May 4, 2010

Honorable Paul A. Sarlo
Chair
Senate Budget and Appropriations Committee
State House Annex
P.O. Box 068
Trenton, NJ 08625-0068

Re: April 22, 2010 Senate Budget and Appropriations Committee Hearing

Dear Chairman Sarlo:

It was a pleasure to testify before your committee on April 22, 2010 regarding the FY 2011 budget requirements of the New Jersey Department of Transportation and NJ Transit. I hope that my testimony and responses to questions raised were helpful in understanding the programmatic and financial challenges we face in the upcoming year.

I am attaching responses to the follow-up questions that were listed in your April 27, 2010 letter. Feel free to contact me if you have any other questions or concerns.

Sincerely,

[Signature]

James S. Simpson
Commissioner

Enclosure

c:  James Weinstein, Executive Director, NJ Transit Corporation
    Andrew Hendry, Executive Director, Senate Majority
    James Harkness, Executive Director, Senate Minority
    Andrew P. Sidamon-Eristoff, State Treasurer
    George LeBlanc, Assoc. Exec. Director, Budget & Fiscal Affairs
    David Rosen, Office of Legislative Services
    Rosemary Preamuk, Legislative Aide
    Pat Gillespie

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Senator Buono:

- Please provide the committee information on where the funds received from the approved 2010 New Jersey Turnpike toll increase will be allocated and spent.

In October of 2008, the NJTA's Board of Commissioners approved the following toll increases to be effective January 1, 2012:

<table>
<thead>
<tr>
<th>Effective Date of Toll Increases</th>
<th>Turnpike Toll Increase</th>
<th>Parkway Toll Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/1/12</td>
<td>53%</td>
<td>50%</td>
</tr>
</tbody>
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The annual revenue generated from this increase is projected at approximately $500 million. The funds received from the 2012 toll increase will generally be allocated to four (4) areas.

First, the NJTA is committed to provide $1.25 billion to NJ Transit to assist with the cost of the ARC Tunnel project. Below is the annual payment schedule the NJTA is contractually obligated to make to NJ Transit. It must be noted that the below payments come directly from toll revenue. The NJTA is not issuing debt to make the payments.

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$195,000,000</td>
</tr>
<tr>
<td>2013</td>
<td>$195,000,000</td>
</tr>
<tr>
<td>2014</td>
<td>$195,000,000</td>
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<tr>
<td>2015</td>
<td>$195,000,000</td>
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<tr>
<td>2016</td>
<td>$195,000,000</td>
</tr>
<tr>
<td>2017</td>
<td>$195,000,000</td>
</tr>
<tr>
<td>2018</td>
<td>$80,000,000</td>
</tr>
</tbody>
</table>

Second, funds received from the 2012 toll increase will be used to fund increases in current debt service payments which are projected to average about $10 million per year, and to increase deposits to the Maintenance Reserve Fund and Special Project Reserve Fund, which are operating revenue funds that are used for infrastructure preservation and improvement. These amounts are recommended by the Authority’s General Engineering Consultant and are a part of its report which is included in the Authority’s Public Offering Statement.

Third, funds received from the 2012 toll increase will be used to fund pay-as-you-go projects funded from General Reserve Fund balances in excess of $75 million.
Finally, and to the extent that the issuance of additional bonds is authorized, funds received from the 2012 toll increase provide the NJTA with revenue to support the additional debt service needed to complete the NJTA’s 10-year, $7 billion dollar capital program.

Senator O’Toole:

- Please provide the committee with an update on the New Jersey Turnpike and Garden State Parkway widening projects.

New Jersey Turnpike Interchange 6 – 9 Widening Program: Status Update - April 2010

The Widening Program will construct six additional lanes (three in each direction) from Interchange 6, Mansfield Township, milepost 48 to Interchange 8A in Monroe/Cranbury Townships, milepost 74 and two additional lanes (one in each direction) from Interchange 8A to Interchange 9 East Brunswick, milepost 83. In total the Widening Program will construct approximately 170 lane miles of new roadway, including the construction of a new toll plaza at Interchange 8 at a total Program cost of approximately $2.7 billion. Final Design is currently 80% complete. Construction began in early summer 2006 and is scheduled to be completed in 2014.

Schedule:
- Preliminary Engineering and Environmental Investigations 2005 – 2007
- Final Design 2007 – 2010
- Construction 2009 – 2014
  - Ribbon Cutting July 2, 2009
  - Total Construction Cost - $2.0 billion
  - 30 Contracts will be awarded in 2009 – 2011
  1. 2009 – 8 contracts awarded - Total Value of 2009 Contracts $150 M
  2. 2010 – 20 contracts to be awarded - Total Value of 2010 Contracts $1.5 B
  3. 2011 – 2 contracts to be awarded - Total Value of 2011 Contracts $250 M
  - To date $344 M in construction contracts have been awarded
  - Contracts will range in size from $5 M to $200 M

Additional information on the Turnpike’s Widening Program is available on its website at www.njturnpikewidening.com.

Garden State Parkway Interchange 30 to 80 Widening Status Update April 2010

The Parkway Widening Program will construct one additional lane to each of the northbound and southbound directions providing three total lanes in each direction from Interchange 30 in Somers Point to Interchange 80 in Toms River. This portion of the Garden State Parkway runs through Ocean County, Burlington County and Atlantic County which includes 14 Municipalities comprised of: the City of Somers Point, Egg Harbor Township, Galloway Township, City of Port Republic, Bass River Township,
Little Egg Harbor Township, Eagleswood Township, Ocean Township, Stafford Township, Barneget Township, Lacey Township, Beachwood Borough, Berkeley Township and South Toms River Borough.

The construction has been staged into three Phases:

- **Phase 1** will construct the Widening from Interchange 63 to 80, a new Mullica River Bridge and Express EZ Pass at the Barneget Toll Plaza
- **Phase 2** will construct the Widening from Interchange 48 to 63, a new Bass River Bridge, widen the Patcong Creek Bridge and complete permit related construction from Interchange 30 to 48
- **Phase 3** will construct the Widening from Interchange 30 to 48

Total value of the Parkway Widening Program is $900 million.

**Phase 1 – Interchange 63 to 80 and Mullica River Bridge**

- **Status:** Phase 1 is currently under construction. The Interchange 63 to 80 sections will be completed August 2011. The widening of the Mullica River Bridge will be completed in May 2011 at which time it will be open to traffic.
- **Cost:** $232 million

**Phase 2 – Widening from Interchange 48 to 63, Bass River and Patcong Creek Bridges, and Grading and Drainage Improvements Interchange 30 to 48**

- **Status:** Phase 2 is currently in design. Anticipated start of construction is November 2010 (Advanced Clearing). Construction completion for entire Phase anticipated in December 2014.
- **Cost:** Estimated $365 million

**Phase 3 – Interchange 30 to 48 Widening**

- **Status:** Phase 3 is not scheduled for design or construction at this time.
- **Cost:** Estimated $238 million
- **Design:** Anticipate three (3) Pavement widening design firms to be engaged
- **Construction:** Anticipate three (3) Pavement widening construction contracts

**Program Environmental Status:** All permits secured as of November 2008. Mitigation for impacts will be completed in August 2010.

**Additional Information:** can be found at [http://www.state.nj.us/htrppike/our-projects-widening.html](http://www.state.nj.us/htrppike/our-projects-widening.html).

**Senator Bucco,**

- Please provide the committee a list of DOT’s safety programs and projects that will benefit pedestrians and motorists.
The following represents the Department’s current Safety Programs and Projects as shown in the Draft FY 2011 Capital Program.

**Accident Reduction Program**
A comprehensive program of safety improvements designed to identify locations from the Safety Management System. Treatments may include raised pavement marker installation whose goal is to reduce nighttime and wet weather crashes; pavement improvements at locations identified as having a crash history due to pavement skid problems; and utility pole delineation and removal of fixed objects. In addition, funding will be provided for the development and implementation of a lane departure program.

There is currently $4.95 M allocated to this program in the Draft FY 2011 Capital Program.

**Betterments, Safety**
This is an ongoing program of minor improvements to the state highway system such as the installation of beam guide rail, impact attenuators, and safety fencing.

There is currently $7 M allocated to this program in the Draft FY 2011 Capital Program.

**Highway Safety Improvement Program Safety**
This project consists of two programs: the development of Safety Programs and the development of Rail-Highway safety improvement projects. Safety Programs through guidance of the HSIP (23 CFR 924), identifies, prioritizes, and implements safety programs and projects in an effort to reduce crashes and crash severity. In addition, continued on-site inspection of public grade crossings to identify rail-highway grade crossing hazards to develop and implement safety improvements.

There is currently $2 M allocated to this program in the Draft FY 2011 Capital Program.

**Intersection Improvement Program**
This program provides for the development and implementation of safety and operational improvements at intersections identified by the Safety Management System as having potential safety problems.

There is currently $1 M allocated to this program in the Draft FY 2011 Capital Program.

**Local Safety/High Risk Rural Roads**
The Local Safety Program provides funds to counties and municipalities for the improvement of intersections and other road improvements focusing on pedestrian and vehicular safety improvements of critical need that can be delivered in a short period of time, generally less than 12 months, from problem identification to
completion of construction. This program encompasses mandatory federal funding of $1.7 million per year for High Risk Rural Roads, for safety countermeasures on rural major and minor collector roads or rural local roads.

There is currently $5 M allocated to this program in the Draft FY 2011 Capital Program.

Motor Vehicle Crash Record Processing
This program provides the in-house Crash Records Unit with upgraded methodologies and practices in the verification of crash records from all police agencies statewide. This program also includes data entry, scanning and imaging performed from a private vendor.

There is currently $4 M allocated to this program in the Draft FY 2011 Capital Program.

Rail-Highway Grade Crossing Program, Federal
This program provides funding for the elimination of hazards at rail-highway grade crossings, the rehabilitation of grade crossing surfaces, and the installation of protective warning devices for roadways both on and off the federal-aid system. Funding will also be provided for the traffic control items required during construction work and the installation of advance warning signs and pavement markings at all highway-rail grade crossings.

There is currently $6.6 M allocated to this program in the Draft FY 2011 Capital Program.

Rail-Highway Grade Crossing Program, State
This program provides state funding for the elimination of hazards at rail-highway grade crossings by the closure of crossings or the upgrade/improvement of protective warning devices for roads throughout the state. This funding will allow flexibility in allocating monies for emergency repairs as well as the areas in need regardless of their geographic location (MPO). This program will also allow grade crossing closures without drawing down the federal funds used for grade crossing improvements. Funding will also be provided for the design of traffic detours required for the crossing surface reconstruction projects.

This program will also provide funding for emergency repairs to the riding surface of highway-rail grade crossings identified during inspections or from complaints received. These repairs will be accomplished by a DOT contractor as priority situations are identified. These repairs will be limited to surface repairs that do not require railroad infrastructure work, or reconstruction of the crossing. This program will also include the installation of roadway-related items (signs, pavement markings) that have been identified as missing or needing replacement or are required (outstanding work from municipalities and counties) to close out federally funded grade crossing projects from previous years.
There is currently $2.2 M allocated to this program in the Draft FY 2011 Capital Program.

Restricting Program & Line Reflectivity Management System
This program provides for the application of long-life pavement markings and raised pavement markers on the state highway system. In addition, a new Line Reflectivity Management Unit will be formed with Maintenance Engineering Operations, to take reflectivity readings of pavement markings in order to more efficiently develop the annual striping program for NJDOT.

There is currently $15 M allocated to this program in the Draft FY 2011 Capital Program.

Rockfall Mitigation
This program provides for the engineering and construction of projects to reduce the potential of rockfall onto highways, which left unchecked, could potentially cause injury and damage to the motoring public. This program will be utilized to update and maintain the Rockfall Hazard Mitigation System (RHMS), which evaluates all highway rock cuts and identifies potential rockfall issues. It is anticipated that these activities will be performed utilizing both in-house and consultant engineering forces.

There is currently $7.4 M allocated to this program in the Draft FY 2011 Capital Program.

Safe Corridors Program
This program provides for the identification and implementation of safety improvements along the designated Safe Corridor locations as outlined in the Safety First Initiative. These include portions of Routes 1, 9, 22, 40, 46, 47, 73, and 206. The safety improvements proposed may include signage, pavement markings, traffic signal modifications, crosswalks, bus shelters, handicap ramps, pedestrian and bicycle accommodations, travel lane modifications, or resurfacing.

There is currently $2.5 M allocated to this program in the Draft FY 2011 Capital Program.

State Police Safety Patrols
This program provides funding for additional state police presence at select state highway locations to reduce crashes and fatalities caused by aggressive driving and to document the impacts of additional enforcement on overall highway safety and compliance with traffic laws.

There is currently $2 M allocated to this program in the Draft FY 2011 Capital Program.

Traffic Signal Replacement
This program provides for the purchase of materials and installation of new and upgraded traffic signals statewide and related improvements to the operation of signals. The replacement of signals will be on an annual basis and assist regional operations in the rehabilitation and maintenance of the highway lighting system. It also includes the replacement of energy efficient LED indicators. This program also provides for the development of a traffic signal management system that will provide a condition rating of the signal equipment integrated with crash data and congestion management system data to prioritize the signals for replacement based on the above data. The results of the priority locations will be to systematically replace aging signal equipment, optimize the operation of the signal, and provide maximum efficiency of the intersection.

There is currently $8 M allocated to this program in the Draft FY 2011 Capital Program.

Complete Streets Program - Policy
There is an on-going national movement to enact Complete Streets Policies to ensure that all users of the transportation system, including pedestrians, bicyclists, transit users, children, older individuals and the mobility challenged are able to travel safely and conveniently on and across federally funded streets and highways.

The New Jersey Department of Transportation has institutionalized a “Complete Streets” Policy. This policy will be implemented through the planning, design, construction, maintenance and operation of new and retrofit transportation facilities within public rights of way that are federally or state funded, including projects processed or administered by the NJDOT’s Capital Program.

Complete Streets are designed, operated and maintained to enable safe access for all users, promote healthier lifestyles, create more livable neighborhoods, and reduce traffic congestion and reliance on carbon fuels thereby reducing greenhouse gas emissions. Motorists and bicyclists, as well as pedestrians and transit riders of all ages and abilities are able to safely and comfortably move along and across a complete street.

NJDOT Bicycle & Pedestrian Programs - Overview
Because of New Jersey’s high rate of pedestrian and bicycle crashes and fatalities, FHWA in 2004 designated New Jersey as a Pedestrian Safety Focus State. New Jersey is one of 13 states that have this designation. Because of the high rate, in 2006 the Department implemented some programmatic efforts to provide infrastructure along high risk pedestrian corridors on state highways. The following programs have been implemented:

Pedestrian Safety Improvement Program:
NJDOT made a commitment in 2006 to fund pedestrian safety projects and improvements on high risk state highways. The funding came from the Transportation Trust Fund. The improvements ranged from intersection upgrades
like pedestrians countdown signals and crosswalks to sidewalk safety improvements and traffic calming measures. Since 2006, over 80 pedestrian safety projects have been built along high risk state corridors.

There is currently $2 M allocated to this program in the Draft FY 2011 Capital Program.

Safe Routes to School Program
NJDOT has been a leader in developing this statewide program. This federal (SAFETEA-LU) program provides funds to local governments to create safer walkways, bikeways and street crossings near schools. It also increases pedestrian safety awareness among motorists and school children. Since 2005, we have awarded 104 grants, reaching 192 K-8 schools in 83 municipalities.

There is currently $5 M allocated to this program in the Draft FY 2011 Capital Program.

Pedestrian Safe Corridor Program
This program designates "Pedestrian Safe Corridors" based on accident history and estimated rates of exposure to motor vehicle/pedestrian conflicts. Once designated, NJDOT will deploy Safety Impact Teams and make recommendations for engineering improvements. These areas will also be targeted for enhanced education and enforcement measures.

There is currently $5 M allocated to this program in the Draft FY 2011 Capital Program.

Safe Streets to Transit Program
As more people use mass transit, it is imperative that we provide the riders safe pedestrian access to the train or bus station. This program will identify risks based on crash history as well as develop and fund improvements. This is a grant program administered through the Division of Local Aid and Economic Development and is funded through the Transportation Trust Fund. Since 2006, we have awarded 20 grants.

There is currently $1 M allocated to this program in the Draft FY 2011 Capital Program.

Local Aid for Bicycles Program
The New Jersey Department of Transportation’s Bikeway Grant Program provides funds to counties and municipalities to promote bicycling as an alternate mode of transportation in New Jersey. This program has been funded with Transportation Trust Fund dollars. A primary objective of the Bikeway Grant Program is to support the State’s goal of constructing 1,000 new miles of dedicated bike paths (facilities that are physically separated from motorized vehicular traffic by an open space or barrier either within the highway right of way or within an independent right of way).
In an effort to establish regionally connected bicycle networks, this program is available to every municipality and county throughout New Jersey.

There is currently $2 M allocated to this program in the Draft FY 2011 Capital Program.

Senator Beach:

- Please provide the committee with an update on the Route 70 improvement project.
  **Route 70 Operational and Safety Improvements, MP 0.0 to 4.1**
  Cherry Hill and Pennsauken Townships, Camden County

  **Project Description:** The purpose of the Feasibility Assessment (FA) is to develop alternatives to improve traffic operation and safety within the project limits. The study would focus on methods to improve LOS, reduce vehicle delay and travel time; improve traffic flow through the corridor, increase safety, and balance pedestrian/bicycle and community needs.

  **Status:** FA has not yet begun. This project will begin when funding is identified.

  **Initial Construction Estimate:** $107 M
  **Estimated Total Project Cost:** $154 M
  **Spent to Date:** 0

- **Rt. 70 Kingston and Covered Bridge Roads MP 4.1 to 4.9**
  Cherry Hill Twp., Camden County

  **Description:** This project will address congestion and safety concerns at the Kingston and Covered Bridge Road intersections.

  **Status:** Feasibility Assessment is nearly complete. Following a Public Information Center (PIC) to be scheduled in late spring 2010, the Department expects to complete the environmental document and graduate the project to Final Design.

  **Initial Construction Estimate:** $10 M
  **Estimated Total Project Cost:** $19 M
  **Spent to Date:** $200,000

- **Rt. 70 Operational and Safety Improvements MP 5.1 to 8.33**
  Cherry Hill Twp., Camden County and Evesham Twp., Burlington County

  **Description:** The Feasibility Assessment (FA) would assess benefits/impacts of widening the two lane sections to three lanes. Efforts would be made to improve the intersections where three lane roads already exist.
Status: A consultant for FA has been selected by the Department. This project will begin when funding is identified.

Initial Construction Estimate: $35 M
Estimated Total Project Cost: $132 M
Spent to Date: 0

Senator Ruiz:

- Please provide the committee with an explanation on the plan to consolidate the DOT's three regional offices.

The Department currently has no plans to consolidate its three regional offices. The Department, however, is considering several alternatives to continuing the Halsey Street (Newark) lease, which expires March of 2011. There are currently 11 Department employees from the Bureau of Local Aid, working at that location. The lease costs the Department $196,000 a year, and in conjunction with the statewide effort to eliminate leases, the Department of Treasury has approved not renewing the Halsey Street lease. Alternatives being considered include: relocating staff to the Department's Mt. Arlington facility and obtaining office space from New Jersey Transit. The Department also considered constructing a trailer to house staff in a location closer to Newark but found this to be cost prohibitive at over $850,000.

Senator Doherty:

- Please provide the committee with a description and explanation of the policy and procedures that govern the use and operation of weigh stations.

The policy and procedures governing the operation of weigh stations is under the purview of the NJ State Police. The Department is only responsible for structural maintenance of these facilities. However, the Department has reached out to the NJ State Police to answer this question and was provided the following:

While there is no written agreement on Operational Responsibilities at weigh stations, the following is a summary of NJ State Police activities at the stations:

The I-79 Scale Complex in Greenwich Township consists of (2) locations, I-78 East at milepost 6.5 and I-78 West at milepost 6.5. These facilities are utilized for the purpose of weighing commercial motor vehicles. In addition, these same vehicles may be measured for compliance with length and width laws or inspected at various levels. There are 3 possible levels of inspections that are performed by the NJ State Police. The levels of inspection start at a Level (3) inspection, which is a document inspection including the log book, driver's credentials and vehicle registration. A Level (2) inspection is a document inspection as well as a walk around safety inspection. A Level (1) inspection
includes document examination, a walk around safety inspection as well as examination of the undercarriage, brake system and mechanical components. Commercial Motor Vehicles transporting Hazardous Materials are also inspected at these sites.

In order to operate the scale, a minimum of 2 NJ State Police must be assigned to work together as a safety precaution to those same officers. The NJ State Police attempt to have 4 Troopers operating the sites (either East or Westbound) at one time due to the high volume of Commercial Vehicles that are weighed and inspected on a daily basis. The NJ State Police attempt to operate the scales based on traffic patterns of Commercial Vehicles and availability of those assigned to the Commercial Carrier Unit. They operate these scales based upon their knowledge of the magnitude and location of Commercial Vehicle traffic. Trooper Safety while conducting these same inspections, and most importantly the motoring public’s safety, are the #1 consideration that govern the use and operation of these weigh stations.

The operating hours of the Greenwich Scales are as follows:
7 days a week; 16 Hours per day.
Day Shift: 6 am – 4 pm
Afternoon Shift: 2 pm – 10 pm (Sun thru Thursday)

Note: Hours are shifted occasionally due to detail assignment changes as well as additional responsibilities of operating the Knowlton and Piscataway Scales Sites.

The Greenwich Scale is comprised of both East and Westbound operational sites. Greenwich East and West are rarely open at the same time. Both sites are opened and closed at different times of the day so as not to allow truckers the opportunity to avoid the scales, which could easily occur by the use of a consistent schedule. The Transportation Safety Bureau of the NJ State Police operates on a very tight schedule as they are not only responsible for the operation of the Greenwich Scales but are also responsible for the operation of the Knowlton Scale located on Rt. 60 in Knowlton Township, assisting the Motor Vehicle Commission with Diesel Emission Testing, and conducting Commercial Vehicle Safety Inspections throughout the entire northern portion of the state. The State Police operate these facilities to the best of their abilities within the time frames listed above, utilizing the personnel currently assigned to the Commercial Carrier Safety Inspection North Unit, which has been assigned the responsibility of operating the above listed locations on a daily basis.

Regarding some of the inspection statistics and overweight citation statistics for Total Commercial Vehicle Inspections conducted in 2009 at the Greenwich Scales (East and West) are as follows:
16,843 Total Commercial Vehicle Inspections
5,054 Total Out of Service Violations
446 Total Hazardous Materials Violations
47,391 Total Inspection Violations
553,753 Total Commercial Vehicles Weighed *

(*Weighed=Total Commercial Vehicles that passed through both East/West Scales)