

Chris Christie, Governor
Kim Guadagno, Lieutenant Governor
Jamie Fox, Board Chairman
Veronique Hakim, Executive Director

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May 21, 2015

Mr. David J. Rosen
Legislative Budget and Finance Officer
Office of Legislative Services
State House Annex
P.O. Box 068
Trenton, New Jersey 08625-0068

Dear Mr. Rosen:

In response to the letter dated May, 6, 2015 from Assembly Budget Committee Chairman Schaer, attached are our responses to questions raised by Committee members during our hearing on May 4, 2015.

Thank you for the opportunity to respond to these questions. If you have any further questions or need any additional information, please contact Rae Hutton, Senior Director, Legislative Relations, at 973-491-7195, or rhutton@njtransit.com

Sincerely,



Veronique Hakim
Executive Director

cc: Charlene Holzbaur, Office of Management and Budget
Aaron Binder, Assembly Democratic Office
Christopher Hughes, Assembly Republican Office
Patrick Brennan, Office of Legislative Services
Rae Hutton, NJ TRANSIT
Paul Wyckoff, NJ TRANSIT

Assemblyman McKeon:

- Have any other transit agencies in the United States increased fares by 30% or more over the last five years?

Answer: A review of the American Public Transportation Association's (APTA) Public Transportation Fare Database shows the following fare changes of 30% or more in adult single-trip base fares (Bus unless otherwise noted), using the most recent database period 2014 compared against the period five years earlier, 2009:

Los Angeles (CA) DOT Commuter Express	67%
Norwalk (CA) Norwalk Transit	67%
Orange (CA) OCTA	33%
Santa Monica (CA) Big Blue Bus	33%
Visalia (CA) City Coach	50%
Washington (DC) WMATA (also Heavy Rail)	30%
Pompano Beach (FL) Broward County Division Mass Transit	40%
Atlanta (GA) MARTA (also Heavy Rail)	43%
Rockville (MD) Montgomery County Transit Services	30%
Flint (MI) MTA	40%
Saint Cloud (MN) Metropolitan Transportation Commission	39%
Charlotte (NC) CATS (also Light Rail)	47%
Jersey City (NJ) PATH (Heavy Rail)	43%
Syracuse (NY) Central NY RTA	60%
Columbus (OH) COTA	33%
Oklahoma City (OK) Central Oklahoma T&P Authority	40%
State College (PA) Centre Area Transportation Authority	40%
Austin (TX) Capital Metropolitan Transportation Authority	80%
Dallas (TX) DART (also Commuter Rail and Light Rail)	67%
Arlington (VA) ART	30%
Fairfax (VA) Fairfax County DOT	30%
Everett (WA) Snohomish County PTBA	33%
Seattle (WA) King County DOT (Light Rail)	43%
Seattle (WA) Sound Transit	67%
Spokane (WA) Spokane Transit Authority	50%

The APTA Fare Database is developed from an annual survey of transit systems, using fares in effect on July 1st of the reporting year; the above represents a comparison between fares charged on July 1, 2009 and July 1, 2014, the most recent five year period available.

Assemblywoman Pintor-Marin:

- Please identify the amount of freight traffic on the Northeast Corridor.

Answer: Amtrak owns, maintains and dispatches passenger and freight trains on the Northeast Corridor. NJ TRANSIT has observed that there are generally a few (1-2) daily freight trains on the Northeast Corridor in New Jersey. These freight trains are operated by Conrail, serving local businesses near and along the rail line principally between Newark-Metuchen. It does not appear that there are any long-distance intermodals or unit

(commodities) freight trains operating over the Northeast Corridor at this time. We do not have access to Amtrak's agreements with Conrail or other freight operators and cannot speak to their specific financial arrangements with these operators.

Assemblyman Burzichelli:

- Please identify the level of operating subsidy, deriving from the General Fund, provided to NJ Transit in each of the last ten years.

Answer:

	State Operating Assistance	NJ Turnpike Authority	Clean Energy Funds	Total
FY 2005 - Actual	\$ 278.7			\$ 278.7
FY 2006 - Actual	\$ 278.7			\$ 278.7
FY 2007 - Actual	\$ 298.2			\$ 298.2
FY 2008 - Actual	\$ 298.2			\$ 298.2
FY 2009 - Actual	\$ 348.2			\$ 348.2
FY 2010 - Actual	\$ 261.5			\$ 261.5
FY 2011 - Actual	\$ 276.2			\$ 276.2
FY 2012 - Actual	\$ 285.0	\$ 110.0		\$ 395.0
FY 2013 - Actual	\$ 68.2	\$ 295.0		\$ 363.2
FY 2014 - Actual	\$ 35.1	\$ 295.0	\$ 23.3	\$ 353.4
FY 2015 - Recommended	\$ 40.3	\$ 295.0	\$ 32.9	\$ 368.2
FY 2016 - Recommended	\$ 33.2	\$ 295.0	\$ 62.1	\$ 390.3

Assemblyman Johnson:

- What is the outcome of the Bergen County Bus Rapid Transit Study, and what is the availability of funding to support and implement the findings of that Study upon completion?

Answer: The Bergen Bus Rapid Transit study is nearing completion. Three route alternatives are being considered. Adjustments are being made to the run times of the final route alternatives based on real-time field work. This will allow the study team to develop ridership estimates for each alternative. NJ TRANSIT continues to work with Bergen County to explore funding options to implement the most promising of the route alternatives.

Assemblyman Webber:

- Please attach an estimated dollar value to cost savings that could be realized from the following changes to both NJ Transit and Department of Transportation capital projects:
 - Public-private partnership enabling legislation (A1558 & 3870)
 - Design-build legislation (A1690)

- Revising the bid process so that low bidder does not need to be selected (In whatever manner is most cost effective for the department)
- Utility relocation reform (A1709)
- Reducing or eliminating the use of prevailing wage (A4015)
- Revising project labor agreements

Answer: NJ TRANSIT works with the Department of Treasury and the Office of Legislative Services to develop fiscal notes when requested by the Legislative Budget Officer. Each fiscal note provides estimates of increases or decreases of expenditures or revenues which will result if proposed legislation is enacted. The fiscal note process provides a description of the potential economic impact of proposed legislation.

Example legislation is provided where available for each reform that may guide the agency in evaluating the following changes, please attach a dollar value for savings from the various introduced legislation.

Also, identify the dollar value for what the department would consider an optimal implementation of any of the above reforms, and if that optimal reform is different from an already introduced piece of legislation, summarize the differences between the bill and the reform activity that the department would consider optimal in terms of department operations and cost savings.

What percentage of State and Federal Transportation Trust Fund projects by project count and dollar volume are subject to prevailing wage and/or project labor agreements? Of the projects subject to prevailing wage and project labor agreements, what share of those are required pursuant to federal law and what share is required pursuant to State law, and what share if any, was not required by law? Please provide annual figures covering the period from FY2014-2016.

Answer: In accordance with federal and state law, all construction related public works projects in NJ are subject to prevailing wage. Currently, NJ TRANSIT does not have any contracts that contain project labor agreements.

- Please identify the portion of State Transportation Trust Fund balances that are directly connected to the construction of State road and bridge projects. Spending is considered directly connected if the funds are necessary for the road or bridge project to advance, including engineering and planning costs. Spending is not considered directly connected if the project is not either essential to a road or bridge project, or necessary to prevent the closure of a road or bridge, which would include non-essential signs, landscaping, ITS enhancements, bicycle and pedestrian improvements, local aid funds, NJ Transit funds, non-construction engineering and planning activities, research, training, ferry projects, trails, dredging, Salt storage facilities, buildings, etc. Please provide annual figures covering the period from FY2014-2016.

Answer: Any costs for NJ TRANSIT would be identified in the NJDOT response.

Assemblyman Brown:

- Please identify the amount of labor on State transportation projects performed by veterans and local residents by dollar volume and total employment, as well as any targets maintained by the department for the employment of veterans and local residents. Specifically, please identify any of these targets that are required pursuant to project labor agreements. Please provide annual figures covering the period from FY2014-2016.

Answer: While NJ TRANSIT receives certified payroll records from its contractors and subcontractors on individuals who work on various construction related public works projects, this information does not include their addresses. Therefore, the home address of the contractor's employees cannot be determined. Similarly, the information that is provided does not indicate whether the employee is a veteran.

- What percent of federal and State funded Department of Transportation and NJ Transit construction contracts are awarded to In-State vs. Out-of-State vendor/contractors? Please provide annual figures covering the period from FY2014-2016.

Answer: From FY 2014 – to-date, NJ TRANSIT has awarded 23 construction contracts of which 78% are State funded and 22% are federally funded. Of the 23 contracts, the percentage of in-state was 87% versus 13% out-of-state (specifically - 20 were awarded to New Jersey firms, 2 were awarded to New York firms and 1 was awarded to a Massachusetts firm).

- What percent of workers on federal and State funded Department of Transportation and NJ Transit construction projects are in-State vs. Out-of-State residents? Please provide annual figures covering the period from FY2014-2016.

Answer: As noted above, while NJ TRANSIT receives certified payroll records from its contractors and subcontractors on individuals who work on various construction related public works projects, NJT does not have their individual addresses. Therefore, we cannot determine the percent of in-state versus out-of-state residents.