012 Task Order Consultant Contracts Program will not apply to tasks related to the NJ TRANSIT Resilience Program.

EXHIBIT A

SUMMARY OF REQUESTED AUTHORIZATIONS

2012 TASK ORDER CONSULTANT CONTRACTS PROGRAM AMENDMENTS

Vendor	Contract No.	Additional Superstorm Sandy Disaster Recovery and Resilience Program Authorizations				Base Program Authorizations	
		Task Limit	Previous Authorizations	This Authorization	Contract Limit	Task Limit	Contract Limit
URS Corporation	13-001C	NA	\$ 8,045,350		\$ 8,045,350	\$ 500,000	\$ 2,250,000
BEM Systems Inc.	13-002B	NA	\$ 17,800,000		\$ 17,800,000	\$ 500,000	\$ 6,800,000
Dewberry Inc.	13-002D	NA	\$ 9,100,000		\$ 9,100,000	\$ 500,000	\$ 6,800,000
Parsons Brinckerhoff	13-004A	NA	\$ 2,000,000		\$ 2,000,000	\$ 500,000	\$ 4,500,000
Christopher P. Statile	13-005C	NA	\$ 1,250,000		\$ 1,250,000	\$ 400,000	\$ 2,250,000
Gannett Fleming	13-006A	NA	\$ 10,640,000	\$ 2,750,000	\$ 13,390,000	\$ 500,000	\$ 5,250,000
Jacobs Engineering	13-006B	NA	\$ 8,900,000		\$ 8,900,000	\$ 500,000	\$ 5,250,000
STV Inc.	13-006C	NA	\$ 8,765,776		\$ 8,765,776	\$ 500,000	\$ 5,250,000
Systra Inc.	13-006D	NA	\$ 3,000,000		\$ 3,000,000	\$ 500,000	\$ 5,250,000
HNTB Corporation	13-007B	NA	\$ 40,500,000		\$ 40,500,000	\$ 600,000	\$ 3,000,000
TranSystems Inc.	13-007D	NA	\$ 3,000,000		\$ 3,000,000	\$ 600,000	\$ 3,000,000
Hill International ¹	13-010F	NA	\$ 1,000,000		\$ 1,000,000	\$ 600,000	\$ 5,950,000

¹ Hill International was previously authorized under NJ TRANSIT Contract No. 09-085A in the amount of \$2,000,000 for Project Oversight

ITEM 1706-20: 2018 CAPITAL PLANNING AND PROGRAMS TASK ORDER CONSULTANT CONTRACTS PROGRAM: CORRIDOR PLANNING; ENVIRONMENTAL CONSULTING SERVICES; QUALITATIVE AND QUANTITATIVE RESEARCH; RAIL OPERATIONS AND INFRASTRUCTURE PLANNING; AND STATIONS, ACCESS, PARKING, AND SITE PLANNING

BENEFITS

NJ TRANSIT has an on-going need for consultant services in various planning and engineering disciplines. The volume of work increases and decreases in response to needs and available funding and, as a result, it is costly and impractical to retain an in-house work force sufficient to meet maximum workloads. Task order contracts also allow retention of specialized expertise that is rarely cost-effective to maintain in-house. Additionally, the availability of task order contracts affords the opportunity to use consultants already pre-qualified for specific work efforts, thus minimizing the time and cost needed to initiate and complete work. Contracting with a limited number of consultants also provides a greater measure of control over the work being performed.

NJ TRANSIT assessed its current Task Order Consultant Contracts program, determining that 14 disciplines are required to address NJ TRANSIT's future needs. These 14 disciplines have been organized into four packages, which will be procured separately. The present item for consideration by the NJ TRANSIT Board of Directors addresses the first ("Package One") and second ("Package Two") of the four Task Order Consultant Contract Packages.

ACTION (Scorecard: Corporate Accountability)

Staff seeks authorization to enter into NJ TRANSIT Contract Nos. 16-018 through 16-022 with the firms shown in Exhibit A for engineering, research and planning support services on a task order basis in five disciplines: Corridor Planning; Environmental Consulting Services; Qualitative and Quantitative Research; Rail Operations and Infrastructure Planning; and Stations, Access, Parking, and Site Planning. The total value of the 2018 Task Order Consultant Contracts Program, of which these contracts comprise the first package, is \$50,000,000. Each contract will extend for five years; the maximum task and contract limits for each discipline are shown in Exhibit B.

Staff also seeks authorization to extend the term of the 2012 Capital Planning and Programs Task Order Consultant Contracts Program contracts in five disciplines: Architectural/Engineering; Bridge and Railway Engineering; Travel Demand Forecasting; and Transit-Friendly Planning, Land Use and Development for a targeted and limited extension as shown on Exhibit C. The current task limits, contract limits, and overall authorization for this program will remain unchanged.

PURPOSE

Authorization of these task order contracts will provide available labor as needed to support NJ TRANSIT's Capital Program, handle specialized work loads, address critical issues, ensure environmental compliance, and engage specialized engineering and planning expertise not available in-house.

BACKGROUNDHistory

In 1992 staff requested, and the Board authorized, the first task order contracts for environmental services, architecture and engineering design, and bridge and structural engineering design. The Board authorized subsequent contracts for these services as well as added task order contracts for facility and site planning/conceptual engineering, market research, transit demand modeling and analysis, bus and rail service planning, construction management services, site planning and engineering, transit-friendly general planning, public transit planning, and vertical transportation services.

The following table shows the authorizations for the various task order contracts for the 2012 base program (not including separate authorizations for the NJ TRANSIT Resilience Program, Rebuild by Design, Hoboken Incident, or Super Bowl XLVIII).

2012 TASK ORDER CONSULTANT CONTRACTS PROGRAM

Contract No.	Discipline	Task Limit	Contract Limit (per firm)
13-001	Corridor Planning	\$ 500,000	\$ 2,250,000
13-002	Environmental Consulting Services	\$ 500,000 ¹	\$ 6,800,000
13-003	Qualitative and Quantitative Research	\$ 500,000	\$ 2,250,000
13-004	Rail Operations and Infrastructure Planning	\$ 500,000	\$ 4,500,000
13-005	Stations, Access & Site Planning	\$ 400,000	\$ 2,250,000
13-006	Architectural/Engineering	\$ 500,000	\$ 5,250,000
13-007	Bridge and Railway Engineering	\$ 600,000	\$ 3,000,000
13-008	Travel Demand Forecasting	\$ 400,000	\$ 3,000,000
13-009	Community Transportation	\$ 350,000	\$ 1,500,000
13-010	Construction Management Services	\$ 600,000	\$ 5,950,000
13-011	Transit-Friendly Planning, Land Use & Development	\$ 400,000	\$ 2,250,000
13-012	Vertical Transportation	\$ 400,000	\$ 3,000,000
13-040	Access Link	\$ 350,000	\$ 1,500,000
Total Authorization – All Contracts		\$ 48,075,000	

The first contracts for the 2012 Task Order Consultant Contracts Program were approved in October 2012 (Item 1210-48) with the subsequent contracts approved in December 2012 (Item 1212-61), April 2013 (Item 1304-14) and May 2013 (Item 1305-21). The original 2012 Program envisioned an overall authorization of \$32,050,000 and contract duration of three years. Subsequent to the commencement of the 2012 Program, staff resources were diverted to the management and procurement of both design and construction contracts related to recovery and resilience projects resulting from the impact of Superstorm Sandy. Consequently, the initiation of a subsequent Task Order Consultant Contracts Program was delayed. In November 2015, the NJ TRANSIT Board of Directors authorized an extension of time and an increase in overall authorization for the 2012 Program. The contracts included in the 2012 Program were extended, therefore, for an additional 18 months and the overall authorization was increased to \$48,075,000.

Justification

The planning, design and engineering effort required to implement NJ TRANSIT's Capital Program can be provided in three ways: in-house forces, traditional competitive procurements (Request for Proposal), and task order contracts.

NJ TRANSIT staff generally is responsible for the design of routine projects such as station rehabilitation work. Traditional competitive procurements are used for planning and engineering projects that are complex, requiring several different disciplines to interact, and that have schedules compatible with the time required for contracting with consultants through this process.

In accordance with Executive Order No. 37 and NJ TRANSIT Procurement Regulations, N.J.A.C. 16:72-1.5, all contracts for the procurement of goods or services that in the aggregate exceed the bid threshold must be awarded through the public bidding process. Every five years the bid threshold is modified by the Governor in consultation with the Department of Treasury. N.J.S.A. 40A:11-3. The last modification became effective January 1, 2011.

Currently, professional services contracts valued at \$40,000 or more require the solicitation of offers through a publicly advertised Request for Proposal. The Request for Proposal (RFP) includes a description of the services to be purchased, all significant evaluation factors and their relative importance, and any other relevant information such as schedule dates and deadlines for the completion of the work. Staff prepares a Technical Specification package, which includes pertinent details, a project summary, and a scope of work for inclusion in the RFP. The scope of work describes the technical requirements to be met as well as what services are to be completed for each milestone from inception to completion.

Depending on the complexity of the project, it is not uncommon for the procurement process – from the time staff starts to prepare the scope of work to the actual evaluation of the proposals – to take a year to complete. In addition, professional services contracts valued at \$250,000 or more require Board of Directors approval which can add an additional two months to the process. Not only are NJ TRANSIT staff

resources devoted to this effort but the consultants must also devote staff resources responding to the RFP.

The introduction of task order contracts resulted from the recognition that

- it is not practical to staff in-house capabilities to meet maximum needs;
- it is more cost-effective to supplement core staff resources with outside consultants when workloads increase;
- some design tasks require specialized expertise that is not cost-effective to maintain in-house as it is needed only occasionally; and,
- many of the tasks need to be completed on a schedule that is not compatible with the typical competitive procurement process.

Without the task order consultant contracts to supplement in-house forces, implementing the Capital Program would require an increase of in-house design staff as well as Procurement staff. Bidding each assignment separately would delay program implementation; construction industry inflation erodes the purchasing power of the Capital Program, which does not generally increase in proportion to construction industry inflation.

Procurement

In Fall 2015, staff assessed the current Task Order Consultant Contracts Program to determine if the program should be continued. The assessment included a review of whether the disciplines addressed future needs. In addition, staff recommended that the fourteen disciplines be procured as four separate packages to reduce the burden on the consultant community as well as on staff. The four Task Order Consultant Contract packages are:

Package One

- Corridor Planning
- Environmental Consulting Services
- Qualitative and Quantitative Research
- Rail Operations and Infrastructure Planning
- Stations, Access, Parking and Site Planning

Package Two

- Architectural/Engineering
- Bridge and Railway Engineering
- Travel Demand Forecasting
- Transit-Friendly Planning, Land Use and Development

Package Three

- Community Transportation
- Construction Management Services
- Vertical Transportation
- Access Link

Package Four

- Emergency Response/Resilience Planning

Office of State Comptroller approval to advertise the Package One contracts was received on April 7, 2017. The NJ TRANSIT Office of Business Development assigned the following Disadvantaged Business Enterprise (DBE) goals to the contracts included in this first package:

Corridor Planning	25% DBE
Environmental Consulting Services	18% DBE
Qualitative & Quantitative Research	25% DBE
Rail Operations & Infrastructure Planning	25% DBE
Stations, Access, Parking, & Site Planning	23% DBE

A Request for Proposals for the Task Order Consultant Contracts Package One was advertised in *The Star-Ledger* and *The Trenton Times* on April 13, 2016 and Pre-Proposal Conferences were held on May 3, 2016. Proposals were received on June 7, 2016 and were evaluated by Technical Evaluation Committees (TECs) assembled with knowledge relevant to each discipline.

At the Pre-Proposal Conferences and in the RFP materials, the interested firms were advised that the Task Order Consultant Program would be advertised as four separate packages. Prime Consultants could submit proposals for more than one discipline. Unlike past Task Order Consultant Contracts Programs, Prime Consultants are no longer limited to the number of contracts that they may be awarded. Firms responding as a Prime Consultant were not allowed to respond as a subconsultant on another team within the same discipline, but were not precluded from responding as a subconsultant on another team within a different discipline.

Firms were also advised of the three future advertisements for proposals. The total authorization for all four packages will be \$50,000,000, an increase from previous programs due to the longer contract duration. The contract duration for this program is five years.

Based on the written submissions, firms were short-listed for oral interviews which were held in late July 2016 and early August 2016, and those firms judged most responsive by the TECs were selected for the 2018 Task Order Consultant Contracts Program.

**SELECTION PROCESS
(Number of Firms)**

Discipline	Proposals Submitted	Oral Interviews	Selected
Corridor Planning	7	6	4
Environmental Consulting Services	13	10	5
Qualitative and Quantitative Research	7	5	3
Rail Operations and Infrastructure Planning	5	4	3
Stations, Access and Site Planning	8	5	4

Scope of Work

Corridor Planning

A key component for the Corridor Planning contracts is the assessment of transit suitability in a variety of local and regional corridors. These assessments will consider land use, demographics, existing travel patterns, local planning and zoning, transit modes, and environmental impacts. The consultant will evaluate the potential to increase ridership and balance demand over several routes/modes through capacity improvements, travel time reductions, and route/schedule modifications.

Environmental Consulting Services

The Environmental Consulting Services discipline includes site investigation and remediation tasks; environmental and historic documentation; environmental permitting, compliance and project documentation; underground and aboveground storage tank system compliance, design services, and project documentation; energy and sustainability assessments; and environmental and facility data management.

Qualitative and Quantitative Research

The Qualitative and Quantitative Research discipline includes origin and destination surveys; public opinion surveys; advertising effectiveness surveys; attitude and usage surveys; statistical analysis; public opinion polls; focus groups; translation services; on-line survey programming and hosting; questionnaire development, preparation and printing; and field services for on-board survey administration.

Rail Operations and Infrastructure Planning

The Rail Operations and Infrastructure Planning discipline addresses smaller design and study projects in which proposals can be prepared quickly. Two primary topic areas are included within this discipline: Rail Infrastructure Planning and Conceptual Design; and Rail Operations Analysis and System Network Simulation.

Stations, Access, Parking, and Site Planning

The Stations, Access, Parking, and Site Planning discipline includes an annual system-wide station access, parking usage and needs assessment; annual aerial photographs of all bus, rail, and light rail project sites; annual parking inventory updates of all private

and public parking resources used by NJ TRANSIT; monitoring and analysis of parking management; audits of the physical conditions of select NJ TRANSIT stations; conceptual planning for site-specific project requests; pedestrian/vehicle/bicycle/shuttle vehicle access assessments; and ADA station improvement program assessments.

Package Two of contracts (Architectural Engineering, Bridge and Railway Engineering, Travel Demand Forecasting, and Transit-Friendly Planning, Land Use and Development disciplines) were advertised in April 2017. Authorization from the NJ TRANSIT Board of Directors is anticipated in November 2017. Since those contracts will begin to expire in October 2017, a limited and targeted extension of the contract term is required to ensure continued use of this program through January 2018, as set forth in Exhibit C.

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

FISCAL IMPACTS

Requested Authorization: \$ 50,000,000 (Total 2018 Program)

Past Authorizations: None

Expenditures to Date: \$0

Total Project Cost: \$ 50,000,000 (Total 2018 Program)

Projected Date of Completion: NA

Capital Program Amount: Project dependent

Operating Budget Amount: \$0

Anticipated Source of Funds: Federal Transit Administration
Transportation Trust Fund

PRINTS ID Number: Project dependent

DBE/SBE Goal:

Corridor Planning 25% DBE
Contract No. 16-018

Environmental Consulting 18% DBE
Services
Contract No. 16-019

Qualitative & Quantitative 25% DBE
Research
Contract No. 16-020

Rail Operations & Infrastructure 25% DBE
Planning
Contract No. 16-021

Stations, Access, Parking, & 23% DBE
Site Planning
Contract No. 16-022

NJ Build Amount: None

Future Related Authorizations: Task Order Consultant Contracts Program Packages 2, 3 and 4

Impacts on Subsequent Operating Budgets: None

RESOLUTION

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

WHEREAS, NJ TRANSIT has a continuing need for consultant services in the fields of corridor planning; environmental consulting services; qualitative and quantitative research; rail operations and infrastructure planning; and stations, access and site planning; and

WHEREAS, Task Order Consultant Contracts will be used on an as-needed basis to supplement in-house staff; and

WHEREAS, Task Order Consultant Contracts are needed to support NJ TRANSIT's capital program, address critical issues and ensure environmental compliance; and

WHEREAS, Task Order Consultant Contracts will provide specialized expertise which is rarely cost-effective to maintain in-house; and

WHEREAS, following the completion of a competitive procurement process, it was determined that 19 firms submitted the most advantageous proposals for the five disciplines included as Package One;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is hereby authorized to enter into NJ TRANSIT Contract Nos. 16-018 through 16-022 with the firms shown in Exhibit A for engineering, research and planning support services on a task order basis in five disciplines: Corridor Planning; Environmental Consulting Services; Qualitative and Quantitative Research; Rail Operations and Infrastructure Planning; and Stations, Access, Parking, and Site Planning. The total value of the 2018 Task Order Consultant Contracts Program, of which these contracts comprise the first package, will be \$50,000,000. Each contract will extend for five years; the maximum task and contract limits are shown in Exhibit B; and

BE IT FURTHER RESOLVED that the Chairman or Executive Director is hereby authorized to extend the term of the 2012 Capital Planning and Programs Task Order Consultant Contracts Program contracts in five disciplines: Architectural/Engineering; Bridge and Railway Engineering; Travel Demand Forecasting; and Transit-Friendly Planning, Land Use and Development for a targeted and limited extension , as shown on Exhibit C. The current task limits, contract limits, and overall authorization for this program will remain unchanged.

SELECTED FIRMS

CONTRACT No. 16-018 CORRIDOR PLANNING – 4 FIRMS

16-018A Fitzgerald & Halliday, Inc. (New York, New York)¹ with Foursquare Integrated Transportation Planning, Inc.; IBI Group; Alan M. Voorhees Transportation Center at Rutgers University

16-018B AECOM Technical Services, Inc. (New York, New York) with InGroup, Inc.; Connetics Transportation Group, Inc.; Malick & Scherer, P.C.; TechniQuest Corporation

16-018C Vanasse Hansen Brustlin (New York, New York) with Louis Berger Group; Resource Systems Group; HR&A Advisors, Inc.; The Calladium Group; InGroup, Inc.; KFH Group, Inc.; Sobers Consulting, LLC; Traffic Databank

16-018D Parsons Brinckerhoff (Newark, New Jersey) with Dewberry Engineers, Inc.; Remington & Vernick Engineers, Inc.; Sam Schwartz Consulting, LLC; AmerCom Corp.; Jois Construction Management System (JCMS), Inc.; Connetics Transportation Group, Inc.; InGroup, Inc.; Historic Perspectives, Inc.

CONTRACT No. 16-019 – ENVIRONMENTAL CONSULTING SERVICES – 5 FIRMS

16-019A Dewberry Engineers, Inc. (Parsippany, New Jersey) with Dewberry Consultants, LLC; Dewberry Design-Builders, Inc.; Advanced Drilling, Inc.; CHA Consulting Group, Inc.; Chemtech Consulting Group, Inc.; Environmental Management and Design Services, Inc.; Emilcott Associates, Inc.; Greener by Design, LLC; Hampton-Clarke, Inc.; Hill Environmental Group, Inc.; Marine Tiger Technologies, Inc.; Parson Brinckerhoff, Inc.; Paul Carpenter Associates, Inc.; Recovery Environmental Services, Inc.; Rubicon Environmental Services, LLC; Subsurface Environmental Technologies, LLC; Summit Drilling, Inc.; TestAmerica Laboratories, Inc.; The Calladium Group, LLC; TRC Environmental Corporation; Underground Services, Inc.

16-019B AKRF, Inc. (Mount Laurel, New Jersey) with Ramboll Environ; STV Incorporated; Burns Engineering, Inc. Mondre Energy, Inc., The Calladium Group; YU & Associates; Fitzgerald & Halliday, Inc.; Amy S. Greene Environmental Consultants, Inc.; Richard Grubb & Associates, Inc.; Malick & Scherer, PC; Paul Carpenter Associates, Inc.; BET Consultants; SGS Accutest, Inc.; Jersey Boring & Drilling Co., Inc.

¹ Fitzgerald & Halliday, Inc. is a certified Disadvantaged Business Enterprise (DBE)

SELECTED FIRMS

16-019C BEM Systems, Inc. (Chatham, New Jersey) with Amy S. Greene Environmental Consultants, Inc.; The Calladium Group, LLC; Cambridge Systematics, Inc.; Concord Engineering Group, Inc.; Gannett Fleming, Inc.; Greener by Design, LLC; HDR Engineering, Inc.; InGroup Networking, Inc.; Paul Carpenter Associates, Inc.; Richard Grubb and Associates, Inc.; Rubicon Environmental, LLC; Chemtech Consulting Group, Inc.; Hampton-Clarke, Inc.; Hill Environmental Group, Inc.; Jersey Boring & Drilling Co., Inc.; Naik Consulting Group, PC; Recovery Environmental Services, Inc.; Subsurface Environmental Technologies, LLC

16-019D Arcadis U.S., Inc. (Fair Lawn, New Jersey) with Advanced Drilling, Inc.; Amy S. Greene Environmental Consultants, Inc.; Burns Engineering, Inc.; Chemtech Consulting Group, Inc.; Fairfield Maintenance, Inc.; Mondre Energy, Inc.; Radin Consulting, Inc.; Richard Grubb & Associates, Inc.; Solomon Energy, Inc., Barbas Surveying, Inc.

16-019E Roux Associates, Inc. (Logan Township, New Jersey) with ACT Engineers, Inc.; Advanced Drilling, Inc.; Amy S. Greene Environmental Consultants, Inc.; AllState Power Vac., Inc.; Arch2, Inc.; Batta Environmental Associates, Inc.; Becht Engineering BT, Inc.; Chemtech Consulting Group, Inc.; Distinct Engineering Solutions, Inc.; DPK Consulting, LLC; Environmental Industrial Services Corporation; Hager-Richter Geoscience, Inc.; Hampton-Clarke, Inc.; Hill Environmental Group, Inc.; Milestones Engineering, PC; Mondre Energy, Inc.; Practical Energy Solutions; Radin Consulting, Inc.; SGS Accutest, Subsurface Environmental Technologies, LLC; Summit Drilling, Inc.

CONTRACT No. 16-020 – QUALITATIVE AND QUANTITATIVE RESEARCH – 3 FIRMS

16-020A ABT SRBI, Inc. (New York, New York) with Taurus Marketing Research; Eureka Facts, LLC; Alpina Digital; Vanasse Hangen Brustlin (16-020A)

16-020B WB&A Market Research (Crofton, Maryland) with Eureka Facts; Foursquare ITP; Taurus Marketing Research; ARG Survey Service (16-020B)

16-020C Clarion Research (New York, New York) with Taurus Marketing Research; Ardem Incorporated; CQ Fluency; and Maximum Research (16-020C)

CONTRACT 16-021 – RAIL OPERATIONS AND INFRASTRUCTURE PLANNING – 3 FIRMS

16-021A HNTB (New York, New York) with Amy S. Greene Environmental Consultants, Inc.; JCMS, Inc.; Matrix New World Engineering, Inc.; Sowinski Sullivan Architects, PC; Mott MacDonald, LLC; The Calladium Group; Malick & Scherer, PC

SELECTED FIRMS

16-021B Parsons Brinckerhoff (Newark, New Jersey) with Dewberry Engineers Inc.; GTS Consultants, Inc.; JCMS, Inc.; Lynn Drobbin & Associates; Malick & Scherer, PC; Sowinski Sullivan Architects, PC

16-021C LTK Engineering Services (Ambler, Pennsylvania) with Jacobs Engineering Group Inc.; Envision Consultants, Ltd.; Malick & Scherer, Inc.; Matrix New World Engineering, Inc.; Sowinski Sullivan Architects, PC

CONTRACT 16-022 – STATIONS, ACCESS, PARKING, & SITE PLANNING – 4 FIRMS

16-022A Stantec Consulting Services Inc. (Mount Laurel, New Jersey) with AmerCom Corporation; Amy S. Greene Environmental Consultants, Inc.; and Richard Grubb & Associates, Inc.

16-022B Dewberry Engineers Inc. (Bloomfield, New Jersey) with WSP/Parsons Brinckerhoff); CHA Consulting, Inc.; Timothy Haahs & Associates, Inc.; AmerCom Corporation; Malick & Scherer, PC; RLS and Associates Robinson Aerial Surveys, Inc.; SM Engineers; Sowinski Sullivan Architects; Dewberry Consultants, LLC; Dewberry Design-Builders, Inc.

16-022C Sam Schwartz Consulting, L.L.C. (Jersey City, New Jersey) with HDR; Amy Greene Environmental Consultants; Richard Grubb & Associates; Skycomp; GEOD

16-022D HNTB Corporation (New York, New York) with Arch2 Inc.; Chance Management Advisors, Inc.; Ideal Data, Inc.; Sowinski Sullivan Architects, PC; Yu & Associates, Inc.; Matrix New World Engineering; Land Surveying and Landscape Architecture, P.C.; New Jersey Innovation Institute; Skycomp, Inc.; SI Engineering, P.C.

Contract No.	Discipline	Task Limit	Contract Limit (per firm)
16-018	Corridor Planning	\$ 500,000	\$ 2,000,000
16-019	Environmental Consulting Services	\$ 500,000	\$ 5,000,000
16-020	Qualitative and Quantitative Research	\$ 500,000	\$ 2,000,000
16-021	Rail Operations and Infrastructure Planning	\$ 500,000	\$ 4,000,000
16-022	Stations, Access and Site Planning	\$ 400,000	\$ 2,000,000

**2012 Task Order Consultant
Contracts - Package 2
Extensions**

		Task Limit	Contract Limit	Current Expiration Date	Proposed Contract	
					Expiration Date	Contract Limit
13-006	Architectural/Engineering	\$500,000	\$ 5,250,000			\$5,250,000
13-006A	Gannett Fleming, Inc.			10/09/17	01/09/18	
13-006B	Jacobs Engineering Group, Inc.			10/12/17	01/12/18	
13-006C	STV, Inc.			10/12/17	01/12/18	
13-006D	Systra Consulting, Inc.			10/12/17	01/12/18	
13-007	Bridge and Railway Engineering	\$600,000	\$ 3,000,000			\$3,000,000
13-007A	HDR Engineering, Inc.			10/09/17	01/09/18	
13-007B	HNTB Corporation			10/13/17	01/13/18	
13-007C	Parsons Transportation Group, Inc.			10/22/17	01/22/18	
13-007D	TranSystems Corporation			10/13/17	01/13/18	
13-008	Travel Demand Forecasting	\$400,000	\$ 3,000,000			\$3,000,000
13-008A	AECOM Technical Services, Inc.			10/13/17	01/13/18	
13-008B	URS Corporation			03/21/18	No extension	
13-008C	Michael Baker, Jr., Inc.			01/28/18	No extension	
13-011	Transit-Friendly Planning, Land Use & Development	\$400,000	\$ 2,250,000			\$2,250,000
13-011A	Looney Ricks Kiss			02/12/18	No extension	
13-011B	The RBA Group			12/23/17	01/23/18	
13-011C	EE&K, a Perkins Eastman Company			02/12/18	No extension	

ITEM 1706-21: NJ TRANSIT RESILIENCE PROGRAM: INTEGRITY OVERSIGHT MONITORING SERVICES CONTRACTS – EXTENSION OF TIME

BENEFITS

NJ TRANSIT has to fulfill an ongoing obligation to hire and use independent Integrity Oversight Monitors in connection with Superstorm Sandy long-term recovery and resilience efforts under Federal and State requirements. Since July 15, 2014, NJ TRANSIT's Internal Audit Department (NJTIAD) has contracted with four (4) Integrity Oversight Monitor (IOM) Consultants to oversee various NJ TRANSIT Resilience Program (NJTRP) projects and their related contracts. The goal of the required oversight is to detect, prevent, and deter potential criminal activity and fraud, waste, and abuse in the current and future NJTRP activities. NJ TRANSIT needs to continue to retain the services of the four (4) IOM Consultants to remain in compliance with the Federal and State requirements.

ACTION (Scorecard: Financial Performance, Corporate Accountability)

Staff seeks authorization to exercise the first two-year period option to extend NJ TRANSIT Contract Nos. 14-033A with CohnReznick, LLP, 14-033B with Eisner Amper LLP, 14-033C with RSM, LLP (formerly McGladery, LLP), and 14-033D with Thacher Associates, LLC utilizing the previously approved total authorization amount not to exceed the sum of \$15,000,000 (Fifteen Million Dollars) as authorized in Board Item 1405-19 dated May 15, 2014 for all approved Work Authorizations (WAs) that may be issued to these four (4) IOM Consultants during the two-year contract extension period, subject to availability of funds.

PURPOSE

To continue NJ TRANSIT's IOM program to further enhance the prevention and detection of fraud, waste, abuse, and potential criminal activity in relation to the NJTRP. Authorization of this contract amendment will provide for an extension of the current contracts with CohnReznick, LLP, Eisner Amper, LLP, RSM, LLP (formerly McGladery, LLP and Thacher Associates, LLC for an additional two-year period and will not increase the current authorization limit. Work Authorizations will continue to be made during the two-year extension term of the contract but may extend beyond that timeframe until each individual Work Authorization is completed.

BACKGROUND

In October 2012, Superstorm Sandy's storm surge caused extensive damage to NJ TRANSIT's infrastructure requiring NJ TRANSIT to quickly start up programs to repair and implement a resilience program. NJ TRANSIT has identified resilience projects that will enable the agency to better withstand, and recover from, extreme weather events.

In compliance with Federal and State requirements NJ TRANSIT has established an Integrity Oversight Monitoring program to detect, prevent, and deter potential criminal activity and fraud, waste, and abuse in the current and future NJTRP activities.

NJ TRANSIT continues to retain the services of the IOM Consultants with the goal of achieving the following objectives:

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

The Integrity Oversight Monitoring of the NJTRP is required by New Jersey State and Federal Requirements as follows:

Federal Requirements for Oversight Monitoring:

As articulated in the Federal Register pages 32301 - 32302 (May, 29 2013) “[a]ny recipient receiving over \$100 million in Disaster Relief Appropriations Act funds will be required to hire and use independent Integrity Monitors.” It is in essence FTA’s expectation that such Integrity Monitors will review and monitor procedures, procurement process and ongoing work to mitigate identified risks for fraud, waste or abuse that include investigative and forensic reviews. IOMs are also required to report directly to the US DOT OIG when encountering suspected or potentially criminal activity, fraud, waste or abuse (This would be in addition to reporting directly to the New Jersey Attorney General and the OSC.)

New Jersey Legislation Requiring Oversight Integrity Monitors:

In accordance with N.J.S.A. 52:15D-2 [A 60], legislation adopted shortly after New Jersey suffered damage from Sandy, the New Jersey Department of the Treasury (NJ Treasury) established a pool of Integrity Oversight Monitors and a program of quarterly reporting.

Meeting the Requirement of State and Federal Mandates:

To continue to meet the Federal and State requirements NJ TRANSIT’s IOM program needs to be continued. Since July 15, 2014 substantial efforts have been made by NJ TRANSIT in providing Integrity Oversight Monitors oversight on several NJTRP projects and contracts. Over the next two (2) years, construction will begin on multiple

NJTRP projects and contracts that would require active oversight monitoring. Therefore these contract amendments are in the best interest of NJ TRANSIT.

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

FISCAL IMPACTS

Total Authorization Amount:	\$0 (Extension of time only)
Past Authorizations:	Board Item 1405-19 dated May 15, 2014 Superstorm Sandy Recovery Program: Integrity Oversight Monitoring Services- Competitive Procurement \$15,000,000 (Fifteen Million)
Expenditures to Date:	\$2,004,793 (Work Authorizations awarded)
Total Project Cost:	Part of Superstorm Sandy Recovery and Resiliency Program
Projected Date of Completion:	July 2019 and beyond
Capital Program Amount:	TBD
Operating Budget Amount:	None
PRINTS ID Number:	Work Authorizations
Anticipated Source of Funds:	Federal Transit Administration and Transportation Trust Fund
DBE/SBE Goal:	10% DBE
<i>NJ Build</i> Amount:	None
Future/Related Authorizations:	None
Impact on Subsequent Operating Budgets:	None

RESOLUTION

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

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

WHEREAS, State law and federal funding requirements mandate integrity oversight monitoring of contracts for the repair and reconstruction of damaged facilities in a more resilient manner for projects that are federally funded; and

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

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

WHEREAS, it continues to be in NJ TRANSIT's best interests and is required by state law or applicable regulations for NJ TRANSIT to secure independent oversight monitoring that reports directly to the New Jersey Department of Treasury on a quarterly basis, and directly to the New Jersey Attorney General and Office of the State Comptroller (OSC) and by federal requirements to U.S. Department of Transportation (USDOT) Office of Inspector General (OIG) when encountering suspected or potentially criminal activity, fraud, waste or abuse; and

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

WHEREAS, there is a need to continue independent IT, Internal and Construction Auditing of NJ TRANSIT Resiliency Program (NJTRP) Contracts as part of the Integrity Oversight Monitoring Services in keeping with FTA requirements; and

WHEREAS, NJTIAD and the New Jersey Department of Treasury have worked together with the NJ TRANSIT Procurement Department and Accountability Officer in developing the IOM Program in compliance with applicable state law and federal law and Sandy grant requirements as well as a work plan for management of the rendering of Integrity Oversight Monitoring Services; and

WHEREAS, the IOM Consultants included in this amendment request are currently under contract with NJ TRANSIT following the completion of competitive procurement processes;

NOW, THEREFORE, BE IT RESOLVED, that the Chairman or Executive Director is authorized to extend NJ TRANSIT Contract Nos. 14-033A with CohnReznick, LLP, 14-033B with Eisner Amper, LLP, 14-033C with RSM US, LLP (formerly McGladrey, LLP) and 14-033D with Thacher Associates, LLC respectively, for all approved Work Authorizations (WAs) that may be issued to these four (4) IOM consultants during the Contract's initial two-year extension term, subject to availability of funds.

ITEM 1706-22: CONTRACTING OUT- PASSAIC COUNTY LOCAL BUS SERVICE

BENEFITS

This contract will provide for the operation of local bus service in Passaic County on Routes 702, 705, 707, 709, 722, 744, 746, 748, and 758. In fiscal year 2016, these nine routes comprising this service served a combined ridership of 1,969,200 annual passenger trips. Continuation of this service is important to our riders and it is consistent with our mission to provide for the operation of a coherent public transportation system in the most efficient and effective manner.

ACTION (Scorecard: Financial Performance, Customer Experience)

Staff seeks authorization to enter into NJ TRANSIT Contract No. 17-001 with Community Transportation, Inc. of Paramus, New Jersey, to operate the Passaic County Local Bus Service, as set forth in Exhibit A for a 36-month contract period from August 27, 2017 through August 29, 2020, at a total cost not to exceed \$20,202,815, plus five percent for contingencies.

Staff also seek authorization to exercise options to extend NJ TRANSIT Contract No. 17-001 for two 24-month periods, in accordance with the Request for Proposal and the carrier's proposal, at a cost not to exceed \$14,566,020 the first option period from August 30, 2020 through August 27, 2022 and \$15,408,268 for the second option period from August 28, 2022 through August 31, 2024, plus five percent for contingencies.

The combined contract cost with option periods is not to exceed \$ 50,177,103, plus five percent for contingencies.

PURPOSE

Authorization will continue the Passaic County Local Bus Service which staff has identified as appropriate service that might be operated more economically by seeking competitive bids for its performance. The carrier will comply with New Jersey's Conscientious Employee Protection Act.

BACKGROUND

On September 6, 2016, NJ TRANSIT advertised a Request for Proposal (RFP) to request private motorbus carriers to provide bus service in the Passaic County area for an initial contract period of three years and for two 24-month option periods. The RFP required prospective carriers to provide a proposed price for the operation of the service, for the base contract period and both 24-month option periods that may be exercised solely at the discretion of NJ TRANSIT. The Pre-Proposal Conference was held on September 13, 2016 at NJ TRANSIT headquarters.

NJ TRANSIT's Technical Evaluation Committee reviewed the private carrier proposal received in response to the RFP and a benchmark cost was established by NJ TRANSIT's Bus Operations for the operation of the service. A minimum score of 75 points on the technical proposal was required for the cost proposal to be considered. Cost proposals for any firms that did not receive the minimum technical score would be returned unopened.

The technical proposals for these routes were reviewed by the Technical Evaluation Committee (TEC) comprised of:

- Finance- Budgets
- Bus Operations- Bus Service Planning
- Light Rail & Contract Services – Private Carrier Affairs

On December 8, 2016, NJ TRANSIT received three responses to the RFP from Community Transportation, Inc., a Coach USA company; Saddle River Trails, Inc. and First Transit, Inc. All proposers met the minimum score of 75 points on the technical proposal and the cost proposals were opened. The cost proposals were also assigned scores with the lowest total cost assigned a score of 100 (out of 100 points) and the second and third place cost was assigned a proportional lower score.

The final scores for the three proposers were as follows:

FACTOR	COMMUNITY TRANSPORTATION, INC.	Proposal B	Proposal C
Technical	95.25	91.50	83.25
Cost	100.00	98.23	63.38
Total	195.25	189.73	146.63

The competitive procurement process utilized by NJ TRANSIT for contracting bus service provides for a comparison of the private carrier's fiscal cost proposals to the benchmark cost for the operation of the proposed routes to be contracted by NJ TRANSIT Bus Operations. The Amalgamated Transit Union (ATU) participates in this process to enable NJ TRANSIT Bus Operations to submit its benchmark.

The comparison of cost for operations of the full-size bus routes is presented below:

CARRIER	COST PROPOSAL
Community Transportation, Inc. Paramus, New Jersey	\$50,177,103
Proposal B	\$51,066,040
Proposal C	\$68,553,788
NJ TRANSIT Bus Operation Newark, New Jersey	\$96,389,939

Upon completion of the competitive procurement process, it was determined that Community Transportation Inc.'s proposal provides the best value and is in the best interest of NJ TRANSIT. In addition, the Community Transportation Inc.'s total proposed cost is less than the NJ TRANSIT benchmark cost developed by NJ TRANSIT's Bus Operations.

Comparing the final fiscal year (FY17) of the existing contract cost of \$6,855,522, to the first fiscal year (FY18) of the new proposed contract cost of \$6,445,466, NJ TRANSIT's annual contract cost for the Passaic County Local Bus Service would decline by \$410,056 or six percent over the next fiscal year.

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

FISCAL IMPACTS

Requested Authorization: \$50,177,103 (84 months) plus 5% for contingencies

Total Project Cost: \$52,685,958

Projected Date of Completion: August 31, 2024 for the base contract period plus two 24-month option periods

Capital Project Amount: N/A

Operating Budget Amount:

FY18 (10 months)	\$5,356,959
FY19	\$6,610,829
FY20	\$6,907,451
FY21	\$7,195,602
FY22	\$7,369,934
FY23	\$7,578,495
FY24	\$7,780,022
FY25 (2 months)	\$1,377,812

Anticipated Source of Funds:	Fiscal Years 2018-2025 Operating Budgets
Prints ID Number:	N/A
DBE/SBE Goal:	3% SBE – Category 3
<i>NJ Build Amount:</i>	N/A
Related/Future Authorizations:	N/A
Impacts on Subsequent Operating Budgets:	Provides passenger revenue

RESOLUTION

WHEREAS, staff has determined that it is appropriate to provide local bus service in Passaic County and a Request for Proposal (RFP) was issued to seek competitive proposals from private motorbus carriers to provide these services; and

WHEREAS, NJ TRANSIT's Selection Committee has reviewed the private carrier proposals received for the operation of the Passaic County Local Bus Service, as well as the NJ TRANSIT Bus Operations benchmark cost for the service; and

WHEREAS, NJ TRANSIT's Selection Committee determined the proposal from the Community Transportation, Inc. provides the best value and is in the best interest of NJ TRANSIT;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to enter into NJ TRANSIT Contract No. 17-001 with Community Transportation, for the operation of the Passaic County Local Bus Service for an initial 36-month base contract period at a total cost not to exceed \$20,202,815, plus five percent for contingencies, subject to the availability of funds and Board approval of NJ TRANSIT's operating budget; and

BE IT FURTHER RESOLVED that the Chairman or Executive Director is hereby authorized to exercise that options to extend NJ TRANSIT Contract No. 17-001 for the two 24-month periods, in accordance with the Request for Proposal and the carrier's proposal, at a cost not to exceed \$14,566,020 for the first option period and \$15,408,268 for the second option period, plus five percent for contingencies, subject to the availability of funds and Board approval of NJ TRANSIT's operating budgets.

EXHIBIT A

PASSAIC COUNTY LOCAL BUS SERVICE

<u>Route #</u>	<u>Description</u>
702	Paterson – Elmwood Park
705	Passaic – Willowbrook Mall
707	Paterson - Paramus
709	Bloomfield – Passaic - Paramus
722	Paterson – Paramus Park
744	Passaic – Paterson - Wayne
746	Paterson – Glen Rock - Ridgewood
748	Paterson – Wayne – Pompton Lakes
758	Passaic – Paramus Park Mall

ITEM 1706-23: FISCAL YEAR 2018 SOLE, SINGLE, AND LIMITED SOURCE PROCUREMENT BY EXCEPTION WAIVER AUTHORIZATION

BENEFITS

This action seeks to maintain NJ TRANSIT operations through its providers where exception to formal competition is warranted. Vendors generally have proprietary control over the manufacture of parts and the design services for NJ TRANSIT equipment and technology. Supplies and services that are available from limited sources are exempt from competitive procurement under N.J.A.C. 16:72-1.5(d) and Executive Order No. 37.

Rail, bus, and light rail rolling stock and equipment are produced by a relatively small number of manufacturers using proprietary designs to meet the particular performance requirements and physical environment of individual transit systems and railroads. The equipment is not mass-produced, but manufactured to order.

The useful life for rolling stock varies by type but can exceed decades (for rail cars) and must be properly maintained. The spare parts, material and technical services needed to maintain the uniquely engineered equipment in many cases are available only from the original equipment manufacturer (OEM), or a successor company with proprietary rights to the original design. Moreover, the use of non OEM components might put warranty agreements at risk.

Similarly, technology vendors have proprietary control over the manufacture of components and the design of services needed to support NJ TRANSIT's current technology hardware and software.

The specific exceptions being sought here under our regulations are: N.J.A.C. 16:72-1.5(d)8 sole source; 1.5(d)9 primary source provides more favorable terms; 1.5(d)12 standardization; and 1.5(d)14 specialty vehicles and related systems.

Lists of Fiscal Year 2018 limited source vendors appear in Exhibit A1 for Replacement Parts and Services, in Exhibit A2 for Computer Hardware and Software, and in Exhibit A3 for NJ TRANSIT's Resilience Program. This list includes all limited source vendors that NJ TRANSIT might need to use in the coming fiscal year, regardless of whether they were used in the previous fiscal year. Should a new vendor need to be added to Exhibits A1, A2 or A3 in Fiscal Year 2018 (FY18) as a result of a newly-identified need, staff will notify the Board of additional vendors whose aggregate spend exceeds \$250,000 during FY18.

ACTION (Scorecard: Customer Experience, Corporate Accountability, Financial Performance, Safety and Security)

Staff requests authorization to enter into sole, single or limited source procurement-by-exception contracts for the purchase of materials and services from approved vendors set forth in Exhibit A1 (subject to adjustments) to support Bus, Rail, Light Rail, and

administrative operations at a cost not to exceed \$25,000,000, subject to the availability of funds. The Board will be notified of new firms whose aggregate spend exceeds \$250,000 within the fiscal year. This request will cover a 12-month period from July 1, 2017 to June 30, 2018.

Staff also seeks authorization to enter into sole, single, or limited source procurement-by-exception contracts for the purpose of maintaining/upgrading hardware and software systems from approved vendors set forth in Exhibit A2 (subject to adjustments) to support NJ TRANSIT's Information Systems at a total cost not to exceed \$27,000,000, subject to the availability of funds. The Board will be notified of new firms whose aggregate spend exceeds \$250,000 within the fiscal year. This request will cover a 12-month period from July 1, 2017 to June 30, 2018.

Staff also seeks authorization to enter into sole, single or limited source procurement-by-exception contracts for the purchase of materials and service from approved vendors set forth in Exhibit A3 (subject to adjustments) to support NJ TRANSIT's Resilience Program at a cost not to exceed \$10,000,000 subject to the availability of funds and FTA approval. The Board will be notified of new firms whose aggregate spend exceeds \$250,000 within the fiscal year. This request will cover a 12-month period from July 1, 2017 to June 30, 2018.

The regulations that authorize these procurements by exception, N.J.A.C. 16:72-1.5(d), are as follows:

- 8. Only one source of supply is available;
- 9. More favorable terms can be obtained from a primary source of supply;
- 12. The equipment to be purchased is of a technical nature and the procurement thereof without advertising is necessary in order to assure standardization of equipment and interchangeability of parts in the public interest; and
- 14. To acquire or overhaul motorbuses, light rail vehicles, rail cars, locomotives, signal systems or fare collection systems.

PURPOSE

The areas of procurement that NJ TRANSIT might exercise sole, single or limited source authority, includes but is not limited to, the following:

Replacement Parts from Original Equipment Manufacturers (OEMs)

These OEM parts or components are needed to repair and maintain rolling stock and other equipment specifically designed by the OEM manufacturer, where available technical data does not assure that a part or component supplied by another vendor will adequately perform the same function it replaces.

Examples of major vendors include Alstom Transportation, Bombardier, Caterpillar, Electro Motive Diesel (EMD), Knorr Brake Corp., Faiveley/Elcon Transport Group, Kinkisharyo Inc., WABTEC Passenger Transit, NABI, and NeoPart.

Specialty Services

Certain apparatus can only be serviced and/or tested by specific vendors. For example, Harsco Track Technologies is the only qualified source to provide Track Laying Machine Services for the automated installation of concrete ties; and Solari Corporation is the only qualified source for the repair of Solari display units.

Rail Brake Shoes

NJ TRANSIT operates approximately 1,400 passenger rail cars and locomotives daily. Brake shoes and pads are replaced on all in-service equipment through periodic and daily inspections. Electric and Diesel Locomotive and Multilevel Passenger Car brake shoes and pads are specialized equipment. Based upon Railroad Friction Products past experience and test results, these products meet the required acceptable stop distances, wheel heat generation limits and acceptable shoe and wheel wear tolerances.

Computer Hardware and Software

Certain technology vendors have proprietary control over the manufacture of components and the design of services needed for NJ TRANSIT's continued use of technology. The need for NJ TRANSIT to exercise sole and single source authority relates to specific areas of technology, including, but not limited to, the following:

Software Maintenance/Licensing

Firms that have authored software and have had it copyright protected typically are the only firms capable of maintaining their software. NJ TRANSIT has signed license agreements that require us to protect the vendor's software from review by third parties. Each vendor has supplied a letter certifying their sole right to maintain their software. Further, NJ TRANSIT has integrated this software into its business processes which, in these cases, makes moving to alternative software a costly and lengthy undertaking. Software Maintenance will provide for:

- Program maintenance for all software modules including support for solving any software logic errors;
- Software enhancements periodically released by the vendor to provide additional features;
- Telephone assistance for immediate correction of program problems with minimal interruption of end user service; and

Hardware Maintenance

Original Equipment Manufacturers (OEMs) are often the only firms capable of providing support to their hardware without voiding warranties. Where equipment is off of warranty

or where NJ TRANSIT has other choices for hardware support, NJ TRANSIT competitively seeks proposals for such support. Hardware Maintenance will provide for:

- Correction of hardware failures either on-site or through remote services;
- Guaranteed response time to minimize end-user downtime;
- High volume spare parts stored locally for quick access and error correction; and
- Hardware upgrades, where necessary, to accommodate technology upgrades.

Integrated Systems

NJ TRANSIT has installed a number of systems that have been deployed using an integrator who has customized both hardware and software for the purpose of delivering a specific business solution. This approach is typically employed in specialized fields such as fare collection, security systems, and passenger information systems. In such cases, services to support this customized software are available only through the integrator that developed the product.

Upgrades to Pre-existing Systems

NJ TRANSIT has invested in core information systems that have become key elements of our business processes. In most cases, these investments were the result of a competitive process. As additional investments are required to support business change, alternatives are evaluated, and the system is either enhanced or replaced in whole. When it is determined to be financially beneficial to continue to add on to an existing system, enhancements must be implemented with the existing provider.

Resilience Program

Superstorm Sandy caused significant damage to a large portion of NJ TRANSIT's transportation assets, including the signal system at Hoboken Yard, North Jersey Coast Line (Raritan to East Matawan), Meadows interlocking in Kearny and underground portions of Newark Light Rail at Newark Penn Station. For example, at Hoboken Yard portions of the existing signal system are installed in 25 wayside signal cases located at ground level throughout the yard. The equipment controls track circuits and signal lighting providing for the safe routing and assignment of trains to various routes and platforms. Most of this equipment went into service in 1984 and is no longer manufactured and parts are no longer available. As this equipment is upgraded and replaced as a result of NJ TRANSIT's continued resilience program, spare parts, material and technical services needed to maintain these systems will be available only from the original equipment manufacturer (OEM) with proprietary rights to the original design.

Staff requests authorizations to support repairs, replacement, and improvements to NJ TRANSIT's transportation infrastructure and rolling stock with qualified firms for the purchase of materials and services necessary to ensure storm preparation and resiliency. The same signal vendors are required so that the signal equipment across

the entire system is uniform to ensure that configuration, compatibility, and maintainability provide fail safety and reliability.

Staff continually seeks, where feasible, to develop specifications and compete these services and supplies. Examples of items that have been removed from prior authorizations include Comet Car brake pads and rotors, nonrevenue vehicle repair services, train servicing and traction motor and gear unit repairs. Staff is also planning on removing American Software, Inc. during this Fiscal Year. However, staff has demonstrated, through numerous unsuccessful competitive efforts, that there are no qualified and responsible commercial alternatives to many suppliers, and since 1987 the Board has annually authorized this item to ensure efficient and continuous provisioning of our operations. All services or supplies purchased on a limited source basis are subject to price or cost analysis to ensure the reasonableness of the prices quoted.

BACKGROUND

The operation and maintenance of NJ TRANSIT Bus, Rail, Light Rail and Support functions require the purchase of OEM parts, maintenance spares, services, modifications, upgrades and other programs, which can only be obtained from sole, single and limited qualified sources.

As such, it has been determined that the vendors listed within this authorization are limited sources for the purchase of materials and services in accordance with NJ TRANSIT Procurement Regulations N.J.A.C. 16:72-1.5 and Executive Orders 37 and 125.

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

FISCAL IMPACTS

Requested Authorization:

Replacement Parts	\$ 25,000,000
Computer Hardware and Software	\$ 27,000,000
Resilience Program	\$ 10,000,000

Past Authorizations:

Replacement Parts (Bus, Rail, Light Rail, HQ)	
June 2016	\$ 25,000,000
June 2015	\$ 20,000,000
June 2014	\$ 20,000,000
May 2013	\$ 20,000,000
May 2012	\$ 20,000,000
May 2011	\$ 20,000,000
May 2010	\$ 18,000,000
May 2009	\$ 18,000,000

May 2006 - June 2008	\$ 22,000,000 annually
June 1999 - May 2005	\$ 20,000,000 annually
May 1998	\$ 15,000,000
May 1997	\$17,500,000

Computer Hardware and Software

June 2016	\$ 22,000,000
June 2015	\$ 20,000,000
June 2014	\$ 20,000,000
June 2013	\$ 20,000,000
June 2010	\$ 32,502,595
June 2007	\$ 27,763,796
June 2004	\$ 28,851,616
June 2001	\$ 18,074,616

Resilience Program

June 2016	\$ 10,000,000
June 2015	\$ 10,000,000
June 2014	\$ 10,000,000

Expenditures to Date:

Replacement Parts	\$21,170,991
Computer Hardware and Software	\$13,652,232
Resilience Program	\$0.00

Total Project Cost:

Replacement Parts	\$ 25,000,000
Computer Hardware and Software	\$ 27,000,000
Resilience Program	\$ 10,000,000

Projected Date of Completion: June 30, 2018

Capital Program Amount: TBD

Operating Budget Amount: TBD

Anticipated Source of Funds: FY18 Operating Budget
Capital Budget

PRINTS ID Number: Various

DBE/SBE Goal: Various DBE/SBE Goals

NJ Build Amount: N/A

Related/Future Authorizations: N/A

**Impacts on Subsequent
Operating Budgets:**

None

RESOLUTION

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

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

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

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

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

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

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

WHEREAS, pursuant to N.J.A.C. 16:72(d)8 competitive procurement requirements may be waived in instances where only one source of supply is available; and

WHEREAS, pursuant to N.J.A.C. 16:72(d)9 competitive procurement requirements may be waived when more favorable terms can be obtained from a primary source of supply; and

WHEREAS, pursuant to N.J.A.C. 16:72(d)12 competitive procurement requirements may be waived when technical equipment will assure standardization and interchangeability; and

WHEREAS, pursuant to N.J.A.C. 16:72(d)14 competitive procurement requirements may be waived with specialty vehicles, and signal and fare collection systems;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to enter into sole, single, or limited source procurement-by-exception contracts for the purchase of materials and services from approved vendors set forth in Exhibit A1 (subject to adjustments) to support Bus, Rail, Light Rail, and Headquarters operations at a cost not to exceed \$25,000,000, subject to the availability of funds. The Board will be notified of new firms whose aggregate spend exceeds \$250,000 within the fiscal year. This request will cover a 12-month period from July 1, 2017 to June 30, 2018; and

BE IT FURTHER RESOLVED that the Chairman or Executive Director is authorized to enter into sole, single or limited source procurement-by-exception contracts for the purpose of maintaining/upgrading hardware and software systems from approved vendors set forth in Exhibit A2 (subject to adjustments) to support NJ TRANSIT's Information Systems at a total cost not to exceed \$27,000,000, subject to the availability of funds. The Board will be notified of new firms whose aggregate spend exceeds \$250,000 within the fiscal year. This request will cover a 12-month period from July 1, 2017 to June 30, 2018; and

BE IT FURTHER RESOLVED that the Chairman or Executive Director is authorized to enter into sole, single or limited source procurement-by-exception contracts for the purchase of materials and service from approved vendors set forth in Exhibit A3 (subject to adjustments) to support the NJ TRANSIT's System Resilience Program at a cost not to exceed \$10,000,000, subject to the availability of funds FTA approval and all other applicable requirements. The Board will be notified of new firms whose aggregate spend exceeds \$250,000 within the fiscal year. This request will cover a 12-month period from July 1, 2017 to June 30, 2018.

	Vendor	City	State
1.	ABB c/o Burgoyne Electric Sales	Edison	NJ
2.	ABB Control, Inc.	Wichita Fall	TX
3.	ABB Power T&D	St Louis	MO
4.	ABM-American Building Maintenance	New York	NY
5.	Activu Corporation	Denville	NJ
6.	AFL Communications	Duncan	SC
7.	Alstom Signaling (GRS)	Rochester	NY
8.	Alstom Train Life Services	Naperville	IL
9.	Alstom Transport Service NA	Lisle	IL
10.	Amerex Corp.	Trussville	AL
11.	Ameriglobe LLC	Lafayette	LA
12.	Anchor Brake Shoe Co	Park Ridge	IL
13.	Anixter, Inc.	Cranbury	NJ
14.	Ansaldo STS USA	Batesburg	SC
15.	Assetworks, Inc.	Wayne	PA
16.	Atlantic Detroit Diesel	Piscataway	NJ
17.	Atlantic Detroit Diesel	Lodi	NJ
18.	Atlantic Import & Export Corp.	Branchburg	NJ
19.	Axion Technologies	La Pocatiere, Quebec	CAN
20.	Bombardier, Inc.	Ontario	CAN
21.	C-K Composites	Mt. Pleasant	PA
22.	Cleaveland Price	Trafford	PA
23.	Clements National Company	Broadview	IL
24.	Clever Devices	Syosset	NY
25.	CMI-Promex	Predricktown	NJ
26.	Columbus Steel Castings	Columbus	OH
27.	Comet Communications, Inc.	Kansas City	MO
28.	Contemporary Machine and Engineering	Flagler Beach	FL
29.	Cooper Bearings, Inc.	Georgetown	DE
30.	Cubic Transp Systems	Tullahoma	TN
31.	Cummins Power Systems	Newark	NJ
32.	D & W Diesel, Inc.	Auburn	NY
33.	Design Dimensions dba Bradford S. Warren	Austin	TX
34.	Draeger Safety Diagnostics, Inc.	Irving	TX
35.	Drivecam Inc.	San Diego	CA
36.	Dustcontrol, inc.	Wilmington	NC

Vendor	City	State
37. Dynatech Systems Inc.	Burlington	NJ
38. Electro-Motive Diesel (EMD)	LaGrange	IL
39. Ensco, Inc.	Springfield	VA
40. Faiveley Rail	Exton	PA
41. Fastcom Supply Corporation	Franklin Lakes	NJ
42. Federal Metal Products	Ferndale	PA
43. Foley, Inc.	Piscataway	NJ
44. Fuji Semec, Inc.	Quebec	Canada
45. G & B Specialties, Inc.	Berwick	PA
46. Gar-Ren Tool & Machine Co.	Prospect Park	PA
47. GE Transportation and Global	Hingham	MA
48. General Electric Energy	Philadelphia	PA
49. Goyal Industries, Inc.	Mansfield	OH
50. Graham White Sales Corp.	Salem	VA
51. Harris Corporation / Intraplex Solutions	Mason	OH
52. HARSCO Track Technologies	Cayce-West Columbia	SC
53. Hirail Corporation	Lisbon	IA
54. HiTran Corporation	Flemington	NJ
55. Hoffman Services Inc.	Newark	NJ
56. Holdsworth USA	Indianapolis	IN
57. Honeywell, Inc.	Marlton	NJ
58. Hudson Machine Works, Inc.	Brewster	NY
59. Industrial Machine Corporation	Paterson	NJ
60. Ingersoll-Rand Air Center	Edison	NJ
61. Inter Swiss Ltd.	Chicago	IL
62. Invensys Rail Corporation	Louisville	KY
63. ISE Research Corp.	Poway	CA
64. J Supor	Kearny	NJ
65. Jala Equipment Co	Ft Lauderdale	FL
66. Jamaica Bearings	New Hyde Park	NY
67. Jesco, Inc.	South Plainfield	NJ
68. JMA Rail Products	Carol Stream	IL
69. Johnson Controls Inc.	Union	NJ
70. Kim Hotstart Mfg. Co.	Spokane	WA
71. Kinkisharyo International LLC	Jersey City	NJ
72. Knorr Brake Corp/NYAB	Westminster	MD
73. Kuplttec Corporation	Branford	CT

Vendor	City	State
74. Liebert Corporation	Chicago	IL
75. Lift-A-Loft	Muncie	IN
76. Lift-U-Inc.	Escalon	CA
77. Lincoln Service & Equipment	Durham	CT
78. Luminator-A Mark IV Industries	Plano	TX
79. Lux Aeterna	Quebec	Canada
80. Macton Corporation	Oxford	CT
81. Mahle Industrial Thermal Systems	Stuttgart	Germany
82. Matrix Railway Corp	West Babylon	NY
83. MCI Service Parts	Schaumburg	IL
84. Mersen USA BN Corp.	Boonton	NJ
85. Mersen USA Newburyport-MA, LLC	Newburyport	MA
86. Microphor Inc.	Willits	CA
87. Mitsubishi Electric Power Products, Inc.	Melville	NY
88. Modern Track Machinery	Elgin	IL
89. Moore Wallace NA	Edison	NJ
90. Morbern Inc.	Toronto	ONT
91. Motive Equipment	New Berlin	WI
92. National Electric Carbon Corporation	Greenville	SC
93. National Railway Supply	Savannah	GA
94. Nordco Rail Services, LLC	Lee's Summit	MO
95. North American Bus Industries	Delaware	OH
96. North American Specialty Glass	Trumbauersville	PA
97. Omega Industries, Inc.	Vancouver	WA
98. Omicron Electronics Corp. USA	Houston	TX
99. Orgo-Thermit Inc.	Lakehurst	NJ
100. ORX Railway Corporation	Tipton	PA
101. Pandrol USA	Bridgeport	NJ
102. Parkeon Transit Limited	Poole, Dorset	England
103. Penn Machine Company	Carnegie	PA
104. Portec Inc.	Pittsburgh	PA
105. Precision Transmission	Colmar	PA
106. Prevost-Nova Bus Parts	Elgin	IL
107. Pyle Connector Corporation	Sidney	NY
108. Qual-Tran Corporation	Blue Bell	PA
109. Quantum Engineering Inc.	Orange Park	FL
110. Quester Tangent	SAANICHTON, B.C.	CAN

Vendor	City	State
111. Rail Systems, Inc.	Houma	LA
112. Railquip Inc.	Atlanta	GA
113. Railroad Friction Prod	Laurinburg	NC
114. Rails Company	Maplewood	NJ
115. Ransome CAT/Giles & Randcome, Inc.	Hammonton	NJ
116. RFL Industries	Boonton	NJ
117. Rossbro Engineering	Blainville, QC	CAN
118. RTR Technologies, Inc.	Stockbridge	MA
119. S&A Systems	Rockwall	TX
120. Saft America, Inc.	Cockeysville	MD
121. Scantron Corporation	Irvine	CA
122. Schunk Graphite Technology	Menomonee Falls	WI
123. Schweitzer Engineering Labs	Pullman	WA
124. Siemens Industry, Inc.	Florham Park	NJ
125. Simmons Machine Tool Corp.	Albany	NY
126. Simplex Grinnell	Rockaway	NJ
127. Sixnet LLC	Ballston Lake	NY
128. Southern Signaling and Communications	Jacksonville	FL
129. Sperry Rail Service	Danbury	CT
130. Standard Steel LLC	Burnham	PA
131. Stavola Construction Materials	Bound Brook	NJ
132. Technologies LBBA	Quebec	CA
133. Tessco	Hunt Valley	MD
134. Tesco / Transportation Equipment Supply	Erie	PA
135. Transtech of S.C.	Piedmont	SC
136. Transtechnik Corp USA	Oakland, NJ	NJ
137. TSS, Inc.	Lakewood Ranch	FL
138. Turtle & Hughes	Bridgewater	NJ
139. United Knitting Machine Company, Inc.	Kulpsville	PA
140. Vapor Stone Rail Systems	Plattsburgh	NY
141. Wabtec Global Service Center	Kansas City	MO
142. Wabtec Passenger Transit	Spartanburg	SC
143. Warner Radiator	Paducah	KY
144. Westcode, Inc.	Chadds Ford	PA
145. Whiting Corp.	Monee	IL

	Vendor	City	State
1.	Altura	Closter	NJ
2.	American Software Inc.	Atlanta	GA
3.	American Tower LLC	Philadelphia	PA
4.	Apollo Video Technology	Bothell	WA
5.	Baran Design Associates	Bergenfield	NJ
6.	BEM Systems, Inc.	Chatham	NJ
7.	Bentley Systems, Inc.	Exton	PA
8.	Cellgain	Red Bank	NJ
9.	Clever Devices	Woodbury	NY
10.	Computer Associates	Islandia	NY
11.	Crown Castle International	Hourston	TX
12.	Cubic Transportation Systems	Tulahoma	TN
13.	Enghouse	Toronto	CANADA
14.	Fujitsu Network Communications, Inc.	Richardson	TX
15.	Geodecisions	Camp Hill	PA
16.	Giro	Montreal	CANADA
17.	Gough and Associates	Orlando	FL
18.	HERE (formerly Navteq)	Chicago	IL
19.	Hexagon (formerly Intergraph)	Huntsville	AL
20.	Highline Corporation	Toronto	CANADA
21.	HUB Parking Technology USA	Warrandale	PA
22.	Hytera America, Inc.	Miramar	FL
23.	IBM	Piscataway	NJ
24.	Intergraph	Madison	AL
25.	Iron Mountain Intellectual Prop Mgmt	New York	NY
26.	Kronos	Chelmsford	MA
27.	Lightspeed	Wall	NJ
28.	Luminex	Riverside	CA
29.	Lytix, Inc. (formerly DriveCam)	San Diego	CA
30.	Map Text, Inc.	Princeton	NJ
31.	Marsh ClearSight (formerly CS Stars)	Chicago	IL
32.	Metasource	Bristol	PA
33.	Michael Baker Intl	Newark	NJ
34.	Microsoft	Redmond	WA
35.	MIS Sciences	Burbank	CA
36.	Navori	Montreal	CANADA
37.	New Demand	Boonton	NJ
38.	Nokia (formerly Alcatel-Lucent)	Murray Hill	NJ

39. Nuance	Mahwah	NJ
40. Parkeon	Poole	England
41. Penta	New Orleans	LA
42. Power Technology (UNIMO)	Hackensack	NY
43. Power Trunk, Inc.	New York	NY
44. PS Technology	Bolder	CA
45. Qognify, Inc. (formerly Nice Systems)	Paramus	NJ
46. Renaissance Systems, Inc.	Batavia	IL
47. Resource System Group, Inc.	White River Jct.	VT
48. Rockwell Collins (formerly ARINC)	Annapolis	MD
49. S&A Systems	Rockwall	TX
50. Salesforce.com	San Francisco	CA
51. SAP America	Newton Square	PA
52. Software AG	Reston	VA
53. Solari	Udine	ITALY
54. Spruce Technology, Inc.	Clifton	NJ
55. Trapeze	Scottsdale	AZ
56. Trapeze Group Rail Limited	York	UK

	Vendor	City	State
1.	Alstom	West Henrietta	NY
2.	Ansaldo STS USA	Batesburg	SC
3.	Fabricated Metals	Louisville	KY
4.	G & B Specialties	Berwick	PA
5.	Industrial Machine	Paterson	NJ
6.	Okonite	West Paterson	NJ
7.	SAFT America	Cockeysville	MD
8.	Siemens (Invensys) (Safetran)	Louisville	KY

ITEM 1706-24: CORPORATE INSURANCE PROGRAM ANNUAL RENEWAL**BENEFITS**

To maintain a corporate insurance program for NJ TRANSIT that provides Excess Liability, All-Risk Property, Workers' Compensation, Terrorism, Business Travel Accident, Employment Practices Liability, Directors' & Officers' Liability, various Executive Risk, Pollution Legal Liability, Life and Accidental Death & Dismemberment, Long-Term Disability and other coverages as needed and to provide services necessary to administer the program. The renewal of the insurance program will be effective on July 1, 2017.

ACTION (Scorecard: Financial Performance, Corporate Accountability)

Staff seeks authorization to revise and renew the Corporate Insurance Program and to include services necessary to administer the Program for the period July 1, 2017 through June 30, 2018 at an annual cost not to exceed \$20,000,000, plus five percent for contingencies, subject to the availability of funds and adoption of the FY2018 Operating Budget.

PURPOSE

To provide adequate financial protection to the Corporation and a strong risk management program throughout the Corporation to protect customers, employees, directors, officers and property against personal injury and damage. The FY2018 Corporate Insurance Program contains the following coverages and limits:

- \$350,000,000 Excess Liability Program including third party bus, rail, and light rail liability and FELA coverage with a self-insured retention of \$10,000,000 per occurrence.
- \$400,000,000 "All Risk" Property Damage Insurance Program with a minimum deductible of \$300,000 for non-catastrophic perils, \$1,000,000.00 deductible for losses sustained to rolling stock while in operation and deductibles ranging from \$2,500,000 to \$5,000,000 for losses resulting from flood, wind and named wind storm.
- \$400,000,000 Property Terrorism Program consisting of commercial insurance coverage throughout the entire program and no reliance on the federal Terrorism Risk Insurance Program Reauthorization Act. Coverage included for both certified and non-certified acts of terrorism.
- Statutory Workers' Compensation and Employer's Liability Program which includes excess commercial insurance and a comprehensive risk

management/claim handling program that applies to all non-agreement and agreement work-related employee claims (excluding rail employees).

- Participation of NJ TRANSIT's Captive Insurance Company, ARH III, to provide coverage for FELA, Bus and Rail Third Party Excess Liability, Excess Workers' Compensation, and Excess Liability Terrorism. In FY2018, the captive insurance company will continue to provide leverage with underwriters and flexibility with both the primary insurance and reinsurance markets.
- \$10,000,000 Executive Risk Insurance Program covering Directors' and Officers' Liability, Employment Practices Liability, Fiduciary Liability and Crime coverages.
- \$5,000,000 Pollution Legal Liability Policy with a \$500,000 deductible that covers sudden and unforeseen environmental claims that arise at certain specified locations.
- Business Travel Accident policy covering Board of Directors and affected employees if injured as a result of an accident while traveling on NJ TRANSIT business.
- Term Life coverage (both basic and supplemental) and Accidental Death Benefits are offered to all NJ TRANSIT employees to varying degrees. Basic Term Life coverage is funded by NJ TRANSIT whereas the Supplemental Term coverage is paid for by the individual employee. The dependent life benefit is only available to salaried Non-Agreement employees. Retirees are covered for basic and supplemental Life and AD&D.
- Long Term Disability Benefits are offered to the NJ TRANSIT salaried, non-agreement employees. The benefit consists of 100 percent employee contributions and provides coverage at 60 percent up to a monthly maximum of \$7,500.

It is expected that the FY2018 program will continue to maintain a similar structure in terms of coverage levels and deductibles as the FY2017 program. However, staff will continue to evaluate the corporate insurance program throughout the fiscal year and make adjustments that are in NJ TRANSIT's best financial interests, subject to the authorization granted in this Item.

Throughout its negotiations, staff continues to emphasize NJ TRANSIT's commitment to the protection of its property and infrastructure through the implementation of its crisis response plans as well as the significant capital repair and replacement projects that are part of NJ TRANSIT's Resilience Program. Staff also continued to emphasize the agency's commitment to safety and

security through initiatives led by the Office of System Safety and New Jersey Transit Police Department. However, due to concerns regarding recent bus and rail incidents, as well as the continued threat of terrorism, insurers continue to scrutinize transportation-specific risks and focus on the aggregation of insurance coverage in the Northeast region.

Overall, the various insurance coverages contained in the corporate insurance program provide financial protection to NJ TRANSIT in the event of a catastrophic loss or serious claim arising out of the agency's operations.

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

FISCAL IMPACTS

Requested Authorization: Corporate Insurance Program
FY2018: \$20,000,000
plus 5% contingency

Past Authorizations: Corporate Insurance Program
FY2017: \$17,000,000
plus 5% contingency

Workers' Compensation Claims
Handling Fees & Administration
FY2016 not to exceed \$1,046,399
FY2017 not to exceed \$1,046,399
FY2018 not to exceed \$1,077,790
FY2019 not to exceed \$1,110,124
FY2020 not to exceed \$1,143,428

Expenditures to Date: None

Total Project Cost: N/A

Projected Date of Completion: June 30, 2018

Capital Program Amount: N/A

Operating Budget Amount: \$20,000,000 plus 5% contingency

Anticipated Source of Funds: FY2018 Operating Budget

Prints ID Number. N/A

DBE/SBE Goal:	N/A
<i>NJ Build</i> Amount:	N/A
Related/Future Authorizations:	N/A
Impacts on Subsequent Operating Budgets:	None

RESOLUTION

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

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

WHEREAS, NJ TRANSIT is negotiating the renewal of its Corporate Risk Management Insurance Program and the services necessary to administer the program for FY2018;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to revise and renew the Corporate Insurance Program and to include services necessary to administer the Program for the period July 1, 2017 through June 30, 2018 at an annual cost not to exceed \$20,000,000, plus five percent for contingencies, subject to the availability of funds and adoption of the FY2018 Operating Budget.

ITEM: 1706-25: INFORMATION TECHNOLOGY AUDIT SERVICES AGREEMENTS

BENEFITS

NJ TRANSIT's Internal Audit Plan includes Information Technology (IT) audits based on the annual Company-wide risk assessment process. Certain IT audits require technical expertise not currently available within the NJ TRANSIT Internal Audit Department. Co-sourcing IT audit services allows for the retention of specialized expertise that is not cost-effective to maintain in-house. Additionally, the opportunity and flexibility to use consultants retained by NJ TRANSIT for specific work efforts minimize the time and cost needed to plan, initiate and complete audits. Co-sourcing enhances Internal Audit's ability to address significant IT governance, risk and control processes timely in response to the changing technology landscape; and, provide resources to further develop the IT capabilities within the Internal Audit Department through knowledge transfer.

ACTION (Scorecard: Corporate Accountability, Safety and Security, Financial Performance, Customer Experience and Employee Excellence)

Staff seeks authorization to enter into NJ TRANSIT Contract Nos. 16-032A with Control Solutions International, Inc. of Woburn, Massachusetts, 16-032B with Experis US, Inc. of Parsippany, New Jersey and 16-032C with Protiviti of New York, New York, who will perform IT audit services for a three-year term and up to two individual option years at a total cost, for all three contracts, not to exceed \$750,000, plus five percent contingency, subject to the availability of funds. The total annual amount for all three contracts will not exceed \$150,000, plus five percent contingency, subject to the availability of funds.

PURPOSE

Authorization of these contracts will provide the available resources to perform IT audits in Internal Audit's risk based annual audit plan. These audits may include, but not be limited to pre-implementation reviews, application control reviews, IT risk management, application security, data center operations, change management, IT governance, general IT security, back-up and retention, penetration and vulnerability testing, access management, etc.

BACKGROUND

The NJ TRANSIT Internal Audit Plan includes IT audits based on the annual Company-wide risk assessment process. The need to supplement current NJ TRANSIT Internal Audit Department IT skills was a key recommendation in the external quality assessment review performed on the NJ TRANSIT Internal Audit Department in 2009 which was implemented with the co-sourcing of IT resources in 2010.

Procurement

Requests for Proposals were advertised in the Star Ledger and Trenton Times on August 15, 2016. A pre-proposal conference was held on September 6, 2016, a total of three (3) addenda were issue and proposals were received from six firms on October 20, 2016. A Technical Evaluation Committee reviewed and evaluated the six proposals and selected three firms whose proposals conformed to the Request for Proposal and offered the best value to NJ TRANSIT based on the combined technical and cost proposal scores.

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

FISCAL IMPACTS:

Requested Authorization:	\$750,000 (Total cost for a three-year term with up to two individual one year options for all three contracts; total of \$150,000 for all three contracts per year) + 5% Contingency
Past Authorizations:	None
Expenditures to Date:	None
Total Project Cost:	\$750,000
Projected Date of Completion:	June 2020 (June 2022 with options)
Capital Program Amount:	None
Operating Budget Amount:	\$750,000 total, \$150,000 per year
Anticipated Source of Funds:	Operating Budget
PRINTS ID Number:	Not applicable
DBE/SBE Goal:	5% SBE
<i>NJ Build</i> Amount:	Not applicable
Future/Related Authorizations:	None

**Impacts on Subsequent
Operating Budgets:**

FY18 - \$150,000

FY19 - \$150,000

FY20 - \$150,000

FY21 - \$150,000 (option year 1)

FY22 - \$150,000 (option year 2)

RESOLUTION

WHEREAS, NJ TRANSIT's Internal Audit Plan includes Information Technology (IT) audits based on the annual Company-wide risk assessment process; and

WHEREAS, NJ TRANSIT's risk-based Internal Audit Plan includes Information Technology (IT) audits requiring specialized technical knowledge to address significant IT risks; and

WHEREAS, NJ TRANSIT's Internal Audit Department needs to acquire specialized technical resources to complement its capabilities in order to perform the planned IT audits; and

WHEREAS, after a competitive procurement process, it was determined that the proposed firms are technically qualified to perform contracted IT audit services;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to award Contracts Nos. 16-032A with Control Solutions International, Inc. of Woburn, Massachusetts, 16-032B with Experis US, Inc. of Parsippany, New Jersey and 16-032C with Protiviti of New York, New York, who will perform IT audit services for a three-year term with up to two individual option years at a total cost, for all three contracts, not to exceed \$750,000, plus five percent contingency, subject to the availability of funds. The total annual amount for all three contracts will not exceed \$150,000, plus five percent contingency, subject to the availability of funds.

ITEM 1706-26:

ANNUAL NOTICE OF MEETINGS

BENEFITS

The By-Laws for the New Jersey Transit Corporation, NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Mercer, Inc. and NJ TRANSIT Morris, Inc. state that the regular meetings of the Board of Directors be held on the second Wednesday of each month. A list of the meetings' schedule is approved at the June meeting each year. The Annual Notice of Meetings is then transmitted to newspapers, filed with the Secretary of State, posted at NJ TRANSIT headquarters and mailed to any person upon request.

Unless otherwise noted in the annual notice (Exhibit A), or as otherwise modified by the Board during the year in accordance with the Open Public Meetings Law, meetings will be held on the second Wednesday of the month at NJ TRANSIT headquarters in Newark, New Jersey.

ACTION (Scorecard: Corporate Accountability)

Adopt the Annual Notice of Meetings (Exhibit A) for all of the Board of Directors' meetings during Fiscal Year 2018.

PURPOSE

The Open Public Meetings Law, P.L. 1975, c.231 requires that the public be given adequate notice of meetings of public bodies. Section 13 specifically provides that at least once each year, within seven days following the annual organization or reorganization meeting, a public body must provide adequate notice of the schedule of regular meetings to be held during the succeeding year. The schedule must contain the location, to the extent known, the time and the date of each meeting.

FISCAL IMPACTS

Requested Authorization:	Adopt Annual Notice of Meetings
Past Authorization:	June 2016
Expenditures to Date:	None
Total Project Cost:	None
Projected Date of Completion:	June 30, 2018
Capital Program Amount:	None
Operating Budget Amount:	None

Anticipated Source of Funds: None

PRINTS ID Number: None

DBE/SBE Goal: None

***NJ Build* Amount:** None

Related/Future Authorizations: None

**Impacts on Subsequent
Operating Budgets:** None

RESOLUTION

WHEREAS, pursuant to the Open Public Meetings Law, P.L. 1975, c.231, an annual notice of regular meetings of the Board of Directors must be disseminated; and

WHEREAS, the Annual Notice of Meetings must be prominently posted in one public place reserved for announcements of this type, transmitted to newspapers, filed with the Secretary of State, and mailed to any person who requests it; and

WHEREAS, the New Jersey Transit Corporation, NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Mercer, Inc., NJ TRANSIT Morris, Inc. have regular meetings of the Board of Directors;

WHEREAS, the June meeting serves as the annual meeting;

NOW, THEREFORE, BE IT RESOLVED that the Annual Notice of Meetings, Exhibit A, for all of the Board of Directors' meetings during Fiscal Year 2018 is adopted; and

BE IT FURTHER RESOLVED that the Annual Notice of Meetings shall be disseminated in accordance with the provisions of the Open Public Meetings Law, P.L. 1975, c.231.

EXHIBIT A

ANNUAL NOTICE OF MEETINGS: FISCAL YEAR 2018

**NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS, INC.
NJ TRANSIT RAIL OPERATIONS, INC.
NJ TRANSIT MERCER, INC.
NJ TRANSIT MORRIS, INC.**

In accordance with the "Open Public Meetings Law," P.L. 1975, c.231, the above organizations will hold regular meetings, open to the public, at 9:00 a.m. on the second Wednesday of the month for the period July 1, 2017 through June 30, 2018, except as noted below.

The June meeting will serve as the annual meeting.

Unless otherwise indicated, meetings will be held at NJ TRANSIT's Corporate Headquarters in Newark, New Jersey. The meetings will convene at 9:00 a.m. in the Board Room at NJ TRANSIT's Headquarters, One Penn Plaza East, Ninth Floor, Newark, New Jersey.

The specific dates are as follows:

July 12, 2017
August 9, 2017
September 7, 2017 (1st Thursday)
October 11, 2017
November 8, 2017
December 13, 2017
January 17, 2018 (3rd Wednesday)
February 14, 2018
March 14, 2018
April 10, 2018 (2nd Tuesday)
May 9, 2018 @ 6:00 p.m.
June 13, 2018

EXECUTIVE SESSION AUTHORIZATION

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

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