

CHAPTER 20B

**NEW JERSEY TRANSPORTATION TRUST FUND
AUTHORITY ACT: MUNICIPAL FUND**

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.72, effective January 12, 1995.
See: 26 N.J.R. 4486(a), 27 N.J.R. 504(c).

Executive Order No. 66(1978) Expiration Date

Chapter 20B, New Jersey Transportation Trust Fund Authority Act: Municipal Fund, expires on January 12, 2000.

Chapter Historical Note

Chapter 20B, New Jersey Transportation Trust Fund Authority Act: Municipal Fund, 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.266, effective July 6, 1987. See: 19 N.J.R. 623(a), 19 N.J.R. 1229(b). Pursuant to Executive Order No. 66(1978), Chapter 20B expired on December 17, 1989, and subsequently was adopted as new rules by R.1990 d.130, effective February 20, 1990. See: 21 N.J.R. 3716(b), 22 N.J.R. 669(b).

Pursuant to Executive Order No. 66(1978), Chapter 20B was re-adopted as R.1995 d.72. See: Source and Effective Date.

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SUBCHAPTER 1. GENERAL PROVISIONS

16:20B-1.1 Appropriation of funds

New Jersey Transportation Trust Fund Authority Act funds are appropriated by the Legislature as the State's share of the cost for the improvement of public highways under municipal jurisdiction.

Amended by R.1989 d.228, effective May 1, 1989.
See: 21 N.J.R. 626(a), 21 N.J.R. 1149(a).
Deleted "1984".

16:20B-1.2 Standards

(a) The proposed road and bridge improvement projects shall conform to the design criteria of the appropriate American Association of State Highway and Transportation Officials publications listed below:

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.

(b) Any exceptions to the above design criteria must be justified by the municipal engineer to be in the public interest.

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

Amended by R.1987 d.266, effective July 6, 1987.
See: 19 N.J.R. 623(a), 19 N.J.R. 1229(b).
Added "and streets, 1984" to (a)2; deleted (a)3 and 4 and renumbered (a)5 as (a)3.
Amended by R.1989 d.228, effective May 1, 1989.
See: 21 N.J.R. 626(a), 21 N.J.R. 1149(a).
(a)2: Deleted "Rural". (c): Changed "All workmanship" to "Construction" and added "current" to describe standard specifications.

16:20B-1.3 Resolutions, applications and agreements

(a) Each municipality may submit fully executed resolution, application and agreement forms for New Jersey Transportation Trust Fund Authority Act funds to the Local Aid District Office of the New Jersey Department of Transportation.

(b) Resolution, application and agreement forms are available to the municipalities at the district offices.

Amended by R.1989 d.228, effective May 1, 1989.
See: 21 N.J.R. 626(a), 21 N.J.R. 1149(a).
Added "resolution".

16:20B-1.4 Procedures

(a) The resolution, application and agreement form provides for an engineering description of the existing road or bridge and the description of the proposed road improvement indicating the right-of-way width, paved and graded widths, shoulder widths, type and depth of proposed pavement and an estimate of the cost of the proposed work. The Local Aid District Offices will review the form for completeness, make a field investigation and evaluate all projects for which applications have been received.

(b) Projects for which applications have been received will be evaluated by a Screening Committee comprised of municipal engineers, representing a cross section of New Jersey and staff of the New Jersey Department of Transportation appointed by the Commissioner of Transportation. Recommendations will be presented to the Commissioner of Transportation for consideration. In project approval, consideration is given to the volume of traffic, safety service to the public, growth potential, readiness to construct and local taxing capacity.

(c) State aid funds for municipal projects in each county will be allocated according to the formula set forth in the legislation appropriating said funds. For the purpose of said formula, population figures will be obtained from the New Jersey Department of Labor and municipal road mileage will be determined by the New Jersey Department of Transportation.

(d) Separate from the State Aid formula appropriation, the Commissioner shall allocate \$5,000,000 to municipalities qualifying for urban aid under P.L. 1978, c.14 (N.J.S.A. 52:27D-178 et seq.) in the same proportion that they receive aid under P.L. 1978, c.14. The proportion is determined by the Department of Community Affairs.

(e) The Commissioner of Transportation may require the municipality to enter into an agreement that will determine a firm progress and funding schedule for each project funded under (d) above.

Amended by R.1989 d.228, effective May 1, 1989.
See: 21 N.J.R. 626(a), 21 N.J.R. 1149(a).

(a): Deleted "district offices shall" and added new procedures for Local Aid District Offices.

(b): Replaced "Applications" with "Projects for which applications have been received" and added "representing a cross section of New Jersey".

Deleted old (c) and recodified old (d) as new (c).
Added new (d) specifying new procedures for appropriating funds to municipalities qualifying for urban aid.

Added new (e) by revising language of old (c).

16:20B-1.5 Contracts

All work must be performed by the contract method unless otherwise approved by the State.

16:20B-1.6 Discretionary funds

Annually, subject to funds appropriated by the Legislature, a Discretionary Fund shall be established to address emergency and critical municipal transportation projects. Any municipality may make application to the Department of Transportation at any time. The rapid construction, reconstruction, or rehabilitation of these type projects will reduce undue hardships to the traveling public or correct unsafe conditions in a timely fashion. All rules, regulations and procedures included in this chapter shall apply except that due to the nature of the projects, applications will not be evaluated by a Municipal Engineers Screening Committee. Final project approvals will be at the discretion of the Commissioner of Transportation.

SUBCHAPTER 2. PLANS AND SPECIFICATIONS

16:20B-2.1 Municipal responsibility

(a) The municipality 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 municipality will provide such maps, reports, construction plans and specifications and contract documents as may be required by the State.

Amended by R.1989 d.228, effective May 1, 1989.
See: 21 N.J.R. 626(a), 21 N.J.R. 1149(a).

(a): Changed "registered" to "licensed".

SUBCHAPTER 3. CONTRACTS

16:20B-3.1 Award of contract

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

(b) Fifteen calendar days prior to the time of advertisement, the municipality 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 cost.

(c) Within 30 calendar days, following the receipt of construction bids, the municipality 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 municipality shall be advised of the approval of the award of contract.

Amended by R.1987 d.266, effective June 6, 1987.

See: 19 N.J.R. 623(a), 19 N.J.R. 1229(b).

New (b) added; old (b)-(c) renumbered (c)-(d); (b)1. and 2. deleted and (b)3.-4. renumbered (b)1.-2.

Amended by R.1989 d.228, effective May 1, 1989.

See: 21 N.J.R. 626(a), 21 N.J.R. 1149(a).

(a): Changed "will" to "shall".

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

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

16:20B-3.2 Contract completion and payment

(a) The State will pay funds on a reimbursement basis after acceptance by the municipality and the State of the work completed. Progress payments may be made on a monthly basis when requested by the municipality when the total amount of reimbursement requested is not less than \$5,000. Vouchers submitted for project payments shall include a statement of the work performed certified by the municipal engineer.

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

1. A statement of the work performed, certified by the municipal engineer, for acceptance and approval of the completed work;
2. A certification by the municipal chief financial officer that all expenditures are supported by valid documentation and conform with the terms of the State agreement; and
3. A request for reimbursement by the State on vouchers to be supplied by the State.

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

(d) The 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 municipality.

Amended by R.1987 d.266, effective July 6, 1987.

See: 19 N.J.R. 623(a), 19 N.J.R. 1229(b).

Deleted text from (b)2 "The projects records have been examined and" and added text "and conform with the terms of the State's agreements; and";

Deleted text in (c) "and a determination in proper order".

Amended by R.1989 d.228, effective May 1, 1989.

See: 21 N.J.R. 626(a), 21 N.J.R. 1149(a).

(b): Replaced "will" with "shall" and in (b)2 revised language to read "State agreement".

SUBCHAPTER 4. STATE PARTICIPATION IN COST

16:20B-4.1 General requirements

(a) State participation shall not exceed the lesser of either 100 percent of the cost of the completed construction work including construction supervision, inspection and material testing or the project appropriation. Except as hereinafter provided, the cost of design engineering and right-of-way acquisition shall be borne totally by the municipality.

(b) 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 Commissioner of Transportation, be reimbursed for design engineering and right-of-way acquisition in addition to the construction providing that the amount does not exceed the total amount allocated for the project. (A list of eligible municipalities for Fiscal Year 1989 is hereby incorporated by reference and attached as Appendices I and II.)

Amended by R.1989 d.228, effective May 1, 1989.

See: 21 N.J.R. 626(a), 21 N.J.R. 1149(a).

(b): Revised to specify new cost and reimbursement guidelines for eligible municipalities and to indicate FY 1989 eligible municipalities are added to Appendices I and II.

16:20B-4.2 Cost of engineering, inspection and construction supervision

(a) In the case of qualified municipalities, the State may participate in the cost of engineering accomplished by either a consultant engaged by the 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) These 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 construction supervision fees.

Amended by R.1989 d.228, effective May 1, 1989.

See: 21 N.J.R. 626(a), 21 N.J.R. 1149(a).

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

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

16:20B-4.3 Cost of right-of-way acquisition

(a) In the case of qualified municipalities, 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) 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) 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) 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 municipal 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 municipal government shall normally appeal the award.

(i) Right-of-way acquisition activities by municipal governments 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. 20:30-1 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 municipal government, as applicable. Other costs incurred incidental to the right-of-way acquisition shall not be reimbursable.

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

(m) These procedures are limited to direct State funded projects and are not applicable to Federally funded State-aid projects.

Amended by R.1989 d.228, effective May 1, 1989.

See: 21 N.J.R. 626(a), 21 N.J.R. 1149(a).

(e): Deleted "Manual".

(g): Added "in (f) above".

(m): Deleted "State-aid".

Amended by R.1990 d.581, effective December 3, 1990.

See: 22 N.J.R. 2901(a), 22 N.J.R. 3630(a).

Stylistic changes.

SUBCHAPTER 5. AUDIT

16:20B-5.1 General provisions

(a) The 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 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 State Audit Policy.

(c) Department of Transportation agreements governed by this chapter 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 agreement(s) 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 municipality to comply with this subchapter shall not be reimbursable.

Amended by R.1989 d.228, effective May 1, 1989.
See: 21 N.J.R. 626(a), 21 N.J.R. 1149(a).

(c): Replaced "N.J.A.C. 16:20B" with "this chapter".

APPENDIX I

Municipalities Qualified for Depressed Rural Centers Aid

<u>County</u>	<u>Municipality</u>
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.1989 d.228, effective May 1, 1989.

See: 21 N.J.R. 626(a), 21 N.J.R. 1149(a).

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

APPENDIX II

Municipalities Qualified for Urban Aid Funding

Asbury Park City	Mount Holly Township
Bayonne City	Neptune Township
Belleville Township	Newark City
Bloomfield Township	New Brunswick City
Bridgeton City	North Bergen Township
Camden City	Old Bridge Township
Carteret Borough	Orange City
Commercial Township	Passaic City
Deptford Township	Paterson City
East Orange City	Paulsboro Borough
Elizabeth City	Pemberton Township
Garfield City	Penns Grove Borough
Glassboro Borough	Pennsauken Township
Gloucester City	Perth Amboy City
Gloucester Township	Phillipsburg Town
Hamilton Township (Mercer)	Plainfield Township
Hillside Township	Pleasantville City
Hoboken City	Roselle Borough
Irvington Township	Salem City
Jersey City	Trenton City
Keansburg Borough	Union City
Kearny Town	Vineland City
Lakewood Township	Weehawken Township
Lindenwold Borough	West New York Town
Lodi Borough	Willingboro Township
Long Branch City	Winslow Township
Millville City	Woodbury City
Monroe Township	

Amended by R.1989 d.228, effective May 1, 1989.

See: 21 N.J.R. 626(a), 21 N.J.R. 1149(a).

Expanded list by adding several municipalities.

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

Deleted "Plainfield City" and added "Plainfield Township".