Discussion Points –Responses for NJDOT and NJTRANSIT (MVC Responses are Being Provided Separately (4/22/14)

Department Of Transportation/ New Jersey Turnpike Authority

1. The New Jersey Transportation Capital Plan display on page H-7 of the Governor's proposed budget lists the amount of Total Federal Highway & Public Transportation Trust Funds as $1.585 billion under the adjusted amount for FY 2014 and $1.463 billion under the recommended amount for FY 2015. Additionally, the amount of funding under this line originally reported in the Governor's FY 2014 proposed budget was $1.821 billion for FY 2014. The federal apportionments announced from the Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) for the 2014 federal fiscal year are $963.7 million and $598.7 million respectively.

- ***Question:*** **Please provide a breakdown of these amounts for the State FY 2014 and 2015, including the amounts attributable to the various federal apportionment categories, Emergency Relief Funds (Sandy and otherwise), federal discretionary grants, demonstration funds, etc.**

  Answer: *See attached reports for NJDOT and NJTRANSIT.*

  For FY 2014 the STIP amount totaled $467 million for NJTRANSIT. Unlike FHWA, FTA apportions funds to the various urbanized areas within New Jersey, rather than to the state as a whole. As a result, the amount that the FTA lists in apportionment announcements is not finalized until the sub-regional allocation is made within urbanized areas covering multiple states. In recent years, the estimates included in the Statewide Transportation Improvement Plan (STIP) for the total amount of FTA formula funding anticipated to be available to NJTRANSIT have been within 1% of the amounts ultimately received. As a result, the funding has been obligated to the projects included in the state budget and listed in the STIP as required by law.

- ***Question:*** **Please identify the proportion of this funding that will support NJ DOT and NJ Transit projects and any amounts that will support projects listed in the capital program, but where the project sponsor is a third-party entity such as the Port Authority of New York and New Jersey or the New Jersey Turnpike Authority.**

  Answer: *In FY 2014, federal funding for NJDOT for third-party projects totaled $98.1 million. In FY 2015, federal funding for third-party projects is zero. NJ TRANIST has no third party sponsored projects.*

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- *Question:* **Please break down the federal allocation for State FY 2014 and 2015 in the Capital Plan by Federal fiscal year to show how the federal apportionment is divided between State fiscal years.**

  Answer: *NJDOT and NJTRANSIT follow the federal fiscal year to program federal funds. Therefore, this information is not attainable due to the three month difference between the State and federal fiscal years.*

- *Question:* **Why is the amount of federal support listed in the FY 2014 adjusted appropriation $236 million less than the amount originally projected for FY 2014 in the Governor's FY 2014 proposed budget?**

  Answer: *The difference between federal funding displayed in the FY 2014 Governors Budget Message and the draft Transportation Capital Program FY 2014 for NJDOT is due to a more stringent management of federal DEMO (earmarks) funds. A display of Congressional earmarks can be found in Section IX of the STIP under Earmark Project List. There is no change to NJTRANSIT.*

2. When comparing the New Jersey Transportation Capital Plan display on page H-7 of the FY 2015 Governor's proposed budget under the State and Federal distribution of funds by asset category for FY 2014 with the FY 2014 Transportation Capital Program, adopted July 1, 2013, the following table shows the combined State and federal amounts for each asset category:

(amounts in $1,000s)

Asset Category	FY 2014 adjusted approp.	FY 2014 Capital Program
Airport	$5,000	$5,000
Bridge	$1,259,113	$1,328,106
Capital Program	$195,434	$195,434
Congestion Relief	$321,378	$299,978
Local System	$473,449	$415,420
Mass Transit	$1,115,257	$1,121,365
Multimodal	$253,457	$253,457
Road	$229,126	$229,126
Safety	$102,557	$102,577
Trans. Support	$31,870	$31,870

- *Question:* **Please identify any projects changed or moved in the FY 2014 capital program that would account for any differences between the amounts identified in the FY 2014 Capital program adopted in July 2013, and the adjusted appropriation as reported in the Governor's FY 2015 proposed budget.**

  Answer: *Throughout the year, numerous projects, both federal and state funded, experience cost increases or decreases, or experience delays in advancement while other projects may*

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be newly programmed. These changes ultimately result in adjustments to the appropriations associated with various investment categories.

It would take considerable effort on the part of NJDOT to identify every specific change that impacted the appropriation amount. NJDOT does follow required processes to make these changes throughout the year, including coordination with the metropolitan planning organizations and the Office of Legislative Services as required.

3. In March 2013, the department released the proposed capital program for FY 2014. In July 2013, the official capital program was adopted for FY 2014. Between March and July some of the projects included in the respective plans changed. Items that were included in the proposed plan, but removed from the official plan or reduced are as follows:

Project	**Cost ($1,000s)**
Sign Structure Replacement Contract 2011-1	$5,500
Route 72, Manahawkin Bay Bridges Contract 2	$60,080 to $36,173
TransitChek Mass Marketing Efforts	$40
Route 77, Swedesboro-Hardingville Rd (CR 538)	$2,840
Route 1 Business, Brunswick Circle to Lake Drive	$4,302
National Boating Infrastructure Grant Program	$1,600
Route 22, Robin Hood Rd. to Fairway Dr.	$6,740
Route 35, Restoration, Berkeley to Toms River Twp.	$66,400
Route 35, Restoration, Toms River to Mantoloking Twp	$51,609
Route 70, Route 38 to Cropwell Rd, Pavement	$2,800
Route 80, EB, Rt. 280 to Two Bridges Rd	$10,580
Median Crossover Protection Contract #12	$10,512

- ***Question:*** **Please identify the circumstances that caused these projects to be removed from the FY 2014 capital plan or for the amount to be reduced.**

Answer:

Project	***Reason***
Sign Structure Replacement Contract 2011-1	*Obligated FY 2013*
Route 72, Manahawkin Bay Bridges Contract 2	*Obligated FY 2013*
Route 77, Swedesboro-Hardingville Rd (CR 538)	*Scheduled FY 2015*
Route 1 Business, Brunswick Circle to Lake Drive	*Scheduled FY 2015*
National Boating Infrastructure Grant Program	*Not part of Capital Program*
Route 22, Robin Hood Rd. to Fairway Dr	*Scheduled FY 2015*
Route 35, Restoration, Berkeley to Toms River Twp.	*Obligated FY 2013*
Route 35, Restoration, Toms River to Mantoloking Twp	*Obligated FY 2013*
Route 70, Route 38 to Cropwell Rd, Pavement	*Scheduled FY 2016*
Route 80, EB, Rt. 280 to Two Bridges Rd	*Possible FY 2014, Probable FY 2015*
Median Crossover Protection Contract #12	*Scheduled FY 2015*

Projects obligated in Fiscal Year 2013 are likely the result of accelerating the authorization of a multi-year funded construction contract, previously planned to be funded with

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authorizations over several fiscal years. Because NJDOT had the available federal or state funding authority, it chose to advance the funding authorization into the current year.

Projects showing delay are likely the result of project delays in property acquisition, environmental permit acquisition, or other typical project delay risk areas.

- ***Question:*** **For any project that was removed, when is it anticipated that funding will be available for that project and it will return to the capital plan?**

  Answer*: See above.*

4. In response to discussion points for the FY 2014 budget the Department of Transportation noted that it had lost employees with 308 years of collective experience in Capital Investment Planning and 2,722 years of collective experience in Capital Program Management. All those positions had been replaced with new hires but the loss of experience is notable. NJ Transit reported that its headcount in the capital programming function has remained flat; however, it appears reasonable to expect that similar rates of turnover were experienced among long tenured professionals. Additionally, the department noted that in some instances it has had to contract out certain work that was previously performed by in-house professionals.

A report was recently issued by Rutgers University School of Management and Labor Relations titled, "*Overlooking Oversight: A Lack of Oversight in the Garden State is Placing New Jersey Residents and Assets at Risk*" In this report it was claimed that the department had lost approximately 50% of its staff over the past ten years. The report found that contract management functions have been systematically underfunded and overlooked across all departments of State government that had been evaluated under the study. Among its recommendations are for increased transparency in the contracting process, compulsory contract costing, and for additional resources to be made available for enhanced oversight of government contracts.

- ***Question:*** **What policies and procedures are in place at DOT and NJ Transit respectively, for evaluating whether a task can be performed more cost effectively in-house rather than through the hiring of outside consultants?**

  Answer*: As the basis for its past analysis comparing in-house vs. consultant costs, NJDOT's Division of Budget considered a variety of well-recognized sources. The resulting methodology comprehensively identified appropriate costs, including those associated with procurement, contract management, and overhead. These tools also control for individual circumstances of the projects being examined when producing the final analysis.*

  It is important to note two other factors that influence NJDOT's ability to consider in-house staffing options. In recent years, the Department has lost a significant number of seasoned engineering staff to attrition and efforts to backfill through the existing Civil Service System

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have sometimes failed to identify replacements that possess the requisite experience. Typically, NJDOT's hiring has concentrated on Civil Engineer Trainee (CETs) who require training and on-the-job experience before they are ready to assume more complex work assignments. In addition, the statutory cap on salary and overhead charges to the Transportation Trust Fund limits the funding that is available annually for in-house staffing costs.

The response for NJTRANSIT is in the response below.

- ***Question:*** **Has DOT or NJ Transit conducted a comprehensive analysis concerning the increased utilization of contracting in recent years to determine whether internal organizational changes would make it possible to achieve costs savings through the in-sourcing of various services that are currently procured through outside contracting? If so, when and what were the findings?**

  Answer: *In the 2007-2011 collective negotiations agreement between the Communications Workers of America (CWA) and the State, the parties entered into a Side Letter of Agreement (42) which included as a first step the requirement that NJDOT update cost studies that the Department conducted in 2004 which compared the costs of using outside consultants versus using in-house staff. These studies were done for the functions of bridge inspection, construction inspection and design work. Additionally, Side Letter 42 provided that NJDOT would develop an implementation plan to hire additional employees above an existing target level if the updated cost studies showed that using in-house staff was more cost effective than hiring outside consultants. In 2008, NJDOT updated the cost studies to analyze the cost differences. The 2008 cost studies for each of the three areas confirmed the findings of the 2004 cost studies that substantial savings would be realized by increasing the percentage and amount of work performed by in-house staff as opposed to outside consultants. The cost studies also demonstrated that certain types of work should remain with consultants because of specialization and unique expertise. In compliance with Side Letter 42, NJDOT provides quarterly updates to CWA which report on the Department's progress in hiring of new employees and achieving the goals of increasing the percentage work performed by in-house staff in the areas of bridge inspection, construction inspection and design.*

  Outside the parameters of Side Letter 42, an additional cost study was completed in 2008 comparing in-house costs versus contractor costs for the function of highway lighting and re-lamping. This study showed that using in-house staff was more cost effective.

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	Actual FY 11	*Actual FY 12*	*Actual FY 13*	*Estimate FY 14*
Bridge Inspection				
In-house bridge inspection staff	*39*	*42*	*50*	*52*
% of bridge safety inspections in-house	*21%*	*35%*	*17%*	*37%*
% of bridge safety inspections consultant	*79%*	*65%*	*83%*	*63%*
Design				
In-house design staff	*132*	*123*	*123*	*125*
% of construction projects designed in-house	*22%*	*16%*	*16%*	*12%*
% of construction projects designed consultant	*78%*	*84%*	*84%*	*88%*
Construction Inspection				
In-house construction inspection field staff	*211*	*225*	*219*	*210*
Consultant construction inspection field staff	*212*	*180*	*160*	*170*
In-house % of total CI field staff	*50%*	*56%*	*58%*	*55%*
Consultant % of total CI field staff	*50%*	*44%*	*42%*	*45%*

The Federal Transit Administration requires a justification for use of in-house forces on federal projects. NJ TRANSIT uses both in-house and contracted forces in support of its Capital Program.
NJ TRANSIT maintains expertise in specialized areas such as rail station design, signal system design, etc. When a specialty is required that is either beyond in-house staff scope or expertise, or in circumstances when in-house staff is fully utilized, NJ TRANSIT turns to private sector support.

NJ TRANSIT balances in-house vs. contract expertise in the context of the size of the overall Capital Program. For example, rather than hire additional in-house forces in support of ARRA or Sandy resiliency projects only to have excess staff once those projects are completed; NJ TRANSIT utilizes private sector support to smooth out the one-time spikes in capital funding.

NJ TRANSIT tracks expenditures for both in-house and consultant support on a monthly basis and project budgets list in-house vs. consultant support distinctly to allow for comparing budgets to actuals by discipline. NJ TRANSIT also establishes profiles for utilization of in-house staff by position and monitors the utilization of in-house staff. Each NJ TRANSIT project manager receives a report as to which NJ TRANSIT employee is billing to his or her project. The project manager must also review all contractor invoices.

- ***Question:*** **According to the current policies and procedures in place at DOT and NJ Transit, what resources are in place for internal oversight of outside contracts? Are there specific resources set aside upon the awarding of each outside contract in order to ensure that resources are available for oversight of every contract?**

Answer: *For consultant design/inspection contracts and as part of the in-house budget established for the project, the NJDOT performs consultant monitoring and annual consultant evaluations. Consultant evaluations are used to assess the consultant's overall*

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performance and ability to compete for future departmental work. In addition, funds are established in the consultant agreement for periodic contract audits. NJDOT's Division of Procurement's prequalification process takes contractor performance evaluations into account. Contractors with poor or subpar performance records may be limited in the future work that they can receive from the department, either in the aggregate or in individual contracts, or in more serious cases may be debarred altogether.

With respect to the oversight of construction contracts, the Department's Division of Construction and Materials is responsible for these tasks, including administrative oversight of the contractor's work and the associated payments that are made to those contractors. For design and construction inspection contracts, in-house contract managers are assigned to each consultant agreement. They are responsible for oversight, ensuring that contractors comply with the Department's guidelines.

NJ TRANSIT has numerous policies and procedures in place to oversee outside contractors. Funding is set aside within the project administration line item of the each project's budget. Programmatic oversight efforts are funded through the "Capital Program Implementation" line item of the Capital Program. For larger projects NJ TRANSIT employs integrity monitors who report to the NJ TRANSIT Board of Directors. In addition, for Super Storm Sandy integrity monitors report to both the NJ TRANSIT Board of Directors and the Department of Treasury per A-60.

5. Many efforts have been made in recent years to increase the transparency of the capital process; however, locating many documents relating to capital projects can require a significant amount of background knowledge or experience with the various State and federal entities involved in transportation capital projects. Many RFP, bid, and contract documents are located on the Department of Treasury's website. Capital plans from prior years are not clearly linked on the capital program section of the department's website and instead require the web address to be entered directly, many planning and engineering documents such as EIS statements or alternatives analysis are housed on project specific web sites or federal websites, and the funding awards under many department programs such as local aid are housed within other areas of the department website and are not always hosted for multiple years.

A simpler user interface could have a single webpage dedicated to each capital project and program, rather than the program descriptions that are hosted in the capital program as part of a .pdf document, and then hyperlinking through that program webpage to more detailed project information hosted by the various sponsor jurisdictions, links to publicly available planning and engineering documents as they are released, links to any RFP, bid, and contract documents that are subsequently issued, tracking the disbursement of each annual appropriation over time or at least updating on the same timeline as the current year end/obligation reports, and any other public documents pertinent to understanding each project as a process that can be tracked through time from start through completion.

- ***Question:*** **Does the Department have the resources to develop a web interface that would allow the public to view all pertinent public documents**

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concerning each capital project included in each capital plan? If not what would be required to implement such an interface?

Answer: *The proposed change in the layout of DOT's website requiring the creation of a single webpage dedicated to each capital project and program would be a very significant undertaking. In FY14 alone, the combined TTF and federal project list totals 288 different projects and programs. Taking prior fiscal years into account, there are thousands of projects and programs that are presently active, each of which would require a comprehensive listing of "pertinent public documents". Complying with the program aspect of this request would be particularly difficult as a typical program, such as Resurfacing or Drainage Rehabilitation, involves multiple contracts representing work that is implemented across the state. Given this multiplier effect, the sheer number of individual entries required by this request actually far exceeds the total noted above.*

That said, all current capital-related documents are located on NJDOT's public website (www.njdot.nj.gov) under the "Capital Program" drop-down menu. All archived capital documents are located on the department's "Site Index" page (link is located at the top right of every page, specifically http://www.state.nj.us/transportation/siteindex/), including Capital Programs dating to FY2002, Capital Investment information dating to FY2005, and current and archived information on the Statewide Transportation Improvement Program (STIP).

NJDOT's Division of Procurement lists current and prior year construction contracts (http://www.state.nj.us/transportation/business/procurement/ConstrServ/awards14.shtm) dating to FY1996, as well as current and prior professional services contract awards dating to FY1997: http://www.state.nj.us/transportation/business/procurement/ProfServ/ConsulSelections/

NJDOT has no record of complaints from users seeking to navigate these sites.

6. Under Moving Ahead for Progress in the 21st Century (MAP-21) the Transportation Enhancements program (TE) was replaced by the Transportation Alternatives program (TA). TA deals primarily with community based "non-traditional" projects designed to strengthen the cultural, aesthetic, and environmental aspects of the nation's intermodal system. The first solicitation for projects to be funded through TA was dated March 11, 2014.

- ***Question:*** **Does the department have any indication about how the mix of project applications and/or awards will differ between TE and TA? Have there been any changes in how the TA grants will be administered?**

Answer: *For the FY 2014 TA solicitation, the Department has decided to run a hybrid program that includes monies from both federal bills (SAFETEA-LU & MAP-21):*

- *NJDOT and the 3 NJ Metropolitan Planning Organizations (MPOs) have agreed to maintain one solicitation for TA applications similar to what TE used to be. It was agreed that this will be less confusing to the applicant rather than NJDOT and the MPOs running their own solicitation based on their share of the funds.*
- *MPOs will have a bigger say in this round of what type of application criteria they want to promote in their region for their share of the money.*

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- o *MPOs may have their own interim selection process with their own subregions.*
- o *The final selection committee will be made up of the MPOs, the Department and Federal Highway Administration, similar to the old TE process.*
- o *The announcement for recipients will be handled by the Department with credit given to the MPOs as partners in the selection process. The MPOs will also have their own announcement to their subregions at the same time.*
- o *Administration of awarded projects will be the responsibility of the Department Local Aid office*

7. The department responded in the FY 2014 discussion points that Transportation Infrastructure Finance and Innovation Act (TIFIA) funding provided competitive loans at rates that were fixed for up to 35 years and typically at lower interest rates than TTFA debt. It was also noted that the Attorney General's office was investigating whether constitutional restrictions on debt issuance would require voter approval for the use of TIFIA loans.

- ***Question:*** **What, if any, determinations has the Attorney General's office made with regard to TIFIA debt?**

  Answer: *As the program is structured, a federal TIFIA loan would require a dedicated fund source to pay the associated debt service. If such a loan involved the TTFA, an increase in the Authority's bond cap would be necessary since any TIFIA loan would increase TTF indebtedness.*

- ***Question:*** **How does the department intend to utilize the TIFIA program going forward? What level of TIFIA loan funding is it reasonable to expect that the State can access on an annual basis and what level of associated interest rate savings could be attributed to that use of TIFIA funding?**

  Answer: *The Department has no current plans to apply for a TIFIA loan.*

8. The March 27, 2014 report by Gibson, Dunn, and Crutcher L.L.P. for the Office of the Governor, recommended an investigation into the possibility of splitting the bi-State Port Authority of New York and New Jersey (port authority) into two entities one of which controlled by each State. The Governor expressed an active interest in investigating the possibility of splitting the port authority. Later, the Governor of New York, Andrew Cuomo, said that he is open to the idea of structural changes at the port authority.

- ***Question:*** **Please outline the legal and procedural issues that would be involved in dissolution of the port authority and the earliest time frame in which such an action could occur.**

  Answer: *The report referred to in the preamble to this question contained a series of recommendations that speak for themselves, including a proposal that a bi-state commission*

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be established to independently evaluate and make further recommendations concerning potential reforms to the Port Authority. The Department of Transportation is not aware of any specific proposals or reforms at this time. Answers to questions involving legal or procedural issues associated with any such future recommendations would be determined after the commission is formed and its work is completed.

- ***Question:*** **Would such an action make additional financial resources that are currently dedicated to the port authority potentially available for State transportation projects and purposes? If so, how much?**

  Answer: *See above response.*

9. The department announced in a press release on February 27, 2014 a new Statewide pothole repair campaign, noting that the department had already filled over 100,000 potholes in the last five months, while the normal number of pothole repairs for a full year is 160,000. The department noted in FY 2014 discussion points that pothole repair activity and response time is not an indicator of how well the department is filling all potholes or preventing them from happening in the first place. The department has reported in the past that approximately 2% of the potholes it repairs are reported by the public, meaning that 98% of potholes repaired by the department are discovered by the department.

- ***Question:*** **What is the department's anticipated total expenditures on pothole repair for FY 2014 and 2015?**

  Answer: *Relative to the past, the pothole situation in fiscal year 2014 was considerably worse. Pothole damage directly correlates to the number of freeze thaw cycles, and the winter of 2013 – 2014 included several severe cold snaps. Through April 15, 2014, NJDOT expended $2.6 million to fill nearly 225,000 potholes. This amount is considerably higher than the actual costs experienced in FY13 ($1.9 million) and FY12 ($2 million). Besides the sheer number of potholes, the rising cost of permanent patch material was also a factor. NJDOT does not have any long range forecast data to reliably project the type of winter we will have next season, so any forecast of potholes would be merely a guess.*

  The Department expects to contract for an additional $41 million in paving contracts this summer to upgrade road sections that are prone to potholes. Specifically, NJDOT plans to increase its federal pavement preservation program from $4 million to $34 million during federal fiscal year 2014 through the expanded use of Operations Maintenance Contracts. In addition, $11 million of TTF funds will be targeted for permanent patch work. (The additional $30 million of federally funded pavement preservation work will continue in federal fiscal year 2015.)

- ***Question:*** **What budget line items comprise pothole repair expenditures? Are any pothole repairs funded through the capital program or the annual winter operations supplemental appropriation?**

  Answer: *Pothole repairs are not funded from the annual supplemental appropriation for winter operations, which addresses the cost of snow removal, but rather from Direct State*

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Services appropriations using funds provided in the materials and salary accounts. The leasing of pothole killer machines is funded from the Transportation Trust Fund, as authorized in statute, as is material for in-house resurfacing projects that address large sections of roadway that are in substandard condition.

- ***Question:*** **Are there methods of pavement construction or types of pavement material that could offer greater resistance to pothole formation than the current methods used by the department? If so, what would the additional cost be to implement those methods or materials?**

  Answer: *The Department is always looking for better methods of pavement construction or types of pavement material. The Department's current program employs a combination of "pothole killer" machines and traditional pavement patching. The pothole killer machines, which can be used in most weather conditions and involve a pavement patch that lasts five to seven years, are a particularly effective method.*

- ***Question:*** **Does the department have any way to estimate the number of potholes that remain unrepaired in a given year or the average length of time from pothole formation until the department is able to repair a pothole that was not reported on the department's hotline?**

  Answer: *No accurate or objective measurement is available.*

- ***Question:*** **Given the severity of pothole damage on local roads, are there any additional funds being made available to localities to support pothole repair? Has the department provided localities with any technical support on pothole repair strategy, specifically concerning the department's recent experience with the "pothole killer" machines?**

  Answer: *NJDOT's robust Local Aid program provides $190M in state aid to counties and municipalities in support of pavement and bridge reconstruction, freeing up county and municipal funds to address transportation maintenance activities, including potholes.*

  Funded through Federal Highway Administration Program funds, NJDOT established a Local Transportation Assistance Program at Rutgers University that provide technical support for counties and municipalities on various transportation engineering and construction materials and methods. It has been very successful.

9.a. Since FY 2010 the department has not had a supplemental appropriation of less than $17 million for winter operations. The supplemental identified for FY 2014 is $85.3 million, over 28% of the projected $302.8 million FY 2014 year end surplus at the time the FY 2014 Appropriations Act was approved.

In response to FY 2014 discussion points, the department noted that it had increased average hourly rates for contracted now plow trucks and drivers by approximately 25%. This

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increase was driven by prior experience where the department typically received bids on fewer than half of the snow sections that the department had placed out to bid.

- ***Question:*** **While winter operations are clearly a variable expense, history indicates that it is unlikely that the cost will ever be less than $17 million. Has the department determined an amount of winter operations expenses that are fixed from year to year? Given the limited budget surplus, is it possible to build a portion of these expenses into the base department budget and reduce the size of the annual supplemental appropriation?**

  Answer: *The Department has resources of $10.4 million for winter operations in our annual budget. The $10.4 million is budgeted as follows: $4.6 million for overtime, $3.5 million for winter snow materials (rock salt, liquid deicing chemicals), and $2.3 million for snow plow/spreading contractors.*

  Though winter operations, and consequently the annual supplemental appropriation need is a variable expense, there are fixed annual costs, which the Department will incur, regardless of the severity of weather. The Department is required to pay "contract minimums" for each of the plow/spreading trucks under contract. In addition, the Department is contractually obligated to pay a snow plow "attach/detach" fee for all plow trucks under contract. These payments to contractors total $3.5 million.

  In addition the Department must maintain an adequate level of rock salt and deicing materials, in the event a storm event does occur. To ensure an inventory level of 70% of capacity statewide, the Department would require approximately 115 thousand tons of rock salt (the amount of rock salt required for a three day storm event), with a total cost of $6.2 million. In addition, approximately 752 thousand gallons of liquid deicing chemicals would be required, with a total cost of $.7 million. Total winter materials annual fixed costs are $6.9 million.

  When the contractor and winter material costs are combined, the annual fixed winter operations costs, regardless of weather, is $10.4 million.

- ***Question:*** **When the department issues bid opportunities for snow removal, does the department determine the price at which it could complete that activity internally? If so, does the department place a price cap on contract costs based on that potential internal cost?**

  Answer: *NJDOT's snow removal operation has traditionally been a three-pronged effort: in-house staff, paid volunteers from other state agencies and departments, and private contractors. The use of in-house forces is determined, in part, by the availability of snow-plowing equipment. As to contractors, NJDOT works with the Department of Treasury each year to assess the hourly rates, which are market driven. Past use of price caps resulted in an insufficient response from contractors, particularly for certain snow plow sectors of the State, and thus was deemed inefficient.*

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- ***Question:*** **Please provide information comparing the internal cost for snow removal on sections of roadway where bids were not received prior to the rate increase, and the cost of private contractors after the increased bid rate. Taking into consideration the total Statewide costs prior to the FY 2014 increase and following the increase, did this move to more market driven prices for private operators result in more or less State costs?**

  Answer: *Price is not the only factor affecting NJDOT's ability to obtain contractors. Changes in the contract specifications, such as limiting stand-by time to two hours, also helped attract more contractors. In addition, contractors were permitted to submit two bids, one in which DOT would provide the plows and one in which DOT did not.*

  On average, many contractors bid higher. NJDOT's bids that were once in the range of $90 -$120 per hour rose to approximately $135 - $150 per hour. Nonetheless, the higher rates did not remotely approach those currently paid by the private sector.

10. During the FY 2014 budget hearings it was stated by the department that the Palisades Interstate Parkway is under the jurisdiction of the Palisades Interstate Parkway Commission, located in but not of the Department of Environmental Protection, and the department has no responsibilities concerning the repair or maintenance of that roadway.

- ***Question:*** **If the parkway were a roadway under the department's jurisdiction, how would that section of roadway be ranked by the department's pavement management system in terms of distress rating, cost, and benefit? How does that benefit compare with some of the department's roadways in the highest need of repair?**

  Answer: *This roadway has not been repaved since the mid 1990s at which time the department funded the work. NJDOT is assisting Palisades Interstate Parkway Commission by funding this year's resurfacing/reconstruction contract.*

- ***Question:*** **How is the parkway classified for federal funding purposes, and what if any portion of the State's annual federal highway apportionment funding could reasonably be attributed to the parkway based on lane miles, vehicle miles travelled?**

  Answer: *The Palisades Interstate Parkway is designated Route 445 about 11.5 miles in length in New Jersey. A federal–aid NHS route, this highway is eligible for a portion of the annual federal highway apportionment. While difficult to quantify the amount of federal highway apportionment allocated to a specific highway, it is reasonable to estimate that resurfacing/reconstruction projects to cost between $1 million and $1.5 million per lane mile.*

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11. Certain limitations are placed upon the spending of the capital program by statute. One of these limitations is located in C.27:1B-2, which limits the amount of money that can be expended on department and New Jersey Transit salaries and overhead at 13% of State transportation capital appropriations each year, or approximately $208 million. A language provision was added to the FY 2014 budget and is included in the Governor's proposed FY 2015 budget which removed the percentage limitation on salaries and overhead costs.

- ***Question:*** **Please identify the line items in the capital program that comprise the amounts expended on salaries and overhead in the proposed capital program for FY 2014 and FY 2015 and the total amount of expenditures on salaries and overhead.**

  Answer: *NJDOT's annual charges for salary and overhead were budgeted at a total of $97 million in FY14 and $95 million in FY15. All of those costs are represented in the single line item in the TTF labeled "Program Implementation Costs". Actual NJDOT expenditures to date for FY 14 are $61.2 million and are projected to be $93 million by the end of the fiscal year. At the end of the fiscal year, if billings against the "Program Implementation Costs" are less than the amount programmed, the funds are returned to the Capital Program for redistribution.*

  For NJTRANSIT for FY2014, the Capital Program Implementation line-item as outlined in the Annual Appropriations Act totals $21.47m. Fiscal year-to-date expenditures total $16.24m. The Capital Program Implementation line-item in the FY2015 Draft Annual Capital Plan is flat at the FY2014 appropriation.

12. In C.27:1B-22.2, the financial policy review board is tasked with ensuring that the amount of trust fund appropriations that can be expended on permitted maintenance is not greater than the amount expended in FY 2006, or approximately $120 million. A language provision was added to the FY 2014 budget and is included in the Governor's proposed FY 2015 budget which increases this limit to $135 million in recognition of the severe damage cause by Hurricane Irene and Superstorm Sandy.

- ***Question:*** **Please identify the line items in the capital program that comprise the amounts expended on permitted maintenance in the proposed capital program for FY 2014 and FY 2015.**

Discussion Points (Cont'd)

__Answer:__ The line items in the capital program that comprise the amounts expended on permitted maintenance in the proposed capital program for FY 2014 and FY 2015 are:.

Permitted Maintenance		
NJDOT - Capital Program Line Item	*FY 14*	*FY 15*
Drainage Rehabilitation and Maintenance	*$9,554,000*	*$9,554,000*
Electrical Facilities Repair, Replacement and Installation	*$5,446,000*	*$6,946,000*
Regional Action Program	*$1,500,000*	*$500,000*
Signs Program – Statewide	*$2,000,000*	*$2,000,000*
NJDOT Total	*$18,500,000*	*$19,000,000*
NJTransit – Capital Program Line Item		
Capitalized Maintenance (incl. labor and parts)	*$4,800,000*	*$4,800,000*
Building Capital Leases	*$4,400,000*	*$4,400,000*
NJTransit Total	*$9,200,000*	*$9,200,000*
Grand Total	*$27,700,000*	*$28,200,000*

- ***Question:*** **Why is this language still needed for FY 2015?**

__Answer:__ Permitted maintenance is defined in the TTF statute as work that extends the life of an asset by at least five years. There is an ongoing need for such work in both NJDOT and NJ Transit, as these investments are critical to ensuring a state of good repair on the State's highways and mass transit system.

13. $1.6 billion was appropriated for the Transportation Capital Plan for FY 2014 and is recommended for FY 2015. The sources of funds to support these appropriations are as follows:

FY 2014 specific:

$849.2 million in bonding cap
$254 million in 2011-2014 bond premiums
$376 million in direct Port Authority project funding
$1.479 billion

FY 2015 specific:

$735.3 million in bonding cap
$17 million in bond premiums from the 2013 series AA new money bonds
$375 million in direct Port Authority project funding
$1.127 billion

Non-FY specific sources:

$326 million in unused prior bonding cap
$188 million in carry forward bonding from the FY 2016 bonding cap
Any bond premiums from the issuance of bonds in FY 2015
Approximately $514 million

Discussion Points (Cont'd)

Based on the following calculations it appears that for the FY 2014 and 2015 period the capital plan will have a gap of approximately $80 million between available sources of capital funding and capital appropriations over that same period. In response to FY 2014 discussion points it was noted that the need for State funds would be reduced by prioritizing federally-eligible projects, and that the TTFA cash carry forward would be utilized.

- ***Question:*** **Are there any additional sources of non-federal funding that the Transportation Trust Fund (TTF) can draw upon to support the program over this period other than its cash carry forward?**

  Answer: *Interest earnings on TTF funds provide between $300,000 and $400,000 annually in recent fiscal years.*

- ***Question:*** **Does the TTF anticipate at this time being able to complete FY 2015 without an increase in the statutory bond cap? FY 2016?**

  Answer: *Yes, but not in the manner described in the question above. The statutorily-authorized issuance of $735.3 million in new TTFA debt in FY15 and the issuance of $326.3 million in previously authorized but unissued debt from prior fiscal years will provide total bond proceeds of $1,061.6 million (excluding potential bond premiums). When combined with a projected cash carryforward into FY15 of approximately $318 million, resources in FY15 are expected to total roughly $1,379 million. This amount is expected to be sufficient to fund cash expenses that are estimated to total $1,260 million.*

14. In response to FY 2014 discussion points, bonding credits were described by the department as follows: "The Transportation Trust Fund Authority offers to the marketplace the par amount of bonds which par amount counts against the statutory debt cap. If the market pays a premium for this par amount of bonds, that premium does not change the par amount of bonds. Bond premium is derived from the mathematical calculation of a bond's price relative to the rate of return to the investor, as determined by the financial market."

When the TTF makes a bond offering, it is soliciting the market for a certain amount of funding (the par amount) in exchange for scheduled repayment that is equivalent to the repayment of that par amount compounded at a stated interest rate (the nominal interest rate) for the full term of the bond. This nominal interest rate is not determined by the marketplace, but by the TTF itself when it issues the bonds. The mathematical calculation that results in a bond premium or discount is essentially the discounted present value of the difference between the nominal interest rate of the bond offering and the effective interest rate that comparable bonds of comparable ratings are trading for in the marketplace at the time of the bond sale (a market interest rate).

Discussion Points (Cont'd)

- ***Question:*** **What has been the primary consideration of the TTF when setting nominal interest rates on new money bonds issued from 2011 through the present? How much of a factor was the desire to maximize bond premiums?**

  Answer: *The TTFA does not unilaterally determine nominal interest rates when it issues its bonds. Interest rates are determined by the financial markets. The overriding goal that drives each TTFA bond issuance is to achieve the lowest true interest cost (TIC) in the financial market that exists at the time the bonds are sold. This determination is made with the assistance of financial underwriters who advise the Authority. In the years in which bond premiums were generated, investors were demanding higher rates of interest as a hedge against inflationary risks and were willing to pay premium rates to secure such bonds.*

- ***Question:*** **If the nominal rate was set closer to the market rate, and there were no premiums, how would we have paid for the capital program?**

  Answer: *The overriding goal that drives each TTFA bond issuance is to achieve the lowest true interest cost (TIC) in the financial market that exists at the time the bonds are sold. This determination is made with the assistance of financial underwriters who advise the Authority. In the years in which bond premiums were generated, investors were demanding higher rates of interest as a hedge against inflationary risks and were willing to pay premium rates to secure such bonds.*

- ***Question:*** **What is the total amount of additional debt service that can be attributed to the increase in nominal interest rates necessary to generate the bond premiums since 2011?**

  Answer*: As noted above, the TTFA bond sales implemented since 2011 were structured to realize the lowest true interest cost and thus the best deal to the State of New Jersey.*

15. In the TTFA's FY 2014 Financial Plan, the anticipated cash balance at the beginning of FY 2014 was $677.8 million. By the end of FY 2014 the anticipated cash balance was expected to be $150.7 million. At the same time, the TTFA estimated that it will enter FY 2014 with a negative net balance of approximately $1.6 billion, mostly reflecting the unrealized cost of current and prior year capital program appropriations that had not yet been expended. In FY 2014 it is anticipated that disbursements for State transportation projects will exceed FY 2014 appropriations for projects by $176 million, which should reduce the negative net balance by a comparable amount, as the combined disbursement of current and past appropriations is larger than the current year appropriations for transportation projects.

- ***Question:*** **Please identify the amount of unexpended appropriations from each fiscal year in which the full capital plan appropriation for that fiscal year has not yet been expended, and the projects attached to those unexpended appropriations as well as any regulations or limitations that place a time limit on when those appropriations must be made.**

  Answer: *See attached chart.*

Discussion Points (Cont'd)

There are no regulations or limitations that limit the time in which these appropriations are to be spent. The TTF is considered to be a "continuing appropriation".

NJDOT currently has over 2,000 active jobs, representing numerous projects and programs, funded with 100% TTF funds. Many of these projects may have amounts that are encumbered or pre-encumbered but not expended to date.

- ***Question:*** **Are there any constraints on the amount of cash that the TTFA must maintain in relation to these unexpended appropriations? For instance, if the DOT enters into a contract for a project where a portion of the contractual payment is not due until the completion of work, does the TTFA have to maintain a certain amount of cash on hand from the time the contract is signed until the final disbursement in order to ensure the availability of funds?**

  Answer: *The TTFA does not generate cash reserves for unexpended appropriations. The TTF annual program authorization (which in FY15 totals $1.2 billion) provides contracting authority to advance capital projects. Cash expenses are paid in the first instance by the Department of Treasury and the TTFA subsequently reimburses Treasury. In summary, TTFA cash is generated solely to reimburse Treasury on a timely basis.*

- ***Question:*** **If there are constraints, how much cash does the TTFA typically need to keep on hand in order to meet those constraints?**

  Answer*: See answer above.*

- ***Question:*** **What is the current TTFA projection for FY 2015 total disbursements for State transportation projects?**

  Answer**:** *$1.26 billion.*

15a. The Treasurer noted in his testimony before the Budget Committees on April 2, 2014 that the TTFA would require additional bond authorization before the scheduled end of the capital program and plans to propose reauthorization legislation approximately six months earlier than planned. For future borrowing by the TTFA, the amount of debt that it can issue without voter approval to permit additional borrowing is limited to amounts already constitutionally dedicated for the repayment of debt service. The only constitutional source of funding that does not appear to be already committed to debt service is the portion of Sales tax revenues generated by the sale of new motor vehicles.

- ***Question:*** **At this point, when does the TTFA anticipate exhausting its available sources of funding, necessitating legislative action to continue making payments for previously appropriated capital projects?**

  Answer: *As noted earlier, the TTFA has enough resources to fund its expected cash expenses in FY15. It is somewhat premature to judge FY16, as each State Budget is unique to itself,*

Discussion Points (Cont'd)

however at a minimum the TTFA would have access to $626 million in statutorily-authorized bond cap authority to pay cash expenses in that fiscal year.

- ***Question:*** **When is it expected that draft legislation will be provided to the Legislature, and is it anticipated that the draft legislation will provide for additional bonding authorization to complete the current FY 2012-2016 capital plan or a multi-year renewal of the capital plan beyond FY 2016?**

  Answer: *As noted in the State Treasurer's recent testimony before the Legislature, it may be necessary to advance the planned reauthorization of the TTF program by six months to approximately January, 2015.*

- ***Question:*** **What is the amount of revenue generated from the sales tax imposed on the sale of new motor vehicles?**

  Answer: *This question should be posed to the NJ Division of Taxation through the Office of the State Treasurer, as the Department is not involved with the tracking of sales tax revenue.*

- ***Question:*** **What is the total amount of additional debt that can be issued before the TTFA will be required to obtain voter approval for new debt issuances?**

  Answer: *Currently, the constitution provides for dedicated sources of funding for State transportation purposes. These constitutionally dedicated sources include a dedication of an amount equivalent to a minimum of $200 million of Sales and Use Tax. The cap on the amount of debt authorized to be issued by the TTFA was increased pursuant to legislation enacted in 2012. Because this legislation provided that debt service on the bonds issued under the new bonding cap could be paid only from constitutionally dedicated sources, voter approval was not required. The constitutional dedication of Sales Tax revenue establishes a minimum annual appropriation amt to the TTFA of $200m, but does not establish an annual maximum (i.e., the appropriation is not capped). Thus, the Legislature could raise the debt cap through legislation and provide a higher appropriation to support additional TTFA debt. Voter approval would not be required since the additional debt service would be supported by the constitutionally-dedicated revenue.*

16. The red light camera pilot program officially started on December 16, 2009 as part of a five year program to end on December 16, 2014. The third annual report was issued in 2013 and covered the time period through December 31, 2012. In this report notable findings included that for the two pilot sites where there are three years of data, accidents and citations fell dramatically. Information for calendar year 2013 is presumably being compiled now for the fourth annual report.

- ***Question:*** **Based on the data gathered to this point, does the department feel that the current scope of the study will provide sufficient information to make strong policy recommendations regarding whether red light cameras should be authorized permanently and under what circumstances?**

Discussion Points (Cont'd)

Answer: Yes, at the conclusion of the study there will be sufficient data gathered to enable policy recommendations to be made.

- *Question:* **What impact, if any, does the department feel that the issues concerning yellow light timing, including the temporary suspension of citations under the program, has had on the study?**

  Answer: *The Department feels that yellow light timing concerns and the temporary program suspension had no programmatic impact whatsoever. The suspension was not because yellow times were inadequate; it was solely about how the municipalities certified to those times according to the red light running law. After this re-certification process, all intersections were determined to have yellow times that met the requirements of the law. Additionally, all yellow times were determined to be compliant with standards as detailed within the Manual on Uniform Traffic Control Devices (MUTCD) and with standards developed by the Institute of Transportation Engineers (ITE); this determination pre-dated the suspension. As such, with yellow times that met MUTCD and ITE standards prior to the suspension, and with the re-certification determining that these same yellow times met the standards of the red light running law, there was no impact to the program.*

- *Question:* **Based on information obtained from municipalities to this point, what is the average fixed cost to install a Red Light Running System, and what are the annual variable costs to operate the system, including monitoring costs and the time of law enforcement officers for citation issuance?**

  Answer: *The Department does not gather such information from the municipalities nor does the Department have any part in vendor/municipality contracts, system installations or operational costs. All such factors are handled strictly between the vendors and their client municipalities. The municipalities only provide the Department with crash and citation statistics, enabling staff to compile the annual reports.*

17. In the March, 2014 issue of State Policy Reports, Volume 32, Issue 5, the FHWA highway statistics series for 2012 is cited to show that New Jersey ranks last among all States in the percentage of total State highway revenues derived from federal funds at 9%, compared with a national average of 27%. This means that New Jersey must rely on State resources to a much greater degree than other States.

- *Question:* **What are the factors that result in New Jersey receiving such a small share of its funding from the federal government? What is different about the New Jersey transportation system compared with other States in terms of infrastructure and financing?**

  Answer: *Typically, federal funds represent approximately 50% of the Department's total annual funding for transportation capital. The reason that NJ is ranked last in the referenced State Policy Report is that that study uses data from a publication issued by the Federal Highway Administration (i.e., Highway Statistics Series, 2012) that includes toll revenue among its listing of State sources. In 2012, the $3.2b of toll revenue listed for NJ was*

Discussion Points (Cont'd)

approximately three times higher than the next largest state. Since toll revenues do not leverage additional federal funds, this creates a misleading impression. In short, this State Policy Report should not be used to make analytical conclusions regarding the relative percentage of total State highway revenues that are derived from federal funds.

- ***Question:*** **What types of changes to the federal funding formulas would result in increasing New Jersey's share of federal funding to a more equitable level?**

  Answer: *See above.*

18. In response to FY 2014 discussion points, the department provided a list of projects totaling $850.64 million for resiliency and hardening projects that it planned to submit for federal funding. At the time, a commitment of $172 million had been received for the Route 35 reconstruction. NJ Transit provided a list of projects totaling $1.115 billion, but did not note whether any federal funding had been committed at that point in time.

- ***Question:*** **Please provide an update on these projects. Has there been any change to the projects or the amounts requested compared with the information provided in the FY 2014 discussion points? At this point, which of these projects have been approved for federal funding and how much funding has been approved?**

  Answer: *The resiliency and hardening project estimate for NJDOT is now $270 million. Of this amount, the projects most likely to be funded total $124 million. The potential funding sources for these projects varies but are limited to FHWA disaster relief funds, the HUD Community Development Block Grant (CDBG) Program, the FHWA State Planning and Research (SPR) Program, and the FEMA Hazard Mitigation Grant (HMGP) Program.*

<table>
<tr><th>Projects Most Likely to be Funded (top five projects in priority order)</th><th>$ Millions</th><th>Source</th></tr>
<tr><td>Route 35 Sheet Pile Wall</td><td>$40.58</td><td>FHWA Disaster Relief</td></tr>
<tr><td>Flood Mitigation & Equipment Elevation-Rt. 71 Shark River Movable Bridge</td><td>$17.95</td><td rowspan="5">FHWA Disaster Relief or CDBG</td></tr>
<tr><td>Traffic Signal Hardening (Generator Usage & Controller Operation Project)</td><td>$13.36</td></tr>
<tr><td>Flood Mitigation & Equipt. Elevation–Rt. 7 Passaic River Movable Bridge</td><td>$10.10</td></tr>
<tr><td>Drawbridge Hardening (4 locations)</td><td>$23.05</td></tr>
<tr><td>Replace Bridge Pier Fender Protection Systems (6 locations)</td><td>$12.00</td></tr>
<tr><td>Waterway Linear Segmentation for Asset Management</td><td>$0.35</td><td>FHWA SPR</td></tr>
<tr><td>Emergency Generator Installations at Statewide Maintenance Yards</td><td>$7.00</td><td>FEMA HMGP or CDBG</td></tr>
<tr><td>Total</td><td>$124.39</td><td></td></tr>
</table>

Discussion Points (Cont'd)

Projects Less Likely to be Funded		
Rehabilitation of Rt. 40/322 Inside Thoroughfare Movable Bridge	*$35.00*	*FEMA HMGP or CDBG*
Aluminum Sign Structure Replacement (Correct Fatigue Cracking)	*$105.00*	
Relocate Secaucus Maintenance Yard; Replace Manahawkin Three Bay Cold Storage Structure; Expand NJDOT Fuel Tanks Capacity.	*$5.81*	*FEMA Section 406 Category E or CDBG*
Total	***$145.81***	
Total Cost Estimate	***$270.20***	

The Route 35 Sheet Pile Wall is being funded by FHWA with emergency relief funds at 80% of cost. None of the remaining projects have been funded.

NJ TRANSIT has been allocated $448 million for recovery and locally prioritized resiliency from the Federal Transit Administration (FTA). Of that amount, $144 million has been obligated. The $1.115 billion of resiliency projects was included in the Statewide Capital Improvement Plan (STIP) in support of NJ TRANSIT's efforts to secure a portion of the $3 billion of competitive resiliency funding that FTA was to make available to transit agencies impacted by Sandy. NJ TRANSIT has applied for those funds, but FTA has yet to announce their awards.

19. In FY 2014 discussion points, NJ Transit identified the cost of repairing damages caused by Superstorm Sandy at $460 million with a federal share estimated at $160 million, and that the FTA had already awarded $144 million for NJ Transit's first grant application. The department estimated its repair costs, including debris removal, emergency protection measures, and repair work, at $128 million with approximately $109 million being federally reimbursed. The department did not note how much federal support had already been approved at the time.

- ***Question:*** **Please provide an update on Superstorm Sandy repair expenses. Were there any changes to the final repair costs for each agency? How much federal aid has been approved at this point for these repair expenses?**

Answer: *The Departments revised costs are approximately $338 million. The Department has received $9.9 million in FEMA funding. An additional $15.9 million has been obligated by FEMA but requires certain reporting to be done by the Department before these funds can be transferred to the Department. CDBG funding in the amount of $2.3 million has been approved to cover the state's share of costs. The Department has received funding in the amount of $310 million from the Federal Highway Administration. Of the $310 million, $19 million is for local aid and $1 million is for damage on the Garden State Parkway.*

The Federal Transit Administration (FTA) allocated $342 million to NJ TRANSIT for recovery expenses, with the stipulation that any FTA-funded recovery expense for which insurance proceeds are later received is refunded to the FTA. Further, in February 2014,

Discussion Points (Cont'd)

FTA provided guidance to grantees to inform FTA of any updated recovery costs estimates. NJ TRANSIT is in the process of updating the $460 million recovery costs estimates.

20. Federal support for Superstorm Sandy related repairs and associated resiliency and hardening projects still requires a State match of between 10% and 25% depending upon the federal funding source, and the nature and timing of the work being supported. Despite a very large amount of federal financial support, it would appear that Superstorm Sandy related projects will still have a significant impact on the capital program.

- ***Question:*** **What is the total amount of capital program support required for all Superstorm Sandy related projects?**

  Answer: *For NJDOT, there are no Superstorm Sandy related projects programmed in the FY 2014 - 2023 STIP or FY 2015 Capital Program.*

  NJ TRANSIT is using Transportation Development Credits to meet match requirements for recovery and locally prioritized resiliency funds made available by FTA. The NJ TRANSIT 10-year capital program includes funding from the TTF to match NJ TRANSIT's competitive resiliency grant applications, but NJ TRANSIT does not yet know how much competitive resiliency funding it will receive and therefore how much TTF will be needed to match those awards.

- ***Question:*** **Which Superstorm Sandy related projects were programmed into the Statewide Transportation Improvement Program (STIP) prior to Superstorm Sandy?**

  Answer: *NJDOT: Route 35 Restoration projects: Route 35, Restoration, Berkley Twp. to Toms River Twp (MP 0-4); Route 35, Restoration, Toms River Twp. to Mantoloking (MP 4-9); Route 35, Restoration, Mantoloking to Point Pleasant (MP 9 - 12.5). These projects were programmed in the FY 2012 - 2021 STIP; however, the scope of these projects have changed substantially due to the impact of the storm.*

  NJTRANSIT: Prior to the storm funding was not allocated to specific projects currently funded by the FTA emergency relief program.

- ***Question:*** **Is it estimated that Superstorm Sandy related expenses have had any impact on the Statewide performance and State of good repair objectives for each agency?**

  Answer*: Yes, even with special federal Emergency Relief funding, NJDOT has had to make some adjustments in its programming priorities, primarily related to pavement improvement. Funding previously planned for other pavement projects had to be deferred to support the reconstruction of Route 35. However, we are still working to reach our pavement objectives and have not changed our target to reach 80% acceptable pavements on state highways by 2021. There has been no impact on NJTRANSIT.*

Discussion Points (Cont'd)

21. The department maintains responsibility for the State highway system, which comprises approximately 6% of State road mileage. County and municipal road mileage comprises approximately 17% and 73% respectively. The remaining 4% is comprised of road mileage under the jurisdiction of authorities, parks, and the federal agencies. Despite comprising a relatively small amount of total road mileage, the miles under State jurisdiction carry a much greater share of total vehicle miles travelled.

While the condition of State roadways and bridges have steadily improved in recent years, common public perceptions of road conditions and the quality of the transportation system do not seem to have improved. It appears that perceptions of the quality of the transportation system are declining because the public generally does not recognize distinctions in jurisdiction. It appears that the average person forms a single opinion about the transportation system based on their experience on all roads, regardless of jurisdiction. The department focuses its analysis and reporting of road conditions and investment based upon its stewardship of roadways under its jurisdiction. The department's involvement in the local and county road systems appears to be limited to local aid and economic development programs and projects, selected capital projects, and the department's involvement with the metropolitan planning organizations.

- ***Question:*** **What Statewide information is available concerning the quality of the road and bridge system on roadways under local and county jurisdiction, including potholes, roadway conditions, and functionally deficient and structurally obsolete bridges?**

  Answer: *Because NJDOT is responsible, by law, for the inspection of all bridges over a certain size, regardless of jurisdiction, NJDOT maintains a database on the condition of all these bridges, including classification as structurally deficient and/or functionally obsolete.*

  With respect to roadways, NJDOT maintains condition information for only those roads under state jurisdiction, i.e., interstates and state highways. There is no central repository of condition information on the county and municipal roads.

  However, under the federal MAP-21 legislation, states will soon be required to gather condition information for all roadways on the National Highway System. For New Jersey, this will include Interstates, State Highways, many county-owned roads, as well as most of the toll roads. NJDOT is working with the Federal Highway Administration, the metropolitan planning organizations as well as the various owners to prepare for this upcoming requirement.

- ***Question:*** **Is there any agency or entity that maintains Statewide information about the condition of local and county roads and bridges that is comparable to the information maintained by the department through its management systems and other evaluation methods?**

  Answer: *See answer above.*

Discussion Points (Cont'd)

- ***Question:*** **Based on information available to the department, how would the department rate the aggregate condition of the portion of the transportation system under municipal and county jurisdiction?**

  Answer*: See answer above.*

- ***Question:*** **The department has stated very clearly in the past that it believes that it has sufficient funding to meet its goals concerning the condition of state roadways and bridges. Based on the amount of current investment in local and county roadways across the State, is the local portion of the transportation system adequately funded to maintain a similar level of roadway and bridge conditions?**

  Answer: *The NJDOT's provides a local aid program for municipalities and counties. The NJDOT's cannot speak to other funding counties and municipalities have to support their transportation program.*

- ***Question:*** **What is the appropriate role for the department with regard to poorly maintained local roadways? Can the department compel local governments to restore their roads to safe conditions without also providing financial resources? Is it possible to place a maintenance and safety standard on all of the roads in a county or municipality as a condition for the State's local transportation aid program?**

  Answer: *The NJDOT's role with regard to poorly maintained local roadways is to encourage and support a state of good repair. NJDOT's Local Aid Program has continued to provide a dedicated funding source to support counties and municipalities in maintaining roads. Under NJDOT's municipal aid program NJDOT encourages good performance in utilization of local aid funds to maintain roadways through its rating process.*

NJ TRANSIT

22. NJ Transit is currently developing a new train station in North Brunswick and new loop track that will permit trains to switch from northbound to southbound tracks and vice versa, without deadheading, resulting in notable time and money savings to the agency. This project was not given a dedicated line item in the FY 2014 capital program, presumably being placed within the line item for Northeast Corridor (NEC) improvements based upon the associated program description.

- ***Question:*** **Please provide an overview of this project, including preliminary estimates of the benefits to be realized from the project and expected utilization of the new rail station, including but not limited to expected ridership and fare revenue. Please also identify factors that may impact the cost and schedule for the project.**

Discussion Points (Cont'd)

Answer: *This project contemplates construction of a "loop" track on the Northeast Corridor in North Brunswick, NJ; a new station in North Brunswick and improvements to the existing Jersey Avenue station to make the station accessible to persons with disabilities.*

The loop track will improve on-time performance and reliability by allowing NJ TRANSIT trains from Penn Station New York serving the "middle zone" of the Northeast Corridor (NEC) to turn to make another run to New York without requiring the train to travel to NJ TRANSIT's yard facilities in Morrisville, PA.

The middle zone of the NEC is forecast to have the highest ridership growth in NJ TRANSIT's rail system. Specific ridership and fare revenue estimates for the new station will be developed as the concept is refined.

- ***Question:*** **What is the total project cost expected for both the construction of the midline loop as well as the associated rail station, and when is the expected completion date?**

Answer*: The project is expected to be completed in 2020. The total anticipated cost is approximately $300 million.*

- ***Question:*** **In FY 2014 discussion points this project was being discussed as a potential public-private partnership. Please discuss any information currently available about the structure of that potential partnership and an update on the current status of the project.**

Answer: NJ TRANSIT has procured a contractor to support preliminary engineering efforts for the project to prepare the Design-Build procurement. Part of the contractor's scope of work includes optimization of the structure of the public-private partnership. That effort has yet to conclude.

- ***Question:*** **The location of this project is near a former Johnson and Johnson site that is currently undergoing significant redevelopment. Please provide information about any connections and agreements between this project and that redevelopment project.**

Answer*: NJ TRANSIT's policy is to work with municipalities and other stakeholders across the state to foster and accommodate Transit Oriented Development. In this case, NJ TRANSIT signed a non-binding MOU with the developer of the adjacent site which is, as noted above, in our fastest growing rail ridership area.*

- ***Question:*** **Will this midline loop project be separated out in the capital program as its own line item at some point?**

Answer*: The capital program provides the overall framework for capital expenditures by program area. Individual projects may be broken out as they advance in the annual Capital Program adopted by the NJ TRANSIT's Board of Directors at their July meeting.*

Discussion Points (Cont'd)

23. A notable portion of the Mass Transit portion of the capital plan is dedicated to bus acquisition and rail rolling stock. NJ Transit has stated that the primary performance indicator driving the allocation of funds for these acquisitions is the average age of the bus fleet and rail fleet. These two performance indicators are not provided in evaluation data provided on page D-357 of the Governor's proposed budget. In response to FY 2014 discussion points the average age of the bus and rail fleet was identified as 7.5 years and 15 years of age respectively.

- ***Question:*** **Given that these performance indicators are driving capital planning allocations of NJ Transit funds, can they be included in future budget materials either through the Governor's performance based budgeting initiative or otherwise?**

Answer: *Yes they can.*

- ***Question:*** **What is the targeted average age for the bus and rail fleet? When that target is reached, what is the anticipated annual investment that will be required in these areas in order to maintain that target?**

Answer: *NJ TRANSIT's capital program targets an average bus age of 7.5 years and an average rail coach age of 15 years. This is consistent with a useful life of 15 years for buses and 30 years for rail coaches. With a fleet of approximately 3,000 buses with a targeted useful life of 15 years, NJ TRANSIT's target average annual replacement is 200 buses. The average annual cost varies between $75 million to $150 million annually over a 15 year period, depending on the type of bus. As such, the cost to maintain the rail fleet at target average age is approximately $200 million annually over a 30 year period. Importantly, the actual annual need will vary dependent on procurement cycles.*

24. The Federal Rail Administration has required that rail systems implement positive train control (PTC) on locomotives and signal systems by 2015. PTC is an advanced technology system of safety improvements and speed controls with the capability to automatically slow or stop a train prior to accidents occurring. In a 2013 derailment of a Metro North train, it was found that if positive train control were implemented on the system, the derailment could have been avoided. NJ Transit expenditures on the implementation of positive train control are embedded in the signals and communications portion of the capital program.

- ***Question:*** **Is NJ Transit on schedule to fully implement the FRA requirements concerning positive train control by the 2015 deadline?**

Answer*: The FRA has acknowledged that the 2015 schedule is a challenge to the industry. NJ TRANSIT is among the leaders in implementing its PTC program.*

Discussion Points (Cont'd)

Question: **What is the expected total cost to NJ Transit to implement positive train control? How much needs to be spent in the FY 2015 capital plan in order to meet the deadline? What work remains to be completed before the requirements are met?**

Answer*: The total estimated cost of PTC is $225 million and is funded both from prior appropriations and future year NJ TRANSIT Capital Programs.*

25. The 2014 Super Bowl was widely billed as the first "mass transit Super Bowl" largely due to the significant mass transportation infrastructure in the New York metro area, and because the planners of the Super Bowl intended to rely heavily on that infrastructure for fan transportation while heavily restricting parking at the stadium as a means of addressing safety concerns. NJ Transit efforts regarding the Super Bowl included dedicated staff time for over a year leading up to the Super Bowl, the attendance at the 2013 Super Bowl to consult with organizers in the prior city, the development of a special one-week pass for Super Bowl attendees, and an active engagement with the Super Bowl planning committees.

The Star Ledger reported that during the Super Bowl many attendees experienced commutes of multiple hours, and severe crowding at Lautenberg Station before the game and in the Meadowlands after the game due to 32,000 people utilizing the train as opposed to the 10,000 expected and approximately 20,000 in capacity that was provided. It appears that the estimate of 40,000 travelling by bus was overly optimistic and the actual number travelling by bus was much lower.

- ***Question:*** **What was the total cost to NJ Transit for the planning, preparation, and execution of Super Bowl related transit activities?**

  Answer*: NJ TRANSIT expended approximately $7.2m on Superbowl related activities which was partially offset by almost $1.5m in gross farebox and other system generated revenue.*

- ***Question:*** **How much revenue did NJ Transit realize from the sale of full-week Super Bowl passes? Were single ride tickets available to the game? If so, how much revenue was realized from the sale of those tickets? Did NJ Transit receive any compensation from the Super Bowl or the host committees for the special transit services provided?**

  Answer: *NJ TRANSIT generated a total of $580,210 in revenue from the Super Pass ($261,903) and single trip tickets ($318,307). NJ TRANSIT did not receive any compensation from the Super Bowl or host committees.*

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Discussion Points (Cont'd)

Question: **What role did NJ Transit have in developing the estimates for Super Bowl ridership, and what information was used to develop those estimates? When were these estimates determined and what if anything was done following the establishment of the 10,000 rider estimate to revise or update those estimates?**

Answer: *The NJ TRANSIT Board of Directors is leading a review of our performance during Super Bowl.*

26. In August 2013 it was reported that NJ Transit was partnering with the federal Department of Energy on a micro grid project dubbed the NJ Transitgrid, based upon the experience of federal military bases in developing micro grids.

Question: **Please provide details concerning this federal partnership. How much State and federal funding are expected to be contributed to this partnership? What is the expected final cost of developing a micro grid for the NJ Transit system?**

Answer: *The federal partnership with the Department of Energy provided $900,000 with no required State match. The total cost of the project is estimated at $769.5m, which NJ TRANSIT will seek to fund from federal resiliency funds.*

27. NJ Transit has been working aggressively in recent years to increase non-farebox revenue. Those efforts have included possible privatization of parking facilities, increased advertising on facilities and equipment, development of underutilized real estate holdings, increased leasing and permitting activity and business partnerships with trip generators.

- ***Question:*** **Please provide a detailed breakdown of non-farebox revenue over the last three years with an emphasis on the financial impact of these various initiatives.**

Answer: *NJ TRANSIT's non-farebox revenue for advertising, retail leasing, permits, and parking, increased by $3.9m or approximately 10% between FY11 and FY 2013 as follows:*

	Amount
FY 2011 Revenue	*$38.4m*
FY2013 Revenue	*$42.3m*
$ Change	*$ 3.9m*
% Change	*9.9%*

This growth is the result of increases in areas such as advertising on rolling stock, stations, platforms and billboard and was spurred primarily by:

- *A changeover of advertising assets to digital displays.*
- *Retail leasing as a result of bringing leases to market rates.*

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Discussion Points (Cont'd)

Question: **What is the estimated potential for growth in non-farebox revenue relative to farebox revenue over the next 5 to 10 years?**

Answer: *Going forward, NJ TRANSIT will aggressively pursue growth opportunities in these non-farebox revenue categories to continue to maximize non-farebox revenue.*

28. The Delaware River Port Authority (DRPA) is currently conducting an $8.1 million environmental study as the next stage of development for the Glassboro Camden Light Rail project. This study is being funded by NJ Transit.

- ***Question:*** **Why is NJ Transit funding a DRPA study? What role does NJ Transit have in the Glassboro Camden Light Rail project?**

Answer: *NJ TRANSIT and DRPA's networks work synergistically to promote transit trips in South Jersey. NJ TRANSIT is working cooperatively with DRPA to advance transit expansion options in South Jersey. This cooperation involves both coordination among planning professions in both agencies and serving as a financial partner in planning efforts.*

- ***Question:*** **If the Glassboro Camden Light Rail is constructed will it be part of the NJ Transit light rail system or part of the PATCO rail system?**

Answer: *This will be informed by the study.*

29. NJ Transit is permitted to use a portion of the federal funding provided to it by the FTA for operational expenses, even though they are realized in the budget under the capital program. These capital amounts are realized in the budget document under the line item for "Other reimbursements" which also includes capital funds provided by the State for permitted maintenance and the operational funds provided to NJ Transit by the New Jersey Turnpike Authority.

- ***Question:*** **Please provide a breakdown of the amounts that make up the Other reimbursements line item in the budget. Please identify amounts realized from federal agencies, the State portion of the capital program, and from independent authorities.**

Answer: *For FY2015 the Other Reimbursements line item totals $916.1m as follows:*

Amount	*Source*
$454.0m	*Federal preventative maintenance*
$295.0m	*NJ Turnpike Authority*
$108.0m	*State Capital Related Reimbursements*
$ 25.2m	*Other Federal Reimbursements*
$ 12.9m	*State Clean Energy Fund*
$ 11.8m	*3rd Party Reimbursements*
$ 9.2m	*TTF permitted maintenance*
$916.1m	*Total*

Discussion Points (Cont'd)

- *Question:* **Which NJ Transit operations are funded through capital program funds? Does NJ Transit utilize for operations the full amount of capital funds permitted under the State and federal funding programs? If not, what is the maximum amount of operating expenses that could be funded through State and federal capital funds if the capital program were organized in a way to maximize that amount?**

Answer: *NJ TRANSIT maximizes capital program funds to finance eligible bus and rail functions as well as eligible capital project implementation costs.*

30. In recent years NJ Transit has come under criticism for a variety of organizational problems. These include: potential project cost overruns resulting in the cancellation of the Access to the Region's Core (ARC) tunnel, the temporary outage of NJ Transit's website over failure to renew the domain, slow service restoration after Hurricane Irene, the flooding of rail cars after Superstorm Sandy, entering inaccurate information into weather models when preparing for Superstorm Sandy, permitting NJ Transit trademarks to expire, and under forecasting the rail ridership for the Super Bowl.

- *Question:* **When is the last time that NJ Transit has been subject to an outside review of its planning, engineering, and policy functions, including but not limited to contract administration and oversight, capital budgeting, procurement, and general management practices? What were the findings of that review?**

Answer: *NJ TRANSIT completes an intensive and comprehensive Federal Transit Administration review process every three years (the "Triennial Review") that evaluates not only engineering and contract procedures and practices, but also budgeting, management, policies and other factors that affect agency function and its ability to carry out transit projects and services while safeguarding public funds. On October 24, 2013 the FTA completed NJ TRANSIT's most recent triennial review with a positive outcome.*

Discussion Points (Cont'd)

Motor Vehicle Commission

THE COMMISSION WILL BE SUBMITTING THEIR RESPONSES SEPARATELY

31. In the FY 2013 annual report, the Motor Vehicle Commission (MVC) provides a financial statement for the FY 2014 budget. This statement serves as an update to the information provided as a response to FY 2014 discussion points which asked for the FY 2014 requested budget amounts. A notable difference between the two displays was a an increase in the reappropriation from an anticipated $7.4 million provided in the discussion points to $37.2 million reported in the FY 2013 annual report. This appears to have been driven largely by an apparent shift of approximately $20 million in capital program expenditures from FY 2013 to FY 2014 which was mentioned in FY 2014 discussion points, and approximately $12 million in reduced operating expenditures.

- ***Question:*** **Please comment on the reduced FY 2013 actual operating expenses compared with amounts budgeted for FY 2013, specifically the line items for the Parsons Inspection Contract and Special Purpose.**

- ***Question:*** **Please provide a financial statement in the same format used for the annual reports which describes the MVC budget request for FY 2015 and updated estimates for FY 2014.**

- ***Question:*** **Please discuss any major differences in operating expenses impacting the MVC in FY 2015. What does the MVC estimate for the FY 2014 year end surplus?**

32. In the proposed FY 2015 budget, evaluation data indicates that the MVC will add 88 positions for FY 2015, bringing total employment to 2,230 positions. In the FY 2014 budget, 2,233 positions were estimated for FY 2014, an increase of 52 positions; however, employment actually fell for FY 2014 by 39 positions from FY 2013 to 2014.

- ***Question:*** **What happened in FY 2014 that caused the MVC to shift from an anticipated 52 additional employees, to a reduction in staffing by 39? How did the deferment of Capital improvements for Wayne and Eatontown, kiosks, and the fit-outs at new leased sites impact staffing levels?**

33. In a series of cost saving moves in 2010 and 2011 the MVC closed five leased MVC facilities in Wyckoff, Bridgeton, Elizabeth, Randolph, and Morristown. The MVC also closed three of its inspection stations in Westfield, Delanco, and Bridgeton. The closing of these facilities resulted in cost reductions as well as staffing reductions.

Discussion Points (Cont'd)

- ***Question:*** **For each of these eight locations, what current economic activity is taking place at these sites? For the inspection stations which the MVC owns, what plans does it have to return these parcels to productive economic use?**

- ***Question:*** **Does the MVC have any policies or procedures in place regarding unused property? How long does it take the MVC to determine whether it will find an alternative use or sell property that is no longer in use?**

34. The MVC has the authority to increase certain fees and surcharges without legislative approval.

- ***Question:*** **Please note any new fees or fee changes charged by the MVC for its own purposes or those that it collects on behalf of other State entities that have taken place in the last year or are planned for the upcoming year. If there are any changes, please identify the amount of revenue expected to be generated by that change.**

35. The MVC has a contract with Parsons Environment & Infrastructure Group, Inc. for the operation of MVC inspection facilities. This contract was renewed for three years in May of 2013. Chief Administrator Martinez testified before the Assembly Budget Committee in May 2013 that the MVC would be using this three year contract renewal period to investigate whether it would be advantageous for the MVC to change the way it conducts inspections, including the possibility of eliminating State run facilities and having inspections conducted by private entities such as auto mechanics. Additionally it was investigating whether it would be advisable to administer a private inspection program internally or through a private vendor if it were to eliminate State inspection facilities.

The Chief Administrator also noted that in November 2013, the vendor that administers the database that houses inspection information, Verizon, would be getting out of the business of administering these databases. It was not clear from the Commissioner's testimony how those services would be replaced.

- ***Question:*** **What is the cost per inspection to the State under the prior contract with Parsons and the current three year contract?**

- ***Question:*** **Who has the MVC retained to investigate how the agency should administer the inspection program once the new Parsons contract expires? When will a report of those finding be available?**

- ***Question:*** **Who is administering the vehicle inspection database? What is the increase or decrease in costs associated with the new vendor?**

36. The MVC responded to follow up questions by the Assembly Budget Committee in May 2013 with information concerning a breakdown in MVC revenues between amounts

Discussion Points (Cont'd)

collected for other State departments, amounts collected for MVC operations, and amounts collected from MVC based fees, but directed to the General Fund.

- ***Question:*** **Please provide a display similar to the one provided in response to the Assembly Budget Committee Follow-up response in May, 2013, which updates the FY 2014 projections and for FY 2015 breaking down total MVC revenues with the following information: total MVC revenue, collections for other State departments, revenues from MVC fees, the proportion of MVC fees that go to MVC activities, and the proportion of MVC fees that go to the General Fund or other departments. For the MVC fees that go to MVC activities, please identify programs that are performed in conjunction with other departments and the breakdown of labor and funding responsibility between the MVC and the partner department. For the MVC fees that go to the General Fund or other departments, please identify the amount that is dedicated to the General Fund through the statutory proportional split, the amount that is provided to other departments through statutory language, and the amount that is provided to other departments or the General Fund as a result of budgetary language.**

37. In the State Auditor's November 2012 non-payroll expenditure report, it found flaws in the way that the MVC monitors and documents the usage of its vehicle fleet and the way that fixed assets were tracked and inventoried. The MVC responded that it planned to implement policies and undertake actions to ensure that these findings were promptly corrected.

- ***Question:*** **Has the size of the MVC vehicle fleet changed as a result of actions taken in response to the Auditor's report?**

- ***Question:*** **How many fixed asset items did the MVC identify as missing after it conducted a physical inventory count? Have the policies put in place by the MVC allowed the MVC to now conduct full inventory counts each year as required by the Treasurer?**

38. In response to FY 2014 discussion points, the MVC stated that MATRX release 2 will be implemented in August 2014 and that Release 3 is scheduled to be implemented in October 2015. In response to FY 2013 discussion points, the MVC stated that the cost of the MATRX contract was originally $36.9 million and that as of March 2012, the MVC had expended $18.2 million, noting that the contract is a fixed price contract that is based on deliverables.

In November, 2012 the State Auditor released a report on non-payroll expenditures which identified the original MATRX contract with Hewlett Packard (HP) as being for $59.8 million dollars with $9.6 million in additions at the time of the report, and an additional $19.5 million in potential additions that were being negotiated. The report also identified a

Discussion Points (Cont'd)

contract with MATHTECH as the third-party oversight vendor on the MATRX program. The original amount of that contract was for $2.7 million with $12.5 million in additions at the time of the Auditor's report. It appears at this point that the MATHTECH contract expires in November 2014 and the HP contract would expire upon the completion of release 3 in October 2015 or October 2016 if the renewed contract still includes a year of operational support.

- ***Question:*** **Please provide an update on the Status of the MATRX program. Are the releases proceeding according to schedule? Given the annual revisions to completion dates, how confident is the MVC that these release dates will be the actual implementation dates for the MATRX project?**

- ***Question:*** **Why do the contract amounts provided to OLS in the FY 2013 discussion points regarding MATRX contract costs differ from the amounts identified in the Auditor's report?**

- ***Question:*** **Please identify the cost of the original MATRX contract with HP and the oversight contract with MATHTECH. Please provide a description of every subsequent renewal or renegotiation of those contracts outlining changes in the scope of work to be done, changes in the cost of the contracts, and changes to project completion dates. Please provide a description of the total cost of MATRX related activities from the inception of the original MATHTECH contract through the expected completion of the project.**

- ***Question:*** **With the expiration of the MATHTECH contract in November 2014, will there be any third-party oversight vendor for this contract? Is that contract being renewed? How will oversight of the MATRX project take place after November 2014?**

- ***Question:*** **What protections are written into these contracts, and specifically the contract renewals, in order to ensure a timely completion of this project? Are there any penalties to the vendor for delays or nonperformance?**

- ***Question:*** **The MVC appears to have identified additional work required for MATRX deliverables that was not originally included in the contracts. How confident is the MVC that the current contract encompasses all MATRX related work that needs to be completed? How does the MVC explain that more than four years after the start of the contract, it was found that the scope of the contract was still lacking?**

NJDOT Report for Response #1

FY 2014 and DRAFT FY 2015 TRANSPORTATION CAPITAL PLAN
New Jersey Department of Transportation
($ millions)

Fund Code	Fund Name	FY2014	FY2015
Federal			
BRIDGE-OFF	Bridge Off System Funds	$8.600	$7.300
CMAQ	Congestion Mitigation Air Quality Funds	$20.455	$15.300
DEMO	Demonstration Funds	$136.195	$25.950
FBP	Ferry Boat Formula Program	$2.000	$2.000
HSIP	Highway Safety Improvement	$33.737	$32.750
NHPP	National Highway Performance Program	$512.260	$472.338
PL	FHWA Planning Funds	$11.961	$11.961
PL-FTA	FTA Planning Funds	$3.894	$3.894
RHC	Rail-Highway Grade Crossing	$10.800	$10.800
RTP	Recreational Trail Program	$1.238	$1.238
SPR	FHWA Statewide Planning Research Funds	$19.144	$19.144
STP	Surface Transportation Program - Statewide	$75.441	$100.066
STP-NJ	Surface Transportation Program - NJTPA	$21.305	$29.955
STP-SJ	Surface Transportation Program - SJTPO	$2.922	$3.022
STP-STU	Surface Transportation Program - DVRPC	$6.554	$14.816
STP-TE	Surface Transportation Program - Transportion Enhancements	$7.235	$7.235
TAP	Transportation Alternatives Program	$8.235	$13.822
TCSP	Transportation Community Preservation Program	$4.000	$4.000
Federal Total		***$886.0***	***$775.6***

The figures above do not include the federal funds that were flexed (transferred) from NJDOT to NJT. These funds make up the difference between the total figures indicated above and the annual apportionment formula funds from FHWA.

NJTRANSIT Report for Response #1

NJ TRANSIT FTA Funding Estimates		
FTA Program	**FY14**	**FY15**
Sec 5307 Urbanized Area	$ 284.250	$ 284.250
Sec 5337 State of Good Repair	$ 154.500	$ 154.500
Sec 5339 Bus and Bus Facilities	$ 17.300	$ 17.300
Sec 5310 Elderly and Disabled	$ 7.200	$ 7.200
Sec 5311 Rural	$ 4.200	$ 4.200
TOTAL	**$ 467.450**	**$ 467.450**

OLS DISCUSSION POINT #15

NJTTF Accounts with Unexpended and Uncommitted 480 Funds
Current Appropriation Balances as of Start of Business 04/16/2014
by Fiscal Year and Account ; 100% TTF Funded Accounts Only

DOT-FD-121
DOT DailyApropBalances(APPR)w/Fund

04/16/2014

FY	Authorized Budget Amount	Expended	Pre-encumbered	Encumbered	Uncommitted	Unexpended
1993	768,212,438.78	760,576,385.77	160,321.77	4,279,081.27	4,079,611.91	8,519,014.95
1994	842,055,167.56	832,248,640.05	1,869,289.09	1,957,594.06	5,958,306.81	9,785,189.96
1995	561,437,799.38	558,622,314.90	6,000.00	1,556,293.05	1,253,191.43	2,815,484.48
1996	696,567,460.95	695,122,943.92	18,850.00	688,291.02	737,376.01	1,444,517.03
1997	699,703,269.10	698,449,594.04	168,238.04	574,136.00	511,301.02	1,253,675.06
1998	897,145,923.20	893,866,663.74	328,759.30	2,010,594.31	939,905.85	3,279,259.46
1999	701,380,000.00	693,073,613.14	5,097,041.72	1,559,919.12	1,649,426.02	8,306,386.86
2000	896,015,924.95	884,765,901.35	5,906,396.03	1,749,819.45	3,593,808.12	11,250,023.60
2001	884,070,219.12	870,467,908.89	1,556,592.28	6,899,920.89	5,145,797.06	13,602,310.23
2002	1,050,026,554.26	1,038,813,518.37	3,010,626.06	6,137,986.86	2,064,422.97	11,213,035.89
2003	1,106,089,221.83	1,094,706,910.81	902,927.25	4,181,159.41	6,298,224.36	11,382,311.02
2004	1,224,550,000.00	1,212,421,716.77	1,440,096.34	4,212,458.61	6,482,148.53	12,134,703.48
2005	1,292,597,000.00	1,278,728,254.33	3,132,256.32	6,255,329.00	4,481,160.35	13,868,745.67
2006	1,205,000,000.00	1,174,580,212.54	6,442,913.29	14,042,242.52	9,934,631.65	30,419,787.46
2007	1,600,000,000.00	1,559,860,721.02	8,506,195.00	18,379,733.36	13,253,350.62	40,139,278.98
2008	1,600,000,000.00	1,527,478,959.82	17,566,781.61	38,662,451.67	16,291,806.90	72,521,040.18
2009	1,600,000,000.00	1,509,999,736.85	7,508,273.10	67,622,657.85	14,869,332.20	90,000,263.15
2010	1,600,000,000.00	1,425,420,783.82	11,051,735.00	126,549,418.87	36,978,062.31	174,579,216.18
2011	1,600,000,000.00	1,430,664,658.04	27,417,890.53	123,385,264.02	18,532,187.41	169,335,341.96
2012	1,247,000,000.00	1,037,209,372.65	11,466,694.14	150,576,204.10	47,747,729.11	209,790,627.35
2013	1,247,000,000.00	921,557,493.17	24,079,267.03	275,493,318.41	25,869,921.39	325,442,506.83
2014	1,224,000,000.00	269,452,565.05	158,570,319.36	490,392,440.58	305,584,675.01	954,547,434.95
	24,542,850,979.13	**22,368,088,869.04**	**296,207,463.26**	**1,347,166,314.43**	**532,256,377.04**	**2,175,630,154.73**