

NORTH JERSEY TRANSPORTATION PLANNING AUTHORITY, INC.

PROJECT PRIORITIZATION COMMITTEE

*FREEHOLDER SUSAN ZELLMAN, CHAIRMAN
COUNTY EXECUTIVE DENNIS MCNERNEY, VICE CHAIRMAN*

MINUTES

June 26, 2006

I. Roll Call of Members

Committee Chairman Susan Zellman called the meeting to order at 10:15 a.m. There were seven voting members present. One more arrived later in the meeting.

II. Approval of Minutes

A motion to approve the minutes of the April 17th meeting was made by Hudson County, seconded by Middlesex County and approved with six votes. NJ Transit abstained.

II. Action Items

1. Approval of the NJTPA FY 2007 Self-Certification

Martin Hofler, Central Staff, explained that the Self-Certification requirement was established in 1993 to increase flexibility, reduce red tape and shift transportation planning responsibilities to the state and local governments while maintaining federal oversight. He said that by endorsing the resolution, the PPC certifies that the Transportation Improvement Program (TIP):

1. has a sound financial plan,
2. complies with the Civil Rights Act of 1964,
3. contains public transit facilities that can be effectively utilized by the elderly and handicapped,
4. is consistent with the Regional Transportation Plan, and
5. contains an air quality conformity determination.

The resolution also certifies that the NJTPA is the region's official MPO designated by the Governor; its planning process is cooperative; and there is an approved and adopted Unified Planning Work Program (UPWP) in place.

A motion to approve the resolution was made by Middlesex County, seconded by Hudson County and carried unanimously.

2. Approval of the NJTPA FY 2007-2010 TIP and the accompanying State Implementation Plan/TIP Conformity Determination

Mr. Hofler highlighted some elements of the draft TIP – a \$9.8 billion four-year program. He noted that the SAFETEA-LU legislation provides the option for a four-year TIP, which will be updated every year. He said the \$2.5 billion FY 2007 TIP is the largest ever. The Highway portion of the FY 2007 TIP received \$1.4 billion (56 percent) and transit \$1.1 billion (44 percent). Mr. Hofler also said that a comparison of the projects, by category, in the FY 2007 TIP with the Regional Capital Investment Strategy shows a close alignment.

Megan Schuster, Central Staff, reported that the NJTPA and the Interagency Consultation Group analyzed the TIP and Regional Transportation Plan to determine conformity for the pollutants PM^{2.5}, ozone and carbon monoxide. She said the region's PM^{2.5} levels were recently approved by the EPA and became effective June 23rd. Ms. Schuster said approval of the region's ozone and carbon monoxide budgets is imminent, according to the EPA. She said Board approval of the Conformity Determination will become effective on the date the emissions budgets are published in the *Federal Register*.

Mr. Hofler reported on the Public Comment process for the TIP. He said all comments received were addressed, documented and distributed to the Board and RTAC.

Ann Ludwig, Central Staff, distributed an addendum to the draft TIP. She reported that there were 43 changes made to the draft. The changes include two new projects and one new program:

- the South Amboy Intermodal Center, in Middlesex County;
- the Boonton Rail Yard, in Morris County; and
- the Rutgers Transportation Safety Resource Center.

Also, three projects were reverted to the PDWP, as they were not yet ready to begin design work:

- the Route 29, Guide Rail, North of Scudders Falls Bridge to Frenchtown, in Hunterdon and Mercer Counties;
- the Route 35, Heards Brook Drainage Improvements, in Middlesex County; and
- The Route 287, Middlesex/Somerset, Raritan River Crossing Needs Analysis, in Middlesex and Somerset Counties.

Ms. Ludwig said there were funding increases and decreases affecting 25 projects and programs. Also, there were minor shifts in funding amounts and sources that will affect two projects and three programs. Phase of work changes were made to two projects.

Sue Dziamara, Hunterdon County, expressed concern that the Route 29 project was dropped from the TIP and would have to compete again for reentry. Cliff Sobel assured her that, when the project is ready, the PPC likely would consider it with some level of priority.

A motion to approve the resolution was made by Middlesex County, seconded by Bergen County and carried unanimously.

3. Approval to Suspend the Solicitation of the FY 2007 NJTPA Local Scoping Program

Sascha Brathwaite, Central Staff, explained that slowing down the intake of Local Scoping projects would allow the use of the program's financial resources to address current needs and issues of the program. She said the \$2 million set aside for the program could also be used as contingency funding to cover any shortfalls and/or bid cost overruns for projects that have or are about to graduate from the program. Ms. Brathwaite said that Central Staff also recommends that a subcommittee be formed to reassess the program in order to find ways to address future funding needs. There was a suggestion from the floor that the subcommittee be selected at the next PPC meeting and consist of members from RTAC, county engineers, NJDOT engineers and members of local aid offices. Bergen and Somerset Counties volunteered for membership.

Mr. Hofler noted that the only federal funds that may be used for the program are STP or earmark dollars. Executive Director Joel Weiner suggested looking into the possibility of obtaining earmark and discretionary funds from Congress for these projects. Bob Bzik, Somerset County, noted how disheartening it is that a successful program that is heavily relied upon by the subregions must be suspended when more resources should be directed toward it. Mr. Hofler responded by saying the Local Lead Program began with \$6 million per year funding, which the Board of Trustees increased to \$20 million per year when Local Scoping projects became ready for construction. Last year, the Board upped the funding to \$34 million, and within the next two years the Local Lead program may require the entire Surface Transportation Program (STP) funding of about \$65 million. Additional resources, therefore, will not be available.

A motion to approve the resolution was made by Middlesex County, seconded by NJDOT and carried unanimously.

4. Approval of a Revised Procedure to Address NJDOT Project Bid Overruns and its Incorporation into the MOU for Amending and Modifying the NJTPA TIP/STIP

Martin Hofler, Central Staff, reviewed the steps already taken to achieve compliance with the Federal Highway Administration mandate that a process for addressing bid cost overruns be ready for implementation by September 30, 2006. A short-term solution of borrowing funds from donor projects listed in reverse chronological order by authorization date is currently in place.

Mr. Hofler outlined proposed changes to the Memorandum of Understanding that would define a long-term solution for funding bid cost overruns. Under this solution donor projects would be selected from the aforementioned list, but in two tiers. The first tier of donor projects would be those with authorization dates past the current fiscal year. If the amount of overruns made it necessary to select projects up for authorization in the current fiscal year, the second tier would be used. In both tiers, reverse chronological order of authorization would be used, with the additional condition that donor projects would be selected based on phase of work as well as authorization date. Donor projects would be selected in the following order:

1. Projects in design phase
2. Projects in right-of-way phase
3. Construction-ready projects

There was considerable discussion about the necessity of revising the MOU to include a formal procedure for reallocating project funding to cover bid cost overruns. The discussion revolved around the interpretation of the Federal Highway Administration directive to address the problem. Jerry Mooney, NJDOT, explained that the problem is already being addressed in the everyday ebb and flow of project movement, and amendment of the MOU is not needed. Central Staff perceives the directive as a charge to set up a formal procedure for project fund reallocation.

It was agreed that the issue was a question of whether or not the federal sponsors specifically require an amendment to the MOU, and that the FHWA should be invited to the table to clarify its requirements.

On behalf of the Somerset County Planning Board and Engineering Staff, Mr. Bizk provided four suggested changes for inclusion in the proposed Bid Cost Overrun Procedures:

1. The affected subregions are given the opportunity to give comments to the Executive Committee for proposed projects to be used as a funding source for a bid cost overrun.
2. Projects that are used a funding source be exempt from such use again for two consecutive years.
3. Safety projects should be exempt from being used as a funding source.
4. In selecting projects to be used as funding sources, special consideration should be given to the expiration of state and federal permits and/or authorizations in order to avoid future project delays.

Mr. Hofler said that he would review the suggestions for possible inclusion in the procedures.

A motion to table the resolution pending further consideration was made by Middlesex County, seconded by NJ Transit and carried unanimously.

5. Approval of the FY 2007 Local Safety Program Recommendations

Chris Hrones, Central Staff, provided a brief background of the program, which provides funds to counties and municipalities for improvement of dangerous conditions on county and local roads. The program focuses on vehicular and pedestrian improvements of critical need that can be completed within a short period of time. Mr. Hrones reported that eight applications were received from five subregions. He explained that projects are selected based on their ability to provide high impact safety improvements. They must be construction-ready and quick-fix in nature. Mr. Hrones reported that a technical review committee comprised of planners and engineers from the NJTPA and NJDOT reviewed all the applications and recommended three projects for implementation, totaling \$890,000 and fully funded by the FY 2007 Local Safety Program:

- Essex County - Springfield Avenue traffic signal improvements at three intersections in Irvington
- Hudson County - traffic delineators and driver feedback signs on Patterson Plank Road in Secaucus
- Union County - intersection improvements at Park and 7th Avenues in Plainfield

A motion to approve the resolution was made by Monmouth County, seconded by Bergen County and carried unanimously.

6. Approval of a Modification to the FY 2006-2008 TIP to Increase Funding for the Access to the Region's Core Project (ARC)

Mr. Hofler reported that NJ Transit is seeking to modify the 2006-2008 TIP by adding \$16.315 million to the FY 2006-2008 TIP for immediate utilization by NJ Transit for ARC. Dr. Jerome Lutin, NJ Transit, reported that the additional funding was needed to complete the draft Environmental Impact Statement, which is to be submitted to the FTA for publication. He noted that ARC is the highest priority transit project of NJ Transit and the NJTPA. Mr. Hofler pointed out that the increase in funding would not affect any other projects. The funding is derived from the FY 2006 Transportation Appropriations Bill and consists of federal transit earmarks and alternative analysis funds.

A motion to approve the resolution was made by Middlesex County, seconded by Hudson County and carried unanimously.

III. Other Item

It was noted that some subregions have experienced a lack of response when trying to ascertain the status of certain projects from NJDOT. There was discussion as to whether or not NJDOT project managers are permitted to give information directly to the subregions. Mr. Mooney said he would inquire into the matter, and Freeholder Zellman suggested communicating with Rick Hammer, the NJDOT director of project management.

Mr. Hofler reported that the NJTPA Critical Projects Program is not currently staffed and recruitment efforts are underway.

III. Next Steps

- Seek clarification from FHWA as to its requirements for setting up a procedure to address project bid cost overruns.
- Determine whether project estimates in the draft FY 2007 TIP have been updated to take higher costs in to account.
- Consider the changes to the Bid Cost Overrun Procedures that were proposed by Mr. Bzik for inclusion in the revision of the MOU.
- Establish a subcommittee for reassessment of the Local Scoping Program consisting of RTAC members, county engineers, NJDOT engineers and members of local aid offices.
- Contact NJDOT regarding the need to obtain project status information directly from project managers.

IV. Adjournment

A motion to adjourn was made by Middlesex County, seconded by Bergen County and carried by unanimous verbal acclaim. The meeting was adjourned at 12:03 p.m.

Project Prioritization Committee
ATTENDANCE
June 26, 2006

| V O T I N G M E M B E R S | |
|---|-------------------------------|
| Freeholder Susan Zellman, Chairman | Sussex County |
| County Executive Dennis McNerney, Vice Chairman | Bergen County |
| John Lane | Hudson County |
| Sue Dziamara | Hunterdon County |
| George Ververides | Middlesex County |
| Sayed Moafi | Monmouth County |
| Dr. Jerome Lutin | NJ Transit |
| Jerry Mooney | NJDOT |
| O T H E R S | |
| E. Wesley Day | Union County |
| Naomi Hsu | Jersey City |
| Bob Bzik | Somerset County |
| Walt Lane | Somerset County |
| Farouk Ahmad | Bergen County |
| Liza Betz | Union County |
| Kamal Saleh | Union County |
| Tom Drabic | Sussex County |
| Peter Vaughan | Warren County |
| Tamara Jolley | Meadowlink |
| David Dech | Warren County |
| Brian Wahler | New Jersey Turnpike Authority |
| Aiman El-Tohamy | Monmouth County |
| Joel Weiner | Central Staff |
| Karen Shannon | Central Staff |
| Cliff Sobel | Central Staff |
| Martin Hofler | Central Staff |
| Chris Hrones | Central Staff |
| Ann Ludwig | Central Staff |
| Lois Goldman | Central Staff |
| Mark Solof | Central Staff |
| Brian Fineman | Central Staff |
| Tracy Lockhart | Central Staff |
| Beverly Morris | Central Staff |