

---

---

# *Joint Committee Meeting*

of

SENATE TRANSPORTATION COMMITTEE

ASSEMBLY TRANSPORTATION AND  
INDEPENDENT AUTHORITIES COMMITTEE

*"The Committees will receive testimony from invited guests  
concerning rail passenger service provided by the New Jersey Transit Corporation"*

---

---

**LOCATION:** Committee Room 4  
State House Annex  
Trenton, New Jersey

**DATE:** August 16, 2018  
10:30 a.m.

**MEMBERS OF COMMITTEES PRESENT:**

Senator Patrick J. Diegnan, Jr., Chair	Assemblyman Daniel R. Benson, Chair
Senator Vin Gopal, Vice Chair	Assemblywoman Patricia Egan Jones, Vice Chair
Senator Nicholas J. Sacco	Assemblyman Roy Freiman
Senator Loretta Weinberg	Assemblyman Thomas P. Giblin
Senator James W. Holzapfel	Assemblyman Robert J. Karabinchak
Senator Thomas H. Kean, Jr.	Assemblyman James J. Kennedy
	Assemblywoman Yvonne Lopez
	Assemblyman John F. McKeon
	Assemblywoman Valerie Vainieri Huttie
	Assemblyman Anthony M. Bucco
	Assemblyman Robert D. Clifton
	Assemblyman Christopher P. DePhillips
	Assemblywoman Nancy F. Muñoz



**ALSO PRESENT:**

Senate President Stephen M. Sweeney  
Assembly Speaker Craig J. Coughlin  
Assembly Republican Leader Jon M. Bramnick

Sheree D. Henderson  
Philip M. Mersinger  
Lauren M. Vogel  
*Office of Legislative Services  
Committee Aides*

Thomas Scotton  
*Senate Majority  
Shannon Natale  
Assembly Majority  
Committee Aides*

Jared Sutton  
*Senate Republican  
Matthew Gould  
Assembly Republican  
Committee Aides*

***Meeting Recorded and Transcribed by  
The Office of Legislative Services, Public Information Office,  
Hearing Unit, State House Annex, PO 068, Trenton, New Jersey***

---

---



PATRICK J. DIEGNAN, JR.  
Chair

VIN GOPAL  
Vice-Chair

NIA H. GILL  
NICHOLAS J. SACCO  
JAMES W. HOLZAPFEL  
ROBERT W. SINGER

SHEREE D. HENDERSON  
Office of Legislative Services  
Committee Aide  
(609) 847-3840  
(609) 292-0561 fax

LAUREN M. VOGEL  
Office of Legislative Services  
Committee Aide  
(609) 847-3840  
(609) 292-0561 fax

**New Jersey State Legislature**  
**SENATE TRANSPORTATION COMMITTEE**  
STATE HOUSE ANNEX  
PO BOX 068  
TRENTON NJ 08625-0068

**COMMITTEE NOTICE**

TO: MEMBERS OF THE SENATE TRANSPORTATION COMMITTEE

FROM: SENATOR PATRICK J. DIEGNAN, JR., CHAIRMAN

SUBJECT: COMMITTEE MEETING - AUGUST 16, 2018

*The public may address comments and questions to Sheree D. Henderson, Lauren M. Vogel, Committee Aides, or make bill status and scheduling inquiries to Melinda Chance, Secretary, at (609)847-3840, fax (609)292-0561, or e-mail: OLSAideSTR@njleg.org. Written and electronic comments, questions and testimony submitted to the committee by the public, as well as recordings and transcripts, if any, of oral testimony, are government records and will be available to the public upon request.*

---

The Senate Transportation Committee and the Assembly Transportation and Independent Authorities Committee will meet jointly on Thursday, August 16, 2018 at 10:30 AM in Committee Room 4, 1st Floor, State House Annex, Trenton, New Jersey.

The committees will receive testimony from invited guests concerning rail passenger service provided by the New Jersey Transit Corporation.

THOSE WISHING TO SUBMIT WRITTEN MATERIALS SHOULD PROVIDE 25 COPIES AND GIVE THEM TO OLS STAFF PRIOR TO THE START OF THE MEETING

Issued 8/9/18

For reasonable accommodation of a disability call the telephone number or fax number above, or for persons with hearing loss dial 711 for NJ Relay. The provision of assistive listening devices requires 24 hours' notice. CART or sign language interpretation requires 5 days' notice.

For changes in schedule due to snow or other emergencies, see website <http://www.njleg.state.nj.us> or call 800-792-8630 (toll-free in NJ) or 609-847-3905.

DANIEL R. BENSON  
Chair

PATRICIA EGAN JONES  
Vice-Chair

NICHOLAS A. CHIARAVALLOTTI  
ROY FREIMAN  
THOMAS P. GIBLIN  
ROBERT J. KARABINCHAK  
JAMES J. KENNEDY  
YVONNE LOPEZ  
BENJIE E. WIMBERLY  
ANTHONY M. BUCCO  
ROBERT D. CLIFTON  
BETTYLOU DeCROCE  
GREGORY P. McGUCKIN



PHILIP M. MERSINGER  
Office of Legislative Services  
Committee Aide  
(609) 847-3840  
(609) 292-0561 fax

**New Jersey State Legislature**  
**ASSEMBLY TRANSPORTATION**  
**AND INDEPENDENT AUTHORITIES COMMITTEE**  
STATE HOUSE ANNEX  
PO BOX 068  
TRENTON NJ 08625-0068

**COMMITTEE NOTICE**

**TO: MEMBERS OF THE ASSEMBLY TRANSPORTATION AND INDEPENDENT  
AUTHORITIES COMMITTEE**

**FROM: ASSEMBLYMAN DANIEL R. BENSON, CHAIRMAN**

**SUBJECT: COMMITTEE MEETING - AUGUST 16, 2018**

*The public may address comments and questions to Philip M. Mersinger, Committee Aide, or make bill status and scheduling inquiries to Melinda Chance, Secretary, at (609)847-3840, fax (609)292-0561, or e-mail: OLSAideATR@njleg.org. Written and electronic comments, questions and testimony submitted to the committee by the public, as well as recordings and transcripts, if any, of oral testimony, are government records and will be available to the public upon request.*

**The Assembly Transportation and Independent Authorities Committee and the Senate Transportation Committee will meet jointly on Thursday, August 16, 2018 at 10:30 AM in Committee Room 4, 1st Floor, State House Annex, Trenton, New Jersey.**

The committees will receive testimony from invited guests concerning rail passenger service provided by the New Jersey Transit Corporation.

**THOSE WISHING TO SUBMIT WRITTEN MATERIALS SHOULD PROVIDE 25 COPIES AND  
GIVE THEM TO OLS STAFF PRIOR TO THE START OF THE MEETING**

Issued 8/9/18

For reasonable accommodation of a disability call the telephone number or fax number above, or for persons with hearing loss dial 711 for NJ Relay. The provision of assistive listening devices requires 24 hours' notice. CART or sign language interpretation requires 5 days' notice.

For changes in schedule due to snow or other emergencies, see website <http://www.njleg.state.nj.us> or call 800-792-8630 (toll-free in NJ) or 609-847-3905.

## TABLE OF CONTENTS

	<b><u>Page</u></b>
Diane Gutierrez-Scaccetti Commissioner Department of Transportation State of New Jersey	5
Kevin S. Corbett Executive Director New Jersey Transit Corporation	7
Assemblyman John P. Armato District 2	110
Caren L. Fitzpatrick Director Meet AC	112
Assemblyman Vincent Mazzeo District 2	113
Nick Pittman Chief Forecaster SNJ Today, and Forecaster WMGM-TV NBC40	116
Ronald E. Sabol New Jersey State Legislative Director Sheet Metal, Air, Rail, Transportation Workers (SMART) New Jersey State AFL-CIO	119
Stephen J. Burkert General Chairman Transportation Division Sheet Metal, Air, Rail, Transportation Workers (SMART-TD), Local 60	119
David Peter Alan, Esq. Chair Lackawanna Coalition	133

## **TABLE OF CONTENTS (continued)**

	<b><u>Page</u></b>
Nicholas Sifuentes Executive Director Tri-State Transportation Campaign	138
Martin E. Robins, Esq. Director Emeritus Alan M. Voorhees Transportation Center Rutgers, The State University of New Jersey	141
<b>APPENDIX:</b>	
Testimony submitted by Diane Gutierrez-Scaccetti	1x
Testimony, plus attachments submitted by Kevin S. Corbett	4x
Testimony, plus attachments submitted by David Peter Alan, Esq.	17x
Testimony submitted by Nicholas Sifuentes	37x
Testimony, plus attachment submitted by Christina M. Renna Vice President Chamber of Commerce Southern New Jersey	39x
Testimony submitted by Joseph M. Clift Private Citizen	41x

**TABLE OF CONTENTS (continued)**

**APPENDIX (continued)**

Testimony, plus attachments  
submitted by  
Max Slusher  
Director  
Business Development  
Atlantic County Economic Alliance

42x

pnf: 1-145

SENATOR PATRICK J. DIEGNAN, Jr. (Chair): Rise for the Pledge, please.

(all recite Pledge)

Good morning, everybody.

Welcome to the joint hearing of the Transportation Committees.

I want to specifically thank the Senate President for joining us today; I believe the Speaker -- Speaker Coughlin is here, and Minority Leaders Kean and Bramnick are here.

This is important stuff that we're about to discuss today. I was talking to somebody yesterday; this is more than just an inconvenience for folks. And someone was telling me a real-life story yesterday morning. He has a neighbor, Edison Township; and every morning Dad drops their son off at daycare at 7:30 in the morning. He has to be at work by 9 a.m. in the morning. If that train isn't available for him when he hits the Edison train station at 8:15 a.m., he's in trouble. His boss isn't giving him a pass. If you have a doctor's appointment that you've set up, for four or five months, with Sloan Kettering, and that train isn't available, you have a big problem. If you have your biggest meeting with a client, and that train isn't available--

So this is more than just an inconvenience; this is important stuff.

Everybody knows what has taken place over the last eight years. Everybody knows the history of where we are. I hope that today isn't going to be a *gotcha* moment; today is going to be, hopefully, a Committee hearing

where we can come up with solutions to this crisis that we're facing in our state; and it is really a crisis.

And Dan, do you want to--

**ASSEMBLYMAN DANIEL R. BENSON (Chair):** Sure.

Thank you, Chairman.

I want to echo the comments made by Chairman Diegnan.

This issue is of critical importance. We often hear the Governor talk about innovation in infrastructure. I was just with the Governor yesterday on signing on a Bill about innovation; but obviously if we don't have the right infrastructure working in the state, we can't grow our economy.

We've all seen the stories in the news, or heard from neighbors, family members, or we ourselves have experienced what occurs when our system isn't working. It means problems at our work, problems with our family and friends, and just being able to enjoy what's great about New Jersey.

So hopefully, again, as was mentioned, today isn't about a blame-game; but figuring how we got here, how we're going to fix things, how things can be better, most importantly on communications; and how we're going to communicate that change so that we can truly right the ship at New Jersey Transit and make sure that the transportation system that was once a model public agency -- and, really, a training ground for, I think, transit executives across the country -- really is, again, a place that we can be proud of here in New Jersey, and is functional.

So with that, I'll turn it back to the Chairman.

**SENATOR DIEGNAN:** Okay; let's do a roll call.



MS. VOGEL (Committee Aide): Senator Singer. (no response)  
Senator Holzapfel.

SENATOR HOLZAPFEL: Here.

MS. VOGEL: Senator Gill. (no response)  
Senator Sacco.

SENATOR SACCO: Here.

MS. VOGEL: Vice Chair Gopal. (no response)  
Chairman Diegnan.

SENATOR DIEGNAN: Here.

MR. MERSINGER (Committee Aide): Assemblywoman  
Muñoz.

ASSEMBLYWOMAN MUÑOZ: Here.

MR. MERSINGER: Assemblyman DePhillips.

ASSEMBLYMAN DePHILLIPS: Here.

MR. MERSINGER: Assemblyman Clifton.

ASSEMBLYMAN CLIFTON: Here.

MR. MERSINGER: Assemblyman Bucco.

ASSEMBLYMAN BUCCO: Here.

MR. MERSINGER: Assemblywoman Vainieri Huttie.

ASSEMBLYWOMAN VAINIERI HUTTLE: Here.

MR. MERSINGER: Assemblyman McKeon.

ASSEMBLYMAN McKEON: Here.

MR. MERSINGER: Assemblywoman Lopez.

ASSEMBLYWOMAN LOPEZ: Here.

MR. MERSINGER: Assemblyman Kennedy.

ASSEMBLYMAN KENNEDY: Here.

MR. MERSINGER: Assemblyman Karabinchak.

ASSEMBLYMAN KARABINCHAK: Here.

MR. MERSINGER: Assemblyman Giblin.

ASSEMBLYMAN GIBLIN: Here.

MR. MERSINGER: Assemblyman Freiman.

ASSEMBLYMAN FREIMAN: Here.

MR. MERSINGER: Vice Chairwoman Jones.

**ASSEMBLYWOMAN PATRICIA EGAN JONES (Vice Chair):** Here.

MR. MERSINGER: Chairman Benson.

ASSEMBLYMAN BENSON: Here.

SENATOR DIEGNAN: And Senator Weinberg is here, subbing for Senator Gill; and Tom, you're here for--

SENATOR KEAN: Bob Singer.

SENATOR DIEGNAN: Okay.

SENATOR KEAN: Senator Kean is in for Senator Singer.

SENATOR DIEGNAN: Okay.

And if we could start with the center of attraction -- our Executive Director and Commissioner.

And I'm going to ask everybody to-- Let me just go through the list of folks who I have on our list scheduled to speak.

Next up would be Assemblymen Mazzeo and Armato; and I think they are going to be joined by some folks from that part of the state. Next after that would be Sheet Metal, Air, Rail, Transportation Workers, Ron Sabol; after that will be Alan M. Voorhees Transportation Center

Director Emeritus, Martin Robins; and then I think we're going to do that as a group -- Nick Sifuentes and David Peter Alan.

So Commissioner, you want to start it off?

**COMMISSIONER DIANE GUTIERREZ-SCACCE  
ETTI:**

Thank you very much.

Good morning, Chairman Diegnan, Chairman Benson, and members of the Committees.

Thank you for the invitation to speak to you today about New Jersey Transit.

As Chair of the Board of Directors, I share the concerns that have been expressed by many about the current operation of New Jersey Transit. And let me be clear, the Governor has every intention of delivering on his commitment to return New Jersey Transit to the standard of excellence our commuters deserve.

That said, the message has been equally clear that this transformation will take time. Undoing the damage that has been done by almost a decade of neglect cannot be overcome in 213 days.

The single, most critical mission at New Jersey Transit is to complete the installation of Positive Train Control. More than seven years has elapsed since New Jersey Transit awarded that installation contract, and only in the past seven months has there been significant progress towards its completion. It lacked leadership.

Maintaining a standard of on-time performance has suffered as the result of inefficient processes as simple as maintaining a sufficient parts inventories to ensure timely repair of train cars. That too lacked leadership.

The management of staff turnover through retirement and normal attrition was non-existent. Antiquated methods of attracting, training, and motivating those who run the system has rendered the agency without a pipeline of new train operators and other critical skills that we need to run our business. It lacked leadership.

New Jersey Transit is a long lead time agency in both major asset categories: human capital and equipment. I am happy to advise that the staff is actively engaged in the procurement of both train cars and buses to serve our riders in both the reliability and cleanliness categories.

The human capital management is in need of triage. At the Governor's direction, I have met with the Commissioners of Education, Higher Education, and Labor to launch a training program at the vocational/technical and community college level to both formalize and give proper attention to the need for a consistent pool of train operators, mechanics, and electricians. The need for these skills is no different from the need for licensed practical nurses, firefighters, or medical technicians.

New Jerseyans rely on the mass transit system, and being able to staff it properly and have a pipeline to future talent is our responsibility. Leveraging the power of these cabinet departments will result in focused attention on developing these critical skills.

With only 213 days under my belt -- under *our* belts -- I believe we are on a trajectory towards success with a budget approved, with focused attention of the Governor's Cabinet coming together to solve the State's most pressing customer-facing issues, and the leadership at New Jersey Transit that is committed to successful implementation of the Governor's vision.

My request of you, today, is for support -- support for the efforts of all involved to bring the agency back to national prominence. It will be a success we can all share in together.

Thank you.

ASSEMBLYMAN BENSON: I'm just going to ask that we hold questions until the Executive Director gives his comments, and then we can ask questions of both of them.

**K E V I N   S .   C O R B E T T:** Good morning, Chairman Diegan, Chairman Benson, and members of the Committees.

Thank you for providing this opportunity for New Jersey Transit to discuss the issues before us today.

I'd like to begin by setting the stage for you so you have an understanding of just how this perfect storm we find ourselves in was created.

The issues we face today -- particularly the inattentiveness to implementing Positive Train Control, better known as PTC, and staffing and recruiting locomotive engineers, which I'll speak to in a moment -- were years in the making.

As a long-time commuter on the M&E Line, which I still ride every day, I've experienced the frustrations along with our customers, recently and over the years.

The issues we're faced with, particularly the inattentiveness to PTC, were years in the making.

But I have to be honest. If anything, I underestimated the state of affairs at the agency when I arrived. And, unfortunately, there's no magic wand or silver bullet that addresses these issues overnight. But we've

set a course to turn the ship around; and while it will take time, we are making progress.

Let me be clear, this isn't about making excuses. It's about explaining how we got here and, more importantly, what we're doing to fix it.

So, let's take a look back over the past eight years.

The PTC program was simply languishing. NJ Transit entered into a contract in 2011 with our vendor for vehicle equipment installation to be completed by 2015. Yet by the end of 2017, they had finished equipping just 35 locomotives and cab cars in all that time.

Up until 2014, New Jersey Transit had just a single, full-time employee assigned to PTC. From 2014 to 2016, there were only four employees assigned full-time to this project. This was not nearly enough to meet a mission-critical Federal deadline.

When I came to New Jersey Transit, the program was just at 12 percent completion. We are now at more than 58 percent. But although we've made progress, we are still fighting that legacy of being way behind in the implementation of PTC and of replenishing the ranks of locomotive engineers.

The confluence of these two challenges has resulted in a large number of recent train cancellations that I know have had a significant impact on our customers. With respect to locomotive engineers -- recruiting, retention, training, and staffing have been ignored for years. From 2010 through 2017, there were only 11 engineer training classes. In 2009, those who were trained were actually furloughed for budget reasons. In 2010, there were no locomotive engineer training classes whatsoever.

Between 2011 and 2017, there were several years with just one class scheduled; no more than two classes in any one year.

Since that time, we've experienced a net loss of 57 engineers. That number will remain at a net loss of 48 engineers with the addition of 9 graduating engineers that will be in service starting tomorrow. Now we have to make up for an eight-year period where we lost significantly more engineers than we hired. New Jersey Transit clearly was not keeping up with the rate of attrition.

Again, I'm outlining these issues, so you have the history of how we got here.

I do believe, however, that times of great challenge are also times of great opportunity. When I came to New Jersey Transit, I knew we'd be rolling up our sleeves to turn things around. In fact, that process has already begun. We've advanced our PTC program, as I said, from 12 percent to 58 percent. As of Friday, August 3, we have gotten 100 locomotives and cab cars PTC-equipped.

We now have 69 percent of all required wayside antennas, radios, and other equipment installed on the railroad rights-of-way. That's up from 39 percent just from March 31 alone.

And we've trained 90 percent of all the engineers, signal technicians, and others who need to be PTC-trained. That's up from 21 percent on March 31.

We've accomplished all that in the last 6 months, and we have done more in the last six months than were done in the previous six years.

While we're pleased with the progress, there is much, much more to be done. Failure to meet our required numbers by December 31 is

simply not an option. Please, make no mistake: There are serious consequences to New Jersey Transit if we do not achieve these goals, such as restrictions on our ability to operate on Amtrak's Northeast Corridor and/or FRA fines daily.

I must say that I think it was grossly irresponsible to think that these are not threats by the FRA or Amtrak; these are the realities that we have to face, and it was irresponsible not to have taken them seriously before.

So we continue working with the FRA to meet the milestones still in front of us. This effort requires cycling locomotives and cab control cars throughout the system to our two installation facilities, and then on to testing at other locations, and then back into service. This complex logistical ballet reduces the vehicles available for service, and it means some of the already-depleted engineering forces must be dedicated to PTC car movements.

Those sorts of constraints have forced us to make some hard decisions. We've adjusted train schedules throughout the rail lines to free up equipment for PTC installation. That includes the coming temporary suspension of service on the Atlantic City Rail Line. I want to be clear that this is a temporary suspension. It is to allow for full installation of PTC equipment on the Line's locomotives and cab cars, but also all the wayside antennas, transponders, and other equipment on the right-of-way.

To date, there has been no PTC work done on the Atlantic City Rail Line whatsoever, which is why we're being left with no option but to suspend service on the Line, given the short time we have left to meet our federally mandated milestones before the end of the year.



Concurrently, we'll also be replacing a section of rail that needs to be done as well, and can be timed with the PTC installation. When PTC installation is complete, we will resume full service on the Atlantic City Line.

We also plan to spend a day at stations along the Atlantic City Rail Line this Monday to talk to customers in person. Myself and senior staff will be at the Atlantic City Rail Terminal from 8 a.m. to 11:30 a.m.; and at Lindenwold Station, from 3:30 p.m. to 6:30 p.m.

We will follow that up with a visit to Philadelphia 30th Street Station the next day, Tuesday, from 3 p.m. to 6 p.m.

While we are driving PTC installation forward, we're also taking meaningful steps to address the locomotive engineer shortage. But as I've said, this will not happen overnight. The training of a locomotive engineer takes approximately 20 months to complete. We have a class just finishing up this week, as I mentioned; and those nine new engineers will be providing much-needed relief.

Moving forward, we're conducting now four training classes per year, with staggered graduation dates, to keep up with and exceed the rate of attrition to erase the deficit we're in. We've incentivized current conductors to become engineers. By doing this, we can leverage their experience on the railroad and accelerate their engineer training to less than a year.

We have submitted a letter to the Employee Residency Review Committee for an exemption to the residency requirement for certain employees in critical operations positions, like engineers, conductors, mechanics, electricians, and bus operators.

We are a legacy of 19th century railroad history. We have rail facilities in upstate New York; we operate in Queens, Manhattan into Penn Station; into Pennsylvania, and Morrisville, and surrounding areas. We are unable to successfully recruit out-of-state residents even to work those facilities. Expanding the applicant pool to staff these critical positions would have a meaningful impact on the recruiting process.

We're also bringing in rail consultants to assess our training curriculum in an effort to streamline the process and look for efficiencies to see if we can reduce the length of time it takes, while remaining FRA compliant.

While we look to advance these measures to compress the program, we will not compromise our high safety standards when it comes to training new engineers. Whether it's during PTC installation or our engineer training, NJ Transit remains a safe railroad. And we will maintain our commitment to safety as our top priority, now and in the future.

In addition to safety, we're committed to doing better in the other areas that are completely within our control. One of those areas where I believe we can make a big difference right now is through improved communications. We've unified our operations communications groups into a central location in our state-of-the-art Emergency Operations Center in Maplewood. This is the *war-room* atmosphere and approach that the Governor mentioned last week.

By centralizing our operations communications, and combining it with our social media team in one room, we believe this will streamline the communications process in both getting messages to customers, as well as from them, through social media. We know this system works, as it has

proven itself in the past. We only have to look back at last summer, to the Amtrak track outages in Penn Station-New York. Indeed, within my first few weeks on the job, I saw this firsthand during a barrage of northeast snowstorms in March.

This focus on improved communications has also led us to becoming more proactive. We've begun to alert customers the night before when we know certain trains will likely be canceled the next morning, due to PTC equipment availability, to give customers as much notice as possible of service changes. Arming customers with the necessary information, with ample advanced notice, allows them to make an informed decision about their commuting options that best suits their work/life circumstances.

Unfortunately, this is not an exact science, as we are always looking to maximize the number of trains we can run in the interest of serving our customers. Sometimes that means making adjustments in employee or equipment assignments up until the last minute.

We look forward to continuing to find improvements and making refinements in the ways we communicate with our customers. While it may not be perfect all of the time, we believe this war-room structure will allow for better and more timely notifications and communication.

Chairmen and members of the Committee, thank you for providing this opportunity to discuss these matters with you today.

And I will be happy to take your questions.

SENATOR DIEGNAN: Thank you.

I'm going to start with Senator Kean.

But just real quick, because I'm-- You know, obviously, the Positive Train Control -- that's something that's a finite issue that you can deal with. But the concern with engineers seems to be more of a moving target with me. First of all, run past me -- what exactly is needed, at this particular point, to waive the limitations of New Jersey residency? Does it require legislation; is there some kind of an appeal you can make to the Federal government? How exactly do we address -- because I know that's been a main concern of Senator Kean, and I share it totally.

How do we expedite that simple solution?

COMMISSIONER GUTIERREZ-SCACCETTI: I believe, Chairman, that would take legislative action.

SENATOR DIEGNAN: Okay. But are you certain? Because, again, I would urge the Governor to do an Executive Order in that regard. But anyhow, that's something that I think we should be able to do immediately.

And in terms of your coordinating with the county colleges, how do you see the timeline on that?

COMMISSIONER GUTIERREZ-SCACCETTI: We met, on Tuesday afternoon, in the Governor's Office with the Commissioner of Labor, the Commissioner of Ed, and the Commissioner of Higher Ed. The Commissioner of Labor has hit the ground running, putting together some heat maps and some good data on where we can focus educational opportunities, where we have some skills already being developed, in terms of CDLs. And so it will be next week when the Commissioner of Higher Ed meets with all the community colleges, and this will be a topic. So we're going to get to this right away; I mean, we're not going to leave -- we're not

going to lose any momentum, I think that's fair to say. But as soon as we can get everybody together, get the course curriculum developed, and get it approved by FRA, we can start recruiting folks, just like you would in any other program at a community college, or perhaps a vocational and technical school.

ASSEMBLYMAN BENSON: But this training program -- just to add on to that -- this is-- You're paid while you're doing the training?

COMMISSIONER GUTIERREZ-SCACCETTI: Well, they will be students, just like as if they were going to Mercer County Community College; and they decide they want a career as a train operator, just like if you want to be a nurse, or if you want to be -- take a secretarial science course and get a certificate. The goal here would be to put them into the school and get the academic piece of their training under their belts.

ASSEMBLYMAN BENSON: Right.

COMMISSIONER GUTIERREZ-SCACCETTI: I'm certain that there is plenty of simulated training that they can get in the classroom as well. And then the balance of their on-the-job training would be conducted at New Jersey Transit.

ASSEMBLYMAN BENSON: Okay; so while they're getting on-the-job training, that's a paid program?

COMMISSIONER GUTIERREZ-SCACCETTI: Yes, sir.

ASSEMBLYMAN BENSON: Okay.

SENATOR DIEGNAN: Okay; I'm going with seniority here; Senator Weinberg will go first, and then Senator Kean.

Go ahead, Loretta.

SENATOR WEINBERG: Okay; well, we did an odds and even thing over here. (laughter)

Thank you very much, to both Chair people and members of the Committee, and to NJ Transit for being here.

Mr. Corbett, you said in your testimony that you submitted a letter to the Employee Residency Review. When was that letter submitted?

MR. CORBETT: That was yesterday.

SENATOR WEINBERG: Well, we had testimony, back in 2016, from the-then Executive Director of New Jersey Transit, Steve Santoro. I believe this was in April of-- No, pardon me; in November of 2016, and I'm going to read from his testimony. "We are going to aggressively pursue waivers, that are allowed under the residency law, for key positions."

So two years later, we're finally getting around to asking for those waivers? Do you know whether there were any waivers granted in the past; did they fall over into your Administration?

MR. CORBETT: I do not have that; and I can get that, certainly, through the Chair, of what waiver requests were asked. But from what I gather, it was very few. I only know, anecdotally, for myself, from writing and talking to one conductor who came over from Norfolk Southern, who lives in East Stroudsburg, that he had a connection; that he was able to find out how to get a waiver.

But it was certainly not encouraged prior to our coming in.

SENATOR WEINBERG: Okay, well that's certainly not your responsibility what took place two years ago. But it is a little disconcerting

that we did receive that testimony and then, apparently, that either had no effect or wasn't done until yesterday.

I think that is extremely important from the information you've given us -- that those waivers must be granted in order to fill some of these critical positions. And I would like to point out -- if I may give a little commercial -- that the Senate did pass a reform bill for New Jersey Transit; and the bill does do away with waiver requirements based upon a certification from the Executive Director of NJ Transit. So we included that in our current legislation which, as I said, was passed by the Senate.

I know that the Governor is awaiting an audit of New Jersey Transit. Do you have any idea of the time element on that?

COMMISSIONER GUTIERREZ-SCACCETTI: Through the Chair -- yes, Senator. The audit will be released -- the final audit will be released probably within the next 40 days or so. They have conducted all their work; they have submitted drafts for review. And so we hope to get that to the Governor within the next 30 days so that it can be released. And it would be, to me, tantamount to any legislation to have the audit in hand to make certain that whatever bill we pass is comprehensive; and it includes everything we need, coming out of the audit, to be successful in reestablishing New Jersey Transit.

So, hopefully, those results will be to you soon.

SENATOR WEINBERG: Well, again, based on your testimony, Mr. Corbett, you said one of those areas where I believe we can make a big difference right now is through improved communications. I couldn't agree more. So one of the things I'd like to suggest, which is in our legislation, is that New Jersey Transit Board meetings not be held at 9 a.m.

on Wednesday morning, or a weekday morning; but be alternated at least into evening meetings, where commuters and people who actually work during the day can come, and hear, and give input. That is a change that I would assume you could make without waiting for our legislation to go through.

COMMISSIONER GUTIERREZ-SCACCETTI: We certainly can look at that, Senator. I'm assuming it's a rule change for the agency. I'm not familiar with how they establish-- I'm assuming the rules are in the Administrative Code.

We do have a night meeting at least once a year. And if you're asking us to move them through the state and then also have them at night, we have to be mindful to make sure we're always able to have a quorum. So we will certainly work on that, and that's important to us.

SENATOR WEINBERG: Well, thank you, Commissioner, and I'm glad to hear that. But I think that any board that is supposed to be servicing a large amount of residents in the State of New Jersey should know intuitively that you are not servicing those residents if your Board meetings are on weekday mornings at 9 a.m.

So whatever rules-- And if Board members can't attend evening meetings, then they shouldn't be Board members on NJ Transit.

COMMISSIONER GUTIERREZ-SCACCETTI: Understood.

SENATOR WEINBERG: And I would also like to point out that in our reform bill, we require a certain amount of evening meetings during the course of the year, and actually have a commuter representative sitting on the Transit Board.



So I think these are all steps that can be taken to, kind of, improve communications and make the public feel that they have some kind of a voice in this. For me, the idea that all these problems came up with train transportation kind of overshadowed spending several years on bus transportation, which we haven't quite cured yet, as you all know; which will take new facilities. But we're on the road to that.

So I also saw in your testimony that now you're going out to meet with Atlantic City commuters; again, something that probably should have been done before the cancelation of that Line. You know, I realize, probably along with most people here -- but having gone through two years of hearings on New Jersey Transit, we know what you inherited: an understaffed, underfunded, very important agency. So you need to get ahead with the communications, not react to it. Everybody knew what existed there the day our new Administration took over. And I know nobody has a magic wand or an unlimited purse to cure all the problems in the next month, or six months, or even a year. But I think that you need to stand up to the people who we represent, explain what is wrong, what the timeline is, and how we're going to address it before, rather than reacting.

And you can start by making the New Jersey Transit Board a more commuter-oriented agency that meets at times when commuters can come and talk to them. And if you're going to cancel something, it would be good to talk to people before you do it, not meet with them when they're already angry.

So.

MR. CORBETT: We certainly agree; no one looks forward more than I do to when we can get out of some of the crisis mode to moving forward to being ahead of the curve.

SENATOR WEINBERG: Well, I know we're all in crisis mode, as well as the commuters. But the Board can change their meeting schedule and still be in crisis mode.

So that's it for now; thanks.

SENATOR DIEGNAN: Thank you, Senator.

Senator Kean.

SENATOR KEAN: Thank you, Mr. Chairman.

It's beyond frustrating that, for the last two years or more, we've been looking at this agency. And whether it was for years before, or the last 213 days, nothing seems to have changed. We have had years of conversations and research -- proposed reforms on a bipartisan basis, that at least led down the path of more transparency, more opportunity.

It's a small point-- Let me take that back; it's not a small point. When we're looking at something like the Atlantic City Line-- And Senator Brown is extraordinarily concerned about the -- not only reducing or eliminating that, but also whether it's going to come back. So I would prefer-- I know it's in your testimony; it's definitely coming back. But through the Chairs, if we can have -- to the broader committee, that it is coming back in January in full.

But when you're going down and listening -- to show up at 8 a.m., when everybody has already commuted; or 3 to 6 p.m., when they're not even home yet -- to me seems to be -- again, in addition to what Senator

Weinberg was talking about -- you have to make these times available to the people who are actually commuting and who are impacted.

So I would ask not only to broaden the accessibility of the Board meetings, but also make sure that when you're actually listening to the commuters, you do it beforehand. Because I know from -- whether it's the Atlantic City or where Assemblyman Bramnick, Assemblywoman Muñoz, and I, and a number of others here, have -- the Raritan Valley Line, and the fact that there is a-- The first question I asked during confirmation conversations for both of you was regarding the Midtown Direct -- the focus on that. So having research and everything after the decision is made seems to be nonsensical. I know we'll have some follow-up questions on the Raritan Valley Line and how it's been working.

But it seems to me -- you're talking the big picture. We have 495; we have the Helix; we have all these shut-downs. I mean, there needs to be a much more comprehensive, integrated focus for how we're going to have projects done on a timely basis; but also ones that are done earlier than they currently are. So I would ask that you look through, for example, in partnering with the Port Authority or others, restructuring--

We had, a Summit train -- the bridge, which was fixed in-- And I understand people can only work for three hours, and that created a lot of the delay. But there was-- On something like the Helix, or some of the other big projects, there has to be a way to do this in less than three years. I mean, the Empire State Building was built in a year. It seems strange to me that, in this day and age, that it's going to take three years, for example, to do a Helix; or the Pulaski Skyway, which has taken so long. I mean, that -- if you're sending a message to people who want to move into the state, or

stay in the state, an uncoordinated approach to planning seems to me to make no sense.

So I think that a lot of the reforms -- we need to be aggressive on.

But also, I'm going to ask about -- some of it is structural and some of it is personnel. I'm happy and pleased that Mr. Corbett, just recently -- just stated that he would support the hiring of out-of-state residents. It seems it was nonsensical. I thought that this legislature passed a piece of legislation that would stop people from applying for jobs in New Jersey; and then, potentially, then moving in, over time.

But it's not just engineers who are the problem right now. Isn't it also -- and we can talk about that personnel reform that we've known about for over a year -- actually years now, that people -- not resolved that issue.

But it's also information technology, you know? You're also having a shortage for new hires; and isn't it crippling our ability-- If you're talking about ways to communicate in this day and age, with people who are commuting now, aren't the individuals who are younger and better at communicating-- You know, so the information technology component is as important, in some cases, as the engineers. And you're not-- So we need to have it much more broadly focused than less focused.

COMMISSIONER GUTIERREZ-SCACCETTI: So if I may, Senator, I'm going to start before Kevin does, because I want to give you a broader, I guess, sense from the Board perspective.

Starting out with your thoughts about the fact that a lot hasn't changed in 213 days -- I would respectfully disagree with you. We brought

on a new Executive Director, who has been very hands-on; we have hired executive staff, in terms of a new HR, Procurement, Assistant Executive Director, and a new Chief of Staff, who have been completely dedicated to getting the processes back the way they should be.

We have done a major turnaround on getting PTC done. If you're not there every day, you wouldn't be able to experience some of the changes in culture, where people are starting to feel more that they have the -- they are empowered to suggest and empowered to be part of the discussion at Transit.

My particular management style is one that is very inclusive. And so your concerns with regard to proper project planning and execution are very important to me. Sadly, in 213 days, I feel a lot more like a firefighter than I do like a Commissioner of Transportation. We have one fire after another, and we keep trying to get them all under control.

My sense is that this is probably the pinnacle of that particular period of time. I don't think we can get too many more things burning at the same time as we have now. And so at the end of the day my goal is to get through the changeover for 495 on this Friday; get us -- hopefully, get you comfortable with the fact that we are working as hard and as fast as we can on PTC.

You talked about the Atlantic City Line. Again, I just want to be clear. If we didn't shut down the Atlantic City Line, it would have shut down itself on December 31, because it would not have had any PTC equipment. And it was a hard choice, and we have to make hard choices. The condition that we have found not only New Jersey Transit in, but New Jersey DOT and others, is just an unhealthy environment.

You can't see it, but on the 495 project, it was an extraordinary partnership between New Jersey Transit, DOT, and New Jersey Turnpike Authority to make certain that we could keep commuters lives as consistent as possible, moving buses on 495, right? The original plan called for no buses on 495. I couldn't understand how you'd make such a decision. But today, buses are using the 31st Street ramp; they're accessing 495; and only cars are being redirected to the detour, so that we don't negatively impact the communities around us.

So I understand your frustration. And I hope that we'll be able to demonstrate, more outwardly to you, that there is change happening in those agencies, and it is the change that you expected. But when you're standing on the outside it's not always easy for you to see.

We will be better at planning. The Helix -- I want to be clear -- the Helix is not going to be under construction at the same time as 495. The Helix project will not happen for at least two, maybe even three years from now. So it will be constant construction, but it will not be all at the same time.

The Pulaski Skyway was delayed several years because we had contractor issues. We are going to work at resolving those much earlier than, perhaps, in the last 8 years, 9 years, 10 years, so we don't run into these project delays, and we don't have projects -- one folding over the top of the other. I don't like to see orange barrels and orange cones out there anymore than anybody else does. But we've had a lot of work that has been left undone, and now it's time to do that work.

You know, a consistent question I was asked through the confirmation process is, "Where's the 23 cents?" All you need to do is go

out by 495 and look up, and you'll see the 23 cents working on that bridge deck repair, which is critical; critical given the number of cars that drive over it -- cars, trucks, and buses that drive over that on a daily basis.

MR. CORBETT: Yes, I'd like to just add a few notes on that.

One, on the Atlantic City Line in particular. Two things: One, the times that we chose were actually based on the schedules. When we -- we have the ridership numbers for each station; so if you look at the schedule and when the riders are, that's why we chose 8 a.m. because there's an 8:14 on the schedule. Same thing for the evening rush hour coming back. Certainly my schedule can adjust to that; but that was the basis for those hours, so they were geared to that.

The second thing that I think is really -- maybe we live too much in the weeds -- but with the FRA, what I said in my comments is dead serious. It's not just the Atlantic City Line being shut down; if we're not compliant and everything is not done by December 31, FRA will not certify us at all. So it's not -- it's an all or nothing deadline. It's a brick wall that is not moving. So that cannot be underestimated.

The third comment I would make is that the staff have no-- Again, it started in 2011; but we have a lot of good staff who really are doing yeoman's duty under really tough circumstances. And I would say, for example, engineering training-- As recent as last year, senior rail staff asked -- we put in requests for additional training to hire two staff to do additional training sessions for engineers; and they were turned down on that request. And if we had had those classes last year, that would have been helping us at least through the end of this year.

SENATOR KEAN: I think there-- I don't think anybody on-- Through the Chair, I don't think anybody on this panel underestimates the hard work of people who serve in this or any Administration. The question regarding Atlantic City was not only expanding -- showing up earlier than 8, showing up later than 6, as well, is important for everybody's life. Telling people in advance -- whether it was the Raritan Valley Line or it was the Atlantic City Line -- that these changes were coming, through a communication perspective--

And the question, also, is whether it's coming back full-time. The question was not-- We're not arguing with the Federal deadline; were arguing with the fact that we want the guarantee that that Line is coming back.

COMMISSIONER GUTIERREZ-SCACCETTI: The Atlantic City train line will be restored when PTC is completed.

SENATOR KEAN: Okay.

MR. CORBETT: And we are investing significant money to do so. We wouldn't be investing -- from a business proposition, you wouldn't be putting millions into something that you weren't striving--

SENATOR KEAN: I'm relaying the concerns of my constituents.

MR. CORBETT: I understand that concern, and the observation about communicating better.

SENATOR KEAN: But we are-- I mean, there's a-- To get to the point -- I will reserve the rest of my questions when others -- to make sure others have the opportunity to talk -- but there is a personnel issue. We can immediately resolve some of these issues. Between last summer



and the summer before-- I mean, people taking vacations mid-summer is a practice that the Legislative Oversight Committee, on a bipartisan basis, asked about last summer and before. The personnel policies are very problematic because one individual can shut down a system. And I think one of the things people have seen is individual choices are now having systemic-wide results.

And so that's why we need to pass legislation immediately to allow individuals-- Because the frustration from people-- We train them, and then they leave. You always hear that from businesses around. Let's have other people who have trained these engineers, or these information technology -- let's have those people lose them to New Jersey. And that's what we need to be focusing on -- is being a beacon, not having individuals moving out of state.

Thank you, Mr. Chair.

SENATOR DIEGNAN: To expand on what Senator Kean just said, both the Assembly Speaker and Senate President have indicated to me, while you're testifying, that they will expedite that legislation.

My question to you is, are you doing an outreach program to folks from other states, from people in freight, etc., to get a list together so when this legislation happens we can hit the ground running?

MR. CORBETT: Not from other states; but I think you know when we advertise positions, it said *New Jersey residency required*.

SENATOR DIEGNAN: With all due respect, I think you should.

MR. CORBETT: We will certainly do that.

SENATOR DIEGNAN: Because they have both indicated to me that they will expedite that legislation. So let's get this -- let's come up with some solutions.

MR. CORBETT: We do have a network, as I mentioned in my testimony, about consultants -- about training consultants who are rail professionals from around the nation.

SENATOR DIEGNAN: I know; I've spoken to members of the union, and they are totally in favor, and they said they said they would be more than happy to help you in that effort.

COMMISSIONER GUTIERREZ-SCACCETTI: We will move on that very quickly, Chairman.

SENATOR DIEGNAN: Nick, you want--

SENATOR SACCO: Sure.

You know, I've been in the unique situation where I've seen the change over the last 200 days; 495 -- the towns and the area were rebuffed originally. We asked for assistance, we asked to have our police involved. We were told "no," the State Police would handle it completely. And they don't know our local roads.

With the change -- in the last meetings -- and you've had meetings with us individually and as the towns together -- we now have our own police involved. And that's a major thing to keeping the roadways open in our communities. So I have seen the change.

Another place I've seen the change is the three overpasses that go through my community. And DOT had two; they were planned in 1994, they were completed by Jim McGreevey.

The third one, which is the easy up-and-over, is called the *Bridge to Nowhere*. It's been being built by Transit for the last eight years. And nothing-- I've met over and over with Transit. I can't even blame the people I was meeting with. The company didn't know how to build it; all our pleas fell on deaf ears. I get criticized; it's in my community, and I really have nothing to do with the construction.

The Commissioner drove up -- I'd say, within a week of being appointed -- into North Bergen; went onsite. They removed the company that was dealing with it, and they have a new company in there now. And I believe, over the next six months, it should be complete. I waited eight years to have this change, and I see it, firsthand, right now. And I thank you.

COMMISSIONER GUTIERREZ-SCACCETTI: Thank you for your comments, Senator. It's very humbling.

That's the job we're supposed to do. And what I commit to you is what we're doing for you on the 69th Street Bridge is the same job we intend to do wherever we can in the State of New Jersey. It is our job to try to resolve issues like that; and we have a lot of them. And Transit, honestly, is the single largest. It is complex; it is understaffed; it is underfunded. But I would say to you that even with the complexity and underfunded state, the staff that we have has been phenomenal. I've watched them pull together to get this done. We're in the process-- And I think Senator Weinberg -- and if Senator Gordon were still here -- would be happy to know that we're in the process of hiring a new Human Resources Director, one who can help us streamline processes and be better about responding.

So we're going to keep that positive attitude, and we're going to keep coming out and serving our customers every day.

And Kevin-- You know, being at the train stations, I understand we can adjust the timing. But Kevin has been out there to meet those he serves, and will continue to do that for as long as it takes to regain the trust of the residents of New Jersey and all of you.

MR. CORBETT: I would also like to add, though, on the project-- What we've done for project management for Positive Train Control -- that culture that I brought in is one that we will see for project delivery throughout our organization. It's discipline and resources. And with the budget that is now being passed giving us resources -- financial resources, with proper management you will see a virtual cycle of both projects and operational improvements.

SENATOR WEINBERG: Thank you, Mr. Chairman.

Just a word to the Commissioner about the new Human Resources Department. Long overdue; and I know the work that you're taking there. And I'd like to, just on the record, remind people that NJ Transit paid out almost, I think, in excess of \$11 million over the last number of years in sexual harassment and race-based issue lawsuits. That's \$11 million that could have been better spent.

So I think a major overhaul, there, in the Human Resources Department, as we saw prior testimony. So I thank you for that too.

SENATOR DIEGNAN: Good point.

**SENATOR VIN GOPAL (Vice Chair):** Thank you, Mr. Chairman.

First of all, I know we've had a number of meetings over the last several months -- (indiscernible) New Jersey Transit. So I always appreciate how responsive you guys are, both of you, and the number of times we've met.

The biggest-- I have two things, because I know a lot of people have to go. And one I know that Senator Weinberg brought up earlier is communication. We have great communication; but my concern is communication with commuters. I'm going to read-- I don't know about my other colleagues here, but I communicate primarily with my constituents via social media. This is one of 20 different tweets that are public, that anybody can look up.

"Senator Gopal, again your voters get the shaft, while Trenton commuters have zero cancelations. Why are three Trenton trains still running?"

So whether it's the State, whether it's a county, they see it as me; they're blaming me, my constituents. They're not blaming anyone else, really. And I have to be accountable to them; I have to respond to them.

So my question I'd ask is, specifically, what can be done, moving forward, as far as just better communication with commuters so they're not finding out the morning of, the day of? I found out -- a lot about these cancelations through news reports. I didn't find out from an e-mail; I didn't find out from, I'm guessing, NJ Transit. And DOT has communications departments. What can we do so we can educate our people? I have a lot of residents in the Shore area who rely on New Jersey Transit each and every morning and evening. And I have to give them at least an hour's heads up if there's a problem, and how we can resolve it.

And I need to be able to educate them that when they're asking why trains just in the Shore area are the ones being cancelled -- why not the other ones -- I have to be able to tell them. Because, right now, they're holding me accountable for that. So that was my first question.

And then if I can get another one after.

Thank you.

MR. CORBETT: Yes, certainly on communications -- and as I said in my opening comments, and I referred to it afterwards -- we can and we must do a better job on communications. You have the Rail Operations part -- you know this is leaving Bus, and Light Rail, and other aspects aside -- we have a communications group that -- we twitter and Facebook; you know, the social media. And they're in a different -- they were, until two days ago, on a regular basis, in a different place from where the actual Rail Operation staff is that is actually seeing the trains on the board and getting the feedback from the engineers, the conductors, and the yardmasters. So we've now put them in -- going back to the Governor's war room; as I mentioned, what we went thorough in March with the storms -- we have a state-of-the-art Emergency Operations Center, which is run by Transit Police, and it's used for emergencies.

The fall off of engineers, which has triggered this, was -- we did have a plan, we predicted it -- and in just this year, where there's 14 percent more unauthorized or unanticipated no-shows. And that triggers a very complicated operation of triaging -- pulling the next engineer, etc. So a lot of times you don't know exactly, to fairly shortly before, do you actually have an engineer who can cover that.

So it's in the DNA of our Rail Operations to get it-- If you have a train and you have an engineer -- to get them out. And the thing is, that has led to inconsistency. And the problem is getting to the communication. If you take a time lag on communication, particularly in this day and age where everyone on the train has a cell phone, and five minutes later they have everything they know and they're tweeting -- if our people don't know, it is certainly frustrating to the commuters.

So we have now put them all in this one Operations Center. And the other thing we're doing is -- for trains that are being pulled by PTC -- where we know the night before, getting that out via our website, through the news broadcasts, through the media, and through twitter and the other social medium -- to get that out. But that is something that definitely we would like to improve.

SENATOR GOPAL: Okay.

And just one of the other tweets that they forwarded to me; this was on 08-09-18 -- "NJCL train 3269, the 5:45 p.m. from PSNY, is canceled due to no equipment availability. Customers may use train 3271 from New York."

What does that mean; what is *equipment availability*? Is that different than personnel, or engineers, or what?

MR. CORBETT: Yes, equipment can be for a number of reasons.

If there is an engine problem, or depending on which -- the Coast Line, if it's the right type of engines. For example, some we have dual modes the Coast are on -- depending on where you go on the Coast Line or the RVL -- where you have dual power. So they're diesel and electric;

they'll run electric until they are out of New York; and then, say, in Newark, they will then put up the pantograph; and then take down the pantograph, and then switch over to diesel. So you may not have -- even if there's equipment available, it may not be right for that right service. And it's a very complex-- Where a train starts in the morning in Dover, where it ends up it could be down in Morrisville, or it could be up on the Pascack Valley Line; you know, it could be all over the place. So it depends. The equipment varies depending on the issue.

SENATOR GOPAL: Okay.

And my ask to that would be two things for you guys to consider. One, maybe some kind of -- I don't know if you text commuters right now, but if you know -- the second you know, maybe a text to them, if you have their information. And two, later on, whenever you know, some kind of explanation on why the train didn't operate. So everybody in this day and age comes with different conspiracy theories of this area or that area of the state. And all of us are tasked with representing the constituents in their respective districts. So any type of communication you guys can consider, as early as possible, I know would help a lot of mornings for a lot of my constituents.

And the second thing -- so when we originally-- I think it was \$98 million that the Governor proposed in the budget. So I just want to try to understand -- is that sufficient? How many engineers do we have right now on the full day, weekday; how many more do we need? Are there other -- is there any-- I'm hoping we don't need to look at any type of increases in the future -- fares -- or are there opportunities to some of these riders, who are going through a tough time, for some kind discount or refund? I



just want to know what other options there are, and how the funding, overall, works.

I know there were a few different questions there.

COMMISSIONER GUTIERREZ-SCACCETTI: Thank you, Senator.

From a budget perspective, the budget is satisfactory; we don't need additional appropriation. We have several vacancies right now -- way too many vacancies at New Jersey Transit -- and so we are satisfied with the budget.

It was not \$98 million, but we can do our math separately offline. The Governor proposed a \$242 million increase, and that is what came to New Jersey Transit.

As far as the discounts and refunds -- that's something that the Board hasn't -- it hasn't been brought to the Board. There is the opportunity for some discounts on the Atlantic City Line for those who are going to be impacted, and we can get you the details on those.

What was your other question? You had so many in there.  
(laughter)

SENATOR GOPAL: I'm sorry.

COMMISSIONER GUTIERREZ-SCACCETTI: I'm trying to remember them all.

MR. CORBETT: There are a couple I could add--

SENATOR GOPAL: The Chair told me two questions, so I tried to get my (indiscernible) out of it.

SENATOR DIEGNAN: Two *a, b, c, d*. (laughter)

SENATOR GOPAL: Yes.

How many do we have right now, and how many do we need once the positions are filled, as far as the engineer shortage that we have?

COMMISSIONER GUTIERREZ-SCACCETTI: We have approximately 330; you need 291 to run the system. And we if could, we'd like 400. So that's, basically-- You know, if it was a perfect world, I think if I told Kevin he had 400 engineers, he could go home and get a good night's sleep. But you cut it really thin when you need 291, and you are only over that by about 35, 36 people. You have call-ins -- whatever -- you have a lot of folks on FMLA. There are a lot of reasons why folks don't show up to work. But we've been working--

SENATOR GOPAL: And \$98 million suffices that -- to get to that number?

COMMISSIONER GUTIERREZ-SCACCETTI: The \$242 million increased the budget, and our budget is satisfactory, sir.

SENATOR GOPAL: Great.

COMMISSIONER GUTIERREZ-SCACCETTI: I do want to point out one thing -- because I'm sure this question will come up -- is in terms of communications. It is an FRA violation for any of our conductors to have a cell phone in their possession. So for anyone who is going to say, "Well, why don't the conductors get a text?" they're not allowed by FRA rule. They'll get in a big heap of trouble. And we had one poor conductor who picked up someone's phone that they lost, trying to do a good deed, and wound up being fined.

So we really -- we want you to understand it's not that we don't want to give that information to them. They are not allowed to have personal devices on them while they're riding a train with passengers.

MR. CORBETT: And to pick up on that, I would like to say about the conductors -- we've been working very closely with Labor. You know, there are some that we -- some individuals who we can take on; but Labor has been very cooperative with us, both on the conductors and on the engineer side. And particularly, the conductors -- a lot of them are getting -- people being angry at them. They are doing a great job and they deserve credit under very tough circumstances.

And one of the things for conductors -- even though today is a rough day, already we've started beta testing. If you've taken Amtrak -- the scanners that they do when they scan your ticket. We're now in the second round of beta testing, and we're looking to roll out implementation of those.

And aside from being able to get fare collection, it also will allow us -- the conductors to get information that they need so that they can be intelligent on the trains. They always feel bad that the riders know more than they do, and they're prohibited by FRA from having a cell phone. With these scanners, they'll be able to get the information that they will be able to communicate directly and be as knowledgeable as the passengers are. And that's something that we'll be looking to start rolling out by the end of this year.

SENATOR GOPAL: Thank you; that was helpful.

And I know that you guys are trying and doing everything you can; and I know that our friends on the -- my friends on the other side of the aisle -- last year, I'm sure they brought up a lot of these same concerns that they're bringing up this year. But we definitely are because we hear from a lot of our constituents.

So thank you very much.

ASSEMBLYMAN BENSON: Thank you, Senator.

First I'd like to turn it over to Assemblywoman Egan Jones, our Vice Chair.

ASSEMBLYWOMAN JONES: Thank you, Mr. Chair.

And welcome aboard, I guess is the proper term.

I thank Senator Weinberg for mentioning the Board. I found it interesting to note how small the Board is, and that it doesn't seem to include a real commuter. Is there a plan to establish -- maybe broaden the Board to invite more people in? I also notice there didn't seem to be anybody from my neck of the state. And we have transportation needs that New Jersey Transit can fill, needs to fill, in the coming months and years, as well, for a very underserved population, which really impacts their ability to get jobs, to move out of our more rural counties to employment.

So I'm really concerned that the Board be broadened enough to take in all of those things -- take those into account.

COMMISSIONER GUTIERREZ-SCACCETTI: Senator (*sic*), that is one of the tasks that North Highlands -- the firm doing our audit -- was tasked to look at. And they'll be making recommendations to us back, with regard to Board size. So that is not -- that is on the table, let me say that.

ASSEMBLYWOMAN JONES: Thank you.

COMMISSIONER GUTIERREZ-SCACCETTI: You're welcome.

ASSEMBLYWOMAN JONES: I appreciate that, because I think it's necessary.

The other day some of us sat in, as a panel, a legislative panel, for Commerce and Industry. And it was so clear that we may need to move forward -- and I think Senator Diegnan might confirm this -- they asked about a transportation master plan for the State of New Jersey. And I think we agreed that we probably should have something in place that allows us to know what we need to be doing for four years out, and five years out. I can appreciate -- you're now taking care of things that were left to lie dormant, and silent, and not move us forward. Had we had a master plan in place maybe we would have done a better job of making certain that we had enough engineers; that we remove the blockade in hiring engineers who had a residency issue. Because certain skill sets are important; and we are certainly one of the major corridors in this whole country; never mind just the Northeast Corridor. So I think it's just tantamount to, maybe, moving forward with that.

So I intend to see if we can't do something. I forewarned my Chairman this morning about the possibility of doing that. And it will take some doing to get it on the books and to make it work. But I think that with your leadership, both of you, we might be able to just do that.

So now I want to thank Senator Kean for talking a little bit about the Atlantic City Rail Line. Again, my part of the state; and I know joining us today are the representatives from the Legislature from that neck of the woods, but also from South Jersey Chamber of Commerce. And they're always concerned about moving employees to and from work.

So my concern was, I don't think I knew we were shutting this down before -- hopefully, four months, not five -- except when I read it in the paper. And I am chagrined to have to say that to you; but I'm reading

all kinds of newspaper accounts telling me that this is going to happen. I felt -- I don't know -- I felt alarmed that I wasn't notified and that I didn't also know what the plan was for moving the people from the train to their employment; or, if they were going to Atlantic City to enjoy the day or the weekend or the week, what were we going to provide for them? So maybe you can answer that now.

MR. CORBETT: Yes, I think the-- One thing was, in the deliberations with our contractor for PTC implementation -- and certainly for Atlantic City, and as we were talking about earlier about communicating -- getting that communication out, both through official and to the public; that is important. Unfortunately, with AC, we had not made that determination, and it got leaked out -- it got out beforehand, So we did not have -- we have not actually, 100 percent, worked out how to put the bus service in place, etc., -- the bus bridges.

So that was unfortunate.

But broadly speaking, we got together with our -- and looking at what we had to do to make the December 31 deadline, we looked at any way we could keep that service up. And looking at the physical operations that need to be done with the timing, with the season, with equipment that was being delivered from warehouses up in Rochester, etc. -- it came back that the responsible thing to do to make that deadline was to shut down the Line.

And I think we look to put the best package to minimize the impact; we are working very closely with PATCO, who has been very cooperative. We've been working with Labor so that the conductors and people will actually know, from taking the train -- we're looking to have

them -- if they want the positions during those months while it's being installed -- to be working as -- helping us with the customer service side at each bus depot and at the terminal to help facilitate that. So there will be the same employees, and we look to have them come back when we have full service restored, which is certainly our commitment.

ASSEMBLYWOMAN JONES: So if I'm in Atlantic City, and I want to get a train, where do I go to get it? Or get the bus?

MR. CORBETT: If you go to, say the 554 bus -- and this will all be on our website, and we have our *My Transit* alerts, and all the social media -- but you would take the 554; you go right to the train station, just like you were getting the regular train at that time. There will be a bus there instead, and that will make -- we'll have express bus service, which will run about 25 minutes longer, that will bring you to where you can connect with PATCO if you want to go into Philly.

ASSEMBLYWOMAN JONES: You know, it's -- timing is everything, isn't it, though? And as Atlantic City is breathing life into itself, and our casinos are doing better, and employee numbers are growing -- as we all hoped they would -- it just sends a terrible message. I think it's very important -- the safety of our riders and the fact that you're going to make other improvements along the Line for the future is important as well. I just-- You know, they tell us all the time -- appearance is so important.

So I don't know that when you contracted for the work if there's a drop-dead finish date, or the people doing it get penalized. I just need some assurance that this is not going to drag on and on.

COMMISSIONER GUTIERREZ-SCACCETTI: The December 31 date, Senator, is the brick wall. And it's not our brick wall; it's the

Federal government's brick wall. If we don't make December 31, I don't know that any trains are going to be running. They have the right to stop us.

The sad part is, with the contractor who has been around since 2011 -- very unsuccessful on execution. But Kevin and his team negotiated a very strong change order with them. There are significant penalties if they miss the date. Those things have been taken into consideration. And I would say, you know, we ride herd pretty much on the contractor every day, and we're looking at the numbers every day, and we're making sure that they're going to meet the December 31 date.

I know that Senator Kean had said January; I don't want to say January or February. We're going to get the Line back up as soon as possible. But we are committed to returning the Atlantic City Line as soon as we can. They have about, on average, just about 2,000 riders a day. We think that we can make good improvements with the bus service and get people to where they need to be. And we are looking at doing both express and local, so we can cut down on the increase in time, because a bus is still going to take longer than a train. But at the end of the day those are all things that are being considered every day. Kevin has worked hard to make sure that we cover all those bases.

ASSEMBLYWOMAN JONES: It was interesting, because my initial reaction was, of course, having people going to Atlantic City and employees going to Atlantic City. And then, didn't I get information that showed me that people from the Shore area actually we're using the Rail Line to get to work in Camden County and in Philadelphia as well.



So it's an interesting Line; I know we can probably get our ridership once you get back on line.

So I'm happy to work with you, and all the South Jersey folks, to do so.

And I thank you for your commitment to getting it done. And I'm glad to know that there are those kinds of terms in these contract arrangements.

That will be it from South Jersey, Mr. Chair. (laughter)

ASSEMBLYMAN BENSON: Thank you so much.

Assemblyman Giblin.

ASSEMBLYMAN GIBLIN: A couple of questions.

ASSEMBLYMAN GIBLIN: Have you done a demographic study of your employees, as far as their age is concerned; and anticipated retirements and openings in the not-too-distant-future?

MR. CORBETT: The short answer is "yes." And through the Chair, I'd be glad to provide that.

But the critical one, vis-à-vis today, is the aging of engineers. It's something I've also discussed with the head of the FRA, Ron Batory, because it's a national issue as well.

But we break them down into five-year segments: 20 to 25, 25 to 30. And the Railroad Retirement Pension kicks in at age 60. So if you have somebody who has 20 or more years of experience, and they are 58, I start getting nervous. Some of them work into their 70s, so it's not a guarantee. But in general we are -- you've seen the chart that was around. We're losing anywhere from 10 to 20 engineers a year. So we need to make sure we're backfilling more than that to make up for the deficit.

But when they get to about 58 is when I start really getting nervous.

ASSEMBLYMAN GIBLIN: Okay. So how many folks are in that category as we speak?

MR. CORBETT: I would have to get the exact numbers; but I think we -- over 60, I think there are about 20; and there are a handful who are in their upper 50s.

ASSEMBLYMAN GIBLIN: Does your retirement system allow retired employees to come back on a part-time basis?

MR. CORBETT: Well, there are two issues. I was talking about the engineers, which are collective bargaining agreement, and they are under the railroad pension; so it's a different thing, versus our non-agreement staff that has different restrictions.

ASSEMBLYMAN GIBLIN: So I'm not sure of the answer on that. You know, if somebody is a retiree--

MR. CORBETT: Yes--

ASSEMBLYMAN GIBLIN: --can they come back on a part-time basis?

MR. CORBETT: Yes they can; and we do encourage that. They lose seniority when they come back; so it depends, you know -- they would then be on an on-call list.

ASSEMBLYMAN GIBLIN: Well, they're per diem people, or part-timers.

MR. CORBETT: Right; yes.

ASSEMBLYMAN GIBLIN: So they can't accrue seniority.

MR. CORBETT: Yes, we do use them as back up, and we call them. And that's part of -- part of the difficulty in communicating on those, when we get down to that list -- the part-time recall -- some will turn out, and some won't. And that's why, sometimes, at the last minute, some of them have actually come to the rescue.

I would also mention that with one engineer, you have to remember that's not just one train. We're talking each engineer will do four to six trains a day. And so every engineer who shows up is going to impact four scheduled trains.

ASSEMBLYMAN GIBLIN: Well, is there restriction on how many hours an engineer can work, or days they have to work consecutively, before they have to take time off? Is there any provision like that?

MR. CORBETT: Yes. We are under FRA guidance; they have very strict rules. It depends on whether you work nights or days, or how many. But there is -- you have to have, after a certain period of time--

ASSEMBLYMAN GIBLIN: A rest period?

MR. CORBETT: Twelve hours rest, and then there's also four-hour respite within a day between the runs.

ASSEMBLYMAN GIBLIN: Okay. What is a locomotive engineer starting salary, approximately?

MR. CORBETT: You know, it's on an hourly basis. You know, we're about \$35 an hour, but I would say you're talking about somebody who is in the \$70,000, \$70,000--plus range.

ASSEMBLYMAN GIBLIN: That's starting?

MR. CORBETT: Yes.

ASSEMBLYMAN GIBLIN: And what would be the typical locomotive engineer salary -- over \$100,000?

MR. CORBETT: With overtime, that could be a reasonable figure, yes, if they're willing to take overtime.

ASSEMBLYMAN GIBLIN: And the conductors -- you said there's a shortage of conductors.

MR. CORBETT: There is; it's not as dramatic, but we also are short conductors, yes.

ASSEMBLYMAN GIBLIN: I'm not trying to minimize a conductor's role, but it would seem to me the skill set shouldn't be as high, certainly no comparison to a locomotive engineer. So what does a conductor start at?

MR. CORBETT: Conductors -- I would say, roughly, 10, 15 percent lower, depending on-- There are conductors, there are ticket collectors, there are rear brakes -- there are a number of positions.

ASSEMBLYMAN GIBLIN: No, but what's the-- I'm talking about the primary position. What's does a conductor start at?

MR. CORBETT: Say, \$70,000; roughly, \$70,000 -- \$60,000, \$70,000.

ASSEMBLYMAN GIBLIN: And what are the requirements for them to get hired?

MR. CORBETT: They have a-- Their program-- It takes about a year to go through the program for testing. There's both academic testing and operational testing.

ASSEMBLYMAN GIBLIN: And how are you doing with women and minorities in that category?

MR. CORBETT: We're doing quite well. I think we have a very diverse -- I think NJT has a very diverse workforce. I think you see that on the trains; you know, certainly, you know, with the younger -- you have more diversity with the younger age. But I think our numbers are quite good.

Through the Chair, I can get you that breakdown.

ASSEMBLYMAN GIBLIN: Well, is there a turnover anticipated with retirements for many of the conductors? Are there going to be more openings? I mean, the way -- is that kind of similar to what's with the locomotive engineers?

MR. CORBETT: Sorry; I didn't quite catch that.

ASSEMBLYMAN GIBLIN: Well, I'm trying to understand. You were talking about--

MR. CORBETT: The turnover with conductors? No, not to the same degree. With the conductors, we're looking to hire more. We don't have that -- as many attritting out as we do-- We're looking to hire more to get a full complement. So it's less of an issue with conductors.

ASSEMBLYMAN GIBLIN: The issue of absenteeism, whatever would be the case, you know, FMLA or illness or-- How proactive are you as far as that's concerned? I mean, it seems to me-- I'll be frank with you. I have a couple of hats. I've been involved in the Labor movement for a long time, for many years; I've been involved as a fiduciary, running one of the largest apprenticeship training programs in the state. If I was in the situation, hypothetically, where our members are, basically, station engineers -- if I told a building owner or a series of building owners I can't supply help, they would laugh at me down the street. They would think

I'm something short of an idiot -- that I don't have people -- which is my jurisdiction, so to speak -- to run their facilities.

I mean, how cooperative is this relationship with either SMART or the Brotherhood of Locomotive Engineers? I mean, it seems to me, the programs that are run successfully have been joint labor-management programs. I mean, you know, the onus should be on the union, too, to go out and get members, too, or potential employees of your organizations. It seems to me you just can't be idly by, and leave it all onto you. Do you really have a cooperative relationship where you really meet and try to look at the issue of manning your operation? I mean, is it real?

MR. CORBETT: I would say -- I have only been in the job less than six months, but my experience, both in the private sector beforehand and now, is that -- is to work well with labor. I would say that the issue -- why we're having these -- is we went below critical mass. And I would say if we had -- wages aside, if we had had four trainings, like we're now doing four training classes a year for engineers, we would not have -- if we started that two years ago, three years ago, we would not be here today.

So to me that's a management issue. I don't see that as being-- Labor has been very cooperative with us since I've been here. The difference, also, for why people aren't turning out -- and there are some who have not turned out; and you see it on Mondays and Fridays, being totally frank. But the great majority-- And a lot of them will even put in more overtime they want to help cover. So the great majority of engineers and conductors are doing yeoman's duty.

And I don't feel it's a job action or any of that kind of thing. I think it's a habit; before, they were able to get away with that. If I didn't

show or Diane didn't show, you knew somebody was going to cover, because there was always a bench. And what happened, this summer, we got below that critical mass; and we had higher turnout -- not no-shows -- than expected. And since we were below critical mass, there was no bench to draw from. And we're rebuilding that bench now, but it is going to take time.

COMMISSIONER GUTIERREZ-SCACCETTI: Assemblyman, I think the advent of the training program that will work with the Department of Higher Ed, and the Department of Ed, and the Department of Labor will go a long way to eliminating this as a problem in the future.

These individuals are highly specialized skills. They need the time to learn. And we can't fix that pipeline -- what is a 20-month pipeline -- in 6 months. But we are aggressively pursuing it today with other cabinet members so that we work together, and we use the leverage and the power of the Administration to get schools on board with us; and schools throughout the state, not just near New Jersey Transit in Newark -- anywhere that we can set up a training opportunity to make sure that our population is diverse in all ways, but also very skilled.

ASSEMBLYMAN GIBLIN: I honestly -- I've never heard NJ Transit go to any career days in my District. I mean, I see a lot of the trade unions; I see a lot of other employers. You have to be a lot more proactive. It just seems almost unconscionable, with the type of salaries you're talking about, that we're here bemoaning the fact that we can't get help. I mean, it's beyond scandalous. I mean, we have to be more aggressive in this area about trying to fill these slots. You know, the public is at stake here, as far

as, you know, the delivery of service. And I think it's very critical in that regard.

So I just wanted to kind of stress that.

The Atlantic City Line, I think, was mentioned by Assemblywoman Egan Jones. I'm down in Atlantic City quite a bit with my Labor hat. Atlantic City is on the cusp; it's getting new life, as the Assemblywoman noted. And you know this drop-dead date of December 31 is more than critical; it's about, you know, getting back the market that we have, as far as the gaming and resort community. And, you know, there can't be any reprieves, or second chances, or extended deadlines. I think that this contractor has to be sat down and told, forcefully, "This must be done on December 31; no ifs, ands, or buts." If we have to do a penalty, and if they're sincere about finishing the job, I think you're going to have to take those stringent measures. Because it's extremely critical as far as Atlantic City is concerned. They've rebounded, and they need this to really keep on going.

Thank you, Mr. Chairman.

ASSEMBLYMAN BENSON: Thank you so much.

Next we're going to have up Minority Leader Bramnick.

ASSEMBLYMAN BRAMNICK: Thank you, Chairman; thank you, Chairman.

Good morning, Mr. Director and Commissioner.

I'll direct this question to the Director. Are there times when a train is canceled because an engineer calls in for some reason and says they cannot be there? Is that a scenario that exists?

MR. CORBETT: Yes, it does happen.



ASSEMBLYMAN BRAMNICK: Can an engineer call in -- a locomotive engineer, and not show up for a reason other than being ill?

MR. CORBETT: Yes.

ASSEMBLYMAN BRAMNICK: Can you tell the Committee, and the public, under what circumstances an engineer could call in and say he or she is not coming, and tell us what reason they could use?

MR. CORBETT: There are a number of reasons: health, family. Of course, FMLA adds another element that was not in-- We have some under collective bargaining.

ASSEMBLYMAN BRAMNICK: Well, I'm sorry--

MR. CORBETT: Yes.

ASSEMBLYMAN BRAMNICK: --I go a little slower because I don't know much about this area.

MR. CORBETT: Sorry.

ASSEMBLYMAN BRAMNICK: Health, family--

MR. CORBETT: Right.

ASSEMBLYMAN BRAMNICK: And family leave, or family commitment?

COMMISSIONER GUTIERREZ-SCACCETTI: FMLA is Family and Medical Leave Act. It's a statute that we have to follow.

ASSEMBLYMAN BRAMNICK: I understand the Act. I'm trying to understand -- can they call and not give a reason?

MR. CORBETT: Yes, they can.

ASSEMBLYMAN BRAMNICK: And what covers them to permit this employee or engineer to give no reason?

MR. CORBETT: Under collective bargaining, there is a disciplinary process. So that if they don't show, then -- if they don't do it within the time that they're supposed to-- The first thing we do is to look to fill that position if someone--

ASSEMBLYMAN BRAMNICK: No, I'm trying to understand. An engineer could call in an hour before, or a half-an-hour before -- is that correct? -- and not give a reason? Or do they have to give a reason for not coming in?

MR. CORBETT: Just like any organization, any human being may not call in for whatever reason.

ASSEMBLYMAN BRAMNICK: I appreciate that.

If they call in, what are the legitimate reasons for saying, "I'm not coming in"?

MR. CORBETT: They get five, six days a year.

COMMISSIONER GUTIERREZ-SCACCETTI: Health--

ASSEMBLYMAN BRAMNICK: Well, let me ask you this, to make it more clear. For those five or six-- Are there five or six days an engineer could call in and give no reason for not coming to work? In other words, it's just--

MR. CORBETT: No.

ASSEMBLYMAN BRAMNICK: Okay.

MR. CORBETT: (Indiscernible)--

ASSEMBLYMAN BRAMNICK: Understand my question. I'm trying to figure out if they could call within an hour of their time to report to duty and could they give no reason, or some reason other than being sick, so the public understands these last-minute cancelations.

COMMISSIONER GUTIERREZ-SCACCETTI: Those types of issues are probably embedded in the collective bargaining agreement, Assemblyman. And I don't have that with me. So what I would like to do is provide you with the language from the collective bargaining agreement so that you see what rules we play by and they play by.

ASSEMBLYMAN BRAMNICK: Okay.

COMMISSIONER GUTIERREZ-SCACCETTI: I think that's the cleanest way to give you that answer right now.

ASSEMBLYMAN BRAMNICK: I'm not a labor lawyer; but I'm assuming since that is an issue -- an issue of an engineer calling in for, let's say, no reason, or some reason -- that's something that would be important to you, as both the Commissioner and as the Director, correct?

COMMISSIONER GUTIERREZ-SCACCETTI: That is correct. And right now, we're not in negotiations; their contract is in place. But these are the things that we'll look to negotiate with the union when the contract reopens.

ASSEMBLYMAN BRAMNICK: So it's fair to say, without violating any labor laws, that that's an area of concern to management.

COMMISSIONER GUTIERREZ-SCACCETTI: Yes. And so even if an employee calls in a number of days, like -- I'm not going to tell you I know their collective bargaining agreement inside and out -- there is the opportunity to go through progressive discipline. And we have a good working relationship with the union; I believe that if they know that we have an employee who has an absenteeism problem, who is perpetually absent or perpetually calls in, then they're going to understand that we deal with that.

But we have a very good working relationship with them, and we will be pursuing changes to the contract in the next negotiation to create more -- to make it more favorable back to Transit.

ASSEMBLYMAN BRAMNICK: I understand you have a good working relationship. But it seems as if engineers, for whatever reason, call in and cancel, and that seems to contribute to the cancelation of trains, despite this good working relationship.

And I now understand that that is an issue that Transit is going to look at, and either has some concerns or are willing to negotiate or discuss. Is that fair?

COMMISSIONER GUTIERREZ-SCACCETTI: That is correct.

ASSEMBLYMAN BRAMNICK: Thank you.

With respect to the communication issue, it's in testimony that a war room was set up, due to the lack of communication, or the need for better communication. Fair?

MR. CORBETT: Correct; need for better communication.

ASSEMBLYMAN BRAMNICK: When, for the first time, did Transit realize that a war room was needed, something that was more than the existing communication system?

MR. CORBETT: We had been discussing how to improve communication, generally, for several months. The war room that we are using now, the Emergency Operations Center, was federally funded, a lot of it for anti-terrorism, post-9/11. It is very sophisticated; it is under our police department. And there are Level 1, Level 2, Level 3 activations.

So to be moving that -- moving our regular communication staff in there was an issue we had to take seriously. And I would say, to the specific question *when* -- as these absences started to show, they are ad hoc; we would have one day with bad annulments, and the next day, people would show up. We saw it on Fridays or Mondays, depending on the weather -- whether it was a nice, sunny Friday or not. So there were no distinct patterns, several weeks ago. But we saw it was getting worse.

So as we saw that getting worse, I was riding the train and I'd be in the station; and then, in the morning, people, saying, "Hey, Kevin, what's going on?"

So we have to get communicating better; it's something we've identified from the beginning. And when we saw that, as it was-- This problem got worse, it certainly struck me and Diane -- you know, we solved the problem; you may remember when we had the Nor'easter storms in March, where we had one storm. We really sort of forgot, you know -- we were giving short notice to people trying to get out of the Port Authority Bus Terminal to get home, because of the snowstorm. And when we found -- when the Governor had declared a state of emergency and closed-- You know, because the highway, the snow -- the night before; we got that word out. People were a lot more appreciative of that kind communication. We told them four hours beforehand, and the last bus out of New York City is-- And that we got praise on. And I said, "Why can't we do the same thing here?"

ASSEMBLYMAN BRAMNICK: So we all like the concept of a war room, which increases communication to the commuters. So it's fair to say that, as a result of some feedback from some source, Transit came to the

conclusion the war room was necessary -- correct? -- at some point in time; whether it be from commuters, from the Governor, from legislators, from anybody. At some point you realized better communication was needed so a commuter would know whether the train was going to be canceled or not. Correct?

MR. CORBETT: Correct.

ASSEMBLYMAN BRAMNICK: And you are in the process of working on that. Fair?

MR. CORBETT: That's right.

ASSEMBLYMAN BRAMNICK: Last question -- are you pleased or satisfied with the conductors on the train and their interpersonal skills with the riding public? Do you feel as if -- and I'm going to put this in general terms -- nice enough, communicative enough, smile enough; making these riders feel as if New Jersey Transit is a special place, that the employee likes working there, and they're happy that you're riding the train?

MR. CORBETT: I would say, based on 20 years of experience, there are a lot of great conductors who have a great sense of humor -- particularly, I'm saying the last summer, the Summer of Hell, when I was commuting by the Grand Central area, and it was a brutal summer. Some of the lightheartedness of some of the conductors and ticket collectors was great. There are some who, you know-- Their primary job is safety, making sure safety of the passengers. There are some, like in any organization, who could certainly--

ASSEMBLYMAN BRAMNICK: So you would agree with me that the attitude of the conductors towards the traveling public is extremely

important, both for the image of New Jersey Transit and simply to make a rider feel as if it's a good place to be. Fair?

MR. CORBETT: Absolutely.

ASSEMBLYMAN BRAMNICK: And last question: Do we all agree that the commuter is number one; not any elected official, not the Governor, not the Commissioner, but the riding public and making sure that those people know what's happening, when a train is going to be canceled, and that the attention of this state is on the riding public? Wouldn't you agree with that?

MR. CORBETT: A hundred percent.

ASSEMBLYMAN BRAMNICK: Thank you.

ASSEMBLYMAN BENSON: Thank you very much.

Next is Assemblyman McKeon.

ASSEMBLYMAN McKEON: Thank you.

I hope my microphone is working; but that's-- I have nothing important to say anyway. (laughter)

I just -- and I appreciate you being here; and I appreciate the Chairs, having sat in that position in the bicameral joint committees that had met -- I see Senator Weinberg; and several of us are vets of the hard job -- and of you picking up the mantle and going forward.

And I'm proud to have joined Senator Weinberg, as it relates to that reform legislation -- which I would predict once we certainly see what the audit has to say -- that September we will be delivering it to the Governor's desk. So thanks.

But I do think it's important to take a minute to just remember where we were. For eight years the underfunding was just criminal. The

shifting of capital funds to operating funds; the fact that during that time there was a 32 percent increase in fares, which was historic; the breakdowns and the accidents per mile during that eight years doubled. It became a dumping ground for political patronage. I think we identified at least a dozen individuals making the highest salaries at NJ Transit who had no experience. We saw procurement for essential replacement parts go from 100 days to 600 days.

And the Family Leave Act I want to come back to, because when I reflect on my notes, there were over 10 percent of the entire workforce that had and were on family leave. So I want to get back to that in a moment; and I want to know what we're doing about that.

But as a lot of us can remember, or maybe are still part of -- you know, I was elected Mayor; it was a long time ago. For three months, I was the *new Mayor*. After three months, I was the *Mayor*. So it's you and you (indicates) at this point, regardless of that history, you know, who everybody is looking to and counting on.

But I want to emphasize, for a moment, Positive Train Control. I want to make sure I'm right about these statistics. For seven years, when PTC was put forward as a requirement through the act of Congress implemented by the FRA, the accomplishment, up until January, was 13 percent. Is that correct?

COMMISSIONER GUTIERREZ-SCACCETTI: Twelve.

MR. CORBETT: Twelve.

ASSEMBLYMAN McKEON: Twelve percent; okay. And in the last seven months, or 242 days -- 30 days, as Senator Kean put it -- that number is now 52 percent.



COMMISSIONER GUTIERREZ-SCACCETTI: Fifty-eight.

MR. CORBETT: Fifty-eight.

ASSEMBLYMAN McKEON: Fifty-eight percent compliance. I said it a little lower -- a little higher for the effect. (laughter)

New Jersey Transit was one of six out of 40 systems that was actually fined, and there were hundreds of thousands of fines from the FRA for a whole variety of transgressions. Have we been fined in the last seven months since you've taken over?

MR. CORBETT: No; for PTC, in fact, we were put on notice in the letter, the quarterly letter; if you're not at 90 percent, they send a letter quarterly saying that you are an at-risk line. And we are still at-risk, hence my intensity on PTC.

But they have noted -- Ron Batory has noted -- he said that after the last quarterly review, when we got up to 58 percent, they made the observation that they have noticed a dramatic change in the culture for the better, in New Jersey Transit, in how we're approaching PTC.

ASSEMBLYMAN McKEON: That was going to be my next question. Is there a way that they communicate the relationship between, basically, your oversight body and, now, NJ Transit? What's going on with that?

MR. CORBETT: FRA is a regulatory agency; but they also are -- an ability to help, if you work with your regulators. And I think, beforehand, they felt that New Jersey Transit was not being open, and honest, and transparent. The head of the FRA, Ron Batory, is extremely knowledgeable. He was the former President of Conrail; he knows this area

very well and has friends all over for generations. So, you know, I think being open, direct, and looking for them -- they want to see--

America runs safe railroads, and we run a very safe railroad. PTC is a safety enhancement. It's not like we're not running safe railroads now; it's a safety enhancement. And, you know, they want to see us succeed. They want to see all commuter railroad succeed; and the freight railroads. So if you work with the FRA and their team, my experience is they are very, very helpful; and they have been extremely helpful in helping us find a path that can get us to completion by December 31.

ASSEMBLYMAN McKEON: I wanted, again -- reflecting upon what I think our collective study was -- New Jersey Transit was losing-- Since 2010 to 2017, NJ Transit was losing two engineers for every one they hired. Is that correct?

MR. CORBETT: Yes.

ASSEMBLYMAN McKEON: Okay. And **that** left us-- I can ask the question, how could a manager not see that and nobody do anything before this? But, I mean, maybe that's just obvious.

As it relates to-- And again, the numbers are just astounding. In 2015 and 2016, Metro-North hired 100 engineers; New Jersey Transit, same two years, hired 10. That's correct?

COMMISSIONER GUTIERREZ-SCACCETTI: I can't speak to the number for the MTA, but I can for New Jersey Transit.

ASSEMBLYMAN McKEON: I know \$8 is a big difference; but it's not-- Metro North pays \$45.83 an hour, where we pay \$37.67. Money is money, and \$10 is a lot of money to any working family, and especially per hour and across. But I just think, like, cost of living and other things,

New York versus New Jersey -- is it solely because of the reason of the dollars?

COMMISSIONER GUTIERREZ-SCACCETTI: I would suggest to you, Assemblyman, that we need to do a better job in selling the value of the position; and that's anywhere in government. Government always is on the lower end of the pay scale, whether it's hiring design engineers, construction engineers, or train engineers.

There's value to them to working in New Jersey Transit, and not going to New York to take an engineering job there. But it's up to us to sell that employee, to sell that trainee, on the importance of staying with New Jersey Transit after they're trained. That's just key. And government offers a tremendous number of benefits; and living in your home state and working in your home state offers a tremendous number of benefits.

Not that long ago, on one of the Governor's *Ask The Governor* programs, we had a gentleman named Mike who works for Norfolk Southern-- Oh, no, he works for CSX -- don't mind me -- CSX. And he really wants to be a New Jersey Transit engineer. And part of the issue is how we make the commitment back to them who choose to leave a job to come to us. Those are programs we're working out now. If you leave a CSX job-- A freight engineer isn't the same as a passenger train engineer, and there's training that has to happen to make the conversion. And we're working on trying to make that conversion as short as possible.

And he doesn't live in New Jersey, but he has a lot of folks who would like to come to work on commuter rail. It's a more predictable schedule. So we're working on a path forward to bring people in, to help us raise that number up. And the program for freight-to-passenger is not the

same as a full trainee going to passenger. So we are doing the very best we can to increase the number here -- to explain to them why they should stay. And frankly, if we train them, to get a commitment back from them that they will work for New Jersey Transit, and they won't take our training and then go work for Metro-North. We have to put some -- there has to be-- If we're going to train you, then there has to be a commitment back to Transit that they're going to stay with us.

ASSEMBLYMAN McKEON: Can I ask a question about that?

COMMISSIONER GUTIERREZ-SCACCETTI: Sure.

ASSEMBLYMAN McKEON: And I hope I'm misinformed, but can one of the New Jersey Transit engineers, when they call out -- not that they are supposed to -- but is it possible that they go work, per diem, especially in the summer, over at Metro-North or the LIRR?

COMMISSIONER GUTIERREZ-SCACCETTI: I don't have an answer to that question.

MR. CORBETT: I could say that one of the things that's tricky about training each-- For the FRA requirement, for each railroad you have to have your own individual training program; they are different agencies. So that has to be confirmed; the training program is by the FRA, and you have to constantly be updating your quals. So for somebody to do that they would have to be qualified on that railroad, and there aren't that many--

ASSEMBLYMAN McKEON: But through the Chair, is that going on? Is somebody moonlighting, so to speak, over there at our detriment, because they're making some money in the summer? Because

I'm assuming, maybe, summer costs -- they get more than even the \$47 an hour?

COMMISSIONER GUTIERREZ-SCACCETTI: Not that we're aware of, sir.

MR. CORBETT: They should not be.

COMMISSIONER GUTIERREZ-SCACCETTI: But not that we're aware of. I don't know that we have any today who we know are working on Metro-North when they should be dedicated to New Jersey Transit.

MR. CORBETT: If there were, we would certainly investigate those; if we had any hint of those, we would investigate and call them out.

ASSEMBLYMAN McKEON: Okay. And relative to the-- And by the way, I'm going to join Senator Weinberg in saying it's a little disappointing; you know, we're looking now to expedite a bill to just deal with the employment status of engineers to try to deal with the problem. But this was something known to us six months ago when we became the Mayor, so to speak. So I guess shame on us, and shame on the Administration, for not pressing this earlier, knowing the summer was coming.

MR. CORBETT: Again, I would say we didn't know it; we didn't know that the call-outs were going to be as high as they would be this summer. But we do have four training classes now, where previous years there was zero or one. So it is just the time lag it takes, you know, compared to a bus driver, for example.

COMMISSIONER GUTIERREZ-SCACCETTI: So Assemblyman, I would say that the Administration did jump on it, because

we established four classes. The problem is, those four classes are going to take 20 months to get to fruition. So we could have come in on our very first day, 213 days ago, and established four classes, and I still would not have new engineer to fill the holes that were made in these cancelations.

ASSEMBLYMAN McKEON: I appreciate it, Commissioner; because it takes at least a year before someone can be--

COMMISSIONER GUTIERREZ-SCACCETTI: Twenty months.

ASSEMBLYMAN McKEON: Or more, obviously.

Relative to the problem that we have on FM -- the FMLA.

COMMISSIONER GUTIERREZ-SCACCETTI: FMLA.

ASSEMBLYMAN McKEON: Yes; is that -- have you looked to the engineers calling out? Are they using that mechanism -- falling off Assemblyman Bramnick's question on -- for reasons for not showing up to work?

COMMISSIONER GUTIERREZ-SCACCETTI: Sure. They have an approved FMLA program from their doctor. They get to take time under that; I believe they have a total of 12 weeks of FMLA available to them. I don't know, because, on an annual basis, I'd have to go back and look. But they can use FMLA on a short-notice call; yes.

ASSEMBLYMAN McKEON: It goes back to May 2017, when it was 10 percent of the workforce. What are we doing to make certain that that important benefit, if you will, isn't abused?

MR. CORBETT: I would say the majority of our employees, both union and nonunion, do not abuse it. But I would say, just as what I saw in the private sector, there are certain people who learn how to game

the system; and they know to take this day, this day; another one on another day. And those are -- whether it be private sector or public sector, union, non-union, that's an issue.

COMMISSIONER GUTIERREZ-SCACCETTI: Assemblyman, there's little we can do to curtail FMLA if a doctor has given an employee a certification for FMLA. HIPAA laws prevent us from getting any more information than that which they provide in the note. And so we take an awful lot of this information at face value. And sadly, it is not difficult for someone to go out and get a note from a doctor for purposes of FMLA. That is not just at Transit; that is on your toll roads, that is in State government; it just has become-- And it's not just New Jersey either; I can speak to that. FMLA is a -- while its intentions were good, the fact that no good deed goes unpunished. There are abusers; and it's very, very hard to curtail it the way we might like to in other areas of absenteeism or employee behavior.

ASSEMBLYMAN McKEON: I'm familiar-- Just two areas of questions, and then I'll turn it back to the Chair to allow others to speak.

A program -- and part of it goes to what Jon was saying about just public relations -- an Ambassador program, I think, is very effective and impactful, having someone hanging around the station to answer questions, to be there. I understand that that's done on a voluntary basis, meaning that your employees are relieved of their regular duties, I guess, and act as an Ambassador on a particular day?

MR. CORBETT: That's right. We ask people to volunteer for special events.

ASSEMBLYMAN McKEON: And so why doesn't more of that happen, as it relates to having Ambassadors every day, out and around? You don't have the personnel; you need to hire? Forgetting about engineers, how far are we down on our table of organization? How many employees do we need to catch up?

MR. CORBETT: Well, I think if we're talking non-union, those not covered under CBA collective bargaining agreements, we have about 400 vacancies in the agency.

ASSEMBLYMAN McKEON: Wow.

(confers with staff)

They're telling me to wrap it up, so-- (laughter)

Not to-- Everybody is; they all are.

MR. CORBETT: Okay; you want to wrap it up Chairman; I'm good. (laughter)

ASSEMBLYMAN McKEON: I just feel compelled-- All of us are frustrated, based on our constituencies. In South Orange-Maplewood -- one of my constituencies, and all of our constituencies -- in the month of July alone, 80 percent of those commuters -- our customers -- had indicated either being very dissatisfied or dissatisfied with NJ Transit. On the average, they all experienced five cancelations during that month; and the third piece being that they found out at the station.

So I guess it seems like these problems are a little systemic. We're not going to, overnight, make it better for the month of August. So what are we going to do for our constituencies? Atlantic City is a different issue, because they're closing down, as is the other line. What are we going



to do? Are we going to cross-honor? Are we going to have more buses, ferries? What's the plan?

MR. CORBETT: I would say that -- as I touched on in the beginning -- it's a balance of knowing-- For example, if you are in the Operations Center, and you're going down that list Friday at 4 p.m., because of the rest periods-- Without getting too much in the weeds, you may think, if you're listening and you're hearing how many have not called in yet with a five-hour notice, etc., -- or people who are on rest respite for the four-hour rest respite -- that you're going to have to annul 60 trains. And then as they start coming in, you do that dance and triage process. Last Friday, for example, we ended up having significant no-shows, but we still ended up, by 6 p.m., 7 p.m., having only had to -- *only*, but -- having to annul 10 trains; 5 in the Newark Division and 5 in Hoboken Division.

So it really is getting-- You don't want to cut too much because you don't want to have equipment and engineers available not being used. On the other hand, clearly, when we had a bigger turnout -- a bigger fall-off than expected -- that's why we were starting to put the PTC trains out on notice the night before. And we have to look at our schedule for the fall, going forward, and how do we strike that balance of where we can give-- It's a balance between service and giving -- dependability of the schedule to those who really feel that's more important than the maximum number of seats out.

ASSEMBLYMAN McKEON: Well, we're going to count on you to-- You know, the *Summer of Hell* wasn't so bad. The communication was good; I get that the expectations were low, and they did a pretty good job of managing it. So we're hopeful.

MR. CORBETT: I think the-- If it's your train, even if percentage-wise it's not as bad as last summer. It is -- your one train, for you -- that's 100 percent, regardless of percentage.

ASSEMBLYMAN BENSON: Thank you, Assemblyman.

ASSEMBLYMAN McKEON: Thank you.

ASSEMBLYMAN BENSON: Next, Assemblyman Bucco.

ASSEMBLYMAN BUCCO: Thank you, Chairman.

Commissioner, Director, thank you for being here today.

This is obviously an issue that impacts all of us; and has an impact around the State of New Jersey, from the North to the South.

It seems to me -- and you have heard it a number of different ways today -- that this issue boils down to communications and planning. You know, if the riders know ahead of time that they have to make alternate arrangements or that schedules are going to be disrupted, they have the ability to plan for that. And it's completely unacceptable when they find that out sitting on the platform.

And I know there are going to be times when, you know, it's going to be unavoidable. But we have to do something to make sure-- We know, right now, moving forward, that there are a number of issues that you're facing. And those plans, those contingency plans can't be, "Well, we know on a Thursday, if we see a number of engineers calling out, that we have to do something." Because by then it's too late.

I mean, let's talk about Positive Train Control. You have about four months left, and you have 42 percent of your inventory to upgrade. So you are going to be pulling trains out of line in record numbers. I guess my concern is, looking forward, to get us to that deadline and make the

deadline. What do we have in terms of plans to help alleviate the impact of having all those trains out of service?

I know that we had an agreement with Maryland, I think, that provided us with trains. What's the status of that agreement? Is there any ability, now that we know we're in a short window -- 42 percent; almost 50 percent of the equipment -- is there anywhere else, any other agencies, any other states that we can go to bring in equipment so that our ridership is not impacted at the level that may be expected?

COMMISSIONER GUTIERREZ-SCACCETTI: So let me go back to -- we can start with Positive Train Control.

We had the Maryland cars. The Maryland cars were for a short period of time; we knew that.

ASSEMBLYMAN BUCCO: Do we still have them, or we don't?

COMMISSIONER GUTIERREZ-SCACCETTI: We do not. They were already scheduled out to Long Island well before we had asked for them. So they were a short-term fix for us to try to get some relief, hoping that we would have the ability to get a lot of our cars that were in the yard for maintenance -- not for PTC -- back out on the tracks.

So when we got here, the yards were full of trains that either needed routine maintenance or needed PTC. And so we were able to quickly work with our procurement folks to get parts. They didn't have an inventory of parts. So think about taking your car to the mechanic, and you need an air filter, and they say, "Well, we don't have it; in two days we'll have it, and we'll give you back your car." We have the same issue with the trains. We didn't have the parts on hand to fix as they were

coming in; we have corrected that. And as of last March, we had all the trains that needed to be back out on the tracks cycled out, and now we have an inventory so we can continue to do that. We continue to make sure trains that are in for routine maintenance are not long lead time getting them back out.

Number two: With the PTC contractor -- they moved their warehouse closer to New Jersey. It happens to be that they had an active warehouse in Delaware that they weren't using; parts were coming from a lot of farther away and we had incomplete part kits. So PTC trains being outfitted were taking longer to get outfitted because of the contractor's failure to, first of all, have any quality control in what they were shipping to us, and shipping from so far away. So that has been resolved. And I believe that Kevin's team went down and looked at the warehouse, and they can bring parts in overnight.

So we are doing what we can on that side to expedite the trains out of the yards and back onto the tracks; so hopefully we don't need to borrow cars, or at least as many as we thought we would. We'll continue to look to see with other railroads -- whether it's SEPTA or other railroads in our jurisdiction, or within reach -- to use them. But I don't know that there is going to be a lot.

ASSEMBLYMAN BUCCO: Are you currently in contact with other states and other agencies actively seeking other cars, other trains?

MR. CORBETT: Yes. Unfortunately, although internally, when I took over and started reshaping the project -- with all due respect, I sent all the lawyers out, and we made a war room for PTC -- and said

engineers, contractors -- put all people in one room. "Forget your business card; we have to meet this deadline."

But we are not in-- So we are sort of the poster child, in a negative way, for PTC. We've made remarkable progress; and we call it, internally, *Project Seabiscuit* -- you know, to come up at the end. But as we're coming up to the end, the other railroads that were looking-- You know, when I first came on, we thought they were pretty smooth and they were going to be crossing the finish line in good shape. In fact, since we have been dealing with the FRA, a number of them, now, are also saying that they have problems and they are coming up against--

So the ability-- I talk regularly with my counterparts; certainly Amtrak and SEPTA. SEPTA is doing a fairly good job. But they are also -- many of them are having the same problems we are, but not to the same degree.

So we are in talks. There may be a few engines here or there, but the burden that we're putting on the contractor -- and we seem to be liquidating damages for -- is that we are going to make this ourselves, and certainly done before Christmas.

ASSEMBLYMAN BUCCO: Have you done an analysis of exactly how many trains are going to be needed to be taken off-line; and the impact that that's going to have on the routes so that you can plan for these disruptions that are coming?

MR. CORBETT: Yes, we did. And in fact we have -- we are currently-- The schedule we have out -- which we have had trouble meeting -- actually was a revised PTC schedule. And we have it on our PTC-- On

*New Jersey Transit*, if you go to *backslash PTC*, we have a website with information.

But the problem that we have now is really due to the engineers. It was impacted by PTC by having to take engineers out to do the moves we have to do for shuttling for PTC. So the challenge -- while we have equipment challenges, we've taken those into account. The challenge we have to work with-- We have nine new engineers coming on; and then with summer vacations being over, that will also help. There is usually a pattern of more engineers showing up.

ASSEMBLYMAN BUCCO: I would encourage you to use that analysis that you've developed to start publicizing these disruptions that you're going to anticipate. And make alternate arrangements for those lines that are going to see less train service; so that the commuters can make alternate arrangements, or you can provide alternate arrangements, so they're not left standing on the platform.

This is what I think frustrates the riders, and this is what frustrates us as legislators -- that you know this is coming, but yet there doesn't seem to be a concrete plan to address it. So if you're doing that, listen, I commend you. But you have to communicate that, and it has to have results; because if it doesn't, we're all going to hear about it. And our ridership, as you said before -- you stipulated, in fact, to the attorney's question -- that they are the most important. And that's true.

So, you know, that's our customer; and that's who we have to make sure has this information.

Which brings me to my second point about staffing and engineers. And I'm happy to hear that you have instituted a number of new classes; I'm dismayed that it took so long. But I'm glad that it's here.

But if we're going to be educating the new engineers and putting them online, are we going to be doing that knowing that we're going to lose them to other agencies and other states? And that partially goes to the contract negotiations that you will be entering into. When is the new contract due to be negotiated?

MR. CORBETT: That's the end of next year, 2019. I would say, under the current collective bargain agreement, we don't have that ability to demand that flexibility if they want to leave. And historically, that wasn't necessary. You know, compared to, say, SEPTA or Conrail, we were roughly in the ballpark, salary-wise. But compared to Metro-North and Long Island Rail Road, we aren't. So there has always been that -- trying to get the balance. The main thing is getting train engineers there. But certainly we are going to take that issue of making -- going forward at our next collective bargaining agreement

ASSEMBLYMAN BUCCO: Well, as a member of the Transportation Committee, I look forward to receiving communications from New Jersey Transit about its efforts in renegotiating those contracts so that we don't face these types of issues with our engineers, both in terms of paygrade and in terms of pulling out. I mean, we know this now causes a problem, and we need to address it. And we need to have good negotiations to get a fair contract that addresses not only the unions' concerns about pay -- as we've heard, because they're leaving -- but also to protect the customers.

We spoke a little bit about alternate plans. I think Assemblyman McKeon raised it a little bit as well. You know the *Summer of Hell* wasn't the *Summer of Hell* because it was publicized, and there were alternate means of transportation provided. Do we have an alternate means of transportation plan now? And do you anticipate?

MR. CORBETT: As far as alternatives, I think the schedule that we have -- and we look at what stations and how we alter the schedules to meet the ridership demands that we have -- again, it goes into turnout, so we have to look at, if we're going to have this turnout in the fall, with nine new engineers, do we need to make additional cuts to get that balance where we have more dependability?

I think one of the things that -- if we cut back too much, we can guarantee, sort of, your worst day, every day. Right now, my daughter, in her summer internship, she's going into the city. And she said, "Actually, I've only had one train that was problematic, you know, going from Morristown to Midtown Direct." That's anecdotal; but, you know, for other people -- they've had multiple. So we want to try to get that regularity; but if we cut back too much, you then cut into overcrowding or not providing enough service.

So it's a balance we're trying to strike. But certainly, the communication part is something we get loud and clear -- that we need to do a better job in getting people advance notice.

ASSEMBLYMAN BUCCO: Commissioner, you spoke about filling executive-level positions, and that you just hired a new Chief of Staff. Who is the new Chief of Staff, and where did the new Chief of Staff come



from? What kind of train experience did he have, or she have, in transportation issues?

COMMISSIONER GUTIERREZ-SCACCETTI: The new Chief of Staff is Justin Davis. I met him only when he was interviewing, so I don't know if I can answer the question of where he came from. I think he comes from Morristown. But Justin has a strong business background, and has done an extraordinary job for the agency at bringing people together and doing an awful lot of what I would call *emergency planning*.

I've been in this business 28 years, the toll side more than the train side. And you, every now and then, come across an extraordinary young man or young woman, and I have in my career; and he has been a phenomenal asset in the crisis management side of the business, in understanding the business model that we need to try to run our business. And understanding the head count issues, where we need to plan to bring folks on, and what we need to do with our training classes.

I have nothing but praise for him. I had not met him before he came to Transit.

ASSEMBLYMAN BUCCO: Well, listen, I wouldn't know him if he was in the room today. I was just asking the question.

MR. CORBETT: I would say--

COMMISSIONER GUTIERREZ-SCACCETTI: I would also say--

ASSEMBLYMAN BUCCO: I'm just asking the question, because you brought it up.

COMMISSIONER GUTIERREZ-SCACCETTI: No, no, I'm happy that you did, because, you know, there's always a perception that we

don't hire the best people. And then there was something brought up earlier about political patronage at Transit. I was brought up a long time ago, by a man you might remember, named Frank McDermott. And certainly, there was patronage in government well before I came to this job. But there are people who may get an opportunity brought to them, but they still have to do an excellent job. And I would suggest to you that the Chief of Staff I have, as well as the Chief of Staff at New Jersey Transit, have done nothing short of phenomenal jobs. They are all in, every day; and I do mean every day. This problem that we're having requires people who have a good business head. You know, it's not something we've said as we've gone along here, because it did (*sic*) maybe bear fruit at that moment.

But you talk about the Atlantic City Line. You know, as we looked at what we had to do and decisions were made, I want you all to be aware that the Atlantic City Line is a \$20 million a year loser to New Jersey Transit. We subsidize that Line today to the tune of \$20 million. However, we've still made the commitment to keep it. And why would we do that? Because New Jersey Transit has had a posture for a long time of making sure it provided service regardless, perhaps, of the economic viability of the Line. When we attempt to change a Line because it's not economically viable, we get an awful lot of pushback. It was the good work of Mr. Davis who helped us see that in doing his analysis.

So if you're asking me whether or not I think we're hiring the best and brightest, to this point I would say yes.

ASSEMBLYMAN BUCCO: That leads me to my next question.

It's my understanding that, right now, the COO of Rail Operations, the Director of Safety of Operations, and the System Safety Director's positions are all vacant. Is that true?

COMMISSIONER GUTIERREZ-SCACCETTI: They have folks in, in acting capacities. But when we arrived at Transit, there were some folks who were on the verge of retirement. We are looking to hire a new head of Rail Operations. But again, as we work through the audit, and we look at some level of what is needed, we don't want to hire folks and then not necessarily think that's the best organization.

ASSEMBLYMAN BUCCO: So each one of those -- which I would think would be critical -- right? -- COO of Rail Operations and--

ASSEMBLYMAN BENSON: Assemblyman; Assemblyman?

I'm just going to ask you to wrap it up -- as the last question.

ASSEMBLYMAN BUCCO: I'm getting there, I'm getting there.

ASSEMBLYMAN BENSON: Because we have other members who haven't spoken yet.

ASSEMBLYMAN BUCCO: And Director of Safety of Operations and System Safety Director are critical to the agency. So if we only have acting people in those positions, I would suggest that we need to find, like you said before, qualified individuals to fill them as quickly as possible.

MR. CORBETT: Yes, I--

COMMISSIONER GUTIERREZ-SCACCETTI: And we are doing that.

MR. CORBETT: I would mention--

ASSEMBLYMAN BUCCO: And this is my last question, because I'm getting the high sign here; yes, I'm getting the hook. (laughter)

ASSEMBLYMAN BENSON: You're just cutting into your own members' time.

ASSEMBLYMAN BUCCO: I didn't understand one thing that-- Commissioner, you said one thing, and Director, I thought you said another in the beginning of the hearing, and it was about the residency waivers. Director, you said that you had applied for waivers; and Commissioner, you said that--

COMMISSIONER GUTIERREZ-SCACCETTI: I didn't discuss residency waivers at all.

ASSEMBLYMAN BUCCO: You said it would need legislation.

COMMISSIONER GUTIERREZ-SCACCETTI: Well, I was asked -- to have it done on a permanent basis.

ASSEMBLYMAN BUCCO: Okay; but this is why--

COMMISSIONER GUTIERREZ-SCACCETTI: Right.

ASSEMBLYMAN BUCCO: If we applied for waivers, who did we apply to? And why would we have applied if it needed legislation? That's why I'm kind of confused.

COMMISSIONER GUTIERREZ-SCACCETTI: I believe there is a mechanism on a case-by-case basis where you can apply for a waiver. And we applied for waivers in the past, as I understand, from the history of New Jersey Transit, and were turned down by the Board that governs that within the State.

What we're asking for is to not have to apply routinely; we're asking for it to be something that automatically happens.

ASSEMBLYMAN BUCCO: So then to clear it -- to make this perfectly clear -- there is a mechanism on a case-by-case basis for the residency requirement to request a waiver. But in order for there not to be--

COMMISSIONER GUTIERREZ-SCACCETTI: The process would go away.

ASSEMBLYMAN BUCCO: -- a residency-- Right.

COMMISSIONER GUTIERREZ-SCACCETTI: Yes.

ASSEMBLYMAN BUCCO: If you eliminated the residency requirement that would certainly need legislation.

COMMISSIONER GUTIERREZ-SCACCETTI: Correct.

ASSEMBLYMAN BUCCO: Okay. I just wanted to make that clear, because you contradicted each other when one said that it needed legislation to fix, and the other said you needed a waiver.

COMMISSIONER GUTIERREZ-SCACCETTI: No, it's not a contradiction. It's two different plans.

ASSEMBLYMAN BENSON: I think we're--

MR. CORBETT: Mine was a temporary thing until legislation goes through.

ASSEMBLYMAN BENSON: Wait; hold on a second.

SENATOR DIEGNAN: Director, if I could-- As I said, let's do solutions today.

Both the Senate President and the Assembly Speaker authorized me to say that at the first voting session we'll do a Bill; it will be on the Governor's desk by the end of the month, doing away with the residency requirement. And in the interim I would just say, start the outreach now. Let's admit it; you're down 30, 40 people. The number one

thing we have to do is fill those vacancies. So if there's one thing we've come to a conclusion on today, that should be it.

So any more questions concerning that maybe we can just eliminate, knowing that we've reached a solution.

SENATOR KEAN: If I may--

SENATOR DIEGNAN: Okay--

SENATOR KEAN: --through you, Mr. Chair.

SENATOR DIEGNAN: --with one exception.

Senator Kean.

SENATOR KEAN: Thank you for your consideration, as you bumped me earlier. (laughter)

That piece of legislation -- as you know, I've been working on that for nearly a decade. But it needs to be expansive. It can't only be engineers; it needs to be broad-based, because this happens in every department: IT, everything else. That residency requirement can happen immediately. So that's one question.

And I have some follow-up questions, but I'll wait until they come back. It's important that we are broadly expansive on that residency requirement.

SENATOR DIEGNAN: And that's already in Senator Weinberg's Bill. But let's just do it as a stand-alone so there's--

SENATOR KEAN: No. no, the-- Well, there are two versions. There's one, through the Chair, the folks on Transit-- This needs to be other departments as well, because this impacts every citizen interaction with government, because it hurts the hiring process. Because if we're

talking on a case-by-case basis, versus the broader basis, we can have a systemic improvement for the constituents who we all represent.

ASSEMBLYMAN BENSON: Okay; Assemblywoman Valerie Huttie had a quick question.

ASSEMBLYWOMAN VAINIERI HUTTIE: Oh, well, I guess it has to be quick.

ASSEMBLYMAN BENSON: Yes. (laughter)

ASSEMBLYWOMAN VAINIERI HUTTIE: Seriously, thank you, Chairman; thank you, Commissioner and Executive Director.

Many of the questions have been asked this morning -- now into this afternoon.

In your opening remarks, both of you talked about a lack of leadership in the past and the history of how we got there. I can't help but think -- it could be irrelevant, it could be very relevant -- but as we sit here today, eight years later-- In 2010, the ARC Tunnel was canceled. And we think that eight years is a long time, but think about it. Eight years -- we could have had a tunnel that may or may not have alleviated some of these concerns. But I will tell you that up in our neck of the woods, in District 37, we don't have that many concerns with mass transit because we don't have the trains. You know, we have the Hudson-Bergen Light Rail; we have the Hudson with no Bergen end of it. And that has been discussed for about 20 years.

But I think the main -- no excuse -- but the main thing we need to focus on is reliability -- as I think Chairman Diegnan mentioned in the very beginning of his opening remarks. Reliability -- many of us come

home, as parents, by trying to get to child care, and the trains are late; and safety. Reliability and safety are our main concerns.

And when we look at the bridge in Genoa that just collapsed; when we look at the derailments that we've had in the past; we look at our Summer of Hell. We've had Seasons of Hell in the past.

In our neck of the woods, again, we have-- The population is as large as Cincinnati -- I use that as one of those fun facts -- of those people who take buses to New York City. Cincinnati, the 25th largest city in the United States; 300,000 people. That's the amount of people.

So I want to also put that on the radar because, yes, as we talked about Transit and trains on time, reliability, and safety-- Commissioner, you're in charge of the entire infrastructure. And so if it's going to take two-and-a-half years to remedy this-- Again, I look back at the eight years that we could have had the ARC tunnel; and it went by like that (indicates). Safety is our main concern.

And so when we have those overloaded buses-- And I know the 495 -- as Senator Sacco alluded to, he has help. But that is going to be, aside from the Transit of Hell, that Turnpike Extension-- When we're telling people, or suggesting to people, to take the alternate 18W, as opposed to the Eastern Spur -- we already have a bottleneck up there.

And so we can go on and on about the challenges; and I know that's not the focus of the day today. And I know it's clearly on your radar. And so rather than talk about the past-- Again, I had to bring that ARC Tunnel up, because that I think is a very big major component that possibly could have solved some of the woes.



So no excuses; but we need a plan. And the questions were posed, and you answered them quite frankly and I think appropriately. And again, 213 days is nothing compared to the eight years of the Seasons of Hell that the Transit riders have experienced, not only on the trains, but on the escalators -- how crowded those escalators can be; God forbid, of safety. So we're looking at a multitude of problems, but primarily focused on the trains today.

But I want to make sure that those multitude of problems and challenges-- Because commuters are faced every day now with the trains on time, concerned with reliability and safety; and how you are going to be able to restore the faith in New Jersey Transit that once was, probably, you know -- I'm not going to say the best, but one of the better transportation systems.

And we really need to expand our transportation of rail up in the North Jersey area where the population, by the way, is probably three-fold. And it's just, again, safety and reliability.

So I hope that today's hearing and the legislation as we continue to put forth, helps restore the faith. But I think as we begin, we need to have a plan, as it's been said.

ASSEMBLYMAN BENSON: Thank you, Assemblywoman.

ASSEMBLYWOMAN VAINIERI HUTTLE: Thank you.

ASSEMBLYMAN BENSON: Next up, Assemblywoman Muñoz.

Question, please.

ASSEMBLYWOMAN MUÑOZ: Absolutely; thank you.

And I'll have more than one question. Because, you know, our riders have been waiting multiple years for answers to these questions.

ASSEMBLYMAN BENSON: My suggestion is, ask all the questions; and then this way we can get a comprehensive answer.

ASSEMBLYWOMAN MUÑOZ: Okay; well, that's going to be really difficult to do, because I like to follow-up on some of the questions that have been asked by others.

And I will start with -- number one, is how the decision to-- You know, we talked about the Atlantic City Line being canceled. But we also have the Raritan Valley Line; the one-seat ride was also canceled. And that's an important Line in our District, District 21. And it moves -- it's the largest number of riders that it moves, with zero one-seat rides. There are no one-seat rides now. And they move 23,250 commuters, on average, during the week. That's --

So Assemblyman McKeon and I sat in on the hearings last year when the Morris and Essex Line was chosen as the Line that was going to take the shut-down of the lines during the repairs in the tunnel. And the question we asked repeatedly was how you came to this decision. And we really never got a good answer. The answer was that it was -- you were in a best position to absorb -- to make changes to the line. But it didn't satisfy our riders.

Now we have -- on the other side of District 21, and all the way through Assemblyman Kennedy's District and out into farther west with the Raritan Valley Line -- a large number of commuters who Senator Kean, Assemblyman Bramnick, and myself have been working for, for years, on why they don't have the one-seat ride.

So they finally got off-peak one-seat rides; and now you're taking this away from them. This is-- So I think that they deserve an answer of why that is being taken away. But more importantly, are you going to guarantee it's going to come back? You guaranteed to Assemblywoman Egan Jones that the Atlantic City Line was going to come back. Can you guarantee to those on the Raritan Valley Line that the one-seat ride is going to come back, at least on the off-peak hours? That's the question. I can't ask about in the future, because I don't know that. But you know that it was there, and now it is going away.

MR. CORBETT: Yes; I'm glad to-- That's certainly -- to your first comments, you know, although I live in Assemblyman Bucco's District, I ride through your District all the time on the M&E; and I certainly, first-hand, experienced last summer. So I have a lot of empathy for the riders on that.

Regarding the Raritan Valley Line, it is a very promising Line. We meet with the Coalition; we meet a lot of-- The growth along that Line is encouraging. And we want to-- We're in business to move people, and we want more passengers; you know, revenue.

The Midtown Direct, obviously, I think you know -- which did an incredible boom for Morris County and all the way along when that was introduced -- you know, when fall-- When we get the new Gateway Tunnel built and be able to have through service, you know, that's a long-vision, getting those tunnels built as we know; the Portal Bridge. That's the goal, and we certainly see that as a very prosperous future.

In the short-term, until the tunnel is built we have to do the off-peak -- what we have, and we have talked to the Coalition about that -- about maintaining the one-seat ride on off-peak.

As far as restoring it -- the reason, particularly, specifically for the RVL is the -- it's unique because we go on a freight railroad. So unlike the Northeast Corridor that's fully electrified, we have to have dual power locomotives where they -- once they go into Newark, if you see it, they switch off from diesel, and they put up the pantograph, and then go electric into Penn Station. Those engines are -- a specific number of fleet. We actually have 10 different engines in our fleet composition. So those are being taken out to be done for that; and also for Metro-North Line. So those are being impacted.

We're not canceling the trains; we're just doing what we do at rush hour. So the service will be there, but they will be transferring at Newark, instead of going into direct. After PTC is implemented, we will fully the restore the off-peak Midtown directs -- I mean, the direct services.

ASSEMBLYWOMAN MUÑOZ: I just wanted assurance for the riders on the Raritan Valley Line that, at the very minimum, the off-peak one-seat ride will return after this current Summer of Hell for those riders, and going forth from September through December. Can you put that on the record that you will restore that?

MR. CORBETT: Absolutely.

ASSEMBLYWOMAN MUÑOZ: Okay; thank you very much.

I'd like to make a comment that I took NJ Transit here today, believe or not, because I wanted to be on the Line. And this brings-- And I was starting to think about this as I was sitting here today listening to the

various members of the Legislature. And this actually goes directly to what Senator Gopal was talking about -- about-- He said his constituents are saying that they -- that why their lines are canceled. Well, I came down from Metro Park to Trenton today, and I literally sat in a car that had six riders. So how do you make the decision about which trains are going to be canceled? Like, any day we hear 8 to 10 trains are canceled. You, know, not that I wanted the train I was on to be canceled, but I planned my day so that I would be on an early train so that in the event that train was canceled, I could get the next train, or the next, so I could be here on time.

But my point is -- you know, it was such a small ridership on that train. And it was rush hour. I didn't get into Trenton-- I was on the 3823; it was only a few minutes late. It was a beautiful train; it was a double-decker. It was clean, it was new -- relatively new. But how do you decide which trains you cancel? It seems that we cancel-- If you have the ridership with thousands and thousands of commuters up in my area, do you cancel those trains, and not the trains that have six people in a car? Or how do you make that decision?

MR. CORBETT: When I try to explain this to my friends--

ASSEMBLYWOMAN MUÑOZ: Well, pretend like I'm your friend. (laughter)

MR. CORBETT: --and I enjoy getting-- When I start getting into it, and get into the details, after about the first half-hour or so their eyes start to glass over. So I'll try to make it a little more succinct.

It is an amazingly complex logistics system. If you look where those trains -- the one, for example, you mentioned, where you start in the morning -- you have to put what they call a *consist* -- the makeup of that

train not just for that day-- Because that train, you know, may start in Dover, and end up down in Morrisville, or out in Sunnyside Yard. So you have to gear that for, you know, as I said, with the engineers. One engineer is going to do at least four trips; between four and six trips. So that train that, maybe, you only have six people on one, the next trip or later in the afternoon, may be full or even overcrowded. So there's a system to that.

ASSEMBLYWOMAN MUÑOZ: But does the number of people on a certain train-- You must have averages.

MR. CORBETT: Yes--

ASSEMBLYWOMAN MUÑOZ: Does that help you determine which trains you are going to cancel?

MR. CORBETT: We follow station-by-station. I'll give you another example that I think is anecdotal, but illustrative.

I take 6610 out of Morristown in the morning, usually. Monday, I knew it was going to -- it would be annulled, but I went down to be there at the station to see and experience -- and see my fellow commuters doing that; see how the experience was. And the next train, 6612, came about 15 minutes later. And normally that does not stop at Newark; it added Maplewood and Newark. And that is done in the planning, because we know, that time of day, between those two trains, how many people are likely to board at Maplewood. We also look at how many -- all those stations, that would normally get off at Newark on 6610, would be picked up at those stations that 6612 is calling, and would likely discharge at Newark. So it's all those kinds of rotations; and in fact, I end up getting-- I'm usually in the office by 7:30; I get in about 15 minutes later than

normally to Newark on the later train by their adding the Newark stop. So it's not just like a train goes from point *A* to point *B*, back-and-forth all day.

ASSEMBLYWOMAN MUÑOZ: And I understand that. But, you know, this brings me to communication, which is really what we've agreed on -- it's a huge problem.

And, you know, it is that issue of getting the information on the platform that your train's not coming; and being able to make alternate plans. And as I spoke at the Board meeting last week -- because I attended your Board meeting -- you know, it's not just people going in and out of New York City. But I live in the City of Summit; we have two hospitals. I see people, every day, getting off the train in scrubs in order to get to work on time. So it's not just, you know--

So we need a better communication process so that people can get to work on time. Whether it is to take a ridesharing service, or a bus; or if you know if you're shutting down the trains-- Like, last summer, Assemblyman McKeon and I heard last summer, and we knew last summer, you had buses available when you knew the trains weren't going to run.

And so I don't see that happening where the-- Again, I'm not a commuter every day. But why isn't there-- If you know the train's not going to run, get the buses there to get the people.

Because this brings me to another point, because I know I'm under a time constraint here.

You know, I'm going to speak about the ticket collections. Apropos to what Assemblyman Bramnick said, you know, my conductor today snarled at me -- like, "Tickets!" I mean, we-- I'm a nice person; I was just sitting there with--

UNIDENTIFIED MEMBER OF COMMITTEE: I'll vouch for that. (laughter)

ASSEMBLYWOMAN MUÑOZ: I think most people here will vouch for that.

You know, he snarled at me. There was no reason to snarl at me, you know? It is inappropriate.

But this -- the bigger issue is, on these lines, where you're canceling the trains, and they're not getting on the first train and then they have to get on the second train. I know this anecdote-- My children are ages 25 to 34; and at least two of them commuted, back and forth, from Summit into the City. There are times, multiple times, when the tickets are not collected. There are too many people on the train. And when I asked this question of a representative from your organization, they said, "Well, most of them are monthly pass holders." But that's not true in all cases.

And the phones have changed the way we handle things, too. You know, I bought my ticket through my NJ Transit app, because I oftentimes go into New York City and I have the NJ Transit app. But theoretically, you don't have to activate that until you see the conductor. And if the conductor doesn't come through, you don't have to pay. And I paid; I activated it before the conductor came through.

MR. CORBETT: Thank you.

ASSEMBLYWOMAN MUÑOZ: But my point is this. You know, we talk about conductors and, you know, the way they treat the customers. But also, the number of conductors -- when we can't get enough conductors through the trains to collect the fares, then we're losing -- you're losing money. And that goes to your bottom line. And so the number of



conductors that you have, you have to-- Again, it goes back to this understanding of-- You know how many people are on these train lines. So, you know, and this goes back to what Assemblyman Giblin was talking about, about staffing personnel and moving people around.

ASSEMBLYMAN BENSON: Assemblywoman?

ASSEMBLYWOMAN MUÑOZ: Can you -- can you get more people--

ASSEMBLYMAN BENSON: Assemblywoman? I'm not cutting you off; I just want to give you a chance to answer that question about the conductors and the fares.

ASSEMBLYWOMAN MUÑOZ: I haven't finished the question.

ASSEMBLYMAN BENSON: What is the question?

ASSEMBLYWOMAN MUÑOZ: The question is, can you get more conductors on the trains when you know that there is going to be either a canceled train, so you're going to fill the train; or it is going to be a train that, every day, going out of Westfield, is so packed that people are standing in dangerous situations? How can you address that? Because that seems like something-- Because you just said there's enough money in the budget--

ASSEMBLYMAN BENSON: Okay; thank you, Assemblywoman.

Let him answer the question.

ASSEMBLYWOMAN MUÑOZ: I hadn't finished the question.

MR. CORBETT: Yes, I would say that there are quite a few questions in that question. I'll try to--

ASSEMBLYWOMAN MUÑOZ: Well, I'm speaking for my constituents.

MR. CORBETT: Yes, yes. No, no, I appreciate that, and I don't mean that in any-- I mean that in a good way.

So I think -- and they are all questions that come from someone who is familiar with our system, which is appreciated.

The conductor issue, when it comes to fare collection -- and I touched on that earlier -- if you've taken Amtrak, the kind of scanners they have. That has two-fold: one, you get to scan the tickets. There's actually fraud; you mentioned the one on the iPhone, for example. We're doing the demos that we're testing; the beta testing. We actually found that there are some incredible fake programs that you can really -- that you catch -- the conductor; you and I wouldn't necessarily catch. So there are all sorts of people who play gimmicks.

ASSEMBLYWOMAN MUÑOZ: Right.

MR. CORBETT: And by doing this, that would certainly greatly reduce that.

The other thing, as far as the number of conductors -- again that will be a tool that they will have better information, so they can be more ticketed. I would say most of the conductors -- I see them, sort of, falling into three categories: ones who are great, very vivacious, and they love the job; others, I think, who, when you get to talk to them, you start opening up -- I think they bear the brunt of a lot of ill will, understandable or not. And some people are not polite when they're--

ASSEMBLYWOMAN MUÑOZ: It's called *empathy fatigue*.

MR. CORBETT: Yes, yes.

ASSEMBLYWOMAN MUÑOZ: No, I know, because I'm a nurse. It's empathy fatigue.

MR. CORBETT: So I think some of that-- Like boxers, they get in defensive position.

ASSEMBLYWOMAN MUÑOZ: Right.

MR. CORBETT: And then there are, third, some people who, you know, need some training; your customer service is--

ASSEMBLYWOMAN MUÑOZ: Right.

MR. CORBETT: If you're not there, you shouldn't be in.

But as far as the number of conductors-- I'm a big believer in, from my private sector experience, performance metrics. And without going into that -- how many conductors you need-- I've seen conductors in crowded trains -- particularly when I was going into the City -- they'll work their way through, and they'll collect, and get abused, like, "Hey, why do I have to stand? Why am I paying for a ticket?"

And a lot of those conductors -- there are a number of conductors who will do that. There are other ones who don't want to take on the crowd; and then there are some, even when a train's half-full, who don't walk back and forth as often as they should, even if the train's half-empty.

So that's where I think, using technology to make sure, you know, the good ones can really do their jobs; and make sure that people perform and meet the metrics that they have.

ASSEMBLYWOMAN MUÑOZ: I just think it's important to collect the fares. Because, again, that goes to your bottom line.

Regarding-- Commissioner, you spoke about the fact that the trains that are in the repair lot -- or however you call it -- are all completely -- are fixed now? Or do we still have a backlog of trains that are waiting for spare parts?

COMMISSIONER GUTIERREZ-SCACCETTI: Not that I'm aware of. They cleared the backlog by the end of March, and now it's just the routine trains that are coming in for their required maintenance.

ASSEMBLYWOMAN MUÑOZ: Okay; so--

COMMISSIONER GUTIERREZ-SCACCETTI: So there is an FRA schedule that requires trains to come off the track on a specific interval. So they have been able to purchase the parts they need and maintain an inventory so that that process is not taking as long anymore.

ASSEMBLYWOMAN MUÑOZ: So those two- to three-month delays that we used to have are no longer in effect.

COMMISSIONER GUTIERREZ-SCACCETTI: Correct. That's outside of PTC.

ASSEMBLYWOMAN MUÑOZ: Exactly. And you have those spare parts available.

COMMISSIONER GUTIERREZ-SCACCETTI: Yes.

ASSEMBLYWOMAN MUÑOZ: Okay.

The next question, quickly, is, you know, it takes 20 months to train an engineer. At Metro-North, it takes 10 months; SEPTA it takes 10 to 11 months; Amtrak 12 to 18 months; LIRR, 12 months. Why does it take so much longer in New Jersey than at any of the other places?

COMMISSIONER GUTIERREZ-SCACCETTI: You know, that's something that we have to look at. And it could be, as I said in my remarks, that our training process is antiquated. I don't know. I looked at the same websites you did, and I talked to the Chairman of Amtrak, and he would -- at least he told me -- that it even takes him a little bit longer than that.

They tell me the key in training is really to get an engineer familiar with the territory; familiar with the track they're going to be on. Just like we know the roads we drive, and where the sharp turn is, or where the blind spot may be. The real work is getting the engineer familiar with the track and the territory that they're on, and they take a lot of time with them to make certain that they're comfortable with where -- with what their routes are.

I have not been able to validate the training for MTA or LIRR. But I think our process and our suggestion, at the Governor's urging, to work with Higher Ed, Ed, and Labor to put in the right plan will hopefully render a state-of-the-art training program that will reduce the time. That is the goal.

ASSEMBLYWOMAN MUÑOZ: Okay; because it's greater than 50 percent more time.

COMMISSIONER GUTIERREZ-SCACCETTI: Correct.

ASSEMBLYWOMAN MUÑOZ: So that's a significant amount of time.

COMMISSIONER GUTIERREZ-SCACCETTI: We are working through that; but thank you.

MR. CORBETT: There is an important aspect, though. I am familiar with both the Long Island Rail Road and Metro-North, as part of -- I co-chair the Northeast Corridor Commission.

New Jersey Transit has -- which is part of the fun of my job, and challenges the most complex rail system in the United States. We deal with freight; we operate 11 different lines; legacies from Pennsylvania Railroad to the Erie Lackawanna. You have all these services. So we have the most complex systems. And as Diane mentioned, for our engineers, they have to be able to train to be able to work on all those different branches. Long Island Rail Road, effectively -- they run a big service. But it's like the Galapagos Islands; they go back and forth -- it's on the island. So it's a very different qualification that you need to be with Long Island Rail Road. They need engineers too, but it's different. Same thing with Metro-North; it's not apples-to-apples.

COMMISSIONER GUTIERREZ-SCACCETTI:

Notwithstanding, we will work very hard to reduce our time.

MR. CORBETT: Right.

ASSEMBLYWOMAN MUÑOZ: Excellent.

And just my final question -- we're asking the commuters to be patient and to endure this. And it is going to take time. But what would it take to end this problem immediately? Do you have an answer to that? I mean, there is--

COMMISSIONER GUTIERREZ-SCACCETTI: There is no immediate-- If there was an immediate solution, I can promise you, sitting here today, that I would have directed Kevin to go ahead and implement it.

ASSEMBLYWOMAN MUÑOZ: No matter how much money that took.

COMMISSIONER GUTIERREZ-SCACCETTI: It doesn't-- It's not a money issue.

ASSEMBLYWOMAN MUÑOZ: Because you said you have enough money in the budget.

COMMISSIONER GUTIERREZ-SCACCETTI: It's not a money issue; it's a time issue. And I say this respectfully; 213 days -- Senator Kean heard very well what I said -- if you look back 10 years, that's 3,650 days to screw this up. I can't fix it in -- nobody can fix it in 213 days.

So when you came to visit us -- and I don't know if you stayed for the press -- somebody asked me if I worked seven days a week to solve the air conditioning problem at Secaucus Station, because you know we have no air conditioning right now.

ASSEMBLYWOMAN MUÑOZ: Right.

COMMISSIONER GUTIERREZ-SCACCETTI: Both compressors died; we're getting new ones. I don't work seven days a week on that problem; I work seven days a week on all of them. I didn't come back to New Jersey because I thought it was an easy job; I came back to New Jersey to accept the challenge of fixing what's hard. We are going to have to make very tough decisions to make sure Transit gets back to where it needs to be; very tough decisions. And that's why I ask for your support.

We will look at train lines; and if they are not effective, and we need to move service around to address the kinds of problems we're having, we're going to make sure that we do that. And we will notify you, and we will work communications. But this is something -- I can only say this to

you, Assemblywoman -- we think about every day and talk about every day how we can make it better. I don't want to read those articles any more than you do; I don't.

ASSEMBLYMAN BENSON: Okay; in fairness to folks--

ASSEMBLYWOMAN MUÑOZ: And you know, I would say that we also think about it every day.

ASSEMBLYMAN BENSON: Excuse me--

ASSEMBLYWOMAN MUÑOZ: And I want to say to you, when you put out the--

ASSEMBLYMAN BENSON: Excuse me; just in fairness to folks -- other folks haven't had a chance to even ask a question.

ASSEMBLYWOMAN MUÑOZ: Okay.

ASSEMBLYMAN BENSON: So we have to be fair to other folks.

ASSEMBLYWOMAN MUÑOZ: Just--

ASSEMBLYMAN BENSON: Moving on to Assemblyman Karabinchak.

ASSEMBLYWOMAN MUÑOZ: --we're counting on you.

ASSEMBLYMAN KARABINCHAK: Thank you, Mr. Chairman.

And thank you for coming today.

I'm not going to repeat all the questions that were already asked.

All I know is that what I have seen and heard today -- this is a bad, perfect storm: shortage of engineers, 495 starting, and the PTC deadline. It can't get any worse.



The one question I do have is that when we change this employment residency policy that's out there right now, and it goes out, nationwide, to hire engineers who are experienced, what is that timetable for them to be approved to run our trains?

COMMISSIONER GUTIERREZ-SCACCETTI: I don't know that we can give you a very specific timeframe. It's going to be months; it's not going to be weeks. But we have to, again, start the process. So that's what we'll do.

ASSEMBLYMAN KARABINCHAK: But it will be shorter than 20 months.

COMMISSIONER GUTIERREZ-SCACCETTI: Yes.

MR. CORBETT: Right.

ASSEMBLYMAN KARABINCHAK: Because that's where our classes are. And I heard what everybody said -- you have four classes, 20 months.

COMMISSIONER GUTIERREZ-SCACCETTI: It will be shorter than 20 months; but please understand that there is also a nationwide shortage of engineers. So this is not a panacea; it's just a tool to help us where we can.

MR. CORBETT: Right; and--

ASSEMBLYMAN KARABINCHAK: Great; well, I think that--  
Go ahead; I didn't mean to interrupt.

MR. CORBETT: Indicatively, as we -- as I mentioned earlier -- where we have conductors who are already trained for a lot of the NORAC rules that are required for New Jersey Transit specifically -- it would be a year. We, again, have to have FRA approval of any training program, so it's

not arbitrary -- so any training program we do. If they have already had to qualify for a whole batch of these segments, they don't have to go through that training again. So it depends what training they have; but indicatively, for conductors now, who are NORAC trained on New Jersey Transit, it would be about a year under the current FRA-approved training program.

ASSEMBLYMAN KARABINCHAK: Well, in my opinion, this is better than waiting 20 months to fill this void, which is going to affect our commuters for a long period of time. And all I can say is this is a tough situation that you're in. And also I'm sure you're going to be out of buses; I'm sure you're going to be out of cars to the existing trains that are going to run; I'm sure you're going to be looking at adding more ferries, if needed, because the commuter ride to New York City is going to be an absolute disaster. And the rest if the state is going to be affected in different ways; our roadways are going to be affected, and it's just time that our consumers are going to be hurt by.

So these are the first steps that I see that are going to happen. And from my personal opinion, anything I can do to help this -- to alleviate our commuters from having this continued thing, that they're, right now -- looking at years to be resolved, I want to resolve it as soon as possible.

Thank you.

Thank you, Mr. Chairman.

ASSEMBLYMAN BENSON: Thank you.

Assemblyman Freiman.

ASSEMBLYMAN FREIMAN: Thank you, Mr. Chairman.

Obviously, this is a critical issue. And given everything that has been said and everything that's been asked, I am going to be incredibly out of character and I'm going to yield my time. (laughter)

ASSEMBLYMAN BENSON: Thank you. (applause)

He gets applause. (laughter)

Thank you so much.

I'm going to turn it back over to the Senate Chairman.

SENATOR DIEGNAN: I think Senator Kean has one quick follow-up.

SENATOR KEAN: A couple quick; just a couple quick.

The collective bargaining-- Through the Chair, the collective bargaining agreements will not be open until the end of 2019?

MR. CORBETT: Correct.

COMMISSIONER GUTIERREZ-SCACCETTI: I think it expires--

MR. CORBETT: It expires in 2019.

COMMISSIONER GUTIERREZ-SCACCETTI: So those negotiations will begin, obviously, sooner than that.

MR. CORBETT: Right.

SENATOR KEAN: Okay; well, I guess the question I have is-- I mean, with respect, through the Chair-- I mean, everybody knew how bad this problem was; I mean, in fact, it was in the incumbent Governor's first, or second, or third press conference, before we even had a DOT nominee, that identified this problem. The Legislature has had, for years, tried to talk about these issues, both on transferring funds-- It seems to me that the current Governor transferred capital funds through operating expenses in

this past couple of weeks, something that everybody has said, on both sides of the aisle, it's the wrong thing to do. But again, it was done by this Administration just in the last week or two.

But if you look at the collective bargaining issue, this-- People taking sick days, for whatever reason, is something we experienced last summer under this bargaining agreement. We are experiencing it this summer under the current bargaining agreement. We're going to experience it next summer under the current bargaining agreement. So planning forward, why can't we -- to the extent that we can, through the Chair -- have opened that part of the contract to enhance penalties or do something? Because it seems to me, as you're looking forward, we know this problem existed last year; we know it's existing this year. Is there something we can do to deal with that one part of the contract? Does the penalty associate--

COMMISSIONER GUTIERREZ-SCACCETTI: You know, unfortunately, in good negotiations you never get to open up one side of the contract without opening other sides of the contract. And so I think we have to not so much worry about opening the contract, as we do to come to some mutual agreements with the leadership of the unions, which we will do.

I just don't want to slip by the capital operating transfer -- there is no way to correct that in a year. It's been happening for so long, it's not going to stop until we can find a permanent and strong funding source for New Jersey Transit; and we will. I'm confident of that; at least in my tenure, that is my goal.

But having said that, this year, in particular, was a little different because of the way the Governor proposed a \$242 million increase to operating; and when the budget was finally adopted, \$50 million came from capital. And so it's really not comparing apples to apples anymore. Believe me when I tell you -- the finance part, I'm on top of and comfortable that we had no choice but to do it. We pulled the budget in July to ensure that it was the right thing to do. But one of our commitments is to come up with an integrated funding plan that relieves us of the need to make that capital-to-operating transfer. I don't want you to think we're not focused on that.

SENATOR KEAN: It is extraordinarily important for predictability and making sure that we-- We do long-term things. For example, through the Chairmen -- which, in fact, both of our districts-- The Hunter Flyover, right? The Hunter Flyover--

COMMISSIONER GUTIERREZ-SCACCETTI: Okay.

SENATOR KEAN: --and the third rail for the freight. I mean, those are things that will mean not only that the Bergen Rail Line doesn't stop every time it crosses over the Northeast Corridor Lines; but we now have, as you know -- because I shared it with Director Corbett -- that the Port Authority is now committed that the PATH extension does not have any conflict with the Hunter Flyover. Is that your understanding as well?

MR. CORBETT: I think one of the issues on the Flyover, in general, with the Northeast Corridor -- relationships with Amtrak, and even with PATH, were not always optimal. Everyone, sometimes with no malice of forethought -- they were being protective of their own suboptimal -- from a comprehensive viewpoint, suboptimally; and I think that sometimes has

caused friction. And we have been working very closely with, particularly, Amtrak -- we have a good relationship with PATH on a regular basis -- but with Amtrak, to look to see what we can do. There are a host of issues between Amtrak and New Jersey Transit that we're looking to resolve, and that's one of them. And that is the understanding.

SENATOR KEAN: Does that impact the Hunter Flyover?

MR. CORBETT: Oh, yes; there are a number of interchanges with Amtrak and the Northeast Corridor that we look to connect, and also be able to get flagman work rules for being able to do that. And that's one of them, yes.

SENATOR KEAN: Are you anticipating -- through the Chair-- The Raritan Valley Line is an east-west line, obviously. I want it to be as operational in going west so we can really grow not only Cranford, and Westfield, and Union, and Plainfield, and Somerville -- all out west. I mean, these are--

MR. CORBETT: White House Station; yes.

SENATOR KEAN: I mean, everything. This is an extraordinarily important line. And it's not just a growing line, because I think we know commuters will use whatever vehicle they can to get to work. So we all know and observed commuters going to Midtown Direct, to other lines, to bus lines. Then when you're looking at all the moving parts, it's an extraordinarily important line to not only reactivate for the off-peak, but also to reactivate because that east-west commerce, and commute, and family -- I mean, that's an economic engine that I think we all know needs to happen.

MR. CORBETT: Agreed. And Senator, to your point, we saw what happened, firsthand to my property values in Mendham, when the Midtown Direct went through from Morristown, the Morris and Essex. And obviously, I would anticipate the same thing for the RVL.

I think one thing that we've been spending a lot of time with, with Amtrak, as far as working collaboratively, is also on the Gateway tunnel program. And I think you may have seen -- it's sort of a little bit off topic -- but the submission we put in to the FTA on Portal Bridge. We've had a very good cooperation with FTA on reviewing that. We're looking to expedite that, and I think Portal Bridge is the first step in getting the rest of that program. And when the Gateway goes through, obviously, the complement-- That will then allow the capacity for RVL to have regular service, Midtown Direct service.

SENATOR KEAN: Yes, well, I would think that, if I may -- we know that there are 20 tube slots. And it's not just an RVL issue, it's an everybody issue.

MR. CORBETT: Right.

SENATOR KEAN: The question is, as the ridership grows, I don't think the RVL should be excluded from having a peak line in the morning and the evening. Because that's status quo. This needs to be updated now, like, every single cycle.

MR. CORBETT: I fully agree. And for the record, I would make a point of it -- that I have not bought any property along the RVL in the last few months. (laughter) But I do agree with you.

SENATOR KEAN: Nor have I; but-- (laughter)

No, but I think it's really important. Because if you're looking at getting to the point of the Portal Bridge, and all those other aspects -- and I agree with the way they front-loaded that because of whatever the uncertainty that's going on right now. Between the freight line and the Hunter Flyover -- I mean, those are the two most important, and both matching fund projects from the Federal government, as well as from the State government, because of the impact on both freight as well as passenger service. And it seems to me that we need to be even more aggressive on projects like the Hunter Flyover and the third rail on freight, because that has an economic impact, not just along the line, but throughout the country actually.

MR. CORBETT: Yes; agreed.

SENATOR KEAN: Okay.

And if I may, through the Chair, have you seen the letter from the Port Authority regarding the -- the fact that the Hunter Flyover and the PATH extension are included in the comprehensive plan?

MR. CORBETT: I'm not sure. I'd have to look at -- which I've had a number of communications back and forth. I'd have to see which specific letter you're-- But I'm familiar with the issue.

SENATOR KEAN: I will share, through the Chair, because this is something I talked about with the Chair and a number of other members of the Assembly, as well as the Senate -- making sure that the Port Authority -- that New Jersey Transit, and also Amtrak, recognize that these two things are compatible; well, all these projects are compatible. And we need to put them with as many letterheads as humanly possible. So if you haven't seen that letter-- I did forward it to you.



MR. CORBETT: Yes.

SENATOR KEAN: I mean, we need one from your organization as well, I suspect.

Thank you.

SENATOR DIEGNAN: Loretta.

SENATOR WEINBERG: I just want to clarify.

If you would, Commissioner, we-- Apparently the New Jersey Transit Reform Bill that went through the Senate, and is awaiting action in the Assembly, is awaiting the audit, so that maybe the Bill could respond to whatever issues are brought up.

And there have been several dates floating around about when that audit will be available. So could you repeat your earlier answer as to when we may expect the audit?

COMMISSIONER GUTIERREZ-SCACCETTI: So last week I said 45 days; so I would say 40 days this week. (laughter)

So we would like to get it done as soon as possible, Senator, because we know it's critical to us putting in place a new organization, and what we think is the right organization to move forward with. And so we are as anxious to finish up with it as you are. So I would suggest that in the next 40 days it will be concluded.

SENATOR WEINBERG: Okay; and I appreciate that, and we're going to, hopefully, hold your -- the auditors feet to the fire--

COMMISSIONER GUTIERREZ-SCACCETTI: There are no worries on that.

SENATOR WEINBERG: --to get that done.

But in the interim, I would hope that you would take into consideration some of the issues that underlie all of this, and those are transparency and communications. There is no reason -- I would assume there is no reason that the Transit Board cannot meet in the evening and make sure that they follow all of the rules of the Open Public Meetings Act, and that agendas are posted completely and in compliance with the law.

So I would hope that we see that done by the time the next New Jersey Transit Board meeting is held.

COMMISSIONER GUTIERREZ-SCACCETTI: We will-- I will certainly take that back and discuss that with the team. I would suggest to you that we have had our constituency talk to us about other changes to the Board process that we had made, including not having them sit through long executive sessions. We're making those changes because we do understand that our goal is to respond to our customers. And again, the Governor has made it clear that we have to be customer-facing, and we will be customer-facing.

SENATOR WEINBERG: Thank you.

SENATOR DIEGNAN: Okay; thank you for your testimony.

I just have one final question.

When we started, we said we wanted solutions today. I sit on the Budget Committee; I remember that when you appeared before the Budget Committee, you indicated that \$98 million was the ask for this year. Is there-- If there is additional funding needed to put positive traction in place, or any other immediate needs, there is such a thing as supplemental appropriations. Is there a need for that at this particular time?

COMMISSIONER GUTIERREZ-SCACCETTI: We do not believe so, no.

SENATOR DIEGNAN: Okay. Well, we're here to help. You know the old thing, "We're from the government; we're here to help." (laughter) Anything we can do, please, reach out to us.

COMMISSIONER GUTIERREZ-SCACCETTI: And we appreciate your support.

SENATOR DIEGNAN: Okay. And I know you've taken on an incredible burden here; a real challenge. I know you're trying to do your best, but we're here to be supportive as best we can. So please let us know, okay?

COMMISSIONER GUTIERREZ-SCACCETTI: Thank you very much.

SENATOR DIEGNAN: Thanks for your patience.

MR. CORBETT: Thank you.

SENATOR DIEGNAN: Okay.

ASSEMBLYMAN BENSON: I just want to, also, add my thank you, to both of you, for your testimony in answering these questions and sitting through.

I do want to recognize -- there are some other folks in the audience who submitted testimony, that we will keep as part of the record. And we'll continue to share it with members, as well as yourselves as well.

COMMISSIONER GUTIERREZ-SCACCETTI: Thank you very much.

ASSEMBLYMAN BENSON: --so you'll have that feedback.

MR. CORBETT: Thank you.

SENATOR DIEGNAN: Our next witnesses will be Assemblyman Mazzeo and Assemblyman Armato.

And I believe they have some constituents with them, and they can come on down.

And I'm going to ask everybody, if they would, to try your best to be as succinct as possible. If you have given written testimony, presume we'll read it and just try to summarize.

Go to it.

**ASSEMBLYMAN JOHN P. ARMATO:** The first thing I want to say is, thank you for allowing us to come tonight -- excuse me, come today.

SENATOR DIEGNAN: Well, it might be. (laughter)

ASSEMBLYMAN ARMATO: Close.

Sitting next to me is Caren Fitzpatrick. She works with Meet AC.

During the shutdown, we have more than 80 events coming up scheduled in Atlantic City. Approximately 30,000 residents are expected to ride the trains. Last year we had 7,400 NJEA attendees who rode the train into Atlantic City.

A couple of things have come to light. First of all, no one has mentioned the freight lines on the Atlantic City Line. Nobody has said that they're going to stop that, or keep that running. I really don't have any answers to that.

Secondly, this has been done throughout New Jersey; and not one time has the rail system actually had to be shut down to do this work.

Nowhere. So now we're being told Atlantic City -- we have to shut it down for four months or more.

To do this work, it takes approximately two hours to set one of these controls in between the tracks. The wayside work, which is the work on the side of the rails -- there's no reason to shut anything down. When I asked these questions, I'm told that, "Well, that's just the way it is." And once again, as Atlantic City starts to move up, we always seem to get to this one point and then something comes and knocks us back down again.

These questions that we have today, and these concerns-- These are individuals who ride this train. And I can't remember who spoke about it, but there are a lot of train riders going from AC to Philadelphia; it's not only coming this way. These are people who have no other means of getting to their jobs. Shutting the rail down for four months -- there's a restaurant in the terminal in Atlantic City; nobody has addressed the fact that they are going to have to shut down. So there are going to be two families that have no work; no way to get money to their families.

I try to sit here and understand what happens in North Jersey is completely different than what happens in South Jersey. And I think it's time that our residents and their legislators speak up about this. Not to belabor the point about no other lines shutting down except Atlantic City's -- that tells you exactly what our feelings are. This is the message that we are getting from New Jersey Transit -- that we can do this project north, and nobody will be interrupted. But we can't do it south.

I'm going to be brief. I'd just like to tell you that we came up in the jitney this morning; two jitneys. And the people who took off work, out of their schedule, to come here -- I think they have to leave here today

with some kind of assurance that *a*) this could be done, and *b*) it's not going to be the end of the railway. And I think we got that today, and I do appreciate that. But there has to be a different way to do it. We have to have a different way that they can approach it.

You look at the roads that are built throughout New Jersey. I think half of those roads are built in the night, so, without the traffic. These are the things that these people have to come up with -- a different way to do this type of work.

Like I said, I thank you for the opportunity to talk. I know we've been here a long time.

So thank you.

SENATOR DIEGNAN: Thank you.

**C A R E N L. F I T Z P A T R I C K:** I just want to thank you very much for giving me the opportunity to speak here today.

A lot of people depend upon this major artery -- from our area, through the rest of southern New Jersey into Philadelphia -- for work. But my day job is with Meet AC, and we advertise -- we entice people to bring their conventions and meetings to our city by offering rail service and promising them that they can get from the Philadelphia airport to Atlantic City this way, because we're also dealing with struggling air service in our own area.

So this is another facet of the situation that maybe hasn't been considered. But we depend now -- who finally have their jobs again in Atlantic City -- employed. So we're hoping that, perhaps, there can be an alternative to completely shutting down the system, keeping peak times available for us to use, or doing the work at night.

Thank you.

**A S S E M B L Y M A N   V I N C E N T   M A Z Z E O:** Good afternoon.

First of all, I want to thank my fellow colleagues in the Senate and the Assembly for holding this joint meeting on such an important issue facing all New Jersey.

It's been said we did get a few answers today, which was beneficial. But the thing is, we all are elected; you know, we serve as legislators for the entire State of New Jersey, but we answer to our District, which is very important. And I've received many calls from people in Atlantic County who are worried, concerned, and, at times, furious at the news that Atlantic City rail service was to be suspended on September 5. And today we did get a guarantee that we would be put into service on January, say, of 2019; which, quite frankly, is a long time for many who ride that every day in our region.

Just a little history. The Line is unique, and the draw it creates on both ends -- hardworking people travel from both Philadelphia and from AC for their livelihoods; and the tourism it generates is imperative. I've heard stories of veterans who use the Line to see their specialists and Veterans Affairs doctors in Philadelphia.

And tourism and business experts know the importance of transportation to our local economy. I can't say it enough, that this suspension will be a great disservice to our Atlantic County on several fronts, including our economic standing.

Assemblyman Armato was saying that we are on an uptick now in our economic development with Hard Rock Casino and Ocean Resorts;

and, come this September, we'll have the Stockton University campus opening. Internal energy, international energy companies, and local small businesses are starting in Atlantic City. It's no secret that a success story in South Jersey is coming about. And, you know, the perception of the rail line closing doesn't help it; it will just hurt it.

So the devil's in the details with a situation like this. We hear about the PTC safety system; it's an important upgrade that our local riders deserve. But the details of how and when to implement this infrastructure and decision planning can mean all the difference to our hardworking families.

You know, the PTC safety can be installed in the North Jersey rail systems without any delay, or service delay. But in South Jersey, our only rail line, it is going to be suspended from September until January. And I can't help say this, but I hear from our constituents that South Jersey is getting the short end of the stick. On this occasion, I have to agree. Our area would have been informed sooner, helped in planning, or even had South Jersey elected officials, like me and Assemblyman Armato, to be personally invited to this hearing to speak -- which, for the record, we were not.

So I heard today from legislators about how we have to have better communication and transparency; and I think that this hearing -- I think it is good that this is brought out and, hopefully, we made a turn here. But this meeting that we're having in Atlantic City on Monday is going to be at 8 o'clock in the morning, when many of our riders are going to be going to work or going somewhere else. I don't think that is a good



time for riders to voice their opinion and hear exactly what is going to happen when we have this shutdown.

So I heard Loretta Weinberg, the Majority Leader in the Senate, say that perhaps we have some of these meetings at night so everybody can be better informed.

I think it comes down to simple courtesy; it is all we ask. Not for me or my fellow Assemblyman, Armato; but for the residents of our District, who are here today. They deserve better than to be unheard and misrepresented when these decisions are made. They deserve a local town hall on this issue with more than a few days of notice, transparent updates throughout, clear assurance that their rail line will be reopened, and respect for their time and livelihoods that depend on the proper public transportation. These riders need to be told exactly why a full shutdown is necessary. It's on the shoulders of the Department of Transportation, New Jersey Transit, and the government -- Administration -- to look them in the eye and tell them why they can't come up with a better solution. And I think it's important that they look them in the eye and say, "This is what we have to do." And I think -- and make sure that the resolution is going to be implemented, and they have assurance that the ridership will be back whenever they say in that timeframe. I think that's important.

Just in closing, again I'd like to thank you for your time in putting this together. I know it's been a long morning, and now afternoon. And I, myself, and Assemblyman Armato will continue to fight to see what's right here and offer our time as we look for the best possible outcome of the PTC implementation and future development of the Atlantic City Rail Line.

Thank you.

**NICK PITTMAN:** Good afternoon, everybody.

Thank you for having us here.

I speak for everybody here when I say thank you for the short and pointed session here today. (laughter)

My name is Nick Pittman; I'm the TV weatherman from South Jersey, and I have a unique perspective on this. If I didn't get into broadcast, I would have gone into being a locomotive engineer. I love trains, I understand railroad operations.

As soon as I heard about this, I had to take action immediately. We put together a petition, now signed by nearly 4,500 people in South Jersey, to keep our rail line alive.

I was taught, at a very young age, by my grandmother -- in order to succeed, you need to fight, and fight hard for things that you feel passionately about. For the past week, we have been doing just that: fighting to keep a vital rail line alive and afloat in South Jersey.

Now, we understand that, on the record, this Line is being suspended for the implementation of the PTC, which is federally mandated. We understand that; we get it. However, one thing that just doesn't hold water, as the Assemblymen both pointed out, is no line in New Jersey, nor across the country, has ever been shut down to implement this system. In fact, SEPTA is 100 percent compliant at this point, and none of their lines were forced to shut down. So my question to New Jersey Transit would be, why is this Atlantic City Line different? What work is different; what work has to go into this that differs from any other PTC installation? It just doesn't make sense to any of us.

And to go back-- I wrote down this fact while the hearing was taking place here, just so I could get everything together. We understand that there is a deadline of December 31; but the Federal Railroad Administration has approved a measure to allow New Jersey Transit to file for a two-year extension. And by that I mean they have to complete a system test of the ACSES Braking System, and it would be completed on the Morristown Line by December 31. So the outcome of the request for the extension would be favorable then. Furthermore, a source within the agency stated that 85 percent of the hardware to install by the end of the year -- which would be attainable -- would also help qualify for the extension.

So my next question is, if we went from 13 percent to 58 percent completed since March, how did that magically happen without shutting down any other line? I just want that question asked; nobody seems to be asking that.

So the Atlantic City Line represents under 10 percent of the entire New Jersey Transit system, requiring smaller crews and less equipment, right? We don't produce a lot of commuters, apparently, to New Jersey Transit. But there are a lot of people who ride that train; 2,000 daily. One of the issues is poor marketing; point blank -- I'll be as blunt as possible -- the Line is not marketed at all. The schedules are atrocious. If it was marketed and the schedules were better, there would be thousands and thousands of people riding that Line.

So unfortunately, another issue that we have to look at is capacity. A bus, which is the alternate solution here, holds one-eighth the amount of passengers that a four-car train would. And then, of course, you

have passengers with disabilities. Is it fair to them that they have to go out of their way and get on a bus that causes a 10-minute service disruption to get their wheelchair lifted on; and only two wheelchair passengers can get on a single bus, when you can have eight on a single train? So there are a lot of different aspects of this to look at.

So we believe that the reason for the suspension is really bringing the 16 cars -- the four locomotives -- and the crews to North Jersey to bolster the service up here. So this isn't a Democrat issue; it's not a Republican issue; it is a community issue. And frankly, all of us in South Jersey are outraged because you are pitting the two sectors of the state together, and it should not be that way.

So short of continuing our rail service with a bona fide schedule, I believe -- and I think we all believe -- that any other solution would be inadequate.

Thank you for your time.

SENATOR DIEGNAN: Any questions or comments? (no response)

Okay, thank you for your input.

Ron Sabol; Ron.

Is Ron here?

Come on up; you're next.

I'm sorry; Ron is next. What group are you with?

UNIDENTIFIED MEMBER OF AUDIENCE: We're with the Southern Jersey committee. We're citizens, represented by our--

SENATOR DIEGNAN: My understanding is that two folks had been designated to speak.

UNIDENTIFIED MEMBER OF AUDIENCE: Oh, okay -- to speak for us?

SENATOR DIEGNAN: Yes; that's what the agreement was with the Assemblymen.

Ron, would you come on up?

Go ahead and introduce yourself, and then give your testimony.

**R O N A L D E. S A B O L:** Good afternoon, Mr. Chairman.

My name is Ron Sabol; I'm the New Jersey State Legislative Director for SMART -- Sheet Metal, Air, Rail, Transportation Workers.

I come here today to talk about some stuff that we've been working out with New Jersey Transit; and some issues that we have as well.

One of the big things that -- and I have Steve Burkert with me; he's the General Chairman for the conductors on New Jersey Transit.

One of the big things that seems to be plaguing us at this time is the amount of increased assaults to the conductors and the train crew persons.

I'd like to turn this over to Steve; he can discuss that with you a little more.

**S T E P H E N J. B U R K E R T:** Good morning; or afternoon as it is now.

This is a major problem. I understand that these service disruptions to the passengers are severe. I do not condone annulments. I have put out an open letter to the passengers of New Jersey, who use our system, to explain the fact that the passenger crews that you encounter on our trains are not responsible for the annulments; we do not get to pick which trains run and which trains do not run.

Unfortunately, some misunderstanding has taken place that the New Jersey Transit conductors and train crew are the ones not showing up at work. That's not correct. The train crews on board, in the blue shirts, who are collecting your tickets, are the people who are coming to work. And the proof is in the pudding, because the passengers are the ones putting us in hospitals over their anger over the lack of service.

I've had two female conductors physically thrown off trains by angry commuters. I've had other people, in the past year, who have been so brutally beaten they can no longer return to work.

So while I understand the passengers' angst in not getting proper service, my main message today: Please keep your hands off of the train crews. It is not their fault. We understand the announcements come late. I think it was alluded to before -- we're not allowed to have the twitter handles and the announcements from New Jersey Transit, because we're not allowed phones on board the train. It's a Federal regulation. We have had one member pick up a passenger's phone and put it in his pocket. The FRA caught him. It took us six months and a deposition from the commuter to get the guy cleared.

So what I'm saying is, we don't get the updates the way you do. I'm a conductor for 30 years. I cannot tell you how many times -- and I worked mostly Hoboken Division; I have worked going from Dover into New York on a packed train, and all the passengers' phones go off and they say, "Steve, by the way, we're going into Hoboken today because the switches are no good at Amtrak." They get more pertinent information than we do.

We have been working with New Jersey Transit to alleviate that. We have -- they're hoping that the new cell phones and scanners that will be coming in will be able to give us more information in a more timely manner on multiple functions.

So my main plea is, please stop putting your hands on the train crews and assaulting us. It's not us not showing up, because we're the ones getting punched. And it's all times of day. It's not that it's weekends; it's not after a Ranger game when they lose to the Devils. It has more to do with people are angry, and we are the only face that they see to represent New Jersey Transit. It's unacceptable, and you are putting people lives in jeopardy.

MR. SABOL: Mr. Chairman, I'd like to touch on a few things that were talked about today in front of the Committee, if I may.

The First Act -- we're very supportive of removing New Jersey Transit from the requirement of the First Act. As stated here, our agency that we work for and our members work in Morrisville, Pennsylvania; New York City, Port Jervis, Suffern. They go to work in the yards; they're there all day. So they come out of New Jersey to go to work in Pennsylvania, and then go back to New Jersey. It shouldn't be that way for us

And also, open up a talent pool in some areas where we're missing -- being the state is small, and we're in such dire need for train persons, management, bus drivers, mechanics, electricians -- you name it.

Also today, a lot of stuff has been brought up about collective bargaining. I want to be clear here today. No SMART member or engineer -- we do represent some of them, although we don't represent the majority, and I'm not going to speak directly for that majority -- but if they just did

not show up for work, that would start a formal disciplinary process up to and including termination. They're not coming to work for many reasons; one of them is -- just not showing up is not one of them. One of the biggest problems we have here is when you move manpower from one assignment to another assignment in the middle of their shift, or things change throughout the course of a day from an accident or incident, the amount of hours they're working affects them when they tie up or close out at the end of their shift -- day -- to when they go back to work again. They need a mandatory hours of service rest. It's a Federal regulation; they're required certain amounts of rest. They cannot be contacted by the employer at all. They cannot contact their employer at all once they sign off and their rest period starts.

Chairman Burkert here -- Steve -- he may be able to elaborate on that a little more, on the passenger service side, how they deal with it in respite -- if you want him to comment on that.

MR. BURKERT: I'd like to comment

The reason the engineers do not have enough people on their roster is a direct result of the lack of funding for the last decade. It wasn't -- we had an entire class of engineers and an entire class of conductors complete the program. They're 20 months in. We couldn't keep them. Amtrak had Christmas in July the one day, when nine engineers graduated a class; they walked out, and New Jersey Transit had to furlough them. Amtrak took all of them. They were fully trained engineers.

Our conductors are in the same boat. I know it was said here today -- the conductors' shortage is not as bad as you think. It's as bad, if not worse. Unfortunately for us, it hasn't been as publicized. On a 10-car



train, I have 5 crewmembers. The engineers -- if you have one who doesn't show up, the train doesn't work.

You alluded to before, Assemblywoman Muñoz, that sometimes the tickets aren't collected. I may only have two people working that train or I may only have one person working that train, with the same 2,000 commuters on it. It's unsafe. We are working with the carrier, at this point, and the State Legislature and Governor Murphy, to give us money. The classes have increased. But it is a 15-to-18 month course. We have certification that we have to carry from the Federal government. We are just as qualified as engineers; and we actually have more responsibility for the engineers, because they work for us on the train. We're responsible for the engineers' actions.

It's very tough to sit here and just say, "We need people." The engineers -- you need 50; the conductors you need 250 or almost 300. My roster is much bigger, but we don't just do passenger service. I work nights in the yards; you have your big DOT projects that are going out. We supply the protection, from those contractors to the railroad. I need 60 conductor flagmen just for your new DOT projects; that's on top of the 250 that I need on the trains to properly staff them.

So the shortage is quite apparent; because when the engineer doesn't show up, the train doesn't run. But it's also more apparent from our side that I'm now running a 10-car with 2,000 or 2,500 people on it, with only 2 people. And it's severely understaffed, and it needs to be fixed.

MR. SABOL: One last thing, Mr. Chairman.

Atlantic City -- while we're not for the actual temporary closure of this Line, I-- Yesterday, in a big meeting with New Jersey Transit that we had, it's inevitable that this has to happen.

We have worked out, with New Jersey Transit, the 15 to 20 conductors that we have working the Atlantic City Line. We worked out with New Jersey Transit that they will be staffed at the bus stops and other locations. That familiar face of that train crew person to the regular commuter -- be able to assist them in weather related and all kinds of other incidents; or be able to assist the customers, the passengers with the bus service that's going to be provided. I think that's a key component; and also showing that this Line will be back up and running.

We look forward to working with New Jersey Transit, as long as they want to work with us; just like anyone else. You know, too many times Labor is given a bad name, and that's not the case; not the case here at all. Like I said, a lot of questions here in collective bargaining with people not showing up to work -- those aren't actually the cases. It's a specific case-to-case issue, per cancelation, of why that happened. And that could have caused an effect from two days prior. It needs to be really made clear here.

With that, Mr. Chairman, any questions, if you have them.

SENATOR DIEGNAN: Well, just a comment.

And I'm saying this as a pro-union guy. But it looks like folks are trying to scapegoat you.

I just did my own little survey last week; I called. On a particular day last week -- I think it was last Wednesday -- there were 17 engineers who were out. And let me explain to you the total of 17: four

were on personal leave; ten were on family leave; three were on unexcused leave. So you talk about the three. Of those three, two had worked what they call *doubles*, where they had actually worked, taken a few hours off, and they were just simply exhausted and didn't go to work the next day.

So it's easy to blame folks and demonize folks. But there are reasons behind this.

It comes back to the same thing we're saying over, and over, and again. There's one conclusion we reached today. We have to hire more workers; we have to get more engineers, we have to get more conductors. If 17 people were out and we had a full contingent of 500, it would make no big deal. But when you're down 30 folks already, or 40 or 50, it is making a big deal.

So what we have to do-- And whether it's funding, whether it's outreach, whether-- I know you told me that a lot of guys on freight would be interested in, maybe, moving over to passenger. And the union has to be part of this solution. And I know you, today, offered specifically a particular member who would be interested in working with the Department of Transportation.

We all have to work together to come up with a solution. Pointing fingers is not going to resolve anything. And I know you, being on the front lines, care more than anybody about-- And your members, to be assaulted, is absolutely unacceptable; and we just have to make this right. Let's work together to do it, and I know you want to.

ASSEMBLYMAN BENSON: I just want to add -- I want to thank you for testifying and your willingness, as always, to be a resource on solutions; as well as being an advocate for your members. Particularly

because they face such a -- sometimes a difficult, no-win, situation; let alone, as you heard, to hear that horrible situation of some of your employees being assaulted. And I'm happy that we're getting that message out that it's not their fault; they're doing what they can, and they're doing what they're allowed to do.

I know Assemblyman DePhillips just had a quick question.

ASSEMBLYMAN DePHILLIPS: So I was so disturbed to hear about these assaults. Can you give the Committee some information about the extent of these assaults? How many assaults are we talking about, and what has the response been from management? I assume they're aware of this; the question is, what have they done about it?

MR. BURKERT: Management is aware. It's not something that they can prepare for. Like I said, it's not just weekends; it's not the concert trains.

We have had -- say, in Hoboken, we had a situation where it was the one late-night train. And everybody who was coming back was in that 20- to 24-year-old range. They actually put police officers on the train with us.

That's not an issue. Our assaults are probably running one to two a week; some weeks are much higher. The assaults seem to take place very randomly, but a higher incidence maybe between Thanksgiving and the end of the year. Whether that has to do with an influence of alcohol, I'm not really sure. But I can tell you that lately -- and this is why we approached New Jersey Transit -- when you annul one, two, three trains in a row, and that next train pulls in, as soon as the doors open they're being

verbally assaulted. And we're going, "Wait, we're here to pick you up; we're here to work with you." And we have no choice in that matter.

The assaults are pretty severe, to be honest with you. The person or train crew who is assaulted -- New Jersey Transit does transport them to a hospital. The billing is all taken care of. There are some psychological exams that they're allowed to go through.

I have people, now, who say they just don't want to work here anymore. It's not worth their family to lose an eye, to lose a jaw.

The one kid was standing there; never even spoke to this person. He just cold-cocked him; busted his eye socket, knocked him out unconscious on the floor, for no reason whatsoever, only that he could.

ASSEMBLYMAN DePHILLIPS: What kind of security are you seeing on the trains to protect the conductors? I mean, I realize some of these incidents happen randomly, without warning. But what kind of protection do the conductors have on a regular basis?

MR. BURKERT: The Police Department -- New Jersey Transit Police Department, as all the rest of our departments, is stretched severely thin. If we are having a problem on a certain line, or a certain station, I can contact New Jersey Transit Police Department and they will put undercover officers on.

They will also, as much as they can -- they would prefer to ride our trains. They're just so short staffed; we just did have a new class came out. They're controlling many of the terminals -- Penn Station-Newark, Hoboken, New York -- when they can get in there. There are not enough police officers to actually ride our equipment to protect.

ASSEMBLYMAN DePHILLIPS: It just seems to me, Mr. Chairman, that one of the things the Committee needs to look at is increasing security where these incidents are occurring. And it's regrettable that management has left, and has not actually heard this testimony. But I certainly hope that you're getting good response from them, as these incidences occur, and that security would be increased.

Thanks.

MR. BURKERT: Yes, sir.

I can tell you for a fact that when it happens, even if it's late at night, I will have upper management texting me, "Hey, by the way, train X (indiscernible) just -- a conductor was assaulted. He's on his way to the hospital. We'll keep you informed as it goes." So right down from Executive Director Corbett texting me at night, saying, "This happened; this is how we're handling it."

ASSEMBLYMAN DePHILLIPS: Okay.

Thank you.

MR. BURKERT: Can I add in that, on your end of, has there been any progression on looking for engineers.

We're SMART International, right? We're the Division. I handle the conductors. They're constantly looking for my conductors to go into the engineer ranks, or management, which puts me in a position of -- I have even more vacancies. But we have a national publication; we have actually put out, in our national publication, through our office in Ohio, "New Jersey Transit is looking for engineers. Please come and work for us."

So we push that for anything New Jersey Transit is looking for. We have multiple openings: welders, coach cleaners -- whatever Transit is

looking for, we will absolutely post. The First Act -- that I know you're going to say it is going to be abolished, at least for New Jersey Transit -- please remember it's also the management positions. You have 400 managers. I would prefer to get a manager with 20 to 25 years experience to walk in here to say, from day one, we don't have to teach him the job; he already knows it. By the time someone has 25 years' experience, they're married, his wife or her husband already has a house set up, it's very tough to say, "I have to move 25 minutes from New York or from Pennsylvania to live in New Jersey to take this assignment." We've had a lot of people just say, "Absolutely not."

"I would love to work for New Jersey Transit." We were number one in the nation; we have awards for it. People were coming to us knocking on our door to work here. When the First Act went in, it really culled those applications, because people just don't want to uproot their family when they're 50, 55 years old, to move here.

ASSEMBLYMAN BENSON: No; that absolutely makes sense. And I think that's why we're going to expedite that change, and make sure that it covers what we need it to cover, in terms of these positions, where there's definitely a large number of vacancies.

MR. BURKERT: We did bring up, also, when the Atlantic City Line comes back -- this was the ask from the union. We would like to get in touch with the Convention Center and the casino workers. We would like the schedule to go back to what it was seven, eight years ago, when we were hauling 1.3 million people. I think if you adjust the schedule back so that the people who work in Atlantic City, or who go the other way into

Philadelphia, can actually have a good schedule that fits their work schedule, you would have more people riding the equipment to begin with.

ASSEMBLYMAN BENSON: That's a good point; thank you.

SENATOR DIEGNAN: Okay, I think our final group--

SENATOR WEINBERG: Just--

SENATOR DIEGNAN: Oh, I'm sorry.

SENATOR WEINBERG: Yes.

Thank you.

If you were advising New Jersey Transit, what would be your main suggestion to solve the understaffing, besides the residency requirement?

MR. BURKERT: Money is definitely a factor, to be quite honest with you.

SENATOR WEINBERG: I'm sorry?

MR. BURKERT: Money is definitely a factor.

If I'm-- And we've done this, right? We just went to a national convention. I have guys from Ohio, Indiana, as far west. They want to move east, right? The rail -- the freight side is kind of drying up a little bit. They would prefer to be home at night. So if they want to uproot their family, would I come to New Jersey Transit, or would I go to a railroad that's 20 minutes further to me that's making an extra \$10 an hour? The money is an issue; it's a big issue.

We did collectively bargain. We are-- And everybody knows what happened here a year ago; we signed a contract. It is what it is. But it had ramifications. The agency was starved for money for so long we ran into a deficit on people.



And the whole philosophy of better managers-- So you need to spend money on managers who know how to manage correctly, with experience; then it would also flow down into your unionized and non-agreement personnel. The non-agreement personnel in New Jersey Transit haven't had a raise in nine years. The only bonus they have had is they got their travel passes back, so they didn't have to pay to work -- to come to work on the trains.

So you need to up it; you really need to up it. And I think it would actually stop the flow of going somewhere else. This was, at one time, the greatest railroad in this nation. There's no reason it can't go back to being that way.

SENATOR WEINBERG: Well, that-- Thank you for that input. That's sort of where I expected the answer to be before I asked it, by the way.

But we heard the Transportation Commissioner say that they don't need any more money in order to solve some of these problems. I think I heard an offer here, from both the Assembly Speaker and the Senate President, that there could be some financial legislation passed if we hear back that it is actually needed in order to solve problems.

You know, I don't have to repeat all of them; everybody knows them, and everybody knows the huge amount of people-- You know, I wish everybody would understand about quality of life -- what this means, in terms of how you get home. And if you don't pick up your child from daycare by 6 p.m., you pay a great big fine for being 20 minutes late. So that eats into your standard of living. I mean, it's just -- it's constant.

I took the bus home the other day; you know, again, the long lines, stopping the escalator because the lines are going all the way down the escalator so they can't run the automatic stairs. You have to walk up them. It's the same old, same old. We have to solve these problems. We have a comparatively new Governor, a comparatively new Commissioner of Transportation, and an Executive Director of New Jersey Transit. I do not want to sit here a year from now with the same kind of hearing.

So come to us; tell us what you need, and let's get the problem solved and move into a new era of transparency on those problems.

Thank you for being here; thank you for your patience; thank you for your service.

I was once on an Amtrak train that broke down between stations. It was New Jersey Transit that sent the rescue train, by the way. (laughter) I thought it was from 1943--

MR. SABOL: It probably was. (laughter)

SENATOR WEINBERG: --when it arrived. But if there hadn't been the staff -- when you're not at a platform, trying to get off and on those trains-- Thank God they were there.

MR. BURKERT: It's part of our training.

SENATOR WEINBERG: I was coming back from Washington.

MR. BURKERT: Yes, it was part of our training. That's part of what we do -- that people think we just collect tickets. That's part of it; it's-- Safety is the first thing for us.

SENATOR WEINBERG: When I looked at that jump I had to make down to the track (laughter), it was like, you're kidding me.

MR. BURKERT: And as far as Commissioner Scaccetti, and Executive Director Corbett, and the Governor, I'm more than happy to take any money you have. But that's not really going to fix the root of the evil, is it? We need qualified people. And money is going to help it, but it is not the end-all to it. You need better qualified people to come here and stay here once we train them.

SENATOR DIEGNAN: Thank you.

MR. BURKERT: Thank you.

MR. SABOL: Thank you.

ASSEMBLYMAN BENSON: We have three more speakers; we invite them all up at the same time.

From the Tri-State Transportation Campaign, Executive Director Nick Sifuentes; Lackawanna Coalition Chair David Peter Alan; and Alan Voorhees Transportation Center Director Emeritus, Martin E. Robins.

And whoever sits first who would like to go first, can go first.

**DAVID PETER ALAN, Esq.:** If I may.

ASSEMBLYMAN BENSON: Go ahead.

MR. ALLAN: Thank you.

Good afternoon.

I am David Peter Alan. I live and practice law in South Orange, and I appear today as Chair of the Lackawanna Coalition, which began on the Morris and Essex Line and advocates for better service on New Jersey Transit on behalf of its riders, and that includes Mr. Corbett and their communities.

We have done so since 1979.

Our requests are simple: increased transparency and a genuine seat at the table, including Board membership, for genuine rider representatives, so we will have a say when decisions are made that concern our mobility.

I have been Transit-dependent and riding Transit for my entire life; and I can say that our Transit has never been less reliable.

For the first time, we never know whether or not a particular train will run because so many of them are annulled or canceled and without advance notice. For commuters, this means waiting for an overcrowded train to the office, getting there late, and risking the consequences.

For those of us who depend on Transit for all of our mobility, as I do, the damage is much worse. On weekends, these annulments have forced us to endure gaps of two, three, and even four hours, long enough to frustrate our plans for the entire day. This interferes with our lives to a degree that is absolutely intolerable.

The Murphy Administration, including incumbent management, has blamed the former Christie Administration for its anti-Transit policies; and we certainly agree. But they're not the sole cause of these difficulties, because the Murphy Administration has been in office for seven months now, and has continued or exacerbated many of the failed Christie policies in the areas of employee relations, capital projects management, rail service planning, and customer communications.

Even before Governor Murphy took office, his transition chief ordered the forced resignations of some New Jersey Transit managers and secretaries. That order was never rescinded. Employee morale plummeted.

Executive Director Corbett blamed the continued engineer shortage on engineers playing hooky, an assertion that certainly does not help New Jersey Transit to attract dedicated employees.

Congress first mandated PTC 10 years ago. Even with the strict deadline coming up at the end of this year, management has been too slow in installing the new system; and so slow that they are cutting service to make equipment available. That is why they are eliminating the Atlantic City Rail Line and cutting service on the Raritan Valley Line, after Labor Day, without public hearings, which we believe are mandated under N.J.S.A. section 27:25-8(d), which does not distinguish between temporary and permanent service eliminations.

Management missed a chance this summer to alleviate the situation. They could have consolidated peak-period trains when fewer people are riding because of vacations. They could have accommodated all the commuters with fewer trains, which would have freed up equipment for PTC conversion, and also would have meant fewer engineers were needed. But they didn't do that; so that missed opportunity will cost riders dearly this fall.

Management has also kept its customers -- and that's us -- in the dark until trains are almost due at the station, hours after they are actually annulled. This disrupts our lives, whether we commute or, especially, if we depend on Transit. We saw advance notice of a few annulments this week; I commend that. That's a step in the right direction, and we hope that improvement will continue. But this management has demonstrated a disrespect for its employees, for its riders, and for the law. Twice in the last few months they have added agendas in violation of the

Open Public Meetings Act, N.J.S.A. section 10:4-9(a) to the Board. We had no chance to comment.

At the Board meeting last Wednesday, my colleague, Joe Clift, asked the Board members how many of them had arrived on Transit that morning. Nobody raised their hand. I asked the same question 10 years ago, with the exact same result. We cannot expect people who do not ride Transit to make informed decisions about what we, the riders, have to go through.

Our under-performing Transit is not a partisan issue. We don't have red trains and blue trains. New Jersey Transit's problems are systemic, and the fault lies with both parties, including the current Administration and -- I'm going to say it -- you legislators. The New Jersey Transit Board has always been and remains a rubber stamp. They went for 12 years without a single dissenting vote. In 38 years, the Board only overruled management on two issues, once in 1995, and again in 1996.

Now if you believe that this is proper governance, frankly, I can't imagine what isn't.

We riders do not have a single seat on the Board. My own Assemblyman, John McKeon, asked me for language for a non-political appointment of rider-representatives, which I sent to him and other leaders of this Legislature. I'm still waiting for a response so we can have a dialogue about this.

ASSEMBLYMAN McKEON: You mean, beyond our meeting, right?

MR. ALAN: Excuse me?

ASSEMBLYMAN McKEON: Beyond our personal meeting?

MR. ALAN: Yes. I'm looking forward to speaking with you about that anytime. I'm here for you; and that's my promise.

Neither of the current bills, A-1241 or S-630, do anything to reform New Jersey Transit; they only add more political patronage to an already ineffective Board. They will do nothing to advance the cause for better Transit for the riders, so we oppose them as they are written now.

If you are willing to change those Bills and allow us to have genuine representatives -- including persons like me, who depend on Transit for all of our mobility -- it would be a huge step in the right direction. I understand that-- I have submitted my own credentials for your review in the exhibits I've given you.

I understand that there are two seats open now, and Governor Murphy has an opportunity to appoint two Transit-dependent rider-representatives now, if he so chooses. A Transit Board with no riders, and especially no Transit-dependent persons on it, makes as much sense as a highway board without a single motorist.

Now, we can't say much about specific solutions to New Jersey Transit's current woes, because we are not told enough to assist in making decisions about solving them. As Will Rogers said, many years ago, "I only know what I read in the papers." Well, we only know what the general public knows, so the amount of help we can be is limited. We're being *China watchers* here, in observing a very secretive, opaque agency and trying to get the best service we can for our constituents who -- while we are your constituents, some of you are our constituents as well.

Real assistance from us would require genuine seats at the table, and that includes the Board. And you are continuing to deny us with the

legislation as you now have it. And there's an old saying, "If you're not at the table, you're on the menu." And we Transit riders are sick and tired of being on the menu.

We really want to help you, but we can't do that until you begin to take us seriously.

ASSEMBLYMAN BENSON: Thank you so much.

MR. ALAN: Thank you.

ASSEMBLYMAN BENSON: Next up, we have Nick Sifuentes.

**NICHOLAS SIFUENTES:** Thank you for the opportunity to speak today.

I'm Nick Sifuentes, the Executive Director of Tri-State Transportation Campaign. As many of you know, we're a 25-year-old advocacy organization dedicated to improving Transit and reducing car reliance in the tri-state region.

I know you all are more accustomed to seeing Janna up here, but she wasn't able to make it today.

So as you all know, New Jersey Transit's mission is to "provide safe, reliable, convenient, and cost-effective Transit service, with a skilled team of employees, dedicated to our customers' needs and committed to excellence."

Ask a customer right now, and they'll tell you that NJ Transit is missing the mark. Trains are canceled, and riders end up waiting for trains they're told aren't coming only after they've arrived at the platform.

Now, as you all know, long-term challenges have brought us to this place.



Shortfalls in the number of engineers to ensure sufficient staffing means that when engineers call out, trains can't run; and the timetable for training new engineers -- as many of you have talked about today -- is 20 months. Meanwhile, years of underfunding during the Christie era -- including the capital-to-operating transfers of hundreds of millions of dollars -- have left the agency struggling to keep up with increased demand, including an aging fleet and senior staff shortfalls. And previous agency failures to meet Positive Train Control deadlines means that Executive Director Corbett and his staff are left sprinting to install PTC across the system.

Now, it is true that Executive Director Corbett and his staff are taking on a herculean task. But we would contend that they need the resources to both rapidly increase the pace of PTC installation, and to meet the needs of a growing ridership at the same time. After all, it's difficult to hire significantly high numbers of engineers and other staff without additional dedicated revenue for operations. New Jersey Transit's operating budget should not be subject to the annual budget process. That's no way to do long-term planning and, in fact, it inhibits it.

Now, Governor Murphy ran on a platform of fixing New Jersey Transit, and he's taken steps in the right direction, including increasing funding, appointing a new Executive Director, signing Executive Order 5 authorizing a full audit of NJ Transit, and, last week, promising better communication with riders dealing with the frustration and stress of cancellations. But there's more the Governor can do to improve New Jersey Transit for riders, right now, to both deal with the short-term crisis of train cancellations and the longer-term issues that plague the agency.

Governor Murphy could, for instance, call on the Legislature to increase operations funding for New Jersey Transit to support hiring additional engineers and management.

He could work with the Legislature to waive residency requirements for engineers to meet staffing needs, which we understand the Governor called for just this morning.

He could pass S-630; and, while S-630 moves through the Legislature, appoint members to the vacant spots on the Board. Current law establishes a Board comprising eight members -- seven voting, one nonvoting -- and there are, at this point, no more than six members on the Board. So we have two vacancies, and both of those vacancies are for voting members.

And then, lastly, we need to ensure that the audit is timely and not subject to delays. The speed of the audit is welcome, and not unprecedented. When MBTA did a similar audit, theirs was announced in February and completed in April of that year.

Now meanwhile, to deal with the short-term crisis, New Jersey Transit should examine increasing bus schedules, and work with the Port Authority to utilize PATH and ferries to help make up for gaps in service. And while the agency should not be canceling trains, if it must then it should adjust schedules so that canceled trains are those that were within a few minutes' headway of a replacement service.

And lastly, Governor Murphy is right. Schedule changes and cancelations must be communicated clearly with riders before they arrive at the platform.

And I'll close by saying that, in order to tackle the agency's long-term problems, we do need a strong Board to work with New Jersey Transit's Executive Director. In our recent report, *New Jersey Transit: An Agency in Need of Reform*, we argue that many of the agency's challenges require a strong Board of experts, riders, and diverse representation to ensure the agency meets the needs of riders. There is legislation that does exactly that. S-630 unanimously passed the Senate, but it has not come to the floor in the Assembly. We urge this body to pass S-630, and Governor Murphy to sign S-630, or comparable legislation, to reform the Board of New Jersey Transit, which is a necessary step toward the fundamental reform necessary for the agency he championed in his run for office.

Thank you.

ASSEMBLYMAN BENSON: Thank you so much.

Martin.

**MARTIN E. ROBINS, Esq.:** Yes, thank you.

Good afternoon.

I'm Martin Robins; I'm the Director Emeritus of the Alan M. Voorhees Transportation Center.

And I'm here as a person -- as a citizen to describe my reaction to what I heard today, sitting through about four hours of a hearing.

I think that I want you to know that I was very much a part of the team that created New Jersey Transit in 1979. And I've had-- And I worked there for a number of years after that happened, and had an enormous amount of pride in the organization as it developed in the 1970s, and 1980s, and 1990s.

And it has grieved me tremendously to see it falling apart. But it has fallen apart; and I think that the reason it has fallen apart is that it is a complex organization, and it has not gotten the attention, in terms of leadership and funding, from the Executive Branch of government in New Jersey, particularly during the previous Administration. And also the Legislature has not really kept track of what was going on; because what was going on was very, very serious in this past decade.

We are at an unfortunate moment right now, because the Murphy Administration set out to have an audit. And the thing that makes it so unfortunate is that that audit is not before you. We had the benefit of the Commissioner and the Executive Director giving you a flavor of what we might hear in that audit. It's a scary story; and it's -- what it reveals is that the human resources function, the procurement function, and numbers of other functions in New Jersey Transit went to seed during the period of the last decade. And an organization as complex as New Jersey Transit is not going to function well if those -- that and other unnamed, at this point, failure points are not corrected.

So we're operating -- all of us are operating somewhere in the blind here today. But thanks to the honest testimony -- effective testimony of the Commissioner, particularly, you're able to get a sense of what to expect when that audit comes out.

These last several months have been a perfect storm of everything that could possibly go wrong in managing an -- coming in and managing an organization. I really feel for Kevin Corbett; but this is the challenge that he's facing. And I think he's dealing with it, day by day, and he's making progress. He's dealing with the residency requirement. Most

importantly, he's dealing with the Positive Train Control, which is a major undertaking that had a seven-year lead-up time; and hardly anything had been accomplished. New Jersey was lagging every other Transit organization in the Northeast in the implementation of Positive Train Control. And so he has to take extraordinary steps.

We've talked a lot about those; we've heard a lot of testimony about those steps today. And I think he's onto the -- he has the thing organized now so that he may be able to bring it home so that we avoid a tremendous fine from the FTA, and even worse penalties.

But the thing that I think that's underneath the real unhappiness here today is the fact that, somehow, the idea of hiring a sufficient number of engineers and holding a sufficient number of engineers, escaped the people who were running New Jersey Transit. Or, to tell you the truth, honestly, it was probably the Governor's Office, at that time, that was vetoing -- as Kevin gave you a hint -- vetoing recommendations from staff at New Jersey Transit. There were many good people at New Jersey Transit who were begging for things to be done. And the way I hear it, they were constantly being blocked by the Executive Office. That is the pathway that took us to where we are today.

I was very encouraged, in addition, to hear that Commissioner Scaccetti is going to seek stable and adequate funding for New Jersey Transit. The operating budget of New Jersey Transit was left in tatters during the last eight years. At one point, 90 percent of the General Fund commitment to public transit operations was reduced, and we've been suffering from that ever since. And it really needs a thorough review, and understanding, and a partnership with the Legislature to try to do

something about that particular issue. Because if you don't stop that issue, we will come back in not even a year; we'll be back here in two or three years with another calamity.

So with all-- I don't want to keep you here any longer; I probably could go on for hours, detailing the things that I heard and observed in the last several years that are very disturbing. But I think it's great that you had the hearing; you heard what's going on. The staff at New Jersey Transit and the Commissioner are fully aware of what they need to do, and I think we will see, with the audit coming out, added -- a light being shed on what the problems are and how to solve them.

Thank you very much.

ASSEMBLYMAN BENSON: Marty, thank you. We always appreciate your comments and your guidance as we, kind of, move forward.

I want to thank each of you three -- David as well -- for always speaking for those who are Transit-dependent; and Nick, again, thank you for submitting your written testimony as well.

I just want to say, in closing -- and you guys can, but I don't have any questions. I just want to say, in closing, as a member of the Budget Committee, as well as Chair of Transportation, not only our oversight function, but our input during budgetary times is going to be extremely important; that we continue to make sure, not only as these changes are made, but that we're keeping our commitment to fund these changes so that the staffing never gets in the situation we're seeing. It's not enough just to give money to an agency; it's to make sure that it's spent where it needs to be so that we don't get to these conditions ever again.

I want to thank my Senate Chairman, and all the members who stuck through the four hours. My apologies to anyone who couldn't speak. If there are questions that were not asked, and you would like them to be asked, please submit them to our staff here.

To those in the audience who may not have been able to testify who would have liked to, your written testimony is accepted, and we would love to add that to our official record.

And with that, again, I thank everyone; and turn it over to the Senate Chairman.

SENATOR DIEGNAN: I just, real quickly, want to say of all the folks who testified today, you guys are on the front line. Marty, you know this better than anybody; I see you on NJTV all the time.

Keep in touch with us. Don't presume we know what you know. I always say that to folks when I meet them out on the stump. Don't think I know what's going on. So if you see something-- And obviously, your input concerning inclusion is right on point. I know Senator Weinberg -- that's one of her biggest causes.

But please, keep us in the loop. Let us know what's going on. Don't hesitate to reach out to us.

But thank you for hanging in there. It's been a long day.

Thanks everybody; I really appreciate it.

And I especially thank those people who didn't ask questions.

(laughter)

Meeting adjourned.

**(MEETING CONCLUDED)**