

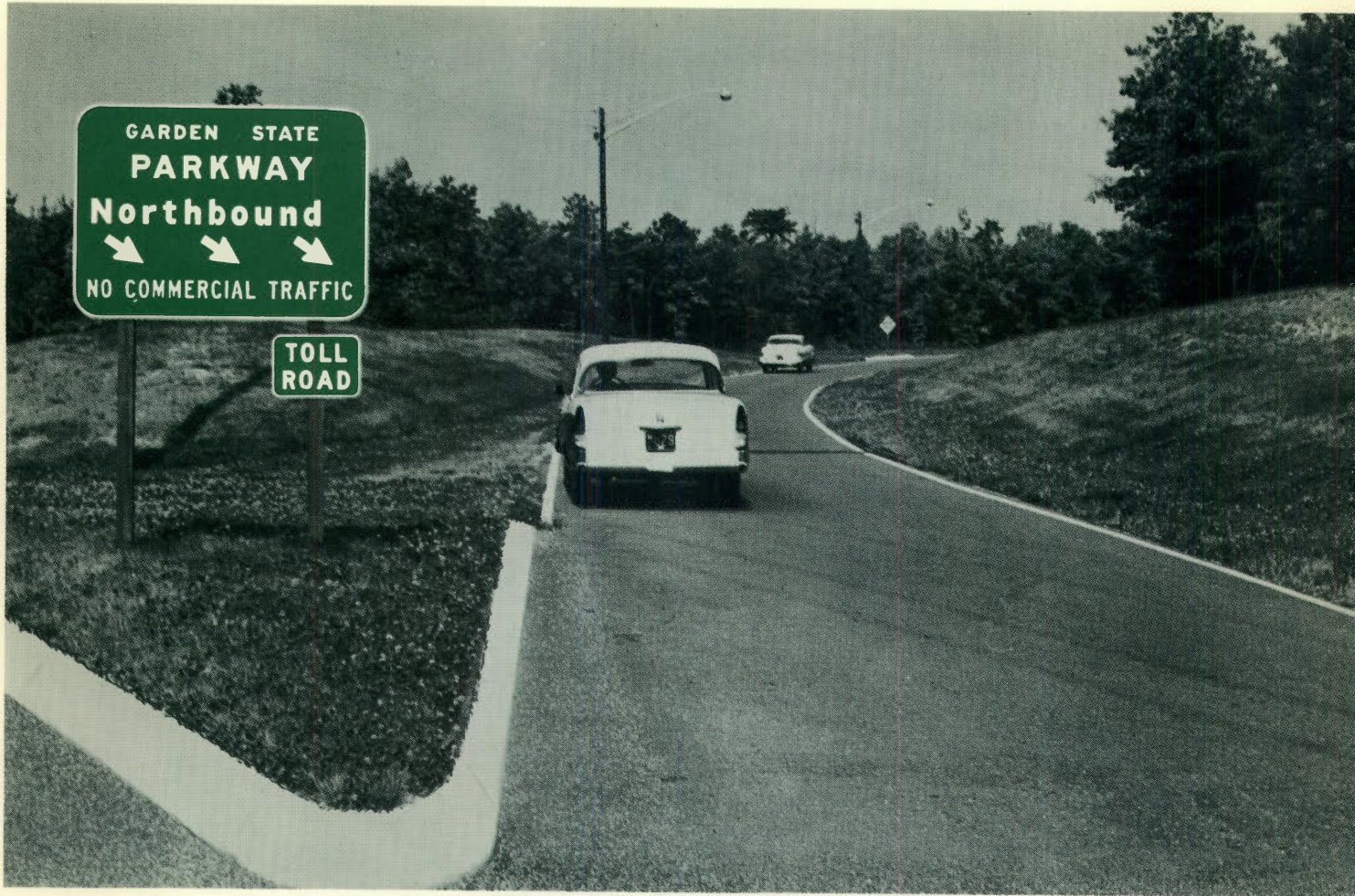
Garden State Parkway



1956 **ANNUAL REPORT**

NEW JERSEY HIGHWAY AUTHORITY







1956

Fifth ANNUAL REPORT

NEW JERSEY HIGHWAY AUTHORITY

created by Act of State Legislature on April 14, 1952 and chartered to construct & operate the

GARDEN STATE PARKWAY

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Feeder Road



Garden State Parkway

New Jersey Highway Authority

12 BROAD STREET, RED BANK, N. J.

D. LOUIS TONTI
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JOHN B. TOWNSEND
Vice Chairman-Secretary
SYLVESTER C. SMITH, JR.
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**The Honorable Robert B. Meyner, Governor,
and the New Jersey State Legislature:**

In compliance with Chapter 16 of the Laws of 1952, the New Jersey Highway Authority submits herewith its fifth annual report.

The Garden State Parkway during 1956 maintained its position as a self-supporting facility and one of the safest highways in the nation.

In meeting all obligations from current revenues during the first calendar year of full operation, the Parkway established itself as a going concern. There was a greater than 22 per cent increase in toll revenue between the last half of 1956 and the corresponding period of 1955 when full operation began.

On the yearly basis, toll revenue was up more than 30 per cent over 1955. Toll receipts totaled over \$12,250,000 during 1956. The audited financial statements starting on page 28 of this volume present a full report on income and expenditures.

The scheduled opening of a connection with the New York State Thruway this Summer is expected to generate greater revenue traffic along the full length of the Parkway. The opening of gigantic shopping centers in Bergen and other counties is also expected to boost the Parkway's earning power.

While operation of the Parkway dominated the past year's performance, design and construction continued to play big parts:

1. The 1 1/5-mile crossing of Great Egg Harbor Bay between Cape May and Atlantic Counties—last link in the 164-mile Parkway—was opened to traffic May 26th. That structure completed the minimum Parkway project as defined in the General Bond Resolution.

2. The Brookdale Service Areas at Bloomfield were completed to add to food and fuel facilities previously available; the network of roads within the scenic-historic Telegraph Hill Park area was paved and generally improved to accommodate Parkway motorists; and the stabilization of slowly settling stretches of roadway, as anticipated, through the Cheesequake and Matawan meadowlands was started.

3. The major construction project was that of the Thruway Feeder Road, a 9 1/2-mile link extending northerly from the Parkway's present northern terminus at Route 17, Paramus, to the N.J.-N.Y. state line. The feeder road is to connect at the state line with a new spur of the New York State Thruway. Both connecting links are now well under construction and are scheduled to be ready for traffic by next July.

On January 18, 1956, the Authority entered into an agreement with the New York State Thruway Authority for the prompt, coordinated construction of the connecting links. The agreement was formally signed by Chairman White and Thruway Authority Chairman Bertram D. Tallamy at Ridgewood on February 1.

Following receipt of a favorable feasibility report late in 1955, the Authority obtained



short-term loans from one New York and thirteen New Jersey banks to pay for immediate work on the feeder road and increased costs in the basic Parkway project. The temporary financing was necessary pending completion of the minimum Parkway project.

Ground was broken May 1st for the Thruway Feeder Road.

After completion of the minimum Parkway project May 26th, the Authority proceeded to permanent financing. The public offering of \$25 million general revenue bonds was originally set for July 10th, but was postponed due to unfavorable market conditions. Subsequently on October 18th, the Authority sold two issues—one to finance the \$17 million Feeder Road and the other to cover \$8 million increased costs in the basic Parkway project—at a net interest cost of 4.4530 per cent.

The Authority decided to accept a lone bid on the issues after being advised that tax-exempt bond market conditions might worsen rather than improve before the November 15th deadline for redemption of the temporary notes. A 60-day extension had been granted once from September 15th by the 14 banks.

The Authority notes that an estimated \$2,200,000 will have been saved in the construction of the Thruway Feeder Road by virtue of the short-term loans obtained early in the year. Such loans enabled the Authority to take full advantage of the more favorable construction and property prices then prevalent. The rising costs of construction and right-of-way acquisition had been accurately forecast by engineering staff and consultants.

The original license for operation of the Authority restaurants at Parkway service areas expired Oct. 31st. In anticipation of that date, the Authority last Summer asked for separate competitive bids on northern and southern restaurant operations. In seeking to divide the Parkway food concession between two firms, the Authority was interested in offering greater variety and service to motorists.

On September 20th, the Authority awarded operating licenses to Walter Reade, Inc., for the four southernmost restaurants and to Howard Johnson, Inc., for the three northern sites.

Under terms of the 27-month licenses starting November 1, Howard Johnson will pay the Authority 16.4 per cent of its gross Parkway restaurant receipts and Walter Reade will pay 16.25 per cent of its total receipts. Howard Johnson, which had the original concession at all Parkway restaurants, paid 15.5 per cent of gross sales under terms of that license.

The Howard Johnson firm has given the Authority an annual minimum guarantee of \$207,544, and the Walter Reade group has stipulated a yearly minimum of \$157,231.

In accordance with the provisions of the General Bond Resolution, the General Engineering Consultants reviewed the Parkway's toll structure in the light of the 1955 experience and recommended four modifications. The changes recommended to and adopted by the Authority May 17th:

1. Addition of toll collection points on existing ramps to and from the south at Midland Avenue, immediately south of the Bergen Toll Plaza.
2. An operational change in the rate structure at the Irvington toll area, eliminating use of return-trip tickets.
3. Addition of a barrier-type toll station at the Great Egg Harbor Bay Bridge and elimination of a previously-proposed ramp toll station south of the crossing.
4. Free-passage privileges for ambulances or rescue vehicles only when called on the Parkway for an emergency.

The Authority took steps during the year to increase the convenience and speed of toll collections. Field surveys and State Police reports did not indicate there has been congestion at toll points due to the collection process, but the Authority acted to forestall such problems.

The Authority decided to extend its experiment with the system of automatic collection to most toll plazas on the Parkway. These self-service devices had been used experimentally at only a few toll plazas since 1954 with promising results. Designed to serve those motorists who have the exact change handy and who have no need of information from an attendant, the automatic devices contain a receptacle in which drivers deposit their 25-cent toll payments. An alarm and a traffic-light system control the operation of these mechanical collectors.

These so-called robots make available additional collection facilities on a 24-hours-a-day basis. They have been installed at the extreme right lanes of most toll plazas and may eventually be in operation all along the Parkway.

While public use and acceptance of the automatic devices have been apparent, the Authority has continued to experiment with improvements aimed at offering the best possible service to motorists.

The experiment was originally undertaken also as a means of economizing in the cost of collecting tolls. Savings have already been evident, but will be much more so as time goes on. In December, 1955, it cost 8.2¢ to collect each toll dollar on the Parkway; a year later, the dollar-collection cost had been cut to 5.7 cents. No toll collector has lost his job because of the automatic devices; but the units have obviated the need of any additional manpower, despite increased traffic.

Prepaid toll tickets were also introduced during the year as an extra service and convenience for motorists. Booklets of 80 tickets, each permitting free passage through any 25-cent toll barrier point, have been sold from Parkway booths and from Authority offices. These offer no reduced toll rates, but provide both a handy record of transactions for business travelers and the convenience of payments during a Parkway trip without handling money.

The Authority is gratified with the results of its honor system under which motorists at six exit-entrance ramp toll areas pay the fare entirely on their own. At no time in this practice dating back to 1955 have the results failed to show either the overwhelming honesty of the motoring public or the complete economic wisdom of this honor system. An estimated net savings of \$35,000 resulted during 1956 from this operation, which was instituted to serve at those toll collection points where light traffic did not warrant the payroll cost.

A review of administrative practices and procedures in the acquisition of real estate by the Authority was concluded during 1956 with the cooperation of Attorney General Grover C. Richman. The review was initiated by order of the Authority Commissioners in 1955. Recommendations made to the Authority as a result of this study were adopted immediately, and have resulted in improved administration in this field.

As a matter of policy, the Authority last April rejected a proposal for the construction of a motel on the Parkway along its Thruway Feeder Road. The proposal had followed a legal opinion by its General Attorney holding that the Authority has the power to construct and operate motels on the Parkway.

The Authority continued to work with southern New Jersey officials and the State in exploring ways and means of attaining a Delaware Bay ferry service near the southern end of the Parkway. While previous studies have left it without a feasible means to undertake the project, the Authority remains keenly interested in the achievement of such a ferry service.

Perhaps the greatest satisfaction in achievements of the past year comes from the Parkway's safety record. The year 1956 found the Parkway maintaining its position as a leader in highway safety.

The fatality rate for the Parkway during 1956 was 1.3 per 100 million vehicle miles. The 1955 ratio, which earned the Parkway distinction as the nation's safest super highway, was 1.2 per 100 million vehicles miles. In all of 1956, there were 13 traffic fatalities on the Parkway.



Approximately 50 million vehicles passed through Parkway toll stations during the year's time, and an additional heavy volume of traffic traveled on free sections.

In noting the Parkway's outstanding safety record, we cannot overlook the continuing cooperation of the State Highway Department. Recognizing that the only head-on accident fatalities along the Parkway occurred in its older section between the Raritan River and U.S. Route 22, the Department last year undertook the construction of a unique earthwork mound to serve as an effective separation of opposing traffic. This construction was carried on in the center island along a 7½-mile stretch of that section, which is one of three built by and under the jurisdiction of the Department.

Congestion continued to be a big problem on Summer weekends when motorists move in massive numbers to and from the famed Jersey shore resorts. These serious traffic jams were confined to some 50 hours of travel over the entire year and to the northern shore areas principally. State Police reports and field surveys attributed the congestion largely to drivers who persist in lagging in the left, high-speed traffic lanes.

The Authority is hopeful of eliminating or minimizing such congestion next Summer through a program now underway. The program principally entails the stabilization of the Cheesequake-Matawan meadowlands to result in a wider roadway for the eight-mile stretch between Keyport and the Raritan River. This will be done along the northbound roadway first.

The Authority feels that a third, reversible roadway built within the wide medial strip between the existing northbound and southbound roadways would be an effective remedy. Such a roadway was proposed in the original Parkway plans, and provision for it has been made in the highway's design between Asbury Park and the Raritan River. However, the Authority cannot possibly justify the financing of such an undertaking, estimated to cost \$30,000,000, until need of the reversible roadway becomes more extensive than the 50-odd hours now indicated.

During the year, the Authority met regularly each month with all meetings open to the public and attended by the press.

In conclusion, the Authority is gratified to note the residential and mercantile developments which have risen and are being built or planned near the Parkway throughout the length of New Jersey. Home-building projects and shopping centers, located to offer the convenience and service of the Parkway, are emerging as beneficial byproducts of the temporary discomfort of superhighway construction.

Subsequent pages of this Annual Report volume contain staff summaries of the year's activities. They present a fuller picture of a concentrated effort by the Authority, its staff and employees to serve the public as efficiently and courteously as possible.

Respectfully,

Katharine E. White

Katharine E. White
Chairman

John B. Townsend

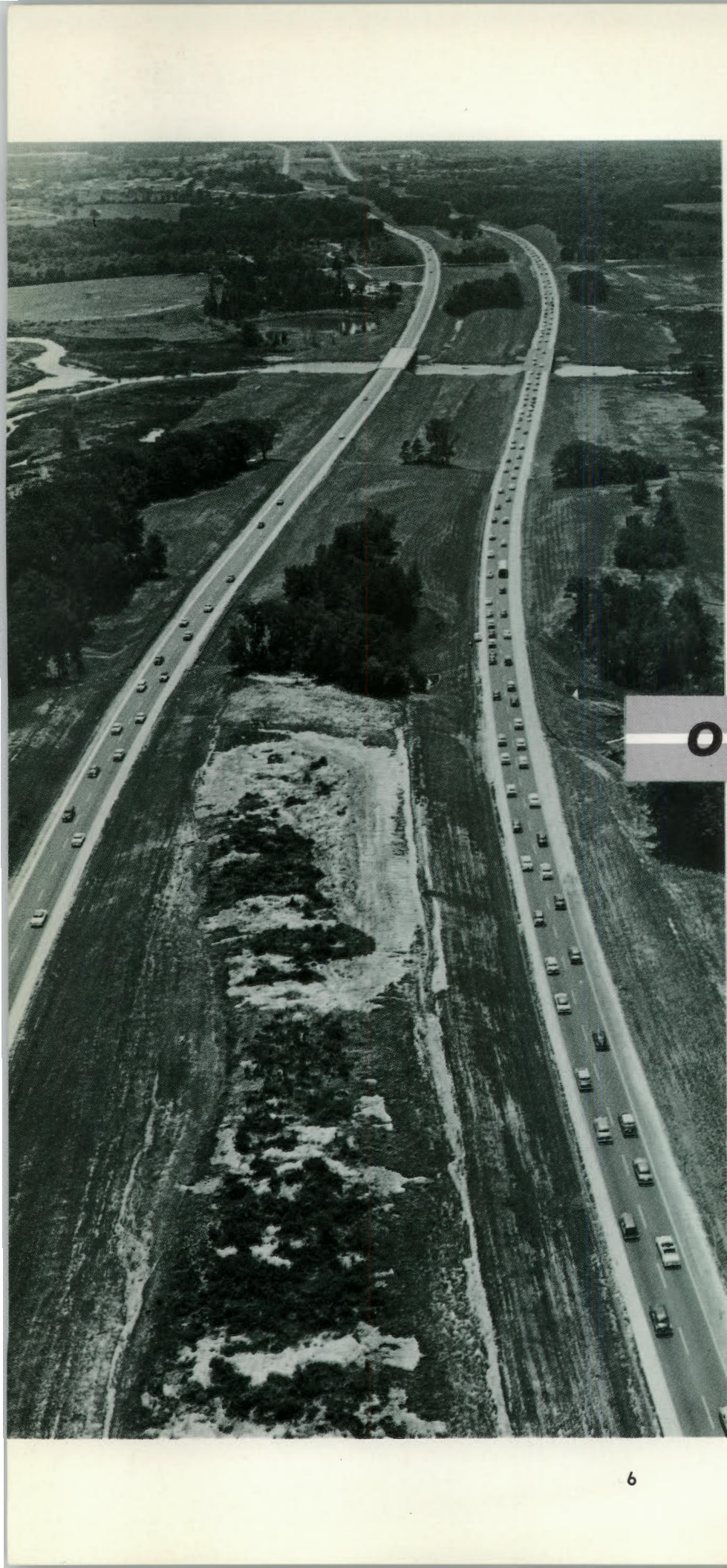
John B. Townsend
Vice Chairman-Secretary

Sylvester C. Smith, Jr.

Sylvester C. Smith, Jr.
Treasurer

January 21, 1957

Peak Parkway traffic is seen in this photo taken from the air during the height and heat of the Summer travel season. A ground view of the same scene is shown on page 19.



Operations

Toll traffic on the Garden State Parkway increased substantially in 1956.

Net toll receipts in each month of the past year were at least 19 per cent greater than the total for the corresponding period of 1955. In an overall annual comparison, 1956 net toll income was some 31 per cent above the 1955 total.

The most significant comparison can be made between the last halves of 1955 and 1956. Since the Parkway started full operation on July 1, 1955, only the last half of that year is subject to a fair comparison with the corresponding part of 1956.

During the last half of 1956, the toll income showed an increase of better than 22 per cent over its 1955 counterpart. The high mark was reached in August, when the monthly increase rose to 27 per cent. The month of August, 1955, had been plagued by hurricane weather.



Net toll income during each month of 1956 and the corresponding 1955 totals follow:

| 1956 | | 1955 |
|------------|-----------|------------|
| \$ 645,805 | January | \$ 282,572 |
| 674,832 | February | 407,105 |
| 673,028 | March | 482,882 |
| 848,736 | April | 591,271 |
| 961,366 | May | 761,288 |
| 1,233,323 | June | 867,220 |
| 1,758,908 | July | 1,456,388 |
| 1,674,328 | August | 1,319,170 |
| 1,165,729 | September | 973,550 |
| 936,799 | October | 775,259 |
| 873,194 | November | 723,666 |
| 833,291 | December | 671,797 |

With the substantial increase in toll traffic came increased operating problems. The obvious pattern of seasonal traffic—twice as great in the Summer as in most other months of the year—also required special consideration and action.

Automatic toll-collecting devices were installed in greater number along the Parkway to augment the regular force of attendants. Their use has obviated the need of additional manpower and made extra collection facilities available 24 hours a day.

The honor system at exit and entrance ramp toll points was also extended to serve wherever and whenever limited traffic could not cover payroll costs for attendants. This system, under which motorists pay the tolls entirely on their own, kept collection facilities available around the clock with reduced operating costs.

The economy achieved despite the heavily increased traffic can be seen in the fact that during November it cost the Authority 5.7 cents to collect each toll dollar whereas a year before the dollar-collection cost was 8.2 cents.

In a four-week period late in 1956, 53.1 per cent of all toll revenue collected on the Parkway was received by the automatic devices and the honor system receptacles. Of that, the automatic collectors handled 52.1 per cent.

But while the mechanical or self-service equipment played a major part in the operation last year, the regular force of some 200 collectors continued to symbolize the Parkway service. Their courtesy and efficiency drew generous commendations from the public.

At least one booth for each direction of traffic was always manned at all 10 across-the-road toll plazas along the Parkway. Even where automatic

collection devices prevailed, there was always an attendant available in a nearby booth to provide information or change for motorists. Automatic operations are identified at toll plazas by overhead signs bearing the legend "EXACT CHANGE LANE".

To serve motorists finding themselves without the necessary change or funds to pay at honor system points, the Authority is preparing self-addressed, stamped envelopes to be left at those booths for the convenient mailing of tolls.

Meanwhile, however, Parkway motorists continued to observe the honor system in impressive proportions.

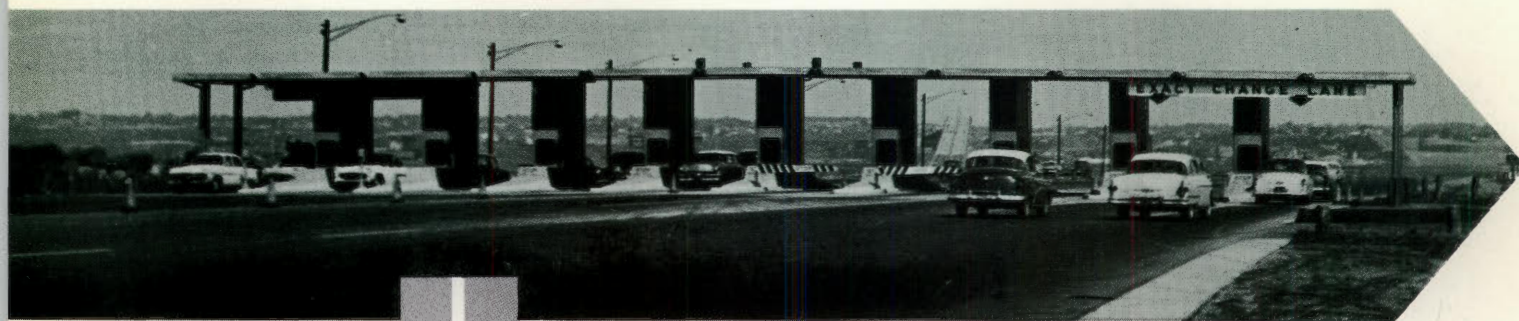
A comparison of actual cash receipts with the automatic treadle count of vehicles passing through the honor toll lanes showed an average of over 70 per cent compliance. An additional 10 per cent was estimated to represent official Parkway vehicles which were entitled to pass through the toll points free of charge.

A net gain of some \$35,000 is estimated to have resulted from the honor system operation during 1956. This gain was computed by deducting the missing revenue from the payroll costs which otherwise would have been necessary. Actual cash receipts under the honor system totaled approximately \$115,000 for the year.

The honor system was in operation during 1956—either on a part-time or full-time basis—at six of the Parkway's seven ramp toll areas open throughout the year. Only the Irvington toll area, where a new rate schedule became effective during the year, was manned on a 24-hour basis. An eighth exit-entrance ramp toll area, Fair Lawn, was not in operation last year.

The rate change at Irvington and the new Fair Lawn collection points resulted from recommendations for toll schedule revisions made to the Authority by the General Engineering Consultants last Spring. The revised toll schedule as adopted by the Authority last May is shown on page 9.

While the automatic collecting devices were extended to most toll plazas on the Parkway, the Authority continued to operate the installations as an experiment in service and economy. Improvements, both in the mechanism and in the signing to guide the public's use of the devices, were tested throughout the year. Special leaflets were prepared for distribution to motorists to outline the mechanical procedure.



The new look of Parkway toll plazas is shown here. "EXACT CHANGE LANE" signs identify automatic toll booths.

At year's end, 26 automatic-collecting units were in use along the Parkway. All but two—at Great Egg—were installed in extreme right lanes at the five toll plazas from Asbury Park north.

Prepaid toll tickets were introduced during the year to provide motorists with an extra convenience in making payments. Books of 80 pre-paid tickets were sold to the public from toll booths and from Authority offices at a price of \$20 each. The tickets were good at any time for passage through 25-cent toll points along the Parkway.

While offering no reduced rate, the prepaid tickets permitted motorists to travel the Parkway without handling money and enabled them to keep a convenient record of their trip tolls. Bus script was similarly introduced in 1956.

Some \$58,000 in prepaid toll books and bus script were sold during the year. Plans for the sale of prepaid books in the lesser denomination of \$10 for 40 tickets were set before the end of the year.

The Authority maintained contract agreements with 28 off-Parkway garages to provide emergency service for disabled vehicles along the entire 164-mile course. The garages, providing towing service and other emergency needs, answered 14,361 calls to aid Parkway motorists during the year. The peak month was July, when they were summoned 2,123 times.

A program of protection by first-aid ambulance squads and fire departments near the Parkway was re-organized during the year to cover all areas adequately. There are some 60 units on the roster to provide such emergency service along the Parkway.

A study initiated late in 1955 to improve the design and visibility of the official Parkway trailblazer was concluded last April with the Authority's adoption of a new symbol sign. The new trailblazers, which are posted along main connecting routes to guide motorists to Parkway entrances, retain the basic coloring and round shape of the original units. However, the word Parkway is now spread across the center of the disc to give the sign greater target value. The overall size of the sign has also been increased.

The change-over from the old to new trailblazer has been gradual, with the replacements still continuing.

Among other things during the past year, the Operations Department sought and received a legal clarification of the status of station wagons on the Parkway. A legal opinion held that station wagons, regardless of whether they bore commercial license plates, are permitted on all sections of the Parkway as long as they are not transporting merchandise or freight at the time.

If carrying merchandise or freight, station wagons fall into the category of trucks which are prohibited from using any section of the Parkway north of Interchange 90 near Lakewood.



The motorist has made the toll deposit; the signal on the light stanchion has turned from red to green; the car moves out of the automatic lane; and the device is ready to function again.



Motorists with the exact 25-cent change move into the automatic toll lanes to deposit their fare in the wide-mouthed receptacle. Others needing change or information use an attended booth.

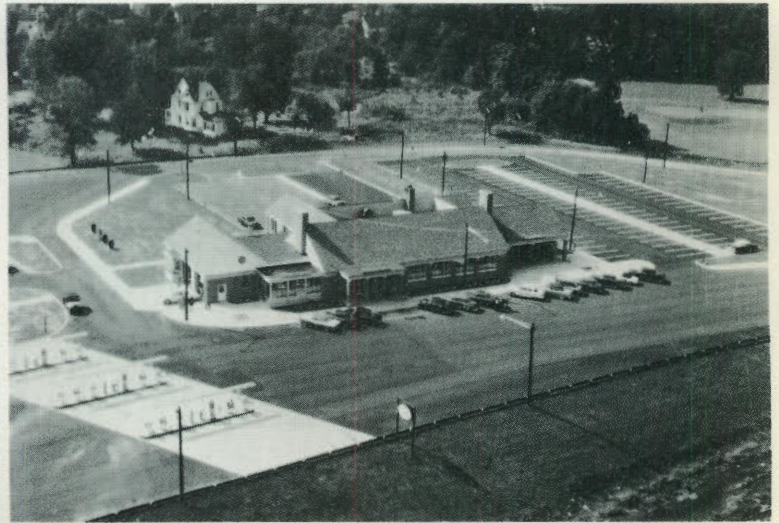
The Garden State Parkway
SCHEDULE OF TOLLS as amended May 17, 1956

| Toll Area | Type of Toll Area | Pas. Veh. Motorcycle or Light Truck (*) | Commu-tation | Omnibus, Script | Omnibus, Cash | Pas. Veh. w/semi-trailer 3 axles | Non-Revenue | Truck 2-5 Ton | Truck over 5 Ton | Truck or Tractor & Semi-Trailer | Truck or Tractor & full Trailer |
|------------|-------------------|---|--------------|-----------------|---------------|----------------------------------|-------------|---------------|------------------|---------------------------------|---------------------------------|
| Bergen | Across Parkway | .25 | ..... | .75 | .75 | .35 | free | ..... | ..... | ..... | ..... |
| Fair Lawn | On Ramp | .25 | ..... | .75 | .75 | .35 | free | ..... | ..... | ..... | ..... |
| Passaic | On Ramp | .10 | ..... | .25 | .25 | .15 | free | ..... | ..... | ..... | ..... |
| Watchung | On Ramp | .25 | ..... | 1.00 | 1.00 | .35 | free | ..... | ..... | ..... | ..... |
| Essex | Across Parkway | .25 | ..... | 1.00 | 1.00 | .35 | free | ..... | ..... | ..... | ..... |
| Irvington | On Ramp | .15 | .125 | 1.00 | 1.00 | .35 | free | ..... | ..... | ..... | ..... |
| Union | Across Parkway | .25 | ..... | 1.00 | 1.00 | .35 | free | ..... | ..... | ..... | ..... |
| Raritan | Across Parkway | .25 | ..... | .75 | .75 | .35 | free | ..... | ..... | ..... | ..... |
| Monmouth | On Ramp | .10 | ..... | .25 | .25 | .15 | free | ..... | ..... | ..... | ..... |
| Shrewsbury | On Ramp | .25 | ..... | .50 | .50 | .35 | free | ..... | ..... | ..... | ..... |
| Asbury | Across Parkway | .25 | ..... | .75 | .75 | .35 | free | ..... | ..... | ..... | ..... |
| Lakewood | On Ramp | .10 | ..... | .25 | .25 | .15 | free | ..... | ..... | ..... | ..... |
| Dover | Across Parkway | .25 | ..... | .50 | .50 | .35 | free | .35 | .50 | .75 | 1.00 |
| Ocean | Across Parkway | .25 | ..... | .50 | .50 | .35 | free | .35 | .50 | .75 | 1.00 |
| New Gretna | Across Parkway | .25 | ..... | .50 | .50 | .35 | free | .35 | .50 | .75 | 1.00 |
| Tilton | On Ramp | .10 | ..... | .25 | .25 | .15 | free | .15 | .20 | .30 | .40 |
| Great Egg | Across Parkway | .25 | ..... | .50 | .50 | .35 | free | .35 | .50 | .75 | 1.00 |
| Cape May | Across Parkway | .25 | ..... | .50 | .50 | .35 | free | .35 | .50 | .75 | 1.00 |

(*) Trucks permitted South of Interchange No. 90 only.

The five restaurant-gasoline station Service Areas south of the Raritan River are located within the broad center island between roadways to serve both directions of traffic. This air view is of the Cheesequake Service Area near South Amboy.

Service Areas

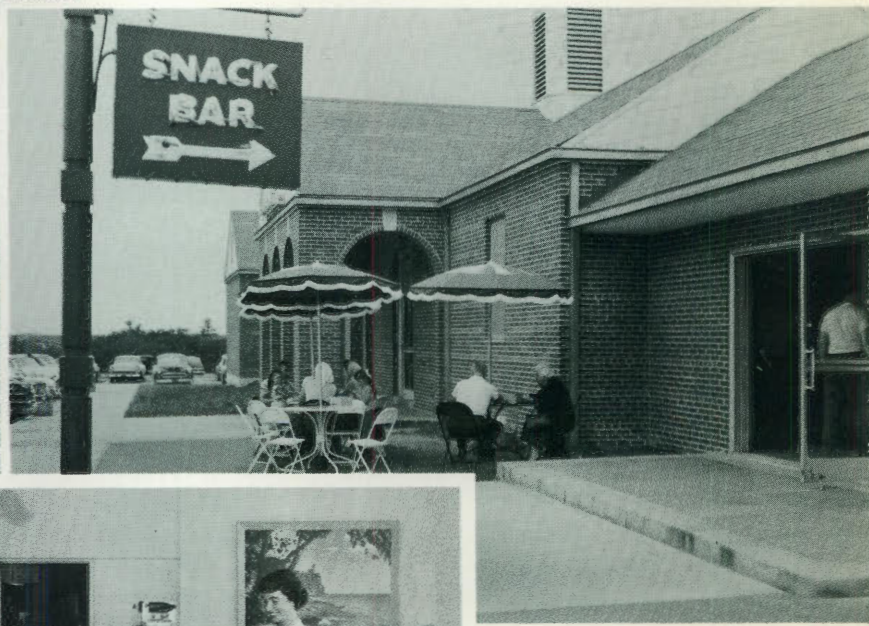


Brookdale Southbound Service Area

Outdoor dining facilities were added at two Service Areas during 1956. These Summer-time features were located just outside the Snack Bars.



The spacious dining rooms in Parkway restaurants have accommodations for as many as 149 persons. Counter facilities are also available in each.



Personable "Park-ettes" provide information and other assistance at the southernmost four gasoline stations operated by Cities Service Oil Co.



The final two of the Parkway's eight originally-proposed service areas went into operation during 1956. Brookdale Southbound was opened August 10th; Brookdale Northbound was opened December 5th. These two sites are located opposite each other along the Parkway in Bloomfield.

Like all previously-opened service areas, Brookdale Southbound includes both a gasoline station and restaurant installation. Brookdale Northbound, however, opened with only a gasoline station. Provision has been made for the addition of a restaurant building there when and if traffic demands it.

Meanwhile, several changes took place during the year at the older service areas.

Facilities for outdoor dining were added to the Manasquan and Cheesequake Service Areas last Summer on an experimental basis. Tables topped by colorful umbrellas were set up just outside the snack bar on both the northbound and southbound sides of those two service areas to accommodate persons wishing to eat their food outdoors.

Plans were initiated to develop a patio-type area for the location of the outdoor dining facilities. Under the experimental innovation, patrons purchased food items at the snack bar or take-out counter in the restaurant and carried them out to the tables.

Operation of the restaurants at the southernmost four service areas changed hands on November 1st, with Walter Reade, Inc., taking over from Howard Johnson, Inc., which continued to run the three northern eating establishments on the Parkway.

The operational change followed the expiration of the original license agreement with Howard Johnson, Inc. Separate competitive bids on the north and south restaurant operations were solicited by the Authority in the interest of dividing the Parkway food concession to offer motorists greater variety and more concentrated service.

The new license agreements with Walter Reade, Inc. and Howard Johnson, Inc. cover a 27-month period expiring February 1, 1959.

The Seaville Service Area, southernmost Parkway restaurant-gasoline site in Cape May County, was

shut for the Winter late last year as an economical measure in view of limited traffic there.

Plans to introduce cafeteria-style service, a gingerbread-doughnut bakery installation and other expressway eating extras at its four restaurant sites were submitted by the Walter Reade firm, which operates refresherys and other food facilities in several states.

Meanwhile, the New York architectural firm of Urbahn, Brayton & Burrows was engaged to design a modern, expandable restaurant-gasoline station building for the Parkway feeder road now under construction to the New York-New Jersey state line. This ninth service area is planned for location at Montvale about a mile and a half below the state line, where the Parkway will link with a New York State Thruway spur.


Architectural sketches on this proposed installation were submitted to the Authority in December. The design indicates that the Montvale Service Area will offer both beauty and efficiency.

Gross revenue from restaurant-gasoline concessions last year rose more than 50 per cent over the 1955 level.

Each service area includes restroom, telephone and showroom facilities. Augmenting these facilities for a motorists' pause and use along the Parkway are 14 roadside telephone areas and 9 picnic areas. The ninth picnic site for motorists became available with the improvement of the Telegraph Hill Park area at Holmdel last Fall.

Esso Standard Oil Co. started its service area operations on the Parkway with the opening of the gasoline-dispensing and other vehicular-care facilities at the Brookdale sites. Atlantic Refining Co. operates the service stations at the Vaux Hall and Cheesequake areas, and Cities Service Oil Co. operates those at the southernmost four—Manasquan, Forked River, Absecon and Seaville.

In addition, Esso, Atlantic or Texaco gasoline is available at the two privately-owned service centers located along the State Highway Department section of the Parkway between U.S. Route 22 and the Raritan River.

A black and white aerial photograph of a long bridge spanning a large body of water. The bridge has multiple spans supported by numerous piers. In the foreground, a dirt road runs parallel to the bridge, and a small cluster of buildings is visible on the right. The water is calm, and the sky is clear.

Final link in the basic 164-mile Parkway project, the Great Egg Harbor Bay crossing is shown in a bird's eye view shortly after it opened to traffic May 26, 1956.

Construction and Maintenance



*Clear pavement amid snowy slopes
on the Parkway last Winter.*



Completion of the basic minimum Parkway project and commencement of the Thruway Feeder Road project were features of the 1956 construction year.

The former milestone was reached May 26, with the opening of Great Egg Harbor Bay Bridge between Somers Point, Atlantic County, and Beesleys Point, Cape May County. This structure forged the final link in the 164-mile Parkway between Route 17, Paramus, and Route 9, near Cape May City.

The Thruway Feeder Road project is detailed on the following two pages. Ground-breaking for that project took place May 1st near the Paramus terminus of the basic Parkway.

The Parkway's Great Egg Harbor Bay crossing, approximately 1 1/5 miles in length, comprises two bridges connected by a causeway section over Drag Island. Contracts for this major construction had been awarded November 16, 1954. Total construction contracts for the crossing amounted to \$4,494,159.80.

Other major construction during the year included:

1. Completion of the two Brookdale Service Areas—Northbound and Southbound—at Bloomfield.
2. Improvement of the Telegraph Hill Park area, including the grading and paving of the network of roads leading to and from the Parkway's northbound and southbound arteries.
3. Stabilization of the northbound roadway through the Cheesequake and Matawan meadowlands between Keyport and the Raritan River. The contract for this work was awarded last October. Now underway, it is scheduled to be completed by next Summer.

Besides its regular repair, removal and care-taking operations, the Maintenance Division of the Engineering Department took a direct hand in the construction work on the improvement of the Telegraph Hill Park area.

Maintenance workers performed certain items of construction which were not included in the contract for improvement of the roads within Telegraph Hill Park area. They likewise completed the first repaint-

ing of the reflectorized white guide lines along southern sections of the Parkway. The white-line repainting in the heavily traveled northern sections was done on a contract basis.

Among other things, the Maintenance Division de-greased toll lanes, installed sidewalks at a number of toll administration buildings, and repainted in yellow and green the toll booths all along the Parkway.

During 1956, a total of 16 construction and maintenance contracts was awarded by the Authority. Of that total, there were 10 construction contracts in the aggregate amount of \$7,531,215.49. These included the two major contracts for construction of the Thruway Feeder Road. The other contracts consisted of five for snow removal during the 1956-57 season to augment the Authority's own maintenance forces, and one for the white-line repainting.

A total of 21 contracts was completed during the year, and, at the end of 1956, a total of 228 contracts had been completed and accepted since the formation of the Authority in the Summer of 1952.

Landscaping, including the planting of holly and other trees at service areas and along stretches of roadway, continued in full force during the year. The final mowing of the year was completed in early November.

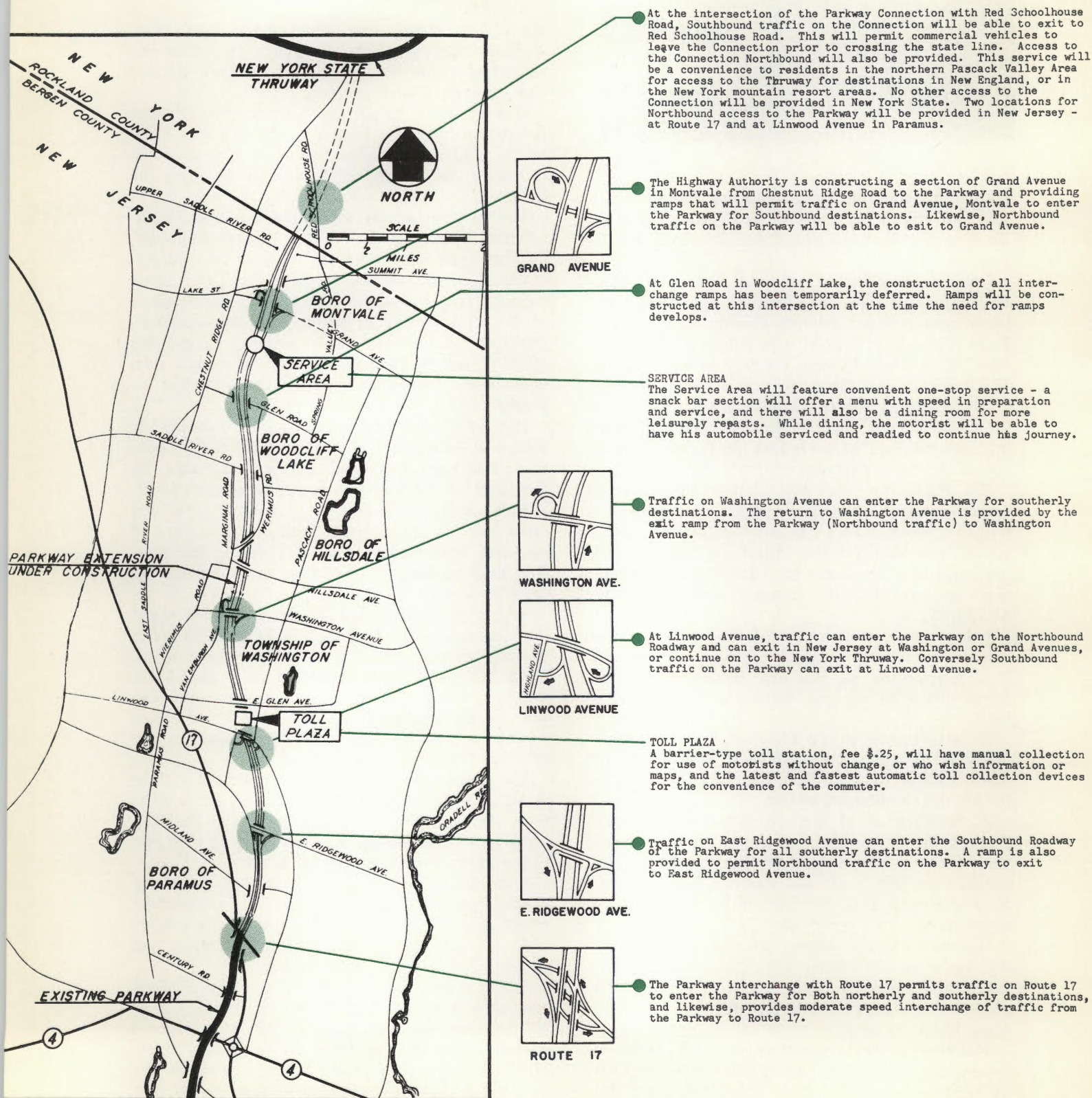
Severe snowstorms last March and April taxed the resources of the Maintenance Division. Without advance warning, the "worst blizzard since April, 1915" hit the Parkway and the East in general on Sunday, March 18th. Hampered by motorists who were caught unprepared for heavy snow, the Maintenance forces worked around the clock in the effort to keep the Parkway clear.

The March 18th snowstorm necessitated a shut-down of some areas of the Parkway for a brief time. However, reports indicated that Parkway traffic was kept moving better as a whole than any of the other major highways in its area.

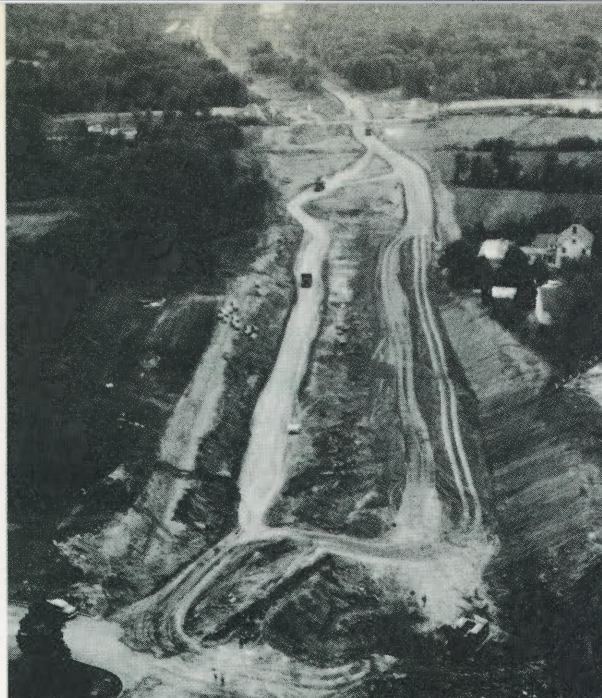
Wind-driven snow covered the roadways in heavy depths and made it almost impossible to follow their course. Cars became stranded in snow drifts, ditches and soft shoulders. Much drifting occurred and plowed areas quickly filled in again.

Traffic during the initial period was heavy. Many cars were stalled by lack of chains, running out of gas, or dead batteries. Their immobility hampered effective measures to keep the roadways open. Measures have since been taken to minimize the obstruction caused by disabled vehicles during such emergencies.

The Thruway Feeder Road



Early picture of progress on the Parkway's Thruway Feeder Road, this view looks over construction in the Hillsdale area.



Ground was broken May 1st and actual construction commenced on the Thruway Feeder Road to link the Garden State Parkway with the New York State Thruway at the N.J.-N.Y. line by next July.

Labeled Section 1A of the Parkway, the feeder road will extend 9½ miles from the present northern terminus at Route 17, Paramus, to Montvale at the State line in Bergen County. Its construction was reported near the half-way mark before the end of 1956.

This northerly extension of the 164-mile Parkway is to connect with a 2½-mile spur of the Thruway now being built from the New York superhighway's main stem near Spring Valley, N. Y.

The Parkway-Thruway connection will create the first major bypass of metropolitan New York City for travel between New England-New York State and all points South and West. By virtue of the existing link with the New Jersey Turnpike, this new connection will make the Parkway an integral part of a vast network of superhighways between New England and Chicago.

The feeder road design is in keeping with the standards under which the basic Parkway was constructed. There will be two separate (northbound and southbound) roadways, each carrying one-way traffic and each providing two 12-foot lanes.

Two major contracts are involved in the construction of the feeder road. Both were awarded to Reid Contracting Co., Inc., of Woodbridge, whose low bid in each case was based on the alternate of prestressed concrete beams for bridge superstructures in preference to structural steel. Eighteen bridges are required for the feeder road.

The initial contract, awarded March 20, 1956, covers grading, paving and bridges from Route 17, Paramus, to Washington Avenue in Washington Township. The contract amount was \$2,529,198-

.39. The other contract covering the remaining distance through Washington Township and the Boroughs of Hillsdale, Woodcliff Lake and Montvale was awarded April 16, 1956 in the amount of \$4,072,570.07.

Both contract prices were substantially below the engineers' pre-bidding estimates.

A new toll plaza—north of Linwood Avenue in Washington Township—and a new service area—south of Grand Avenue in Montvale—will be built in the feeder road project. A unique design for the restaurant-gasoline service area building is planned.

The Thruway Feeder Road requires the acquisition of approximately 175 parcels of property. As the right-of-way extends basically through rural areas, only about 37 dwellings are involved. Rights of entry were granted voluntarily by 156 property owners with the result that the entire right-of-way was made available to the contractor on July 1, 1956.

At the end of 1956, a total of 117 agreements for feeder road property had been approved.

To aid in the relocation of those people living on the right-of-way, arrangements were made to provide a 25 per cent down payment on the amount of their settlement with the Authority within two weeks after agreements were signed and approved.

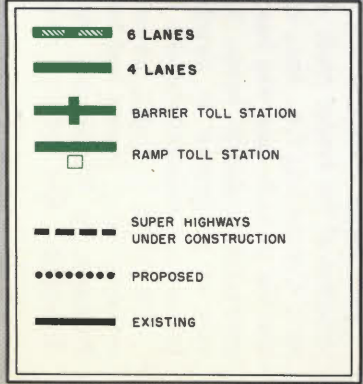
Close coordination has been maintained with the New York State Thruway Authority in the construction of the Parkway-Thruway connecting links. On December 20th, Commissioners and staff heads of both the Highway and Thruway Authorities met to review progress and plan for the orderly integration of the projects into their respective operational systems.

Both connecting links are expected to be ready for traffic by next July.

PENNSYLVANIA



SCALE IN MILES



To Pittsburgh, Chicago
and the West

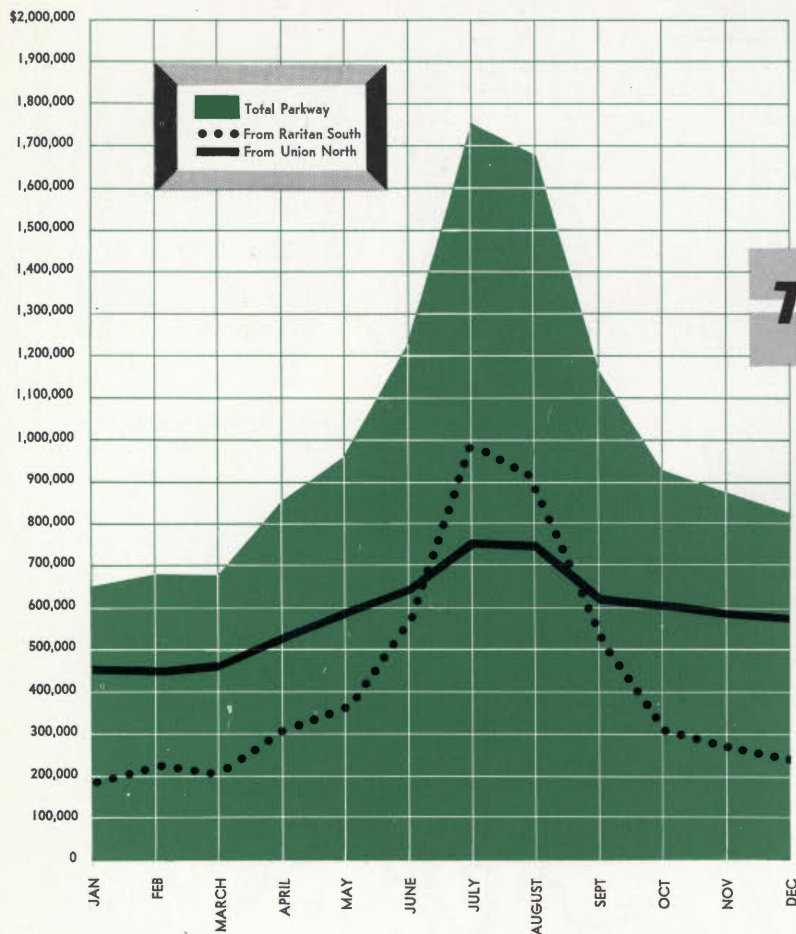
GENERAL LOCATION OF THE GARDEN STATE PARKWAY

MAY 1956

PARSONS, BRINCKERHOFF, HALL & MACDONALD
ENGINEERS
NEW YORK

Monthly Toll Collections

showing seasonal experience of northern & southern toll areas



Traffic and Safety

1956 Safety Statistics

| | |
|----------------------|------|
| Accidents | 689 |
| Accident Rate ... | 69.1 |
| Personal Injuries .. | 540 |
| Injury Rate | 54.1 |
| Fatal Accidents .. | 12 |
| Fatalities | 13 |
| Fatality Rate | 1.3 |

Traffic reached a new high for each month of the year, but accidents and casualties remained comparatively low during 1956.

The Parkway fatality rate for 1956 practically equalled its nationally-low mark of the preceding year. In 1955, the fatality rate was 1.2 per 100 million vehicle miles; in 1956, the fatality rate was 1.3.

The Parkway thus took its place again as a national leader in super-highway safety.

There were 13 fatalities on the Parkway during 1956, including 1 pedestrian. Parkway regulations bar pedestrians from use of the roadways.

The first multiple-death accident since the Parkway began major operation in mid-1954 occurred last January 21st. A second victim of that mishap died two weeks later. It was the only such fatal accident in 1956.



A special feature of the Parkway's built-in safety, the "singing shoulder" is shown along the northbound roadway.



Of the 12 fatal accidents, 7 were single-car mishaps. In 1955, 7 of the 10 fatal accidents were also single-car mishaps.

Without counting the traffic which travelled over free sections, approximately 50 million vehicles were recorded at Parkway toll stations during 1956. In 1955, approximately 39 million vehicles passed through the toll stations.

With the substantial increase in traffic came periods of congestion during weekends of the Summer travel peak. These tie-ups occurred mainly in the Parkway area between the Keyport-Matawan Interchange and the Raritan River where heavy traffic heading to or from the numerous Jersey seashore resorts on weekends converged.

Although the delays were comparatively brief in the overall year's pattern of traffic movement, the problem of congestion was given immediate and full attention. Concerted efforts were made to break up the jams by posting State Troopers along the critical area to direct the movements on the spot.

Field inspections and State Police reports indicated that the difficulty was largely attributable to

slow-moving cars whose drivers lagged in the left, high-speed lanes. Warnings and summonses were issued in the effort to keep motorists to the right except when passing another vehicle.

While the Authority intensified its motorist education and traffic control efforts with increasingly encouraging results, it pursued the matter from a long-range view as well as an immediate one. Field studies by operating personnel and air surveys of the traffic patterns from the vantage point of a helicopter were conducted to determine future needs.

Consequently, a 7-point program aimed at forestalling future congestion as much as possible was undertaken by the Authority. Included in the program was stabilization of the Cheesequake-Matawan flats or meadowlands to result in a wider roadway from Keyport to the Raritan River. Now underway, this stabilization work is being done on the northbound roadway initially with plans being prepared for the southbound roadway improvement.

Additionally, the Parkway's force of State Troopers will be increased. There are now 67 men in the special detachment of State Police patrolling the

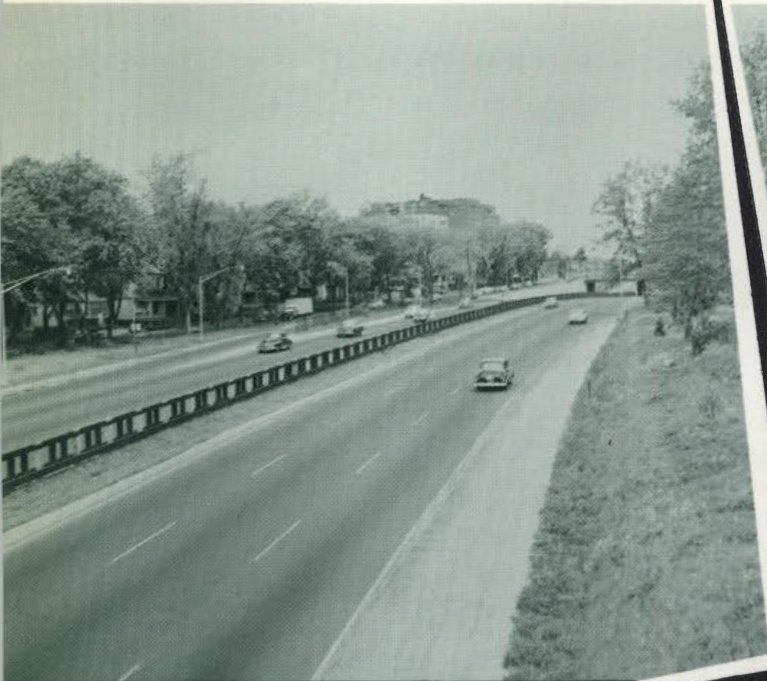


This ground view of the page 6 peak traffic scene points up the problem of left-lane laggards in the mass movement of motorists to or from the seashore Summer weekends.

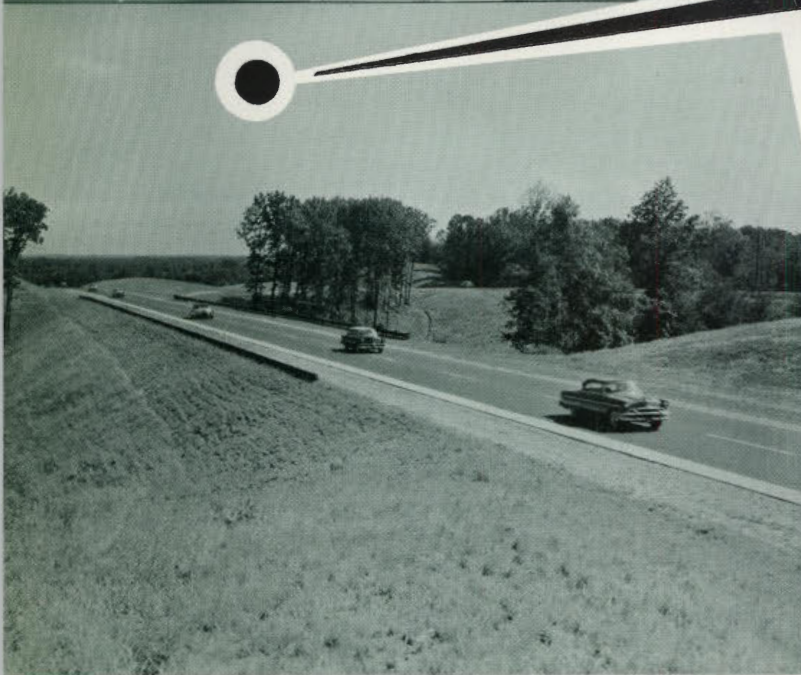
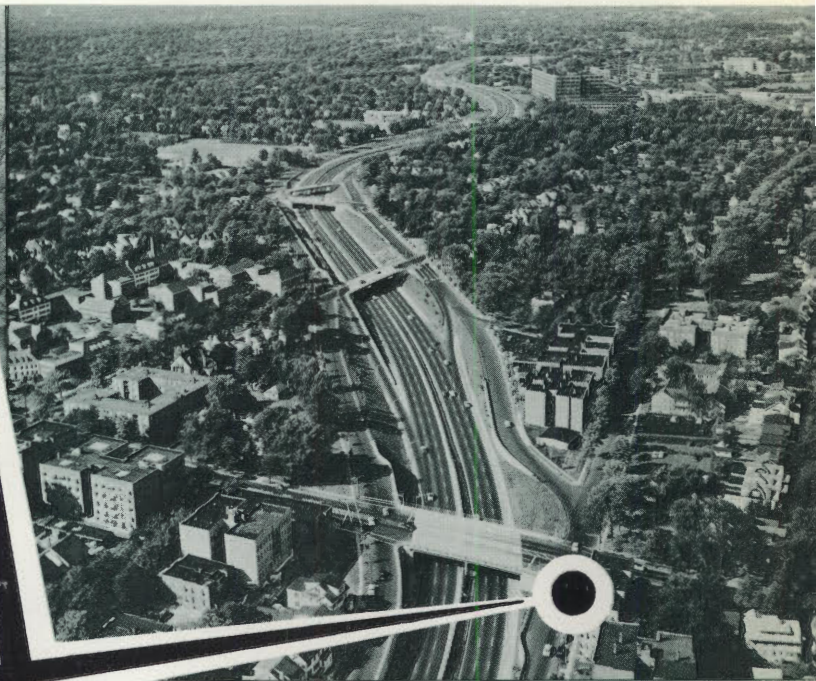


Parkway officials are shown airborne aboard a helicopter loaned by the Port of New York Authority for an aerial survey of traffic conditions last Summer.

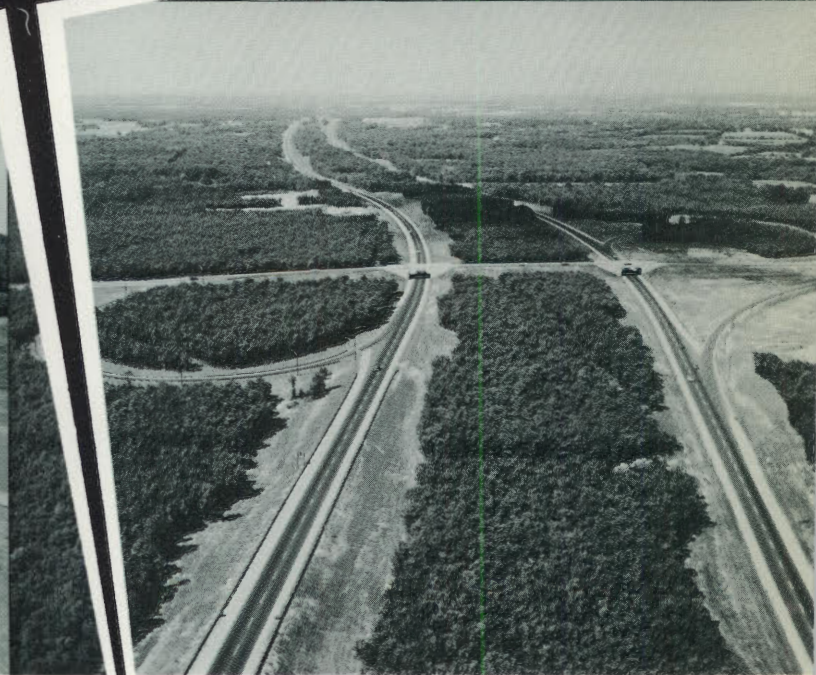
This ground view along the Parkway's northern area spotlights the center-island barrier which deflects headlight glare and blocks head-on contact.



An air view along the Parkway's northern New Jersey metropolitan area, this photo shows the auxiliary service roads paralleling the main stem through Essex County.



This picture of the northbound and southbound roadways through Monmouth County countryside shows the split-level effect of the engineering design in many Parkway portions.



The Parkway's wide center island ranging up to 600 feet between roadways is viewed from the air near an interchange in southern New Jersey.



Parkway 24 hours a day. The strength is expected to be raised to 83 by next Summer.

Other parts of the program include additional "keep right" signs on the Parkway and the stationing of jeeps or maintenance pick-up trucks at strategic points in the critical area to afford quick assistance to disabled vehicles. Car breakdowns in that busy area were responsible for a number of Summer weekend traffic tie-ups.

The Parkway's State Police force is headed by Lieutenant David H. Dowgin. Commander of State Police Troop "D", which includes both the Turnpike and Parkway detachments, is Captain Charles W. Hanna, who as a lieutenant headed the Parkway force in 1955.

During the year, State Police on the Parkway rendered various forms of aid to 21,975 motorists. These aids included the summoning of emergency service for vehicles out of gasoline or otherwise disabled. A total of 7,824 summonses was issued by the State Troopers, including 3,202 for speeding over the 60 miles-per-hour Parkway limit. State Police patrols covered 2,465,845 miles in the performance of duties around the clock during 1956.

The Authority's Traffic Division reported that motorists had driven some 996,915,000 miles on the Parkway during 1956.

Recognizing the major role that motorists play in the achievement of safety on the Parkway, the Authority continued to stress advance care of vehicles and driver courtesy and alertness. Radio and television programs, news releases, and leaflets—as well as State Police on-the-spot education—all emphasized safety first.

The Authority's Safety Committee, comprising key staff heads, met periodically during the year to consider developments and examine possible safety defects in the Parkway's operational and physical structure. Several recommendations for safety improvement were put into effect.

The Parkway's 1955 safety record drew commendation from several quarters early last year. The National Safety Council, through its Executive Vice President G. C. Stewart, cited the low fatality rate as "a real tribute to the design features of the Parkway and the traffic control and operation policies maintained by the Authority."

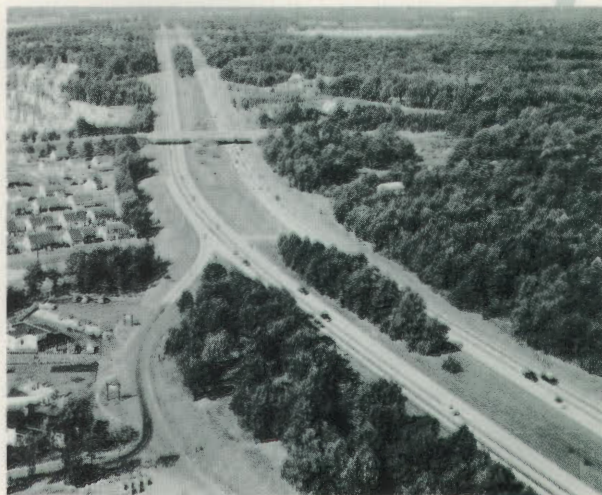
A special survey was undertaken by the Traffic

Division to determine the most advantageous location of additional Parkway ramps proposed in the Paterson-Clifton area, particularly at the Routes 3 and 46 interchanges, to accommodate northbound motorists originating west of the Parkway. Origin-and-destination checks were made by an Authority team of interviewers last October.

In the interest of safety, the State Highway Department last year undertook the construction of an earthwork mound in the center island along a 7½-mile stretch of its Parkway section between U.S. Route 22 and the Raritan River. This unique project is designed to reduce headlight glare from opposing traffic and to cut down the possibility of head-on contact.

Japanese honeysuckle vines were planted as a ground cover for the safety mound. In the mounding project, the Department provided for widening the shoulders on the outer side of both roadways to 10 feet and for giving them a bituminous treatment. Such work was to offer a wider and safer off-the-road stopping area and to reduce dust conditions.

In 1955, the Department widened the Raritan-to-Route 22 section to three lanes for each direction of traffic. The addition of a lane in each roadway narrowed the width of the center island there.



This air view overlooks the widened Parkway section in Middlesex and Union Counties which was built by the State Highway Department. As an extra safety precaution, the Department last year erected an unique mound of earth in the center island along part of the section.



View of the Parkway from Telegraph Hill Park scenic overlook at Holmdel.

Legal

Although construction of the Garden State Parkway was substantially complete, problems arising during construction continued to comprise a major part of the functions of the Legal Division during 1956.

The great volume of condemnation work, with a total of approximately 3,300 cases having been commenced since 1953, is now over. There remained a total of about 250 cases pending as of December 31, 1956.

Claims arising out of the construction of the Parkway for alleged property damage and personal injury total 279. Of these claims, 53 have been or are in litigation. In every case, the Authority's interests are fully protected by insurance.

There are 8 suits currently pending against the Authority, principally arising out of Authority contracts. These are not covered by insurance. The Authority is represented in these cases by Messrs. Shaw, Pindar, McElroy & Connell of Newark, General Counsel to the Authority.

In no case during 1956 was a money judgment rendered against the Authority where it had a direct pecuniary interest in the result, except for condemnation proceedings. In every case not involving money judgment but concerning the Authority's rights, powers and duties, the results achieved were favorable.

The Division during 1956 attempted to effect recovery for damage to Parkway property, caused principally by motorists, in a total of 171 cases involving the aggregate amount of \$13,551. At year's end, a total of \$6,123.83 had been recovered in 105 of these cases.

A total of 70 workmen's compensation claims were processed through the Division during 1956. A total of 10 claims of the Authority under various insurance policies was also administered, with \$243.25 having been paid against such claims out of the submitted amount of \$265.48.

Other functions included the drafting of a diversity of contracts covering such matters as license agreements for the operation of Parkway service areas, leases of quarters, and engineering and architectural agreements.

The Division prepared several drafts of a proposed agreement with the County of Essex and with the municipalities of Irvington, Newark, East Orange and Bloomfield aimed at the establishment of a working relationship between the Authority and those governmental agencies in regard to the Parkway service roads.



Public Relations

The activities of the Public Relations Division covered a broad area during 1956 in the continuous effort to foster and maintain good will, and to acquaint the public with all Parkway facilities and facts.

More than 750,000 map folders and more than 50,000 illustrated guide folders were distributed directly to motorists or through various resort, service and travel sources to inform the public and promote interest in the Parkway.

A feature of the public relations and information program was a tie-in effort to promote the various historical, resort and other recreational areas accessible from the Parkway. All newspaper, radio, television and magazine promotion has been aimed at benefiting mutually those areas and the Parkway.

Additionally, the Authority undertook to coordinate a special cooperative promotional program in behalf of realtors and builders pursuing the residential development of seashore areas.

In spreading word of the Parkway and the Authority, the Division issued some 100 general news, special feature and photographic releases to a mailing list of 315 daily and weekly newspapers, magazines and other publications, radio and television

stations, motor clubs, travel bureaus, and similar sources throughout the East.

A Speakers' Bureau was organized at the outset of the year to handle requests and opportunities for public appearances by Authority representatives. More than 30 engagements were handled.

Twenty-two Parkway exhibits were designed and set up at various conventions and other affairs both in New Jersey and out of the State.

Past Annual Report volumes, map folders and other literature were distributed to all public and high school libraries in the State to meet a growing demand for Parkway and/or Authority information from students. Similar literature was sent to travel agents throughout the East.

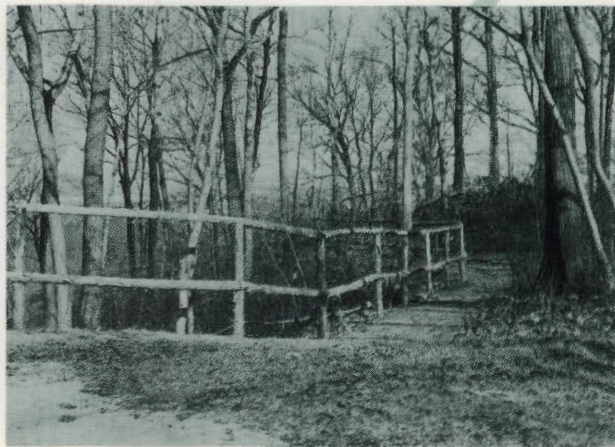
Several leaflets were prepared during the year for distribution to motorists, including one on special points of interest or recreation available near the Parkway after the close of the Summer season.

Parkway Information Centers were set up at gasoline stations along major connecting routes.

A special booklet outlining scenic-historic tours of coastal areas via the Parkway was published. In conjunction with this publication, a special press tour of the entire Parkway length was conducted.



Picnic table next to parking area in Parkway's Telegraph Hill Park.



Rustic path to scenic overlook at Telegraph Hill Park along Parkway.

1956 Parkway Chronology



FEBRUARY 1. Agreement for simultaneous construction of the Parkway and Thruway connecting links was formally signed at Ridgewood. Shown are (l. to r.) Chairman Bertram D. Tallamy of the N. Y. State Thruway Authority; State Senator Walter H. Jones of Bergen County; and Chairman Katharine E. White of the N. J. Highway Authority.



FEBRUARY 7. The 1955 Annual Report of the New Jersey Highway Authority was formally presented to Governor Robert B. Meyner by Chairman White and Executive Director D. Louis Tonti at Trenton.



APRIL 16. The Authority adopted a new design for the Parkway trail-blazer. Shown posed with the new symbol sign is an Authority secretary.



MAY 1. Ground was broken for the Parkway's Thruway Feeder Road at Paramus. Shown turning the first shovels of earth are Chairman White and Bergen County Freeholder Director Walter M. Neill with Executive Director Tonti standing by.



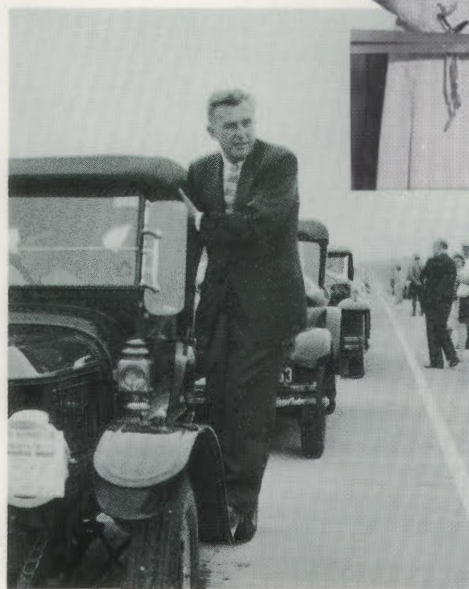
MAY 26. The Great Egg Harbor Bay Bridge, last link in the 164-mile Parkway, was opened to traffic. Shown paying the first toll at the Bridge is Mr. Omero C. Catan, known internationally as "Mr. First", while Authority Vice Chairman-Secretary John B. Townsend supervises.



MAY 29. A plaque posthumously honoring State Trooper John Anderson was unveiled at the Parkway's State Police headquarters. Mrs. Jean Anderson, the Trooper's widow, and a State Police honor guard participated in the ceremony. The Trooper was fatally shot on the Parkway by a fugitive criminal Nov. 1, 1955.



JUNE 16. Governor Meyner joined the parade of antique automobiles during the dedication of the Great Egg Harbor Bay Bridge. He is shown riding the running board of a Stanley Steamer.



JUNE 16. The Great Egg Harbor Bay Bridge was dedicated. Shown snipping the traditional ribbon are (l. to r.) Authority Governor Meyner; Chairman White; and Mrs. Sophia Meyner, the Governor's Mother.

NOVEMBER 1. Walter Reade, Inc., took over operation of food facilities at the southernmost four Service Areas. This photo of Walter Reade waitresses was taken at the Manasquan site near Asbury Park.

AUGUST 7. A pre-opening buffet luncheon was tendered by Howard Johnson, Inc., at the Brookdale Southbound Service Area. This restaurant-gasoline station site was opened August 10th.





Shown left to right during a regular meeting of the Authority are Executive Director D. Louis Tonti; Commissioner Sylvester C. Smith, Jr.; Commissioner Katharine E. White; Commissioner John B. Townsend; and Executive Secretary Emily L. Lawyer.

Administration

The year 1956 witnessed several major developments in the administration of the Authority as a permanent organization.

A permanent organization chart was adopted by the Authority May 17th following a comprehensive study.

On October 11th, the Authority adopted a schedule of personnel classification and compensation together with a manual of personnel policy. This was the culmination of an extensive study of personnel practices and procedures which had been ordered by the Commissioners of the Authority in the Fall of 1955.

The Personnel Division conducted the far-reaching study in the interest of establishing a well-defined and enlightened personnel program for the benefit of Authority employees. Among other things, the study determined for each job in the Authority a salary or rate range that was consistent with general conditions in the current labor market.

The schedule of classification and compensation was put into operation before the end of the year. The manual of policy setting forth vacation, holiday and other benefits along with

a definite grievance procedure and personnel regulations was made effective Jan. 1, 1957.

Additionally, studies were initiated during the year toward adoption of tenure rules and group insurance benefits for Authority employees in 1957.

The Authority personnel roster at the end of 1956 listed approximately 500 employees, including 200 toll collectors and 150 maintenance workers.

In cooperation with the Personnel Division, the Public Relations Division prepared and issued a monthly house organ to all employees of the Authority. The publication, called the Garden State Parkway REPORTER, has been issued monthly since April, 1955.

A new staff committee called the "Committee on Future Planning" was established by the Executive Director to engage in periodical, shirt-sleeve discussion of long-range problems. The Committee is concerned with the basic effect of the new Federal-State highway building program upon the Parkway in the future.

Finances

Early in October, 1956, the Authority offered \$25,000,000 general revenue bonds for sale. This public offering consisted of two series of bonds: \$8,000,000 Series D to complete construction of the Basic Parkway Project and \$17,000,000 Series E for construction of the Thruway Feeder Road, which is to connect the Garden State Parkway with the New York State Thruway.

On October 18, 1956, a single bid of \$24,384,975, specifying a 4 $\frac{3}{8}$ coupon rate for the combined issues, was received and accepted by the Authority. The net interest cost on the \$25,000,000 Series D and Series E bonds was 4.45%, resulting in an overall average net interest cost of 3.02% on all series of bonds outstanding at December 31, 1956.

Gross operating revenues for the year 1956 were \$12,786,258, up \$3,138,659 or 32% over the year 1955. In addition, 1956 earnings on investments within the Revenue and Debt Service Funds were \$428,117, resulting in a total of \$13,214,435 available for operating and debt service requirements.

Toll revenues of \$12,279,340 accounted for approximately 96% of 1956 gross operating revenues. Of this amount, approximately 99% originated from passenger car traffic.

Gross revenues from Parkway restaurants and service stations amounted to \$493,404 during the year 1956 as compared with \$323,629 during 1955.

Maintenance and operating expenses during the past year were \$3,245,729, or \$104,271 under the \$3,350,000 annual expenditure budget adopted by the Authority for the year 1956.

Consequently, net operating revenues of \$9,540,529 were realized, which together with earnings on related fund investments provided \$9,968,706 to meet the 1956 uncapitalized debt service of \$8,855,693.

Debt service funds have been maintained at the levels required by the related bond resolutions.

As of December 31, 1956, assets of the Authority aggregating \$20,306,133, consisting of cash and U. S. Government obligations valued at the lower of cost or market, were irrevocably pledged to the payment of debt service on outstanding bonds.

This amount is equivalent to the debt service payments coming due on the \$313,000,000 Series A, B, C, and D bonds during the ensuing twenty-four months and on the \$17,000,000 Series E Bonds (Thruway Feeder Road) during the ensuing thirty months.

Besides maintaining the required debt service reserves, the Authority has established an additional reserve within the Revenue Fund to provide funds for working capital and to meet operating requirements of an emergency nature which normally could not be anticipated in the annual operating budget. This was done in accordance with the provisions of the General Bond Resolution.

Net construction expenditures during the year 1956 were \$12,831,877. Of this total, \$6,133,842 was applicable to construction of the Basic Parkway Project and \$6,698,035 to construction of the Thruway Feeder Road.

An analysis of construction costs through December 31, 1956 is shown in Exhibit B of the financial statements appearing on pages 28 to 32 of this volume.



One of the unique Honor System booths on some Parkway exit-entrance ramps where a motorist pays the toll entirely on his own.

NEW JERSEY HIGHWAY STATEMENT OF FINANCIAL

ASSETS

CONSTRUCTION FUND

| | | |
|--|-------------|-------------|
| Cash accounts | | |
| Construction | \$ 263,386 | |
| Condemnation revolving | 7,500 | |
| Real estate deposits, contra | 4,902 | \$ 275,788 |
| Interim investments—United States Government obligations | | |
| Construction account—book value, Note C | 15,407,582 | |
| Condemnation deposits trust account—book value, Note C | 1,791,591 | 17,199,173 |
| Accounts receivable—miscellaneous | | 136,534 |
| Condemnation deposits | | |
| With Clerk of the Superior Court of New Jersey | 497,271 | |
| Advanced to property owners | 240,486 | 737,757 |
| Inventories | | 16,215 |
| Work in progress, contracts, contra | | 5,992,081 |
| Construction costs to December 31, 1956 | | |
| Basic Parkway, Exhibit B, Note D | 290,921,252 | |
| Thruway Feeder Road, Exhibit B, Note D | 6,698,035 | 297,619,287 |

REVENUE FUND

| | | |
|--|--|-----------|
| Cash | | 1,203,037 |
| Interim investments—United States Government obligations, Note C | | 998,062 |
| Accounts receivable | | 61,842 |
| Inventories | | 81,398 |
| Prepaid insurance, etc. | | 56,414 |

BOND SERVICE FUND, Exhibit D

| | | |
|------------------------|---------|---------|
| State-guaranteed bonds | 33,833 | |
| General revenue bonds | 378,673 | 412,506 |

BOND SERVICE FUND, Exhibit D

| | | |
|------------------------|------------|----------------------|
| State-guaranteed bonds | 12,772,465 | |
| General revenue bonds | 2,692,124 | 15,464,589 |
| | | <u>\$340,254,683</u> |

See notes to

NOTE A: GENERAL NOTES

- (1) The New Jersey Highway Authority was created as a body corporate and politic by the New Jersey Highway Authority Act, N.J.S.27:12B-1 et seq., which Act authorized and empowered this Authority to acquire, construct, operate and maintain highway projects.
- (2) Provision is made in the Act for the issuance of revenue bonds, payable from tolls and other revenues of the Authority, N.J.S.27:12B-20, approved by the voters at the November 1952 general election, authorized a guaranty by the State of New Jersey of bonds of the Authority in a principal amount not exceeding \$285,000,000.
- (3) Properties and income of the Authority are exempt from taxation in accordance with provisions of the New Jersey Highway Authority Act, N.J.S.27:12B-16.

NOTE B: BOND INDEBTEDNESS

The Authority has issued the following bonds which mature annually in varying amounts. The first maturities (\$900,000) are payable in 1960, with the final maturities of \$19,000,000 payable in 1988:

| Bonds | Purpose | Date of Issue | Amount of Issue |
|---|------------------|---------------------|-----------------|
| State-guaranteed | | | |
| Parkway | | | |
| Series A .. Parkway Project | July 1, 1953 | \$150,000,000 | |
| Series B .. Parkway Project | July 1, 1954 | 135,000,000 | |
| General revenue | | | |
| Series C .. Parkway Project | November 1, 1954 | 20,000,000 | |
| Series D .. Parkway Project | July 1, 1956 | 8,000,000 | |
| Series E .. Thruway Feeder Road | July 1, 1956 | 17,000,000 | |
| The Bond Resolutions include the following interest provisions: | | | |
| (1) Interest payable on January 1, 1957 was deposited in the Bond Service Fund for: | | | |
| Series A bonds (guaranteed) | | \$2,213,625 | |
| Series B bonds (guaranteed) | | 1,863,649 | |
| Series C bonds (general revenue) | | 325,000 | |
| Series D bonds (general revenue) | | 175,040 | |
| Series E bonds (general revenue) | | 371,960 | |
| TOTAL | | <u>\$4,949,274*</u> | |

*This amount was on deposit with the Paying Agents on December 31, 1956.



WAY AUTHORITY

CONDITION, DECEMBER 31, 1956

LIABILITIES AND RESERVES

CONSTRUCTION FUND

| | | |
|--|--------------|--------------|
| Contract retentions | \$ 1,009,673 | |
| Services of State Agencies | 14,885 | |
| Accounts payable | 7,688 | \$ 1,032,246 |
| Payroll taxes and other deductions withheld from employees | 4,575 | |
| Real estate deposits payable, contra | 4,902 | 9,477 |
| Reserves for contracts payable, contra | | |
| Construction | 4,717,732 | |
| Engineering, estimated | 490,376 | |
| Relocation of utilities, estimated | 783,973 | 5,992,081 |

REVENUE FUND

| | |
|--|-----------|
| Commitments payable | 122,907 |
| Accounts payable | 4,488 |
| Accrued expenses | 103,663 |
| Payroll taxes and other deductions withheld from employees | 33,366 |
| Reserve for Working Capital and Contingencies | 1,000,000 |
| Reserve for Inventory Revolving Fund | 85,000 |
| Net Revenue, Exhibit C | 1,871,455 |

BOND INDEBTEDNESS

State-guaranteed Parkway Bonds

| | |
|----------------|--------------------|
| Series A | 150,000,000 |
| Series B | 135,000,000 |
| | <u>285,000,000</u> |

General Revenue Bonds

| | |
|----------------|----------------------|
| Series C | 20,000,000 |
| Series D | 8,000,000 |
| Series E | 17,000,000 |
| | <u>330,000 000</u> |
| | <u>\$340,254,683</u> |

financial statements.

The debt service requirements for the year 1956 (\$8,855,693) as set forth in the Bond Resolutions were met out of revenues for the year.

(2) Eighteen-months' interest on the outstanding bonds to be deposited in the Bond Reserve Fund. The minimum requirements are:

| | |
|--|-----------------------|
| Series A bonds (guaranteed) | \$ 6,640,875 |
| Series B bonds (guaranteed) | 5,590,313 |
| Series C bonds (general revenue) | 975,000 |
| Series D bonds (general revenue) | 525,000 |
| Series E bonds (general revenue) | 1,115,625 |
| TOTAL | <u>\$14,846,813**</u> |

**The Bond Reserve Fund at December 31, 1956 had an excess of \$99,081 over the minimum requirements as shown above, made up of U. S. Government obligations in the amount of \$14,921,550 (valued at the lower of cost or market) and cash of \$24,344, or a total of \$14,945,894.

NOTE C: INVESTMENTS

Set forth below are the cost and market values of the investments in the following funds:

| Name of Fund | Exhibit | Book Value | Cost | Market Value December 31, 1956 |
|------------------------------------|---------|---------------------|---------------------|--------------------------------------|
| Construction ... | A | \$15,407,582 | \$15,348,680 | \$15,407,530 |
| Condemnation .. | A | 1,791,591 | 1,785,964 | 1,791,980 |
| Revenue | A | 998,062 | 992,650 | 998,100 |
| Bond Service, general revenue D | | 365,873 | 364,332 | 365,826 |
| Bond Reserve, guaranteed ... | D | 12,753,552 | 12,666,867 | 12,317,762 |
| general revenue D | | 2,670,471 | 2,670,047 | 2,607,245 |
| TOTAL | | <u>\$33,987,131</u> | <u>\$33,828,540</u> | <u>\$33,488,443</u> |

(Footnotes Continued on page 30)

NEW JERSEY HIGHWAY AUTHORITY

STATEMENT OF CONSTRUCTION COSTS TO DECEMBER 31, 1956

| | Basic Parkway Costs | Thruway Feeder Road Costs | Total Costs |
|--|------------------------|------------------------------|----------------------|
| Construction and utility relocation | \$205,883,762 | \$3,191,822 | \$209,075,584 |
| Cost of land acquisition | 44,773,067 | 2,043,246 | 46,816,313 |
| Engineering fees and services | 26,142,006 | 856,091 | 26,998,097 |
| Administrative and general | 1,925,463 | 66,640 | 1,992,103 |
| Cost of organizing and equipping operating divisions | 1,355,381 | — | 1,355,381 |
| Financial | | | |
| Interest on notes and bonds | 12,757,049 | 260,947 | 13,017,996 |
| Bond discount | 2,464,828 | 418,217 | 2,883,045 |
| | <u>\$295,301,556</u> | <u>\$6,836,963</u> | <u>\$302,138,519</u> |
| Less | | | |
| Income on interim investments | 3,799,962 | 138,076 | 3,938,038 |
| Liquidated damages and penalties assessed | 206,013 | — | 206,013 |
| Sale of scrap iron, construction materials, etc. | 223,602 | 848 | 224,450 |
| Interest on deposits with Clerk of Superior Court of New Jersey | 51,506 | — | 51,506 |
| Insurance claims recovered | 92,917 | — | 92,917 |
| Miscellaneous | 6,304 | 4 | 6,308 |
| | <u>4,380,304</u> | <u>138,928</u> | <u>4,519,232</u> |
| NET CONSTRUCTION COSTS TO DECEMBER 31, 1956, Exhibit A | <u>\$290,921,252</u> | <u>\$6,698,035</u> | <u>\$297,619,287</u> |

See notes to financial statements.

(Footnotes Continued from page 29)

NOTE D: CONSTRUCTION COSTS

Included in construction costs are expenses covering cost of acquiring real estate, engineering fees, administrative, legal, financial, interest on bonds, and organization expenses during the construction period (less income earned on unexpended construction funds) in accordance with the Bond Resolutions.

Approximately \$600,000 of construction costs are not included as a liability at December 31, 1956, in that the billings are in process of verification prior to payment, which practice is consistent with prior years.

NOTE E: STATUS OF PENDING LITIGATION, CLAIMS AND DISPUTES

The General Attorney of the New Jersey Highway Authority states that:

"As of December 31, 1956, there were no suits pending against the New Jersey Highway Authority challenging its creation, organization or fundamental powers. There were

approximately 62 suits involving claims stemming from contract obligations or alleged liability on the part of the New Jersey Highway Authority arising out of other activities. The aggregate amount of these claims in litigation is approximately \$2,500,000.

"The potential liability of the New Jersey Highway Authority in 54 of the above-mentioned suits is covered either by insurance or indemnification agreements. As to the remainder of the cases, where the liability, if any, would rest upon the New Jersey Highway Authority, it is my opinion, from the information now available, that such liability would not exceed the amount of \$500,000."

There are claims and disputes not in litigation which have arisen in connection with construction contracts. The Authority estimates that its liability in these matters will not exceed \$1,395,000.

The statement of financial condition at December 31, 1956 does not reflect the above contingent liabilities of \$500,000 and \$1,395,000.



NEW JERSEY HIGHWAY AUTHORITY
REVENUE FUND
STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 1956
with comparative figures for 1955

| REVENUE | 1956 | 1955 | Increase Decrease* |
|--|--------------|-------------|-----------------------|
| Toll, net | \$12,279,340 | \$9,309,869 | \$2,969,471 |
| Restaurants and service stations .. | 493,404 | 323,629 | 169,775 |
| Other | 13,514 | 14,101 | 587* |
| TOTAL REVENUE | \$12,785,258 | \$9,647,599 | 3,138,659 |
| OPERATING EXPENSES | | | |
| Maintenance | 1,107,991 | 907,314 | 200,677 |
| Toll collection | 937,845 | 838,253 | 99,592 |
| Police | 614,216 | 475,427 | 138,789 |
| General and administrative | 585,677 | 335,342 | 250,335 |
| TOTAL OPERATING EXPENSES | 3,245,729 | 2,556,336 | 689,393 |
| NET OPERATING REVENUE | 9,540,529 | \$7,091,263 | \$2,449,266 |
| EARNINGS ON INTERIM INVESTMENTS | 428,177** | | |
| NET REVENUE FOR YEAR | 9,968,706 | | |
| Add: Net Revenue, December 31, 1955 | 8,405,683 | | |
| | 18,374,389 | | |
| Less applied to: | | | |
| Reserve for Working Capital and Contingencies | 1,000,000 | | |
| Debt service via | | | |
| Bond Service Fund | 5,187,484 | | |
| Construction Fund | 10,315,450 | 16,502,934 | |
| NET REVENUE, Exhibit A | \$ 1,871,455 | | |

**This amount includes earnings on interim investments of the Revenue Fund and Debt Service Funds only, which earnings were included in the Construction Fund prior to January 1, 1956.

See notes to financial statements.

Exhibit D

NEW JERSEY HIGHWAY AUTHORITY
STATEMENT OF OTHER FUNDS
DECEMBER 31, 1956

| | Bond Service Fund | | Bond Reserve Fund | |
|---|-------------------------------|-----------------------------|-------------------------------|-----------------------------|
| | State- Guaranteed Bonds | General Revenue Bonds | State- Guaranteed Bonds | General Revenue Bonds |
| Cash | \$33,833 | \$ 12,800 | \$ 6,898 | \$ 17,446 |
| Investments in United States Government obligations—book value | — | 365,873 | 12,753,552 | 2,670,471 |
| Accrued interest on investments | — | — | 12,015 | 4,207 |
| TOTAL, Exhibit A | \$33,833 | \$378,673 | \$12,772,465 | \$2,692,124 |

See notes to financial statements.

A. H. PUDER, C. P. A.
H. S. PUDER, C. P. A.
L. KRANTZBERG, C. P. A.
F. ROHN, JR., C. P. A.
R. S. PUDER, C. P. A.
R. K. PUDER, C. P. A.
N. COGLIATI, C. P. A.

PUDER & PUDER
CERTIFIED PUBLIC ACCOUNTANTS
(NEW YORK, NEW JERSEY & CALIFORNIA)
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80 PARK PLACE
NEWARK 2, N. J.
484 GENERAL PETROLEUM BLDG.
LOS ANGELES 17, CALIF.

New Jersey Highway Authority
12 Broad Street
Red Bank, New Jersey

We have examined the statement of financial condition of the

NEW JERSEY HIGHWAY AUTHORITY

as of December 31, 1956, the related statement of operations for the year then ended, the statement of construction costs to December 31, 1956 and summary statement of other funds held for designated purposes at December 31, 1956. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

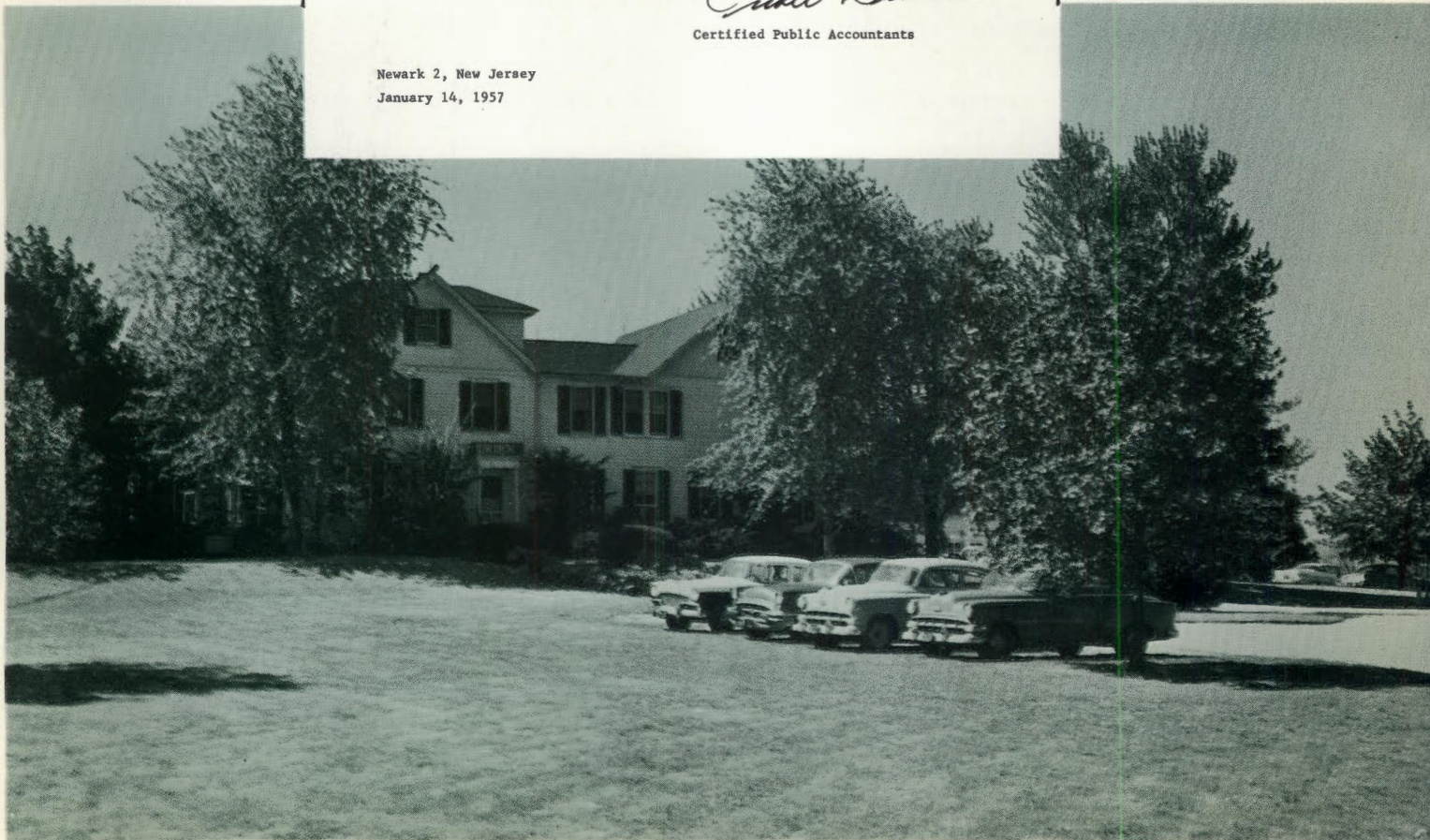
In our opinion, the statement of financial condition and the related statements and summary referred to in the preceding paragraph present fairly the financial condition of the New Jersey Highway Authority at December 31, 1956, the results of its operations, and funds transactions for the year then ended, and the construction costs to December 31, 1956, in compliance with provisions of the Bond Resolutions and in accordance with generally accepted accounting principles, applied on a basis consistent with that of the preceding year.

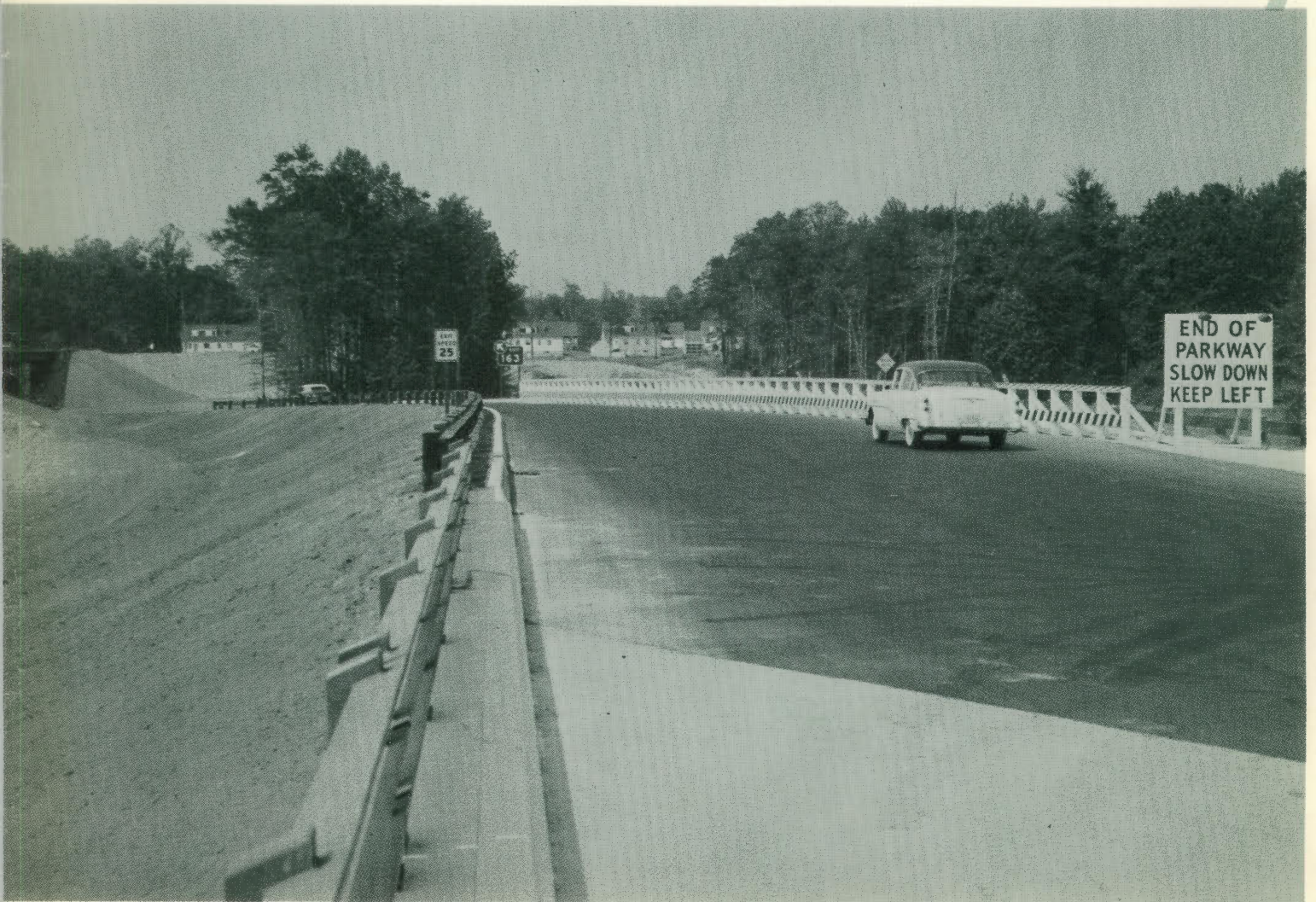
Endre Puder

Certified Public Accountants

Newark 2, New Jersey
January 14, 1957

This is a view of the Executive Offices Building along the Parkway at Eatontown.







*TOWN & COUNTRY. The Parkway
(above) stretches through
the Town of Irvington
with the skyline of the Newark
metropolis in background
at right. Front cover shows
the Parkway gliding through
countryside in the Telegraph Hill
Park area.*