

CHAPTER 20A**NEW JERSEY TRANSPORTATION TRUST FUND AUTHORITY ACT FEDERAL AID URBAN SYSTEM SUBSTITUTION PROGRAM: COUNTY AND MUNICIPAL AID****Authority**

N.J.S.A. 27:1A-5, 27:1A-6, 27:7-13, 27:7-47, 27:7-13.1 et seq. and the New Jersey Transportation Trust Fund Authority Act.

Source and Effective Date

R.1995 d.71, effective January 12, 1995.
See: 26 N.J.R. 4485(a), 27 N.J.R. 504(b).

Executive Order No. 66(1978) Expiration Date

Chapter 20A, New Jersey Transportation Trust Fund Authority Act Federal Aid Urban System Substitution Program: County and Municipal Aid, expires on January 12, 1998.

Chapter Historical Note

Chapter 20A, New Jersey Transportation Trust Fund Authority Act Federal Aid Urban System Substitution Program: County and Municipal Aid, was adopted as Emergency R.1984 d.423, effective September 6, 1984 (expired November 5, 1984). See: 16 N.J.R. 2456(a). The provisions of R.1984 d.423 were adopted as new rules by R.1984 d.552, effective December 17, 1984. See: 16 N.J.R. 3470(a). Subchapter 5, Audit, was adopted as R.1987 d.265, effective July 6, 1987. See: 19 N.J.R. 622(a), 19 N.J.R. 1229(a). Pursuant to Executive Order No. 66(1978), Chapter 20A expired on December 17, 1989, and subsequently was adopted as new rules by R.1990 d.128, effective February 20, 1990. See: 21 N.J.R. 3716(a), 22 N.J.R. 669(a).

Pursuant to Executive Order No. 66(1978), Chapter 20A was re-adopted as R.1995 d.71. See: Source and Effective Date.

CHAPTER TABLE OF CONTENTS**SUBCHAPTER 1. GENERAL PROVISIONS**

- 16:20A-1.1 Appropriation of funds
- 16:20A-1.2 Distribution of funds
- 16:20A-1.3 Minimum allotment
- 16:20A-1.4 through 16:20A-1.5 (Reserved)

SUBCHAPTER 2. FEDERAL AND URBAN SYSTEM SUBSTITUTION PROGRAM: STATE AID

- 16:20A-2.1 Eligible costs
- 16:20A-2.2 Project approval
- 16:20A-2.3 Discretionary funds
- 16:20A-2.4 Standards

SUBCHAPTER 3. PLANS AND SPECIFICATIONS

- 16:20A-3.1 Local government responsibility

SUBCHAPTER 4. CONTRACTS

- 16:20A-4.1 Award of contract
- 16:20A-4.2 Contract completion and payment
- 16:20A-4.3 Cost of engineering, inspection and construction supervision
- 16:20A-4.4 Cost of right-of-way acquisition

SUBCHAPTER 5. AUDIT

- 16:20A-5.1 General provisions

APPENDIX I MUNICIPALITIES QUALIFIED FOR DEPRESSED RURAL CENTERS AID**APPENDIX II MUNICIPALITIES QUALIFIED FOR URBAN AID FUNDING****SUBCHAPTER 1. GENERAL PROVISIONS****16:20A-1.1 Appropriation of funds**

As a substitution for Federal Aid Urban System funds, New Jersey Transportation Trust Fund Authority Act funds are appropriated by the Legislature for the improvement of any public road or bridge under the jurisdiction of a county, regardless of location within that county, and any road or bridge located on the Federal Aid Urban System. Federal Aid Urban System Substitution funds may also be used for county and municipal public transportation projects and other transportation projects which a county or municipality may be authorized by law to undertake.

Amended by R.1989 d.229, effective May 1, 1989.
See: 21 N.J.R. 623(a), 21 N.J.R. 1147(c).

Changed language to explain appropriation of funds under the New Jersey Transportation Fund Authority Act and the Federal Aid Urban System program.

16:20A-1.2 Distribution of funds

Each county and Jersey City and Newark shall receive an annual State Aid allotment not less than the combined total of their 1984 apportionment of Federal Aid Urban System funds plus State match including their portion of non-attributable funds made available for Small Urban Areas. Each county and Jersey City and Newark must agree that Federal Aid Urban System Substitution funds are provided in lieu of any Federal aid from the Federal Aid Urban System Program. In any year in which insufficient funds have been appropriated to meet the minimum county allocations, or if no appropriation is provided, the Commissioner of Transportation shall determine on a prorated basis the amount of the deficiency for each county having a minimum allocation and allocate from funds available under the Federal Aid Urban System Program sufficient funds to meet the minimum allocations.

16:20A-1.3 Minimum allotment

The State Aid allotment to each county and Jersey City and Newark shall result in a minimum amount of \$300,000 for transportation projects annually regardless of the combined total of their 1984 Federal Aid Urban System apportionment plus State match.

Amended by R.1989 d.229, effective May 1, 1989.

See: 21 N.J.R. 623(a), 21 N.J.R. 1147(c).

Deleted language explaining loan repayment requirements of local governments for Federal Aid Urban System and State match loans.

16:20A-1.4 (Reserved)

Repealed by R.1989 d.229, effective May 1, 1989.

See: 21 N.J.R. 623(a), 21 N.J.R. 1147(c).

Section, "Federal Aid Urban System backlog funds," repealed and reserved.

16:20A-1.5 (Reserved)

Repealed by R.1989 d.229, effective May 1, 1989.

See: 21 N.J.R. 623(a), 21 N.J.R. 1147(c).

Section reserved and repealed; had applied to transition period from Federal to State aid funding, but no longer applies.

SUBCHAPTER 2. FEDERAL AND URBAN SYSTEM SUBSTITUTION PROGRAM: STATE AID

16:20A-2.1 Eligible costs

(a) Except as stated below, State participation in project cost shall be limited to 100 percent of the cost of construction including construction supervision, inspection and material testing. Except as hereinafter provided, the cost of design engineering and right-of-way acquisition shall be borne totally by the county or municipality.

1. Municipalities qualified by the Department of Community Affairs for Urban Aid funding under P.L. 1978, c.14 as amended by P.L. 1983, c.384 or for Depressed Rural Centers Aid may, at the discretion of the Department of Transportation, be reimbursed for design engineering and right-of-way acquisition in addition to the construction providing the amount does not exceed the total amount allocated for the project. (A list for Fiscal Year 1989 of eligible municipalities is appended to and incorporated herein by reference as Appendices I and II).

2. For projects initiated by a county, State participation may also be increased up to 100 percent of project cost in special hardship cases justified by the county and concurred in by the Department of Transportation.

Amended by R.1989 d.229, effective May 1, 1989.

See: 21 N.J.R. 623(a), 21 N.J.R. 1147(c).

(a)1: Revised to specify new cost and reimbursement guidelines and to indicate addition of FY 1989 list of eligible municipalities in Appendices I and II.

Administrative correction to (a).

See: 21 N.J.R. 1520(b).

16:20A-2.2 Project approval

(a) Annually, prior to September 30, each county and Jersey City and Newark will be advised for budgetary purposes of the amount of Federal Aid Urban System Substitution funds they can anticipate for the following calendar year. The Transportation Improvement Program with a State aid element or, at the discretion of the county and Jersey City and Newark, a Capital Transportation Program shall be submitted for approval by the Department prior to February 1 of the next succeeding calendar year.

1. Capital Transportation Programs shall be completed on forms provided by the State. Each project shall be listed by name and location with a brief description as to how each project conforms with the county's overall Transportation Plan. (In the case of Jersey City and Newark, conformity shall be with the Municipal Transportation Plan.)

2. Each program shall cover a four-year period and list the phase (engineering, right-of-way, construction) of each project to be undertaken in a specific year. A cost estimate shall be provided for each phase of work. This cost estimate shall indicate the amount of anticipated State participation and the amount of local participation. The total cost of work in the first year of the program (in which State participation is requested) shall not exceed the county's annual share of Federal Aid Urban System Substitution funds. The State reserves the right to recoup State Aid funds that are not obligated by a State/County/Municipal Project Agreement within one year after the Department of Transportation approval of the County/Municipal Capital Transportation Program. Recouped amounts will remain within the allotted county and can only be reallocated by an approved agreement executed by the Department.

3. Each county shall develop a four-year program (including both county and municipal projects) for approval by the Board of Chosen Freeholders and submission to the Department of Transportation for final approval. Newark and Jersey City shall also develop their own individual four-year program for approval by the Mayor and Council and submission to the Department of Transportation for final approval.

4. Each county and Newark and Jersey City shall make reasonable further progress in the attainment and maintenance of National Ambient Air Quality Standards consistent with the New Jersey State Implementation Plan.

5. The Department of Transportation shall advise each county and affected municipality within each county of specific project approvals prior to April 1st.

6. Concurrently, each county/municipality will be required to execute State/County/Municipal Agreements for each project on forms provided by the State. Each agreement shall specify a date for the completion of the work. In the event work is not completed by that date, the State, at its discretion, may either grant a time extension or recoup the State funds for use on other eligible projects throughout the State.

7. Escalations in a project's cost that exceed the approved amount in the State/County/Municipal Agreement may be reviewed by the county (when applicable, Newark or Jersey City) to determine eligibility for State participation. A request may be made for Department of Transportation approval to modify the Capital Transportation Program to permit State participation in the additional work. Otherwise, all cost escalations will be totally borne by the county or municipality.

Amended by R.1989 d.229, effective May 1, 1989.

See: 21 N.J.R. 623(a), 21 N.J.R. 1147(c).

(a)2: Changed to reflect new treatment of recouped project funds, specifying that recouped amounts will now remain within the allotted county, rather than being placed in a state discretionary fund for use on other eligible projects.

(a)4: Renumbered last sentence as (a)5 and renumbered section accordingly.

16:20A-2.3 Discretionary funds

Annually, subject to funds appropriated by the Legislature, a Discretionary Fund shall be established to address emergency and regional needs throughout the entire State. Any municipality or county may make application to the Department of Transportation at any time. Projects need not be included in the Capital Transportation Program. Project approvals are at the discretion of the Commissioner of Transportation.

16:20A-2.4 Standards

(a) The proposed road and bridge improvements shall conform to the design criteria of the appropriate American Association of State Highway and Transportation Officials publications listed below. Any exceptions to these design criteria must be justified by the local engineer to be in the public interest.

1. Geometric Design Guide for Resurfacing, Restoration and Rehabilitation (R-R-R) of Streets;
2. A Policy on Geometric Design of Highways and streets, 1984;
3. Standard Specifications for Highway Bridges;
4. Guide for the Development of New Bicycle Facilities 1981.

(b) Construction and materials shall conform with the current New Jersey State Department of Transportation—Standard Specifications for Road and Bridge Construction.

(c) Standards for transportation projects other than roads and bridges shall be pre-approved by the Department of Transportation.

Amended by R.1987 d.265, effective July 6, 1987.

See: 19 N.J.R. 622(a), 19 N.J.R. 1229(a).

Deleted (a)3 and 4; added "and streets, 1984" to (a)2 and deleted "Rural".

Amended by R.1989 d.229, effective May 1, 1989.

See: 21 N.J.R. 623(a), 21 N.J.R. 1147(c).

(b): Replaced "all workmanship" with "construction" and added "current" to describe standard specifications.

SUBCHAPTER 3. PLANS AND SPECIFICATIONS

16:20A-3.1 Local government responsibility

(a) The local government shall be responsible for engaging a professional engineer licensed in the State of New

Jersey to prepare construction plans and specifications and to provide construction engineering and inspection and material testing as required.

(b) The local government shall provide such maps, reports, construction plans and specification and contract documents as may be required by the State.

Amended by R.1989 d.229, effective May 1, 1989.

See: 21 N.J.R. 623(a), 21 N.J.R. 1147(c).

(a): Replaced "registered" with "licensed".

(b): Replaced "will" with "shall".

SUBCHAPTER 4. CONTRACTS

16:20A-4.1 Award of contract

(a) The local government will advertise and award the contract, subject to approval of the State, in accordance with the provisions of Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq.

(b) Fifteen calendar days prior to the time of advertisement, the local government shall submit the following to the Local Aid District Office:

1. Two copies of the contract plans and specifications; and
2. Two copies of the Engineer's Estimate of costs.

(c) Within 30 calendar days following the receipt of construction bids, the local government shall submit the following to the Local Aid District Office:

1. Two copies of the summary of construction bids; and
2. A resolution awarding the contract to the lowest responsible bidder, subject to the approval of the Department.

(d) When all information relative to the bidding has been approved by the State, the local government shall be advised of the approval of the award of contract.

Amended by R.1987 d.265, effective July 6, 1987.

See: 19 N.J.R. 622(a), 19 N.J.R. 1229(a).

Added new (b); recodified old (b) to (c) and repealed 1.-2. and renumbered 3.-4. as 1.-2. recodified old (c) to (d).

Amended by R.1989 d.229, effective May 1, 1989.

See: 21 N.J.R. 623(a), 21 N.J.R. 1147(c).

(b): Added language to specify "Fifteen calendar days" for contract bid timeframes.

(c): Changed "10" days to "30 calendar" days and deleted language regarding unspecified timeframe in which local governments could submit bid documents.

16:20A-4.2 Contract completion and payment

(a) The State will pay funds on a reimbursement basis after acceptance by the local government and the State of

the work completed. Progress payments may be made on a monthly basis when requested by the local government when the total amount of reimbursement requested is not less than \$5,000.

(b) When all the work has been completed satisfactorily, the local government shall prepare and submit to the Local Aid District Office the following:

1. A statement of the work performed, certified by the municipal/county engineer, for acceptance and approval of the completed work;

2. A certification by the county/municipal chief financial officer that all expenditures are supported by valid documentation and conform with the State agreement; and

3. A request for reimbursement by the State, on vouchers supplied by the State.

(c) After a final inspection of the completed work by the State, action shall be taken to reimburse the county/municipality.

(d) The county/municipality shall maintain complete documentation of the project for a period of three years after receiving reimbursement by the State. An evaluation of the acceptability of the work by the Department and a determination of the extent of State participation in the cost thereof, will be based on an inspection of the completed project and a review of the documentation maintained by the county/municipality.

Amended by R.1987 d.265, effective July 6, 1987.

See: 19 N.J.R. 622(a), 19 N.J.R. 1229(a).

Substantially amended (b)2.

Amended by R.1989 d.229, effective May 1, 1989.

See: 21 N.J.R. 623(a), 21 N.J.R. 1147(c).

(a): Replaced "Local Government Unit" with "local government".

(b): Replaced "will" with "shall".

(c): Deleted language requiring an audit to determine that documents are in proper order.

16:20A-4.3 Cost of engineering, inspection and construction supervision

(a) In the case of qualified municipalities and in hardship cases approved by the Department, the State may participate in the cost of engineering accomplished by either a consultant engaged by the county/municipality or by their full time engineering staff. Prior approval of the State's participation in the cost of engineering fees shall be obtained before any engineering services are performed.

(b) Those qualified local governments desiring State participation in the cost of engineering shall submit to the Department of Transportation a list of the scope of services to be performed by the engineer. The State shall participate in accordance with the percentage range as outlined in the current policy and procedure of the Department concerning engineering fees.

(c) Payment for engineering fees shall be made on a reimbursement basis.

(d) The State shall also participate in the cost of inspection and construction supervision including the necessary material testing. The State shall participate in accordance with the percentage range as outlined in the current policy and procedure of the Department concerning inspection and construction supervision fees.

Amended by R.1989 d.229, effective May 1, 1989.

See: 21 N.J.R. 623(a), 21 N.J.R. 1147(c).

(b): Replaced "Local" with "Those qualified local" governments.

(c): Deleted language regarding State forms for claims.

16:20A-4.4 Cost of right-of-way acquisition

(a) In the case of qualified municipalities and in hardship cases approved by the Department, the State may participate on a reimbursement basis in the cost of lands and/or easement rights acquired for right-of-way.

(b) Cost is the actual purchase price amount paid for each parcel of land or easement rights acquired for the project as a result of a negotiated purchase agreement or, where negotiations have failed, the just compensation amount awarded by the courts for a particular parcel as a result of a subsequent condemnation action.

(c) Counties and municipalities requesting State participation in the cost of right-of-way acquisition shall in advance of any right-of-way acquisition activity for the project make application to the Local Aid District Office and provide right-of-way maps depicting the lands and/or easement rights necessary to be acquired for the project.

(d) County and municipal governments will be notified in writing upon the approval of their right-of-way project application and of the approval of the right-of-way maps prerequisite for State participation in the right-of-way acquisition costs of each particular approved project.

(e) County and municipal governments requesting State participation in the cost of acquiring right-of-way shall submit appraisals of property to be acquired on appraisal forms provided by the Department of Transportation and which have been prepared in accordance with Department of Transportation standards and requirements.

(f) In advance of the institution of negotiations for any property, the appraisals shall be submitted by the concerned local government to the appropriate New Jersey Department of Transportation Right of Way Division District Office for review and a fair market value participation certification.

(g) Upon completion of the review in (f) above and the registration of the fair market value, the local government will be notified in writing by the State of the registered cost participation amount established as a result of the appraisal review for each parcel on the project. Subject to the availability of funds, the registered cost participation amount will govern the State's reimbursement participation for a particular parcel except, in condemnation awards resulting from contested court adversary proceedings.

(h) Subject to the availability of funds, the State will participate in the actual amount of such court awards providing they are not substantially in excess of the approved parcel participation amount in which instances, the concerned county or municipal government shall normally appeal the award.

(i) Right of way acquisition activities by counties and municipalities shall be conducted in accordance with all requirements and conditions set forth within the State of New Jersey Uniform Eminent Domain Law of 1971, N.J.S.A. 20:3-1 et seq.

(j) Where owners or tenant occupants of any property being acquired for the project will be displaced, the county or municipality shall provide a Relocation Plan and accomplish Relocation Assistance. If relocation assistance is involved, relocation assistance shall be provided in accordance with prevailing statutes and regulations.

(k) Reimbursement claims for lands and/or easements on approved projects and parcels shall be presented on invoice forms provided by the State accompanied by satisfactory evidence of legal ownership of the property by the local government, as applicable. Other costs incurred incidental to the right-of-way acquisition shall not be reimbursed.

(l) Where properties have been acquired with State participation and are later declared by the county or municipality as excess to the project and are in turn sold, the participation amount shall be then returned to the State.

(m) The procedures in this section are limited to direct State funded projects and are not applicable to Federally funded State-aid projects.

Amended by R.1989 d.229, effective May 1, 1989.

See: 21 N.J.R. 623(a), 21 N.J.R. 1147(c).

(f): Added "of negotiations" and replaced "county or municipality" with "local government". (g): Added "in (f) above". (h): Replaced "municipality" with "municipal government". (k): Replaced "county and/or municipality" with "local government".

Amended by R.1990 d.582, effective December 3, 1990.

See: 22 N.J.R. 2900(a), 22 N.J.R. 3629(a).

Stylistic changes.

SUBCHAPTER 5. AUDIT

16:20A-5.1 General provisions

(a) The county/municipality shall comply with the State of New Jersey Single Audit Policy defined by the Department of Treasury, Office of Management and Budget and the Single Audit Act of 1984 (Federal OMB Circular A-128).

(b) A Single Audit of the county/municipality shall be performed annually beginning with the fiscal year ended December 31, 1986 by an independent auditor or public accountant who meets the independence standards specified

in generally accepted government auditing standards in conformity with the State Audit Policy.

(c) Department of Transportation agreements governed by N.J.A.C. 16:20A shall be subjected to audit compliance tests in accordance with requirements delineated in the Department of Treasury, OMB publication entitled "New Jersey Grants Management Information System Manual."

(d) Expenditures prior to January 1, 1986 made under the terms of the county/municipality agreements with the Department of Transportation and not previously audited by an independent auditor or public accountant who meets the independence standards specified in generally accepted government auditing standards may be audited in context of the Single Audit performed for the fiscal year ended December 31, 1986.

(e) Audit costs incurred by the county/municipality to comply with the subchapter shall not be reimbursable.

APPENDIX I

Municipalities Qualified for Depressed Rural Centers Aid

County	Municipality
Burlington	Beverly City
Burlington	Wrightstown Borough
Gloucester	Swedesboro Borough
Hunterdon	Califon Borough
Hunterdon	Frenchtown Borough
Hunterdon	Hampton Borough
Hunterdon	High Bridge Borough
Hunterdon	Lambertville City
Middlesex	Jamesburg Borough
Monmouth	Allentown Borough
Monmouth	Shrewsbury Township
Morris	Netcong Borough
Morris	Victory Gardens Borough
Ocean	Lakehurst Borough
Salem	Woodstown Borough
Somerset	South Bound Brook Borough
Sussex	Hamburg Borough
Sussex	Sussex Borough
Union	Winfield Township
Warren	Alpha Borough

Amended by R.1985 d.233, effective May 20, 1985.

See: 17 N.J.R. 565(b), 17 N.J.R. 1325(b).

Substituted Hunterdon and Middlesex for Middlesex and Monmouth; added Monmouth-Allentown Borough.

Amended by R.1989 d.229, effective May 1, 1989.

See: 21 N.J.R. 623(a), 21 N.J.R. 1147(c).

Added "Hunterdon, Califon Borough" and "Sussex, Hamburg Borough".

Administrative correction.

See: 21 N.J.R. 1520(b).

Noted that "Sussex Sussex Borough" did not appear in the Register published text of Appendix I.

APPENDIX II

Municipalities Qualified for Urban Aid Funding

Asbury Park City	Mount Holly Township
------------------	----------------------

Bayonne City
Belleville Township
Bloomfield Township
Bridgeton City
Camden City
Carteret Borough
Commercial Township
Deptford Township
East Orange City
Elizabeth City
Garfield City
Glassboro Borough
Gloucester City
Gloucester Township
Hamilton Township (Mercer)
Hillside Township
Hoboken City

Neptune Township
Newark City
New Brunswick City
North Bergen Township
Old Bridge Township
Orange City
Passaic City
Paterson City
Paulsboro Borough
Pemberton Township
Pennsauken Township
Penns Grove Borough
Perth Amboy City
Phillipsburg Town
Plainfield Township
Pleasantville City
Roselle Borough

Irvington Township
Jersey City
Keansburg Borough
Kearny Town
Lakewood Township
Lindenwold Borough
Lodi Borough
Long Branch City
Millville City
Monroe Township (Gloucester)

Salem City
Trenton City
Union City
Vineland City
Weehawken Township
West New York Town
Willingboro Township
Winslow Township
Woodbury City

Amended by R.1989 d.229, effective May 1, 1989.

See: 21 N.J.R. 623(a), 21 N.J.R. 1147(c).

Expanded list by adding several municipalities.

Deleted "Englewood City, Jackson Township, Montclair Township, Rahway City and Woodbridge Township".

Deleted "Plainfield City" and replaced with "Plainfield Township".