



NEW JERSEY DEPARTMENT OF TRANSPORTATION

**COMMISSIONER
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NJ Assembly Budget Committee Testimony
April 19, 2021
(Delivered virtually)**

Good morning Chairwoman Pintor-Marin, Vice Chairman Burzichelli and members of the Assembly Budget Committee. Thank you for the opportunity to appear before you today to provide an update on activities at the New Jersey Department of Transportation (NJDOT) and our outlook for Fiscal Year 2022. Primary members of the NJDOT team with me today are Joseph Bertoni, Deputy Commissioner and Lewis Daidone, the Department's CFO. I am certain that many other members of the team are watching the hearing.

Under Governor Murphy's leadership, the Department has continued its focus on serving our customers and improving the quality of life here in New Jersey through an integrated, multi-modal transportation network. NJDOT has been extremely productive over the past three years advancing an historic Capital Program, using technology to make doing business with the Department easier, engaging our stakeholders in new ways, and receiving industry recognition for our work and staff.

All of this has been done while operating for more than a year under the constraints of living and working through a global pandemic. Through ingenuity and teamwork, NJDOT has been able to meet its mission. This continuity of service is only possible with the hard work and dedication of our staff and partners, who have found a way to get the job done, whether it be working at home, in the office, in the field or some combination thereof.

The foundation of our work emanates from our Commitment to Communities. I pledged to uphold the Governor's commitment to ensure that local governments succeeded in delivering transportation projects that improve safety and quality of life in their communities without unduly burdening local property taxpayers. The Commitment to Communities initiative also embodies the work executed by the Department on the State and Interstate Highway System.

The initiative is embedded in everything we do. From our Local Aid Resource Center that has provided support to counties and municipalities on any number of local transportation projects to the Department's Bureau of Traffic Engineering that looks for solutions to local transportation challenges on a moment's notice, to the Office of Communications that prepares the Commitment to Communities newsletter that is sent to more than 6,000 stakeholders, NJDOT is customer-focused and ready to serve! To provide context, since 2018 the Bureau of Local Aid and Economic Development has processed 2493 grant applications totaling \$1,612,400,000 and served more than

1000 customers per month through the Local Aid Resource Center website. Our Bureau of Traffic Engineering supported by our field maintenance crews in the Division of Transportation Operations Systems and Support executed 763 Simple Fix Projects. The best way for me to explain a simple fix project is to use the example of Mother Teresa – not all of us can do great things, but we can do small things with great love. And that is what we do here. We love what we do, but everything we do does not require a full blown, multi-year study. We have a great team that is dispatched to address local issues, the resolution of which may require minimal effort by the Department but makes a world of difference to the community.

Many communities have approached the Department asking for permission to install artwork on abutments under bridges. This can be a tricky subject as art is not the same thing to everyone. After studying programs in other states, and considering any applicable laws and regulations, NJDOT developed an art-on-infrastructure policy. At present, it is only a pilot – we need to be sure that it works – it is fair to all and that art installations are well maintained. Communities, through their local governments, can apply for a permit. I hope that the pilot will prove to be successful!

Closer to home, the Department recognized the need to support our young engineers in accumulating the necessary technical hours to sit for the Professional Engineers licensing examination. As of today, a total of 40 engineers participate in the Professional Engineer Design Experience Program since its inception in 2019. One engineer has accumulated enough design hours to sit for the exam, and 3 engineers have logged more than 50% of the hours they need to be eligible for the exam. As you can imagine, COVID has impacted the progress of the program but we do not quit at NJDOT – we will continue to support this Program once staffing levels are more consistent. Supporting our team is key to the Department’s ability to execute its mission.

And the Department recognizes the importance of serving our community. Over the past year the Department conducted an employee food drive, donating a total of 2,176 items of food to Arm-in-Arm Food Pantry of Trenton. In addition to collections at our main campus in Ewing, similar drives were conducted at our regional offices in Mt. Arlington and Cherry Hill benefiting Market Street Mission in Morristown and the Food Bank of South Jersey. Since 2018, the Department has collected and donated over 10,000 items of food for those in need.

There is no denying that COVID has impacted the Department as it has all the Departments of State government. But not unlike the many challenges we have faced before, the team rose to this challenge and marched on. A Department that is not steeped in technology, our IT Division worked tirelessly to convert invoice and estimate processing to an electronic format – something that will stay in place long after the pandemic subsides. The process will be enhanced to provide better invoice tracking with the goal of quicker payment processing.

I am pleased to announce another technology advancement – AdTrack. AdTrack is an ecommerce solution for outdoor advertising permits. It allows customers to submit applications, make payments, receive approval for sign permits, process renewals, and track the status of permit applications online. With more than 250 new outdoor advertising applications and 6800 renewals each year, this new solution streamlines the process for customers and creates operational efficiencies for the Department – saving time and money for everyone – that is good business. I

am anxious to offer the same service to our major access permit applicants – I hope to provide news on that the next time we are together.

In the most recent bridge condition report by the American Road & Transportation Builders Association (ARTBA), New Jersey is reported to have reduced the number of bridges in poor condition from 568 in 2016 to 502 in 2020. With a total of about 6,800 bridges in New Jersey, that means about 93 percent of New Jersey’s bridges are in good or fair condition. This is in no small part due to an increase in the Local Bridges Grant Fund from \$25 million to \$47 million.

The riding condition of our roads has also improved significantly since 2018. In the past three fiscal years, NJDOT has resurfaced 2,525 lane miles of highways – including some of our major Interstates – I-78, I-287, and I-295. While it may be hard to believe, that new pavement has helped reduce the number of potholes we have had to repair. In 2018, we repaired 227,500 potholes. In 2020, that number was down to 142,000. Although many of our roads are in good shape, harsh winters like the one we just had are rough on our highways, and our crews will continue to be out there making repairs where needed.

Keeping our infrastructure in a state of good repair is essential to maintaining a strong economy where people and goods can move easily. This is even more important in New Jersey, home to the largest port on the east coast and a critical corridor state for both freight rail and truck traffic.

The investments we make today in New Jersey’s transportation infrastructure will help us foster the commercial development for decades to come. It will help create new employment opportunities, thus improving the quality of life of countless people throughout our great state.

As many of you know, in FY2021, NJDOT embarked on an aggressive capital program with the goal of kick-starting New Jersey’s economic recovery. The Department advanced an additional \$600 million of transportation investment. The Department will award 126 construction contracts totaling \$1.3 billion. The Capital Program Management (CPM) Division will award 53 contracts worth \$850 million by June 30, 2021. The Transportation Operations Systems and Support (TOS&S) Division will award 69 projects totaling \$430 million by June 30, 2021. As of March 31, 2021, CPM has advertised or awarded 30 contracts totaling \$545 million, and TOS&S has advertised or awarded 51 maintenance, operations and mobility contracts totaling \$312 million. We are confident we will award the balance of the program by June 30, 2021, but no later than the close of the federal fiscal year.

FY2022 programming will return to annual amounts of \$810 million, and will build upon FY21’s strong program.

Our project delivery over the past 3 years has been recognized by the Federal Highway Administration. In each of the last 3 years, the Department has received increasing amounts of federal redistributed funds. For the years 2018-2021, NJDOT has received \$280 million in federal redistribution. Compare this to the period 2010-2017 when the Department received a total of only \$143 million over that 8-year period. The Department will continue to be aggressive in its application for redistributed funds.

As part of the 2016 Transportation Trust Fund Reauthorization, the transportation side of the New Jersey Infrastructure Bank was created. The Department provides \$22.6 million annually to seed the funding of projects. To date, 13 loans totaling \$49,517,976 have closed, with five loans pending for another \$26,748,922.

From time to time I read opinion pieces online calling for the Department to get on the same page with the Governor regarding efforts to stem the affects of climate change. Let me say this very clearly – the New Jersey Department of Transportation stands squarely behind the Governor’s clean energy goals. Whether it is working with the New Jersey Department of Environmental Protection on green infrastructure, the Board of Public Utilities on the Energy Master Plan or the Interagency Council on Climate Resilience and the NJ Council on the Green Economy, on statewide issues of green job development and infrastructure planning, the Department is ready to do its part. Today, the four statewide transportation agencies – NJDOT, NJ Transit, NJ Turnpike Authority and the South Jersey Transportation Authority have collaborated on the development of an electric vehicle charging infrastructure to convert our light duty fleets with a standardized charging infrastructure. We are ahead of schedule for this conversion.

We are most proud to be a part of the Governor’s wind energy initiative – the Department is ready to assist in the Wind Port project through its infrastructure and maritime resources needs. It is a privilege to be a part of this pivotal time in New Jersey’s energy production industry.

Two quick updates:

Many of you have read reports of a retaining wall failure on the I-295 Direct Connect project. The failure occurred on the morning of Thursday, March 25, 2021. The Department has retained an engineering firm to conduct an independent forensic analysis as to cause. I have committed to open and transparent communications with the members of Legislative District 5 throughout the process of determining cause and rebuilding the structure.

Lastly, the Department has heard from many members concerning litter. During COVID many routine maintenance activities were suspended in order to keep our maintenance crews separate and healthy to be available for emergency response whether on the road or as the result of weather. If there was a response that would allow, we would conduct litter patrol at the same time. With the good weather upon us and more employees getting vaccinated we will be working hard to catch up and clean up.

It is always a privilege to come before you to speak on behalf of the Department and its good work. I especially want to thank Governor Murphy for his unwavering support of transportation. Without his leadership and confidence none of what I have reported would be possible.

As I close, I would be remiss if I did not mention National Work Zone Awareness Week. I remind everyone of the importance of moving over 1-lane when you see emergency vehicles on the side of the road, and that you obey posted speed limits in construction work zones. Let’s make sure everyone goes home every night.

Again, many thanks and I look forward to your questions.