May 15, 2014

The Honorable Paul A. Sarlo  
Chairman, Senate Budget Committee  
State House Annex  
PO Box 068  
Trenton, NJ 08638-0068

Dear Chairman Sarlo:

It was a pleasure to testify before your committee on May 1, 2014, regarding the FY 2015 budget 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 May 6, 2014, letter. Feel free to contact me if you have any other questions or concerns.

Sincerely,

[Signature]

James S. Simpson  
Commissioner

Enclosure

c:  
   David J. Rosen, Legislative Budget and Finance Office  
   Charlene Holzbaur, Office of Management and Budget  
   Christopher Emigholz, Senate Republican Office  
   George LeBlanc, Senate Democratic Office  
   Patrick Brennan, Office of Legislative Services

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Senator Sarlo

- You estimated that the transportation capital program supports approximately $500 billion in total assets, and that staff is working on developing a more detailed estimate. Please provide a formal estimate for the overall value of New Jersey’s transportation infrastructure, divided between DOT and NJ Transit assets if possible.

Response:
As part of our discussions during the Senate Budget Committee hearing on May 1, 2014, I suggested that as a very rough estimate the transportation capital program supports approximately $500 billion in total assets between the Department and NJ Transit. As I said at that hearing, this is a very rough estimate and would take a significant amount of manpower to more fully develop. Among the assets maintained by the Department are 2,538 bridges, over 8,000 lane miles of highway pavement, over 4,000 lineal miles of shoulders and over 500 lineal miles of ramps, 2,805 lineal miles of guiderail, 3,350 traffic signals 1,567 rail/highway grade crossings, 4 public rest areas, 80 maintenance yards and 547 buildings. Among the assets maintained by New Jersey Transit are 30 bus stations, a bus fleet of 3,590, 18 bus maintenance facilities, 218 locomotives, 1,068 rail cars, 164 rail stations, 685 bridges and over 544 miles of track. While we do not have the manpower to devote to developing an estimate of the value of these and other assets at this time, the Department, will consider options that might be available to us to formalize this estimate sometime in the future.

- Language included in the most recent reauthorization of the Transportation Trust Fund P.L. 2012, c. 13, contained language that eliminated a Federal-Aid Urban System adjustment from the local aid formula for counties in FY 2014 and beyond. If the funding formula were adjusted so that no county receives less county aid than it received in FY 2013 or FY 2014, whichever is greater, $6 million in additional local aid funding would need to be included in the FY 2015 capital program line item for local county aid. Please identify the most appropriate reallocation of capital program funds that would facilitate a $6 million increase in local county aid funding.

Response:
The Department is required to follow the current equitable funding formula established by the legislature in the statutory amendments made to the Trust Fund by P.L. 2012, c. 13. As you know that formula now takes into account road mileage under the jurisdiction of the counties compared to the statewide road mileage total, as well as county population compared to statewide population totals. The language that was eliminated by P.L. 2012, c. 13, had referred to Federal-Aid Urban System (FAUS) funding allocations that were repealed by the Intermodal Surface Transportation Efficiency Act (ISTEA) in 1991. With the enactment of the Transportation Trust Fund in 1984, there were established minimum county allotments which were substituted for the FAUS funds, based on the amount of federal aid and matching funds required under federal law as of October 1, 1983 and based on 1980 population data. This was done in part to provide relief from the federal requirements associated with FAUS funds, so as to expedite much needed local projects. With the enactment of the TTF in 1984, approximately $30 million was made available for county transportation projects as the FAUS minimum allotment and that figure was not removed
from the funding formula when FAUS was repealed in 1991. Should the legislature
determine that the funding formula should again be amended to reestablish the FAUS
funding formula the Department will, of course, be required to follow that formula.
However, as the Department’s current TTF capital program is already constrained by
programming needs that exceed available funding, we are unable to identify a capital
program item that could suitably be reduced by $6 million as requested by the Senator.

Senator Van Drew

• Please provide an updated completion date for Garden State Parkway construction projects at
  Exit 0 and for the creation of a fishing pier from the former Beasley’s Point Bridge.

Response:
Regarding Exit 0, we have confirmed with the New Jersey Turnpike Authority that the
interchange improvement project where State Highway Route 109 intersects with the end of
the Garden State Parkway is currently in final design. The construction cost is approximately
$10 million. There are still many permit issues to be resolved, as this interchange is very
close to CLASS I waterways. The construction contract is currently scheduled to be awarded
in May 2015 and to be completed by Memorial Day 2016.

• Regarding the fishing pier at the former Beasley’s Point Bridge

Response
We have confirmed with the NJ Department of Environmental Protection (NJDEP) and New
Jersey Turnpike Authority (NJTPA) the following. As part of the NJTPA’s Great Egg
Harbor Bridge project, public access is being provided by way of a 10 foot wide multi-use
path along the entire new southbound bridge and roadway to enhance pedestrian and bicycle
use of the proposed bridge. The path on the bridge will also include a fishing bump-out for
fishing off of the bridge. All of these provisions are being provided as a condition of the
permits issued by the NJDEP for this project.

While the new bridge will provide fishing access, local fishermen expressed concern about
the loss of the Beasley Point Bridge for fishing and the access it provided to Drag Island.
The NJDEP Commissioner agreed to replace a portion of access to Drag Island for the local
fishermen. Construction of the new southbound Great Egg Harbor Bridge requires removal
of the existing Beasley’s Point Bridge between the mainland and Drag Island, to provide
access from that side of the waterway during construction. While most of the bridge needs to
be removed, the NJTA has agreed to leave as many of the existing piles and footings in place
between the mainland and Drag Island as possible. At the completion of the Great Egg
Harbor Bridge project NJDEP has agreed to build access from the mainland to Drag Island at
NJDEP’s expense, using as many of the remaining piers as possible. This project will be a
NJDEP lead, under the office of Natural and Historic Resources. Work on this access will
not begin until after the completion of the Great Egg Harbor Bridge project. Completion of
the new southbound bridge is currently scheduled for June 2016. Re-decking the existing
northbound Great Egg Harbor Bridge is currently scheduled for May 2018. Anticipated
completion date for removal of the Beasley’s Point Bridge is scheduled for the end of 2015.
Senator Beck

- Please provide a copy of the State dredge management plan and funding plan referenced during the hearing.

Response:

The State Channel Dredging Program
The New Jersey Department of Transportation Office of Maritime Resources (NJDOT/OMR) has taken the lead responsibility to manage the State Channel Dredging Program. A comprehensive plan remains in development, but we can highlight what we anticipate to be central elements of the plan. Additionally, this response will detail efforts to rapidly design and engineer projects to address some of the state’s most critical navigation challenges.

The dredging program will be an on-going multi-million dollar effort to return New Jersey’s waterways affected by Superstorm Sandy to a state of good repair. In March 2014, the Department announced estimated program costs of $50 million, which include estimated costs for the first two years of the program. Funding is anticipated from state and federal sources, including FEMA reimbursements.

Planning components include:
- Hazard Identification, Categorization and Prioritization
- Channel Planning, Design and Engineering
- Project permitting
- Confined Disposal Facility (CDF) Acquisition, Repair and Reconstruction
- Beneficial Use Development
- Research and Technology Development
- Project Construction and Maintenance

Current efforts:
Waackaack and Thorns Creeks in Keansburg, Monmouth County and St. Georges Channel in Atlantic County dredging contracts are already out to bid.

Over the next few weeks, NJDOT expects to open bids for the dredging of Cape May Harbor and Middle Thorofare (Cape May County), and Double Creek Inlet Channel, Double Creek – Mainland, and other channels critical to emergency services in Barnegat Bay (Ocean County). These projects will remove both Sandy-related sediment and pre-storm sediment to alleviate hazards to navigation and return these channels to a state of good repair. In Cape May, the Middle Thorofare project will ensure New Jersey’s commercial fishing industry is able to safely access berths that support the New Jersey seafood industry.

The Program is developing an aggressive schedule to maximize efforts during periods of favorable dredging conditions to alleviate hazards to boaters and commercial vessels, which may require dredging during the summer months. Efforts will be made to ensure work does not unnecessarily impede navigation.
The Program also must develop a schedule that takes into account environmental restrictions, which can be different from project to project and severely impact dredging opportunities. Moreover, seasonal and tourism restrictions must also be considered. For example, dredged materials consisting of greater than 90% sand can be placed on local beach, but typically only after the summer-season has wound down. Contracts for as many as 25 channel-dredging projects could be awarded this year.

**Asset Management Strategies**
The State Channel Dredging Program will feature asset management strategies similar to those used by the Department to guide investments in other classes of assets, such as highways and bridges. This approach ensures the best use of limited resources and will consider such factors as the availability of dredge material management options, channel usage and associated economic value, the level of siltation in the channel, navigational safety, Sandy-related impacts to a channel and the related eligibility for FEMA reimbursement.

**Local Partnerships**
In certain circumstances, counties, municipalities, marinas and private entities may wish to explore opportunities to contract separately with NJDOT contractors to dredge locally or privately-maintained waterways that adjoin state channels where work is being performed.

The NJDOT Office of Maritime Resources will work with interested local parties to determine whether dredged material management capacity can be made available. A key consideration in this regard will be the characteristics of the dredged materials and whether the dredging projects are appropriate for bundling with those of a state project. If they are not suitable, a local or private entity will need to identify its own dredge material management location.

All local and private partners will need to obtain the necessary permits from the New Jersey Department of Environmental Protection (NJDEP) and the United States Army Corps of Engineers.

**Dredged Material Management**
The single most important logistical aspect of a dredging project is the ability to safely and efficiently manage the dredged material. The Department is working on plans to repair up to six CDFs damaged by Superstorm Sandy, in addition to other CDFs that require rehabilitation or reconstruction.

It is important to note that coastal communities should be investigating and developing local and regional opportunities for the management of dredged material. It is important for counties and municipalities to consider such opportunities as the state moves forward with the State Channel Dredging Program.

**Cooperative Work Effort**
The planning and implementation of the Program is a dynamic process. NJDOT will work with local officials and industry associations to provide updates as projects are identified and
advanced. NJDOT also is working with NJDEP, non-governmental organizations (NGOs), and the academic community to coordinate and support post-Sandy resiliency projects designed to ensure coastal defense, alleviate flooding in certain circumstances, and create environmental benefits through the beneficial use of dredged material.