

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

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

August 15, 2017

Dear Governor Christie:

Pursuant to Chapter 150, Laws of 1979, I herein transmit the minutes of actions taken at the open session of the regularly scheduled meetings of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc., Board of Directors held on Wednesday, August 9, 2017.

Sincerely,

Original Signed By

Joyce J. Zuczek
Board Secretary

Enclosures

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

Minutes of the actions taken at the Open Session of the regularly scheduled Board of Directors' meetings of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. held at NJ TRANSIT Headquarters, One Penn Plaza East, Newark, New Jersey on Wednesday, August 9, 2017.

Board Members Present

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

Staff Present

Steven H. Santoro, Executive Director
Amy B. Herbold, Deputy Executive Director
Michael P. Kilcoyne, Vice President & General Manager, Bus Operations
Robert Lavell, Vice President & General Manager, Rail Operations
Neal A. Fitzsimmons, Acting Chief, Light Rail & Contract Services
Christopher Trucillo, Chief of Police
Warren A. Hersh, Auditor General
Jaibala Patel, Acting Chief Financial Officer & Treasurer
Michael K. Slack, Chief Information Officer
Penelope L. Bassett, Assistant Executive Director, Communications & Customer Service
Eric R. Daleo, Assistant Executive Director, Capital Planning & Programs
Gardner C. Tabon, Chief, Office of System Safety
Joseph E. Snow, Deputy Attorney General
Joyce J. Zuczek, Board Secretary

Chairman Hammer convened the Open Session at 9:12 a.m. in accordance with the Open Public Meetings Act. Janki Pandya, Office of System Safety, provided a Public Safety Announcement. The Pledge of Allegiance to the Flag was conducted. Board Secretary Zuczek conducted a Roll Call and noted Board Member Greaves was participating by telephone.

Board Secretary Zuczek announced that adequate notice of the regularly scheduled meetings of the Board of Directors of the New Jersey Transit Corporation, NJ TRANSIT Rail Operations Inc., NJ TRANSIT Bus Operations, Inc. NJ TRANSIT Mercer, Inc. and NJ TRANSIT Morris, Inc. was provided in accordance with the Open Public Meetings Act, Chapter 231, P.L 1975, and the meetings were occurring concurrently. Notices were filed on August 2, 2017 with the Secretary of State. These notices were mailed to newspapers of general distribution, posted in the main entrance of NJ TRANSIT

headquarters, and sent to each individual, agency and organization that requested such notice. Board Secretary Zuczek announced that the Board meetings were being video recorded.

Chairman Hammer asked for a motion to approve the minutes of the July 12, 2017 Board meetings. A motion was made by Board Member Flora M. Castillo, seconded by Board Member John Spinello and unanimously adopted.

Public Comments on Agenda Action Items

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

Sally Gellert, a resident of Wood Cliff Lake and the Legislative Director of the Lackawanna Coalition, gave remarks on behalf of the Coalition. Ms. Gellert stated the Lackawanna Coalition supports the restoration of services to Scranton and has supported it for many years.

Ms. Gellert stated they understand the financial advantages of an advertising contract, but some riders think limits on advertising are needed. Ms. Gellert stated when advertising material covers some or all of the bus and train windows, riders with sight impairments have difficulty seeing out the window. Riders can also get off at the wrong stop if their vision is obstructed. She said this concern has been mentioned before and nothing has been done. In addition, Ms. Gellert said turning transit vehicles into rolling billboards makes people see this as visual pollution.

Ms. Gellert said plastering the interior of Secaucus Junction with vast advertising makes the transfer experience less pleasant, as one must walk through a collection of indoor billboards. They believe this extreme level of advertising places NJ TRANSIT in a negative light among the public, especially at a time when public support is needed. Ms. Gellert said they are not asking for a total ban on advertisement, they just want to ensure that the sight impaired view is not obstructed and that reasonable advertising does not continue to expand to visual pollution.

Ms. Gellert stated in reference to the Elizabeth Garage, they are in favor of all rail stations being accessible, particularly in urban areas. She said with the 10-year lease extension that remains on this garage the Coalition welcomes the municipality to reduce its cost through better financing.

Ms. Gellert spoke against non-agenda public comments occurring after executive session. She said this makes it difficult for public speakers to comment on items of public concern. Ms. Gellert stated that people take time off from work to come to these meetings and they have the right to exercise their first amendment rights under the constitution and they are not given enough time to do so at these meetings.

Ms. Gellert said they are also concerned with cancellations on the Morris & Essex lines. She said these are all items that need to be discussed, but they have to wait hours before this can be done which is a hardship for volunteers who have taken off from work. Ms. Gellert said if members of the public are prevented from commenting it can also deprive the decision makers of NJ TRANSIT from getting valuable information riders wish to communicate. She said these in-person meetings are pertinent because reporters are present and it gives them a chance to make important connections. Ms. Gellert said she would invite all to read Bob Henley's article, "Keep People in Transit".

Gary Kazin, a member of the Lackawanna Coalition, spoke on the Proof of Payment agenda item. Mr. Kazin said he was not aware this item was going to be on the agenda. He said they corrected a grammatical error and the correction should have been highlighted. He said the proposal to change the existing rules was amended sometime in February with a (60) day comment period. Mr. Kazin said this item was published in the New Jersey Register with reference to expiring regulations and a grammatical correction, satisfying NJ TRANSIT's legal obligation to give notice. He said for everyday riders and voluntary advocacy groups these regulations are very easy to miss.

Mr. Kazin said the notice refers to the NJ TRANSIT Web Library, but there was no link to go directly to the Web Library when he went to the NJ TRANSIT website. He said the website was not easy to navigate and there should have been a direct link to the agenda. Mr. Kazin said it is a transparency issue and they should make it easier for people to find what they need.

Mr. Kazin said regarding Proof of Payment fare collection, a possible option would be to program the vending machines to print "ride now", which prints tickets that are immediately valid to ride. Mr. Kazin saw long lines at Newark Penn Station which he feels could have been avoided had onboard ticket validators been available. Mr. Kazin said in many places, other than NJ TRANSIT, ticket validating machines are in the vehicles so riders can validate their tickets after boarding. Mr. Kazin said they must have more transparency and less secrecy in order to work together to improve the riders' experience.

Mr. Kazin extended his thanks to NJ TRANSIT, Amtrak and the Long Island Railroad on the way they have handled the new summer schedule changes with few incidents. He said riders have been adversely impacted by the changes on the Morris & Essex Lines especially with the short notice cancellations. He said riders are looking forward to September and the resumption of normal services. Mr. Kazin said some riders have been satisfied with the alternative routes. He said the 39th Street Ferry should continue after the resumption of normal services.

Tim Sevenser said he is a resident of the transit village of Mount Tabor, and member of the New Jersey Association of Railroad Passengers, Lackawanna Coalition, and the National Association of Railroad Passengers. He said his comments were his opinions, not the Coalitions. Mr. Sevenser stated he is glad to see progress restoring the Lackawanna Cut-Off and said it is long overdue. He hopes progress to finish Scranton is much faster,

and they open up the Poconos to green transit access. Mr. Sevener discussed cars crowding around I-80 and said he can see back-ups for miles every time he has driven across the Delaware Water Gap.

Mr. Sevener said beyond reconnecting New Jersey and the Poconos and restoring main street access to New Jersey's Western towns, the Lackawanna Cut-Off could also be part of restoring long distance rail service beyond Scranton and Buffalo. He said they will not be able to enjoy cheap gas forever. Mr. Sevener said rails can be electric and in a few years the Dutch will be powering their expensive rail services with 100 percent renewable energy. He believes they need electric rail, not electric cars, for their transportation problems. Mr. Sevener said if New Jersey and the United States do not move forward with "green transit" powered by sun, wind, and renewable sources they will fall far behind the rest of the world in transportation.

Mr. Sevener thinks NJ TRANSIT should not put advertising on mobile phones or information boards.

Mr. Sevener said he would like to commend NJ TRANSIT on the summer schedule changes. However, he thinks the Hoboken service needs to be restored as soon as possible.

Orrin Getz, Vice Chairman of the Metro North Rail Commuter Council, distributed a handout that Metro North provides at their committee meetings that shows all fleet equipment and mean distance between failures. Mr. Getz said the Board should see this sheet and said NJ TRANSIT should provide this in the Executive Director's Report at all meetings. Mr. Getz stated this report is very important and can provide pertinent information on how the railroad is performing and what can be done to improve the reliability of equipment. Mr. Getz said there is no reason why NJ TRANSIT should not provide this type of information.

Mr. Getz also had concerns about too many trains being cancelled on the Pascack Valley Lines and said this is intolerable. He said they were told the reasoning behind this was due to mechanical problems, and on another occasion he was told it was due to a shortage in staff. He believes the status on these types of issues should be reflected in the Executive Director's Report.

Mr. Getz said the Suffern Station should be made accessible for people with disabilities. He said the Suffern Station must be reconstructed. NJ TRANSIT owns this station and needs to work with Metro-North on this project. Mr. Getz said that NJ TRANSIT can design this station, but NJ TRANSIT and Metro-North both need to get this project done as soon as possible.

Joseph Clift distributed a handout and commented on item 1708-37 Exercise of One-Year Advertising Revenue Contract Extension. Mr. Clift stated that there was no explanation of the contract name change from Titan to Intersection. He also stated there

were no 2012 Board authorizations for the one-year contract extension option. Mr. Clift said there were no actual revenues provided to justify the extension and believes they need to show the performance. He believes the 3.0 percent increase in the minimum annual guarantee and 0.5 percent in revenue share is insufficient to justify the extension. Mr. Clift said this was a poor deal and he does not know why this was not put out to bid.

Mr. Clift commented on item 1708-33 NJ TRANSIT Resilience Program. He said NJ TRANSIT is being asked to approve \$650,000 which will put the Jacobs Engineering contract up to \$10 million and the original approval for this in 2012 was a maximum of \$500,000 per task and a total of \$3.5 million. Mr. Clift said NJ TRANSIT is not bidding out work as they should, and this is a problem that has been mentioned before.

Mr. Clift commented on item 1708-35 Elizabeth Station Ground Lease Extension with the City of Elizabeth. He believes they are going to reissue the bonds at a lower interest rate and are doubling the length of the current lease from 10-years to 20-years. He does not know why NJ TRANSIT is supporting this and doubling the length of payout without getting something for the extension.

Mr. Clift commented on item 1708-39 Settlement of Pending Condemnation Matter as he referred to it as the Franco Property. He said originally NJ TRANSIT offered Mrs. Franco less than \$1 million dollars for this property that was claimed as market value and it was turned down. Mr. Clift said at a jury trial Mrs. Franco was awarded \$8 million which NJ TRANSIT questioned. He said a lot of legal and appraisal fees have been spent on this issue.

Lastly, Mr. Clift commented on the Amtrak Summer Schedule changes and said that things were going well and there were no major problems. He said the Long Island Railroad has only diverted peak period trains into New York but NJ TRANSIT chose to divert all the trains into Hoboken except for the first four going in before 7:00 a.m. Mr. Clift said this is a hardship to riders.

Advisory Committee Report

Suzanne Mack said she did not have an Advisory Committee Report because there was no meeting this month. She noted that the Tunnel Hearings were over. Ms. Mack provided an update on what the Advisory Committee has been doing. She noted with the shortage of staff, due to the support with the Amtrak Summer Work Schedule, they did not do site visits over the summer, but she was happy to report that they have been working with the Lackawanna Coalition.

Ms. Mack said the North and South Jersey Advisory Committees thanked all of the employees and the Board for their outstanding support. She said no one wanted the problems NJ TRANSIT has been dealing with, but they are doing their best to deal with them. Ms. Mack said the outpouring of support going into New York and Hoboken, which she is very connected to, has been great.

Ms. Mack said that she is working with Board Member Finkle on marketing programs. She said marketing has not been going on for several years because it is lesser priority, but she is glad that it has risen to the Board agenda and it is good news. Ms. Mack said even when NJ TRANSIT is in a crisis, day-to-day operations must continue and she commends management for functioning at their best.

Board Customer Service Committee Report

Board Member Castillo presented the report for the Customer Service Committee. The Customer Service Committee received a Customer Service update and report on the Social Media Dashboard. The Committee also received an update from the Office of System Safety regarding the 2017 Safety Month activities.

Board Administration Committee Report

Board Member Finkle presented the report for the Administration Committee. The Administration Committee discussed the board items for the: Proof of Payment Regulation Adoption; and Exercise of One Year Advertising Revenue Contract Extension. The Committee also received a Financial Update, which included an analysis of ridership trends.

Board Capital Planning, Policy, and Privatization Committee Report

Chairman Hammer presented the report for the Capital Planning, Policy, and Privatization Committee. The Capital Planning, Policy and Privatization Committee discussed the board items for the: Resilience Program Meadows Maintenance Complex/Rail Operations Center Building Flood Control; Lackawanna Cutoff Passenger Restoration Project Design Services; and Elizabeth Station Ground Lease Extension.

Executive Director's Monthly Report

Executive Director Santoro said NJ TRANSIT was in the fifth week of the summer service changes implemented to accommodate Amtrak's track work at Penn Station New York. NJ TRANSIT operations continue to proceed as intended with customers acclimating to their travel patterns. Executive Director Santoro introduced Charles Ingoglia to provide more details regarding how this effort has been going.

Charles Ingoglia highlighted some of the achievements of NJ TRANSIT's communications campaign and discussed where it was taking them as the second half of the outage campaign takes effect. NJ TRANSIT has taken a number of important steps to prepare for outage communications and each was driven by a simple principle: what will help the customer most? For example, they have used Facebook, Twitter, Instagram, YouTube, lap tops, and smart phones to get the word out. They left little to chance when it came to staying connected with NJ TRANSIT's customers.

Some of these ideas came directly from customers via listening sessions held at terminals and stations. They told NJ TRANSIT what works best and how to reach them and NJ TRANSIT heard it loud and clear.

Many of these initiatives were rolled out well in advance of the start of Amtrak's repair work. Mr. Ingoglia said now, in the fifth week of the campaign, they can see the effectiveness of their communications. While the finish line is in sight, they are not slowing their pace.

They can see their communications put into practice as each day more than 10,000 people get off trains in Hoboken Terminal and quickly transfer to PATH, Ferries or buses to finish their commute.

To date, NJ TRANSIT has seen hundreds of thousands of people go to their Update site for information and schedules. Every day they get real time reactions and even photos and videos of what is happening on their trains and buses. If the air conditioning is not cool enough in a rail car or a bus line moved too slow, NJ TRANSIT heard and saw it in minutes.

Mr. Ingoglia said that customer input, tweets and pictures, have been an endless source of information for NJ TRANSIT and have guided some of the adjustments they have made to the plan. Every adjustment came from a careful assessment of how best to use an asset and if it can be redeployed elsewhere.

Those redeployments or repurposing of equipment enabled NJ TRANSIT to enhance existing bus service from South Orange; Operate a new bus service from Summit and Maplewood; and, even run a similar service from Morristown and Madison. These were initiatives customers suggested and NJ TRANSIT did their best to accommodate them.

Mr. Ingoglia said not every modification to the plan was a service enhancement. Many were on the ground improvements that included staff or technology. NJ TRANSIT's Customer Service representatives, the men and women in the yellow vests who got up early or stayed late to help customers find a train or a bus, were all volunteers. Each day, NJ TRANSIT monitored how their assignments were going and could they be better used at another location. When necessary, NJ TRANSIT reassigned them.

NJ TRANSIT even repositioned signage to better direct customers and manage foot traffic. Perhaps one of the more helpful enhancements was the Next Train signage at Hoboken Terminal. This pilot program has taken the complicated and sometimes confusing train dispatch signs and reduced them to their simplest and most useful form.

Mr. Ingoglia said NJ TRANSIT's customers service representatives said the most often asked question was "what's the next train to my station." That usually resulted in finding the requested station by line and then cross referencing it in a rail schedule. He said that

is not too hard if you have the time and patience but, those are two virtues in short supply when trying to get home.

The "Next Train" fixes that. Customers just look for their station, then find the time the next train going there departs and from which platform, and then go. Customers told NJ TRANSIT that is what they wanted and, that is what they got.

Mr. Ingoglia said they have moved into the second half of the communications campaign and their focus has shifted. Just as NJ TRANSIT's summer services plan had to have a measure of flexibility to be effective, so must their communications plan. Their first focus has been on self-assessment. How have they been doing and have they been meeting customer expectations. Next, they need to prepare customers for the return of regular service.

Every day NJ TRANSIT's executive management team participates in a conference call hosted by their Emergency Operations Center, during which metrics on almost every aspect of performance are discussed. For example, they know not just how many people rode on last night's trains and buses; they also know how many Customer Service volunteers arrived at their posts. They even review what has been said on Twitter and Facebook to see if it can help inform some of their decisions.

Mr. Ingoglia said at the top of NJ TRANSIT's list are service changes, especially those caused by train annulments. Trains can be annulled for any number of reasons. It can be due to staffing; mechanically out of service; a tree falling on the right of way; or, even a police activity on or adjacent to the tracks. He said the reason why is little to comfort the customer whose train is not coming.

Mr. Ingoglia said looking at the actual numbers, NJ TRANSIT can see the real frequency of service changes due to annulments. Between the start of their summer services plan and start of this week, NJ TRANSIT operated more than 17,000 trains. Of that number less than 300 were annulled. In total, only 1.55 percent of all trains operating during the outage period have been annulled. He said they know that if it was your train that has been annulled, the percentage is 100 percent and that is why NJ TRANSIT continues to work on reducing that number.

Just as NJ TRANSIT works on keeping their operations as efficient as possible, they also focus on helping customers transition back to the travel pattern they were so effectively moved away from. On September 5, 2017, NJ TRANSIT bus, rail and light rail operations return to their regular weekday schedules and so will most of their customers.

NJ TRANSIT knows, mostly from social media, that for some a new commuting pattern may take effect. For many, taking a ferry, a bus or PATH into Manhattan was a first-time experience. Now these customers are multi-modal experts, and they know that there several options available should their regular service be disrupted.

NJ TRANSIT knows their work is not done. Even though they are at the halfway point, they still treat every day as Day One. That is why they measure their effectiveness each day, reassess what they are doing, and review every comment that comes in through social media.

The advice NJ TRANSIT gave their customers at the outset is still valid: Stay informed via social media and especially the Update at NJTRANSIT.com; Stay ahead, by checking for service disruptions or schedule changes through NJ TRANSIT's alerts app; and, stay cool. They have gotten this far together and the end is in sight. Their patience and understanding have been the most valuable asset.

Executive Director Santoro thanked Mr. Ingoglia for his remarks.

Executive Director Santoro noted on Friday, July 28, 2017, a garbage container truck struck an overhead railroad bridge on the Atlantic City Rail Line over River Road in Pennsauken causing significant damage. Initial estimates were that the bridge might be out of service for two weeks. However, thanks to the hard work of NJ TRANSIT's employees and outside contractors, they were able to make those repairs in less than a week and return to full service on Thursday, August 3, 2017. Executive Director Santoro thanked all of the customers for their patience and understanding that they must keep safety as the top priority before reopening any damaged infrastructure.

Executive Director Santoro said the Portal Bridge North project has advanced another step. Last Wednesday, August 2, 2017, the Federal Transit Administration issued a Record of Decision that formally adopts the Environmental Impact Statement. Replacing the century-old swing bridge over the Hackensack River with a new high-level fixed bridge will eliminate a major cause of delays and frustration customers have experienced. NJ TRANSIT continues to work with partners at Amtrak and the Port Authority in advancing this key component of the Northeast Corridor.

Executive Director Santoro said they are also in the midst of the public comment period for the Draft Environmental Impact Statement for the Hudson Tunnel Project. On August 10, 2017, the final public hearing in the series will be held at Union City High School with two sessions. The first hearing is from 3:00 p.m. to 5:00 p.m. and the second hearing is from 6:00 p.m. until 8:00 p.m. Two other similar hearings have been held in New York and Secaucus giving members of the public a chance to comment on the project's environmental impacts.

Written comments will also be accepted through August 21, 2017. NJ TRANSIT encourages all members of the public and stakeholders to review the document and provide their input. All of the information, including the Draft Environmental Impact Statement and instructions on how to submit comments, is available online at HudsonTunnelProject.com.

Action Items**1708-33: NJ TRANSIT RESILIENCE PROGRAM: MEADOWS MAINTENANCE COMPLEX (MMC)/RAIL OPERATIONS CENTER (ROC) BUILDING FLOOD CONTROL: CONSTRUCTION CONTRACT AWARD AND AMENDMENT TO 2012 TASK ORDER CONSULTANT CONTRACTS PROGRAM FOR CONSTRUCTION ASSISTANCE**

Executive Director Santoro introduced Eric Daleo, Assistant Executive Director, Capital Planning and Programs, who presented Action Item #1708-33 for approval.

Eric Daleo recommended approval of Item #1708-33: NJ TRANSIT Resilience Program: Meadows Maintenance Complex (MMC/Rail Operations Center (ROC) Building Flood Control: Construction Contract Award and Amendment to 2012 Task Order Consultant Contracts Program for Construction Assistance. Approval was requested to take any and all actions to negotiate and execute a contract with DMR Construction Services for a Construction Contract Award in an amount not to exceed \$18,340,280, plus five percent for contingencies, subject to the availability of funds.

Approval was also requested to increase the total authorization amount for the 2012 Capital Planning and Programs Task Order Consultant Contracts Program with Jacobs Engineering, Inc. (NJ TRANSIT Contract No. 13-006B) by \$650,080 for Construction Assistance services and other related services to support the MMC/ROC Building Flood Control Project and coordination with other MMC area projects for a maximum authorization amount of \$9,550,080 for this contract (NJ TRANSIT Resilience Program) and a maximum authorization amount of \$117,401,206 for the 2012 Task Order Consultant Contracts Program (NJ TRANSIT Resilience Program), subject to the availability of funds. The maximum task order and contract limits for these contracts previously approved for the 2012 Task Order Consultant Contracts Program will not apply to tasks related to the NJ TRANSIT Resilience Program.

Board Member John Spinello moved the resolution and Board Member James C. Finkle Jr. seconded it. The resolution was adopted with Board Member Castillo voting against it.

Roll Call Vote:

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

**1708-34: LACKAWANNA CUT-OFF PASSENGER RESTORATION PROJECT
MINIMAL OPERABLE SEGMENT (MOS) PORT MORRIS TO
ANDOVER: AMENDMENT OF CONTRACT TO ADD DESIGN
SERVICES**

Executive Director Santoro introduced Eric Daleo, Assistant Executive Director, Capital Planning and Programs, who presented Action Item #1708-34 for approval.

Eric Daleo recommended approval of Item #1708-34, Lackawanna Cut-Off Passenger Restoration Project Minimal Operable Segment (MOS) Port Morris to Andover: Amendment of Contract to Add Design Services. Approval was requested to amend the professional services contract with Jacobs Engineering Group, Inc. to provide design services for the Lackawanna Cut-Off Minimal Operable Segment (MOS) from Port Morris to Andover, New Jersey, at a cost not to exceed \$800,000, plus five percent for contingencies, for a total contract authorization of \$6,627,798 subject to the availability of funds.

Board Member James C. Finkle Jr. moved the resolution, Board Member John Spinello seconded it, and it was unanimously adopted.

Roll Call Vote:

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

**1708-35: ELIZABETH STATION: GROUND LEASE EXTENSION WITH THE CITY
OF ELIZABETH**

Executive Director Santoro introduced Jaibala Patel, Acting Chief Financial Officer and Treasurer, who presented Action Item #1708-35 for approval.

Jaibala Patel recommended approval of Item #1708-35, Elizabeth Station: Ground Lease Extension with The City of Elizabeth. Approval was requested to take any and all actions necessary to extend the term of the existing lease Agreement with the City; an additional ten years for the City to continue to use, operate and maintain the Elizabeth Midtown Parking Deck.

Board Member Flora M. Castillo moved the resolution, Board Member James C. Finkle Jr. seconded it, and it was unanimously adopted.

Roll Call Vote:

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

1708-36: REGULATIONS: ADOPTION OF NEW RULES: N.J.A.C. 16:87 PROOF OF PAYMENT

Executive Director Santoro introduced Christopher Trucillo, Chief of Police, who presented Action Item #1708-36 for approval.

Christopher Trucillo recommended approval of Item #1708-36, Regulations: Adoption of New Rules: N.J.A.C. 16:87 Proof of Payment. Approval was requested to take all actions necessary to adopt the regulations, N.J.A.C. 16:87 et seq., Proof of Payment, consistent with this Board item and Exhibit A.

Board Member Flora M. Castillo moved the resolution, Board Member James C. Finkle Jr. seconded it, and it was unanimously adopted.

Roll Call Vote:

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

1708-37: EXERCISE OF ONE-YEAR ADVERTISING REVENUE CONTRACT EXTENSION

Executive Director Santoro introduced Jaibala Patel, Acting Chief Financial Officer and Treasurer, who presented Action Item #1708-37 for approval.

Jaibala Patel recommended approval of Item #1708-37, Exercise of One-Year Advertising Revenue Contract Extension. Approval was requested to exercise an option to extend for one year NJ TRANSIT's advertising revenue contract with Intersection in consideration of Intersection's (a) payment to NJ TRANSIT of the minimum annual guarantee of not less than \$12,300,000 for the extension period, and (b) payment to NJ TRANSIT of 63 percent of net revenue above the minimum annual guarantee of not less than \$12,300,000.

This is an increase from the \$11,915,000 minimum annual guarantee and 62.5 percent revenue share that NJ TRANSIT received for the 2016-2017 contract year. In addition, Intersection will continue to market long-term sponsorship opportunities and install digital advertising at NJ TRANSIT stations.

Board Member Flora M. Castillo moved the resolution, Board Member James C. Finkle Jr. seconded it, and it was unanimously adopted.

Roll Call Vote:

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

Executive Session Authorization

At approximately 9:55 a.m., Chairman Hammer requested a motion to enter Executive Session to discuss personnel matters, contract negotiations, the status of pending and anticipated litigation and matters falling within the attorney-client privilege, including but not limited to, the Settlement of Pending Condemnation Matter – New Jersey Transit Corporation v. Mary Franco, Carol Franco and M&C Franco & Co. and the Personal Injury Claim of Antonio Almeida.

Board Member James C. Finkle Jr. moved the resolution, Board Member John Spinello seconded it, and it was unanimously adopted.

Board Secretary Zuczek conducted a Roll Call as Board Members returned to Open Session. All Board Members, except Board Member Greaves, returned to open session at approximately 11:48 a.m.

1708-38: SETTLEMENT OF PENDING CONDEMNATION MATTER – NEW JERSEY TRANSIT CORPORATION v. MARY FRANCO, CAROL FRANCO AND M&C FRANCO & CO.

Executive Director Santoro introduced Eric Daleo, Assistant Executive Director, Capital Planning and Programs, who presented Action Item #1708-38 for approval.

Eric Daleo recommended approval of Item #1708-38, Settlement of Pending Condemnation Matter – New Jersey Transit Corporation v. Mary Franco, Carol Franco and M&C Franco & Co. Approval was requested to take all necessary steps to agree to the form of and to cause entry of a final consent judgment in the NJ TRANSIT v. Mary Franco, Carol Franco and M&C Franco Co. condemnation matter, in amount discussed in executive session, and to take other actions consistent with settlement, as discussed in executive session. The Attorney General has approved the proposed settlement, subject to the availability of funds.

Board Member Flora M. Castillo moved the resolution, Board Member James C. Finkle Jr. seconded it, and it was unanimously adopted.

Roll Call Vote:

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

1708-39: PERSONAL INJURY CLAIM OF ANTONIO ALMEIDA

Executive Director Santoro introduced Jaibala Patel, Acting Chief Financial Officer and Treasurer, who presented Action Item #1708-39 for approval.

Jaibala Patel recommended approval of Item #1708-39, Personal Injury Claim of Antonio Almeida. Approval was requested to settle the claim of Antonio Almeida through his attorney, at an amount discussed in executive session. The Attorney General has approved the proposed settlement, subject to the availability of funds.

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

Roll Call Vote:

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

Public Comments on Other Matters

There were 16 speakers on other matters.

Tony Perry, Chief of Staff for Senator Joe Kyrillos, is also a resident of Middletown, which would be greatly affected by the monster power lines proposed by JCP&L. He has testified before NJ TRANSIT's Board in the past regarding the 10-mile long 230kv transmission line which would span from Aberdeen to Red Bank. Mr. Perry noted there would be 200 monopoles with the average height of 140 feet, which is apart from the several 200 foot monopoles that will cross the Navasink River. While they await a decision by the Board of Public Utilities (BPU), Mr. Perry wanted to make comments he did not make the last time. He said he does not need to tell them the impact this project would have while commuters are dealing with the construction occurring in and around Penn Station.

Mr. Perry said he receives almost daily, emails from JCP&L's Area Managers notifying him about current power outages throughout Monmouth County. He said since January 1, 2016, he has been notified about approximately 110,582 household power outages. Mr. Perry said the 110,582 notices represents one-sixth of Monmouth County's population. He said in many of those notices, they are informed of the cause or reason for

the power outage. Mr. Perry said these range from motor vehicle accidents, animal contact, fallen tree limbs, and the always menacing escaped balloons which have caused two power outages last year on October 4, 2016 affecting 842 customers and then again in Long Branch on November 19, 2016 affecting 256 customers in Asbury Park. He said in the last two and a half years, he has never been notified about a power outage in any part of Monmouth County due to a surge in power, which is the very reason for this third redundant power line.

Mr. Perry said last November 2016 Senator Kyrillos invited NJ TRANSIT's Board to take a site tour of the affected towns along the proposed corridor. He thanked those Board Members and staff for taking time out of their busy schedules to see the impact these monster power lines would have on residential sections of Aberdeen, Holmdel, and Hazlet; the historical district of Middletown; and sight lines from Red Bank, Rumson, and Fair Haven.

Mr. Perry said this project has been described as "a money grab that puts the interests of JCP&L over the residents and rate payers of Monmouth County. The residents are getting no value on the needs side and they are going to end up paying for a project that will substantially diminish property values along the entire right-of-way. This is the most unworthy project I have ever seen." He said these comments were made by NJ TRANSIT's former Vice Chairman Bruce Meisel.

On behalf of Senator Kyrillos, Mr. Perry invited any member of the Board, who did not attend last November, to go down and see the real impact that these lines would have. Mr. Perry said he and the residents are wondering why after so many years it is time to resurrect the Monmouth County Reliability Project. He said this project is no more welcome today in Monmouth County than it was 25 years ago. Mr. Perry congratulated the organization, Residents Against Giant Electric (RAGE), which has led the effort to preserve their picturesque part of the state and fight on behalf of the residents. He said they are the true super hero and leader and the residents of Monmouth County are incredibly fortunate to have them. Mr. Perry requested if this application comes before the Board, that they deny it.

Tim Sevenser said he is from the transit village of Mount Tabor and a member of the New Jersey Association of Railroad Passengers, the National Association of Railroad Passengers, and the Lackawanna Coalition. He said most people do not realize the huge extent of the rail service cuts that have been inflicted relentlessly throughout NJ TRANSIT. Mr. Sevenser said people know the fares are too high, but most do not realize how much their service has been eliminated, in particular Hoboken service.

Mr. Sevenser said he distributed a list of service cuts eastbound across Morris County stations. He said 105 stops have been eliminated. Mr. Sevenser said Morristown lost 22 stops every day; 10 eastbound and 12 westbound. He said all of these service cuts have been to Hoboken service. Mr. Sevenser said this diversion has proven the essential need for Hoboken as a key redundant pathway to New York.

Mr. Sevener said the Boonton Line has been reduced from eight trains to five trains. He said eight trains were bad enough. Mr. Sevener said the last train going east from Denville to Bloomfield is 9:00 a.m. He said they are paying for rail and the stations; they need to run the trains. Mr. Sevener said William Paterson University, Centenary College, Bloomfield College, and Montclair State University are along the Boonton Line. He said college students a lot of times do not have their own car or cannot afford a car. He does not think it makes sense to have the last train to school be at 9:00 a.m.

Mr. Sevener believes NJ TRANSIT needs to restore this service to a level of at least hourly rail service west of Montclair State University. He believes this would take many cars off the roads and provide mobility for college students to get to college without driving.

Mr. Sevener said the best investment NJ TRANSIT can make is running the trains. He said auto emissions are the largest source of greenhouse emissions for the state of New Jersey, at 46 percent. Mr. Sevener said they need to restore the trains, make full use of the rails and stations they have, and if they need more equipment, they should get it. He said they do not need the giant double decker vehicles on lines like the Boonton Line or for Hoboken off-peak service. While they may save labor costs, he believes they are unsafe. He thinks the double decker vehicles make sense for Midtown Direct peak service.

Joseph Clift commented regarding the savings on fares to Hoboken. He said the fares were reduced a median of about \$150 at Summit. Mr. Clift said people are paying with their time and based on 20 trips per month that is about \$7.50 per hour. He does not think this is a very good return on their time. When the service changes in the fall, Mr. Clift said NJ TRANSIT will have a schedule with fares which make it cost more to go via Hoboken when the PATH is added to the NJ TRANSIT fare. He thinks this needs to be changed soon so people will want to go via Hoboken.

Mr. Clift said the presentation discussed what will help the customer the most. He said he has been asking for over two months to have the summer schedules show connecting service imbedded in the schedule. Mr. Clift believes this is important to have for people who do not travel every day. He is really upset this has not happened and doubts it will happen before the end of the summer. Mr. Clift complained that all that has happened is the chart on the second page to see the connecting service has been moved to the first page online. He does not believe this is in the customer's best interest.

Mr. Clift said he has not heard anything from staff regarding his request that they talk to PATH about four minute headways. His understanding is that PATH is getting more and more crowded but he has not heard anything from staff about running more frequently than five minutes. Mr. Clift said when fares go up in September, people will not commute via Hoboken because it costs more money and takes more time.

Mr. Clift said a Record of Decision was issued for Portal Bridge. He said replacing the two old tracks with a new bridge with only two tracks, will not increase more trains in the

morning. Mr. Clift said this is a 10 year old plan and the Coast Guard has identified the existing bridge as a menace to transportation, so they will want the old bridge torn down. He complained that they are spending \$1.5 billion and they are not closer to increasing peak hour train capacity.

Mr. Clift said on August 29, 2017 NJ TRANSIT is going to open bids for the Delco Lead County Yard Project. Mr. Clift said the claim is that they need two tracks that run next to the Northeast Corridor, south of County Yard to store trains. He believes NJ TRANSIT has lots of space to store trains and does not need to spend hundreds of millions of dollars of federal and state money. Mr. Clift believes that money should go into Trans-Hudson work. He said this goes back to the claims by NJ TRANSIT that one-third of its fleet was damaged because there was nowhere to put the rolling stock. Mr. Clift does not believe that is a true statement. He said the federal government is paying for three-fourths of it, but not all of it, and it is still a bad idea.

Rachel Kanapka, President of Residents Against Giant Electric (RAGE), has spent more than a year fighting JCP&L's proposal to install 14 plus story high monopoles inside NJ TRANSIT's rail corridor. She has spent hours learning about typical and non-typical high voltage transmission projects. Ms. Kanapka said she has read through thousands of pages of documentation regarding this project and hundreds of articles about the electric industry and how utilities make money. They have attended dozens of meetings with a lot of key players involved in this case, including Executive Director Santoro, NJ TRANSIT staff, New Jersey Rate Counsel Director Stephanie Brand, representatives from the regional grid operator PJM, Lieutenant Governor Guadagno, Congressmen Frank Pallone and Chris Smith, an ex-Board of Public Utilities (BPU) Commissioner, and Gubernatorial Candidate Phil Murphy.

Ms. Kanapka said she presented to NJ TRANSIT's Board in October 2016 about the severe dangers and risks this project would pose for NJ TRANSIT. She said she gave a statement on behalf of RAGE at the judge's first public hearing on this matter. Ms. Kanapka went with the Judge on her full day site visit to see the proposed locations of these poles. She sat through nine days of evidentiary hearings on this case in the Office of Administrative Law. Ms. Kanapka said she has lived and breathed this case for the past year and she has learned a lot.

Ms. Kanapka said when this all started last May, she was driven by a simple goal to keep the power lines out of her town. In the beginning she thought JCP&L must have a good reason for these lines and their challenge was proving the harm to the public outweighed the benefit. Now, based on what she has learned, Ms. Kanapka questions not only the true motivation behind this line, but every transmission line project in the country because the current regulatory setup of the electric industry makes the public the underdog. She said utilities are rewarded for transmission line projects whether they are needed or not. The more they researched, the more experts they met, and the more money they spent on their legal fight, the more she has become convinced that sadly this really is all about money.

Ms. Kanapka said the whole proposal is a very deliberate and selfish scheme to exploit the ratepayers of New Jersey into paying for something they do not need to line the pockets of the executives and shareholders of a company in Ohio. She said First Energy, JCP&L's parent company, is struggling financially. Ms. Kanapka said transmission line projects are a Federal Energy Regulatory Commission (FERC) blessed way to achieve guaranteed returns. She quoted First Energy's CEO who publicly stated, "He is trying to save a company and that transmission is where they need to focus." Ms. Kanapka thinks it is very likely that desperate First Energy executives have given a ruthless command to their subsidiaries, including JCP&L, that if they want to keep their jobs, find ways to push through transmission lines.

Ms. Kanapka said as they have put the puzzle pieces together for this project, it has become more obvious that JCP&L worked backwards. She said they started with wanting a transmission line and then tried to back into a way to prove one. Her guess is this is not the first time First Energy has tried to sneak through this cart before the horse approach, but this time because of the intense public opposition, their case has been put under the microscope like few others ever have.

Ms. Kanapka said they have exposed some troubling facts that point to how backwards and manipulative JCP&L has been for this and possibly all the transmission projects they have put before the BPU. In their filing with the BPU, JCP&L stated the need for their project stemmed from a notification from PJM, the grid operator, that there was a code violation that needed fixing and the way to fix it was a new transmission line. She said the circumstances of this project was unique because they wanted to use land owned by NJ TRANSIT, a state agency, so RAGE had the power of the Open Public Records Act (OPRA) on their side. Their OPRA findings have revealed that JCP&L approached NJ TRANSIT asking for a land use agreement before the supposed trigger for this entire project, the P7 code violation even existed. Ms. Kanapka said the cart was well before the horse and they knew they wanted this line and approached NJ TRANSIT almost seven years ago, before they even had a legitimate reason to pursue a line at all.

Ms. Kanapka said at the same time JCPL&L was meeting with NJ TRANSIT, they were searching for some way to try to justify a transmission line. She said JCP&L was the one to bring the code violation alert to PJM and asked their buddy to rubber stamp it, which they did. She said with that code violation they thought they found their golden ticket to this line but they did not count on RAGE. Ms. Kanapka said because of RAGE, JCP&L's petition did not go through the usual motions of the BPU. She said RAGE, a grassroots group of private citizens and volunteers rallied and got themselves involved. They had to spend \$400,000 and counting to make sure the public had a seat at the table for this case.

Ms. Kanapka said the Judge will likely hand her initial decision over to the BPU sometime in October or November, and then the final decision is theirs. Their work is not done yet, but she is hopeful that the Judge and the BPU will see through First Energy's selfish scheme and reject JCP&L's project. She said there is a chance NJ TRANSIT will never

have to formally answer JCP&L because the project will be killed at the BPU. Ms. Kanapka said no matter what happens, please remember in all the meetings NJ TRANSIT had with JCP&L when they tried to convince NJ TRANSIT that this project was no big deal and would not put NJ TRANSIT riders and employees at risk, and that it was totally safe and normal to do something like this, they were playing NJ TRANSIT, trying to pull a fast one on NJ TRANSIT, RAGE, and the BPU. She said to make a buck, they are willing to exploit their own customers, and worse, they are trying to rope NJ TRANSIT in, putting NJ TRANSIT's riders and employees in danger for a project that solely benefits them. Ms. Kanapka thanked NJ TRANSIT for not falling for it. She said if at any point over the past seven years, NJ TRANSIT had fallen for it and said yes, this would be a very different case today.

Janet Berk is a member of RAGE. She said over the last year numerous members spoke to the NJ TRANSIT Board regarding the reason why they should deny JCP&L's use of NJ TRANSIT's right-of-way for its high voltage transmission line.

Ms. Berk said this week she came across a document from NJ TRANSIT's Capital Planning and Programs Department dated February 2016 which pointed out some of the same concerns that RAGE has raised about why this project would not be good for NJ TRANSIT. She said the concerns from the Capital Planning and Programs Department included the fact that the structures are large and carry high electrical current and may impose significant impacts on rail stations, station access, infrastructure, and catenary systems. Ms. Berk said there were also general concerns about potential passenger, pedestrian and traffic impacts, as well as a safety concern regarding the close proximity to high alternating current power. Additionally, she said they cited the effect of the structures on long term rail projects and future station improvements. Ms. Berk said they also cited concern about the effect of the project on relations between NJ TRANSIT and the communities that it serves.

Ms. Berk said the memorandum recommended the preferences of these communities and Monmouth County be taken into account. She said she does not need to repeat all the dangers that the construction of over 100 towing monopoles on NJ TRANSIT's narrow corridor will impose. Ms. Berk said there is a reason why a project like this has never been done before. She said NJ TRANSIT knows the project is hugely unpopular in the towns that NJ TRANSIT serves along the route. Ms. Berk said the local governments have spent a lot of taxpayer money to stop the project and Monmouth County has also joined the battle against the Monmouth County Reliability Project.

Ms. Berk said it has been 18 months since these concerns have been raised by NJ TRANSIT staff. She said they know now there is nothing positive about the project other than the payment NJ TRANSIT could receive for sharing its right-of-way. Ms. Berk said no amount of money can be worth the negative effects of this project on NJ TRANSIT's service, operations, and the communities they serve. She asked NJ TRANSIT to say no now, and certainly to say no if it is approved by the BPU.

Tara Corcoran-Clark lives by the NJ TRANSIT Hazlet Station. She urged NJ TRANSIT to reject JCP&L's use of the right-of-way. Ms. Corcoran-Clark said in February 2016, NJ TRANSIT's Chief Planner Jeremy Colangelo-Bryan evaluated the plans during an assessing review and identified multiple safety concerns related to the high voltage power lines planned. She noted two weeks ago a driver was killed by an NJ TRANSIT train in Hazlet in the same area where JCP&L plans to install one of the 150 foot monopoles. Ms. Corcoran-Clark said two days later a tree fell in the exact same area, causing single tracking until the tree could be removed. She said accidents happen and asked whether it was worth the risk that these monopoles could result in a major catastrophe. Ms. Corcoran-Clark noted the houses in her town are 25 to 50 feet away. She does not believe the money is worth the risk and asked that the permit application be rejected.

Earnest Rucker said they have seen the shirts time after time and everyone knows what it is about. He said a Judge and independent arbitrator said this should be settled. Mr. Rucker said a black vendor was tricked out of his location. He believes racism had something to do with it. Mr. Rucker said the Board has the opportunity to correct what a previous Board did. He said they are not going anywhere and they represent organizations.

Mr. Rucker said the proposal could have been resolved last month and it is time to settle. He said it is not going to get better and is about to get worse. Mr. Rucker asked the Board to take care of the situation. He would like to come to board meeting on a transit issue other than Mr. Graddy. Mr. Rucker said he prays they look at the situation and take to heart. He said they are not going anywhere.

Jamie Bland said she is a chapter leader for the National Action Network and she represents Mr. Russell Graddy as a human. Ms. Bland wants to know why he was railroaded out of his business and then had to pay for two years to keep his human pride and dignity after he was humiliated and told he was going to be put in another place. She said he is a human that has a family and millions invested. Ms. Bland said they were there to let NJ TRANSIT know they will take this to a whole other level relating to discrimination law and human rights. She said everyone there was fuming and they need justice for Mr. Graddy. Ms. Bland said he had to make sure he did not lose his integrity, pride, and dignity by paying two consecutive years while not being able to occupy the space. She said if there is no justice, there will be no peace.

Emanuel Capress asked for justice for Mr. Graddy. He said they will continue to stand with him, are organized, and will do whatever it takes to make sure justice is served.

Princess Reaves asked what Mr. Graddy did to NJ TRANSIT to receive such an injustice. She said if they have to begin notifications to all the organizations they belong to, the numbers will be much larger. Ms. Reaves wants the matter settled and believes dragging it out affects several generations. She said they were getting ready to activate all of their leadership and put them in place so he can get the proper justice he deserves.

Errol Kerr from Paterson spoke on behalf of Mr. Graddy. He believes it is an issue of justice, which is a universal issue that affects everyone at some point. Mr. Kerr said the bible says to do unto others as we want done unto us. He said everyone would want justice for themselves if they were in this position. Mr. Kerr believes the issue has lived beyond a reasonable time without resolution. He asked how many would want to be in business doing well, taking care of their families and then have something come along and railroad them out of their business. Mr. Kerr asked how they would feel if they or a member of their family was in that situation. He said they cannot ride NJ TRANSIT without paying because they must be in compliance. Mr. Kerr said Mr. Graddy was in compliance with every rule or law and NJ TRANSIT should be reasonable and give him justice.

John Givens said he was a Reverend representing the Pastors' Council on behalf of Mr. Graddy. Reverend Givens said it was his third time there and the situation was the same. He assumed they all read the transcript of information, or the legal team has so he would not use his time to talk about it.

Reverend Givens said NJ TRANSIT hired an arbitrator who ruled on behalf of Mr. Graddy yet believes NJ TRANSIT still denies Mr. Graddy justice after the arbitrator ruled. He said he has concerns because he dealt with NJ TRANSIT through his business, Givens Chrysler. Reverend Givens said since there has been no justice, they were there to be on the record that they will take it to another level if the Board goes against the arbitrator that said Mr. Graddy was due millions.

Janet McDaniels asked how many saw the movie Hidden Figures and discussed the movie. She said the movie depicted the 1960s when there were laws restricting use of restrooms and water fountains by race. Ms. McDaniels said those laws were unjust and quoted the saying, injustice anywhere is a threat to justice everywhere. She said Mr. Graddy had the audacity to want his business in a place not labeled as white only, but it seems as if he was not wanted there.

Ms. McDaniels said Martin Luther King said the measure of a person's character is not where they stand at a time of comfort, but rather how they address issues when there is inconvenience and controversy. She said there may be inconvenience and controversy, but justice must be served. Ms. McDaniels said Martin Luther King also said peace is not merely the absence of tension but it is the presence of justice. She asked for justice for Mr. Graddy.

Stan Matthews said the Board passed a budget of about \$700 million two meetings ago. He said the money by and large comes from ridership on buses and trains. Mr. Matthews said the Board Members have a fiduciary duty to the citizens of New Jersey. He said Executive Director Santoro and Chairman Hammer are paid with tax dollars and ridership.

Mr. Matthews said the arbitrator ruled Mr. Graddy deserved \$1.3 million and the Attorney General's Office rejected that finding. He does not know why Mr. Graddy's attorneys

agreed with NJ TRANSIT's attorney for non-binding arbitration and they are looking into that.

Mr. Matthews said not long ago, black women settled a case against NJ TRANSIT because their supervisor was enamored by their figures. He believes they settled because of unprofessional conduct and racist at its base. Mr. Matthews said there was another matter with black conductors that was settled. He believes if they do not believe the why of how Mr. Graddy has been treated is not based on what he looks like, then NJ TRANSIT is not being truthful regarding their record. Mr. Matthews said he did not see many minorities on the Board or staff.

Mr. Matthews said the people in the room had their own affiliations and connections. He said they are going to make sure justice is applied to Russell Graddy.

Russell Graddy said he has been attending the meetings for almost a year and he does not think they are listening at all. He said they came as civilized citizens seeking justice. Mr. Graddy believes NJ TRANSIT researched their records and know he was not treated right.

Mr. Graddy said he invested one million based on a promise that he would have 20 years to recoup his investment. He said after seven years, NJ TRANSIT decided to move the bus station again. Mr. Graddy questioned why NJ TRANSIT would move it again. He said he had 1,200 square feet and the new building was increased to 3,000 square feet because NJ TRANSIT did not think he would be there and wanted to accommodate another venue. Mr. Graddy said the Request for Proposal (RFP) also added another 4,000 square feet.

Mr. Graddy said he refused to move even though NJ TRANSIT told him no one else would be there. He said he wanted to stay and house every homeless person. Mr. Graddy said NJ TRANSIT asked for summary judgement to throw him out, but the Judge said he had some rights.

Mr. Graddy said when he exercised his right to go into the new space, he also picked up the right to all space around the bus station. He claimed NJ TRANSIT tried every trick to prevent him so someone else could be there. Mr. Graddy said the court determined he had exclusive rights to all retail in and around the bus station.

Mr. Graddy said he gave his keys over on October 4, 2004 because NJ TRANSIT was supposed to remodel so he could operate there. He said someone from the Attorney General's Office said they did not concur with the settlement agreement so he was left standing out on the streets seven years into a 20-year lease. Mr. Graddy said he rushed into court and the Judge suggested using an arbitrator. He said for some reason it was a non-binding arbitration. Mr. Graddy said the arbitrator decided NJ TRANSIT should give him \$1.3 million, but NJ TRANSIT rejected the decision.

Mr. Graddy said he owed NJ TRANSIT \$200,000 when he was shut out of the building and now does not owe a dime. He said he remortgaged his property to pay. Mr. Graddy believes NJ TRANSIT tried to force him to default. He said NJ TRANSIT sent an invoice every month and he sent a check trying to maintain the integrity of his business.

Mr. Graddy requested a meeting to try to resolve his matters. He believes he is asking for a small amount. Mr. Graddy said NJ TRANSIT needs to change its culture of discrimination. He said he is asking for justice and if there is no justice, there will be no peace.

Stefie Bartley said he is a pastor and coordinator for the National Action Network under the leadership of Reverend Al Sharpton. Reverend Bartley said he is also on Reverend Sharpton's Board. Before reporting back to Reverend Al Sharpton, Reverend Bartley said he was going to reach out to some of his personal contacts, including Attorney General Porrino, to find out how they could allow something like this to happen to Mr. Graddy.

Reverend Bartley said if there is no change, he has been instructed by Reverend Sharpton to report back so they can provide national attention. He said Chairman Hammer appears to be an honest gentleman and he asked him to take the time to think about what he heard from Mr. Graddy to determine whether it was fair or a mistake was made. Reverend Bartley said if there was a mistake, they can correct it. He said they will monitor the situation until it is resolved. Reverend Bartley said he hopes they do not have to see him again because if there is not justice, there will be no peace.

Adjournment

Since there were no further comments or business, Chairman Hammer called for adjournment and a motion to adjourn was made by Board Member Flora M. Castillo, seconded by Board Member James C. Finkle Jr., and unanimously adopted. The meeting was adjourned at approximately 12:54 p.m.

THE UPDATE

Powered by NJ TRANSIT

A FOCUS ON CUSTOMERS

A LOOK BACK – A LOOK AHEAD



THE UPDATE PART I

In early June, we rolled out important **customer-focused** initiatives in preparation for Amtrak's repair work.

Each was designed to **make it easier** to purchase tickets, learn travel options, get schedule information and more.

Many of these initiatives were in **direct response** to customer feedback.

And, many were **ready ahead** of Amtrak's repair work.



JULY							AUGUST						
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16	17	18	19	20	21	22	20	21	22	23	24	25	26
23	24	25	26	27	28	29	27	28	29	30	31		
30	31												

We are in the 5th week of our **Summer Services Plan**.

Customers **continue to make the transition** to new travel patterns.

Customers continue to use **The Update and other Social Media** outlets for information and alerts.



And, we continue to adjust our plan as we receive **customer input** that helps us **better deploy resources**.

- Added buses to South Orange service.
- Initiated special bus service from Summit and Maplewood.
- Recently started new service at Morristown and Madison.



At stations and terminals we've also made adjustments to make it **easier to locate and use services.**

- Monitored volunteer Customer Service assignments and redeployed staff when necessary.
- Repositioned directional signage to improve pedestrian flow.
- Initiated "Next Train" signage pilot program at Hoboken to make finding your train easier and faster.





THE UPDATE PART II

Up to now, our communications campaign has been focused on **giving customers the information and alerts** they need to make informed travel choices.

But, just as we have enhanced our Summer Services when needed – its time to **refocus our communications** campaign.

Our first objective is to look at the **quality and level** of the service we've been providing and how customers are reacting.

Next, we need to start helping **customers transition back** to the resumption of regular service on September 1, 2017.



Every day, Executive Management conducts a conference call hosted by our **Emergency Operations Center**.



We **measure our operations and service effectiveness** and make changes accordingly, such as redeploy under utilized buses.



And, at the **top of the list** is monitoring the frequency and impact of service changes in real-time. Here is some data to help put it into perspective.

- Service changes due to annulments can result from staffing, mechanical issues or police activity.
- Since July 10 until this week, we have operated almost 17,500 individual trains.
- Less than 300 have been annulled.
- That's 1.55%



Just as important is **helping customers prepare** for the return to normal operations.

- On September 5, bus and rail service will resume their pre-outage weekday schedules.



THE UPDATE

Powered by NJ TRANSIT

Our advice remains the same, as we transition from the Summer Services plan back to the way things were:

- Stay informed
- Stay ahead
- Stay cool

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

AUGUST 9, 2017

MINUTES

	PAGE
➤ CALL TO ORDER	-
➤ SAFETY ANNOUNCEMENT	-
➤ PLEDGE OF ALLEGIANCE TO THE FLAG	-
➤ APPROVAL OF MINUTES OF PREVIOUS MEETINGS	51070
➤ PUBLIC COMMENTS ON AGENDA ACTION ITEMS ONLY	-
➤ ADVISORY COMMITTEE REPORT	-
➤ SENIOR CITIZEN AND DISABLED RESIDENT TRANSPORTATION ADVISORY COMMITTEE REPORT (NEXT SCHEDULED REPORT DECEMBER 2017)	-
➤ BOARD COMMITTEE REPORTS	-
*Customer Service Committee	
*Administration Committee	
*Capital Planning, Policy and Privatization Committee	
➤ EXECUTIVE DIRECTOR'S MONTHLY REPORT	51071

ACTION ITEMS

1708-33	NJ TRANSIT RESILIENCE PROGRAM: MEADOWS MAINTENANCE COMPLEX (MMC)/RAIL OPERATIONS CENTER (ROC) BUILDING FLOOD CONTROL: CONSTRUCTION CONTRACT AWARD AND AMENDMENT TO 2012 TASK ORDER CONSULTANT CONTRACTS PROGRAM FOR CONSTRUCTION ASSISTANCE	51091
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Authorization to take any and all actions to negotiate and execute Contract No. 17-006X with DMR Construction Services for Construction Contract Award in an amount not to exceed \$18,340,280, plus five percent for contingencies, subject to the availability of funds.

NEW JERSEY TRANSIT CORPORATION
 NJ TRANSIT BUS OPERATIONS, INC.
 NJ TRANSIT RAIL OPERATIONS, INC.
 NJ TRANSIT MERCER, INC.
 NJ TRANSIT MORRIS, INC.
 REGULARLY SCHEDULED BOARD OF DIRECTORS' MEETINGS
 AUGUST 9, 2017
 MINUTES
 PAGE 2

Authorization to increase the total authorization amount for the 2012 Capital Planning and Programs Task Order Consultant Contracts Program with Jacobs Engineering, Inc. (NJ TRANSIT Contract No. 13-006B) by \$650,080 for Construction Assistance services and other related services to support the MMC/ROC Building Flood Control Project and coordination with other MMC area projects for a maximum authorization amount of \$9,550,080 for this contract (NJ TRANSIT Resilience Program) and a maximum authorization amount of \$117,401,206 for the 2012 Task Order Consultant Contracts Program (NJ TRANSIT Resilience Program), subject to the availability of funds. The maximum task order and contract limits for these contracts previously approved for the 2012 Task Order Consultant Contracts Program will not apply to tasks related to the NJ TRANSIT Resilience Program.

1708-34 LACKAWANNA CUT-OFF PASSENGER RESTORATION PROJECT MINIMAL OPERABLE SEGMENT (MOS) PORT MORRIS TO ANDOVER: AMENDMENT OF CONTRACT TO ADD DESIGN SERVICES 51101

Authorization to amend the professional services Contract No. 02-084 with Jacobs Engineering Group, Inc. (formerly Edwards & Kelcey, Inc.) of Morristown, New Jersey, to provide design services for the Lackawanna Cut-Off Minimal Operable Segment (MOS) from Port Morris to Andover, New Jersey, at a cost not to exceed \$800,000, plus five percent for contingencies, for a total contract authorization of \$6,627,798 subject to the availability of funds.

1708-35 ELIZABETH STATION: GROUND LEASE EXTENSION WITH THE CITY OF ELIZABETH 51106

Authorization to take any and all actions necessary to extend the term of the existing lease Agreement with the City an additional ten years for the City to continue to use, operate and maintain the Elizabeth Midtown Parking Deck.

1708-36 REGULATIONS: ADOPTION OF NEW RULES: N.J.A.C. 16:87 PROOF OF PAYMENT 51109

Authorization to take all actions necessary to adopt the regulations, N.J.A.C. 16:87 et seq., Proof of Payment, consistent with this Board item and Exhibit A.

1708-37 EXERCISE OF ONE-YEAR ADVERTISING REVENUE CONTRACT EXTENSION 51115

Authorization to exercise an option to extend for one year NJ TRANSIT's advertising revenue contract with Intersection in consideration of Intersection's (a) payment to NJ TRANSIT of the minimum annual guarantee of not less than

NEW JERSEY TRANSIT CORPORATION
NJ TRANSIT BUS OPERATIONS, INC.
NJ TRANSIT RAIL OPERATIONS, INC.
NJ TRANSIT MERCER, INC.
NJ TRANSIT MORRIS, INC.
REGULARLY SCHEDULED BOARD OF DIRECTORS' MEETINGS
AUGUST 9, 2017
MINUTES
PAGE 3

\$12,300,000 for the extension period, and (b) payment to NJ TRANSIT of 63 percent of net revenue above the minimum annual guarantee of not less than \$12,300,000.

This is an increase from the \$11,915,000 minimum annual guarantee and 62.5 percent revenue share that NJ TRANSIT received for the 2016-2017 contract year. In addition, Intersection will continue to market long-term sponsorship opportunities and install digital advertising at NJ TRANSIT stations.

EXECUTIVE SESSION AUTHORIZATION: Discuss personnel matters, contract negotiations, the status of pending and anticipated litigation and matters falling within the attorney-client privilege, including, but not limited to, Settlement of Pending Condemnation Matter – New Jersey Transit Corporation v. Mary Franco, Carol Franco and M&C Franco & Co. and the Personal Injury Claim of Antonio Almeida. **51118**

1708-38 SETTLEMENT OF PENDING CONDEMNATION MATTER - NEW JERSEY TRANSIT CORPORATION v. MARY FRANCO, CAROL FRANCO AND M&C FRANCO & CO. 51119

Authorization to take all necessary steps to agree to the form of and to cause entry of a final consent judgment in the NJ TRANSIT v. Mary Franco, Carol Franco and M&C Franco Co. condemnation matter, in amount discussed in executive session, and to take other actions consistent with settlement, as discussed in executive session. The Attorney General has approved the proposed settlement, subject to the availability of funds.

1708-39 PERSONAL INJURY CLAIM OF ANTONIO ALMEIDA 51121

Authorization to settle the claim of Antonio Almeida through his attorney, at an amount discussed in executive session. The Attorney General has approved the proposed settlement, subject to the availability of funds.

➤ **PUBLIC COMMENTS ON OTHER MATTERS**

➤ **ADJOURNMENT**

APPROVAL OF MINUTES

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

WHEREAS, pursuant to Section 4(f) of the New Jersey Public Transportation Act of 1979, the minutes of actions taken at the July 12, 2017 Board Meetings of the New Jersey Transit Corporation, NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. were forwarded to the Governor on July 24, 2017;

NOW, THEREFORE, BE IT RESOLVED that the minutes of actions taken at the July 12, 2017 New Jersey Transit Corporation, NJ TRANSIT Rail Operations, Inc., NJ TRANSIT Bus Operations, Inc., NJ TRANSIT Mercer, Inc., and NJ TRANSIT Morris, Inc. Board of Directors' meetings are hereby approved.

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



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

TO: BOARD OF DIRECTORS
FROM: STEVEN H. SANTORO *Steven H. Santoro*
DATE: AUGUST 9, 2017
SUBJECT: EXECUTIVE DIRECTOR'S REPORT – AUGUST 2017

We are now in the 5th week of the summer service changes we implemented to accommodate Amtrak's track work at Penn Station New York. Our operations continue to proceed as intended with customers acclimating to their travel patterns. While the transition has been relatively smooth, we have not stopped from continuing to make improvements.

Last Thursday, August 3rd, we added express bus service from Morristown and Madison train stations to the Port Authority Bus Terminal to provide additional travel options to customers farther west on the Morris & Essex Lines. This new service between 7 and 9 a.m. was modeled after similar bus service we've been offering in Summit and Maplewood. The bus options at Summit and Maplewood have been so popular that we've added two additional trips from each of those stations, now beginning the service at 6:45 a.m. and offering 20-minute service in the seven o'clock hour when ridership is at its peak.

We're also continuing to enhance the customer experience at Hoboken Terminal with an information amenity upgrade. A new digital monitor board has been installed which displays in alphabetical order every train station destination along with the time of the next scheduled train to that location and track number when it is available. This is especially helpful to customers who are new to Hoboken Terminal or new to NJ TRANSIT's rail system in answering one of the most frequently asked questions we receive "When is the next train to my station?" When using this new board, customers do not have to know what train line their stop is on. This digital board also helps to eliminate confusion customers may have when determining if the next train on their line is an express or local and may or may not stop at their destination. This information upgrade provides a useful tool to the additional customers using Hoboken Terminal because of the summer service changes and yields benefits beyond the completion of those Amtrak repairs and serve customers well into the future.

On Friday, July 28th, a garbage container truck struck an overhead railroad bridge on the Atlantic City Rail Line over River Road in Pennsauken causing significant damage. Initial estimates were that the bridge might be out of service for two weeks. However, thanks to the hard work of our employees and outside contractors, we were able to make those repairs in less than a week and return to full service on Thursday, August 3rd. I want to thank all of our customers for their patience and understanding that we must keep safety our top priority before we reopen any damaged infrastructure.

The Portal Bridge North project has advanced another step. Last Wednesday, August 2nd, the Federal Transit Administration issued a Record of Decision that formally adopts the Environmental Impact Statement. Replacing the century-old swing bridge over the Hackensack River with a new high-level fixed bridge will eliminate a major cause of delays and frustration for our customers. We continue to work with our partners at Amtrak and the Port Authority in advancing this key component of the Northeast Corridor.

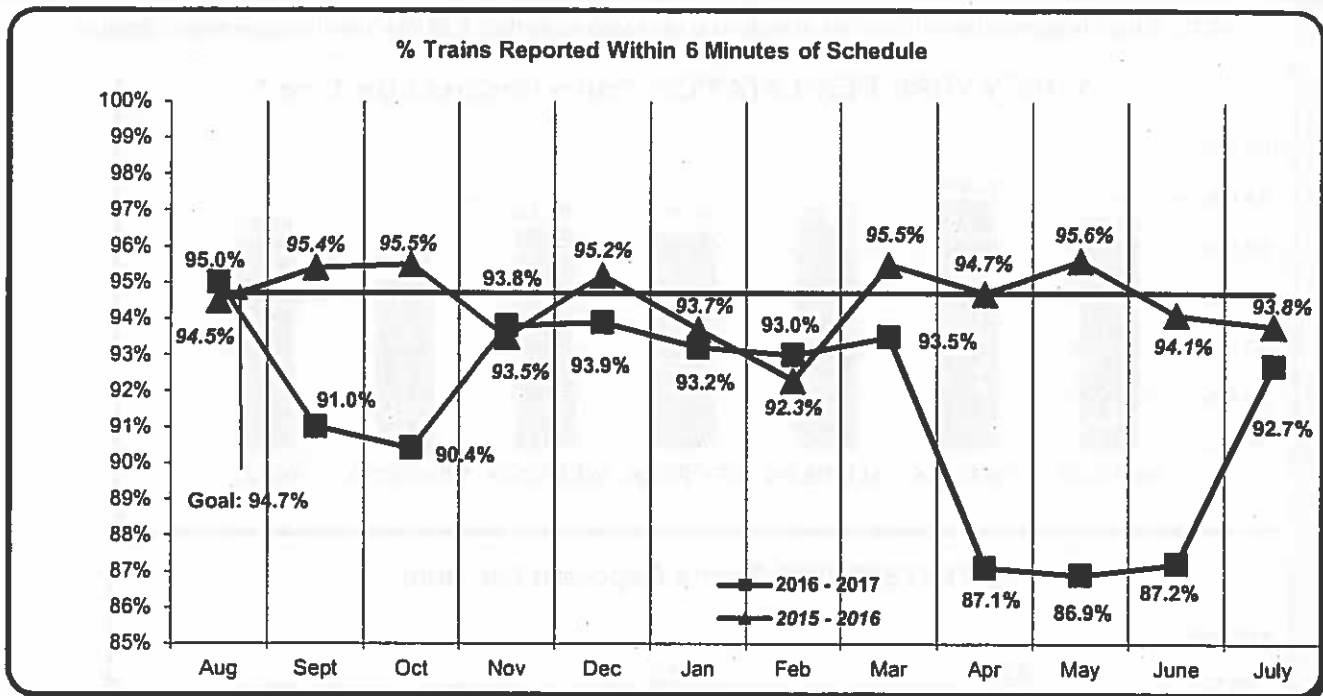
We are also in the midst of the public comment period for the Draft Environmental Impact Statement for the Hudson Tunnel Project. Tomorrow will be the final public hearing in the series. It will be held at Union City High School with two sessions. The hearing will be held from 3 to 5 p.m and then again from 6 until 8 p.m. Written comments will also be accepted through August 21st. We encourage all members of the public and stakeholders to review the document and provide their input. All of the information—including the DEIS and instructions on how to submit comments—is available online at Hudson tunnel project-dot-com.

EXECUTIVE DIRECTOR'S MONTHLY REPORT JULY 2017

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

PERFORMANCE MEASURES

NJ TRANSIT ON-TIME PERFORMANCE RAIL AUGUST 2015 - JULY 2017



	2016	2017	# Change
July Comparison	93.8%	92.7%	-1.1%

	2015-2016	2016-2017	# Change
12-Month Average August 2015- July 2017	94.5%	91.5%	-3.0%

Analysis:

Rail On-Time Performance was 92.7% for July, 2017. Of the 17,948 trains scheduled to operate, 16,635 were on time, while 1,313 trains (or 7.3%) were delayed. Key causes included:

- Amtrak Programmed Maintenance, Amtrak Switch Failure, NJT equipment problems, NJT Carryover Delays, NJT Open Bridge contributed to 80 delays resulting in 85.9% OTP on July 7.
- Amtrak Programmed Maintenance contributed to 58 delays resulting in 81.9% OTP on July 8.
- An NJT Grade Crossing incident and crew issues contributed to 38 delays resulting in 86.3% OTP on July 22.

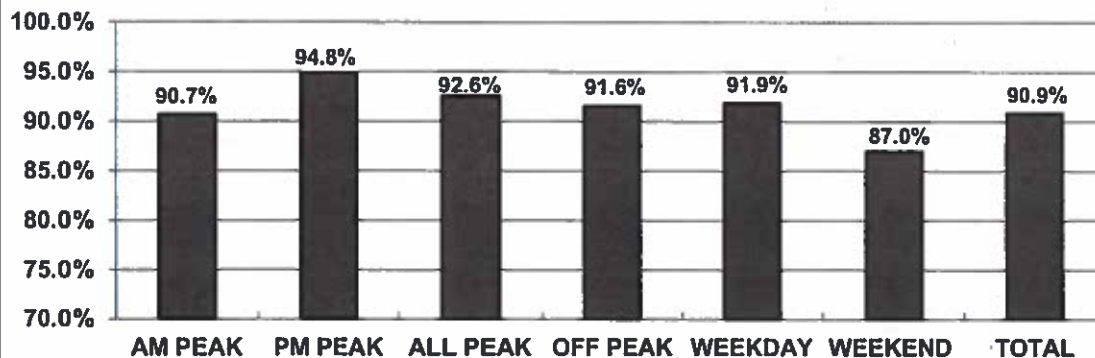
The 12-month average for Rail On-Time Performance August, 2016 - July, 2017 was 91.5%, which has declined by 3.0%.

ON-TIME PERFORMANCE RAIL

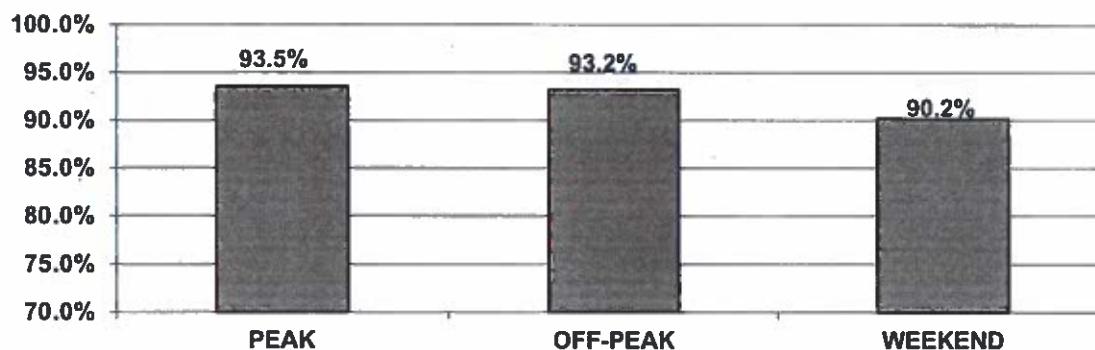
SUMMARY BY TIME PERIOD JULY 2017

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

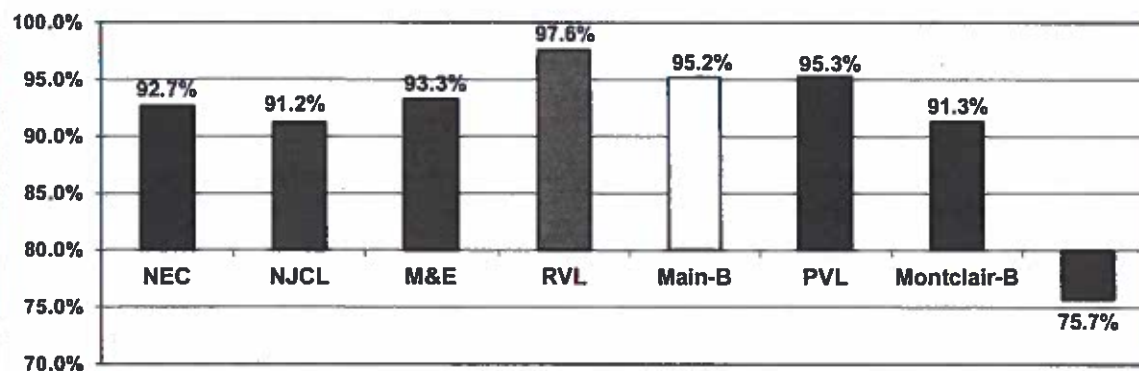
% NEW YORK PENN STATION Trains Reported On Time *



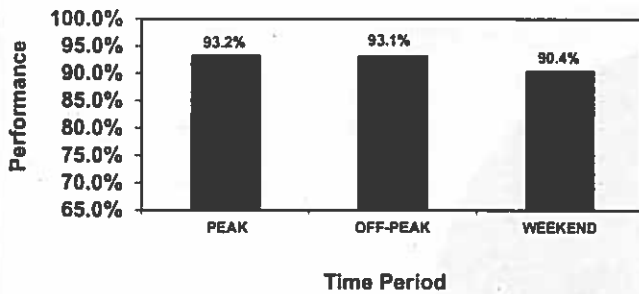
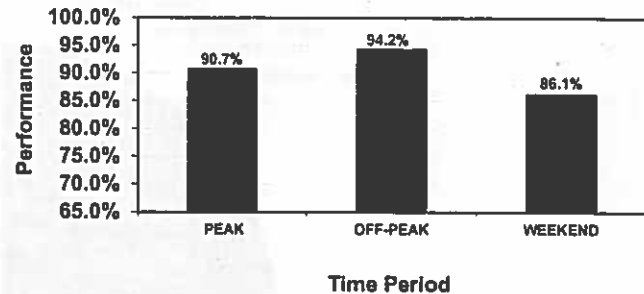
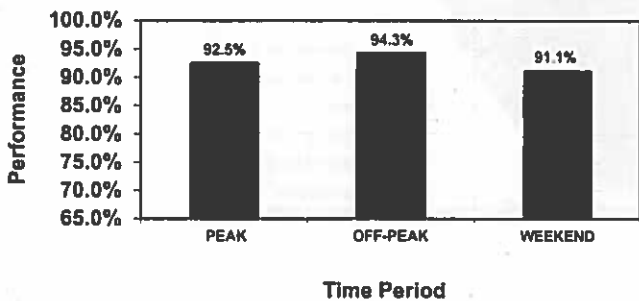
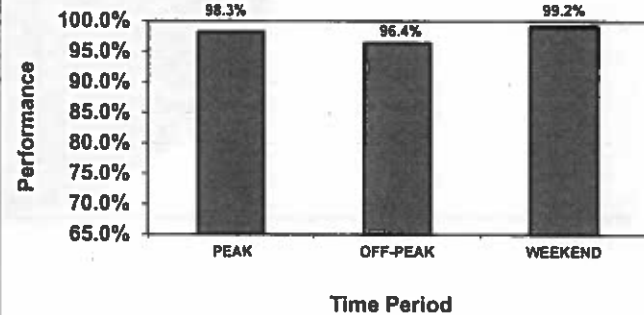
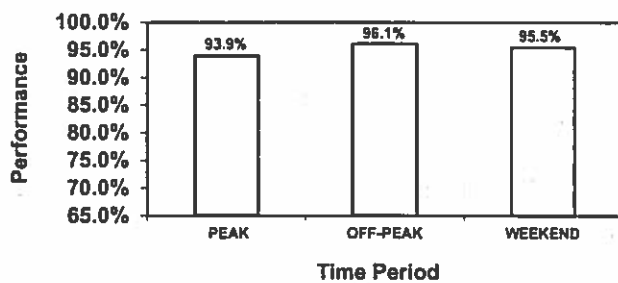
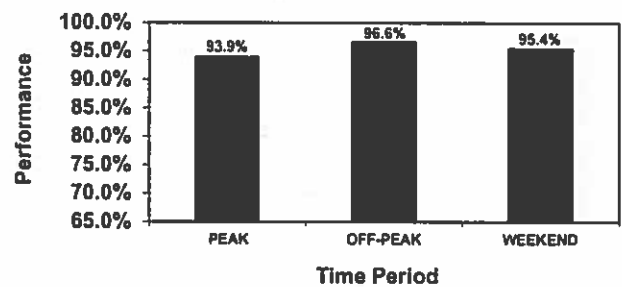
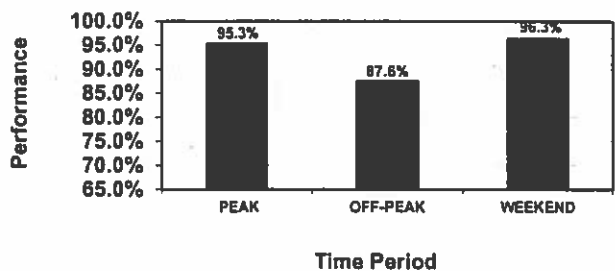
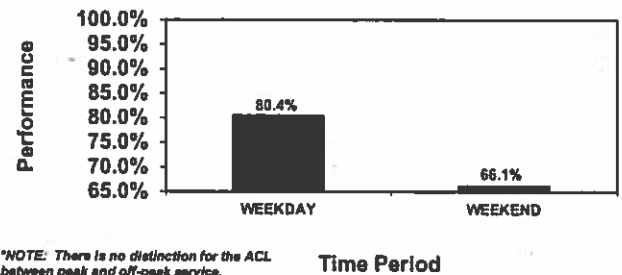
% SYSTEMWIDE Trains Reported On Time



% BY LINE Trains Reported On Time



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

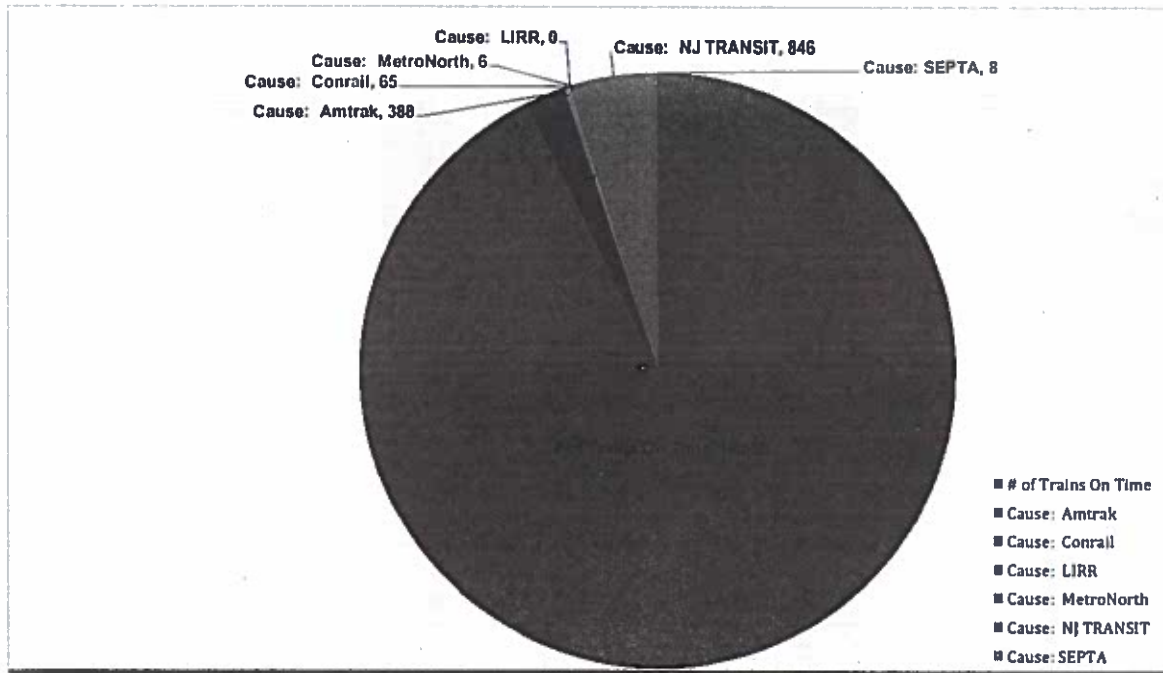
NORTHEAST CORRIDORNORTH JERSEY COAST LINEMORRIS & ESSEXRARITAN VALLEY LINEMAIN-BERGENPASCACK VALLEYMONTCLAIR-BOONTONATLANTIC CITY*

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

NJ TRANSIT Performance - July, 2017

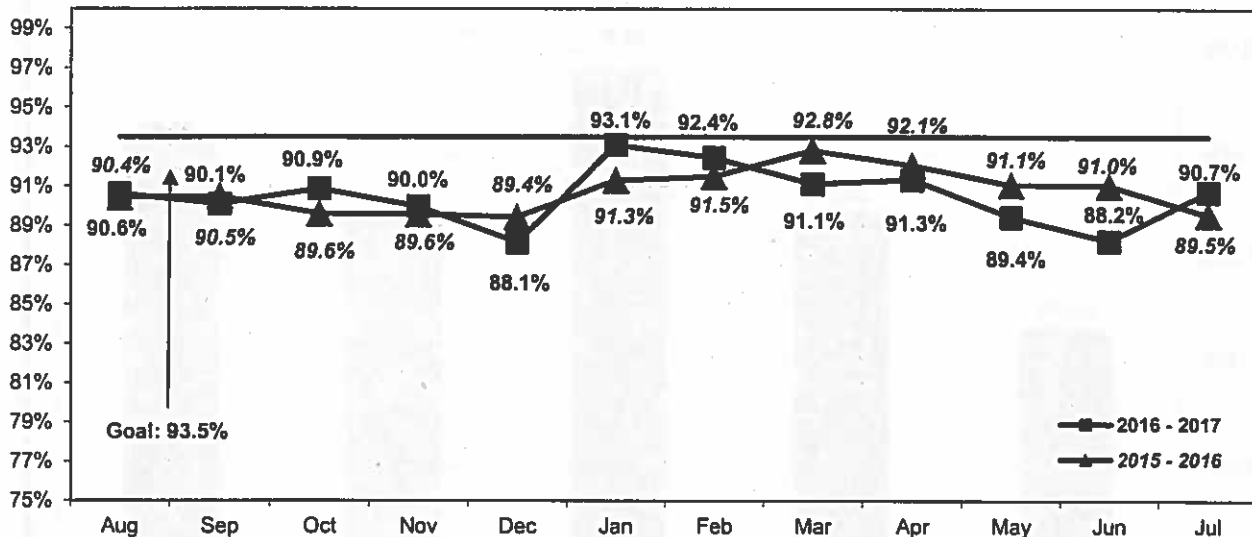
Late NJ TRANSIT Trains

# of Trains On		Cause: Amtrak	Cause: Conrail	Cause: LIRR	Cause: MetroNorth	Cause: NJ TRANSIT	Cause: SEPTA
# of Trains On Time	16,635	388	65	0	6	846	8
# of Late Trains	1,313	2.16%	0.36%	0.00%	0.03%	4.71%	0.04%
Total # of Trains	17,948						
Percentage On Time	92.7%						



NJ TRANSIT ON-TIME PERFORMANCE BUS AUGUST 2015 - JULY 2017

% Buses Departing Major Terminals Within 6 Minutes of Schedule



	2015 - 2016	2016 - 2017	% Change
July Comparison	89.5%	90.7%	1.2%

	2015 - 2016	2016 - 2017	% Change
12-Month August 2015 - July 2017	90.7%	90.5%	-0.2%

Analysis:

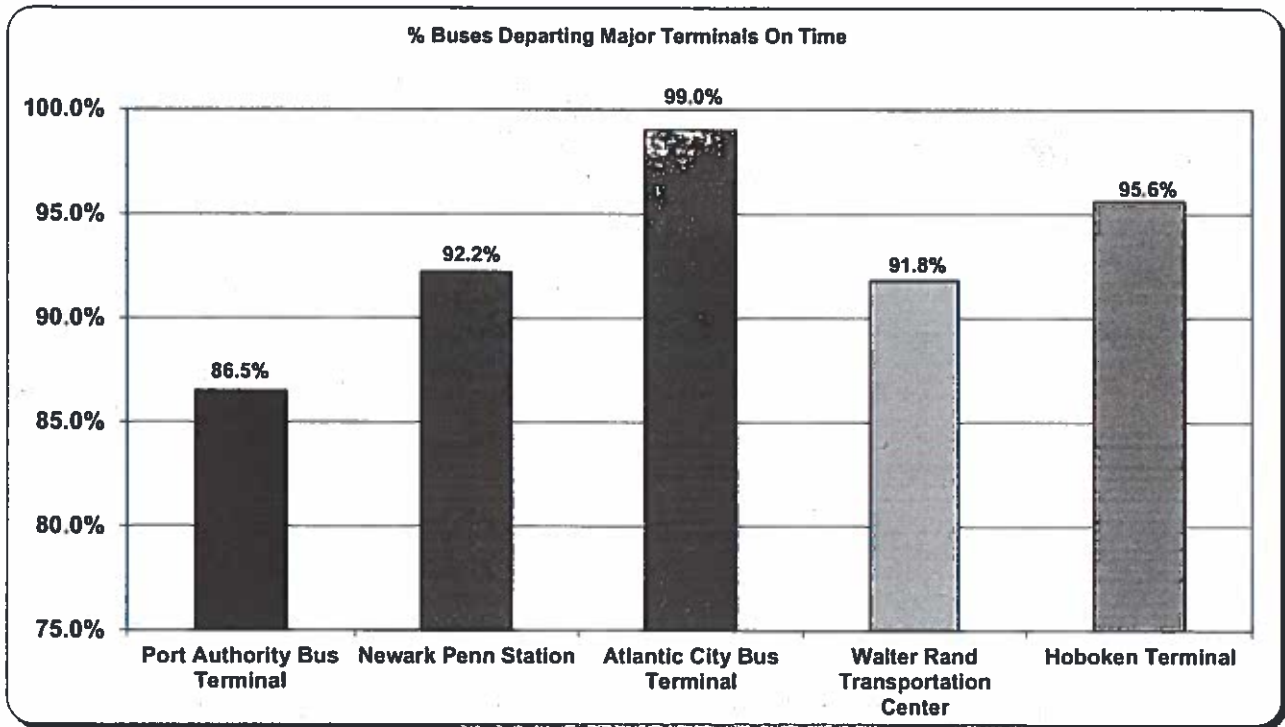
Bus On-Time Performance was 90.7% for July 2017. Of the 44,673 monitored departures 4,147 (or 9.3%) experienced delays. Key causes included:

- Disabled vehicles in both tubes at the Lincoln Tunnel on July 18 caused significant delays; and a truck accident and two police escorts through the Lincoln Tunnel on July 20th impacting service at the Port Authority Bus Terminal.
- A demonstration closed the intersection of Broad and Market streets on July 19 affecting Newark Penn Station service.
- Construction on Washington Street continues to impact service to and from Hoboken Terminal. This project is scheduled to continue until mid-2018.

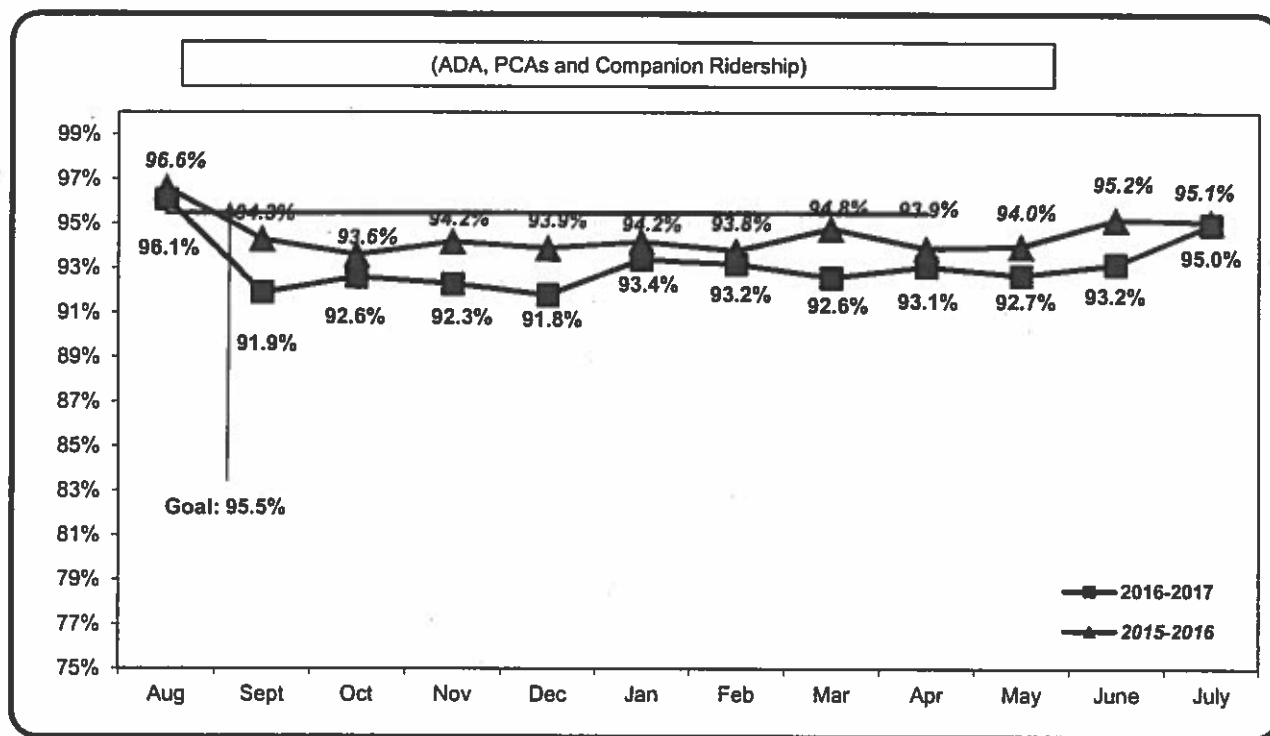
The 12-month average for Bus On-Time Performance for August 2015 - July 2017 was 90.5%, which was down by 0.2% from the previous year.

ON-TIME PERFORMANCE BUS

SUMMARY BY TERMINAL JULY 2017



NJ TRANSIT ON-TIME PERFORMANCE ACCESS LINK August 2015 - July 2017



	2016	2017	% Change
July Comparison	95.1%	95.0%	-0.1%

	2016	2017	Difference
July Ridership	125,382	130,592	5,210

	2015-2016	2016-2017	% Change
12-Month Average August-July	94.5%	93.2%	-1.3%

Analysis:

Access Link On-Time Performance was 95.0% for July, 2017. In serving 130,592 total riders, for 117,248 ADA customers trips, 5,841 (or 5.0%) experienced delays.

Key causes include:

- * Traffic congestion due to construction
- * Trips cancelled by customers and no-shows

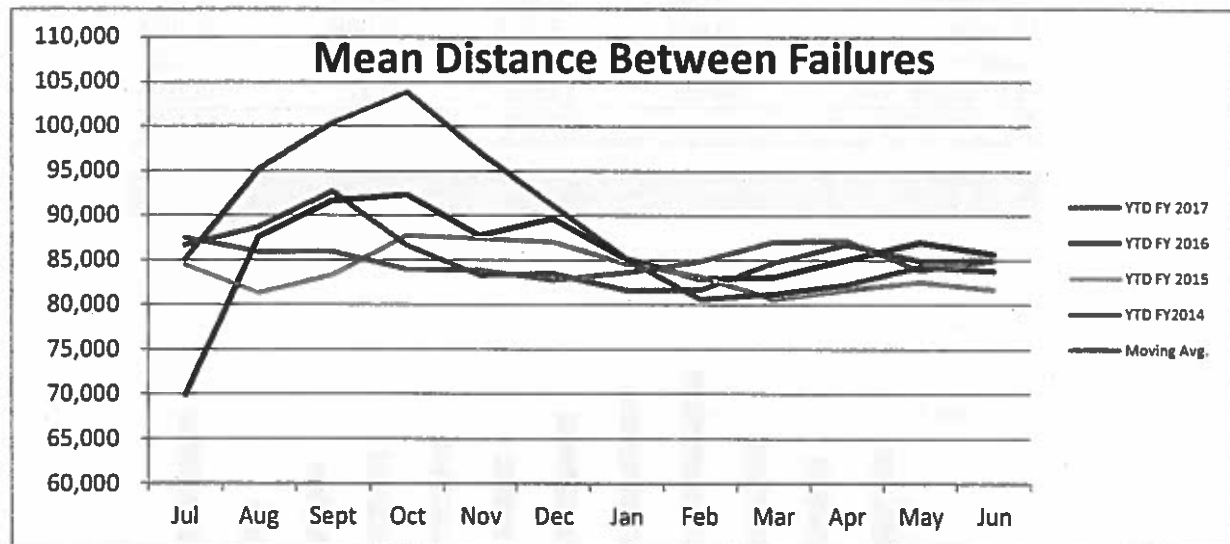
The 12-month average for Access Link On-Time Performance for August 2015 - July 2017 was 93.8%, which decreased by -1.3%.

MEAN DISTANCE BETWEEN FAILURES

June 2017

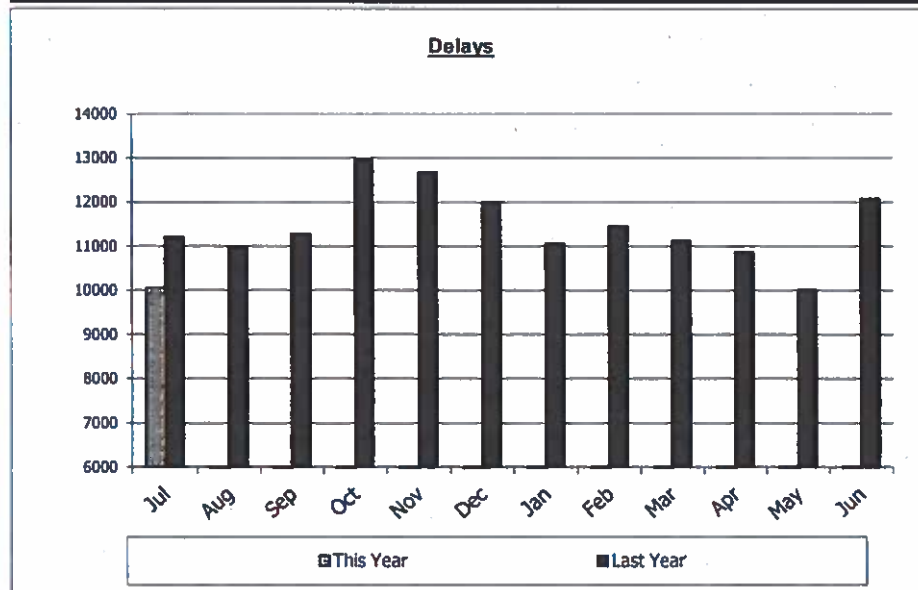
NJ Transit Rail
Mean Distance Between Failures

Month	YTD FY2017	YTD FY2016	YTD FY2015	YTD FY2014	12 Month Moving Avg.
Jul	86,683	69,926	84,508	85,097	87,513
Aug	88,680	87,565	81,319	95,116	85,898
Sept	92,705	91,669	83,368	100,341	85,954
Oct	86,626	92,329	87,750	103,813	83,937
Nov	83,272	87,756	87,434	97,112	83,870
Dec	83,501	89,655	87,042	91,128	82,753
Jan	81,633	85,167	84,607	85,161	83,609
Feb	81,639	82,949	83,179	80,639	84,826
Mar	84,715	83,112	80,659	81,229	87,026
Apr	86,771	85,060	81,649	82,293	87,172
May	84,920	87,022	82,566	84,237	83,826
Jun	84,936	85,722	81,704	83,798	84,936



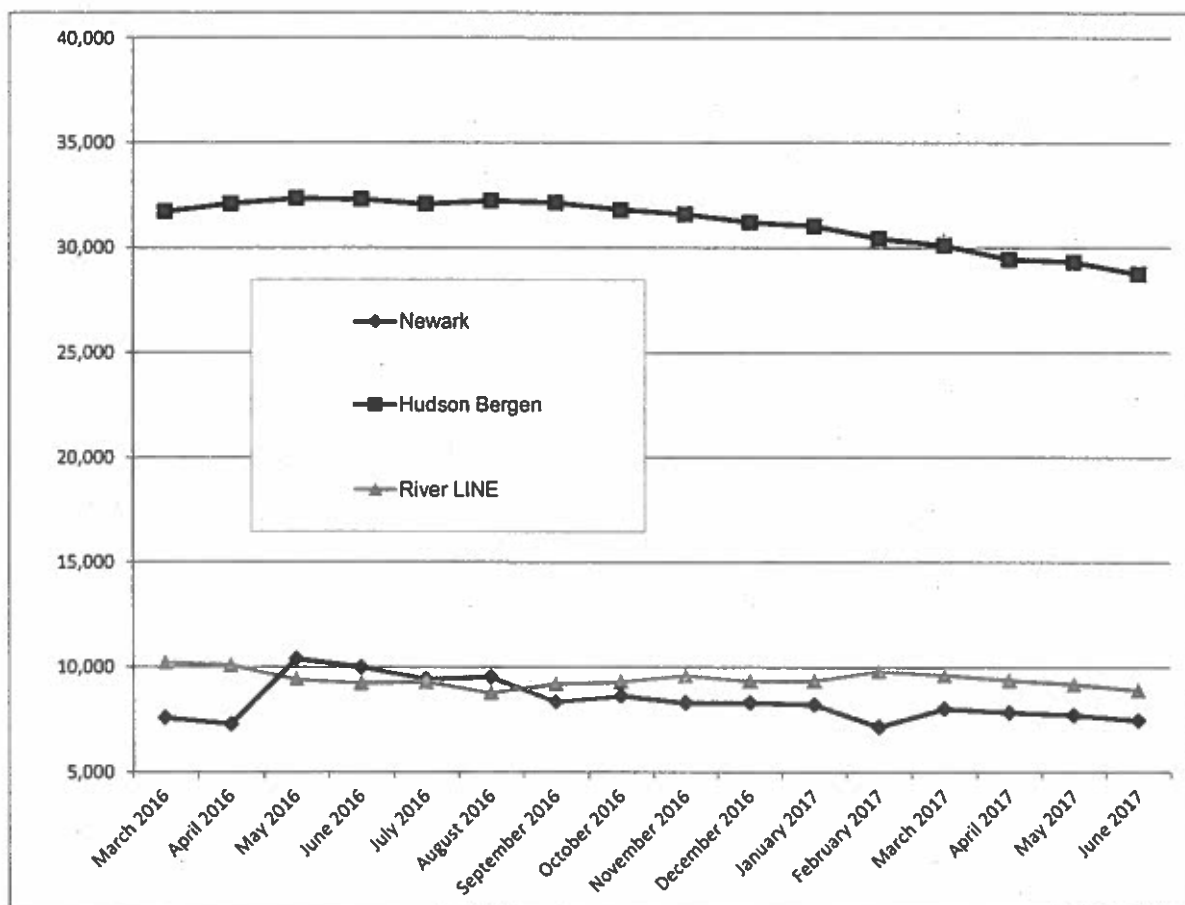
Garage Performance Parameters**July 2017**

Location	Miles Between In-Service Delays			
	FY2018 Goal	This Month	FY2018 YTD	FY2017 YTD
Fairview	7,000	5,159	5,159	5,955
Greenville	9,900	3,864	3,864	5,652
Market Street	9,500	7,737	7,737	8,350
Meadowlands	11,500	6,732	6,732	6,176
Oradell	13,500	8,263	8,263	8,250
Wayne	12,500	10,239	10,239	13,408
Northern Division	-	7,318	7,318	8,038
Big Tree	9,600	7,043	7,043	9,794
Hilton	10,500	9,024	9,024	12,944
Howell	16,750	35,754	35,754	43,078
Ironbound	9,800	10,151	10,151	10,600
Orange	10,200	7,319	7,319	9,036
Morris	10,500	47,012	47,012	47,045
Central Division	-	11,609	11,609	14,022
Egg Harbor	16,500	16,803	16,803	16,221
Hamilton	20,000	9,082	16,088	22,402
Newton Avenue	15,700	16,088	11,965	13,582
Washington Twp.	14,500	11,965	13,477	11,016
Southern Division	-	13,477	13,477	14,016
Bus Operations	-	10,050	10,050	11,213



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

NJT LIGHT RAIL	MDBSF * May 2017
Newark Light Rail	7,466
Hudson Bergen	28,752
River LINE	8,911

AVERAGE MILES BETWEEN IN-SERVICE MECHANICAL FAILURES

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

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

DBE/SBE PROGRAM

State Funded Contracts

During the month of July 2017, NJ TRANSIT awarded **\$0.00** in state funded contracts. Of that total, Small Business Enterprises (SBEs) received **\$0.00** or **0.00%**.

During the State Fiscal Year 2018 (July 1, 2017 through June 30, 2018) NJ TRANSIT awarded **\$0.00** in state funded contracts. Of that total, SBEs received **\$0.00** or **0.00%**.

SBE Goal Attainment from July 1, 2017 through June 30, 2018 (FY 2018)

Category 1 SBEs received	\$0.00	or 0.00%
Category 2 SBEs received	\$0.00	or 0.00%
Category 3 SBEs received	\$0.00	or 0.00%
Category 4 SBEs received	\$0.00	or 0.00%
Category 5 SBEs received	\$0.00	or 0.00%
Category 6 SBEs received	\$0.00	or 0.00%

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

During the 3rd Quarter (April 1, 2017 – June 30, 2017) of Federal Fiscal Year 2017 (October 1, 2016 through September 30, 2017), the FTA funded share of NJ TRANSIT's federal contracts awarded was **\$0.00**. Of that total, Disadvantaged Business Enterprises (DBEs) received **\$0.00** or **0.00%**.

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

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

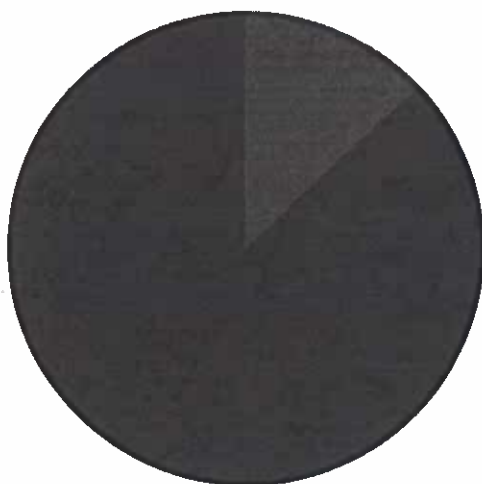
****Numbers reflect federal share.**

<i>Category 1 SBEs</i>	\$0.00	#DIV/0!
<i>Category 2 SBEs</i>	\$0.00	#DIV/0!
<i>Category 3 SBEs</i>	\$0.00	#DIV/0!
<i>Category 4 SBEs</i>	\$0.00	#DIV/0!
<i>Category 5 SBEs</i>	\$0.00	#DIV/0!
<i>Category 6 SBEs</i>	\$0.00	#DIV/0!
<i>Non-SBEs</i>	\$0.00	0.00%

- Category 1 SBEs
- Category 2 SBEs
- Category 3 SBEs
- Category 4 SBEs
- Category 5 SBEs
- Category 6 SBEs
- Non-SBEs

DBE PARTICIPATION
FEDERAL CONTRACTS
TRIENNIAL YEARS 2017-2019

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



- Total Amount DBEs Received
- Total Amount Non-DBEs Received

EMPLOYEE RECOGNITION

NJ TRANSIT employees bid farewell after outstanding careers

Twelve NJ TRANSIT employees retired recently with careers ranging from 14 to 47 years of service:

1. Paul Connelly, Locomotive Engineer – Various – 45 years
2. Robert Dangioli, Conductor – Various – 47 years
3. Zer Florentino, Locomotive Engineer – Various – 23 years
4. Selwyn Gorrick, Mechanic B&B – Newark Penn – 30 years
5. James Kenney, Robing Bridge Operator – HQ – 39 years
6. Patrick McGuire, Asst. Superintendent Mechanical, Rail – Penn Station New York – 42 years
7. Steven Mendez, Maintainer – South Amboy – 39 years
8. William Powell, Conductor – Various – 22 years
9. Ronald Roussell, Senior Manager Stations – Newark Penn Station – 39 years
10. John Rybczynski, Supervisor Structures – Red Bank, 41 years
11. Kenneth Targonski, Trackman – Newark Broad Street – 30 years
12. Jan Wilder, Assistant Conductor – Various – 14 years

ACTION ITEMS

ITEM 1708-33: NJ TRANSIT RESILIENCE PROGRAM: MEADOWS MAINTENANCE COMPLEX (MMC)/RAIL OPERATIONS CENTER (ROC) BUILDING FLOOD CONTROL: CONSTRUCTION CONTRACT AWARD AND AMENDMENT TO 2012 TASK ORDER CONSULTANT CONTRACTS PROGRAM FOR CONSTRUCTION ASSISTANCE

BENEFITS

On October 29, 2012, Superstorm Sandy's storm surge caused significant damage to NJ TRANSIT's Meadows Maintenance Complex (MMC) and Rail Operations Center (ROC). Winds caused damage to roofs and drainage piping, while the tidal surge inundated the equipment, grounds and yards of MMC.

The MMC is a collection of buildings in Kearny, New Jersey that includes NJ TRANSIT's single largest rail equipment storage and maintenance facilities. The complex includes the ROC, which contains NJ TRANSIT's rail systems communication and control center. To allow the MMC and ROC to better withstand, and recover from, future extreme weather events, NJ TRANSIT is advancing a project to protect buildings and other assets at the MMC and the ROC. This project will install of systems and devices to prevent or reduce water from entering the MMC buildings, and the ROC, along the buildings' perimeters (MMC/ROC Building Flood Control Project).

ACTION (Scorecard: Safety & Security; Customer Experience; Corporate Accountability; Financial Performance)

Staff requests authorization to take any and all actions to negotiate and execute Contract No. 17-006X with DMR Construction Services for Construction Contract Award in an amount not to exceed \$18,340,280, plus five percent for contingencies, subject to the availability of funds.

Staff also seeks authorization to increase the total authorization amount for the 2012 Capital Planning and Programs Task Order Consultant Contracts Program with Jacobs Engineering, Inc. (NJ TRANSIT Contract No. 13-006B) by \$650,080 for Construction Assistance services and other related services to support the MMC/ROC Building Flood Control Project and coordination with other MMC area projects for a maximum authorization amount of \$9,550,080 for this contract (NJ TRANSIT Resilience Program) and a maximum authorization amount of \$117,401,206 for the 2012 Task Order Consultant Contracts Program (NJ TRANSIT Resilience Program), subject to the availability of funds. The maximum task order and contract limits for these contracts previously approved for the 2012 Task Order Consultant Contracts Program will not apply to tasks related to the NJ TRANSIT Resilience Program.

PURPOSE

Authorization of this construction contract will allow the for resiliency improvements that will protect the ROC and MMC facilities during future extreme weather events. The work will allow for normal operations, or allow the rapid resumption of operations, post-event. The project includes design, project administration, construction, the purchase of necessary equipment and materials, unanticipated design requirements and modifications incurred during the past three years, plus any other related costs required to complete the scope.

Authorization of the amendment to the 2012 Capital Planning and Programs Task Order Consultant Contracts Program will allow for construction assistance services for the MMC/ROC Building Flood Control Project. The Board previously authorized \$8,900,000 for Jacobs Engineering, Inc. for the NJ TRANSIT Resilience Program (Item 1303-07 – \$2 million, Item 1308-37 – \$1 million, Item 1409-41 – \$5.5 million, Item 1511-43 – \$400,000). This authorization request is for an additional \$650,080 for Construction Assistance services and other related services to support the MMC/ROC Building Flood Control Project, for a total authorization for Jacobs Engineering, Inc. (NJ TRANSIT Contract No. 13-006B) of \$9,550,080, as shown in Exhibit A.

BACKGROUNDMMC/ROC Building Flood Control Project

Superstorm Sandy caused significant damage to NJ TRANSIT's Meadows Maintenance Complex and Rail Operations Center. The first floor of the ROC was flooded with approximately four inches of water. Although the depth of the water was minimal, the flooding caused the malfunction of the two 225 KVA UPS units leaving the ROC electrical systems vulnerable to 'spikes' and interruptions in power flow and supply. The malfunction of the UPS resulted in the ROC Data Center losing power when commercial and backup emergency generator power failed. Other electrical equipment such as batteries, transformers, and panel boards were damaged in addition to the UPS units. This electrical equipment was restored, in-kind, by NJ TRANSIT electrical maintenance personnel and placed back into service shortly thereafter. The ROC will continue to be vulnerable during future events like Sandy, if no protection/hardening measures are implemented.

The storm surge also caused significant damage to other buildings within the MMC. Inspection and repair pits, parts storage and testing areas, electrical controls and relay panels, and heavy specialized equipment within, all sustained substantial damage.

This project, which is part of a larger strategy to enhance resilience of the MMC/ROC campus, addresses facility vulnerabilities to storm surge and significant rain events.



***(L-R) Proposed rendering of a sluice gate at Building #2 at the MMC;
Proposed Man gate at the stair tower serving Building #1; Proposed sluice gate at Building #1***

Specifically, vulnerabilities in the foundation system and at openings within the building envelope, including openings for rolling stock, will be targeted and protected to prevent or reduce damage during rain or storm surges. Ancillary systems such as HVAC will also receive protection. Flood doors will be installed at currently unprotected access points. Light weight metal walls will be used at openings where neither sluice or swing gates are suitable. Doors and other openings in the building envelope subject to water intrusion will be protected to prevent or reduce such water infiltration during rain or storm surges. Flood mitigation equipment/doors will be installed at currently unprotected access doors. High volume pumps will be installed to protect key areas so that specialized equipment and controls remain dry during major storms.

Procurement

On March 16, 2017, an Invitation for Bids was advertised on BID EXPRESS, NJ TRANSIT's electronic bid system, and in *The Star-Ledger* and *Trenton Times*. A Pre-Bid Conference was held on March 30, 2017, at the MMC; a site visit followed the Pre-Bid Conference. Bids from five (5) firms were received electronically and opened on June 29, 2017 at NJ TRANSIT Headquarters in Newark.

The Office of the State Comptroller approval to advertise the Construction Contract was received on March 6, 2017, as required by Executive Order 150. The NJ TRANSIT Office of Business Diversity assigned a 21 percent Disadvantaged Business Enterprise (DBE) goal for the Construction Contract.

IFB 17-006X RESULTS

Company	Total Bid Price
DMR Construction Services, Inc.	\$18,340,280
Hall Construction Co., Inc.	\$19,877,000

Railroad Construction Company, Inc.	\$19,975,500
Anselmi & DeCicco, Inc.	\$20,515,000
Northeast Remsco Construction, Inc.	\$21,532,580

DMR Construction Services has identified 21 percent DBE participation.

Funding

These contracts will be funded through a combination of Federal Transit Administration (FTA) Emergency Relief Program funds, and State of New Jersey Transportation Trust Fund (TTF) funding.

On May 29, 2013, the U.S. Department of Transportation (USDOT) announced the availability of \$1.3 billion in locally-prioritized resiliency funding through the FTA's Emergency Relief Program to support resiliency projects "designed and built to address future vulnerabilities to a public transportation facility or system due to future recurrence of emergencies or major disasters that are likely to occur again in the geographic area in which the public transportation system is located."

NJ TRANSIT was allocated \$106,199,045 in locally prioritized resiliency funding. The Federal Transportation Administration subsequently awarded NJ TRANSIT \$17,915,000 to design and construct the MMC/ROC Building Flood Control project.

Schedule

The construction of the MMC/ROC Building Flood Control Project is scheduled to commence by Fourth Quarter of 2017. It is anticipated that construction will take approximately 18 months, and is to be completed by the end of 2019.

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

FISCAL IMPACTS

Requested Authorization:

DMR Construction Services, Inc. This Authorization \$18,340,280 + 5 % Contingency
Contract #17-006X

2012 Task Order Consultant	This Authorization	\$ 650,080 (Jacobs Engineering)
Contracts Program	Total Authorization	\$ 9,550,080 (Jacobs Engineering)
(NJ TRANSIT Resilience Program)	Total Authorization	\$ 117,401,206 (Total Program)

Previous Authorizations: None

Past Authorizations:

October 2012 Item 1210-48	Task Order Consultant Contracts for Corridor Planning; Environmental Consulting Services; Qualitative and Quantitative Research; Rail Operation & Infrastructure Planning; and Stations, Access & Site Planning
December 2012 Item 1212-61	Task Order Consultant Contracts for Architectural/Engineering; Bridge and Railway Engineering; and Travel Demand Forecasting
March 2013 Item 1303-07	Superstorm Sandy Disaster Recovery Program Amendments to 2012 Task Order Consultant Contracts – \$13,000,000
April 2013 Item 1304-12	Superstorm Sandy Disaster Recovery Program Amendments to 2012 Task Order Consultant Contracts – \$8,500,000
April 2013 Item 1304-14	Task Order Consultant Contracts for Construction Management
May 2013 Item 1305-21	Task Order Consultant Contracts for Community Transportation; Transit-Friendly Planning, Land Use and Development ; Vertical Transportation; and Access Link
May 2013 Item 1305-22	Super Bowl 48 Amendment to 2012 Task Order Consultant Contract
August 2013 Item 1308-37	Superstorm Sandy Disaster Recovery Program Amendments to 2012 Task Order Consultant Contracts – \$20,300,000
April 2014 Item 1404-15	Superstorm Sandy Disaster Recovery Program Amendments to 2012 Task Order Consultant Contracts – \$17,600,000
September 2014 Item 1409-41	Superstorm Sandy Disaster Recovery Program Amendments to 2012 Task Order Consultant Contracts – \$8,000,000
October 2014 Item 1410-45	Superstorm Sandy Disaster Recovery Program Amendments to 2012 Task Order Consultant Contracts – \$290,000
December 2014 Item 1412-60	Superstorm Sandy Disaster Recovery Program Amendments to 2012 Task Order Consultant Contracts – \$2,000,000

May 2015 Item 1505-10	Superstorm Sandy Disaster Recovery Program – Rebuild by Design Amendment to 2012 Task Order Consultant Contracts – \$8,600,000
June 2015 Item 1506-14	Superstorm Sandy Disaster Recovery Program – Amendment to 2012 Task Order Consultant Contracts – \$11,500,000
September 2015 Item 1509-32	Superstorm Sandy Disaster Recovery Program – Amendment to 2012 Task Order Consultant Contracts – \$7,045,350
September 2015 Item 1509-33	Superstorm Sandy Disaster Recovery and Resilience Program – Amendment to 2012 Task Order Consultant Contracts – \$11,500,000
November 2015 Item 1511-43	NJ TRANSIT Resilience Program – Amendment to 2012 Task Order Consultant Contracts – \$400,000
November 2015 Item 1511-45	Capital Planning and Programs Task Order Consultant Contracts: Extension of Time and Increase in Authorizations
March 2017 Item 1703-08	NJ TRANSIT Resilience Program – Amendment to 2012 Task Order Consultant Contracts – \$4,000,000
March 2017 Item 1703-09	NJ TRANSIT Resilience Program – Rebuild by Design: Amendment to 2012 Task Order Consultant Contracts – \$500,000
April 2017 Item 1704-12	Hoboken Station Repairs: Amendment to 2012 Task Order Consultant Contracts (Task Limit increase)
June 2017 Item 1706-17	NJ Transit Resilience Program – Hoboken Boiler and Terminal Repairs: Amendment to 2012 Task Order Consultant Contracts Program for Construction Assistance Services - \$765,776
June 2017 Item 1706-18	NJ Transit Resilience Program – Observer Highway Switching Station: Amendment to 2012 Task Order Consultant Contracts Program for Construction Assistance Services - \$2,750,000
Total Previous (NJ TRANSIT Resilience Program)	\$ 116,751,126

Expenditures to Date: \$3,783,000 (as of 05/31/17)

Total Project Cost: \$30,990,000

Projected Date of Completion: June 2019

Capital Program Amount: \$30,990,000

Operating Budget Amount: \$ 0

Anticipated Source of Funds: Federal Transit Administration;
Transportation Trust Fund (State of New Jersey)

PRINTS ID Number: NJT00825

DBE/SBE Goal: 21% DBE

***NJ Build* Amount:** TBD

Future/Related Authorizations: Not Applicable

Impacts on Subsequent Operating Budgets: \$20,000 for pre-storm implementation of protective systems (per occurrence)

RESOLUTION

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

WHEREAS, the Meadows Maintenance Complex (MMC) is a large rail storage, repair and staging facility, owned and operated by NJ TRANSIT, in Kearny, New Jersey; and

WHEREAS, the Rail Operations Center (ROC) is a centralized rail communications and control center within the MMC complex, and is owned and operated by NJ TRANSIT; and

WHEREAS, the MMC and ROC were damaged during Superstorm Sandy, including train and locomotive maintenance sheds, equipment storage areas, inspection pits, and associated heating, ventilation, and electrical infrastructure; and

WHEREAS, NJ TRANSIT seeks to enhance protection of its critical facilities at the Meadows Maintenance Complex and Rail Operations Center and better prepare them for future extreme weather events; and

WHEREAS, engineering modifications to existing support facilities were deemed essential as part of the same resiliency and hardening plan for the Meadows Maintenance Complex; and

WHEREAS, Jacobs Engineering is the Engineer-of-Record for the MMC/ROC Building Flood Control Project, and Construction Assistance Services are needed to ensure the facility elements are constructed in accordance with the approved design documents; and

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

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

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to take any and all actions to negotiate and execute Contract No. 17-006X with DMR Construction Services for Construction Contract Award in an amount not to exceed \$18,340,280, plus five percent for contingencies, subject to the availability of funds; and

BE IT FURTHER RESOLVED, that the Chairman or Executive Director is authorized to increase the total authorization amount for the 2012 Capital Planning and Programs Task Order Consultant Contracts Program with Jacobs Engineering, Inc. (NJ TRANSIT Contract No. 13-006B) by \$650,080 for Construction Assistance services and other related services to support the MMC/ROC Building Flood Control Project and coordination with other MMC area projects, for a maximum authorization amount of \$9,550,080 for this contract (NJ TRANSIT Resilience Program) and a maximum authorization amount of \$117,401,206 for the 2012 Task Order Consultant Contracts Program (NJ TRANSIT Resilience Program), subject to the availability of funds. The maximum task order and contract limits for these contracts previously approved for the 2012 Task Order Consultant Contracts Program will not apply to tasks related to the NJ TRANSIT Resilience Program.

EXHIBIT A

SUMMARY OF REQUESTED AUTHORIZATIONS

2012 TASK ORDER CONSULTANT CONTRACTS PROGRAM AMENDMENTS

Vendor	Contract No.	Additional Superstorm Sandy Disaster Recovery and Resilience Program Authorizations				Base Program Authorizations	
		Task Limit	Previous Authorizations	This Authorization	Contract Limit	Task Limit	Contract Limit
URS Corporation	13-001C	NA	\$ 8,045,350		\$ 8,045,350	\$ 500,000	\$ 2,250,000
BEM Systems Inc.	13-002B	NA	\$ 17,800,000		\$ 17,800,000	\$ 500,000	\$ 6,800,000
Dewberry Inc.	13-002D	NA	\$ 9,100,000		\$ 9,100,000	\$ 500,000	\$ 6,800,000
Parsons Brinckerhoff	13-004A	NA	\$ 2,000,000		\$ 2,000,000	\$ 500,000	\$ 4,500,000
Christopher P. Statile	13-005C	NA	\$ 1,250,000		\$ 1,250,000	\$ 400,000	\$ 2,250,000
Gannett Fleming	13-006A	NA	\$ 13,390,000		\$ 13,390,000	\$ 500,000	\$ 5,250,000
Jacobs Engineering	13-006B	NA	\$ 8,900,000	\$ 650,080	\$ 9,550,080	\$ 500,000	\$ 5,250,000
STV Inc.	13-006C	NA	\$ 8,765,776		\$ 8,765,776	\$ 500,000	\$ 5,250,000
Systra Inc.	13-006D	NA	\$ 3,000,000		\$ 3,000,000	\$ 500,000	\$ 5,250,000
HNTB Corporation	13-007B	NA	\$ 40,500,000		\$ 40,500,000	\$ 600,000	\$ 3,000,000
TranSystems Inc.	13-007D	NA	\$ 3,000,000		\$ 3,000,000	\$ 600,000	\$ 3,000,000
Hill International ¹	13-010F	NA	\$ 1,000,000		\$ 1,000,000	\$ 600,000	\$ 5,950,000

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

ITEM 1708-34: LACKAWANNA CUT-OFF PASSENGER RESTORATION PROJECT MINIMAL OPERABLE SEGMENT (MOS) PORT MORRIS TO ANDOVER: AMENDMENT OF CONTRACT TO ADD DESIGN SERVICES

BENEFITS

NJ TRANSIT is working to provide travelers with transit alternatives to congested roads and aid in the compliance with clean air legislation. One of the rail system extension projects that support these goals is the restoration of the Lackawanna Cut-Off in western New Jersey (Lackawanna Cut-Off project). This project seeks to provide improved public transportation for commuters who must use the congested I-80 corridor, particularly in Morris County. Based on a ridership forecast study performed in 2008, upon opening, the Lackawanna Cut-Off MOS will initially attract 80 weekday riders and is forecast to attract 130 average weekday riders by 2030.

As part of the Lackawanna Cut-Off project, the New Jersey Department of Environmental Protection (NJDEP) granted a conditional Flood Hazard Area Permit and a Freshwater Wetland Permit. This authorization will provide the necessary support to modify these NJDEP permits in order to minimize impacts associated with the replacement of an underground culvert on private property, which is a condition of the NJDEP permits.

ACTION (Scorecard: Customer Experience, Corporate Accountability)

Staff requests authorization to amend the professional services Contract No. 02-084 with Jacobs Engineering Group, Inc. (formerly Edwards & Kelcey, Inc.) of Morristown, New Jersey, to provide design services for the Lackawanna Cut-Off Minimal Operable Segment (MOS) from Port Morris to Andover, New Jersey, at a cost not to exceed \$800,000, plus five percent for contingencies, for a total contract authorization of \$6,627,798 subject to the availability of funds.

PURPOSE

Authorization of this contract amendment will allow NJ TRANSIT to complete additional design, site investigation, and support necessary to modify the NJDEP permits in order to minimize impacts associated with the replacement of an underground culvert on private property. Replacement of this culvert is a condition of the NJDEP permits.

BACKGROUND

History

The Lackawanna Cut-Off MOS project involves the restoration of commuter rail service from Port Morris, NJ to Andover, NJ for a distance of 7.3 miles. The MOS is a rail spur

off the outer end of NJ TRANSIT's existing Montclair/Boonton Line on the former right-of-way known as the "Lackawanna Cut-Off".

The purpose of this project is to implement a passenger rail service effectively and efficiently improve travel in Northwest New Jersey to the New York/New Jersey corridor. As part of the planned restoration, NJ TRANSIT intends to rehabilitate the Roseville Tunnel and install one grade crossing at Brooklyn-Stanhope Road in Stanhope. A new station with parking for 55 cars will be constructed off Roseville Road in Andover, the MOS terminus. NJ TRANSIT began design of the project with the award of a design services contract to Jacobs Engineering in 2009.

Restoration of the trackbed began in 2010 with the award of a construction contract to Union Paving for the clearing of trees, site grading, and installation of the 4.25 miles of ballast for the future track installation along a portion of the right-of-way between Port Morris in Roxbury Township and Byram Township. Upon completion of this portion of the trackbed, NJ TRANSIT forces installed approximately 1.5 miles of track.

In 2013, NJ TRANSIT issued a design contract to Parsons Transportation for the design and engineering for the rehabilitation of the Roseville Tunnel. This design effort identified the necessary structural repairs and waterproofing system criteria that is being used to develop the design/build construction documents for the rehabilitation of the tunnel. Design of the Andover Station is being accomplished by NJ TRANSIT's Design Services Unit. The station will consist of a commuter shelter building installed on a 200-foot high-level platform. Parking will be provided for 55 cars.

In June 2011, NJ TRANSIT submitted a preliminary application for the project to the NJDEP for pre-application review and discussion. The application was finalized and submitted on February 7, 2012 for an Individual Flood Hazard Area Permit, Freshwater Wetlands Permit and Special Activity Transition Permit for the construction of the remaining portion of the track right-of-way and the planned Andover Station. In an effort to address comments and discussions with the NJDEP, an amended application was submitted on June 7, 2013, which included a request for a hardship waiver for land disturbance within a Riparian Zone and Special Water Resource Protection Area.

NJ TRANSIT's existing rail rolling stock (diesel locomotives and coaches) will be used to provide weekday commuter rail service between Andover Station and Hoboken Terminal. Headways will be hourly during peak periods and approximately every two hours during the off-peak period. No weekend service is planned. Hours of service will be from approximately 5:00 a.m. to 10:30 p.m. The preliminary service plan will include eight eastbound and eight westbound revenue trains per weekday. Four non-revenue trains will be operated in each direction in order to move equipment to or from Port Morris Yard.

The Lackawanna Cut-Off Project requires an NJDEP Flood Hazard Area Permit Freshwater and Wetland Permit to fully develop the old track bed and planned location for the Andover Station that became fallow and was overgrown and ponded in the years since rail operations ceased along the line in 1979. On March 26, 2015, the necessary

permits were issued by the NJDEP with a condition that NJ TRANSIT access private property for the purpose of replacing an existing culvert. The property owner is unwilling to allow the access. NJ TRANSIT, after consultation with the NJDEP is seeking as alternative design for the culvert that minimizes construction impacts to structures located on the property.

The project is partially funded with a federal earmark grant of \$18.1 million. The balance of the project is funded using federal formula and Transportation Trust funds.

FISCAL IMPACTS

Requested Amount:

Jacobs Engineering Group Contract No.	This Authorization: \$800,000 + 5% contingency Total Authorization: \$840,000
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Past Authorizations:

<i>Conceptual Planning (E&K)</i>	<i>September 2002</i>	<i>\$1,156,119</i>
<i>Environmental Documentation (E&K)</i>	<i>October 2004</i>	<i>\$2,447,165</i>
<i>Design Services (Jacobs)</i>	<i>December 2008</i>	<i>\$1,947,000</i>
<i>Construction Services (Union Paving & Construction Co., Inc.)</i>	<i>October 2009</i>	<i>\$6,200,000</i>
<i>Wetland Mitigation Credits (Ecologic Mitigation Oxford & The Nature Conservancy)</i>	<i>March 2016</i>	<i>\$1,384,038</i>
	<i>Total Previous</i>	<i>\$13,134,322</i>

Expenditures to Date: \$ 14,276,000 (as of 5/2017)

Total Project Cost: \$ 61,624,000

Projected Date of Completion: April 2020

Capital Program Amount: \$ 61,624,000

Operating Budget Amount: \$0

PRINTS ID Number: HQS00150

Anticipated Source of Funds: Federal Transit Administration
Transportation Trust Fund

DBE/SBE Goal: 30%

NJ Build Amount: None

Future Related Authorizations: Roseville Tunnel Rehabilitation Design/Build Contract
Andover Station and Trackbed Construction

**Impacts on Subsequent
Operating Budgets:** TBD

RESOLUTION

WHEREAS, NJ TRANSIT is working to increase the availability of New Jersey's public transportation, provide transit alternatives to congested roads and support the goals of clean air legislation; and

WHEREAS, one of the projects that supports these goals is the restoration of passenger rail service on the Lackawanna Cutoff in western New Jersey, which utilizes the Roseville Tunnel and provides improved public transportation for commuters that use the congested I-80 corridor; and

WHEREAS, the replacement of an existing culvert on private property is required for the reactivation of the rail line and construction of the planned Andover Station; and

WHEREAS, an alternative design is necessary to minimize impacts to the private property structures; and

WHEREAS, Jacobs Engineering is currently under contract with NJ TRANSIT following the completion of a competitive procurement process for the Lackawanna Cut-Off Design and Engineering Services;

NOW, THEREFORE, BE IT RESOLVED, that the Chairman or Executive Director is authorized to amend the professional services Contract No. 02-084 with Jacobs Engineering Group, Inc. (formerly Edwards & Kelcey, Inc.) of Morristown, New Jersey, to provide design services for the Lackawanna Cut-Off Minimal Operable Segment (MOS) from Port Morris to Andover, New Jersey, at a cost not to exceed \$800,000, plus five percent for contingencies, for a total contract authorization of \$6,627,798, subject to the availability of funds.

ITEM 1708-35: ELIZABETH STATION: GROUND LEASE EXTENSION WITH THE CITY OF ELIZABETH

BENEFITS

To support cost-effective management, maintenance and repair of the City of Elizabeth Midtown Parking Deck, staff seeks authorization to extend the existing 1997 Ground Lease Agreement ("Agreement"), which currently expires on May 14, 2027, for an additional ten years. The lease extension will be contingent on and enables the City of Elizabeth ("City") to refinance the current parking deck bond obligation on more favorable terms thereby generating debt service savings. A reduction in debt service in the City's Midtown Deck Operating budget will reduce the need for the City to subsidize the budget while permitting the City to continue to manage and maintain the Deck in a state of good repair for the benefit of the commuting public.

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

Staff seeks authorization to take any and all actions necessary to extend the term of the existing lease Agreement with the City an additional ten years for the City to continue to use, operate and maintain the Elizabeth Midtown Parking Deck.

PURPOSE

The extension of the Agreement will allow the City to refinance the bond at a lower market interest rate while extending the final maturity of the bond. As a result, the City's subsidy will be reduced, which will allow it to continue to operate and maintain the Deck in a high quality, low cost manner.

Extension of the Agreement, currently set to expire on May 14, 2027, for an additional ten years allows the City to continue to fund the management, maintenance and operation of the Deck while reducing the City's bond debt service payments.

BACKGROUND

In 1997, NJ TRANSIT leased land in proximity to the Elizabeth Train Station to the City to construct, operate and maintain the Deck. NJ TRANSIT contributed \$1,150,000 and conveyed use of its land to assist



the City in the financing of the \$8,750,000 project. The City subsequently subleased the Deck to the Elizabeth Development Company ("EDC"). In 2007 the New Jersey Economic Development Authority ("EDA") issued the 2007 EDA Bonds to fund capital improvements of the Deck. The 2007 EDA Bonds are secured by repayment obligations of the EDC under a Loan and Security Agreement. Under this Loan, the

EDC, as operator, pledged gross receipts of the Deck to repayment of the 2007 EDA Bonds.

FISCAL IMPACTS

Requested Authorization:	Staff seeks authorization to take any and all actions necessary to extend the term of the existing lease Agreement with the City an additional ten years for the City to continue to use, operate and maintain the Elizabeth Midtown Parking Deck.
Past Authorizations:	Board Item #9309-110 (Elizabeth Midtown Joint Development); Board Item #9609-100 (NJ TRANSIT Capital Contribution to New parking deck)
Expenditures to Date:	\$1,150,000
Total Project Cost:	N/A
Projected Date of Completion:	N/A
Anticipated Source of Funds:	N/A
Prints ID Number:	N/A
DBE/SBE Goal:	N/A
<i>NJ Build</i> Amount:	N/A
Related/Future Authorization:	N/A
Impacts on Subsequent Operating Budgets:	N/A

RESOLUTION

WHEREAS, NJ TRANSIT and the City of Elizabeth have entered into a 30-year Lease for the Elizabeth Midtown Parking Deck from May 15, 1997 to May 14, 2027; and

WHEREAS, the City of Elizabeth constructed and has operated the Elizabeth Midtown Parking Deck since 1997; and

WHEREAS, the City of Elizabeth is requesting a 10 year lease Agreement extension to May 14, 2037 which will provide that the City will continue to operate and maintain the Elizabeth Midtown Parking Deck; and

WHEREAS, the extension of the lease term will allow the City of Elizabeth to refinance the existing Elizabeth Midtown Parking Deck 2007 EDA Bonds upon more favorable terms and continue to operate and maintain the Deck;

NOW, THEREFORE, BE IT RESOLVED that the Executive Director is hereby authorized to take any and all actions necessary to extend the term of the existing lease Agreement with the City an additional ten years for the City to continue to use, operate and maintain the Elizabeth Midtown Parking Deck.

**ITEM 1708-36: REGULATIONS: ADOPTION OF NEW RULES: N.J.A.C. 16:87
 PROOF OF PAYMENT**

BENEFITS

Adoption of regulations governing proof of payment in order to maintain an effective and efficient method of ensuring that fares are paid by riders of rail passenger services operated by or under contract with NJ TRANSIT.

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

Staff seeks authorization to take all actions necessary to adopt the regulations, N.J.A.C. 16:87 et seq., Proof of Payment, consistent with this Board item and Exhibit A.

PURPOSE

Authorization to adopt the regulations will advance efforts to reestablish and enhance guidelines and procedures which govern the proof of payment fare collection policy.

BACKGROUND

NJ TRANSIT and its subsidiaries are responsible for the provision of rail, light rail and bus services in the State of New Jersey. NJ TRANSIT is authorized to set and collect fares for the services it or its contractors provide to the riding public.

In order to provide NJ TRANSIT with a more effective and efficient way of ensuring that NJ TRANSIT fares are paid by its riders of rail services, P.L. 1997, c.357 (N.J.S.A. 27:25-5.6 et seq.), authorized NJ TRANSIT to implement a proof of payment fare collection policy for rail passenger service. This law remains in effect. NJ TRANSIT uses proof of payment fare collection on its light rail services where the riders are required to purchase their monthly pass or individual ticket prior to boarding the vehicle or entering a designated pre-paid area. Persons failing to purchase and/or properly validate a ticket, could be issued a Special Complaint Summons, which carries with it a maximum fine of \$100. Since most offenders will pay the fine, there is less need for fare enforcement employees to appear in court. The process is also designed to give light rail riders an incentive to purchase and validate their ticket ahead of time as required.

Continued use of proof of payment is required for NJ TRANSIT's light rail systems because they do not lend themselves to other more conventional approaches to fare collection. The reasons are:

1. Light rail vehicles have multiple sets of doors to expedite boarding and exiting for high volumes of riders. The doors are located in portions of the vehicle not adjacent to the operator. Consequently, the operator will not be able to collect fares as passengers enter or exit; and

2. Light rail stations have curb-level platforms and several are located in street rights-of-way, which preclude the use of gated platforms and turnstiles; and
3. Light rail stations are spaced closely together so on-board conductors would not have the ability to check tickets and collect cash fares on board. "Smart cards" are also not an option.

Staff has determined that these regulations are responsive to the purpose for which they were originally promulgated.

The proposed new rules were published in the New Jersey Register on February 21, 2017 (Exhibit A). The comment period expired on April 22, 2017 and no comments were received.

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

FISCAL IMPACTS

Requested Authorization: Authorization to take all actions necessary to adopt the regulations, N.J.A.C. 16:87 et seq., Proof of Payment, consistent with this Board item and Exhibit A.

Past Authorization:

November 2016
Item 1611-60

Regulations: Rule-Making Process Proposed
Readoption With Amendments to N.J.A.C.
16:87, Proof of Payment

Expenditures to Date: N/A

Total Project Cost: N/A

Projected Date of Completion: N/A

Capital Program Amount: N/A

Operating Budget Amount: N/A

Anticipated Source of Funds: N/A

Prints ID Number: N/A

DBE/SBE Goal: N/A

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

Related/Future Authorization: N/A

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

RESOLUTION

WHEREAS, NJ TRANSIT is authorized to set and collect fares for the services it or its contractors provide to the riding public: and

WHEREAS, in order to continue to provide NJ TRANSIT with an effective and efficient method of ensuring that NJ TRANSIT fares are paid by its riders of light rail services, P.L. 1997, c.357, (N.J.S.A. 27:25-5.6 et seq.) establishes a specific statutory framework for dealing with fare evasion on rail passenger services operated by or under contract with NJ TRANSIT; and

WHEREAS, staff reviewed the current regulation and determined that the rules are necessary, adequate, reasonable, efficient, understandable, and responsible to the purposes for which they were originally promulgated, and should be adopted; and

WHEREAS, the proposed new rules were published in the New Jersey Register on February 21, 2017 (Exhibit A). The comment period expired on April 22, 2017 and no comments were received; and

WHEREAS, these amended rules will advance the guidelines and procedures that govern effective and efficient fare collection by NJ TRANSIT;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director or his designee is authorized to take all actions necessary to adopt the regulations, N.J.A.C. 16:87 et seq., Proof of Payment, consistent with this Board item and Exhibit A.

16:6-3.2 Notices to displaced persons

Pursuant to 49 CFR 24.203, displaced persons are required to be given notice of minimum time frames before being required to relocate. A longer period can be used by the agency at its discretion. If required by State statute, relocation notices providing a longer period than those prescribed by Federal relocation requirements shall be used in place of the minimum Federal notice periods.

16:6-3.3 Workable Relocation Assistance Plan (WRAP)

(a) All projects shall be reviewed to minimize the adverse impacts of displacement. The agency shall prepare a Workable Relocation Assistance Plan (WRAP) indicating the proposed relocations (if any) and, when relocations are required, lists the persons and/or entities to be relocated, the relocatee needs, and the agency plan to address those relocation services required.

(b) Prior to acquiring the property for a project, the local public agency shall submit the WRAP to the Division of Right of Way and Access Management for its review. The WRAP shall address the relocation needs of any persons displaced by the project.

SUBCHAPTER 4. APPEALS

16:6-[3.3]4.1 Appeal of agency determination

(a) Any [aggrieved] displaced person may file a written appeal, regardless of form, with the agency conducting the relocation in any case in which the person believes that the agency has failed to properly consider the person's application for assistance under this chapter. Such assistance may include, but is not limited to, the person's eligibility for, or the amount of, a relocation payment.

(b) The written appeal must be [initiated] submitted to the agency conducting the relocation within 90 days after the displaced person receives written notification of the agency's determination on the displaced person's claim. [The written appeal should be addressed to the Director of Right of Way. If the matter is not resolved to the person's satisfaction, the person may request an in-person review by writing to the New Jersey Department of Transportation, 1035 Parkway Avenue, PO Box 600, Trenton, New Jersey 08625-0600, Attention: Director of Right of Way, who is the Commissioner's authorized designee to hear appeals.]

(c) In deciding an appeal, the agency shall consider all pertinent justification and other material submitted by the person, and all other available information that is needed to ensure a fair and full review of the appeal.

[(c)] (d) A person has the right to be represented by legal counsel or other representative in connection with the appeal, but solely at the person's own expense. The person shall be permitted to inspect and [copy] request copies of all materials pertinent to the appeal, except materials [which] that are classified as [confidential] privileged by the agency. The agency may impose reasonable conditions on the person's right to inspect, consistent with applicable laws. [In deciding an appeal, the agency shall consider all pertinent justification and other material submitted by the person, and all other available information that is needed to ensure a fair and full review of the appeal.] Copying fees shall be in accordance with N.J.S.A. 47:1A-5 and copies will be provided upon full payment of the copying fees, by check or money order made payable to "New Jersey Department of Transportation."

(e) The LPA shall designate a person within its agency to hear any initial appeals of its relocation assistance determinations. In the event that the LPA is unable to provide a person with sufficient expertise, the LPA may request that the Department hear the initial appeal.

(f) The Division of Right of Way and Access Management (Division) shall conduct all initial appeals of Department relocation determinations. The Division shall also conduct initial appeals on behalf of an LPA when an LPA is unable to do so.

[(d)] (g) [Promptly] Within 60 days after receipt of all information submitted by a person in support of an appeal, the agency shall make a written determination on the appeal, including an explanation of the basis on which the decision was made, and furnish the person a copy.

(h) If the matter is not resolved to the person's satisfaction at the initial appeal conducted by the Department or the LPA, the displaced person may request an in-person review by writing to:

Director of Right of Way & Access Management
New Jersey Department of Transportation
PO Box 600

Trenton, New Jersey 08625-0600

(i) If the [full] relief requested is not granted during the final appeal to the Department, the [agency] Division shall advise the person of his or her opportunity to request a contested case before the Office of Administrative Law, conducted pursuant to the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq., and 52:14F-1 et seq., and the Uniform Administrative Procedure Rules, N.J.A.C. 1:1.

(a)

NEW JERSEY TRANSIT CORPORATION

Proof of Payment

Proposed New Rules: N.J.A.C. 16:87

Authorized By: New Jersey Transit Corporation, Dennis Martin,
Interim Executive Director.

Authority: N.J.S.A. 27:25-5.e and n and 27:25-15.1, specifically 15.1(a).

Calendar Reference: See Summary below for explanation of exception to calendar requirements.

Proposal Number: PRN 2017-031.

Submit comments by April 22, 2017, to:

Joyce J. Zuczek

New Jersey Transit Corporation

One Penn Plaza East

Newark, NJ 07105-2246

E-mail: commentsproofofpayment@njtransit.com

The agency proposal follows:

Summary

In October 1998, the New Jersey Transit Corporation (NJ TRANSIT) adopted rules on proof of payment. NJ TRANSIT, pursuant to N.J.S.A. 27:25-5.n is authorized to set and collect fares for the services it or its contractors provide to the riding public. Since October 4, 1999, the system has been in place and NJ TRANSIT Fare Enforcement Officers have been issuing citations since December 20, 1999. This chapter expired on December 11, 2016. NJ TRANSIT has reviewed these rules and has determined that they are necessary, reasonable, adequate, efficient, understandable, and responsive to the purpose for which it was originally promulgated, with the exception of a minor amendment and therefore, proposes the expired rules as new rules.

A summary review of each of the subchapters of N.J.A.C. 16:87 follows:

Subchapter 1 contains the purpose of the chapter and sets forth definitions of terms used in this chapter.

Subchapter 2 contains the process of payment of fare and violations.

Subchapter 3 contains the description of penalties, which includes civil penalties, and suspension of driving privileges.

Subchapter 4 contains a description of venue.

The proposed amendment to the expired rules proposed herein as new rules are as follows:

N.J.A.C. 16:87-2.1 has been amended to reflect a grammatical change.

As NJ TRANSIT has provided a 60-day comment period on this notice of proposal, this notice is excepted from the rulemaking calendar requirements, pursuant to N.J.A.C. 1:30-3.3(a)5.

Social Impact

The expired rules proposed herein as new rules with an amendment provide an effective, efficient way for NJ TRANSIT to ensure that all of its users are paying the correct fare for the transportation provided. This system treats users appropriately and provides incentives (fines, court costs, contempt, arrest, loss of driver's license) to purchase the

appropriate ticket for the correct price. Only persons who choose to use rail service without paying the appropriate fare feel the negative impacts of the rules.

Economic Impact

The expired rules proposed herein as new rules with an amendment will not increase the fares of users of rail passenger services. Therefore, there will be no economic impact on NJ TRANSIT users who pay the appropriate fare. There will be a negative economic impact on persons who choose to pay their fares to or upon boarding certain rail services. Because of increased activity in certain municipal courts, their cost of operation may be increased. However, NJ TRANSIT estimates that court costs and the municipality's share of the revenue from the fines (50 percent) should be more than adequate to defray any additional costs.

Federal Standards Statement

The expired rules proposed herein as new rules with an amendment are not subject to any Federal standards and, therefore, a Federal standards analysis is not required for this rulemaking.

Job Impact

The expired rules proposed herein as new rules with an amendment will not affect the generation of or loss of jobs.

Agriculture Industry Impact

The expired rules proposed herein as new rules with an amendment will have no impact on the agriculture industry.

Regulatory Flexibility Statement

A regulatory flexibility analysis is not required because the expired rules proposed herein as new rules with an amendment do not impose reporting, recordkeeping, or other compliance requirements on small businesses as defined under the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq. The expired rules proposed herein as new rules with an amendment affect NJ TRANSIT, subject individuals, and courts, and will not apply to any small businesses.

Housing Affordability Impact Analysis

The expired rules proposed herein as new rules with an amendment will have an insignificant impact on the affordability of housing in New Jersey, and there is an extreme unlikelihood that the rules would evoke a change in the average costs associated with housing because the rules pertain to proof of payment for NJ TRANSIT.

Smart Growth Development Impact Analysis

The expired rules proposed herein as new rules with an amendment will have an insignificant impact on smart growth, and there is an extreme unlikelihood that the rules would evoke a change in housing production in Planning Areas 1 or 2, or within designated centers, under the State Development and Redevelopment Plan in New Jersey because the rules pertain to proof of payment for NJ TRANSIT.

Full text of the expired rules proposed herein as new rules may be found in the New Jersey Administrative Code at N.J.A.C. 16:87.

Full text of the proposed amendment to the expired rules follows (addition indicated in boldface thus):

SUBCHAPTER 2. PAYMENT OF FARE AND VIOLATIONS

16:87-2.1 Payment of fare

The use of a rail passenger service by a person shall constitute an agreement by the person to pay the prescribed fare for the service. A person who has paid the prescribed fare for a rail passenger service and who has been issued proof of payment therefor shall retain that proof of payment while in a pre-paid fare area or in or on designated rail passenger facilities or vehicles. In addition, single use tickets and transfers must be properly validated in order to constitute proof of payment. Validated tickets are good until the expiration of the time imprinted on them by the validator. Single use tickets which have not been validated, have an improper date, or are time expired do not constitute proof of payment.

ITEM 1708-37: EXERCISE OF ONE-YEAR ADVERTISING REVENUE CONTRACT EXTENSION**BENEFITS**

The sale of advertising space on NJ TRANSIT's bus, rail and light-rail equipment, stations, platforms, terminals and trestles provides significant annual non-farebox revenue to NJ TRANSIT. Advertising revenue decreases reliance on subsidies and fares for operations. Approval of this Board Item will enable NJ TRANSIT to maintain non-farebox revenue generated by its current advertising revenue contractor, Intersection Media LLC, of New York City ("Intersection"). During this one year extension, NJ TRANSIT intends to issue a Request for Proposal for an advertising revenue contract for a new, advertising revenue contract for a longer term.

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

Staff seeks authorization to exercise an option to extend for one year NJ TRANSIT's advertising revenue contract with Intersection in consideration of Intersection's (a) payment to NJ TRANSIT of the minimum annual guarantee of not less than \$12,300,000 for the extension period, and (b) payment to NJ TRANSIT of 63 percent of net revenue above the minimum annual guarantee of not less than \$12,300,000.

This is an increase from the \$11,915,000 minimum annual guarantee and 62.5 percent revenue share that NJ TRANSIT received for the 2016-2017 contract year. In addition, Intersection will continue to market long-term sponsorship opportunities and install digital advertising at NJ TRANSIT stations.

PURPOSE

The purpose of this Board Item is to exercise an option to extend for a one-year period, NJ TRANSIT's contract with Intersection, which ends on August 31, 2017. Extending the contract will result in uninterrupted receipt of non-farebox advertising revenue. It will also enable NJ TRANSIT to continue to deploy new digital technology and pursue long-term partnerships with companies interested in sponsorship opportunities. Recent digital deployments include new advertising screens at Hoboken Terminal and New York Penn Station. In addition, Intersection secured a contract with Audible, Inc. for a long-term advertising campaign at Newark Broad Street Station. During the contract extension, NJ TRANSIT intends to issue a competitive request for proposals for a longer contract term.

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

FISCAL IMPACTS

Requested Authorization: Authorization to exercise an option to extend for one year NJ TRANSIT's advertising revenue contract with Intersection in consideration of Intersection's (a) payment to NJ TRANSIT of the minimum annual guarantee of not less than \$12,300,000 for the extension period, and (b) payment to NJ TRANSIT of 63 percent of net revenue above the minimum annual guarantee of not less than \$12,300,000.

Previous Authorizations: May 2004
ITEM 0405-27: Revenue-generating Advertising Agreements, five-year contract

May 2008
ITEM 0805-34: Advertising Agreements Extension, through 8/31/11

July 2011
ITEM 1107-39: Advertising Revenue Contract Extension

February 2012
ITEM 1202-06: Advertising Revenue Contract Extension

July 2012
ITEM 1207-36: Advertising Revenue Contract

Anticipated Source of Funds: None required; revenue-generating contract

Projected Date of Completion: August 31, 2018

Diversity Goal: Race Neutral

Related/Future Authorizations: Authorization to award long-term advertising revenue services contract

Impacts on Subsequent Operating Budgets: Revenue of not less than \$12,300,000 during one year period of September 1, 2017 through August 31, 2018

RESOLUTION

WHEREAS, the sale of advertising space on NJ TRANSIT's bus, rail and light-rail equipment, stations, platforms, terminals and trestles provides significant annual guaranteed non-farebox revenue to NJ TRANSIT; and

WHEREAS, NJ TRANSIT's contract with its advertising revenue contractor, Intersection, is scheduled to terminate on August 31, 2017; and

WHEREAS, NJ TRANSIT seeks to exercise an option to extend for one year NJ TRANSIT's advertising revenue contract with Intersection in order to continue to earn advertising revenue while deploying new digital technology and pursuing long-term partnerships; and

WHEREAS, Intersection has agreed to increase the minimum annual guarantee paid to NJ TRANSIT during the extension year to \$12,300,000 and to increase the percentage of net revenue above the minimum annual guarantee to 63 percent;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to take any and all actions necessary to exercise an option to extend the term of NJ TRANSIT's advertising revenue contract with Intersection for one year.

EXECUTIVE SESSION AUTHORIZATION

BE IT HEREBY RESOLVED pursuant to N.J.S.A. 10:4-12 and N.J.S.A. 10:4-13 that the Board of Directors of the New Jersey Transit Corporation hold an executive session to discuss personnel matters, contract negotiations, the status of pending and anticipated litigation and matters falling within the attorney-client privilege, including, but not limited to, Settlement of Pending Condemnation Matter – New Jersey Transit Corporation v. Mary Franco, Carol Franco and M&C Franco & Co. and the Personal Injury Claim of Antonio Almeida; and

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

**ITEM 1708-38: SETTLEMENT OF PENDING CONDEMNATION MATTER
- NEW JERSEY TRANSIT CORPORATION v. MARY
FRANCO, CAROL FRANCO AND M&C FRANCO & CO.**

BENEFITS

It is the opinion of NJ TRANSIT, and counsel for NJ TRANSIT, to settle a condemnation matter against Mary Franco, Carol Franco and M&C Franco Co. arising out of NJ TRANSIT's filing of a Verified Complaint in Condemnation in December 2009, and a Declaration of Taking in January 2010.

ACTION (Scorecard: Financial Performance, Corporate Accountability)

Staff seeks authorization to take all necessary steps to agree to the form of and to cause entry of a final consent judgment in the NJ TRANSIT v. Mary Franco, Carol Franco and M&C Franco Co. condemnation matter, in amount discussed in executive session, and to take other actions consistent with settlement, as discussed in executive session. The Attorney General has approved the proposed settlement, subject to the availability of funds.

PURPOSE

NJ TRANSIT By-Laws require Board approval for settlement of claims and disputes in excess of \$500,000. This case, venued in Hudson County Superior Court, Jersey City, New Jersey, initiated from NJ TRANSIT's filing of a Verified Complaint in Condemnation in December 2009, and a Declaration of Taking filed in January 2010.

FISCAL IMPACTS

Requested Authorization: Request authorization to settle the condemnation matter against Mary Franco, Carol Franco and M&C Franco Co., at an amount discussed in executive session, and to take all actions consistent with settlement.

Projected Date of Completion: FY 2018

Anticipated Source of Funds: Transportation Trust Fund

DBE/SBE Goal: Not applicable. No goods or services to be procured.

RESOLUTION

WHEREAS, Article VI, Section 11 of the By-Laws requires Board Authorization for settlement of claims and disputes in excess of \$500,000; and

WHEREAS, it is the opinion of NJ TRANSIT, and counsel for NJ TRANSIT, to settle a condemnation matter against Mary Franco, Carol Franco and M&C Franco Co. arising out of NJ TRANSIT's filing of a Verified Complaint in Condemnation in December 2009, and a Declaration of Taking in January 2010; and

WHEREAS, Staff has reviewed the respective positions of the parties and recommends settling this case through the entry of a consent judgment;

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to settle a condemnation matter against Mary Franco, Carol Franco and M&C Franco Co., at an amount discussed in executive session, and to take all actions consistent with settlement, as discussed in executive session. The Attorney General has approved the proposed settlement, subject to the availability of funds.

ITEM 1708-39: PERSONAL INJURY CLAIM OF ANTONIO ALMEIDA

BENEFITS

It is the opinion of NJ TRANSIT and defense counsel, in recognition of the totality of the circumstances including the serious injuries that resulted, to settle the claim of Antonio Almeida.

ACTION

Staff seeks authorization to settle the claim of Antonio Almeida through his attorney, at an amount discussed in executive session. The Attorney General has approved the proposed settlement, subject to the availability of funds.

PURPOSE

NJ TRANSIT By-Laws require Board approval of the settlement of all claims and lawsuits involving personal injury, death or property damage in excess of \$500,000. This case venued in the Essex County Superior Court, Newark, New Jersey, initiated from a Bus claim.

FISCAL IMPACTS

Requested Authorization:	Request authorization to settle the Personal Injury Claim of Antonio Almeida
Projected Date of Completion:	FY 2018
Anticipated Source of Funds:	FY 2018 Operating Budget
Diversity Goals/Participation:	Not applicable. No goods or services to be procured.

RESOLUTION

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

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

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

NOW, THEREFORE, BE IT RESOLVED that the Chairman or Executive Director is authorized to settle the claim of Antonio Almeida through his attorney, at an amount discussed in executive session. The Attorney General has approved the proposed settlement, subject to the availability of funds.