



NEW JERSEY DEPARTMENT OF TRANSPORTATION

COMMISSIONER DIANE GUTIERREZ-SCACCETTI
NJ Assembly Budget Committee
FY2024 Testimony
May 3, 2023

Good afternoon, Chair Pintor-Marin, Vice Chair Wimberly, and members of the Assembly Budget Committee.

I could make it really brief and tell you everything is fine for the interest of time, if you like.

Thank you for the opportunity to appear before you today to provide an update on the critical work the New Jersey Department of Transportation is doing and our outlook for FY24.

Primary members of the NJDOT team with me today are Joseph Bertoni, Deputy Commissioner; Justin Braz, Assistant Commissioner of Transportation Policy and Chief of Staff; and Chuck Maciejunes, Acting Chief Financial Officer.

Under Governor Murphy's leadership, the Department has undertaken an historic level of infrastructure investment that provides the foundation for a safe, efficient, and equitable multimodal transportation system.

We are using innovative technology to improve the quality of our work, meet the challenges posed by climate change, build resiliency projects and reduce our carbon footprint. The State's transportation infrastructure helps to power our economy and improve the quality of life for all New Jerseyans and those who travel through it – whether by car, truck, rail, bus, boat or plane, or on foot.

Capital Program

In FY22 the Department awarded 107 construction contracts with a total value of \$876 million, and 164 consultant selections for design and inspection work, for a total of \$336.5 million.

Year to date for FY23, 98 construction contracts have been awarded, released for bid, or are currently advertised, at an estimated total of \$688 million. By the close of the fiscal year, the Department is confident that it will have awarded the projected 112 contracts at a value of \$1.1 billion.

Also, by the end of FY23, we will have made 151 consultant selections at a total of \$249.7 million. These consultants will help to keep our project pipeline moving at full speed.

Design-Build

Design-Build is an alternative project delivery method that manages certain risks, reduces overall project schedules, provides opportunities for innovation, and gives us the ability to effectively manage a variety of project types.

Design-build can expedite project delivery by allowing design and construction to take place concurrently. The typical Design-Bid-Build process takes more time because every aspect of a project's design must be completed before construction begins. Design-Build benefits the public by reducing project duration, thus mitigating travel impacts, and maximizing the use of resources and the project budget.

Staff Augmentation

One way the Department is ensuring project delivery is through the use of Staff Augmentation. Consultants have been deployed to perform a range of tasks as an extension of staff. Our newer employees will eventually have the skill to perform these tasks as they gain knowledge and experience.

In FY23, we awarded 19 staff augmentation contracts and expect to have one more solicitation before June 30 that will select up to five firms. These agreements support many areas within the Department and are essential to the programming of the increase of federal funding resulting from the Infrastructure Investment and Jobs Act.

Recruitment Efforts

While Staff Augmentation is useful to help keep our project pipeline moving, the Department is still focused on the recruitment of the next generation of transportation professionals, as well as investing in and developing our existing NJDOT team.

In Calendar Year 2022, the Department hired almost 400 new and full-time employees and more than 100 part-time and seasonal employees. To find the best and the brightest young minds, the Department's Talent Acquisition team participated in 34 Recruitment and Outreach Events in the Fall of 2022. We went to colleges, universities, vocational schools, community organizations and targeted recruitment events focused on women, minorities, veterans, individuals with disabilities, and other underrepresented groups.

We have connected with more than 625 potential candidates at these events, and this spring we have already attended an additional 12 recruitment events, including two at vocational schools and two specifically for veterans, with more scheduled.

Our goal is to continue to grow a talented pipeline of candidates that reflects the diversity of the State of New Jersey and the customers we serve each day. We strive to be a department that attracts the best and brightest.

And our efforts have not gone unnoticed. New Jersey Institute of Technology recognized NJDOT as their 2022 Best Public Sector Partner and DiversityJobs.Com named the Department as a 2023 Top Diversity Employer. Although we are still experiencing higher than average

attrition rates, we are slowly closing the gap to reach our pre-pandemic vacancy rate of only five percent.

Professional Engineering Design Experience Program

Whenever possible, we like to promote from within and provide opportunities for our employees to develop their skills on the job. Nothing beats hands-on, experiential learning, and that's the motivating idea behind the Department's Professional Engineering Design Experience – or PEDE.

PEDE is a mentoring program that offers engineering employees, who do not currently have design work responsibilities, the opportunity to gain the design hours necessary to sit for the professional engineers licensing exam.

They do this by working alongside their PE-licensed colleagues. For mentors, PEDE provides an opportunity to share institutional knowledge with other NJDOT engineering staff who are eager to evolve their skillset. For mentees, this offers a practical and attainable way to achieve a PE license and further their careers.

Since the program's inception in 2019, eight NJDOT employees have earned their Professional Engineer license on the job, mentored by some of the finest PEs in the field: their colleagues.

Currently, there are 14 mentors and 38 mentees enrolled in this program. This accomplishment is consistent with the Governor's goals of developing a well-credentialed, well-trained workforce.

Field Training

The PEDE program is just one example of the training and opportunities made available to our employees to advance their skillsets and careers. The Department offers a wide variety of training and career development opportunities to all levels of staff, with a particular emphasis on new employees.

For example, we have partnered with several agencies – NJ TRANSIT, Rutgers University, and Occupational Safety and Health Administration, to name a few – to provide both online and in-person training courses to new and existing employees.

Most importantly, the Department holds mandatory classes on work zone safety for all NJDOT maintenance crews. Every three years work crews are required to take a refresher course. Many of our staff also participate in Rutgers University's Traffic Control Coordinator Program. The NJDOT Safety Manual and these educational courses equip NJDOT employees with the information they need to create and maintain a safe work zone.

Bordentown Training Facility

We recognize that modern and effective training is the foundation of excellence at NJDOT, which is why we are committed to creating a professional, technical work force. The commitment includes investing in training facilities where our employees can learn the skills

they will need on the job. Later this month, we will open our state-of-the-art Bordentown Training Facility. We have transformed a former National Guard facility built in the early 1950s into a 21st century learning facility with high-tech classrooms, as well as labs for hands-on technical training.

This facility is a combined location where trades and engineering professionals can train together. Designed to support multiple career progressions for our labor force, it is a one stop shop for roadway technical training.

We are very proud of this new facility and are excited for our training teams to begin acquiring real world experience.

Local Aid

For NJDOT's Local Aid and Economic Development Division, FY23 has been record-breaking. Our Municipal Aid program awarded \$161.3 million to 553 applicants, marking the first time every municipality that applied was awarded a grant.

I must thank Governor Murphy and the Legislature for the additional \$24 million in funding for our Bikeways, Safe Streets to Transit, and Transit Village grants this year. Together, these three programs improve the quality of life for residents by encouraging people to get out of their cars to walk, bike, and use mass transit.

The increased funding means a record number of towns received grants. For FY23 alone, there are 45 different municipalities and two counties receiving a total of 56 grants through this program. This means more communities across our state have the funding they need to promote alternate forms of transportation and ensure a safer, more equitable transportation network.

Normally, each program has \$1 million available each year. With the extra funds we were able to grant \$13.4 million in Safe Streets to Transit grants; \$8.4 million for Bikeway grants; and \$2.9 million in Transit Village grants in FY23.

Since 2018 the Division of Local Aid and Economic Development has processed 5,340 grant applications totaling more than \$2.9 billion and serving approximately 1,000 customers per month through the Local Aid Resource Center website.

In addition to grant management for local transportation projects, the Local Aid Resource Center provides support and technical assistance to counties and municipalities to help them facilitate those projects.

Investments Paying Off

All of us here today recognize that transportation is an essential aspect of our state's infrastructure and economy. Investments in infrastructure result in tangible improvements that enhance the quality and experience of traveling through New Jersey. Today our roads and bridges are in better condition than they have been in years. Several years ago, NJDOT set a goal

that 80 percent of our roads would be in good or fair condition. I'm happy to report that we have met that goal.

Today, 81 percent of New Jersey's roads are in good or fair condition—in 2008, that number was only 47 percent.

We've also improved the condition of bridges in the state. Today, approximately 94 percent of bridges in New Jersey are in good condition.

This means 6,348 bridges out of 6,787 bridges are in good condition. That's 140 more bridges in good condition than when the Murphy Administration took office. While we have made significant improvements, there is still work to be done. In addition to keeping our roads and bridges in good condition, we are also working to ensure our drainage systems are modernized with upgraded materials.

We are in the process of building an inventory of all corrugated metal pipe on NJDOT facilities. This inventory will allow staff to prioritize the repair and replacement of aging pipe with longer lasting concrete pipe. This will give us the ability to address aging infrastructure concerns before they become a problem and avoid emergency road closures and repairs.

Infrastructure Investment and Jobs Act

We are now in year two of the five-year federal Infrastructure Investment and Jobs Act, or IIJA. The Department has successfully programmed all five years of the additional federal apportionments that are provided under IIJA into the Department's Capital Program. IIJA also includes \$1.14 billion for a new program to fund bridge replacements and repairs over five years. These funds have been programmed in future years to address needed repairs to state-owned bridges.

Beyond funding, IIJA provides the Department with security. Knowing what funds will be provided through FY26 allows us to proceed confidently with our project pipeline.

In addition, the Department won two federal, IIJA-supported grants totaling \$46 million for the construction of two drainage projects: one in Atlantic County on Route 40 and the other on Route 7 in Kearny.

Climate Change and Resiliency

Extreme weather is becoming more common place, which means the transportation industry must consider methods to build resiliency into our projects to ensure our infrastructure can withstand whatever Mother Nature throws at us.

The IIJA funds provided through FHWA introduced two new formula programs related to climate change and resiliency. The Carbon Reduction Strategies apportionment provides funding for the development of carbon reduction strategies and projects to deliver on those strategies. The other new apportionment fund is called PROTECT, which stands for Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation, provides funding for at-risk coastal infrastructure improvements and evacuation routes. Under both apportionments,

the Department will work with Federal Highway Administration to develop approved uses of these new funds.

As part of Governor Murphy's vision for a more resilient and sustainable New Jersey, the Department has advanced several initiatives this past year that will help make that vision a reality. A Resiliency Working Group has been established to develop tools to inform our project design process and enhance our maintenance practices to ensure climate change mitigation and resiliency techniques are built into all that we do.

Significant progress has been made on implementing a test of our Climate Hazard Tool. Developed by Rutgers University, this tool will identify climate risks such as sea level rise and temperature rise across the state's geography so that project design can be sensitive to higher risk regions and mitigation strategies employed.

NJDOT is also actively involved with Governor Murphy's Interagency Council on Climate Change Resilience, ensuring our internal actions are consistent with the recently released State of New Jersey Climate Change Resilience Strategy developed by the Council. NJDOT is committed to continued collaboration with our partner agencies to find environmentally beneficial approaches to maintain our transportation system in a safe, efficient state of good repair.

IJA also makes it possible for NJDOT to promote infrastructure that will support electric vehicles. The Infrastructure Investment and Jobs Act allocates \$7.5 billion for the expansion of an EV charging network. New Jersey expects to receive about \$104 million over five years for these efforts. In accordance with FHWA guidance, these funds will be used to build out an electric vehicle charging network on New Jersey's portion of the interstate system with chargers placed no more than 50 miles apart and no more than 1 mile off the interstate system, similarly to how other off-interstate services are located. We will work with bordering states to ensure that the distance requirements are maintained even as motorists cross state lines.

Under a different initiative, the four state transportation agencies – including NJDOT, NJ TRANSIT, South Jersey Transportation Authority, and the New Jersey Turnpike Authority – will have converted approximately 40 percent of our light duty fleet to electric or electric plug-in hybrid vehicles by 2025. Specifically, the Department plans to convert 88 light duty vehicles. The good news is we have fulfilled almost 60 percent of our goal already and expect to surpass this goal before the deadline.

And sometimes, the smallest actions can help us reach sustainability. Protecting our pollinator species in the Garden State is a good example. In the past year, four new pollinator habitat locations have been established along our highways. These patches of native wildflowers and shrubs provide essential food, pollen, and shelter that bees, butterflies, and other pollinators need to thrive and survive. In addition, pollinators support healthy ecosystems that clean the air, stabilize soils and support other wildlife.

Foamed Glass Aggregate

As the effects of climate change, sea level rise, and increasingly severe weather continue to impact New Jersey, resiliency projects will become even more important. We cannot control Mother Nature, so we are doing more to build resiliency into our projects and to safeguard our

infrastructure for the future. Not just a few years into the future ... but for decades to come. For that to happen, we must look in new directions, towards new innovations, and even towards new materials

The Department recently started using ultra-lightweight foamed glass aggregate made from 99 percent recycled glass bottles. It is up to 85 percent lighter than traditional aggregate, which makes it a good material for projects that require fill on soft soils, areas with underground utilities, and embankments.

An example of a project that used foamed glass aggregate is the Route 7 Wittpenn Bridge project. 32,000 cubic yards of foamed glass aggregate was used, repurposing more than 27 million bottles.

We are also exploring the use of porous concrete sidewalks to increase the amount of permeable surface area and allow for better drainage. This material allows water to pass directly through pavement, naturally filtering storm water, and reducing pollutants entering ponds, streams, and rivers.

These are just two examples of how NJDOT is innovating and investing in a more sustainable future.

At NJDOT, we are addressing climate change, pioneering the use of new safety devices, funding airports, rail and truck freight infrastructures, dredging maritime channels, and building world-class highways, while at the same time ensuring our roads are in a state of good repair.

We continue to support today's critical transportation infrastructure needs while laying the foundation for the next generation of transportation advancements in the State of New Jersey.

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

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