

NJ-ARP

Annual Report 2010-2011

November 12, 2011

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President's Message

Charles Dickens said it best. "It was the best of times, it was the worst of times, it was the age of wisdom, it was the age of foolishness, it was the epoch of belief, it was the epoch of incredulity, it was the season of Light, it was the season of Darkness, it was the spring of hope, it was the winter of despair, we had everything before us, we had nothing before us,..."

And when hasn't it been so? Such is the fabric of the circle of life, our personal lives, states, nations and so on. Last year at this time, on November 6, 2010 specifically, 53 weeks if I counted correctly, we held this NJ-ARP meeting in the very same location and at that time we described and disclosed with "incredulity" the long tortuous process that led to the demise of the Access to the Region's Core (ARC) project. It came with such abject suddenness and finality that we didn't have time to include it in last year's Annual Report to members. As you can see, this has been rectified. Despite the cry of certain critics that all had been lost with Governor Christie's ARC cancellation (with NJ-ARP and other allied rail groups of a similar vein pilloried by establishment organs and in private discourse) concluding that the metropolitan area was about set to enter a new "season of Darkness," the spring of hope" was not too distant when, in February of this year, Amtrak announced its "Gateway" project which promises to address and rectify most of the faults of ARC and restore "the epoch of belief" for us all. You'll hear more about that this afternoon. We persevered and fought the good fight for all the right reasons and for once, the results justified the outrageous investment in time, talent and treasure that so many individuals and groups put forth. We have earned our bragging rights fair and square and have nothing of which to be ashamed. Congratulate yourselves profusely and thoroughly; you made transportation history. Paraphrasing the words of Winston Churchill, "we never gave in, never, never, never."

And speaking of "the best of times," plans by the Delaware River Port Authority (DRPA) to build the long talked about 18 mile, \$1.5 billion Camden to Glassboro diesel LRT line quietly inched forward with the possible award of an expected \$9 million environmental contract this month or next. Who's going to pay for it (and the construction of the line itself) is still up in the air but with NJ-ARP's usual utmost optimism, attention to detail and tenacity, we still see "everything before us" and will hold NJT's Executive Director's feet to the fire to honor a commitment to fund that first contract. You can take that to the bank, folks.

Many naysayers will question whether the financial resources are available to fund certain transit new starts and improvements to existing lines in this time of significant and searing economic strife in the context of the the legislative logjam, especially in Washington. We take haste to remind our luddite detractors that the monumental electrification between New York and Washington, undertaken by the former Pennsylvania Railroad in the "dirty thirties," is still serving us fairly well in the 21st century and is funded for substantial upgrading between New Brunswick and Trenton in the near future thanks to federal legislation. The point to be made here is that the

farsighted elected leaders in that long ago time, both in Washington and here at home, concluded that the line's improvements would be necessary to foster continued economic recovery from the worst economic contraction the nation had thus far experienced - and they were right, of course. Nowhere was this demonstrated more conclusively than in World War II when what we now term the Northeast Corridor (NEC) produced yeomen transportation services during that global conflict.

So whether they're working to re-establish the Lackawanna Cut-Off, extend the HBLRT system into Bergen County's "Northern Valley," save the Princeton Dinky (and perhaps convert it into a regional LRT network), press ever onward for the eventual establishment of the Monmouth-Ocean-Middlesex line, connect the Cape May Seashore Lines operation to the rest of the state passenger network, or work for reasonable and affordable fares, you can be sure of one thing. NJ-ARP members will be there; and that's a given.

Thank you to all who have made 2011 another stellar year in the world of rail passenger advocacy. Oh, and that glow up ahead? Well, it's the "season of Light."

—Albert L. Papp, Jr.

Treasurer's Report

Despite a healthy surplus for fiscal year 2011, we have been deeply affected by the economic downturn in our country. Our total treasury balance last year was \$8,570. We continued our focus on keeping expenses low until the economy improves. I am pleased to report that our “belt tightening” has us at a checking account balance of \$9,291.

Our income decreased by nearly \$1,000 over last year. The reason for the decline has been the decline in membership and members renewing at reduced levels, i.e. Patrons renewing as Sustaining or Regular members and Sustaining members renewing at the Regular level. This is why we continued our cost containment measures. The membership decrease is tied to the current economy as well as other factors noted in the Membership Report.

On the expense side, we had made the tough decision to forego the annual TransAction Conference in Atlantic City and we virtually cut all **street** festivals this year with the exception of the Chatham Green Fair and the Jamesburg Fall Festival. With kudos to Les Wolff, we continued making the *NEWSLETTER REPORT* and *NEWSLETTER **PLUS!*** as well as ***EXTRA!*** available electronically thus cutting our printing and postage expenses by 22% over last year.

NJ-ARP is, indeed, very grateful for its various Directors, Officers and other members who incur expenses out of their own pocket without ever requesting reimbursement. Thank you all for your contributions.

—Len Resto

Membership

Between November 2010 and August 2011, 8 batches of renewal notices were sent. In comparison to the identical period a year ago, our membership has gone down from 245 to 228 (7%, slower than last year's loss of 9%), but the renewal rate increased from 85% to 88%. The net loss of 17 members includes 1 death and 9 new members. Most new members come via the Internet. Of the 228 members, 77% reside in New Jersey, which has been a relatively constant percentage over the years, so the net loss of membership is proportionate to both in and out-of-state.

Initial annual renewal notices are sent within a couple of weeks of when the last such notice was sent in the prior year, or when a new member joined, not when we received the last check. A 2nd renewal notice is sent from the Treasurer two months after the initial notice to those who have not renewed, and now we have had to add the 3rd renewal notice at an additional expense for those who have not opted to get the newsletters via the Internet. The member will be dropped a month after that. If someone wants to renew at a different time of year, we must be notified explicitly in writing. We will not "take the hint" by receiving the renewal months late. It is also a waste of our volunteer's time and NJ-ARP's treasury money to send out additional renewal notices. We encourage those with e-mail access to get the newsletters as a PDF document to save us printing and postage effort and expenses and to save themselves \$5 to \$10 per year.

We have a \$10-15 membership category for seniors and students, and can handle an annual waiver on a case-by-case basis for financial or personal hardships.

Membership benefits are cumulative as status is upgraded. Patron as well as Sustaining members get the *PLUS!* newsletter too. Since Family memberships can be two or three interested parties in the household, Sustaining and Patron members can be double- or triple-counted, but only if the renewals invoice slip says so in the name area.

—Joe Versaggi

Access to the Region's Core (ARC)

ARC - sunk at last - by Governor Christie - this time for good!

In brief, New Jersey Governor Christie pulled the plug and sank the ARC project once and for all on Wednesday, October 27, 2010. All the Governor's horses and all the Governor's men weren't able to put the ARC project together again. And this included Amtrak, who, on Thursday, November 11, 2010 also pulled the plug on the life boat that was holding the ARC crew that had abandoned ship. Because of this, the state was in danger of losing some \$3 billion in federal funds that had been allocated to the project; subsequently, the Federal Transit Administration (FTA) requested that the state repay \$271 million. Governor Christie refused and hired high-priced Washington attorneys to fight the FTA order. On September 30, 2011, U.S. Department of Transportation Secretary Ray LaHood announced an agreement with the Governor whereby New Jersey will reimburse the feds \$95 million. In addition to the cash, New Jersey was required to spend more than \$128 million in Congestion Mitigation Air Quality (CMAQ) dollars on other approved transit related projects.

Here's how it all happened.

NJT Executive Director Weinstein issued a 30-day stop-work order on Saturday, September 11th, followed by a press conference on Tuesday, September 14th at which time Christie admitted that he was the individual that ordered the project be temporarily be halted. Then on Thursday, October 7th, Governor Christie announced that, "The ARC project will be terminated and staff will immediately begin an expeditious and orderly shutdown of the project." His press release continued saying that, "Based on calculations by the Federal Transit Administration and New Jersey Transit [NJT], the final budget is expect to top \$11 billion and could exceed as much as \$14 billion, compared to the project's current budget of \$8.7 billion. [All] costs above \$8.7 billion must be absorbed by the State of New Jersey..." News reports indicated that the state would have to reimburse Washington some \$300 million of the \$478 million that the transit agency has already spent on preliminary engineering and construction.

The very next day, Friday, October 8th, Secretary of Transportation Ray LaHood flew to Trenton in his Gulfstream IV private jet to Trenton for a 2:30 p.m. meeting with the Governor and gave him "...options for continuing the ...project." LaHood asked the Governor for a month stay of execution; Christie gave him two weeks. Meanwhile the Federal Transit Administration revised the ARC project cost upward to \$9.775 billion,

that's \$1.075 billion more than the widely quoted \$8.7 billion that had been the approved outlay prior to the FTA audit, but that "low ball" number was only with a 10% probability that that this total amount would not be exceeded. The other dollar figures transmitted from LaHood to Christie (note: without the Portal Bridge project expenses being included) were far worse: \$10.9 billion (40% - 50% not exceeded) and \$12.7 billion (83% not exceeded). Recall that the Portal Bridge project included two new high-level spans, one of three tracks, principally for Amtrak and NEC corridor trains and one of two tracks for NJT's Morris & Essex Midtown Direct trains, Raritan Valley offerings and North Jersey Coast line services. Of the low ball \$1.075 billion, the feds and the Port Authority of New York and New Jersey would each contribute \$358 million and the state would be saddled with \$358 million plus any additional cost overruns that would be incurred. Now if the \$775 million for Portal South were added in, the totals (same probabilities) were \$10.6 billion, \$11.7 billion and \$13.5 billion.

The Governor subsequently definitely pulled the plug at a news conference on October 27th in Trenton. This occurred after he met the previous Sunday evening with Secretary LaHood who brought four proposals to keep the project alive. The Governor noted in his address that, "I do this with no sense of happiness...we don't have the money. I will no longer allow the government to make commitments it can't meet." He continued on noting, "There was also some discussion of ways to more closely tie the proposed ARC station below 34th Street to the existing Penn Station which has been one of the problems with the project from the beginning." Even his wife got into the act at a latter date when the Governor was quoted in "*The Record*" newspaper as saying, "The lobbying to me on this one was from my wife, who spent 18 years commuting into New York City. She's like, 'So this thing's going 20 stories under Macy's' -- she used to work on the East Side before she worked downtown -- and then I gotta go back up and I gotta walk over to Penn Station, I get on a subway ...' she said. 'This is crazy. This doesn't make any sense.'" Which, of course, is what the National Association of Railroad Passengers (NARP), the New Jersey Association of Railroad Passengers (NJ-ARP), the Lackawanna Coalition and the Regional Rail Working Group (RRWG) had said all along.

What was spent - what is owed to Washington?

New Jersey stood to lose \$3 billion in FTA funds that were pledged to the tunnel project. The (political) sharks circled (unsuccessfully) trying to get their hands on these dollars. New York's Governor David Paterson (D) told reporters at an event on October 29 at the site of a new station in Niagara Falls that, "I think unfortunately though, since we will not be building the ARC ... tunnel that will connect New York City with Hackensack, N.J., there is some money in the Port Authority that may come in handy at a certain point." Then on November 5, almost on cue, New York's Senator Kirsten Gillibrand asked Secretary LaHood to "redirect" New Jersey's forfeited funds to complete that state's Long Island Rail Road's (LIRR) East Side Access (ESA) Project and the Second Avenue

subway.

However, money that New Jersey had already spent on ARC needed to be returned to Washington. FTA Region 2 Administrator, Brigid Hynes-Cherin, wrote to New Jersey Transit Executive Director Jim Weinstein on Monday, November 8 saying that, "NJT must immediately repay all the Federal financial assistance expended for ARC under the [work agreement] which is currently estimated to be \$271.091 million, plus reasonable interest and penalty charges that will be determined by FTA." FTA is beginning "...a complete audit of the project..." to determine the final amount of funds the federal agency obligated to the project that have not yet been spent." It gets worse because the transit agency demanded "...immediate reimbursement of the amounts listed...even while the audit is ongoing." NJT claimed it had already invested a minimum of \$595 million between the summer of 2005, when preliminary engineering design work began, and September 30. The FTA had directed that \$350 million be spent in this fiscal year and had already sent \$271 million to the state; therefore it "de-obligated" \$79 million which had not otherwise been sent to New Jersey. Governor Christie reared back on his haunches and was quoted in the November 11 *"Star-Ledger"* as saying the state "...won't pay a nickel more than we think we have to." I was at the NJT Board Meeting on November 10, 2010 and made a statement for NARP. After the meeting was completed, the press surrounded NJT Executive Director Weinstein and asked for comments on the return of the \$271 million. He stated that, "It's a difference of opinions. I think we're going to have to sit down and talk about it. They're going to have to present their case and we're going to present our case. And, hopefully, we can resolve it in a way that makes sense for all of us."

Amtrak and New Jersey Transit attempted co-operation for a new tunnel project - but it didn't happen.

During this flurry of activity, news stories began circulating that Amtrak and NJT began discussing the possibility of co-operating (again) on the construction of new Hudson River tunnels. But this did not mean that the discarded ARC project was about to be revived. The Governor's representative, Michael Drewniak, was quoted as saying that the tunnel project "...is over...but that "fiscally viable alternatives" would be examined. An Amtrak spokesman, Cliff Cole, explained that the intercity rail carrier was examining if any of the engineering already in place could be salvaged. "We're looking into common project opportunities with NJ Transit," Cole said. "We're not sure if there are even any opportunities that would work but we've been asked to sit down and talk with them and we've begun that process." On September 28, 2010 Amtrak announced its vision for a \$117 billion high-speed rail line between Boston to Washington, D.C. Governor Christie was optimistic and noted that, "It makes sense, especially since Amtrak's tunnels go to Penn Station, which is where it should have gone in the first place. It makes a lot of sense to pursue that in the future." He added that Anthony Coscia, Chair of the Port

Authority and an Amtrak Board member understood the need for additional tunnels under the Hudson.

Hopeful that that some co-operation was feasible, I presented NARP testimony at the November 10, 2010 NJT Board meeting and stated that, "Let's be clear: New tunnels are needed both for redundancy, which ensures reliable service, and for future growth." The NARP Press Release supported the Association's commitment "...to construction of new Hudson River rail tunnels notwithstanding New Jersey Gov. Chris Christie's cancellation of the 'Access to the Region's Core (ARC) Mass Transit Tunnel' project. A 'right-sized' tunnel project should go to Penn Station and should serve both commuter and intercity trains. NARP will continue to press for adoption of 'Moynihan/Penn Station First,' which would send the new tunnels into New York's Penn Station, eliminate the planned 34th Street Terminal, and provide necessary Penn Station track capacity enhancements. Governor Christie acknowledged the importance of a link between new tunnels and Penn Station, and the ability of such a link to make the project eligible for high-speed rail funds. His October 27 statement noted that lack of a connection to Penn Station 'has been one of the problems with the project from the beginning.' Accordingly, the Association encourages Amtrak and New Jersey Transit to continue to work together to identify ways to efficiently address capacity and reliability issues, benefiting riders on both railroads. NARP in the past has endorsed a track link between Penn Station and Grand Central Terminal, part of Alternative G in the project's 2003 Major Investment Study."

But sadly, this was not to be. On November 11, 2010, Amtrak issued a terse press release stating, "We are no longer interested in this project. There were exploratory talks going on with NJ Transit. The talks have stopped...That was commuter rail, and we are interested in intercity rail projects." Then again, no one should be surprised; in June 2007, NJT made major revisions to ARC, replacing the twin two track over two track cavern with a single three track over three track one, lowering the remaining cavern some 45 feet and eliminating the connection between the new bores and existing Penn Station platforms - and that, clearly, excluded Amtrak from using the new ones. Oh sure, in a dire emergency, but Amtrak had no ticketing, baggage or other facilities planned for the "cavern." Things headed down and out (pun intended) from that epoch-making moment forward. NJT poorly managed this program and, by adopting a "go it alone" attitude doomed it to eventual failure. And fail it did - to the lasting regret of both regional and intercity rail riders alike. That they did not listen to rail advocate critics, including NJ-ARP, NARP and ESPA who suggested alternative configurations, will be debated for quite some time.

Post ARC, Portal Bridge project (initially) up in the air.

Collateral damage resulting from New Jersey Governor Christie's October 27, 2010 cancellation of the ARC trans-Hudson River rail project includes the still undecided fate

of the Portal Bridge Capacity Enhancement Project (PBCEP).

The PBCEP effort was conceived as twin spans - one three track for the replacement of a century old two-track structure on the NEC in New Jersey's meadowlands which was to be used principally for Amtrak intercity and NJT NEC trains that would continue to use the current New York Penn Station - and one two track for the now cancelled NJT-only two-track Hudson River rail tunnel. Portal would have to be completed before, or simultaneously with, the Hudson rail tunnels for ARC to function at a 25 trains per hour (TPH) rate.

Secretary of Transportation Ray LaHood and other federal officials considered ARC and Portal two separate entities; however, New Jersey did not because the state would have to find matching funding sources to build the Portal South Bridge. Remember that ARC was overseen by the FTA, while the Portal Bridge project was administered by the Federal Railroad Administration (FRA). The FTA had provided NJT with three ARC-only cost estimates, each with distinct probabilities of being met. But when the additional \$775 million cost for Portal South (NJT's bridge) was factored in, the Governor was faced with three distinct project outlays: \$10.6 billion (\$9.775 billion + \$.775 billion with a 10% probability of completion at or below cost estimates), \$11.7 billion (\$10.9 billion + \$.775 billion with a 40% - 50% probability) and \$13.5 billion (\$12.7 billion + \$.775 billion with an 83% probability). The Governor reluctantly concluded that the state would be responsible for anywhere from a \$1.9 billion (\$10.6 billion - \$8.7 billion) to a \$4.8 billion (\$13.5 billion - \$8.7 billion) cost overrun and that led him to announce the cancellation.

New Jersey Ttransit's Executive Director, Jim Weinstein, examined several alternative solutions in a concerted attempt to move the project forward. His letter to Governor Christie dated October 26 can be found at: www.state.nj.us/governor/news/news/552010/pdf/20101026_memo.pdf The feds tried to save the project, too. Secretary LaHood acknowledged that ARC alone would cost at least \$1.075 billion more and so added that amount to the ARC-only \$8.7 billion bringing the project cost to the 10% low-end probability, ARC-only number, of \$9.775 billion (\$8.7 billion + \$1.075 billion). Financing for this additional \$1.075 billion was to be split evenly three ways with \$358 million to be contributed from Washington, the Port Authority and the state of New Jersey. But the Governor did not want the state to invest any more money. So LaHood then further sweetened the pot (finally including the NJT Portal Bridge South and offered a \$2.3 billion, 35 year loan through the Railroad Rehabilitation and Improvement Financing (RRIF) program that would begin 10 years after the project's completion to include 1.) \$775 million for the construction of the NJT Portal South Bridge project, 2.) \$1.1 billion to realize the 40% - 50% probability ARC-only cost level (\$10.9 billion - \$9.8 billion) and 3.) \$358 million to absorb the state's one-third of the \$1.075 billion agreed upon ARC-only cost boost ([(\$9.775 - \$8.7/3])). The key

word here is "loan;" it still needed to be paid back.

Still, the only additional "hard" dollars LaHood offered the Governor were the \$358 million in "New Starts" dollars above the already pledged \$3 billion, totalling \$3.358 billion. The Port Authority would put in \$3.358 billion, too. Since New Jersey's additional share of \$358 million was included in the USDOT loan package, the state would have been responsible for its original commitment of \$2.7 billion, the repayment of the \$2.3 billion loan - which now including the Portal South span - and, most importantly, any cost overruns that materialized above \$11.7 billion (\$3.358 billion FTA + \$3.358 billion PA + \$2.7 billion N.J. + \$2.3 billion loan). It wasn't enough.

But with ARC's demise and the elimination of the two track NJT Portal Bridge South, renewed efforts turned to the status of the remaining three track Portal North span which, now after ARC's cancellation, will be expected to carry both NJT and Amtrak intercity trains. NJT applied for a \$38.5 million ARRA grant in 2009, receiving it in January 2010, for the design of just the North bridge. In accordance with the February 2009 Stimulus Bill, no matching state funds were required from New Jersey. Then, early in 2010, NJT filed for an \$880 million FRA administered High-Speed Intercity Passenger Rail (HSIPR) grant (which does require a 20% local match) for construction of the North bridge. Funded for \$2.5 billion for 2010, this program does require a 20% local match. But in August, 2010, the FRA rejected NJT's application. Next steps, as well as what position the Christie administration will take on Portal's replacement, remain unclear.

Amtrak's "Gateway" Project to supercede ARC.

Just when you thought there was little or no hope of ever seeing a new trans-Hudson River rail tunnel constructed during your lifetime when out of left field came a startling announcement on February 7, 2011 from Senators Lautenberg and Menendez in Newark Penn Station in conjunction with Amtrak President Joseph Boardman and Port Authority of New York and New Jersey Board member Anthony Coscia. Called the "Gateway Project" and proposed by Amtrak who, apparently, will be the "lead agency," the \$13.5 billion configuration embodies the best of the now "sunken" Access to the Region's Core (ARC) undertaking, eliminating the controversial elements and adding some enhancing concepts that result in a far better thought out effort than the one that New Jersey Transit (NJT) advanced. This proposal was generated in just three months after the cancellation of the "Access to the Region's Core' (ARC) project by N.J. Governor Chris Christie on October 27, 2010. By so doing, implementation of additional rail capacity under the Hudson River for both operators will only be delayed by a few years more than 2017, the previous completion date for the ARC project, and alleviate the expected overcrowding that is expected to occur at Penn Station.

The technical elements of the new "Gateway" proposal.

Gateway envisions an expansion of track capacity from 2 tracks to 4 tracks between Newark, New Jersey and New York's Penn Station (NYP), the construction of two new 2 track Hackensack River spans (replacing the century old 2 track Portal Bridge) in the New Jersey meadowlands, two additional platform tracks at Secaucus Junction station, two new tunnels under the Hudson River and a 7 track (A - G), 4 platform addition to Penn Station beneath 31st Street. Importantly, this would permit NJT complete access to, and jurisdiction over, 11 tracks, current tracks 1 - 4 and new tracks A - G. (Possibly Metro-North's Empire Connection could use some of these tracks; however, 1 - 4 do not now have third rails). Not specified is where NJT would store trains between runs during the midday. Possibly, space could be provided at Hudson Yard outside of Newark at the site of the long vanished Manhattan Transfer or at New Brunswick's Jersey Avenue (although that's a long way from NYP). Amtrak NEC and Empire trains would gain access to Penn's center tracks through displacement of NJT commuter/regional services to the south side of that station. An examination of the track diagram reveals that the new tracks would use much of the tunnel alignment that ARC utilized from Secaucus Junction to the Hudson River bulkhead on the New York side but, importantly, would connect with the existing fan tracks and permit access to all platforms at New York Penn Station, something the ARC plan removed in June 2007. There will be no 34th Street "deep cavern" terminal 20 stories below ground, no storage yard in New Jersey for trains between peak runs and no "loop-de-loop" for NJT Bergen County trains to access the Northeast Corridor at Secaucus Junction. The benefits for both Amtrak and New Jersey Transit are substantial since ridership is anticipated to double in the next 20 years. Amtrak will be able to increase the number of trains run in the peak hour to 12 from 4 and NJT to 33 from 20 and announced that will be preparing a request for \$50 million in federal funding to prepare engineering feasibility estimates to examine and finalize key aspects for Gateway. Importantly, the provision for 7 more tracks in the Moynihan Station, now under development in New York City, and the two new trans-Hudson tunnels, will provide state-of-the-art facilities and be the centerpiece for Amtrak's "NextGen" proposal. This far-reaching, visionary undertaking is a \$117 billion effort for the construction of a world class, 200 mph, high-speed network between Boston and Washington, D.C. New York's Metro-North Commuter Railroad, which at present does not operate any trains into Penn Station, will be afforded the opportunity to run up to 6 trains in the peak hour upon completion of the Gateway Project. Senator Lautenberg was quoted as saying that, "New Jersey is facing a transportation crisis. Our commuters are fed up with train delays that make them late to work and endless traffic that traps them on our highways when they want to be home with their families. When the ARC tunnel was cancelled, it was clear to me that we couldn't just throw up our hands and wait years to find another solution..." "Amtrak answered that call and is spearheading a project that will help New Jersey commuters and also expand intercity and high-speed rail on the

Northeast Corridor."

Politics (as usual) in New Jersey raises its ugly head.

Now here's "the rest of the story." Senator Lautenberg is trying to save his political posterior. Readers of this report know that, despite multiple visits to both New Jersey Senators and their staffs by NARP and regional advocates such as NJ-ARP and ESPA explaining the deficiencies in the ARC and Portal projects (including the exclusion of Amtrak from NJT's version of the ill begotten tunnel), Senator Lautenberg persisted on advancing the now dropped NJT 34th Street "deep cavern" configuration. He was even visited by former Amtrak President Kummant, the latter pointing out that the Senator, as one of the foremost champions of Amtrak, was doing the intercity operator a grave injustice by succumbing to NJT's urgings. Furthermore, the cost of the new Gateway Project includes two new twin track Portal Bridge spans and is expected to cost \$13.5 billion. That amount should ring a bell in readers' minds, too. For it is the very same \$12.7 billion high end ARC number (an 83% probability that it would not be exceeded - see above) that was transmitted from DOT Secretary LaHood to Governor Christie in October 2010 which, when added to the \$775 million outlay for the then 2 track (NJT mainly) Portal South, amazingly adds up to...yup, you guessed it...a suspicious \$13.5 billion! A coincidence? You call it. Yes, I know that there will be no meadows yard and loop-de-loop for Bergen County trains in Gateway, still the amount gives truth to the assertion that Senators Lautenberg and Menendez have taken a truth serum and recognized reality. Confession is, indeed, good for the soul.

And if you think that I'm being overly critical of Senator Lautenberg, here's what *Newark Star-Ledger* political columnist Paul Mulshine had to say on his blog. "If these two [Lautenberg and Menendez] had backpedaled any further, they might have ended up in Macy's basement." "...they had the unenviable job of telling us that everything we were told about the canceled...tunnel project...wasn't true after all." "What we'd been told was that because of economic and environmental constraints, it was impossible to dig shallow rail tunnels...Therefore, New Jersey would have to tunnel deep under Manhattan to a new train station...near the cellar of that famous department store." "...our two Democratic senators...had little support among advocates of passenger rail... (who)...worship connectivity..." "Amtrak couldn't share those tunnels to Macy's basement. Therefore the national rail line would have to build two new tunnels of its own. And those two tunnels would have to be the same type of tunnels NJT says can't be built - shallow tunnels to Penn Station that would be shared with NJ Transit." Mulshine then publicly asked the \$64 dollar question to Senator Menendez as to why Amtrak can do what NJT couldn't (i.e., a shallower bore). Menendez did a hand off (that any NFL player would be proud of) to Amtrak's President Boardman (who was FRA Administrator under former President George W. Bush in 2008 when ARC was in the environmental hearing stage). Boardman said, "I didn't like what NJ Transit was going to do when I was FRA

administrator. I said so." Of NJT's consideration of shallower tunnels, more in line with Gateway, Boardman quipped, "Their [NJT] studies told them they couldn't do it. We believed that they could, and we believe that we [Amtrak] can and we will." Then Mulshine approached the Amtrak President after the press conference and Boardman, according to the political columnist explained that, "Part of NJ Transit's problem was their alignment was going to Macy's basement. We know what we have to have for the benefit of the Northeast and our business area: a new tunnel coming into Penn Station."..."We can do this and make it work better than it would have worked before," Mulshine indicated the Amtrak CEO stated. This entire Gateway trans-Hudson River tunnel and Manhattan terminal endeavor was a bottom of the ninth inning, tie score, winning run on third base, two strikes on the batter, save. And thanks to a handful of extremely dedicated rail advocates, save it we did.

—*Albert L. Papp, Jr.*

Bergen County Developments

Pascack Valley Line

We're happy to report that New Jersey Transit has made no additional service this year. Much to its credit, New York's *Metropolitan Transportation Authority* (MTA), is still running and picking up the cost of weekend MTA express trains that run from Spring Valley, Nanuet and Pearl River, then not stopping at any New Jersey stations except the Secaucus Junction transfer and the line's eastern end-point, Hoboken.

Bergen/Main Line

The one bit of good news that came out of the last NJT fare hike was that while off-peak round trip tickets were eliminated – because of an operating agreement with New York's MTA – they are still available at Ramsey, Ramsey-Route 17, and Mahwah. They, of course are still available at Suffern on the Bergen/Main line as well as the Port Jervis line, and at other N.Y. State stations served by the Port Jervis and Pascack Valley lines. There have been minor schedule changes on the Bergen/Main line necessitated by the suspension of Port Jervis line service between Harriman and Suffern due to damaged caused by hurricane Irene. New York's MTA has made a Herculean effort to restore the R-O-W and just recently reported they now expect full restoration of service by June 30, 2012 instead of Fall, 2012 as originally predicted. MTA is providing bus service from Harriman, Tuxedo and Sloatsburg to Ramsey Route 17 station in the interim.

Meadowlands Sports Complex

NJT continues to provide service for NFL football games and other special sports events and concerts at the Meadowlands Sports Complex.

Parking

NJ Transit's underutilized 1,251-space Park & Ride Ramsey-Route 17 Station continues its \$4.00 daily charge (\$2.00 after 10:00 a.m. and on weekends).

The Secaucus Junction Park-Ride lot has increased its rates \$17.00 for 12 hours, \$19.00 for 24 hours. Saturdays are now weekday rate if you enter before 4PM. Sunday still is \$7.00 for 12 hours, except when \$20.00 special event rate is in effect

—*Lester W. Wolff*

Morris & Essex Lines

It appears that we have a reprieve from endless service reductions and fare increases at least for the time being. Hope this trend will continue, at least for another year.

The Gladstone Branch was again subject to summer weekends “bustitution.” This was for continuing repair and upgrade of the track and electrification system on the line.

Track replacement between Summit and Denville continued at a significantly reduced pace through the summer with the laying of new concrete ties to replace the old wood ties. Work was mostly on the eastbound track this year. The relatively little progress made this year is presumably due to budgetary constraints.

The Stimulus Package funded upgrade of the signaling system on the Morristown Line allowing bi-directional operation on both tracks all the way between Summit and Dover is now fully in service. A new crossover interlocking named “Drew” has been put into service between Chatham and Madison. This will reduce delays considerably when one track needs to be taken out of service for maintenance.

Most remaining stations on Morris and Essex and Gladstone Lines now have TVMs, thus making the life of conductors on trains easier as they have to cut many fewer on board tickets – and when they do – they can mostly charge the \$5 fee, though often they have been seen not to do so. This also gives them a better chance to collect short turn fares, many of which still go uncollected as there is not enough time for the conductors to sweep entire trains between each stop.

Hurricane Irene and the October snowstorm caused significant outages on the Morris and Essex, and Gladstone Lines. NJT has been criticized for shutting down service too soon and keeping it shut down for too long, though it is hard to judge how much more they could have run given the circumstances.

The imminent induction of the ALP45DP dual mode engines opens up possibilities of run through service from beyond Dover straight into Penn Station. NJT has not said anything much about such possibilities, though it is becoming clear that many of these units will possibly be used mostly in pure diesel mode to replace the aging diesel fleet. It would be interesting to see if Main/Bergen/Pascack trains get these units and if they actually operate in electric mode east of West End into Hoboken.

—*Jishnu Mukerji*

Amtrak and New Jersey

First the bad news. Infrastructure failures on the NEC are becoming more frequent causing many hours of delays now, almost on a regular basis. This indicates the need for biting the bullet and investing in replacement of aging infrastructure to alleviate such failures.

Fortunately that is exactly what is going to happen for at least part of the NEC in New Jersey through a \$450 million grant, thanks to the wrongheaded Governors of Florida and Wisconsin. This grant is going to allow replacement of catenary between New Brunswick and Trenton with constant tension catenary which will allow raising the maximum speed of Acelas on that segment to 160mph, the highest commercial speed in the U.S. so far. Additionally Midway and Fair interlockings are to be upgraded like County has already been. The grant will also fund substantial replacement of "A" Interlocking in Penn Station, which is traversed by every train leaving or arriving New York to or from New Jersey. The work is scheduled to be completed by 2017.

Northeast Regional service trains continue to run with 8 cars on most trains and occasionally even with 9 or 10 cars. *Acela Express* service remains ever popular and ridership on both have been on the upswing, except for a brief downturn due to the recession and weather related outages.

Amtrak plans to place an order for 40 additional *Business Class* cars for *Acelas* to augment each of the 20 sets with two additional cars. This is presumably going to be paid for by a relatively short term RRIF loan to be paid off from additional revenues gained.

The *Northeast Regional* service extension to Lynchburg, Va., introduced last year continues to perform superbly. The additional frequency to Richmond introduced late last year is also performing well, close to break even. Construction has started in Virginia for a connector from CSX to NS near Petersburg, which will enable introduction of through service from New Jersey and New York to Norfolk VA.

The *Keystone Services* to Harrisburg continue to do well. Unfortunately most of them still do not stop at Metropark or Princeton Jct., which would be a very useful stop to add to this service considering that it also fulfills the role of the *Clockers* in providing New Jersey to Philadelphia service. This service would also be the prime candidate for consideration for an Amtrak stop at Secaucus Junction should such come to pass.

The order for 70 new electric motors from Siemens based on the Vectron platform, is still on track, and is being funded through an RRIF loan from Federal DoT. These motors will replace all existing Amtrak motors, the AEM-7 DCs first, followed by AEM-7 ACs and

then the HHP-8s. The transition to the all new fleet will take place over a 3 to 4 year period starting in 2013. This is expected to increase reliability of Amtrak electric service and will likely reduce the need for changing power to diesel on certain long distance trains in Philadelphia due to shortage of serviceable electric motors.

On the long-distance front, the order for 130 new single level cars, including new *Sleepers*, *Diners* and *Baggage* and *Baggage-Dorm* cars, which will be used in trains to Florida, New Orleans, and Chicago, most of which run through New Jersey, still is on track, with first deliveries scheduled for mid to late 2012. A preview of the *Viewliner Diner* is being had by those traveling by *Lake Shore Limited*, where the prototype, built using the original prototype shell, is being tested. The initial impressions are good to excellent, from those that have experienced it.

The proposal to reinstate what used to be *Broadway Limited* and later *Three Rivers* through service from New Jersey to Chicago in the form of the transfer of 4 cars – 2 *Coaches*, 1 *Food Service Car* and one *Sleeper* from the *Pennsylvanian* to the *Capitol Limited* in Pittsburgh, continues to be pursued actively. This will eliminate the need for the unpleasant change of trains at Pittsburgh for those who are traveling from New Jersey to Chicago by that route. Apparently as a first step schedule changes have been put in place for the *Pennsylvanian*. Rumor has it that the necessary crossover at Pittsburgh is scheduled to be put in place in 2012.

The proposal to make the *Cardinal* daily thus providing an additional daily, though slow, service to Chicago from New Jersey, is apparently now in abeyance due to various reasons, including negotiation problems with CSX and equipment situation.

The talk of running a section of either the *Silver Star* or the *Silver Meteor* south of Jacksonville FL, along the east coast of Florida on FEC seems to be getting more persistent. The local communities seem to be eager, and even the State of Florida appears to be getting on board. If this happens it will become possible to go to places like St. Augustine, Daytona Beach, Cocoa, Melbourne, and Vero Beach, directly from New Jersey.

—Jishnu Murkerji

Northeast Corridor Line

Power and movable bridge problems have dogged this line throughout the year. There was yet another NJ Transit derailment within *Penn Station's* "A" interlocking thus shutting half the station down for half a day. In addition, NJ Transit equipment failures, within the *North River Tunnels*, have caused significant outages in the course of the year. An Amtrak derailment in one of the *East River Tunnels* also had a negative impact on service.

There was a period in the first quarter of the year when track condition on the outer tracks between *Rahway* and *Elizabeth*, which are exclusively used by NJ Transit, deteriorated so much, as a result of last winter's snow, that speed limits of as low as 15 mph had to be instituted. It took an inordinate amount of time to rectify the situation indicating that the logistics of handling such contingencies between Amtrak and NJ Transit needs some adjustment.

Service was also out for several days due to Hurricane Irene, which shut down *Trenton* station for several days due to flooding. Water rose almost up to platform top for a period before subsiding.

Notwithstanding the trials and tribulations of financial and infrastructure problems, there have been a couple of positive developments on the NEC.

As discussed in the Amtrak section, a \$450 million grant will enable improvement of the condition of infrastructure within Penn Station and between New Brunswick and Trenton, which will enable outer zone expresses to run faster and increase effective capacity of the corridor. The grant will also fund upgrade of the *Metuchen* substation which converts commercial power to 25Hz to feed traction lines of the NEC in New Jersey.

The upgrade of *Union Interlocking* with new moving frog switches, has now been substantially completed. *Union Tower* has also finally been taken out of service and everything that it controlled was transferred to CETC. This was scheduled for last year but was delayed.

This just leaves *Dock* and its subsidiary control points yet to be moved to centralized control. Work continues on making that move happen within the next year or so. In preparation, what used to be controlled by *Hudson* and hence remotely by *Dock*, has been split into *Hudson* and *Rea*. *Dock* itself has been split into *Dock East* and *Dock West*. The

final closure of *Dock* is expected within a year, thus bringing down the curtains on tower control on the NEC.

The new *Trenton Transportation Center* is finally up in full service with additional retail food outlets fully operational. However, the problems of poorly timed connections between NEC and the River LINE have not yet been adequately addressed by NJ Transit. Matters regarding the Gateway project and Portal Bridge replacement are discussed elsewhere, suffice it to say that both remain unfunded at present.

—*Jishnu Mukerji*

Hudson-Bergen Light Rail

HBLRT expanded once more in early 2011, this time south from Bayonne's 22nd Street to a new 8th Street Station, returning passenger rail to the site of long-gone predecessor Central Railroad of New Jersey. In the best possible sense, hardly anyone noticed. Folks began boarding at 8th Street as if the station had been there for decades. The neighborhood adjusted (and, if anecdotal evidence counts, real estate values rose).

It's worth repeating the second paragraph of our 2010 report right here: Beyond the symbolic value of New Jersey rail growth at a time when state officials appear uninterested in such matters, the extension offers true "walk to station" access for a key portion of Bayonne, itself already the most pro-LRT municipality in New Jersey. And, conventional-wisdom doubts notwithstanding, it sets up the infrastructure for a day – perhaps way in the future – when HBLRT might cross the (new) Bayonne Bridge into Staten Island.

The good news: The extension often has been described as the "last one," and often churlishly at that, by congenial rail advocate pessimists. Unfolding events suggest such pessimism may be premature.

Moving beyond the encouraging ridership generated by the connecting X89 bus, operated by New York's Metropolitan Transportation Authority from Staten Island and linking directly to HBLRT at Bayonne's 34th Street Station, Staten Island officials continue to seek not just "light rail" in the Forgotten Borough, but Hudson-Bergen Light Rail Transit. Those officials name it – placing on the table a bi-state LRT operation. It's been done, even in these United States (in St. Louis, joining Missouri and Illinois).

No doubt bridging the Kill Van Kull (with any bridge, old or new) will prove as problematic as any new rail route under the "Hudson Ocean," but Staten Island means to give it a go. NJ-ARP will encourage them as much as we are able, and while we have no illusions about getting anyone in New Jersey to spearhead such a move, we may be able to condition Garden State powers, including New Jersey Transit, to at least not obstruct such an effort.

New Jersey Transit, continues to (slowly) advance extension of the West Side Avenue Branch in Jersey City, which would grow to reach state Highway 440 and a 100-acre redevelopment site. NJT is being prodded these days mostly by the Hudson County Improvement Authority, (HCIA), and to a lesser but visible degree Jersey City itself. But it's worth remembering that NJ-ARP, led by Treasurer Leonard Resto, kept this

growth option open even when New Jersey City University – heeding advice from “experts” – asserted more HBLRT wasn’t needed.

Spurred in large measure by the growing interest in extending New York City Transit’s No. 7 subway line to Secaucus, speculation on HBLRT linkage with such a line is now rampant. NJ-ARP has yet to take any position on where such an extension would add New Jersey stops (beyond Secaucus Junction itself); in our view, the need is not yet there.

The No. 7’s prime backers/creators seek any such extension to go west from 40th Street in Manhattan to serve HBLRT’s Lincoln Harbor Station in Weehawken, near the Lincoln Tunnel. The move would be a good one, offering connecting services with the overwhelming fleet of NJ Transit Manhattan-bound bus services that contribute each weekday to the Lincoln Tunnel’s “Level F” congestion woes. Whether Weehawken’s previous reluctance to deal with anything “ARC” affects such a decision politically remains to be seen, but Lincoln Harbor, already a commercial destination of some considerable worth, would certainly work as a transfer point.

On the other hand, should New York City and related powers across the Hudson decide to extend the No. 7 from its now-abuilding terminus near 23rd Street, a Jersey stop in Hoboken becomes a real possibility – and Hoboken political officials already smell the coffee. That opens up the possibility of an interface with HBLRT either at the existing 9th Street/Congress Street Station (serving both Hoboken AND Jersey City AND Union City constituents – not something to be ignored lightly on a political level), or, less likely, any new HBLRT station at 16th Street in Hoboken. These options, too, would work, though not all offer equal transport value.

The “Feasibility of Rail Access to Liberty State Park” in Jersey City, authored by William Vigrass, remains alive, with a plan to reactivate rail access to the beautifully restored – but “dead history” hobbled – ex-CNJ Terminal via “a Heritage Trolley transit service within the park to connect NJ Transit’s Hudson-Bergen Light Rail line with the CNJ Terminal and the ferry landing for Ellis Island and Statue of Liberty Island boats.”

Meanwhile, the flurry of “dual-mode streetcar” announcements made by the passenger rail industry this year included an on-site demonstration scheduled for late November by KinkiSharyo, sporting its “ameriTRAM” hybrid streetcar product, on HBLRT property (itself plied by more traditional KinkiSharyo LRT equipment). As noted in last year’s report, Hoboken’s transit-friendly mayor is exploring a local streetcar adjunct to HBLRT, likely linking Hoboken Terminal and any proposed 16th Street Station through an unspecified route, with the city’s main drag, Washington Street, a primary contender.

Most frustrating to NJ-ARP has been the stalled progress of HBLRT's extension up the Northern Branch in Bergen County. But NJ-ARP Vice President Jack May, aided by Phil Craig, Rose Heck, and Frank Miklos, have doggedly continued to ply NJ Transit for information and updates on the project (and, not so coincidentally, on NJT's own intentions). VP May has reported that NJT may finally kick the project back into motion by late this year, and has pledged to inform May and NJ-ARP of any developments promptly.

Still in jeopardy is any HBLRT terminus at Tenafly; the affluent Bergen County community is making the most of its snob appeal by rejecting any need for rail transit to anyplace other than Manhattan, and dismissing the idea that some of us might want to go to Tenafly. That injures those of us recalling the steadfast determination of the late Al Cafiero, a Tenafly resident and NJ-ARP member, who saw a better future for eastern Bergen County and fought for such a future despite resistance from his neighbors.

—Douglas John Bowen

RiverLINE

We are pleased to report some positive developments on the 34-mile line between Trenton and Camden. Ridership remains strong despite of the weak economy and some temporary reduction of weekday headways due to construction projects.

The Roebling siding that extends from north of Roebling toward Bordentown was extensively damaged by a combination of Hurricane Irene, flooding and subsequent bank erosion and above the tracks in that area. (The railroad is located along the Delaware at the foot of a really steep, wooded hillside). The work, which took longer to complete than originally anticipated has been finished and regular 15-minute headway returned on November 7th.

Another very recent development is the official announcement of a new station planned for Bordentown Township where CR662 intersects with Route 130. The station is being built to serve a new townhouse/apartment development but will of course be public. The developer will pay for design and construction.

And the last of the good news is that construction continues at the site of the \$32 million Pennsauken Junction Transit Center (Park Ride) station that will allow transfers between the RiverLINE and New Jersey Transit's Atlantic City Line. The station is anticipated to open in early 2013.

The only negative news to report is the fact that NJ Transit still cannot seem to coordinate better weekend transfer times between the Northeast Corridor and the RiverLINE. The new schedule effective November 6, 2011 still has NEC trains arriving in Trenton between 44 and 46 minutes after the hour – while RiverLINE trains still depart at 14 and 44 minutes past the hour.

—*Carol Ann Thomas and Lester W. Wolff*

Publications

NJ-ARP continues to offer an expanded the publishing package which began in 2010, augmenting NJ-ARP 's *NEWSLETTER REPORT* with the odd-month *NEWSLETTER PLUS!*, available to *NJ-ARP* Sustaining and Patron members, mostly online (though available in print for a requisite fee).

Our new ***EXTRA!*** publication has already published four editions this year as we had an abundance of overflow from our other publications. ***EXTRA*** will continue to be released periodically, as warranted, as an online publication. It features reprints of articles that we feel are of interest to members, as well as original articles (some accompanied by photographs) submitted by NJ-ARP members.

We are continuing to e-mail the additional *printer-friendly* Portable Document File (PDF) that has shaded backgrounds and color removed. This is environmentally friendly as it saves our members a lot of ink. More of our members have been switching to e-mail delivery, thereby helping us reduce printing and mailing expenses.

Finally, all three of our publications have received a new crisper look over the last several months. In addition to being easier on our readers' eyes, we have also picked up an additional inch of space on all pages except the cover page, enabling us to squeeze in a bit more editorial copy. The feedback from members on the new look and on various articles has been positive and greatly appreciated by the editors.

—Lester W. Wolff