

Funding Critical Safety and Congestion Relief Projects on the NJ Turnpike and Garden State Parkway

Overview

The New Jersey Turnpike Authority has for over 50 years provided the highest quality transportation for motorists. Both the Turnpike and the Parkway serve as critical modes in the movement of goods and people. However, the Authority faces two substantial impediments in fulfilling its obligation to run a safe and efficient roadway system. First, the Authority, as required by the bond covenants, must certify each fall that the following year's projected revenues will be sufficient to meet its debt service obligations. Presently, neither the Board nor the Executive Director of the Authority can certify that 2009 projected revenues will be sufficient to meet its debt obligations. Second, the Turnpike and Parkway have almost \$10 billion in safety and congestion relief capital needs that must be met over the next ten years. However, the Authority lacks revenue to support the Ten-Year Capital Program.

- The New Jersey Turnpike Authority Board presented a proposal in September to raise tolls on the Turnpike and the Garden State Parkway.
- The Authority conducted three public hearings on the proposal and received 2,471 public comments.
- Based on public comments and a clear mandate from the Governor to reduce the proposed toll increase and lessen the burden on working families, the Turnpike Authority is proposing a revised plan.
- The revised plan meets the following goals:
 - Place the Authority on strong financial footing;
 - lessen the burden on working families;
 - fund a \$7 billion capital plan; and
 - contribute \$1.25 billion for the mass transit tunnel between New Jersey and New York, which will directly benefit the users of the Turnpike by relieving congestion.
- The Authority will achieve these goals via the following measures:
 - Cut the operating budget by \$13.8 million per year;
 - lower the proposed toll increase;
 - provide new discounts to seniors, commercial vehicles and low emission vehicles; and
 - scale back the capital program by \$2.7 billion.

Revised Proposal- Cutting the Operating Budget

The Authority's current annual operating budget is \$481 million, with \$242 million representing mandatory expenditures (health care, pension benefits, State Police, E-ZPass, etc.) and \$239 million representing the remainder of the operating budget.

The Authority realized significant operating efficiencies when the Turnpike and the Parkway consolidated in 2003. The revised proposal will impose even greater efficiencies on the Authority by implementing a 5.8%, or \$13.8 million, operating budget reduction that will include:

- Elimination of 30 positions in the first year for a savings of \$1.9 million;
- elimination of 50 positions during each of the next four years through natural attrition for a savings of \$3.4 million per year;
- implementation of a hiring and promotional freeze for all non-aligned and non-safety-related employees for the next four years, saving \$2.7 million per year;
- reduction of overtime by 10% in each of the next four years for a savings of \$765,000 per year; and
- elimination of 150 vehicles over the next four years for a savings of \$174,000 per year.

Revised Proposal - Passenger Cars

<u>Turnpike</u> Average Driver \$1.20	<u>2008</u> \$1.70 (40%) +50 ¢	<u>2012</u> \$2.60 (53%) +90 ¢	<u>2023</u> \$0
	Total Increase: \$1.40		
Full Length Trip Cars \$6.45	<u>2008</u> \$9.00 (40%) +\$2.55	<u>2012</u> \$13.75 (53%) +\$4.75	<u>2023</u> \$0
	Total Increase: \$7.30		
<u>Parkway</u> Average Driver 35¢	<u>2008</u> .50¢ (43%) +15 ¢	<u>2012</u> 75¢ (50%) +25 ¢	<u>2023</u> \$0
	Total Increase: 40¢		
Full Length Trip Cars NB \$4.20	<u>2008</u> \$6.00 (43%) +\$1.80	<u>2012</u> \$9.00 (50%) +\$3.00	<u>2023</u> \$0
	Total Increase: \$4.80		
Full Length Trip Cars SB \$3.50	<u>2008</u> \$5.00 (43%) +\$1.50	<u>2012</u> \$7.50 (50%) +\$2.50	<u>2023</u> \$0
	Total Increase: \$4.00		

Note: Tolls have been rounded to the nearest nickel to facilitate collection

Revised Proposal- Providing Relief to Working Families Off Peak Discounts

	<u>NJTPK</u>		<u>GSP</u>	
	<u>2008</u>	<u>2012</u>	<u>2008</u>	<u>2012</u>
Cash or E-ZPass	\$1.70	\$2.60	50¢	75¢
Senior Off-Peak E-ZPass Discount *	\$1.10	\$1.70	45¢	70¢
Green-Pass Off-Peak E-ZPass Discount * **	\$1.10	\$1.70	45¢	70¢

	<u>NJTPK</u>		<u>GSP</u>	
	<u>2008</u>	<u>2012</u>	<u>2008</u>	<u>2012</u>
Truck Cash or E-ZPass	\$7.10	\$10.85	\$1.95	\$2.90
Truck Off-Peak Discount	\$6.75	\$10.30	\$1.85	\$2.80

*The Senior Off-Peak E-ZPass Discount and the Green-Pass Discount are in addition to the pre-existing passenger vehicle off-peak discount, which is offered only on the New Jersey Turnpike.
 ** The aggregate value of the Green-Pass discount is capped at \$250,000 per year and sunsets five years after implementation.

Revised Proposal- Investing in Safety and Congestion Relief Projects

Turnpike Tier I Projects

Turnpike Interchange 6 – 9 Widening	\$2,500,000,000
Newark Bay Hudson County Extension Bridge Redecking	\$250,000,000
Turnpike Hackensack Easterly Bridge Rehab	\$135,000,000
Tremley Point Connector Road	\$125,000,000
Turnpike Interchange 14A	\$500,000,000
Turnpike Interchange 8A to Route 130	\$100,000,000
Turnpike Widening Interchange 16W to 18W	\$200,000,000
Turnpike Interchange 16E – 18E Bridge Improvements	\$15,000,000
Turnpike Specialized Bridge Structure Work	\$15,000,000

Parkway Tier I Projects

Parkway Widening Interchange 63 – 80	\$200,000,000
Parkway Mullica River Bridge	\$75,000,000
Parkway Bass River Bridge	\$125,000,000
Parkway Interchange 9, 10 & 11 Improvements	\$125,000,000
Parkway Bridge Substructure Repairs	\$20,000,000
Parkway Interchange 41 Improvements	\$25,000,000
Parkway Interchange 44 Improvements	\$25,000,000
Parkway Interchange 88 Improvements	\$50,000,000
Parkway Interchange 91 Improvements	\$50,000,000
Parkway Interchange 125 Phase I	\$20,000,000
Parkway Interchange 142	\$65,000,000
Parkway Mainline Shoulder Improvements	\$250,000,000

Bridge and Additional Capital Improvements

Tier I Projects

Bridge Preservation and Security	\$265,000,000
Bridge Deck Reconstruction Phase I	\$150,000,000
Bridge Deck Reconstruction Phase II	\$350,000,000
Bridge Painting	\$250,000,000
Turnpike/Parkway Southern Improvements: Atlantic, Burlington Camden, Cape May, Gloucester, Salem Counties	\$100,000,000
Drainage Improvements	\$50,000,000
Median Barrier Improvements Phase I	\$85,000,000
Roadway Appurtenances Improvements	\$30,000,000
Facility Improvements Phase I	\$300,000,000
Facility Improvements Phase II	\$275,000,000
Sign Replacements	\$275,000,000

TOTAL

\$7,000,000,000

Revised Proposal- Scaling Back the Capital Plan

Turnpike Tier II Projects

Newark Bay Hudson County Extension (NBHCE) Study	\$5,000,000
Newark Bay Hudson County Extension (NBHCE) Widening	\$1,000,000,000
Design Widening Turnpike Interchange 1 - 4	\$125,000,000
Turnpike Rock Stabilization	\$5,000,000

Parkway Tier II Projects

Parkway Widening Phase II Interchange 63 – 30	\$600,000,000
Parkway Herbertsville Inspection Facility	\$20,000,000
Parkway Interchange 125 Phase II	\$60,000,000

Additional Capital Improvements Tier II Projects

Over Height Vehicle Detection	\$25,000,000
Water and Sewer System Upgrades	\$10,000,000
Underground Storage Tanks Upgrades	\$25,000,000
Median Barrier Improvements Phase II	\$35,000,000
10 Year Pavement Preservation	\$825,000,000

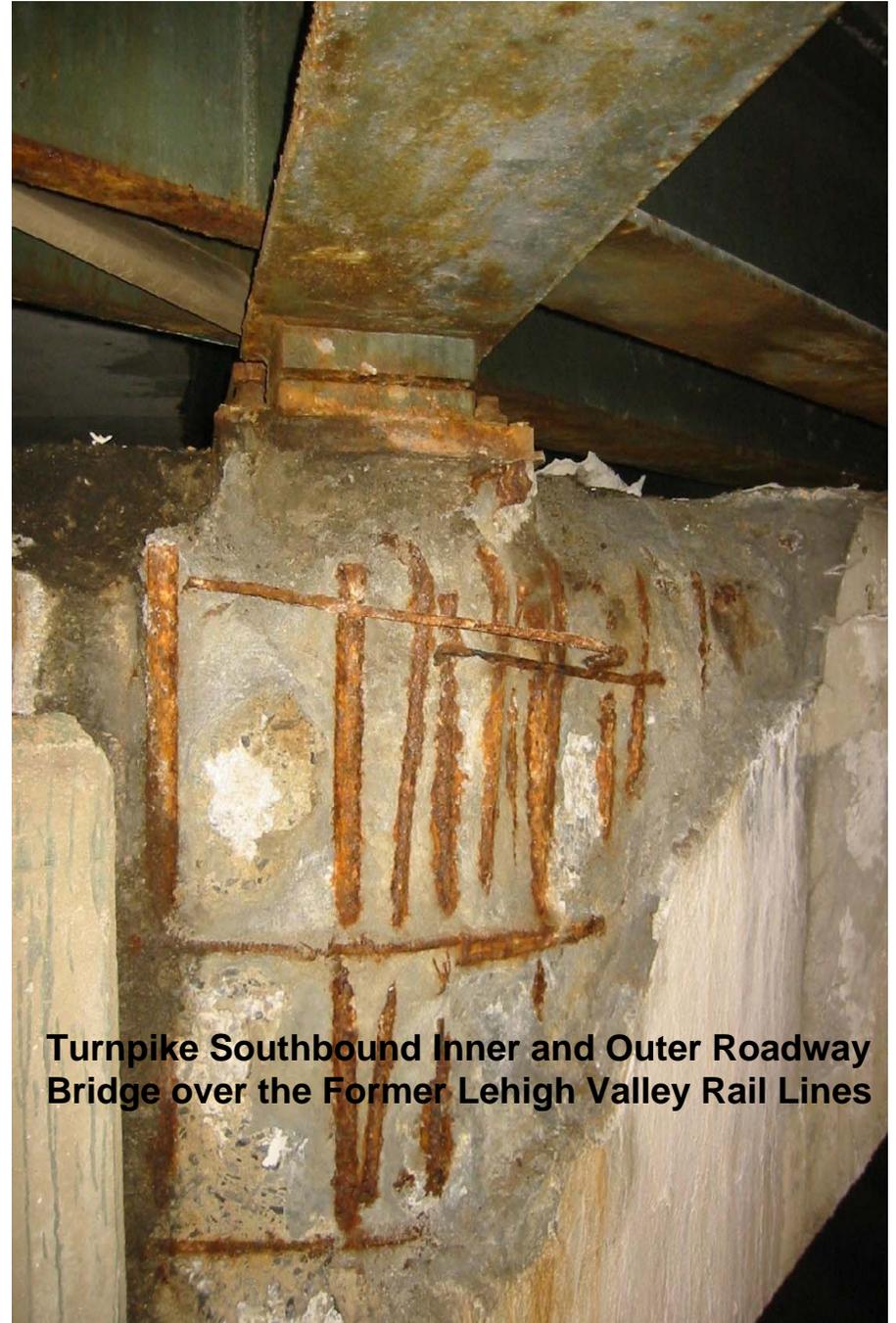
TOTAL

\$2,735,000,000

TURNPIKE AND PARKWAY BRIDGES



Burnt Tavern Rd. over
GSP in Ocean Township



Turnpike Southbound Inner and Outer Roadway
Bridge over the Former Lehigh Valley Rail Lines

Congestion on the NJ Turnpike at the 8A Merge

