



NJ ASPHALT PAVEMENT ASSOCIATION NEWSLETTER

Issue: # 2022-2

April 2022

We continue our commitment to inform our members about important industry news and issues. To that end, we welcome story contributions, member highlights, and any suggestions to include newsworthy information.

Please contact Stacey Lindenmuth, staceyl@njapa.com, in the Association office if you have any press releases, company news or other information you would like to share with the Association.

NJAPA Participates in Fiscal Year 2023 NJDOT Capital Program Briefing

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NJAPA participated in a briefing on the FY2023 NJDOT Capital Program on March 31, 2022. The briefing was coordinated by the Governor's Office and presented by NJDOT Commissioner Diane Gutierrez-Scaccetti and other NJDOT Senior Staff.

New Formula Programs

New programs included in the Infrastructure Improvement & Jobs Act/Bipartisan Infrastructure Bill. No guidance or specific funding levels from Federal Highway Administration yet, NJDOT will include a placeholder in the Capital Plan and Budget document, so categories of funding are authorized when money is made available.

1. **Carbon Reduction Formula Program**

Funding for projects to reduce transportation emissions, or development of carbon reduction strategies.

2. **PROTECT Formula Program**

Funding for planning and construction of resiliency improvements, evacuation routes and at-risk coastal infrastructure. No more than 10% can be spent on planning, no more than 40% can be spent on construction of new capacity.

New General Fund Programs

New programs included in the Infrastructure Improvement & Jobs Act/Bipartisan Infrastructure Bill, funded with General Fund allocations.

1. **Bridge Formula Program (\$1.15 Billion)**

Replace, rehab, construct bridges on public roads

2. **National Electric Vehicle Formula Program (\$100 Million)**

Strategic deployment of EV charging infrastructure and development of interconnected network along designated alternative fuel corridors.

State Transportation Improvement Program/STIP- (Planning Document updated by Metropolitan Planning Organizations (MPOs))

Current STIP for NJ shows \$5.49 Billion from 2022-2026. Adding the IIJA funds shows \$6.883 Billion, an increase of \$1.4 Billion over 5 years. Adding \$1.15 Billion for new Bridge Formula and \$100 Million for EV charging provides top-line funding of \$8.1 Billion, an increase of \$2.6 Billion.

NJDOT Capital Program (developed annually and approved by State Legislature)

FY2023 Capital Program will total \$4.433.5 Billion, Program for FY2022 was \$4 Billion, \$2 Billion of which was Federal, FY2023 Federal allocation will be \$2.4 Billion.

State Resources available are as follows:

- NJDOT State: \$810 Million from TTF
- Local Aid: \$430 Million from TTF
- NJ Transit: \$730 Million from TTF
- Total Program Resources (NJ) = \$2 Billion

Federal Resources Include:

- NJDOT: \$1.4 Billion
- Local Aid: \$246 Million
- NJ Transit: \$716 Million
- Total Program Resources (Federal) = \$2.38 Billion

Other/Misc Funding sources add \$53.5 Million

FY2022 compared to FY2023 Capital Program by Capital Investment Category

<u>Category</u>	<u>FY2022</u>	<u>FY2023</u>	<u>Change</u>
Airport Assets	\$4.5	\$4.5	0
Bridge Assets	\$592.09	\$814.9	\$222.81
Capital Program Delivery	\$265.1	\$290.1	\$25
Congestion Relief	\$219.19	\$296.7	\$77.51
Local System Support	\$716.28	\$678.6	(37.68)
Multimodal Programs	\$91.29	\$77.3	(13.99)
Road Assets	\$441.53	\$576.8	\$135.27
Safety Management	\$78.85	\$109.4	\$30.55
Transp. Support Facilities	\$57.57	\$59.9	\$2.33
Totals	\$2,466.42	\$2,908.2	\$441.78

Notes and Observations

- The Commissioner made the point that IIJA will allow NJ to start planning a number of significant projects that would have never been funded without the increase from IIJA.
- Increase in Federal funding also allows re-allocation of State funding to traditional infrastructure including resurfacing and other pavement related work.
- Because of the overlap in Federal and State Fiscal years, need for MPO approval, STIP amendments and the addition of new projects, FY2023 will have more funding allocated to planning and design with more construction in the out years.
- NJDOT is focused on spending all available resources and applying for redistribution of funds from other states.
- Prior to IIJA, Capital program was somewhat constrained, new funding allows planned projects to remain on schedule, as well as allows for the acceleration and addition of new projects. This creates savings and thus more money for construction in the out years because projects will not be delayed and built at some future increased cost.
- NJDOT will begin to consider use of Project Labor Agreements with the first PLA project planned for Timber Creek/Route 130 Bridge.
- Projects of note added to 10-year Capital Plan include:
 - Route 71 Shark River Bridge, \$155 Million
 - Route 440, Route 95 to Kriel Street, \$147.5 Million
 - Route 9/35 Main Street Interchange in South Amboy, \$100.87 Million
 - Route 9W, Bridge over Route 95, 1&9, 46 & 4, \$69.98 Million
 - Trenton Amtrak Bridges, \$60.8 Million
- The Commissioner also made the point that the large-scale, mega-projects are what people ask about, however the IIJA funding will allow State funds to be used more efficiently on traditional projects including state of good repair paving work.

The DRAFT FY2023 Capital Plan as presented to the Legislature is available for review [HERE](#).

NJ Department of Transportation Recognized with Perpetual Pavement Award

NJDOT has been selected for a Perpetual Pavement Award, presented by the Asphalt Pavement Alliance. The Perpetual Pavement Award program accepts award nominations for projects

which are at least 35 years old, have not experienced a structural failure, received no more than four inches of newly added material over the previous 35 years, and have not been resurfaced more frequently than once every 13 years. NJDOT is being recognized for I-287 (MP 35.5 to MP 38.8), Both Directions, in Morris County. Congratulations to the NJDOT and congratulations to industry for continuing to deliver high quality, long lasting roadway improvements.

NJDOT Completes Third Quarter of Capital Program Award

As of April 1, 2022 which is the end of the 3rd Quarter for Fiscal Year 2022, NJDOT has awarded 63 construction contracts with a total contract value of \$461 million. NJDOT remains behind schedule in delivering their overall program and their paving program in particular, however based on planned advertisements, our discussions with NJDOT leadership and past performance we are confident that NJDOT will end FY2022 with a significant uptick in project lettings and awards.

Please see review of FY2022 comparative to prior years [HERE](#).

NJAPA Successfully Advocates for Mid-Month Price Adjustment for Asphalt & Fuel

Based on the recent volatility in fuel and asphalt binder pricing, NJAPA requested that NJDOT consider providing Bi-Weekly price adjustments for both fuel and asphalt on a temporary basis. NJDOT agreed to implement this new policy which has been effective since April 1, 2022. NJAPA is working to gain clarification and additional guidance from NJDOT about how they plan to implement this change in practice.

NJAPA Returns to Hosting Asphalt Plant Tours for Policy Makers

NJAPA has found great success in hosting Legislators, County Commissioners and other Key Stakeholders and Policy Makers at member plants and projects. These visits allow those entrusted with making decisions that impact our industry and our businesses to see first-hand the tremendous contribution we make to New Jersey's economy, environment and quality of

life. NJAPA works with plant ownership & management to schedule and plan these visits to make them educational and beneficial to our guests which limiting impact on production and operations. Most NJAPA producer firms have already volunteered to allow plant visits as a way to advance and advocate for policies which will benefit our industry as whole. Please e-mail StaceyL@njapa.com if your firm is willing to host a plant tour.

NJAPA Awards Dinner Scheduled for May 5, 2022

The NJ Asphalt Pavement Association is pleased to announce this year's Hall of Fame Inductees, Robert G. Meeker of Meeker Equipment and Chester "Chip" Ottinger, Sr. (posthumously), South State Materials.



Robert Meeker started his career in the asphalt industry in 1965. He founded Meeker Equipment in 1986. Bob's vision was to always treat others with respect and integrity

and aim to exceed customer's expectations in everything one does. Bob has worked in the asphalt industry his entire career and has always worked with state asphalt pavement associations for the betterment of the industry. Meeker Equipment has been a supportive and valued member of NJAPA since its inception.



Chester "Chip" Ottinger, Sr. After spending several years operating a small paving business in Red Bank, NJ, Chip, an Industrial Engineering Graduate of Lehigh University, co-founded South State, Inc. with his father in 1971. Under Chip's leadership, South State, Inc. blossomed into one of the most prominent asphalt manufacturing and road construction companies in South Jersey and continues to thrive today as a family owned and operated business. Chip also provided considerable support to the New Jersey construction industry serving as a chairman of the New Jersey Asphalt Pavement Association from 1984-1986.

The NJAPA Awards Reception will be held on Thursday, May 5, 2022 at The Wave Resort in Long Branch, NJ starting at 6:00 pm. To register [click here](#).
Congratulations to Robert and to the family of Chip on this well-deserved honor!

Upcoming Meetings and Events

May 5, 2022 - NJAPA Awards Reception, The Wave Resort, Long Branch, NJ

May 16-18, 2022 - 2022 Transportation Construction Coalition Fly-In, Washington, DC

June 2, 2022- NJAPA Executive Committee/Board of Directors Meeting, Forsgate Country Club, Jamesburg, NJ

July 10-13, 2022 - NAPA Mid-Year Meeting - The Ritz Carlton Bacara, Santa Barbara, CA

December 1, 2022 - NJAPA Holiday Luncheon, Galloping Hill Golf Course, Kenilworth, NJ

Contact the NJAPA office if you have any questions.

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