SUMMARY STATEMENT

ITEM NO.                      SUBJECT: West Jersey Shore Line Project

COMMITTEE:                New Business

COMMITTEE MEETING DATE:  N/A

BOARD ACTION DATE:        January 22, 2009

PROPOSAL:  That the Board revise and update previous resolution 05-043 authorizing funding in an amount not to exceed $1,750,000 to the New Jersey Department of Transportation (“NJDOT”) to assist in the maintenance and rehabilitation of the “West Jersey Shore Line” (“Rail Project”).

PURPOSE:  To update project scope and provide funding to assist the New Jersey Department of Transportation in maintenance and rehabilitation of the “West Jersey Shore Line.”

BACKGROUND: In 2005 the Board approved Resolution 05-043 contributing funding to participate in the rehabilitation of the West Jersey Shore Line Rail. The rail line is owned by Salem County and provides access to businesses including Anchor Glass and Mannington Mills. At the time the Board first considered this request for funding, it was asked to participate in an ambitious project which would reconstruct over 17 miles of badly worn and outdated 100 year-old rail-line and included replacing a wooden railroad trestle over a creek.

As originally envisioned, the estimated cost of the project was over $11,000,000.00. Salem County and the New Jersey Department of Transportation (NJDOT) anticipated funding from various federal, state and local sources, including the state of New Jersey and the Casino Reinvestment Development Authority (CRDA). Under Resolution 05-043, the Board approved a grant of $1,750,000.00 to aid in the maintenance and reconstruction efforts for the rail line which serves an integral role in the commercial viability of several southern New Jersey businesses which employ many local residents.

As Salem County and the NJDOT sought to secure additional funding sources, the costs of the project increased due in part to the skyrocketing price of construction materials and in part to an increasingly poor global economic outlook. At present, the cost of the entire project is estimated to be over
$22,000,000.00, double the earlier projections.

Under those circumstances, Salem County and the NJDOT determined that the more practical and cost-effective way of proceeding with the much-needed repairs was to break the project into smaller parts, and addressing first the areas of the rail-line which are in the worst condition.

Salem County and the NJDOT have asked that the Authority allow its funds to be utilized for reconstruction and maintenance on three shorter portions of the line, instead of on the complete 17-mile reconstruction. Maintenance and repairs will be done in areas on the Main Stem Class I, from 2,000 lineal feet south of Oldman’s trestle to Elm Street; Cedar Lane to Mannington-Yorktown Road; and the S-curve near Swedes Run to Welchville Road, in Salem County, NJ. The total length of work within this project amounts to approximately 4.25 miles. The Federal Railroad Administration (FRA) has committed $500,000.00 to purchase steel for the reconstruction project at these locations.

SUMMARY:

| Amount: | $1,750,000 |
| Source of Funds: | 2001 PDP Bonds Series A |
| Capital Project #: | N/A |
| Operating Budget: | N/A |
| Master Plan Status: | Subject to 2005 Master Plan |
| Other Fund Sources: | FRA |
| Duration of Contract: | 1 Year |
| Other Parties Involved: | NJDOT, FRA, Salem County |
RESOLUTION

RESOLVED: That the Board authorizes that Resolution 05-043 be amended to reflect the change in the scope of Salem County and NJDOT reconstruction and rehabilitation of West Jersey Shore Line ("Rail Project") as set forth in the attached Summary Statement, and be it further resolved;

RESOLVED: The Chair, Vice Chair and the Chief Executive Officer must approve and are hereby authorized to approve and execute all necessary agreements, contracts, or other documents on behalf of the DRPA. If such agreements, contracts, or other documents have been approved by the Chair, Vice Chair and Chief Executive Officer and if thereafter either the Chair or Vice Chair is absent or unavailable, the remaining Officer may execute the said document(s) on behalf of DRPA along with the Chief Executive Officer. If both the Chair and Vice Chair are absent or unavailable, and if it is necessary to execute the said document(s) while they are absent or unavailable, then the Chief Executive Officer shall execute such documents on behalf of DRPA.

SUMMARY:

Amount: $1,750,000
Source of Funds: 2001 PDP Bonds Series A
Capital Project #: N/A
Operating Budget: N/A
Master Plan Status: Subject to 2005 Master Plan
Other Fund Sources: FRA
Duration of Contract: 1 Year
Other Parties Involved: NJDOT, FRA, Salem County