

Discussion Points

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 Third Party Funds – NJ DOT as \$954.54 million under the recommended amount for FY 2016 and \$615 million as the adjusted appropriation for FY 2015. Additionally, under the Federal Highway, Public Transportation, and Third-Party Funds – Distribution, the amount of funding for Public Transportation Projects – NJ Transit is listed as \$724.5 million under the recommended amount for FY 2016 and \$713 million as the adjusted appropriation for FY 2015.

- **Question:** Please provide a breakdown of Third Party Funds – NJ DOT funding category. Which capital program line items comprise this \$954.5 million? Which of those projects are being constructed by NJ DOT and which are being constructed by a third party such as the Port Authority of New York and New Jersey in the case of the Goethals and Bayonne Bridge projects?

Answer: This item includes:

- \$230 million for the Route 440, Bayonne Bridge Navigational Clearance Project in Hudson County; Port Authority Lead
 - \$720 million for the Route 278, Goethals Bridge Replacement in Union County; Port Authority Lead
 - \$2.0 million for Route 1&9, Interchange at Route I-278 in Union County; and; NJDOT Lead
 - \$2.5 million to the Route 34, Colts Neck Intersection Improvements (CR 537) in Monmouth County; Monmouth County Lead
- **Question:** Please provide a breakdown of the Public Transportation Projects – NJ Transit funding category. What portion of these funds is included in the Other Reimbursements line on page D-358 of the Governor's proposed budget? What portion of these funds is derived from federal funds and which portion is derived from third parties? Please identify each third party.

Answer: The project list for FY 2016 is pending submission for legislative review.

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See answer to question 23 for a breakdown of the Other Reimbursements recommendation.

2. FY 2014 obligation reports update the progress of FY 2014 capital program expenditures. The reports provide the expenditures of federal funds by Metropolitan Planning Organization (MPO) area as well as Statewide federal programs, the expenditure of State Transportation Trust Fund (TTF) funds, and the expenditure by NJ Transit of capital program funds.

- **Question: Please update the status of projects where significant authorized balances have not been expended, including, but not limited to, Transportation Alternatives, MASSTR, North Avenue Corridor, Ferry Program, Pedestrian Safety, Recreational Trails, Safe Routes to School, and the Local Bridges and each MPO future programs.**

Answer: Transportation Alternatives: Grants under the Transportation Alternatives were announced in the last month. NJDOT will authorize funds for these projects when they are ready for construction.

MASSTR: This is not an NJDOT project. It is under the lead of the New Jersey Meadowlands Commission. The project comprises the interconnection of 144 traffic signals. Installation of the first four phases is complete with 122 signals operating. Construction of the final phase is underway and it expected to be complete in June 2016.

North Avenue Corridor: The North Avenue Corridor Improvement Project (NACI) includes a federal earmark to NJDOT, representing the State's contribution to this joint effort among NJDOT, the New Jersey Turnpike Authority and the Port Authority of New York and New Jersey. To date, there is no agreement between the parties and the local community on the scope of work.

Ferry Program: FY2014 Federal Ferry Boat Program Funds have not been obligated because federal grants provided through the federal Maritime Administration were not ready for obligation.

Pedestrian Safety: Many pedestrian improvements were incorporated through ongoing road and bridge projects rather than through stand-alone pedestrian safety projects. This can often get them done sooner and be less disruptive to communities. NJDOT is

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also working to maximize the use of federal funding for pedestrian safety improvements under the Highway Safety Improvement Program.

Recreational Trails: (From NJDEP) The Department of Environmental Protection is responsible for this program. DEP issued grant applications in March 2015 with a deadline of April 2015. DEP anticipates obligating all FY2014 and FY2015 funds by the end of September 2015.

Safe Routes to School: The Safe Routes to School Program dedicates funding to support improvements primarily on the local transportation network that foster pedestrian safety for school age children. NJDOT's Local Aid office is working with the metropolitan planning organizations as well as the local governments to improve delivery performance. Federal requirements associated with these programs continue to challenge communities lacking experience in federal aid programs or lacking appropriate staff and financial resources to implement and administer federal aid projects.

Local Bridges: The 2014 Capital Program included \$25.0 million in TTF funds for the Local Bridges, Future Needs Program. The 2014 LBFN projects were approved in October, 2014. The grant commitment letters to each recipient were dated November 10, 2014. Recipients are allowed 2 years from the date of the commitment letter to award their projects to construction. This may account for the low expenditure of 2014 LBFN funds to date.

Metropolitan Planning Organization (MPO) Future Programs: This line item to the MPOs funds local capital construction work initiated by the MPOs (DVRPC, NJTPA, and SJTPO). All three MPOs have projects programmed and advancing through the established project delivery process in coordination with NJDOT's Local Aid unit. To date, SJTPO expended \$5.4 million of its \$7.5 million appropriation on nine projects; NJTPA expended \$34.8 million of its \$70.5 million appropriation on five projects; and DVRPC has three projects, valued at nearly \$8 million, scheduled for authorization during the fourth quarter of this fiscal year.

- **Question:** Please explain the line items where the authorization for a given project was reduced to \$0. Why was the authorization for those programs eliminated and was an authorization in a future or past fiscal year altered to accommodate these changes? Specifically, please address the line items for: Trenton Amtrak Bridges, Capital Contract Audits, Fast Move, Pedestrian Safety, and the 76/676 Bridge Deck.

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Answer: In general, NJDOT monitors line items throughout the year. If a project or program is not able to obligate the funding programmed, NJDOT considers reallocation for other pressing needs, such as construction change orders. Specific projects raised are addressed below:

Trenton Amtrak Bridges: Trenton Amtrak Bridges are non-NJDOT structures for which the department has agreed to act as lead project manager. Over the past several years, NJDOT has worked with the City of Trenton and Amtrak to ensure that the preferred alternative is acceptable to all parties and cost efficient. Project delivery was initially delayed due to Amtrak's review time of preliminary engineering and concept development plans. The project took on added complexity when Amtrak's design criteria required an increase in the height of the bridge structures. At present, the City of Trenton is considering a single bridge option proposed by NJDOT. The project will be designed when a preferred alternative is accepted by all parties.

Capital Contract Audits: Funds were not obligated due to delays in contracting for consultant audit support. Authorization in a past or future year was not altered.

Fast Move: Fast Move is a program of low-cost, quick-turnaround capital improvements to relieve congestion at key bottleneck locations. For FY 2014, no projects were delivered that met this criteria.

Pedestrian Safety: NJDOT is federalizing this program to a greater degree in order to maximize the use of federal funding. There may continue to be some TTF funded work from this program, but it will be at a reduced level. Authorization in a past year was not altered.

76/676 Bridge Deck: The 76/676 Bridge Deck project, originally programmed in FY 2014 and FY 2015, will not be delivered due to the identification of additional structurally deficient bridges during the design phase. These new bridge projects will be programmed with the upcoming Five-Year Capital Plan as: Route 76, Bridges over Route 130; Route 76/676, Bridge Deck Replacements; and Route 676, Bridges over North Branch of Newton Creek.

- **Question: The Utility Relocation program was appropriated \$2 million, but \$13 million was expended. Why was it necessary for such a large amount to be expended on utility relocation?**

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Answer: The Utility Relocation program provides support through state funding. Much of the utility relocation costs have been supported by federal funds over the years. Some aspects of utility relocation projects have been deemed ineligible for federal participation, therefore they must be funded with TTF funding. We are proposing an increase in the programmed TTF funding for utility relocation in FY 2016.

As background, New Jersey is one of the very few states that pays for utility relocation on road construction. In fact New Jersey local governments do not pay for utility relocation. Just as significant as the cost to relocate the utilities is the cost that comes from delays created by the utility companies when their facilities are not relocated in accordance with the construction schedule. Project delays equate to cost overruns and inefficiencies in the completion of the construction work. Legislation has been introduced that would give the Department the prerogative in assigning responsibility for the relocation of utility facilities within the limits of its construction projects and when a utility company is assigned that responsibility and subsequently delays the relocation of the utility makes them liable for the costs associated with that delay.

3. On January 20, 2015, the Department of Transportation (department) announced that it would immediately begin inspecting 300 structurally deficient bridges across the State. FY 2014 obligation reports indicate that \$8.46 million of the \$28.4 million appropriated for bridge inspection was unexpended.

- **Question: Why was it necessary to conduct such an immediate inspection of approximately half of the State's structurally deficient bridges, given that such a large portion of the FY 2014 funding for bridge inspection went unused?**

Answer: The amount of \$19.9 M expended for bridge inspection was adequate for the task of actually performing all aspects of the FFY2014 NBIS bridge inspection program. Each year, funds are planned based on expected need. This estimated need is prepared well in advance of the time the actual program is put together. For this one year, the projected need was less in alignment with final program requirements than usual, resulting in an excess of funds.

- **Question: For the 300 bridges to be inspected, please provide a list with data about each bridge, including the most recent date of inspection, the structural sufficiency ratings, and the estimated cost of repairing the bridge.**

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Answer: NJDOT's Structural Evaluation unit initiated and completed the inspection of the 41 worst structurally deficient state owned bridges in January 2015 utilizing in-house inspection forces. In only a few situations did the inspection staff discover new deficiencies. NJDOT is in the process of soliciting for consultant services to assist with the inspection of the remaining state owned structurally deficient bridges. The initiation of this project has been delayed due to the consultant procurement process and also due to the poor weather conditions over the winter months.

For security reasons the Department cannot share the list of the structurally deficient state owned bridges but offers to discuss the matter in general with interested members of the Legislature. The estimated cost to perform priority repairs to these bridges is approximately \$35 M.

4. In response to discussion points for the FY 2015 budget the department noted that in 2008 it had conducted a comprehensive analysis comparing in-house vs. consultant costs in the areas of bridge inspection, construction inspection, design work, highway lighting, and relamping. The cost studies found that in-house staffing would be less expensive in all areas, and pursuant to Side Letter 42, NJ DOT provides quarterly updates to CWA reporting on progress in hiring new employees and increasing the percentage of work performed by in-house staff in the above areas. Additionally, the response to FY 2015 discussion points noted that the civil service system has limited the ability of NJ DOT to identify replacement staff with a sufficient amount of experience to perform in-house work, and that the statutory cap on salary and overhead charges limits available funding for in-house staffing costs.

• **Question: What specific restrictions in the civil service system prevent NJ DOT from hiring sufficiently experienced engineers? What would need to change in order for NJ DOT to be able to hire at the desired level and obtain optimal in-house staffing levels?**

Answer: There are 2 main reasons why the NJDOT is prevented from hiring experienced engineers from outside of State government. The first reason involves the civil service commission's open-competitive examination rules. If an experienced candidate were selected from outside of State government and hired into a mid-range engineering title, the Civil Service Commission would likely announce an open-competitive examination which may result in a hiring preference list that ranks the

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candidate at a lower hiring priority. When candidates learn that they can be displaced after an examination, most will decline taking the position.

Secondly and most importantly, civil service lists are issued in specific order, with promotional lists at the top of the order. As such, the Department is required to address in-house promotions before it may bring in candidates from outside of State government.

- **Question:** Please explain further how the statutory cap on salary and overhead limits the available funding for in-house staffing costs. Are there NJ DOT functions where TTF dollars can be used to pay outside contractors, but not for in-house staff? If so, please identify those functions and what changes would need to take place for the application of TTF dollars to apply evenly to in-house staffing and outside contractors.

Answer: The combined 13% salary and overhead cap on Department and NJ Transit staff limits the amount of reimbursement that the agencies can receive from the TTF. The cap does not expressly limit or influence the choice of consultants vs. in-house staff. Each year, NJDOT and NJ Transit decide on the best allocation of the available cap taking into account the nature of the work involved.

- **Question:** The following chart was provided in response to the FY 2015 discussion points. Please update this chart for FY 2014 actual and FY 2015 estimated data, and provide any formal or informal targets in FY 2016 for these data points:

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

Answer: See updated chart below.

	<i>Actual FY 11</i>	<i>Actual FY 12</i>	<i>Actual FY 13</i>	<i>Actual FY 14</i>	<i>Estimate FY 15</i>	<i>Targets FY 16</i>
Bridge Inspection						
<i>In-house bridge inspection staff</i>	39	42	50	50	50	50
<i>% of bridge safety inspections in-house</i>	21%	35%	17%	35%	37%	37%
<i>% of bridge safety inspections consultant</i>	79%	65%	83%	65%	63%	63%
Design						
<i>In-house design staff</i>	132	123	123	120	123	123
<i>% of construction projects designed in-house</i>	22%	16%	16%	12%	13%	15%
<i>% of construction projects designed consultant</i>	78%	84%	84%	88%	87%	85%
Construction Inspection						
<i>In-house construction inspection field staff</i>	211	225	219	197	215	215
<i>Consultant Construction inspection field staff</i>	212	180	160	216	260	235
<i>In-house % of total CI field staff</i>	50%	56%	58%	48%	45%	47%
<i>Consultant % of total CI field staff</i>	50%	44%	42%	52%	55%	53%

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5. The department noted in response to FY 2015 budget questions that it would be conducting a hybrid Transportation Alternatives solicitation for FY 2014 which includes monies from SAFETEA-LU and MAP-21 funding. After reviewing the FY 2014 obligation report, it appears that of the approximately \$15.4 million in funding, only \$2 million has been spent, involving only 3 projects.

- **Question: Please provide an update on the implementation of the Transportation Alternatives program.**

Answer: NJDOT has worked collaboratively with the three metropolitan planning organizations to continue to award Transportation Enhancement and Safe Routes to School grants funded under the Federal Highway Administration's (FHWA) Transportation Alternatives Program.

FY2014 grants were recently announced for projects in the 13 counties of the North Jersey Transportation Planning Authority Region as well as for projects in the 4 counties of the Delaware Valley Regional Planning Commission Region. We anticipate announcements for grants in the South Jersey Transportation Planning Organization Region (Atlantic, Cape May, Cumberland, and Salem Counties) in the near future.

- **Question: Have additional projects been approved where funds have not yet been disbursed? If so, how many projects have been approved and what is the total amount of funding approved?**

Answer: Under this federal program, no funds are disbursed until such time as costs are incurred by the grant recipient and billed to the department.

The FY2014 grants are the most recently approved projects. 28 projects, totaling \$16.7M have been selected.

6. The department announced in a press release on March 9, 2015 a new Statewide pothole repair campaign, noting that the department had already filled over 125,000 potholes in the current fiscal year compared with 100,000 at this point last year. The department claimed that while the normal number of pothole repairs for a full year is 180,000, it expects to fill 300,000 this fiscal year. The department noted in FY 2015 discussion points that pothole severity is directly attributable to the freeze-thaw cycles during the winter, which is unpredictable from year to year. The

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department also noted that funding for the federal pavement preservation program was being increased from \$4 million to \$34 million in the FY 2014 and 2015 capital programs. Obligation reports indicate that across two federal funding categories, pavement preservation funding for FY 2014 was actually increased from \$6 million to \$51 million, and actual expenditures were \$56.4 million. The department also noted that pothole repair last year amounted to \$2.7 million for 225,000 repairs, relative to \$1.9 million in costs in the average year. Projecting out 300,000 repairs indicates a cost in the range of \$3.5 million compared with \$1.9 million.

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

Answer: The Department's total anticipated expenditure for pothole repair currently is \$3.2M.

- **Question: The entire department operating budget for materials and salaries is \$34 million. If pothole repair is an extra \$1.6 million this year, what impact will that have on the department's operations budget in the absence of a supplemental appropriation? What activities would be reduced in response to this additional cost?**

Answer: The Department has budgeted funds of \$2 M for salaries (regular time and overtime) and \$930 K for material in FY 15 that will be used for support pothole repair. The Department is reviewing its accounts to determine where the remaining \$280,000 will be obtained.

- **Question: With the substantial increase in capital program funding for pavement preservation, what metrics or measurements will the department be using to measure the effectiveness of this additional funding? When is it expected that this funding will translate into reduced pothole severity, and how much of an impact is the spending expected to have on the State's pothole issues?**

Answer: The NJDOT uses a performance metric that includes two elements: a metric for the pavement's surface condition as well as a metric for pavement smoothness. The surface distress index (SDI) provides an indication of the condition of the riding surface of the pavement, such as rutting and cracking, and the International Rideability Index (IRI) provides a measure of smoothness. The NJDOT's asset management approach looks to keep good pavements in a good condition while addressing those pavements

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that have reached the end of their useful life. The overall condition of the state highways has improved significantly over the past five to seven years as the Department reallocated available funds toward pavement preservation.

Pavements that are in good condition are less susceptible to potholes. As NJDOT improves the overall pavement condition, there should be a corresponding reduction in potholes. However, fluctuations in temperature during the winter season will continue to be a major factor in the number of potholes that appear each year.

7. Pursuant to N.J.S.A.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 included in both FY 2014 and FY 2015, and is proposed for FY 2016 which increases this limit to \$135 million in recognition of the severe damage cause by Hurricane Irene and Superstorm Sandy. In response to FY 2015 budget questions, the department indicated that the capital program line items comprising permitted maintenance spending was below \$30 million for both FY 2014 and 2015.

- **Question: Given that the amount of capital program spending on permitted maintenance is already more than \$90 million below the statutory limit, why it necessary to expand the size of that limit by an additional \$15 million?**

Answer: This budget language remains in order to provide the Department with the flexibility to complete infrastructure resiliency projects that are not likely to be funded through the Federal Disaster Relief Appropriations Act of 2013.

- **Question: Identify the remaining Hurricane Irene and Superstorm Sandy projects that create a need for this increased permitted maintenance limit and the expected amount of permitted maintenance costs for each project.**

Answer: There are a number of Sandy-related projects that may involve some elements of permitted maintenance. The language provides the Department and NJ Transit with the funding flexibility in case other funding cannot be identified.

8. \$1.225 billion in State funds were appropriated for the Transportation Capital Plan for FY 2015. The FY 2015 Transportation Trust Fund Authority (TTFA) finance

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plan anticipated expending \$1.26 billion to support these appropriations as well as appropriations of prior capital programs dating back to FY 1993 in which there remain cumulative unexpended capital program appropriations of more than \$2.1 billion. It now appears that the expected expenditures on projects will be \$1 billion for FY 2015. While the Governor's recommended budget sets the FY 2016 capital program appropriation level at \$1.247 billion, TTFA cash disbursements are expected to be \$1.127 billion.

- **Question: Since the publication of the FY 2015 finance plan, what projects were delayed or cancelled in order to reduce TTFA expenditures by \$260 million less than anticipated in FY 2015?**

Answer: The revised projection for TTF cash expenses on project costs in FY2015 is \$1.14 billion, including the aforementioned \$1 billion in project expenditures and a net cash advance to NJ Transit of \$147.5 million. Thus, the actual difference in TTF cash expenses in FY2015 between the \$1.26 billion that was originally projected and the revised figure of \$1.14 billion is \$112.5 million. That amount is not attributable to project delays or cancellations. Rather, it represents the sum total of spending underruns scattered across many highway and transit projects.

- **Question: With an anticipated TTF expenditure level of \$1.127 billion in FY 2016, what projects will funds be expended on in FY 2016? How will the department prioritize projects in FY 2016 in order to restrict cash disbursements to \$1.127 billion?**

Answer: In a typical fiscal year, the broad pattern of TTF cash expenses is somewhat predictable. Approximately half of the costs are attributable to projects authorized in the current budget year and the remainder is attributable to projects authorized in prior fiscal years. There is no intent or need to prioritize projects to restrict cash disbursements.

- **Question: Please provide an updated chart with the same information provided in response to discussion point #15 in the FY 2015 discussion points, showing TTF accounts with unexpended and uncommitted funds, and for each fiscal year, the authorized budget amount, the amount expended, pre-encumbered, encumbered, uncommitted, and unexpended.**

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Answer: See the attached chart entitled, "State Accounts with Unexpended and Uncommitted 480 Funds."

9. The Treasurer noted in his testimony during the FY 2015 budget hearings that the TTFA would require additional bond authorization before the scheduled end of the capital program and that it would be necessary to propose reauthorization legislation approximately six months earlier than planned. The TTFA only has \$626.8 million in remaining bonding authority and a projected cash balance of \$280 million to support a proposed capital program of \$1.247 billion.

- **Question: Why has the level of cash expenditures from the TTFA fallen from \$1.39 billion in FY 2013, to \$1.21 billion in FY 2014, to an estimated \$1 billion in FY 2015, and an expected \$1.127 billion for FY 2016, despite capital program appropriations in each of those years of approximately \$1.25 billion?**

Answer: Historically, the pattern of annual cash expenditures in the TTF has approximated the size of the program itself. Specifically, when the TTF program size was \$1.6 billion prior to FY2012, annual TTF expenditures were roughly in line with that amount. After the TTF program was reduced from \$1.6 billion to \$1.2 billion beginning in FY2012, annual cash expenses gradually declined in the manner described above before settling into the current \$1.1 billion to \$1.2 billion range.

- **Question: Does the department have the capacity to support a higher level of cash expenditures in FY 2015 and FY 2016 if more cash was available? If so, what is the upper limit of cash expenditures due to project management capacity constraints?**

Answer: The Department expects to have sufficient resources in FY2016 to pay the cash expenses that are anticipated in the TTF.

- **Question: Why have the TTFA and the administration failed to propose either renewal TTF legislation or "cap-lift" legislation which would permit additional bonding capacity, given the apparent cash flow constraints of the TTFA?**

Answer: The Authority expects to have sufficient resources to pay its cash expenses in fiscal year 2016.

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10. In FY 2011, the capital program authorized \$4 million in federal funds for the construction of the Prospect Street Bridge over the Morristown Line CR 513, an orphaned bridge. A Transportation Improvement Program (TIP) revision appears to have moved the funding for this line item out to FY 2013. No construction occurred in FY 2013. In FY 2015, a pending revision placed this program in FY 2015 for \$4.8 million. This became a notable project recently because the bridge was closed to traffic due to safety concerns.

- **Question: What occurred in FY 2011 and 2013 that prevented this project from being completed at that time?**

Answer: Following its initial programming in FY11 the Department made the decision to transfer 3 bridges, including the Prospect Street Bridge, to NJ Transit for execution of the construction contracts. Due to its condition the Morris Avenue Bridge was the priority for design plan preparation and transfer. Concurrently, compliance with the Americans with Disabilities Act (ADA) had to be reevaluated for all three bridges which delayed the project schedules. The Prospect Street Bridge required a redesign to accommodate the ADA. The Department has since decided to administer the construction contract for the project in order to implement the repairs as quickly as possible instead of transferring it to NJ Transit.

- **Question: What process is in place to resolve orphan bridge issues where jurisdiction is unclear between local governments, the State, and/or NJ Transit?**

Answer: NJDOT and NJ TRANSIT are coordinating bridge assessments, project schedules and financial responsibilities to help advance orphan bridge repair and replacement projects as efficiently as possible. Jurisdictional responsibilities for the bridge deck and the bridge structure are spelled out in N.J.S.A. Title 27 and N.J.A.C. Title 16.

11. In the Governor's proposed FY 2016 budget, the performance indicators on pages D-345, D-346, and D-352 for FY 2014 and 2015 were revised downward when compared to the same fiscal years in the FY 2015 budget on pages D-345, D-346, and D-352. Categories with notable downward revisions include:

State highway in acceptable condition
Bridges over 20 feet in acceptable condition
Bridge deck area in acceptable condition
Response time for emergency pothole repair

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Traffic signals inspected
Acres mowed
Number of litter complaints
Lane miles resurfaced
Grade crossings inspected
In-house bridge inspections

As a result of these revisions, the department has lowered its targets for FY 2016 compared with FY 2015. In the case of average response time for non-emergency pothole repair, the 2016 target time is nearly four hours longer than the actual time in 2014. In the case of roadway machine miles swept, the FY 2016 target is 12,000 compared with 20,119 miles actually swept in 2013.

- **Question: Why would the department be targeting lower levels of performance than ones it actually achieved less than three years prior?**

Answer: In the case of response time for non-emergency pothole repair, the three year trend has been decreasing from 38 hours 18 minutes in FY 12, to 33 hours 19 minutes in FY 13, to 28 hours 8 minutes in FY 14. These potholes are normally addressed via regular pothole repairs rather than individually. Since this indicator is impacted by variable factors such as severity of winter season, number of potholes and maintenance worker staffing levels, the FY 15 and FY 16 targets represent an average of the prior year performance.

- **Question: What caused the estimates for FY 2014 and FY 2015 to be revised downward across so many performance categories for FY 2016?**

Answer: State highways in acceptable condition– NJDOT's Pavement Management System predicts periodic drops in the pavement condition based on the predicted deterioration rate and years where large reconstruction projects are recommended. For example, three Route 35 reconstruction projects that were accelerated due to damage from Superstorm Sandy required the use of two thirds of annual pavement funding.

State owned bridges 20 ft. or more in acceptable condition- The downward revision of the FY 2015 and FY 2016 targets is mainly the result of variations caused by the bridge deterioration model that is currently being used. In any given year, if bridge ratings decline more than the model expected and/or fewer bridges experience the type of improvements that are needed to impact the condition ratings, variations will result.

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That being said, NJDOT has reduced the number of structurally deficient bridges in recent years by 12%, from 330 bridges in December 2010 to 289 bridges as of December 2014.

State owned bridge deck area in acceptable condition- Although the percentage (88%) remained constant from FY 2013 to FY 2014, there has been steady improvement from FY 2011 (86%). Going forward the Department anticipates continuous improvement in FY 2015 to 89% and FY 2016 to 90% and is on track to meet our long term goal of 94% by 2021 based on consistent funding at current levels.

Response time for emergency pothole repair- This indicator is impacted by winter weather and the resulting number of potholes. In FY 13, the average response time was 2 hours 27 minutes when 159,101 potholes were repaired versus FY 14 when the average response was 4 hours 49 minutes for 257,173 pothole repairs. Because forecasting the severity of future winters is not an exact science, the FY 15 and FY 16 targets were adjusted to represent approximately an average of the two prior years.

Traffic signals inspected- The actual number of traffic signals inspected in FY 14 was 5,694 which was underreported in the Governor's Budget Message as 5,498. NJDOT inspects all traffic signals maintained by the Department twice per year. The number varies by year because existing signals that are being replaced are not maintained by DOT forces but rather by the contractor while under construction.

Acres mowed- NJDOT has a total inventory of 13,335 acres to mow which is comprised of 7,870 Grass Eco Mow Zone (GEMZ) acres and 5,465 Non-GEMZ acres. The number of acres mowed varies by year because while the Non-GEMZ acres are left in a natural state throughout most of the mowing season, the number of GEMZ acres mowed is driven by weather (e.g., dry summer).

Number of litter complaints- NJDOT's Clean Up New Jersey campaign usually consists of 4 one week "blitzes" in July, August, September, and November plus one in the spring to prepare for the first mowing cycle. In FY 13, maintenance crews spent one week per month in the summer picking up litter. This level of effort was not repeated in FY 14 due to the need to address higher-priority work. As a result, less litter was picked up and the number of complaints increased from 1,829 in FY 13 to 2,060 in FY 14. Based on current complaint history, the revised target of 1,800 is more realistic considering the fact that the initial spring cleanup may be delayed in favor of pothole repairs.

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Lane Miles Resurfaced- The targets are based on the funding available for resurfacing projects in the Capital Program. For FY 15, NJDOT's original target of 594 lane miles was revised to 627. The target of 495 lane miles for FY 16 is an estimate based upon available data from a Capital Program that is still in the development stages.

Railroad Grade Crossing Inspections-The FHWA and the Federal Railroad Administration have agreed to allow NJDOT to conduct inspections of railroad grade crossings over a three year cycle instead of a two year cycle. The percentages for FY 2014, FY 2015 and FY 2016 reflect the new cycle but do not equate to one third annually.

In-house Bridge Inspections- The FHWA requires that every bridge (greater than 20 ft. in length) be inspected every two years. All inspections are carried out in the year that they are due. In some years, there are more inspections coming due than in others resulting in varying totals for each year (in-house inspections plus consultant inspections). Even though the estimated number of in-house bridges decreased in FY 15 and FY 16 when compared against the original target, they still represent 37% of the total number of state owned bridges inspected in both years.

- **Question: How are these performance targets set and what are the long term targets for these performance indicators?**

Answer: Performance measure targets are established using data from NJDOT's Asset Management Plan, Bridge Management System and Maintenance Management System. Additionally, NJDOT's Transportation Data and Safety unit maintains a database of crash and fatality statistics. Only those performance measures related to the condition of state maintained roads and bridges are assigned long term goals.

12. According to the department core mission summary in the proposed FY 2016 budget on page D-345, the total target appropriation for state of good repair and safety (State and non-State funds) is \$1.523 billion, \$97 million less than the revised amount for FY 2015. The total appropriation for Local Aid (State and non-State funds) was \$671 million in FY 2014, \$639 million in FY 2015, and \$619 million for FY 2016. The capital program summary on Page H-7 indicates increasing capital program funding and expenditure levels from FY 2015 to FY2016 across State and federal portions of the capital program.

- **Question: If the amount of funding for local aid and state of good repair and safety is declining, where is the corresponding increase in**

Discussion Points (Cont'd)

funding being directed? Does this represent a shift in funding priorities that will persist beyond FY 2016?

Answer: NJDOT's priorities of Safety and State of Good Repair have not changed. Between FY 2015 and FY 2016, the percent of funds for the State of Good Repair and Safety associated with NJDOT led programs and projects continues to remain at 49%, and the percent of funds for Local Aid remains at 20%.

The Core Mission Summary appropriations on page D-345 represent all funding sources, capital and operating.

The State of Good Repair and Safety decrease from the Revised FY2015 to the Target FY2016 is primarily due to a DSS supplemental appropriation for snow that does not continue (approx. \$44M reduction), reduced debt appropriation (\$26M reduction), and a reduced appropriation related to the PANYNJ program for state projects (\$22M reduction).

The Local Aid decrease shown on page D-345 is due to a decreased debt appropriation (approx. \$13.5M), decrease appropriation for the Local Aid Infrastructure Fund (\$2.5M), and a reduction of \$4M related to the special appropriation by the legislature in FY2015 for County Aid. Note that the FY2016 Capital Program has restored the \$2.5M for the Local Aid Infrastructure Fund to keep it at FY2015 levels.

The increase in funding outlined on page H-7 relates primarily to the I-278 Goethals Bridge Project which was programmed for \$340M in FY2015 and is now programmed at \$720M in FY2016. All funds come from a 3rd party source.

- **Question: If various performance measurements for state of good repair are declining below previous levels and performance targets, why is the funding level for state of good repair declining? Commissioner Simpson stated repeatedly in recent years before the budget committees that state of good repair and safety were the top objectives of the department. Does the department have other funding objectives at the same level of importance as state of good repair and safety?**

Answer: While the State of Good Repair funding indicated on page D-345 indicates a reduction in funding, what is outlined in response to the previous question explains where reductions have taken place and clarifies that the funding objectives of the department have not changed.

Discussion Points (Cont'd)

13. Page D-354 of the Governor’s proposed budget for FY 2016 provides for debt service in the following amounts for FY 2016 via appropriations and re-appropriations of unexpended balances:

Funding Source (\$000)	Prior Bonds	Program Bonds
FY 2016 appropriation	\$1,039,370	\$156,558
FY 2015 unexpended balances	\$35,934	\$47,788
Total	\$1,075,304	\$204,346

The bond prospectus from the most recent Series 2014 TTF bond issuance indicates that the actual FY 2016 debt service cost for prior bonds will be \$1,082,633,857, and the FY 2016 cost for debt service on program bonds will be \$167,430,925. Neither amount includes a combined projected Build America Bond subsidy of approximately \$36 million.

- **Question: Please explain the methodology and assumptions for new debt issuance and refunding bond issuance used in determining the above debt service appropriation for FY 2016.**

Answer: The assumptions for new debt in FY16 include the issuance of the legislatively authorized \$626.8 million of bonds which have been modeled with a 6.0% interest rate and amortized with level debt service for 30 years. There are no refunding bond issuances contemplated for FY16.

What factors go into determining the amount that needs to be appropriated each year for debt service?

Answer: Treasury takes a conservative approach with regard to its budget estimates for debt service. Estimates for new debt issuances incorporate a variety of factors which include the TTFA’s projected cash flows, the anticipated market interest rate environment in FY16, and the State’s credit rating.

What is the actual expected amount of prior and program debt service expenditures for FY 2016?

Answer: The actual expected amount of debt service expenditures for FY16 are equal to the total of the FY16 appropriation plus the FY15 unexpended balances. The debt

Discussion Points (Cont'd)

service amount includes \$1.075 billion for the prior bonds and \$204 million for the Program Bonds for FY16.

14. The funding agreement between the New Jersey Turnpike Authority (turnpike authority) and the State will expire at the conclusion of FY 2016. Beginning with FY 2017, nearly \$300 million in turnpike authority funding that is currently provided to NJ Transit may no longer be available.

- **Question: Have there been any discussions between the turnpike authority and the State on a renewal of that funding agreement?**

Answer: Preliminary discussions have taken place between the NJ Turnpike Authority and the State concerning the existing funding agreement. It is expected that a new, revised agreement will be entered into well before the start of fiscal year 2017.

- **Question: After accounting for debt service costs and reserves that the authority is required to maintain pursuant to its bond agreements, how much excess revenue is the turnpike authority projected to generate annually in FY 2017-2022 based on the current debt service schedule and revenue and cost projections from the CDM Smith report?**

Answer: After accounting for debt service costs, reserves, and required expenditures from the General Reserve Fund, which include contractual payments to the state under continuing agreements, the Turnpike Authority, relying on a consultant's 2014 Traffic and Revenue Report, is projected to generate excess revenue in each of the following calendar years as shown below:

(In thousands)

2017	2018	2019	2020	2021	2022
\$127,479	\$165,587	\$142,156	\$134,561	\$159,267	\$121,887

15. The FY 2016 State capital program contains over \$1.2 billion in State funds and over \$1.4 billion in federal funds. The department portion of the capital program exceeds \$1 billion. The department's entire operating budget outside of the capital program is \$43.5 million, or approximately 3.4% of the State funded portion of the capital program.

- **Question: Why is the department's operating budget so small relative to the capital program? Rather than utilizing funds from the capital**

Discussion Points (Cont'd)

program for department operations, such as for program implementation costs and permitted maintenance, should the department's operating budget simply be increased?

Answer: Similar to other state agencies, the structure of NJDOT's operating budget is determined through the annual budget process.

- **Question: What efficiencies if any, could the department realize by running the entire department through the capital program, and requiring a certain level of pay-as-you-go funding in the capital program to account for the non-capital spending that is funded through the capital program? Would this be a less complicated means of administering transportation in the State?**

Answer: There are no apparent efficiencies to funding NJDOT's entire budget, including all operating costs, through the capital program.

16. In response to FY 2014 budget questions, the department explained that snow and ice control costs identified in the evaluation data of the proposed budget represent reimbursable costs related to the Department's snow removal operations. It was also explained that these costs comprise the supplemental appropriation provided to the department for snow removal costs.

In response to FY 2015 budget questions, the department explained that the annual operating budget includes \$10.4 million for winter operations, an amount equal to the department's fixed winter operations costs, regardless of weather.

On pages D-352 and D-353 of the Governor's proposed budget for FY 2016, the FY 2015 supplemental appropriation for winter operations is \$44 million, while evaluation data identified snow and ice control costs for FY 2015 at \$57.15 million, a difference of \$13.15 million. The supplemental appropriation for FY 2014 was \$86.193 million, while evaluation data identified snow and ice control costs for FY 2014 at \$127.82 million, a difference of \$41.627 million.

On pages D-352 and D-353 of the Governor's proposed budget for FY 2015, the FY 2014 supplemental appropriation for winter operations was \$85.3 million, while evaluation data identified snow and ice control costs for FY 2014 at \$95.64 million, a difference of \$10.34 million. The supplemental appropriation for FY 2013 was

Discussion Points (Cont'd)

\$39.267 million, while evaluation data identified snow and ice control costs for FY 2013 at \$58.28 million, a difference of \$19.013 million.

- **Question:** According to prior budget responses, the difference between snow removal costs identified in the evaluation data and supplemental appropriations should be the amount of snow removal costs that are included in the annual operating budget. Please explain why the difference between total costs and the supplemental appropriation for winter operations is not consistent from one year to the next, given that the amount of snow removal costs included in the annual operating budget does not change.

Answer: The annual budget resources available for winter operations continues to be \$10.4 M. Due to the use of other available resources, the difference between total costs and the supplemental appropriation for winter operations may not be consistent from year to year.

- **Question:** Please identify the amount of winter operations included in the annual operating budget for each fiscal year from 2012-2016.

Answer: In each fiscal year from 2012-2016, the annual budgeted resources for winter operations have been \$10.4 M.

16.b. In a March 19, 2015 Atlantic City Press article, the department noted that snow removal costs for FY 2015 have already reached \$100.5 million and were \$130 million in FY 2014.

- **Question:** Please explain the large discrepancy for FY 2015 for snow removal costs, between the amount reported in the Atlantic City Press, and the amount reported in the FY 2015 evaluation data. Has the department re-calculated its need for supplemental appropriations in FY 2015, and if so, what is the revised estimate? If the non-reimbursable costs for FY 2015 are actually equal to the \$43.35 million implied by taking the non-reimbursable amount reported to the Atlantic City press and deducting it from the evaluation data, how will the department pay for this expense? What other department activities must be curtailed in order to accommodate this expense?

Discussion Points (Cont'd)

Answer: The snow removal costs reported in the Atlantic City Press were as of mid-March. The evaluation data reflects costs as of mid-February. In addition, the snow removal costs reported in the Atlantic City Press include the value of the time worked by DOT employees on snow removal during their normal work day, and the cost of equipment. These two costs are not part of the supplemental appropriation, but are provided as part of the annual Direct State Services appropriation. Costs will continue to increase as the winter progresses. As of 3/23/15, the Department's need for a supplemental appropriation totaled \$91 M.

- Question: Please provide a cost per mile for snow removal in New Jersey for the most recent five fiscal years and compare those costs per mile with the New Jersey Turnpike Authority, the South Jersey Transportation Authority, any counties for which the department can obtain data, and any other entities which the department considers peer organizations for the purposes of determining winter operations best practices. Please explain why the department's per mile cost is greater or less than these other organizations.**

Answer: The per year costs are determined by the severity of the winter. The NJDOT and NJTA winter operations are responsible for roads that traverse the entire state. SJTA is responding to more local weather events. Responding to fewer events results in lower costs.

Average Snow Removal Cost Per Lane Mile							
	Lane Miles	2015	2014	2013	2012	2011	5 year average
NJDOT	13341	\$9,233	\$9,739	\$4,653	\$1,524	\$4,032	\$5,836
NJTA	3636	\$11,718	\$12,081	\$6,796	\$2,346	\$5,160	\$7,620
SJTA	551	\$4,367	\$5,111	\$3,139	\$1,355	\$2,233	\$3,241

- Question: The department noted in the Atlantic City Press article that snow removal costs in FY 2014 were about the same as the amount spent in the previous three years. How much of that cost is related to the severity of the weather and how much is attributable to the new method in which the department procures outside snow removal contracts?**

Answer: The increase in costs in FY14 as compared to the previous three years was primarily the result of a more severe winter.

Discussion Points (Cont'd)

- **Question: To the extent that transfers have been relied upon to cover winter operations in FY 2014 and 2015, please provide the full amount of transfers dedicated to that purpose and the source of those transfers.**

Answer: As was authorized in General Provision No. 24 of the Fiscal Year 2014 appropriations law, P.L.2013, c.77, a transfer of \$30 M was provided to the NJDOT from General Fund balances in order to cover extraordinary winter operation costs associated with multiple severe weather events in FY14. No transfers have been received in FY15.

17. Connecticut is in the process of implementing a pilot program that adds variable pricing toll lanes on its major interstate highways. This is part of a federal pilot program allows participation for up to 15 states. Connecticut is utilizing a combination of new lanes and converted High occupancy vehicle (HOV) lanes as variable pricing lanes. The variable price lane charges a toll that varies throughout the day based on the amount of traffic. The lanes outside of the variable pricing lane typically are not tolled. These variable pricing lanes can generate a significant amount of revenue, and have the virtue of only charging those who choose to pay in exchange for a less congested trip. This tolling arrangement would appear to be promising for a state like New Jersey, where there is a high level of congestion on major roadways, as well as a population of individuals that might have a willingness to pay to avoid traffic. In New York, a federal grant was received for the pre-implementation of a study on a GPS-based truck pricing system. Other states have received grants to study value pricing of parking, bus lanes, various car and bike ridesharing programs.

- **Question: Has the department considered participation in any of the pilot value pricing toll lane programs for the State's interstate highways as an alternative source of revenue?**

Answer: No, as the use of toll revenue generated is restricted under all of the Federal tolling programs and is generally limited to the repayment of financing for the project and for operations and maintenance of the project. The Department has not considered participating in pilot value pricing toll lane programs.

Please list each federal tolling program in which the department has sought to participate, and if it was not selected to participate, the reasons why.

Discussion Points (Cont'd)

Answer: N/A

- **Question:** What is the department's overall policy position concerning the use of various value pricing based approaches to tolling and fees which would permit drivers to be charged based on a willingness to pay rather than requiring all drivers, riders, parkers, etc. to be charged equally? Specifically, address the following two scenarios:

1.) Charging tolls or fees on roads that are currently free.

Answer: Given the restrictions placed on the use of toll revenues the department has not pursued tolling/assessing fees on non-tolled roads.

2.) Charging variable rate tolls on currently tolled roads and newly tolled roads.

Answer: The Turnpike Authority has variable pricing on the New Jersey Turnpike. Motorists who are part of the New Jersey E-ZPass system receive an approximate 25% discount on E-ZPass transactions which occur on the Turnpike during non-peak hours. Peak hours are Monday through Friday 7:00 am to 9:00 am and 4:30 pm to 6:30 pm and weekends. The Turnpike Authority, along with its traffic engineering consultant, monitor the different tolling structures being used around the country. The Turnpike Authority, however, has not studied nor has a plan to study the implementation of new variable rate tolls on the Turnpike and/or Parkway. The Turnpike's Authority's current toll rate schedule allows it to meet all of its current financial obligations. Therefore, because all toll revenue is pledged to bondholders for repayment of outstanding debt, a change to the current toll rate structure could be implemented only if toll revenue does not drop below current levels.

- **Question:** Has the department conducted any studies to determine the potential benefits to the State of value pricing of either highway lanes or parking facilities? If so, what are the results of those studies? Please provide copies of any such studies to the committees.

Answer: The NJDOT has not performed any studies for value pricing of either highway lanes or parking facilities. It should be noted that NJDOT does not have any revenue generating parking facilities.

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18. The Super Bowl report prepared by McElroy, Deutsch, Mulvaney & Carpenter LLP identified a variety of lessons learned to improve service at future events held at the Meadowlands including: better contingency planning, advanced coordination with the State Police, better coordination with event sponsors, improved communication concerning system capacity, removing physical obstacles, and maintaining consistent personnel.

- **Question: What progress has NJ Transit made in adopting the lessons learned from the Super Bowl report?**

Answer: NJ Transit has applied a number of lessons learned from Super Bowl 48 to a variety of subsequent major events, including more robust messaging with event sponsors and the public on system capacity, enhanced contingency planning, and intensified collaboration with local and other law enforcement and emergency responders. Also, as the McElroy report made clear, once NJ Transit was able to control loading and queuing for trains leaving the Super Bowl, the system operated at maximum capacity.

- **Question: Does NJ Transit currently have the capacity to permit a limited number of special event tickets to be sold through its ticketing system? If so, why does NJ Transit permit ticket sales for Meadowlands events in excess of rail capacity for the event?**

Answer: NJ Transit's ticket vending system is designed to provide customers the ability to purchase tickets at their convenience, well in advance of their particular day of travel. This provides maximum flexibility and convenience for customers since trips as well as trip times are typically spread out. For select mega-events, we can pre-sell a limited number of tickets through the sponsoring organization. Notably, as the McElroy report made clear, thousands of parking spaces at the Stadium went unused on Super Bowl game day, despite parking passes having sold out. And, importantly, once NJ Transit was able to control loading and queuing for trains leaving Super Bowl 48, the system operated at maximum capacity.

19. Amtrak CEO Joe Boardman has publicly announced that the condition of the Hudson River tunnels used by NJ Transit and Amtrak for access to New York City are significantly worse than was previously thought. His statements are the result of an engineering study conducted after Superstorm Sandy, which found that the tunnels

Discussion Points (Cont'd)

are experiencing continued residual damage from the flooding, and that in order to repair the damage, the Hudson River tunnels will need to be closed at some point for repairs. Amtrak's assessment is that there is an indeterminate amount of time, less than 20 years, before there will be no choice but to close the tunnels for significant repairs.

- **Question: Does NJ Transit have any contingency plans in place to move traffic across the Hudson River in the event that one or both of the rail tunnels need to be closed? How much of that planning is being coordinated with Amtrak?**

Answer: NJT is in constant contact with Amtrak on this issue. Amtrak has indicated that it will be necessary to sequentially close the tunnels at some unknown point in the future to perform the repairs that are necessary. To that effect, discussions are ongoing with the various mass transit entities that are affected, including Amtrak.

In the event of an unanticipated closure, there are protocols which can be put into action to handle a loss of the existing NEC Hudson River Tunnels. An emergency response using a combination of bus, PATH and ferries to help mitigate a loss of the Northeast Corridor Hudson River Tunnels can be implemented. NJ TRANSIT coordinates it with Amtrak, private ferry operators and other agencies.

- **Question: What role does the department and NJ Transit have in developing the Gateway project? What amount of funding will be necessary from the States before sufficient federal money can be leveraged to begin this project? Has it been determined what share of State costs must be provided by each State?**

Answer: NJ TRANSIT is active with Northeast Corridor Future Planning and Tier I Environmental Impact Statement (EIS) which is managed by the Federal Railroad Administration. This process is required by federal law - the National Environmental Policy Act (NEPA) which covers all the future investment that might ever be made in the NEC, including Gateway.

Gateway is a series of projects that Amtrak has grouped together under that name. NJ TRANSIT has and continues to discuss the work that Amtrak is advancing.

No determination has been made regarding funding and/or state-by-state contributions for the Gateway project.

Discussion Points (Cont'd)

- **Question:** What is the likelihood that funding can be identified and construction can begin in time for new Hudson River rail crossings to be completed within the next 20 years?

Answer: NJ TRANSIT cannot speculate on the future funding choices Congress makes regarding Amtrak and, by extension, the Gateway project.

- **Question:** Does NJ Transit have any estimates of the economic and travel impact of a closure of one or both of the tunnels on the State? If so, please elaborate.

Answer: NJ TRANSIT does not have an analysis that addresses this issue.

20. News reports indicated that in September 2014, NJ Transit was awarded \$1.3 billion in federal funds to improve the resiliency of the State's transportation system. Included in those funds were \$410 million for the development of NJ TransitGrid, a microgrid that would permit the NJ Transit system to continue operating even if the surrounding power grid goes offline. In response to FY 2015 budget questions, it was indicated that the estimated cost of the TransitGrid system would be \$769.5 million.

- **Question:** What is the current estimate for the cost of constructing the TransitGrid, and what is the expected breakdown of federal and State funding to support the project?

Answer: The NJ TRANSITGRID is projected to cost approximately \$577 million: \$410 million in FTA funding; \$136 million in State funding; and \$31 million from Amtrak.

- **Question:** For the portion of TransitGrid work taking place on the Northeast Corridor (NEC), is there any level of cost sharing between NJ Transit and Amtrak for the non-federal portion of construction costs? Does the State share of TransitGrid costs count against the NEC joint benefits agreement?

Answer: The NJ TRANSITGRID - an independent project outside the Joint Benefits Agreement - is supported by \$31 million from Amtrak. As the project moves forward, NJ TRANSIT continues to look for opportunities to share the costs of NEC projects with Amtrak.

Discussion Points (Cont'd)

21. NJ Transit has a comprehensive insurance program that covers up to \$400 million in losses, but in the case of flood events, the sublimit is \$100 million, rather than the full \$400 million. In October, 2014 NJ Transit sued the insurance companies providing this coverage for the \$300 million difference. NJ Transit maintains that Sandy-related damage is the result of a "named windstorm" and is eligible for \$400 million in damages. The insurers maintain that Sandy-related water damage is the result of flooding and is subject to the \$100 million sublimit.

- **Question: While this lawsuit is pending, what sources have been used to cover the \$300 million of losses in question (i.e. federal emergency funds, non-emergency federal capital funds, or State capital funds)?**

Answer: In addition to the \$100 million of insurance, NJ TRANSIT utilized FTA emergency grants and the State Transportation Trust Fund to fund costs incurred to date. Specific allocation of funding will be achieved once the insurance settlement is finalized and the appropriate financial reconciliation is performed.

- **Question: If federal emergency funds were used to repair some of this damage, will NJ Transit be required to reimburse the federal emergency fund if they obtain additional insurance reimbursement for Sandy-related losses?**

Answer: NJ TRANSIT is working with the Federal Transit Administration to ensure that future insurance proceeds may be reallocated to support other NJ TRANSIT long-term recovery and resiliency needs.

22. In its 2014 annual report, NJ Transit identifies a large increase in reserves for third party claims due to actual and potential claim settlements for several large bus claims. Additionally, the report attributes the \$47.2 million decline in net position for FY 2014 primarily to several large unanticipated bus claims. In the consolidated statement of net position, the line for accrued injury and damage claims appears to have increased from \$64.1 million in 2013 to \$91.6 million in 2014.

- **Question: Please provide additional detail concerning injury and damage claims. What is the total amount being held in reserve for claims? How many claims does NJ Transit currently have outstanding? What is the total dollar value of claims against NJ Transit? How many claims were resolved in FY 2014 and at what cost?**

Discussion Points (Cont'd)

Answer: The total number of claims pending as of February 28, 2015 is 3,012.

Total dollar value of claims against NJ TRANSIT is \$116.3 million.

In FY 2014, 1,907 personal injury and damage claims were closed at a total cost of \$33 million.

- **Question: How does NJ Transit measure its safety performance for bus service? What relationship exists between the metrics used to measure bus safety and the number and dollar value of bus safety claims?**

Answer: NJ TRANSIT measures its safety performance for bus service using monthly metrics for vehicle collisions, the collision rate per 100,000 miles, employee injuries, and customer injuries. In addition, Bus Operations uses DriveCam's safety dashboard to identify risky operator behaviors that lead to collisions to modify those behaviors to reduce/avoid accidents. NJ TRANSIT employs an aggressive retraining program, in addition to discipline, to address risky operator behaviors (e.g. following too close, not looking far ahead). Since NJ TRANSIT began using DriveCam in 2010, there has been a 60 percent decrease in the frequency of accidents and a 58 percent decrease in the severity of accidents through 2014, as well as a reduction in the occurrences of risky operator behaviors. By focusing on incident reduction, NJ TRANSIT is seeking to lessen the chances of the occurrence of a serious bus accident, as a single large claim can impact the reserves.

23. NJ Transit income items are provided on page D-358 of the Governor's proposed budget. Other Reimbursements is one of those income line items and is listed at \$962.4 million for FY 2016, up from a \$936 million FY 2015 adjusted appropriation. The footnote to this line item states that "other reimbursements includes federal and Transportation Trust Fund reimbursement for transportation system improvements, preventative maintenance, and administrative costs in support of the Department's Capital Program." In the minutes of the July 9, 2014 NJ Transit board meeting, the budget presentation identified \$463.2 million as the amount of capital maintenance funding from both federal and State sources for the FY 2015 budget.

- **Question: Please provide a breakdown of this Other Reimbursements line item for FY 2016. Please identify each source of funding that comprises this amount, including the Clean Energy Fund, the New Jersey**

Discussion Points (Cont'd)

Turnpike Authority, State and federal capital program sources, as well as any other third party sources.

Answer: The following chart details the FY 2016 Other Reimbursements line item.

<u>Source</u>	<u>Amount</u>
Federal Preventative Maintenance	\$446.8 million
NJ Turnpike	\$295.0 million
State Capital Related Reimbursements	\$112.4 million
Clean Energy Fund	\$ 62.1 million
Other Federal Reimbursements	\$ 26.9 million
TTF Reimbursements	\$ 13.2 million
<u>Other</u>	<u>\$ 6.0 million</u>
TOTAL	\$962.4 million

- **Question: For the State and federal capital program portion of the Other Reimbursements item, please identify the specific capital program line items that comprise these amounts.**

Answer: Similar to the past, the FY 2016 appropriations act will allocate federal capital funding in two separate Bus and Rail preventative maintenance line items. State capital funding will be allocated in various line items including Capital Program Implementation.

24. Federal Transit Administration (FTA) and Federal Highway Administration (FHWA) programs that comprise NJ Transit’s federal capital funding have different spending rules and are intended to support different transportation purposes. Some of those programs are specifically intended to provide capital support, while others are specifically intended to provide operating support, while others give the State the option to choose whether the funds are programmed for capital or operating purposes.

- **Question: Based upon NJ Transit’s interpretation of the federal rules, what is the largest and smallest amount of federal capital program funding that NJ Transit could utilize for operating expenses?**

Answer: Based on the existing federal guidelines, which includes qualified operating costs, NJ TRANSIT uses the amount of federal capital funding available to finance eligible operating functions.

Discussion Points (Cont'd)

- **Question: What amount of federal capital program funding does NJ Transit recommend be utilized for operating expenses, under the Other Reimbursements line item on page D-358?**

Answer: The FY 2016 budget assumes a total of \$446.8 million.

25. On pages D-357 and D-358 of the Governor's proposed budget, NJ Transit is to provide evaluation data describing the performance of the agency in recent years and to provide an estimate of performance levels for the upcoming fiscal year. No data was provided in the display for FY 2016. A footnote to the evaluation data claims that this is due to pending potential service reductions and fare increases.

- **Question: Please provide FY 2016 budget estimates for the railroad and bus operations program data.**

Answer: To meet its operating needs in fiscal 2016 and beyond, including escalating employee health premiums and other costs, NJ TRANSIT is currently evaluating a range of savings and revenue-generating options that may include the first fare adjustment since May of 2010. As a result, the fiscal 2016 budget estimate will not be available until this evaluation has concluded. Once finalized, this information will be made available.

26. News reports indicate that NJ Transit is considering a fare hike of up to 10% and potential service cutbacks in order to close an \$80 million budget deficit. A major factor in the budget gap has been reported to be the cost of renegotiating labor contracts that expired in 2010. A significant cost in renegotiating contracts is one-time costs associated with providing back pay covering the years worked without a contract in place. In the case of the recent MTA settlement with its unions, financial documents indicate that \$83 million in labor expenses were tied to retroactive pay to cover the years without a contract.

On pages D-358 and D-359 of the Governor's proposed budget, NJ Transit does not show a budget deficit. It estimates expenditures of \$2.12 billion to be offset by \$2.087 billion in income deductions and \$33.1 million in General Fund appropriations.

- **Question: Please provide a revenue and expense budget display that accurately represents the budget with a \$120 million gap between revenues and expenses.**

Discussion Points (Cont'd)

Answer: NJ TRANSIT constantly monitors its operating budget to implement savings measures that reduce annual budget growth. As a result of this fiscal diligence, the FY 2016 budget gap has been reduced by over \$40 million. In addition, strategies to close this gap are being finalized.

- **Question: How much of the projected \$120 million gap is related to the cost of renegotiating contracts with labor unions and pay packages for non-union employees that have experienced a sustained hiring and pay-freeze? Of that amount, how much is expected to be a one-time expense, and how much will be recurring?**

Answer: The gap is a result of differences between the amount of known revenue and expenses.

NJ TRANSIT does not deem it prudent to comment on potential contractual negotiations. Once agreements are reached, the final settlement information will be made available.

- **Question: Please provide a list of ridership levels, farebox recovery ratios, and passenger growth rates for each numbered bus route, rail line, and light rail line.**

Answer: Please see attachment 1 – "System Ridership."

27. Budget data indicates that in FY 2012, revenue/cost ratios were higher across all lines of business than in FY 2015, and system wide ridership has been growing since FY 2012 at a rate of less than 1% per year. These trends indicate that the agency's ridership and revenue are failing to keep up with the State's growth rate, as well as NJ Transit's own salary and wage growth rate, despite operating with expired union contracts frozen at 2010 levels. At the same time, there is a widely reported trend of population growth in urban centers with young professionals actively seeking housing in dense, transit-accessible areas. Demographic trends suggest that NJ Transit should be performing more strongly than has been seen in recent operating results.

- **Question: Please identify short and long term trends that NJ Transit has been observing in ridership, commuting patterns, and customer preferences.**

Discussion Points (Cont'd)

Answer: Since New Jersey's employment levels stabilized at the end of fiscal year 2011, NJ TRANSIT has experienced ridership gains. In FY 2014 ridership was +5.2% higher than FY 2011 and employment in New Jersey increased +2.8% during this same period.

This trend has continued during the first six months of FY 2015, ridership increasing +3.0% above the same period one year earlier, while New Jersey employment rose +0.7%.

Among the rider trends seen are higher rates of Rail rider growth among stations closest in distance to terminals at Hoboken and New York City than to more distant stations; higher rates of growth in interstate NY City services than in New Jersey or Philadelphia services; higher rates of growth on Rail and Light Rail services than Bus; higher rates of growth in northern New Jersey services than southern; higher rates of growth in weekend ridership than weekday. Most of these trends mirror the emerging employment and residential patterns of millennials seeking more urban lifestyles.

- **Question: Does NJ Transit project higher levels of future ridership and farebox growth than it has seen over the last three years? If so, what does the agency see as driving those increases? If not, what are the factors preventing faster growth?**

Answer: The primary factor in past ridership changes has been the economic and employment trends of the regions served. Future rider trends are largely contingent on regional economic conditions.

- **Question: Noting that fares already rank as a negative issue on Scorecard surveys, and an increase in fares will likely exacerbate that issue, what strategies does NJ Transit have for increasing ridership while reducing service and increasing fares?**

Answer: As we continue to develop our FY16 budget, it is important to note that no decision has yet been made on the need for or extent of potential fare or service adjustments. However, in general, NJ TRANSIT's strategies to encourage ridership include introducing new technology, like the very-popular MyTix app that enables customers to purchase and display rail and bus tickets on their smart phones or handheld devices and by offering increased and improved customer amenities, such as expanded availability of quiet cars on rail lines.

Discussion Points (Cont'd)

- **Question:** What are NJ Transit's estimates for transit price elasticity for bus and train passengers? Does the elasticity model have a price point at which elasticity changes notably? If so, what is that price point?

Answer: The 2010 fare change indicated point fare elasticity of -0.15 on a 22% average increase. While no final determinations have been made relative to future fare pricing, all efforts are being made to minimize ridership diversion.

- **Question:** If NJ Transit implements a combination of fare increases and service reductions, how does the agency make the argument that it is offering a strong value?

Answer: NJ TRANSIT is sensitive to any impact this would have on our customers.

Bus, rail, light rail and Access Link public transportation continue to offer customers attractive, cost-efficient alternatives to driving and other transportation modes. Public transportation allows customers to avoid single-vehicle traffic, to minimize weather-related travel challenges, and avoid parking, tolls and other driving expenses.

28. Page D-358 of the FY 2016 budget proposes farebox revenue to grow by only \$8.05 million from FY 2014 to FY 2015, but growth from FY 2015 to FY 2016 is projected to be \$81.4 million, or 8.8%.

- **Question:** What are the ridership and fare assumptions for bus, rail, and light rail operations that account for the projected increase in farebox revenue in FY 2016? To the extent that fare increases are assumed, what is the effective date of those fare increases?

Answer: NJ TRANSIT is still in the evaluative process of determining the mix of options necessary to ensure meeting the mandate of a balanced FY 2016 operating budget. Once determined, this information will be made available.

**State Accounts with Unexpended and Uncommitted 480 Funds
Current Appropriation Balances as of Start of Business 03/19/2015
by Fiscal Year**

DOT-FD-105
DOTxDailyAppropBalances(APPR)w

03/19/2015
page 1 of 1

FY	Original Approp Amount	Authorized Budget Amount	Expended	Pre-encumbered	Encumbered	Uncommitted	Unexpended
1993	761,851,432.96	768,212,438.78	761,384,806.56	188,021.77	3,719,939.40	3,802,632.99	7,710,594.16
1994	821,938,462.55	842,055,167.56	832,361,868.29	976,875.21	1,768,474.89	6,926,611.62	9,671,961.72
1995	565,000,000.00	564,374,045.42	563,464,424.62	23,000.00	1,070,496.12	1,216,756.14	2,310,252.26
1996	700,000,000.00	698,826,666.94	718,275,333.86	53,740.08	683,595.43	740,115.60	1,477,451.11
1997	700,000,000.00	699,703,269.10	697,946,627.54	304,138.04	339,850.00	1,112,653.52	1,756,641.56
1998	900,000,000.00	897,145,923.20	893,906,683.18	328,759.30	1,833,166.20	1,077,314.52	3,239,240.02
1999	700,000,000.00	701,380,000.00	694,650,156.73	3,297,041.72	1,503,306.48	1,929,495.07	6,729,843.27
2000	900,000,000.00	896,015,924.95	887,025,792.99	4,902,276.03	2,086,001.03	2,001,854.90	8,990,131.96
2001	900,000,000.00	884,070,219.12	871,533,294.27	2,291,758.67	6,849,151.22	3,396,014.96	12,536,924.85
2002	1,107,500,000.00	1,050,026,554.26	1,042,770,361.24	1,261,826.13	4,586,046.05	1,408,320.84	7,256,193.02
2003	1,108,000,000.00	1,106,089,221.83	1,097,151,271.98	3,788,702.25	4,532,136.92	617,110.68	8,937,949.85
2004	1,228,200,000.00	1,224,550,000.00	1,214,871,754.82	4,868,691.69	3,722,934.87	1,093,038.87	9,684,665.43
2005	1,292,597,000.00	1,292,597,000.00	1,281,616,159.04	1,932,070.39	6,954,853.17	2,093,917.40	10,980,840.96
2006	1,205,000,000.00	1,205,000,000.00	1,181,941,389.51	4,491,228.51	17,065,413.53	1,501,968.45	23,058,610.49
2007	1,600,000,000.00	1,600,000,000.00	1,566,619,574.78	13,279,434.33	12,715,965.43	7,385,025.46	33,380,425.22
2008	1,600,000,000.00	1,600,000,000.00	1,548,884,022.28	18,629,174.78	25,234,835.85	7,251,967.09	51,115,977.72
2009	1,600,000,000.00	1,600,000,000.00	1,490,790,821.66	4,438,369.86	89,432,243.13	15,338,565.35	109,209,178.34
2010	1,600,000,000.00	1,600,000,000.00	1,436,112,375.93	6,501,429.41	121,688,025.26	35,698,169.40	163,887,624.07
2011	1,600,000,000.00	1,600,000,000.00	1,482,112,499.63	11,543,218.77	87,853,993.59	18,490,288.01	117,887,500.37
2012	1,247,000,000.00	1,247,000,000.00	1,094,217,028.90	8,174,619.99	94,130,079.44	50,478,271.67	152,782,971.10
2013	1,247,000,000.00	1,247,000,000.00	1,057,933,628.26	17,712,153.88	151,033,285.72	20,320,932.14	189,066,371.74
2014	1,224,000,000.00	1,224,000,000.00	764,020,976.15	20,806,969.18	381,257,050.10	57,915,004.57	459,979,023.85
2015	1,225,000,000.00	1,131,500,000.00	126,802,744.85	272,943,266.84	432,625,250.91	299,128,737.40	1,004,697,255.15
	25,833,086,895.51	25,679,546,431.16	23,306,393,597.07	402,736,766.83	1,452,686,094.74	540,924,766.65	2,396,347,628.22

Attachment 1

Mode	Service	Description	Annual Passenger Trips			Farebox Recovery Ratio
			FY14	FY13	Change	FY14
Rail	Atlantic City	Atlantic City-Philadelphia	945,114	963,661	-1.9%	19.6%
Rail	Coast Line	NY Penn/Hoboken-Bay Head	13,950,241	13,028,116	7.1%	54.7%
Rail	Main Line Bergen County	Hoboken-Suffern	7,467,935	6,770,149	10.3%	43.0%
Rail	Montclair-Boonton	NY Penn/Hoboken-Hackettstown	5,153,915	4,695,603	9.8%	42.0%
Rail	Morris & Essex	NY Penn/Hoboken - Dover/Gladstone	15,946,277	14,579,895	9.4%	48.6%
Rail	Northeast Corridor	NY Penn-Trenton/Princeton	32,244,162	30,949,739	4.2%	88.4%
Rail	Pascack Valley	Hoboken-Montvale	2,426,847	2,129,115	14.0%	47.8%
Rail	Raritan Valley	NY Penn/Hoboken-High Bridge	5,882,868	5,499,021	7.0%	39.9%
Light Rail	Hudson Bergen Light Rail	North Bergen-Bayonne	13,821,851	12,865,393	7.4%	33.2%
Light Rail	Newark Light Rail	Newark-Bloomfield	5,356,687	5,303,871	1.0%	29.5%
Light Rail	River LINE	Trenton-Camden	2,869,707	2,859,074	0.4%	10.0%
Bus	1	Newark - Jersey City	4,283,128	4,220,096	1.5%	43.0%
Bus (c)	2	JOURNAL SQUARE/SECAUCUS	934,053	829,366	12.6%	(contracted)
Bus	5	Newark - East Orange	384,077	386,558	-0.6%	19.3%
Bus	6	Ocean Ave-Journal Square	480,830	492,699	-2.4%	24.1%
Bus (c)	10	Bayonne/Jersey City	1,501,972	1,690,844	-11.2%	(contracted)
Bus	11	Newark - Willowbrook	935,722	976,292	-4.2%	35.0%
Bus	13	Newark - Irvington	4,329,368	4,448,677	-2.7%	43.1%
Bus	21	Main Street	3,048,174	3,076,985	-0.9%	48.1%
Bus (c)	22	HILLSIDE	671,776	721,604	-6.9%	(contracted)
Bus (c)	23	HOBOKEN/NORTH BERGEN	51,878	51,680	0.4%	(contracted)
Bus	25	Springfield Ave	3,843,147	3,913,950	-1.8%	40.5%
Bus	26	Irvington - Elizabeth	397,775	392,108	1.4%	38.9%
Bus	27	Mount Prospect	3,546,232	3,697,588	-4.1%	34.2%
Bus	28	Newark - Montclair - Willowbrook	811,680	839,571	-3.3%	29.7%
Bus	29	Bloomfield Avenue	1,262,071	1,268,789	-0.5%	36.7%
Bus	30	North Arlington - Kearny - Newark	799,638	842,247	-5.1%	26.3%
Bus	34	Market Street	2,578,227	2,640,215	-2.3%	36.9%
Bus	37	Lyons Avenue	621,059	611,420	1.6%	33.3%
Bus	39	Chancellor Avenue / Kearny Avenue	2,231,920	2,240,498	-0.4%	41.3%
Bus	40	Jersey Gardens - Kearny	687,789	699,645	-1.7%	25.3%
Bus	41	Park Avenue	1,036,560	1,114,804	-7.0%	39.6%
Bus	42	18th Avenue	0	6,374	-100.0%	
Bus	43	Newark - Jersey City	0	5,438	-100.0%	
Bus	48	Elizabeth - Woodbridge - Perth Amboy	813,623	610,615	33.2%	25.8%
Bus	52	Morris Avenue	358,023	366,587	-2.3%	23.2%
Bus	56	Elizabeth - Winfield	128,324	148,865	-13.8%	14.2%
Bus	57	Tremley	141,074	123,104	14.6%	29.4%
Bus	58	Elizabeth - Kenilworth	421,641	425,817	-1.0%	35.4%
Bus	59	Newark- Plainfield	1,607,970	1,621,568	-0.8%	37.7%
Bus	62	Newark - Perth Amboy	1,919,501	1,946,382	-1.4%	30.3%
Bus	63	Lakewood - Jersey City - Weehawken Exp	40,179	41,462	-3.1%	59.4%
Bus	64	Lakewood - Jersey City - Weehawken	349,537	344,946	1.3%	55.4%
Bus	65	Newark - Somerville	128,817	115,727	11.3%	18.2%
Bus	66	Newark - Somerville	622,475	636,020	-2.1%	21.6%
Bus	67	Toms River Newark	326,603	329,301	-0.8%	22.1%
Bus	68	Old Bridge - Jersey City - Weehawken	217,477	215,830	0.8%	62.9%
Bus	70	Newark - Livingston	1,874,088	1,896,304	-1.2%	34.1%
Bus	71	Newark - West Caldwell	732,280	716,993	2.1%	28.5%
Bus	72	Newark - Paterson	1,134,044	1,083,917	4.6%	50.2%
Bus	73	Newark - Livingston	988,295	1,003,253	-1.5%	35.0%
Bus	74	Main Passaic	1,512,518	1,454,919	4.0%	41.8%
Bus	75	Newark - Butler	0	5,655	-100.0%	
Bus	76	Newark - Hackensack	1,429,808	1,397,935	2.3%	35.5%
Bus	78	Newark - Secaucus	154,975	151,472	2.3%	25.0%
Bus	79	Newark - Parsippany Express	119,691	126,764	-5.6%	24.2%
Bus	80	Newark Avenue	2,034,698	2,011,532	1.2%	33.6%
Bus	81	Greenville - Bayonne	836,704	853,521	-2.0%	30.6%
Bus	82	Hudson	89,133	80,476	10.8%	30.9%
Bus	83	Jersey City - Hackensack	1,138,415	1,020,479	11.6%	30.7%
Bus	84	Bergenline - Park Avenue	1,532,897	1,520,050	0.8%	24.2%
Bus	85	Hoboken - Harmon Meadow - Mill Creek	608,443	575,618	5.7%	32.8%
Bus	86	Nungessers - Newport	287,177	283,085	1.4%	16.4%
Bus	87	King Drive	3,418,223	3,377,269	1.2%	42.3%
Bus (c)	88	JOURNAL SQUARE/NORTH BOULEVARD	865,998	1,047,618	-17.3%	(contracted)
Bus	89	Hoboken - North Bergen	530,652	503,587	5.4%	31.0%
Bus	90	Grove Street Crosstown	876,212	877,277	-0.1%	36.0%
Bus	92	Orange Crosstown	801,909	834,542	-3.9%	34.0%

Bus	93	Bloomfield - City Subway	0	10,751	-100.0%	
Bus	94	Stuyvesant Crosstown	3,828,301	3,933,508	-2.7%	43.4%
Bus	95	Wachtung - Newark	6,917	0	#DIV/0!	3.3%
Bus	96	18th Street Crosstown	171,654	176,142	-2.5%	17.2%
Bus	97	East Orange - Montclair	84,163	82,613	1.9%	12.8%
Bus	99	Clifton Avenue Crosstown	1,539,057	1,479,739	4.0%	26.1%
Bus	107	South Orange - NY	1,039,765	1,057,213	-1.7%	43.2%
Bus	108	Newark - NY	419,402	426,515	-1.7%	43.2%
Bus	111	Elizabeth - NY	666,668	543,075	22.8%	129.5%
Bus	112	Clark - NY	670,953	670,620	0.0%	43.8%
Bus	113	Dunellen - NY	1,120,387	1,121,787	-0.1%	49.1%
Bus	114	Bridgewater - NY	1,740,943	1,723,592	1.0%	58.1%
Bus	115	Rahway - NY	360,709	348,696	3.4%	58.5%
Bus	116	Perth Amboy - NY	734,870	739,853	-0.7%	50.1%
Bus	117	Somerville - NY	83,732	75,589	10.8%	67.1%
Bus (c)	119	Bayonne-Jersey City-NY	485,629	353,162	37.5%	(contracted)
Bus	120	Bayonne - Downtown Manhattan	95,122	95,854	-0.8%	33.8%
Bus	121	North Bergen - NY	49,093	56,718	-13.4%	24.1%
Bus	122	Secaucus - NY	224,506	218,543	2.7%	46.5%
Bus	123	Union City - NY	999,541	936,101	6.8%	45.1%
Bus	124	Secaucus - NY	101,448	97,820	3.7%	24.2%
Bus	125	Journal Square - NY	262,925	261,213	0.7%	30.6%
Bus	126	Hoboken - NY	3,675,259	3,879,824	-5.3%	58.8%
Bus	127	Palisades Park - NY	509,793	484,155	5.3%	40.9%
Bus	128	Boulevard East - NY	1,392,983	1,312,393	6.1%	56.7%
Bus	129	Secaucus - NY	654,686	634,594	3.2%	36.6%
Bus	130	Lakewood - Union Hill - NY Express	137,606	95,340	44.3%	51.3%
Bus	131	Sayreville - NY	252,486	223,514	13.0%	65.1%
Bus	132	Lakewood - Gordons Corner - NY Express	197,441	154,312	27.9%	63.8%
Bus	133	Old Bridge - NY	255,408	244,421	4.5%	65.8%
Bus	135	Freehold - NY	135,007	125,634	7.5%	77.6%
Bus	136	Lakewood - Freehold Mall - NY Express	83,240	73,118	13.8%	52.5%
Bus	137	Toms River - NY	474,612	474,881	-0.1%	76.2%
Bus	138	East Brunswick - NY	165,545	161,713	2.4%	63.1%
Bus	139	Lakewood - NY	3,180,533	3,152,917	0.9%	85.4%
Bus	144	Elmwood Park - NY	224,706	207,104	8.5%	38.7%
Bus	145	Fair Lawn - NY	167,789	166,934	0.5%	55.1%
Bus	148	Midland Park - NY	67,940	68,262	-0.5%	65.8%
Bus	151	Paterson - NY Express	96,367	66,342	45.3%	54.0%
Bus	153	Fort Lee - NY	44,932	41,059	9.4%	54.0%
Bus	154	Fort Lee - NY	577,914	541,597	6.7%	46.3%
Bus	155	Teaneck - NY	134,011	112,388	19.2%	41.8%
Bus	156	Bergenline Avenue - NY	1,635,356	1,490,062	9.8%	44.6%
Bus	157	Hackensack - NY	74,978	64,787	15.7%	35.0%
Bus	158	Fort Lee - NY	1,861,406	1,705,746	9.1%	59.2%
Bus	159	Fort Lee - NY	2,930,709	2,881,537	1.7%	49.4%
Bus	160	Elmwood Park - NY	510,877	413,886	23.4%	47.3%
Bus	161	Paterson - NY	1,862,010	1,820,870	2.3%	51.9%
Bus	162	Maywood - NY	266,104	246,694	7.9%	40.7%
Bus	163	Ridgewood - NY	2,274,784	2,246,384	1.3%	49.2%
Bus	164	Midland Park - NY	1,006,364	1,045,052	-3.7%	53.5%
Bus	165	Westwood - NY	3,556,869	3,572,525	-0.4%	50.1%
Bus	166	Dumont - NY	4,234,605	4,177,856	1.4%	52.2%
Bus	167	Harrington Park - NY	2,027,833	2,110,246	-3.9%	57.8%
Bus	168	Paramus - NY	888,539	922,340	-3.7%	39.2%
Bus	171	Paterson -GWB	457,187	476,947	-4.1%	35.6%
Bus	175	Ridgewood- GWB	535,917	520,595	2.9%	27.7%
Bus	177	Harrington Park - NY	568,494	462,602	22.9%	49.7%
Bus	178	Hackensack - GWB via Englewood	598,966	575,314	4.1%	42.4%
Bus	181	Union City - GWB	144,108	157,753	-8.6%	26.1%
Bus	182	Hackensack - GWB via Leonia	341,528	393,660	-13.2%	35.5%
Bus	186	Dumont - GWB	735,903	718,641	2.4%	45.6%
Bus	188	River Road - GWB	211,600	218,822	-3.3%	32.7%
Bus	190	Paterson - NY	3,023,398	3,054,409	-1.0%	46.5%
Bus	191	Wayne - NY	364,903	361,679	0.9%	56.1%
Bus	192	Clifton - NY	919,770	900,782	2.1%	58.4%
Bus	193	Clifton - NY	375,050	352,252	6.5%	92.9%
Bus	194	Newfoundland - NY	569,887	572,041	-0.4%	63.6%
Bus	195	Wayne - NY	300,416	302,655	-0.7%	55.3%
Bus	196	Warwick - NY Express	206,931	212,059	-2.4%	66.0%
Bus	197	Warwick - NY	734,568	739,693	-0.7%	54.9%
Bus	198	Wm Paterson Univ-NY	168,631	150,299	12.2%	60.5%
Bus	199	Clifton - NY	438,681	436,271	0.6%	53.5%

Bus	250	Springfield Ave "Go Bus"	186,507	185,554	0.5%	22.6%
Bus	258	Newark Airport - Newark - Bloomfield (28 GO)	802,458	893,824	-10.2%	22.7%
Bus	304	Mountain Creek - Crystal Springs - NY	4,727	2,444	93.4%	28.0%
Bus	307	Freehold - Great Adventure	21,142	20,966	0.8%	30.5%
Bus	308	Great Adventure - NY	127,047	121,982	4.2%	107.6%
Bus	313	Philadelphia - Cape May via Millville	83,708	81,401	2.8%	15.4%
Bus	315	Philadelphia - Cape May via Tuckahoe	42,581	41,656	2.2%	22.6%
Bus	316	Philadelphia - Cape May Express	24,849	26,063	-4.7%	40.2%
Bus	317	Asbury Park - Phila	300,758	298,328	0.8%	25.1%
Bus	318	Philadelphia - Great Adventure	4,566	4,643	-1.7%	28.2%
Bus	319	Atlantic City - NY	342,596	340,112	0.7%	76.6%
Bus	320	North Bergen Park-Ride - NY	1,513,409	1,523,373	-0.7%	69.2%
Bus	321	Vince Lombardi Park-Ride - NY	216,168	210,951	2.5%	42.3%
Bus	324	Wayne-NY	403,457	397,469	1.5%	75.8%
Bus	329	Harmon Cove - Secaucus	73,812	75,526	-2.3%	4.1%
Bus	353	Secaucus Jct - Meadowlands	21,187	40,981	-48.3%	16.8%
Bus	361	Newark Express	98,198	89,294	10.0%	32.0%
Bus	375	Springfield Ave Express	35,308	54,622	-35.4%	17.3%
Bus	378	Newark - Secaucus Express	7,561	10,801	-30.0%	20.3%
Bus	400	Sicklerville - Phila	1,651,558	1,667,662	-1.0%	24.5%
Bus	401	Salem - Phila	255,971	244,998	4.5%	21.2%
Bus	402	Pennsville - Phila	193,627	187,931	3.0%	21.8%
Bus	403	Turnersville - Camden	921,897	903,730	2.0%	23.1%
Bus	404	Cherry Hill Mall - Phila via Pennsauken	585,748	600,250	-2.4%	26.3%
Bus	405	Cherry Hill Mall - Camden via Merchantville	260,836	270,197	-3.5%	23.4%
Bus	406	Berlin - Phila	614,776	606,087	1.4%	22.5%
Bus	407	Moorestown Mall - Camden	361,049	368,550	-2.0%	18.0%
Bus	408	Millville - Phila	420,294	427,881	-1.8%	23.6%
Bus	409	Trenton - Phila	769,301	773,975	-0.6%	19.7%
Bus	410	Bridgeton - Phila	372,890	374,082	-0.3%	23.5%
Bus	412	Glassboro - Phila	336,006	336,192	-0.1%	20.9%
Bus	413	Burlington - Camden via Mt Holly	540,175	557,439	-3.1%	24.0%
Bus	414	Philadelphia - Moorestown	21,142	17,995	17.5%	21.1%
Bus	417	Mt Holly - Phila	25,131	29,123	-13.7%	18.9%
Bus	418	Trenton - Camden Express	14,152	14,485	-2.3%	13.0%
Bus	419	Burlington - Camden	161,258	156,735	2.9%	6.8%
Bus	450	Cherry Hill Mall - Camden	386,969	389,114	-0.6%	18.9%
Bus	451	Lindenwold PATCO - Camden	72,362	71,749	0.9%	10.2%
Bus	452	Pennsauken - Camden	452,465	468,545	-3.4%	12.3%
Bus	453	Woodlynne - Camden	119,354	123,972	-3.7%	14.4%
Bus	455	Cherry Hill Mall - Paulsboro	254,048	257,862	-1.5%	14.0%
Bus	457	Camden - Moorestown Mall	215,235	212,779	1.2%	13.9%
Bus	459	Echelon Mall - Avandale Park-Ride	280,229	279,724	0.2%	15.2%
Bus	460	Camden School	38,794	32,084	20.9%	28.1%
Bus	463	Woodbury - Avandale Park-Ride	83,337	88,691	-6.0%	11.8%
Bus (c)	468	PENNS GROVE-WOODSTOWN	134,554	139,116	-3.3%	(contracted)
Bus	501	Atlantic City - Brigantine	305,659	313,526	-2.5%	12.8%
Bus	502	Atlantic City - AC Community College	839,440	893,956	-6.1%	31.7%
Bus	504	Bungalow Park	190,800	185,192	3.0%	11.0%
Bus	505	Atlantic City - Longport	1,468,482	1,514,846	-3.1%	17.9%
Bus	507	Atlantic City - Ocean City	773,113	796,087	-2.9%	34.2%
Bus	508	Atlantic City - Hamilton Twp	615,226	614,137	0.2%	31.0%
Bus	509	Atlantic City - Somers Point	424,503	439,549	-3.4%	33.6%
Bus	510	Cape May - Wildwood Shuttle	7,675	7,145	7.4%	10.6%
Bus	551	Atlantic City - Phila	683,771	704,041	-2.9%	45.2%
Bus	552	Atlantic City - Cape May	644,601	653,693	-1.4%	18.8%
Bus	553	Atlantic City - Upper Deerfield	1,120,286	1,126,807	-0.6%	32.6%
Bus	554	Atlantic City - Lindenwold	784,185	797,928	-1.7%	27.9%
Bus	559	Atlantic City - Lakewood	778,442	809,721	-3.9%	28.0%
Bus	600	Trenton - Princeton	274,208	276,597	-0.9%	16.1%
Bus	601	Ewing - Trenton - Hamilton	357,775	357,684	0.0%	18.1%
Bus	602	Trenton - Pennington	77,816	82,944	-6.2%	12.9%
Bus	603	Mercer Mall - Trenton - Hamilton	360,299	374,975	-3.9%	24.7%
Bus	604	Trenton - East Trenton	42,836	41,667	2.8%	9.6%
Bus	605	Montgomery - Princeton - Quaker Bridge Mall	159,827	158,330	0.9%	13.8%
Bus	606	Princeton - Trenton - Hamilton	658,239	658,755	-0.1%	23.4%
Bus	607	Trenton - Ewing	263,763	267,759	-1.5%	15.6%
Bus	608	Hamilton - Trenton - West Trenton	494,948	516,939	-4.3%	21.8%
Bus	609	Ewing - Trenton - Lawrence	725,115	740,380	-2.1%	24.4%
Bus	610	Trenton Seasonal	7,597	11,765	-35.4%	20.0%
Bus	611	Perry Street Shuttle	32,221	29,990	7.4%	73.1%
Bus	612	Lawrence - Princeton Jct Shuttle	20,456	22,833	-10.4%	3.7%
Bus	613	Mercer Mall - Trenton - Hamilton	472,553	479,155	-1.4%	25.4%

Bus	619	Ewing-Trenton-Mercer County College	239,174	248,026	-3.6%	20.7%
Bus	655	Princeton - Plainsboro	38,483	40,421	-4.8%	4.4%
Bus (c)	702	PATERSON/ELMWOOD PARK	182,293	195,993	-7.0%	(contracted)
Bus	703	Haledon - East Rutherford	1,215,949	1,140,827	6.6%	33.8%
Bus	704	Paterson - Willowbrook	712,698	756,671	-5.8%	38.3%
Bus (c)	705	PASSAIC/WILLOWBROOK MALL	202,411	186,256	8.7%	(contracted)
Bus (c)	707	PATERSON-SADDLE BROOK	145,927	131,672	10.8%	(contracted)
Bus (c)	709	BLOOMFIELD/PARAMUS	492,238	505,543	-2.6%	(contracted)
Bus	712	Hackensack - Willowbrook	1,332,089	1,311,304	1.6%	41.9%
Bus (c)	722	PATERSON/PARAMUS PARK	26,081	22,706	14.9%	(contracted)
Bus (c)	744	PATERSON/GREYSTONE PARK	441,379	447,973	-1.5%	(contracted)
Bus (c)	746	POMPTON LAKES/RIDGEWOOD	183,395	192,149	-4.6%	(contracted)
Bus (c)	748	PATERSON/WILLOWBROOK MALL	148,398	163,155	-9.0%	(contracted)
Bus (c)	751	Paramus/Fairview/Edgewater	140,061	123,371	13.5%	(contracted)
Bus (c)	752	OAKLAND/HACKENSACK	85,486	104,796	-18.4%	(contracted)
Bus (c)	753	NEW MILFORD/PARAMUS	56,130	96,686	-41.9%	(contracted)
Bus (c)	755	Paramus/Fort Lee/Edgewater	81,707	81,557	0.2%	(contracted)
Bus (c)	756	FORT LEE/PARAMUS	252,753	295,496	-14.5%	(contracted)
Bus (c)	758	PASSAIC/PARAMUS PARK	178,546	194,480	-8.2%	(contracted)
Bus (c)	762	HACKENSACK/PARAMUS	59,292	57,958	2.3%	(contracted)
Bus	770	Paterson - Hackensack	576,387	577,939	-0.3%	32.2%
Bus (c)	772	NEW MILFORD/SECAUCUS	77,135	72,224	6.8%	(contracted)
Bus (c)	780	ENGLEWOOD/PASSAIC	322,056	400,877	-19.7%	(contracted)
Bus (c)	801	Metropark Loop	61,762	51,674	19.5%	(contracted)
Bus (c)	802	Metropark Loop	101,860	91,959	10.8%	(contracted)
Bus (c)	803	Metropark Loop	133,231	132,746	0.4%	(contracted)
Bus (c)	804	Metropark Loop	65,501	61,628	6.3%	(contracted)
Bus (c)	805	Metropark Loop	109,991	113,544	-3.1%	(contracted)
Bus (c)	810	NEW BRUNSWICK/WOODBRIDGE CT	273,527	269,927	1.3%	(contracted)
Bus (c)	811	NEW BRUNSWICK/SOUTH RIVER	93,252	91,536	1.9%	(contracted)
Bus (c)	813	PERTH AMBOY/MIDDLESEX COLLEGE	278,461	263,902	5.5%	(contracted)
Bus (c)	814	NORTH BRUNSWICK/MIDDLESEX COLLEGE	309,679	297,472	4.1%	(contracted)
Bus (c)	815	WOODBRIDGE CENTER/NEW BRUNSWICK	404,357	393,735	2.7%	(contracted)
Bus (c)	817	Perth Amboy/Middletown	125,842	130,429	-3.5%	(contracted)
Bus (c)	818	New Brunswick/Old Bridge	148,283	144,884	2.3%	(contracted)
Bus (c)	819	PISCATAWAY/MIDDLESEX MALL	199,816	195,793	2.1%	(contracted)
Bus (c)	822	NORTH PLAINFIELD/PLAINFIELD	27,806	35,593	-21.9%	(contracted)
Bus (c)	830	ASBURY PARK/POINT PLEASANT BEACH	130,202	131,569	-1.0%	(contracted)
Bus (c)	831	RED BANK/LONG BRANCH	159,442	166,060	-4.0%	(contracted)
Bus (c)	832	RED BANK /ASBURY PARK	286,347	281,221	1.8%	(contracted)
Bus (c)	833	RED BANK /FREEHOLD RACEWAY MALL	68,418	72,669	-5.8%	(contracted)
Bus (c)	834	RED BANK /HIGHLANDS	102,413	104,815	-2.3%	(contracted)
Bus (c)	835	RED BANK /SEA BRIGHT	45,041	44,774	0.6%	(contracted)
Bus (c)	836	ASBURY PARK /CENTRA STATE	176,258	174,541	1.0%	(contracted)
Bus (c)	837	LONG BRANCH TO SEAVIEW SQUARE MALL	146,187	156,338	-6.5%	(contracted)
Bus	871	Morristown - Boonton - Willowbrook	55,769	50,691	10.0%	14.3%
Bus	872	Morristown -Greystone - Dover	27,518	24,345	13.0%	7.7%
Bus	873	Greystone - Morristown - Livingston	57,750	60,776	-5.0%	10.2%
Bus	874	Morristown - Willowbrook	35,530	36,770	-3.4%	13.7%
Bus	875	Rockaway - Willowbrook	46,638	43,057	8.3%	16.5%
Bus (c)	878	Convent Station	12,059	12,517	-3.7%	(contracted)
Bus (c)	879	Convent Station	5,261	8,364	-37.1%	(contracted)
Bus	880	Morris - Dover - Rockaway	150,893	149,737	0.8%	20.9%
Bus (c)	890	SOUTH MAIN	12,164	11,195	8.7%	(contracted)
Bus (c)	891	HECKMAN	9,514	10,407	-8.6%	(contracted)
Bus (c)	986	SUMMIT/MURRAY HILL/PLAINFIELD	51,907	51,507	0.8%	(contracted)