

## **NEW JERSEY TRANSPORTATION TRUST FUND AUTHORITY**

Minutes of the meeting of the New Jersey Transportation Trust Fund Authority (“Authority” or “NJTTFA”) held via GoToMeeting from the Office of the Commissioner in the Main Office Building of the New Jersey Department of Transportation, 1035 Parkway Avenue, Trenton, New Jersey on January 21, 2021 at 11:00 AM (EST).

The following Authority members were present:

- Diane Gutierrez-Scaccetti, NJTTFA Chairperson, Commissioner, New Jersey Department of Transportation
- Michael Kanef, NJTTFA Treasurer (Director, Office of Public Finance, New Jersey Department of the Treasury / Designee for the Honorable Elizabeth Maher Muoio, New Jersey State Treasurer)
- Robert A. Briant, Jr., NJTTFA Public Member
- Gregory Lalevee, NJTTFA Public Member
- John J. Duthie, NJTTFA Public Member

Constituting a quorum of the Members of the Authority.

There were also present:

- Lewis Daidone, NJTTFA Executive Director; Assistant Commissioner Finance and Administration, NJDOT
- Samuel Braun, NJTTFA Comptroller; Office of the Assistant Commissioner, Finance and Administration, NJDOT
- Jackie Brown, NJTTFA Secretary; NJDOT
- Naileen Rodriguez, NJTTFA Assistant Secretary; NJDOT

- Aimee Manocchio Nason, Deputy Attorney General, NJ Attorney General's Office
- Susan Wilkerson, Deputy Attorney General, NJ Attorney General's Office
- Joy Johnson, Governor's Authorities Unit
- Joseph Bertoni, Deputy Commissioner, NJDOT
- Andrew Tunnard, Assistant Commissioner, Transportation Operations Systems & Support, NJDOT
- Michael Russo, Assistant Commissioner, Planning, Multimodal, & Grants Administration, NJDOT
- Snehal Patel, Assistant Commissioner, Capital Program Management, NJDOT

Chairperson Gutierrez-Scaccetti presided at the meeting and Jackie Brown, Authority Secretary, kept the minutes.

Chairperson Gutierrez-Scaccetti convened the meeting at 11:11 AM. She made the following statement: *"I wish to announce that adequate notice of today's meeting of the New Jersey Transportation Trust Fund Authority has been provided in accordance with the Open Public Meetings Act. Notice was filed with the Secretary of State. This notice was e-mailed and mailed to five [5] newspapers of general distribution (The Trentonian, Trenton Times, Courier Post, Star Ledger, and the Atlantic City Press); posted on the Authority's website and posted in the main entrance of the New Jersey Department of Transportation's Headquarters."*

Secretary Jackie Brown called the roll. The following acknowledged their presence: Diane Gutierrez-Scaccetti, Robert Briant, Jr., John Duthie, Gregory Lalevee, and Michael Kanef.

Secretary Jackie Brown acknowledged to Chairperson Gutierrez-Scaccetti that a quorum was present.

Chairperson Diane Gutierrez-Scaccetti stated that because this is a virtual meeting, members of the Board should identify themselves before making or seconding any motions. She also asked if there were any members of the public that would like to speak to please identify themselves and could express their comments or questions at this time. There were no comments or questions from the public.

Chairperson Gutierrez-Scaccetti called the first order of business by requesting a motion to approve the minutes of the Authority's Board meeting held on November 19, 2020.

Gregory Lalevee moved to approve the following Resolution approving the Authority's November 19, 2020 meeting minutes:

***WHEREAS**, Article II, Section 2 of the By-laws of the New Jersey Transportation Trust Fund Authority (the "Authority") provides that the minutes of actions taken at the meetings of the Authority be approved by the Authority.*

***NOW, THEREFORE, BE IT RESOLVED**, that the minutes taken at the meeting of November 19, 2020 of the New Jersey Transportation Trust Fund Authority are hereby approved.*

The motion was seconded by John Duthie and adopted on a call of roll as follows:

AYE: 5

NAY: 0

ABSTAIN: 0

ABSENT: 1

Chairperson Gutierrez-Scaccetti declared said motion carried and the Resolution was adopted.

For the next order of business, Chairperson Gutierrez-Scaccetti turned the meeting over to Executive Director Lewis Daidone to update the Board on the revisions to the Fiscal Year 2020 audited financial statements (“Financial Statements”).

Executive Director Daidone stated that the Financial Statements were revised because the Accounts Payable and State Transportation Cost amounts that the Office of Management and Budget (OMB) provided to the NJTTFA for inclusion in the Financial Statements were understated. As a result, the Financial Statements needed to be adjusted. The adjustment resulted in an increase to the Accounts Payable balance and related Transportation Cost expense of \$19.6 million. The Financial Statements now reflect Accounts Payable of \$69.24 million and Transportation Costs of \$1.76 million.

Executive Director Daidone also noted that on January 15, 2021 an Audit Committee meeting was held with the NJTTFA’s Executive Director, Comptroller and auditor, Mercadien, to review and discuss the need for the revisions to the Financial Statements. Mercadien informed the Audit Committee of additional audit steps they would establish to ensure that the information provided by OMB related to expenses and payables was accurate. At the conclusion of the meeting, the Audit Committee approved a motion to inform the NJTTFA Board Members of the revisions to the Financial Statements.

Executive Director Lewis Daidone asked if the Board Members had any questions or further discussion on this matter. Hearing none, the discussion concluded.

Chairperson Diane Gutierrez-Scaccetti stated the next order of business is a presentation by the Assistant Commissioners on the capital plan. She asked Lewis Daidone to start the discussion.

Assistant Commissioner Daidone stated that the State Fiscal Year (SFY) 2021 Transportation Capital Program provides the planned capital expenditures for the NJ Department of Transportation and NJ Transit. He noted that due to the COVID-19 pandemic, the SFY 2021 Capital Program was divided and appropriated in two separate legislative sessions: July 1, 2020 and October 1, 2020. Assistant Commissioner Daidone gave the Board an overview of the \$4.3 billion Capital Program and explained it is primarily funded by the State Transportation Trust Fund (TTF) and federal resources. He then gave a brief breakdown of funding for NJDOT and NJ Transit. He then provided the Board members with the status of the NJDOT Capital Program as of December 2020 noting that NJDOT's Capital Construction Expenditures totaled \$1.1 billion; Construction Awards totaled \$223.4 million; and, Professional Service Awards totaled \$115 million.

Assistant Commissioner Daidone then turned the discussion over to Mike Russo, NJDOT Assistant Commissioner for Planning, Multimodal and Grants Administration (PMGA). Assistant Commissioner Russo gave a brief description of the four divisions within his area.

Assistant Commissioner Russo stated that NJDOT programmed approximately \$635 million in federal and State funds for Local Systems Support in SFY 2021. He provided a breakdown of the funding for Local Aid, Municipal Aid, and County Aid Programs. He also detailed other TTF funds planned for Local Aid Programs, Local Bridge Program, Local Freight Impact Fund, Local Aid Infrastructure Fund, Transit Village, Safe Streets to Transit, Bikeway Programs, and the NJ Transportation Infrastructure Bank.

Assistant Commissioner Russo indicated that eleven construction projects totaling \$47 million have either been completed or are underway since the Transportation Infrastructure Bank

closed on its first loan in December 2018. He noted that nine construction projects are currently in the design phase, for which loans are expected to close within the next three to six months.

Assistant Commissioner Russo further noted that federally funded programs such as the Safe Routes to School, Transportation Alternatives and Local Safety/High Risk Rural Roads are programmed on the Local System and detailed their funding amounts. He stated that in addition to the Local Aid Programs, PMGA's Multimodal Programs for SFY 2021 include the Rail Freight Assistance Grant Program, and the Maritime Transportation Systems for the dredging of State navigation channels. In conclusion, he noted that the Airport Assets investment category includes \$4.0 for the Airport Improvement Grants Program.

The discussion was then turned over to Andrew Tunnard, Assistant Commissioner for Transportation Operations Systems and Support (TOS&S). Assistant Commissioner Tunnard stated that typically TOS&S delivers an annual capital program of fifty projects valued at \$300 million. He noted that this year his area was also challenged to incorporate additional TTF supplemental funds as well as additional projects through the federal re-distribution process. This resulted in TOS&S's adjusted capital program increasing to sixty-eight projects valued at \$413 million.

Assistant Commissioner Tunnard gave an overview of the divisions within his area and the type of work they perform which includes maintaining over thirteen thousand lane miles of state roadways and more than two thousand-five hundred structures. He explained the types of contracts they utilize and how they are broken out regionally into North, Central and South. He stated his area focuses on infrastructure asset types such as: fixed and movable bridges, roadway, drainage, and electrical. He also explained that they use a work order system where issues or deficiencies are recorded.

Assistant Commissioner Tunnard continued by adding that his area works closely with the Division of Capital Program Management's pavement management unit to address roads that need resurfacing. This is done to address the pavement condition and to make sure we do not resurface a road if it is scheduled to be rebuilt in the near future as a Capital Project.

In conclusion, Assistant Commissioner Tunnard gave a breakdown of the number of projects for the following areas: Bridge Projects, Roadway Projects, Drainage Projects, and ITS/Congestion Relief/Security Projects. He also noted that his Support Service area has eleven Facility Capital Improvement Projects with a value of about \$40 million that are on track to be awarded in SFY 2021.

At this point in the meeting the discussion turned to Snehal Patel, NJDOT Assistant Commissioner for Capital Program Management (CPM). Assistant Commissioner Patel named the divisions within his area. He stated that with respect to the status of the Department-wide SFY 2021 Construction Awards, the original goal was eighty-six Construction Awards valued at \$907 million which consisted of Capital, Operational, Maintenance Repair, and Dredging Projects. He explained the Department amended this goal in September 2020, as additional TTF resources became available. The amended goal is one hundred, twenty-seven Construction Awards valued at \$1.3 billion for the SFY 2021.

Assistant Commissioner Patel stated that through mid-January the Department has delivered thirty-four Construction Awards valued at \$297 million. He noted that the delivery rate in the first half of this SFY 2021 appears to be slower than average. He explained that is partly due to the fact that, as part of the September amendment, all additional Construction Awards were to be added in the second half of the SFY 2021 due to the necessary time required for the design

phase of those projects; that amendment made this year's program unique, and top heavy in the second half.

In conclusion, Assistant Commissioner Patel noted that a few projects have been delayed and explained the various challenges that contributed to the delays. He stated that despite these challenges, and continued challenges due to the COVID 19 pandemic, the Department of Transportation is still optimistic on their amended goal and anticipates they will deliver the remaining ninety plus Construction Awards valued at about \$1 billion in the next six to eight months. He also detailed some of the noteworthy upcoming Capital Improvement Projects for his area that will be funded with TTF resources, including two Pulaski Skyway contracts and a nine-mile roadway pavement reconstruction and rehabilitation project within Camden & Burlington Counties.

At this time, Lewis Daidone asked if anyone had any questions. Robert Briant Jr. requested the Board Members receive details of the information provided by the Assistant Commissioners. Chairperson Gutierrez-Scaccetti stated that the information will be summarized and provided to the Members of the Authority. Chairperson Gutierrez-Scaccetti asked the Executive Director when the full Capital Plan was approved. Executive Director Daidone explained that the approval process was done in two parts: one in July and another session in October. He noted that the full project list was approved at the October 2020 session.

Chairperson Diane Gutierrez-Scaccetti asked if anyone had any questions or further discussion. Robert Briant Jr., as well and John Duthie, expressed their appreciation of NJDOT's efforts and the enhanced communications regarding the Capital Program and related information. Chairperson Gutierrez-Scaccetti noted that additional projects are expected to be added which is

good news. She also credited Gregory Laveve for suggesting ideas as to how to make these Board meetings more informative.

There being no further business coming from the Authority, Chairperson Gutierrez-Scaccetti requested a motion to adjourn the meeting. John Duthie moved that the January 21, 2021 meeting of the New Jersey Transportation Trust Fund Authority be adjourned. Gregory Laveve seconded the motion and adopted on a call of roll as follows:

AYE: 5

NAY: 0

ABSTAIN: 0

ABSENT: 1

The January 21, 2021 meeting of the New Jersey Transportation Trust Fund Authority ended at approximately 11:45AM.

Respectfully Submitted,



Jackie Brown  
Secretary of the Authority