

FINAL REPORT

FISCAL YEAR 2022

**COMBINED TRIENNIAL AND STATE MANAGEMENT
REVIEW**

of

**New Jersey Transit Corporation
(NJ Transit)
Newark, New Jersey
ID: 1414**

Performed for:

**U.S. DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION
REGION 2**

Prepared By:

CDI/DCI Joint Venture

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I. Executive Summary

This report documents the Federal Transit Administration's (FTA) Combined Triennial and State Management Review of the New Jersey Transit Corporation (NJ Transit) located in Newark, New Jersey. The FTA wants to ensure that awards are administered in accordance with the requirements of Federal public transportation law 49 U.S.C. Chapter 53. The review was performed by CDI/DCI Joint Venture. During the virtual site visit, administrative and statutory requirements were discussed, and documents were reviewed.

Due to the Coronavirus 2019 (COVID-19) Public Health Emergency, a virtual site visit was conducted for this Combined Triennial and State Management Review. In addition, the review was expanded to address NJ Transit's compliance with the administrative relief and flexibilities FTA granted, the requirements of the COVID-19 Relief funds received through the Coronavirus Aid, Relief, the Economic Security (CARES) Act, the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) of 2021, and the American Rescue Plan (ARP) Act of 2021. NJ Transit was also requested to share if and/or how it suspended, deviated from, or significantly updated/alterd its transit program due to the public health emergency.

The Combined Triennial and State Management Review focused on NJ Transit's compliance in 23 areas. Deficiencies related to the COVID-19 Relief funds have been clearly identified as part of the deficiency description in the respective review area.

Deficiencies were found in the areas listed below. None of the deficiencies is a repeat deficiency from the 2018 Combined Triennial and State Management Review in any of these areas.

Review Area	Deficiencies	
	Code	Description
9. Satisfactory Continuing Control (SCC)	SCC10-1	Excessive fixed-route bus spare ratio
10. Procurement (P)	P9-1	A&E procurement deficiencies

However, during the Combined Triennial and State Management Review under the technical capacity areas of compliance, FTA has concerns with NJ Transit's implementation of the FTA program given its existing capital program responsibilities, staff decrease and the increased responsibilities for future major capital projects such as the Portal North Bridge Project, Hudson Tunnel Project, etc. Therefore, FTA will continue to monitor the technical capacity of NJ Transit's FTA awards, programs, and projects at NJ Transit's Quarterly Meetings.

As part of this year's Combined Triennial and State Management Review of NJT, the FTA incorporated an Enhanced Review Module (ERM) in the Disadvantaged Business Enterprise (DBE) area. The purpose of an ERM is to conduct a more comprehensive review of underlying or contributing issues identified during the pre-assessment stage of the Combined Triennial and State Management Review.

The ERM questionnaire presents recommended questions for a DBE enhanced review. Based on the scope of the approved ERM, all or a selection of the questions of this module were conducted. The actual questions asked, and the items sampled, and observations were made during the scoping meeting. FTA asked the reviewer, CDI/DCI Joint Venture, to develop a unique scope of work for the ERM. Questions were asked, and additional sampling and observations were performed as directed by the FTA. The scope, questionnaire, sampling, and observations were subjected to final review and approval by the Office of Civil Rights, and the Office of Transit Safety and Oversight (TSO).

II. Review Background and Process

1. Background

The United States Code, Chapter 53 of Title 49 (49 U.S.C. 5307(f)(2)) requires that “At least once every 3 years, the Secretary shall review and evaluate completely the performance of a recipient in carrying out the recipient’s program, specifically referring to compliance with statutory and administrative requirements...” This Combined Triennial and State Management Review was performed in accordance with the FTA procedures (published in FTA Order 9010.1B, April 5, 1993).

The Combined Triennial and State Management Review includes a review of the NJ Transit’s compliance in 23 areas. The basic requirements for each of these areas are summarized in Section IV.

This report presents the findings from the Combined Triennial and State Management Review of NJ Transit. The review concentrated on procedures and practices employed since NJ Transit’s previous Combined Triennial and State Management Review; however, coverage was extended to earlier periods as needed to assess the policies in place and the management of award funds. The specific documents reviewed and referenced in this report are available at the FTA’s regional office or NJ Transit’s office.

2. Process

The Combined Triennial and State Management Review includes a pre-review assessment, a desk review and scoping meeting with the FTA regional office, and a virtual site visit to the recipient’s location. Due to the COVID-19 Public Health Emergency, a virtual site visit was conducted of each recipient. In addition, the review was expanded to address the NJ Transit’s compliance with the administrative relief and flexibilities FTA granted and the requirements of the COVID-19 relief funds received through the CARES Act, CRRSAA of 2021, and the ARP Act of 2021. NJ Transit was also requested to share if and/or how it suspended, deviated from, or significantly updated or altered its transit program due to the public health emergency.

The fiscal year (FY) 2022 process began with the regional office transmitting a recipient information request (RIR) to NJ Transit on December 6, 2021, indicating a review would be conducted. While NJT prepared its response to the RIR, the regional office and review team conducted a scoping

meeting on March 10, 2022, respectively. Necessary files retained by the regional office were sent to the reviewers electronically. Following the desk review and scoping meeting, the reviewer and the recipient corresponded and exchanged information and documentation in preparation for the virtual site visit. As a result of this review, an agenda package indicating the issues that would be discussed, records to be reviewed, and interviews to be conducted was then sent to the NJ Transit on June 14, 2022. The virtual site visit for NJ Transit occurred on August 9-11, August 16-18, and August 22, 2022.

The virtual site visit portion of the review began with an entrance conference, at which the purpose of the Combined Triennial and State Management Review and the review process were discussed. The reviewers conducted additional interviews and reviewed documentation to evidence NJ Transit's compliance with FTA requirements.

Upon completion of the virtual site visit, the FTA and the reviewers provided a summary of preliminary findings to NJ Transit at an exit conference. Section VI of this report lists the individuals participating in the virtual site visit.

3. Metrics

The metrics used to evaluate whether a recipient is meeting the requirements for each of the areas reviewed are:

- *Not Deficient*: An area is considered not deficient if, during the review, nothing came to light that would indicate the requirements within the area reviewed were not met.
- *Deficient*: An area is considered deficient if any of the requirements within the area reviewed were not met.
- *Not Applicable*: An area can be deemed not applicable if, after an initial assessment, the recipient does not conduct activities for which the requirements of the respective area would be applicable.

III. Recipient Description

1. Organization

NJ TRANSIT is New Jersey's statewide public transportation corporation. It is the third largest transit system in the country, operating in New Jersey, New York, Pennsylvania and Delaware. It serves an area of over 5,325 square miles and 10.6 million residents.

The New Jersey Public Transportation Act of 1979 established NJ TRANSIT in the executive branch of the state government. The Act constituted NJ TRANSIT as an instrumentality of the state exercising public and essential governmental functions and deemed the powers exercised by NJ TRANSIT as an essential state governmental function. The Act placed NJ TRANSIT within the New Jersey Department of Transportation but stated that the corporation should operate independently from the department. The governor designated NJ TRANSIT as the recipient for FTA funds, established to "acquire, operate and contract for transportation service in the public interest."

NJ TRANSIT is governed by a thirteen-member board of directors, 11 voting members comprising the Commissioner of the Department of Transportation, a representative from the Treasurer's Office, a representative from the Governor's Office, eight members from the public and two non-voting members at the recommendation of the labor organizations (motorbus and rail) representing the plurality of employees. The Governor appoints all 13 board members, six of which require advice and consent of the Senate. The Commissioner of the Department of Transportation serves as the board chair.

NJ TRANSIT's bylaws give the President and Chief Executive Officer, who answers to the board, the requisite authority to act on behalf of the Board of Directors. Annually, the Board of Directors authorizes the President and Chief Executive Officer to apply for FTA funds. Several transit advisory committees provide the agency with additional input from the public. These include NJ TRANSIT's Local Programs Citizens Advisory Committee, North Jersey Transit Advisory Committee, and the South Jersey Transit Advisory Committee. Input is also received from the North Jersey Transportation Planning Authority, Delaware Valley Regional Planning Commission, and the South Jersey Transportation Planning Organization, which are the metropolitan planning organizations of New Jersey.

NJ TRANSIT directly provides fixed-route bus, light rail, commuter rail, hybrid-rail, and ADA complementary paratransit. It also contracts with and leases assets to private bus operators and administers community mobility programs throughout the state.

Fixed-Route Bus - NJ TRANSIT, through direct service, private carrier support, and contract bus service, provides an extensive network of intrastate and interstate bus service. Each year, the fleet of over 3,000 buses travels over 79.6 million revenue miles on 253 routes. The network serves 384 New Jersey communities and the region's commercial centers, with commuter off peak service to and from urban cities and suburban townships. Service is concentrated in Manhattan, Newark, Jersey City, Trenton, Camden, Atlantic City, and Philadelphia. NJ TRANSIT operates out of 16 garages.

Private Carriers - NJ TRANSIT administers programs to provide bus and bus-related equipment to private carriers. Thru its Bus Allocation Program, NJ TRANSIT leases 561 buses to 13 private carriers at no cost. The carriers provide interstate service under authority provided by the Federal Surface Transportation Board and intrastate service under authority provided by the New Jersey Department of Transportation. NJ TRANSIT uses FTA Section 5307 funds and state funds to purchase the buses. The buses display the carrier's logo and a statement that the buses are owned by NJ TRANSIT. Private carriers that participate in the program file National Transit Database reports.¹

Under its Private Carrier Capital Improvement Program, NJ TRANSIT leases support equipment such as radios, fareboxes, computers, portable lifts, support vehicles, fuel managementsystems, and bus washers at no cost to the private carriers. Only carriers that lease buses are eligible for the program. NJ TRANSIT also reimburses carriers that provide reduced fares to elderly persons, persons with disabilities and students.

Commuter Rail - The NJ TRANSIT commuter rail network consists of 12 lines and branches that serve 166 stations in 116 New Jersey communities. NJ TRANSIT operates in excess of 600 daily trains on an average weekday. Eleven lines serve the New York City metropolitan area. The commuter rail service includes 544.4 miles of track, excluding Amtrak's Northeast Corridor, and 166 rail stations. One line, the Atlantic CityLine, serves Philadelphia's 30th Street Station. NJ TRANSIT maintains its fleet of 213 diesel and electric locomotives and 1,045 rail cars at the Meadows Maintenance Complex located near Newark. Daily servicing and running repairs are also performed at other final terminals. In addition to operating its own service, NJ TRANSIT is contracted by the Metropolitan Transportation Authority to operate service from Hoboken Terminal to Port Jervis in New York State via the Main/Bergen County Line and on the New York state portion of the Pascack Valley Line up to Spring Valley.

Light Rail - NJ TRANSIT has three light rail networks – Newark Light Rail (NLR), Hudson-Bergen Light Rail (HBLR), and the River Line (RL)/Contractor operated that feature a total of 93 rail cars operating among 62 stations serving 22 New Jersey municipalities. The 14-mile Newark Light Rail has two lines serving 17 stations between downtown Newark and Newark's Penn Station. The 16.9-mile Hudson-Bergen Light Rail links the growing cities along the Hudson Waterfront, with three lines and 24 stations. The 34.5-mile River Line operates between Trenton and Camden serving Delaware River area communities with 21 stations. The River Line is considered a "hybrid light rail" in that it operates on a freight rail line, separated by time of day from the movement of freight trains. NJ TRANSIT directly operates Newark Light Rail. It contracts with design/build/operate/maintain (DBOM) contractors to operate the other two light rail lines, the HBLR and RL.

ADA Complementary Paratransit Service - NJ TRANSIT contracts with Access Link for its ADA complementary paratransit service. The state is divided into six regions with a contractor assigned to each region. NJ Transit determines eligibility and operates the reservation center.

¹ Per Private Carrier Affairs, "...[T]here were only some [Private Carrier Affairs (PCA)] buses that had any federal funding associated with them during the review period. As of January [2022,] the last of the buses that contained any federal funding have been retired from the fleet. PCA currently does not have any buses with federal interest."

Community Mobility - NJ TRANSIT passes Sections 5307, 5310, and 5311, assistance and Congestion Mitigation Air Quality (CMAQ) funds to subrecipients to support a range of public transportation and mobility programs that include demand-response and route deviation public transportation, transportation for elderly persons and persons with disabilities, feeder service to commuter rail stations, and access to jobs for low-income persons.

2. Award and Project Activity

Below is a list of NJ Transit's open awards at the time of the review:

Award Number	Award Amount	Year Executed	Description
NJ-03-0167-01	\$3,990,000	2008	Lackawanna Cutoff Project
NJ-03-0168-00	\$12,741,000	2008	Lackawanna Cutoff Project NS
NJ-03-0145-04	\$15,318,934	2009	Newark Penn Station
NJ-04-0013-03	\$5,956,577	2011	Morristown Station Rehabilitation
NJ-04-0018-02	\$4,836,682	2010	Lakewood Bus Service and Parking Facility
NJ-04-0038-00	\$3,350,000	2012	Ridgewood/Wesmont American with Disabilities (ADA) Stations
NJ-16-X009-00	\$3,846,135	2014	2012 Section 5310
NJ-16-X010-00	\$7,489,799	2015	2013 Section 5310
NJ-18-X025-00	\$4,127,611	2015	2013 Section 5311
NJ-44-X003-03	\$293,727,555	2016	Sandy 2 - Public Trans Emergency Relief
NJ-65-X003-00	\$450,000	2014	FY 2012 South Jersey Transportation Planning Organization (SJTPO)
NJ-90-X002-01	\$279,217,274	2016	2015 Section 5307
NJ-95-X018-02	\$702,336	2012	2010 SJTPO Local CMAQ
NJ-95-X019-01	\$51,000,000	2013	Ridgewood (STP-TE)/Multi-Levels (CMAQ)
NJ-95-X020-00	\$2,608,000	2012	Local Section 5307-Congestion Mitigation and Air Quality-2010-2011
NJ-95-X021-03	\$59,641,000	2015	2012 CMAQ Grant
NJ-95-X022-00	\$962,806	2013	New Jersey Transportation Planning Authority - 2012 Local CMAQ
NJ-95-X025-00	\$800,000	2013	Diesel Retrofit Project
NJ-2016-03-00	\$21,990,596	2016	FY2013 CMAQ/5307 Multilevel Coaches
NJ-2016-004-00	\$3,914,425	2016	2014 Section 5311 Nonurbanized Area Formula Grant
NJ-2016-009-00	\$184,493,910	2016	Delco Lead Storage and Inspection Facility
NJ-2016-013-01	\$146,548,432	2017	Hoboken Long Slip Flood Protection (Long Slip Fill and Rail Enhancement)
NJ-2016-017-00	\$7,138,384	2016	2014 Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities
NJ-2017-006-01	\$446,312,465	2018	NJ TRANSIT Raritan River Drawbridge Replacement (Raritan River Bridge Replacement)
NJ-2017-007-00	\$14,996,927	2017	FY2014 Section 5339 Bus and Bus Facilities
NJ-2017-008-01	\$88,903,190	2018	Train Controls – Wayside Signals, & Power & Communication Resiliency Project (Signals and Communications Resilience)
NJ-2017-010-01	\$60,000,000	2018	FY2014 CMAQ - Light Rail Vehicle Capacity Extenders
NJ-2017-011-03	\$390,000,000	2020	FY2014 CMAQ - Multi-Level Power Cars

Award Number	Award Amount	Year Executed	Description
NJ-2017-013-01	\$12,000,000	2018	Passenger Ferry Grant
NJ-2017-015-00	\$3,914,306	2017	FY2015 5311 Nonurbanized Area Formula Grant
NJ-2017-016-00	\$7,135,028	2017	FY2015 Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities
NJ-2017-018-00	\$495,000	2017	FY2013 CMAQ/5307 Local Initiatives
NJ-2017-019-00	\$590,000	2017	FY2015 CMAQ 5307 Local Initiatives
NJ-2017-020-02	\$278,358,456	2018	FY2017 Section 5307 Urbanized Area Formula Grant
NJ-2017-021-00	\$2,940,000	2017	FY2015 NJTPA CMAQ 5307 Local Initiatives
NJ-2017-022-00	\$280,000	2017	FY2015 DVRPC CMAQ 5310 Local Initiatives
NJ-2018-001-00	\$10,000,000	2018	FY2017 Positive Train Control
NJ-2018-009-04	\$291,424,070	2021	FY2018 Section 5307 Urbanized Area Formula Grant
NJ-2018-010-00	\$590,000	2018	FY2016 DVRPC CMAQ/5307 Local Initiatives
NJ-2018-012-00	\$14,000,000	2018	FY2016 & FY2017 CMAQ-River LINE Tier 4 Engine Retrofit Project
NJ-2018-013-02	\$42,894,727	2020	FY15 Section 5339 Bus and Bus Facilities
NJ-2018-014-00	\$3,980,150	2018	FY2016 Section 5311 Nonurbanized Area Formula Grant
NJ-2018-015-00	\$1,000,000	2018	FY 2016 NJTPA Local Repurposing Earmark DEMO funding
NJ-2018-016-00	\$1,506,000	2018	FY2015 CMAQ 5307 NJ Shore Special Transit and One-Seat Rail Service
NJ-2018-017-00	\$1,870,000	2018	FY2017 SJTPO CMAQ/5310 Local Initiatives
NJ-2018-018-00	\$180,000	2019	FY2016 DVRPC CMAQ/5310 Local Initiatives
NJ-2018-019-00	\$7,120,931	2018	FY2016 Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities
NJ-2019-004-00	\$4,033,447	2019	FY2017 Section 5311 Nonurbanized Area Formula Grant
NJ-2019-006-00	\$500,000	2019	FY2017, SECTION 5339 Low or No Emission Bus Program - Electric Bus Program
NJ-2019-009-02	\$304,111,510	2021	FY2019 Section 5307 Urbanized Area Formula
NJ-2019-011-00	\$1,980,000	2019	FY2018 DVRPC CMAQ/5307 Local Initiatives

Award Number	Award Amount	Year Executed	Description
NJ-2019-012-00	\$2,799,500	2019	FY2018 NJTPA CMAQ/5307 Local Initiatives
NJ-2019-014-00	\$1,505,000	2019	FY2018 DVRPC CMAQ/5310 Local Initiatives
NJ-2019-015-00	\$7,239,432	2019	FY2017 Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities
NJ-2019-016-00	\$2,656,452	2019	FY2016 Passaic Bus Terminal 5339(b)
NJ-2019-017-01	\$409,764,814	2020	NJ TRANSITGRID project
NJ-2020-002-01	\$26,369,006	2021	FY2018 Section 5337 State of Good Repair
NJ-2020-003-01	\$133,474,589	2020	FY2019 Section 5337 State of Good Repairs
NJ-2020-004-00	\$2,500,000	2020	Passaic Bus Terminal (High Priority FHWA Flex)
NJ-2020-007-01	\$174,387,719	2021	FY2020 Section 5337 State of Good Repair Grant
NJ-2020-008-02	\$310,464,657	2021	FY2020 Section 5307 Urbanized Area Formula Grant
NJ-2020-009-00	\$13,321,545	2020	NJ TRANSIT's CARES Act Rural Operating, Capital, and Intercity Project (Section 5311)
NJ-2020-010-00	\$6,000,000	2020	FY2017 Passenger Ferry Grant
NJ-2020-012-00	\$2,500,000	2020	Perth Amboy Station ADA Improvements (FY2017, FY2018, FY2019, FY2020)
NJ-2020-014-00	\$1,500,000	2020	FY2018 Low or No Emission Grant Program-Electric Buses
NJ-2020-015-00	\$4,186,102	2020	FY2018 Section 5311 Nonurbanized Area Formula Program
NJ-2020-016-00	\$7,000,000	2020	FY2018 Bus and Bus Facilities - Bus Lifts
NJ-2020-018-00	\$2,600,000	2020	FY2017 Bus and Bus Facilities (5339(b)) Program – Greenville Bus Garage
NJ-2020-019-00	\$60,600	2020	FY2018/2019 Access and Mobility Partnership
NJ-2020-020-00	\$6,542,353	2020	FY2018 Positive Train Control - CRISI 3028
NJ-2020-023-01	\$21,423,546	2021	FY2018 Section 5339 Bus and Bus Facilities
NJ-2020-024-02	\$7,379,607	2020	FY2018 Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities
NJ-2021-001-00	\$248,000,000	2021	Portal North Bridge FFGA
NJ-2021-004-01	\$68,115,300	2021	NJ TRANSIT Section 5307 CRRSAA Operating Assistance
NJ-2021-005-00	\$75,000,000	2021	FY2021 CMAQ/5307 Multilevel III Passenger Rail Cars (113)
NJ-2021-006-00	\$17,275,000	2021	FY 2019 Competitive Bus and Bus Facilities - Articulated Buses

Award Number	Award Amount	Year Executed	Description
NJ-2021-010-00	\$1,015,000	2021	FY2020 CMAQ/5307 Local Initiatives - DVRPC
NJ-2021-013-01	\$255,760,378	2021	NJ TRANSIT – Section 5307 – ARP – Operating Assistance
NJ-2021-016-00	\$994,000	2021	FY2020 CMAQ/5310 Local Initiatives - DVRPC
NJ-2021-017-00	\$14,672,995	2021	FY2020 Competitive Bus and Bus Facilities - Wayne Bus Garage
NJ-2021-018-00	\$7,074,310	2021	FY 2020 Low or No Emission Bus Program - Hilton Garage Electric Buses
NJ-2021-019-00	\$8,000,000	2021	HBLR Route 440 Extension West Side Avenue Improvements
NJ-2021-020-00	\$4,514,760	2021	FY 2019 SECTION 5311, 5311 (b)(3)
NJ-2021-021-00	\$171,918,497	2021	FY2021 Section 5337 State of Good Repair
NJ-2021-022-00	\$7,474,725	2021	FY2019 Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities
NJ-2022-001-00	\$600,000	2022	Improving Safety and Security via Video Analytics in the age of COVID-19 and Beyond

NJ Transit received Supplemental Funds for operating assistance in the following three award numbers: NJ-2020-009-00 (CARES); NJ-2021-004-02 (CRRSAA); NJ-2021-013 (ARP). This is NJ Transit's first time receiving operating assistance from the FTA.

Projects Completed

In the past few years, NJ TRANSIT completed the following noteworthy projects:

- Hoboken Boiler and Terminal Repairs - This project is for the design and construction of repairs and modifications to selected equipment, systems and facilities in the Hoboken Terminal that were damaged during Super Storm Sandy. The following is included in the project scope:
 1. A new terminal building hot water heating system including 2 new boiler plants located above the flood zone with new gas fired boilers and the associated pumps and control equipment, new supply and return piping through the building and new radiators and heating units.
 2. Demolition and removal of the damaged steam heating system equipment including boilers, pumps, control equipment, piping and radiators and heater units.
 3. A new relocated Ferry Ticketing Suite and Employee Facilities to a higher elevation within the Terminal Building including new ticket windows and administrative offices protected by a new flood wall and new employee locker rooms, bathrooms and break areas.

4. The former Ferry Ticketing Suite and Employee Facilities will be remediated, and the interior will be demolished and cleaned up. Repairs will be made to the power, lighting, and fire protection systems.
5. Equipment repairs and replacements and a new flood protection plank barrier system for the Ferry Operations Electrical Hut on finger Pier #2
6. Remediation, repairs and replacements to selected equipment, systems and structural elements on the Ferry Terminal platform and concourses including passenger information signs, radiant heaters, electrical power, communications, corridor walls and doors and anchor piles.

Project Budget: \$21,681,000

- **Hoboken Signal Relocation of Signals to Terminal**

This project is for design and construction activities for the replacement and relocation of existing signal equipment at Hoboken Terminal. There are 24 existing wayside cases and 1 signal bungalow that contain control relays, track circuit equipment, transformers, and power equipment. This equipment will be replaced with new equipment. This project includes installing the new equipment at higher elevations to afford it better protection from potential storm surges. To elevate and increase the resilience of the new control relays and track circuit equipment, they will be installed within Terminal Tower. By doing this, sufficient space will be created within the signal cases to allow new transformers and power equipment to be installed approximately four feet higher than the existing equipment. New conduit and cable will also be installed from the Terminal Tower to the wayside cases to provide the necessary equipment interfaces. Existing equipment that is being replaced will be stored for future use.

Project Budget: \$11,320,000

Ongoing Projects

NJ TRANSIT is currently implementing the following noteworthy projects:

- **Hoboken Terminal House Power Repair** - This project involves the design and construction for the repair and replacement of the Hoboken Terminal House Power Supply (a.k.a. `Depot Substation`) including switch gear, transformers and associated relays, circuit breakers, power cables, electrical system components, and ancillary equipment. To improve the resiliency of the substation, it will be relocated above design flood elevation to the second floor of the Pullman & Immigrant building (a.k.a. `Immigrant` building), which is adjacent to the existing substation. The utility metering and isolation switch for the 13.2kV feed from Observer Highway will also be relocated to the second floor of the Immigrant building. The Immigrant building will be upgraded to meet structural requirements for the substation and all modifications will comply with SHPO requirements.
Project Budget: \$33,948,200
- **Henderson St. Substation Repair** - This project involves the design and construction of the replacement Henderson Street Substation in Hoboken, including switchgear, transformers and all other associated power cable, devices, and controls. The replacement substation will be located at the site of the existing Hoboken Yard Boiler Building (boiler is decommissioned). Backup power will be included in the new facility. This work includes

demolition of the existing boiler building. New utility service feeders will be included in the replacement substation. The substation will be elevated to Design Flood Elevation or above, and utilize components designed to better withstand contact with salt water where elements cannot be raised, in a manner consistent with codes and standards. The new substation will consist of 13.2kV switchgear, with a new 1200 amp main-double tie-main bus/circuit breaker configuration. Three emergency generators are included in the new substation.

Project Budget: \$39,437,000

- Bay Head Yard Substation Repair - This project involves the design and construction of a replacement Bay Head Yard Substation including switchgear, transformers and all other associated power cable, devices, and controls. The Bay Head substation will be constructed on site. The replacement project will combine the functions of both existing substations into a single new substation. A redundant utility service feeder for the new substation will also be included. The substation will be elevated to Design Flood Elevation or above, and utilize components designed to better withstand contact with salt water where elements cannot be raised, in a manner consistent with codes and standards. The new substation will have two outdoor liquid filled 3750/4200 kVA transformers. The substation transformers will feed a 13.2kV switchgear lineup inside the new substation building which will power two wayside power unit substations and two building transformers for normal building house power supply. A new 800kW, 480Y/277V standby diesel generator system will be installed to supply standby building house power to replace the emergency generator damaged in Superstorm Sandy.

Project Budget: \$31,141,000

- SANDY Replacement Mason/Building 9 Substation - This project involves costs associated with the NJ TRANSIT's share in the design and replacement of the Mason traction power substation in partnership with PSE&G including switchgear, transformers and the associated relays, circuit breakers, and other electrical system components and ancillary equipment. Mason substation is located in Kearny, NJ along the north perimeter of the MMC complex. The project may require the acquisition of additional property and will require utility coordination. The new substation will be designed and built by PSE&G next to the existing substation within an existing NJ TRANSIT property.

Project Budget: \$132,000,000

- Lyndhurst Station Reconstruction - The Lyndhurst Station Reconstruction will design and construct a new High-Level Platform with Station enclosure along the Eastbound tracks as well as a new High-Level Platform along the Westbound tracks. The project will create adequate Accessible Parking and an ADA compliant path to and from the new High-Level Platforms. All improvements will take place near the intersection of Delafield Avenue. The existing station near Stuyvesant & Court Avenue will not be affected by this project.

Project Budget: \$31,837,100

- Elizabeth Intermodal Station Reconstruction - The project involves the reconstruction of the existing and extension of the high-level platforms; restoration of two existing elevators and construction of the two new elevators and stairs at each platform; construction of the new station building to include ticket office, operational office space, and retail space.

Project Budget: \$71,000,000

- **Multilevel III Purchase (113)** - This project involves the procurement 113 Multilevel III vehicles (58 MPC, 55 ML Coaches - 33CC, 16 TC, 6 TT) to replace existing Arrow III fleet. The Multilevel III coaches and the new self-propelled Multilevel Power Cars (MPC) will feature all of the customer amenities that are provided on the existing Multilevel fleet including the two-by-two seating but will also include onboard propulsion that will allow the cars to operate without a locomotive. The MPCs will be mixed with the current fleet of Multilevels to provide self-propelled train sets without locomotives.

Project Budget: \$725,898,000

- **Raritan River Bridge Replacement** - This project involves the complete replacement of the Raritan River Bridge that is located on NJ TRANSIT's North Jersey Coast Line (NJCL), spanning the Raritan River between Perth Amboy and South Amboy, and the removal of the current bridge. The project includes replacement of the existing bridge with a new moveable bridge designed and built to better withstand ocean surge and wave action during major storms. The replacement bridge will be designed such that critical lift span machinery and controls for the bridge will be above the Federal Emergency Management Agency (FEMA) Base Flood Elevation (BFE). The new bridge will continue to be used by NJ TRANSIT commuter rail operations, and by freight operators on a daily basis.

Project Budget: \$595,083,300

- **Perth Amboy Station - ADA Improvements** of the Perth Amboy Train Station is on the North Jersey Coast Line. This urban facility is located about a mile east from the Raritan River drawbridge and is in a cut, below street level. The station complex consists of Westbound and Eastbound Station Buildings connected by a riveted steel pedestrian overpass; a small newsstand structure that is currently used as a food concession stand; two low-level platforms and the Smith Street and Market Street overhead bridges. This project involves the construction of high-level platforms in order to provide full commuter rail accessibility to customers with disabilities, in compliance with ADA law. The scope of work includes making improvements to the existing historic station buildings, the pedestrian overpass and the parking, landscaping, lighting, communications and security systems. The project will feature two elevators serving each new platform, for a total of four elevators.

Project Budget: \$62,840,000

- **SANDY - NJ TRANSITGRID** - The NJ TRANSITGRID project involves the construction of a microgrid central facility (MCF), electrical transmission and distribution lines, substations, associated infrastructure and other remote, emergency generators to distribute power to electrify trains and light rail vehicles in an event of partial or full commercial grid outages to segments of certain rail corridors. When not in emergency service, it is anticipated that power will be fed directly to Amtrak, NJ TRANSIT and the regional grid. In doing so, the project will also reduce the need for power from older, less efficient power plants. The associated Distributed Generation Solutions (DGS) project will provide power to certain passenger stations, ferry terminals, and bus maintenance garages.

Project Budget: \$577,352,900

- Portal North Bridge Project - This project will replace the existing, moveable 110+ year old Portal Bridge with a new fixed span bridge over the Hackensack River. The new bridge will provide 50 feet of vertical clearance and speeds up to 90 mph.
Project Budget: \$2,362,570,419 (includes Amtrak direct paid costs)
- Battery Electric Bus Purchase Newton Ave - This project involves procurement and deployment of eight (8) battery-electric buses and related charging equipment at NJ TRANSIT's Newton Avenue Garage.
Project Budget: \$10,268,000
- SANDY - Long Slip Fill and Rail Enhancement - The Long Slip Fill and Rail Enhancement project is a resilience project in response to Superstorm Sandy. This project involves the design, permitting and construction for the filling of Long Slip Canal, adjacent to Hoboken Terminal and Yard, to an elevation above the Federal Emergency Management Agency (FEMA) base flood elevation (BFE) as required, and the design, permitting and construction of six new electrified tracks serving three high level boarding platforms and a passenger/rail personnel structure on the filled area.
Project Budget: \$195,408,000

Future Projects

NJ TRANSIT plans to pursue the following noteworthy projects in the next three to five years:

- Roselle Park ADA of the Roselle Park Station is on the Raritan Valley Line and is used by NJ Transit and Consolidated Rail Corporation. Roselle Park Station consists of a station house with a pedestrian tunnel leading to two stairwells up to a high-level center island platform. The existing station building includes a maintenance room, restrooms, a waiting room and a ticket window. The Roselle Park ADA improvement project includes ADA compliant upgrades to the platform with the construction of a new tunnel and installation of an elevator from the street level to the platform. Other improvements include reconstruction of the high-level center island platform with repairs to the existing foundation as needed, new canopy structures, modest expansion and architectural improvements to the station building including a new architectural roof as well as parking lot improvements.
Project Budget: \$24,249,900
- Track, Bridge, Mobility and Capacity Improvements - This project includes design and construction of modifications to the Grove Street Bridge and Track Improvements. The benefits of this work include bridge deck upgrades and bridge structural element improvements. This work will also facilitate track alignment improvements and switch geometry that will permit increased commuter coach speeds and movement flexibility.
Project Budget: \$22,600,000
- Traction Power, Catenary and Control System Improvements - This project includes design and construction of the Grove Street Traction and Trolley Feeder; Pullman Yard Catenary Modifications; Yard Controls and modifications to the TEMAC ROC System Data Transmission. The benefits of these improvements will enhance the catenary operating

efficiencies and performance, support the five-year capital plan to extend yard electrification and reduce diesel locomotive operations in the yard.

Project Budget: \$20,900,000

- Northern Rail Maintenance of Way Facility - This project involves replacement of the existing Wood-Ridge Maintenance of Way (MOW) facility with the construction of a new MOW facility that is intended to be built at new location yet to be determined in Northern New Jersey.

Project Budget: 10,000,000

- Cruiser Bus Replacement (172) - This project involves replacing 172 buses with new cruiser buses.

Project Budget: \$98,818,000

- Northern Bus Maintenance Facility - The Northern Bus Garage project would construct a new 400 to 500 bus garage which would increase the bus storage and maintenance capacity of the NJ TRANSIT Bus Network to match the current bus fleet size and allow for future service expansion. This increase in capacity would help NJ TRANSIT keep pace with anticipated bus ridership growth and provide additional capacity to absorb buses from other garages while they are rehabilitated, upgraded, or replaced. The new Northern Bus Garage could be LEED certified and constructed with solar panels on the roof, feature modern fleet diagnostics and maintenance equipment, and be 100% Zero Emission Bus ready. A new parking garage could be included at the site to provide access to a new bus park & ride facility.

Project Budget: \$536,000,000

- Newark Penn Station Modernization - Following earlier phase work to improve Platform D conditions, additional platform work would be conducted at Platforms A, B and C. The roof replacement, which was initiated on a portion of the facility in 2014, would be completed. The station would receive an overall paint upgrade, HVAC improvements, and new LED lighting installations throughout. Departure Vision boards that show passengers their waiting times would be incorporated, and a new PA system would allow riders to better hear announcements. Remaining escalators and elevators, as well as stairwells throughout the entire station would be overhauled to better comply with universal design standards. Restrooms would be upgraded along with replacement of Terrazzo flooring throughout the station. Updates would also be made to the bus and light rail waiting areas.

Project Budget: \$454,000,000

IV. Results of the Review

1. Legal

Basic Requirement: The recipient must promptly notify the FTA of legal matters and additionally notify the U.S. Department of Transportation (USDOT) Office of Inspector General (OIG) of any instances relating to false claims under the False Claims Act or fraud. Recipients must comply with restrictions on lobbying requirements.

Finding: During this Combined Triennial and State Management Review of NJ Transit, no deficiencies were found with the FTA requirements for Legal.

2. Financial Management and Capacity

Basic Requirement: The recipient must have financial policies and procedures; an organizational structure that defines, assigns and delegates fiduciary authority; and financial management systems in place to manage, match, and charge only allowable costs to the award. The recipient must conduct required Single Audits, as required by 2 CFR part 200, and provide financial oversight of subrecipients.

Finding: During this Combined Triennial and State Management Review of NJ Transit, no deficiencies were found with the FTA requirements for Financial Management and Capacity.

3. Technical Capacity – Award Management

Basic Requirement: The recipient must report progress of projects in awards to the FTA and close awards timely.

Finding: During this Combined Triennial and State Management Review of NJ Transit, no deficiencies were found with the FTA requirements for Technical Capacity – Award Management.

4. Technical Capacity – Program Management & Subrecipient Oversight

Basic Requirement: States must document and follow a public involvement process for the development of the long-range statewide transportation plan and State Transportation Improvement Program (STIP). Designated recipients of Sections 5310, 5311, and 5339 funds must develop and submit a Combined Triennial and State Management/ Program Management Plan to the FTA for approval. Recipients must enter into an agreement with each subrecipient, obtain required certifications from subrecipients, report in the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) on subawards, and ensure subrecipients comply with the terms of the award.

Finding: During this Combined Triennial and State Management Review of NJ Transit, no deficiencies were found with the FTA requirements for Technical Capacity – Program Management & Subrecipient Oversight.

5. Technical Capacity – Project Management

Basic Requirement: The recipient must be able to implement the FTA funded projects in accordance with the award application, the FTA Master Agreement, and applicable laws and regulations using sound management practices.

Finding: During this Combined Triennial and State Management Review of NJ Transit, no deficiencies were found with the FTA requirements for Technical Capacity – Project Management.

6. Transit Asset Management

Basic Requirement: Recipients must comply with 49 CFR part 625 to ensure public transportation providers develop and implement transit asset management (TAM) plans.

Finding: During this Combined Triennial and State Management Review of NJ Transit, no deficiencies were found with the FTA requirements for Transit Asset Management.

7. Satisfactory Continuing Control

Basic Requirement: The recipient must ensure that FTA funded property will remain available to be used for its originally authorized purpose throughout its useful life until disposition.

Finding: During this Combined Triennial and State Management Review of NJ Transit, deficiencies were found with the FTA requirements for Satisfactory and Continuing Control.

Excessive fixed-route bus spare ratio (SCC10-1)

For grantees with 50 or more fixed-route buses in urban service, the spare ratio should not exceed 20 percent of the vehicles operated in maximum fixed-route service. NJ Transit has an active fleet of 2,520 vehicles for all of its urban fixed-route bus service. It has a peak fleet requirement of 1,886 buses resulting in 634 spare vehicles. This translates into a spare ratio of approximately 34 percent. Therefore, NJ Transit is deficient since its spare ratio for its fleets of 50 or more buses is higher than 20 percent.

GOVERNING DIRECTIVE

FTA Circular 5010.1E, Ch. IV, Section 4. Equipment and Supplies (Including Rolling Stock)

k. Rolling Stock Spare Ratio Policies. Spare ratios will be taken into account in the review of Award proposed to replace, rebuild, or acquire additional vehicles. Spare ratio is defined as the total number of spare vehicles available for fixed-route service (regardless of type) divided by the total number of fixed route vehicles required for annual maximum service (regardless of type). Spare

ratio is usually expressed as a percentage, e.g., 100 vehicles required for maximum fixed-route service and 20 spare vehicles is a 20 percent spare ratio. Spare ratios are calculated for the transit system as a whole, not by vehicle type.

For purposes of the spare ratio calculation, “vehicles operated in maximum fixed-route service” is defined as the total number of revenue vehicles operated to meet the annual maximum service requirement. This is the revenue vehicle count during the peak week, day, and hours maximum service is provided. It excludes atypical days and special events.

- (1) Bus Fleet. The basis for determining a reasonable spare bus ratio takes local circumstances into account. The number of spare buses in the active fleet for recipients operating 50 or more fixed-route revenue vehicles should not exceed 20 percent of the number of vehicles operated in maximum fixed-route service. FTA does not set a specific spare ratio for smaller operators but expects the number of spare buses to be reasonable, taking into account the number of vehicles and variety of vehicle types and sizes.*

Buses delivered for future expansion and buses that have been replaced, but are in the process of being disposed of, are not included in the calculation of spare ratio.

For each application identified to acquire vehicles, the applicant should address the subjects of current spare ratio, the spare ratio anticipated at the time the new vehicles are introduced into service, disposition of vehicles to be replaced including information on age and mileage, and the applicant’s conformance with FTA’s spare ratio guideline. An applicant is required to notify FTA if the spare ratio computation on which the application is based is significantly altered before the Award is made...

- (2) Spare Ratio Deviation. Recipients of buses recently procured may temporarily exceed their spare ratio thresholds. In those cases, recipients may seek a short-term deviation from the spare ratio requirements for small deviations. Recipients should prepare a brief justification explaining the reason for the deviation, a date by which the fleet spare ratio will come into compliance with the general requirements, and the recipient’s plans to come into compliance. The deviation will generally be granted for no more than two (2) years and must be approved by the Regional Administrator either in writing or by approval of the Award.*

Recipients must promptly inform the Regional Office of any significant changes related to spare ratios, including plans for disposition or acquisition of vehicles and changes in vehicle needs.

Corrective Actions and Schedule:

For the deficiency, “**Excess Spare ratio (SCC-10-1)**”, By March 17, 2023, NJ Transit will submit to the FTA regional office a plan for reducing the spare ratio to 20 percent for fleets of 50 or more buses. The plan should include a spreadsheet listing for each bus type, the number of buses, and, for each year until the spare ratio reaches 20 percent, the number of buses to be disposed of, the number of buses to be added, the projected peak requirement, and the projected spare ratio. The plan should include detailed justifications for years in which spare ratios exceed 20 percent. If the plan cannot be completed within 60 days, NJ Transit must report progress in quarterly/annual reports.

8. Maintenance

Basic Requirement: Recipients must keep federally funded vehicles, equipment, and facilities in good operating condition. Recipients must keep Americans with Disabilities Act (ADA) accessibility features on all vehicles, equipment, and facilities in good operating order.

Finding: During this Combined Triennial and State Management Review of NJ Transit, no deficiencies were found with the FTA requirements for Maintenance.

9. Procurement

Basic Requirement: The Non-Federal entity must use its own documented procurement procedures which reflect applicable State, local, and tribal laws and regulations, and conform to applicable Federal law and the standards identified in 2 CFR Part 200. State recipients can use the state's overall policies and procedures. When applied to Federal procurements, those policies and procedures must still be compliant with all Federal requirements as applied to non-state recipients. The flexibility afforded by 2 CFR Part 200 should not be misconstrued as absolving a state from Federal requirements. For example, the FTA does not require each State DOT to have policies and procedures separate from the state education department.

Finding: During this Combined Triennial and State Management Review of NJ Transit, deficiencies were found with the FTA requirements for Procurement.

Deficiencies in the review of procurement files

During the review of NJ Transit, nine procurement files were reviewed: a change order for a substation construction project, a purchase of remanufactured switch machines, an IFB for construction of the Perth Amboy station accessibility improvements, an RFP for acquisition of multi-level coach railcars, an RFP for the construction management services for the Perth Amboy station accessibility improvements, an A&E task order award for construction management services, a subrecipient RFP (Hunterdon County) for transportation services, a sole source purchase of rail materials, and a subrecipient RFP (Essex County) for transportation services. The table below provides more details about these procurements.

Procurement #	1	2	3	4	5
Goods/Services Procured	Rail Operations Center Unit Substation	Super Storm Sandy-Remanufactured Switch Machines	Peth Amboy Station Accessibility Improvements	Purchase of Multi-Level Coaches	Construction Management for Perth Amboy Station Accessibility Improvements
Date	10/12/2021	8/17/2020	1/8/2022	1/4/2019	9/16/2021
Dollar Value	\$491,258	\$35,970	\$45,545,000	\$669,072,335	\$4,233,966
Type	Construction	Materials and Supplies	Construction	Rolling Stock	A&E
Method	Change Order	IFB	IFB	RFP	RFP
New Start or Small Start	No	No	No	No	No
Awarded by Contractors or Subrecipients	No	No	No	No	No
Change Order	Yes	No	No	No	No
DBE Goal	N/A	No	Yes	No	Yes
Protest	N/A	No	No	No	No
Deficiencies	ND	ND	ND	ND	ND

Procurement #	6	7	8	9
Goods/Services Procured	TOC Construction Management	Transportation Services	Purchase Rail Materials	Transportation Services
Date	3/12/2020	10/1/2019	6/8/2022	1/1/2022
Dollar Value	\$353,946	\$2,407,125	\$78,876	\$2,800,000
Type	A&E On-Call Task Order	Transportation Service	Materials and Supplies	Transportation Service
Method	Task Order	RFP	Sole Source	RFP Single Bid
New Start or Small Start	No	No	No	No
Awarded by Contractors or Subrecipients	No	Yes Hunterdon County	No	No
Change Order	No	No	No	No
DBE Goal	Yes	No	No	No
Protest	No	No	N/A	N/A
Deficiencies	P9-1	ND	ND	ND

The deficiencies identified for the above procurements are as follows:

- Procurement #6: A&E procurement deficiencies

Deficiency Description:

A&E procurement deficiencies (P9-1)

NJ Transit awarded an architectural and engineering task order for the Meadows maintenance center building and flood control project. NJ Transit currently utilizes an “on-call” contract arrangement for certain architectural and engineering services requirements, including this construction management requirement. Under the arrangement, NJ Transit has selected a pool of A&E firms to

provide services under a number of different architectural and engineering disciplines, including this one. The firms were identified as part of an original solicitation under this program, and the pool of selected firms was ranked in order of overall qualifications. When a firm is required for a specific task under this arrangement, NJ Transit either (i) conducts a qualifications-based solicitation using the approved firms in the pool, or (ii) awards the task to a specific firm via a “directed assignment” in those cases where a particular firm has specialized expertise for the task at hand, which was in fact the method used for the reviewed task order. However, the arrangement used by NJ Transit for task selection and award is not in accordance with the requirements of the Brooks Act.

40 U.S.C. 1101-1104 (“Brooks Act”)

§1101: The policy of the Federal Government is to publicly announce all requirements for architectural and engineering services and to negotiate contracts for architectural and engineering services on the basis of demonstrated competence and qualification for the type of professional services required and at fair and reasonable prices.

§1104(b): Order of Negotiation. The agency head shall attempt to negotiate a contract, as provided in subsection (a), with the most highly qualified firm selected under section 1103 of this title. If the agency head is unable to negotiate a satisfactory contract with the firm, the agency head shall formally terminate negotiations and then undertake negotiations with the next most qualified of the selected firms, continuing the process until an agreement is reached. If the agency head is unable to negotiate a satisfactory contract with any of the selected firms, the agency head shall select additional firms in order of their competence and qualification and continue negotiations in accordance with this section until an agreement is reached.

Corrective Actions and Schedule: For the deficiency, **A&E procurement deficiencies (P9-1)**: By March 17, 2023,

- NJ Transit must provide the FTA regional office procedures for implementing qualifications-based procurements when using FTA assistance to contract for A&E on-call services.
- NJ Transit must submit to the FTA regional office a list of all active FTA funded A&E contracts procured using its existing on-call arrangement.
- The FTA regional office will advise NJ Transit as to the appropriateness of terminating, resoliciting, or other remedies to resolve discrepancies with federal third-party contracting rules and procedures.

10. Disadvantaged Business Enterprise (ER)

Basic Requirement: Recipients must comply with 49 CFR Part 26 to ensure nondiscrimination in the award and administration of USDOT assisted contracts. Recipients also must create a level playing field on which DBEs can compete fairly for USDOT assisted contracts.

Finding: During this Combined Triennial and State Management Review of NJ Transit, no deficiencies were found with the USDOT requirements for DBE.

10-1. Disadvantaged Business Enterprise - Enhanced Review Module (ERM)

Basic Requirement: The purpose of an Enhanced Review Module (ERM) is to conduct additional review that complements the examination completed during the DBE baseline review module. The ERM examination assesses additional issues identified during the Triennial Review or State Management Review that may have been underlying or contributing to a recipient's compliance with federal DBE requirements.

Prior to commencement of the ERM, the reviewer shared the scope of review and questions to be included in the reviews, with FTA Region 2 Staff, the Office of Civil Rights, and the Office of Transit Safety and Oversight (TSO). The ERM questionnaire presented ten (10) enhanced DBE questions. The ERM was grouped into the following two main focal areas: DBE Certification, and Contract Monitoring of program participants.

Focal Area 1: DBE Certification – As one of the certifying participants of the New York and New Jersey Unified Certification Program (UCP), NJT must perform reviews of DBE certification applications to determine eligibility of small, minority and women-owned firms. Under this focal area, the reviewer assessed how NJ Transit applied the DBE certification determination standards, and the timeliness of each determination, as required by DBE regulations at 49 CFR Part 26. The review examined a total of eighteen (18) DBE certification documents, consisting of applications, certification denials, and decertification files. Finally, the reviewer also analyzed documents related to a previous UCP review conducted in April 2021.

Focal Area 2: Contract Monitoring – The reviewer assessed how NJT monitors its program participants, including contractors and subrecipients, for compliance with the DBE Program requirements under 49 CFR Part 26. The reviewer examined six (6) FTA funded contract files to determine the following:

- 1) Does the contract contain all DBE requirements;
- 2) Were the awards made to bidders who met the pre-award DBE obligations of demonstrating adequate good faith efforts to meet the individual DBE contract goal;
- 3) Did the recipient monitor the third-party contractor to ensure DBE and non-DBE subcontractors were compensated promptly for work completed satisfactorily;
- 4) Are DBEs referenced in the contract agreement actually performing the work and does such work represent a commercially useful function (CUF) in the project; and,
- 5) Does the recipient maintain a running tally of the awards, commitments, and payments made to DBE firms?

In addition, the reviewer also examined six (6) NJT subrecipient contracts to determine if NJT is ensuring that subrecipients are implementing DBE requirements on FTA funded contracts. Finally, the reviewer assessed the adequacy of NJT's subrecipient oversight, including: prompt payment procedures, monitoring the work performed by DBE firms, and reports on awards, commitments, and payments made to such firms.

Finding: During this Combined Triennial and State Management Review of NJ Transit, there were no deficiencies found under the DBE ERM review with the USDOT requirements for DBE.

11. Title VI

Basic Requirement: The recipient must ensure that no person shall, on the grounds of race, color, or national origin, be excluded from participating in, or be denied the benefits of, or be subject to discrimination under any program or activity receiving Federal financial assistance without regard to whether specific projects or services are federally funded. The recipient must ensure that all transit services and related benefits are distributed in an equitable manner.

Finding: During this Combined Triennial and State Management Review of NJ Transit, no deficiencies were found with the FTA requirements for Title VI.

12. Americans with Disabilities Act (ADA) – General

Basic Requirement: Titles II and III of the Americans with Disabilities Act of 1990 provide that no entity shall discriminate against an individual with a disability in connection with the provision of transportation service. The law sets forth specific requirements for vehicle and facility accessibility and the provision of service, including complementary paratransit service.

Finding: During this Combined Triennial and State Management Review of NJ Transit, no deficiencies were found with the USDOT requirements for ADA – General.

13. ADA – Complementary Paratransit

Basic Requirement: Under 49 CFR 37.121(a), each public entity operating a fixed-route system shall provide paratransit or other special service to individuals with disabilities that is comparable to the level of service provided to individuals without disabilities who use the fixed-route system. “Comparability” is determined by 49 CFR 37.123-37.133. Requirements for complementary paratransit do not apply to commuter bus, commuter rail, or intercity rail systems.

Finding: During this Combined Triennial and State Management Review of NJ Transit, no deficiencies were found with USDOT requirements for ADA – Complementary Paratransit.

14. Equal Employment Opportunity

Basic Requirement: The recipient must ensure that no person in the United States shall on the grounds of race, color, religion, national origin, sex, age or disability be excluded from participating in, or denied the benefits of, or be subject to discrimination in employment under any project, program or activity receiving federal financial assistance under the federal transit laws.

Finding: During this Combined Triennial and State Management Review of NJ Transit, no deficiencies were found with the FTA requirements for Equal Employment Opportunity.

15. School Bus

Basic Requirement: Recipients are prohibited from providing school bus service in competition with private school bus operators unless the service qualifies and is approved by the FTA Administrator under an allowable exemption. Federally funded equipment or facilities cannot be used to provide exclusive school bus service.

Finding: During this Combined Triennial and State Management Review of NJ Transit, no deficiencies were found with the FTA requirements for School Bus.

16. Charter Bus

Basic Requirement: Recipients are prohibited from using the federally funded equipment and facilities to provide charter service that unfairly competes with private charter operators. Recipient may operate charter only when the service meets a specified exception defined in rule.

Finding: During this Combined Triennial and State Management Review of NJ Transit, no deficiencies were found with the FTA requirements for Charter Bus.

17. Drug Free Workplace Act

Basic Requirement: Recipients are required to maintain a drug free workplace for all award-related employees; report any convictions occurring in the workplace timely; and have an ongoing drug free awareness program.

Finding: During this Combined Triennial and State Management Review of NJ Transit, no deficiencies were found with the FTA requirements for Drug-Free Workplace Act.

18. Drug and Alcohol Program

Basic Requirement: Recipients receiving Section 5307, 5309, 5311, or 5339 funds that have safety-sensitive employees must have a drug and alcohol testing program in place for such employees.

Finding: During this Combined Triennial and State Management Review of NJ Transit, no deficiencies were found with the FTA requirements for Drug and Alcohol Program.

19. Section 5307 Program Requirements

Basic Requirement: The recipient must participate in the transportation planning process in accordance with FTA requirements and the metropolitan and statewide planning regulations.

Recipients shall develop, publish, afford an opportunity for a public hearing on, and submit for approval, a program of projects (POP).

Recipients are expected to have a written, locally developed process for soliciting and considering public comment before raising a fare or carrying out a major transportation service reduction.

For fixed-route service supported with Section 5307 assistance, fares charged seniors, persons with disabilities or an individual presenting a Medicare card during off peak hours will not be more than one half the peak hour fares.

Finding: During this Combined Triennial and State Management Review of NJ Transit, no deficiencies were found with the FTA requirements for Section 5307 Program Requirements.

20. Section 5310 Program Requirements

Basic Requirement: Recipients must expend Section 5310 funds on eligible projects that meet the specific needs of seniors and individuals with disabilities. Projects selected for funding must be included in a locally developed, coordinated public transit-human services transportation plan. Recipients must approve all subrecipient leases of Section 5310 funded vehicles. Leases of Section 5310 funded vehicles must include required terms and conditions. Either the recipient or subrecipient must hold title to the leased vehicles.

Finding: During this Combined Triennial and State Management Review of NJ Transit, no deficiencies were found with the FTA requirements for Section 5310 Program Requirements.

21. Section 5311 Program Requirements

Basic Requirement: States must expend Section 5311 funds on eligible projects to support rural public transportation services and intercity bus transportation.

Finding: During this Combined Triennial and State Management Review of NJ Transit, no deficiencies were found with the FTA requirements for Section 5311 Program Requirements.

22. Public Transportation Agency Safety Plan (PTASP)

Basic Requirement: Recipients must comply with the Public Transportation Agency Safety Plan (PTASP) regulation (49 CFR Part 673) to ensure public transportation providers develop and implement an Agency Safety Plan (ASP).

Finding: During this Combined Triennial and State Management Review of NJ Transit, no deficiencies were found with the FTA requirements for Public Transportation Agency Safety Plan Requirements.

23. Cybersecurity

Basic Requirement: Recipients that operate rail fixed guideway public transportation systems must certify compliance with the requirements for establishing a cybersecurity process under 49 U.S.C. §

5323(v), a new subsection added by the National Defense Authorization Act for Fiscal Year 2020, Pub. L. 116-92, § 7613 (Dec. 20, 2019).

Finding: During this Combined Triennial and State Management Review of NJ Transit, no deficiencies were found with the FTA requirements for Cybersecurity.

V. Summary of Findings

Review Area	Finding	Deficiency Code(s)	Corrective Action(s)	Response Due Date(s)	Date Closed
1. Legal	ND				
2. Financial Management and Capacity	ND				
3. Technical Capacity – Award Management	ND				
4. Technical Capacity – Program Management and Subrecipient Oversight	ND				
5. Technical Capacity – Project Management	ND				
6. Transit Asset Management	ND				
7. Satisfactory Continuing Control	D	SCC10-1: Excess Spare Ratio	Submit to the FTA regional office a plan for reducing the spare ratio to 20 percent for fleets of 50 or more buses. The plan should include a spreadsheet listing for each bus type, the number of buses, and, for each year until the spare ratio reaches 20 percent, the number of buses to be disposed of, the number of buses to be added, the projected peak requirement, and the projected spare ratio. The plan should include detailed justifications for years in which spare ratios exceed 20 percent. If the plan cannot be completed within 60 days, NJ Transit must report progress in quarterly/annual reports.	March 17, 2023	
8. Maintenance	ND				
9. Procurement	D	P9-1: A&E procurement deficiencies	Submit to the FTA regional office procedures for implementing qualifications-based procurements when using FTA assistance to contract for A&E on-call services. Submit to the FTA regional office a list of all active A&E contracts procured using its existing on-call arrangement. FTA regional office will advise NJ Transit as to the appropriateness of terminating, resoliciting, or other remedies to resolve discrepancies with federal third-party contracting rules and procedures.	March 27, 2023	
10. Disadvantaged Business Enterprise	ND				
11. Title VI	ND				

Review Area	Finding	Deficiency Code(s)	Corrective Action(s)	Response Due Date(s)	Date Closed
12. Americans with Disabilities Act (ADA) – General	ND				
13. ADA – Complementary Paratransit	ND				
14. Equal Employment Opportunity	ND				
15. School Bus	ND				
16. Charter Bus	ND				
17. Drug-Free Workplace	ND				
18. Drug and Alcohol Program	ND				
19. Section 5307 Program Requirements	ND				
20. Section 5310 Program Requirements	ND				
21. Section 5311 Program Requirements	ND				
22. Public Transportation Agency Safety Plan	ND				
23. Cybersecurity	ND				

The metrics used to evaluate whether a recipient is meeting the requirements for each of the areas reviewed are: Deficient (D)/Not Deficient (ND)/Not Applicable (NA)

VI. Attendees

Name	Title	Phone Number	E-mail Address
<i>NJ Transit</i>			
Kevin S. Corbett	President & CEO	973-491-7132	kcorbett@njtransit.com
Dave Abeles	General Supt Stations	973-491-7869	dabeles@njtransit.com
Jimmy Aslam	Mgr. Rail Capital Program Admin.		jaslam@njtransit.com
Clarice Blackman	Acting SVP & Chief Safety Officer	201-463-9556	cblackman@njtransit.com
Faith Blair	Acting Director, Professional Services	973-491-8695	fblair@njtransit.com
Gerald Bocchino	DGM Bus Ops Support	973-522-3660	gbocchino@njtransit.com
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VII. Appendices

No appendices included in this report.