Agenda

Federal Grant Submissions

Hudson Tunnel Project
•  Value for Money Analysis
•  Supplemental Phase 2 Geotechnical Boring Program

Program Updates
•  Portal Bridge – Interim Improvement
•  Stakeholder Outreach Activities
### Status of Federal Grant Submissions to USDOT/FTA

#### Portal North Bridge Project

<table>
<thead>
<tr>
<th>Submission</th>
<th>Month/Year</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTA CIG Grants</td>
<td>Sept. 2016</td>
<td>FTA “Medium-High” Rating</td>
</tr>
<tr>
<td></td>
<td></td>
<td>PANYNJ RRIF Loan identified as “Committed” by FTA</td>
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<tr>
<td>FTA CIG Grants</td>
<td>Sept./Dec. 2017</td>
<td>FTA “Medium-Low” Rating</td>
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<tr>
<td></td>
<td></td>
<td>Did not account for December 2017 Submittal</td>
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<td></td>
<td></td>
<td>Did not account for many actions to improve financial plan</td>
</tr>
</tbody>
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#### Hudson Tunnel Project

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<td>Did not account for PANYNJ RRIF Loan June 2018 Board Resolution</td>
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## Portal North Bridge Project – FTA Project Rating

The Project Partners took significant actions to improve the Portal North Bridge Project’s Financial Plan after the FY2019 “Medium-Low” Rating

<table>
<thead>
<tr>
<th>FY2019 FTA’s Top 3 Recommendations for Improvement of Rating</th>
<th>FY2020 Actions to Restore Rating to “Medium-High”</th>
<th>FY2020 FTA Rating Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Obtain commitments Local Share of funds</td>
<td>• 100% of local share of funds committed through $600M NJ bond commitment; • All actions taken to commit funds short of selling NJEDA bonds</td>
<td>• 37% of the local share of funds are committed or budgeted • Obtain commitments of all local share of funds</td>
</tr>
<tr>
<td>Revise CIG funding assumptions to lower the annual CIG funding to no more than $100M per year</td>
<td>• CIG funding assumption lowered to $100M per year; despite this action increasing project cost</td>
<td>None</td>
</tr>
<tr>
<td>Address FTA concerns regarding the optimistic Project cost estimate</td>
<td>• NJT worked with FTA’s Project Management Oversight Contractor (PMOC) on project cost and accepted numerous recommendations to successfully lower cost • NJT and Amtrak entered into agreement to split cost overruns 50-50 and NJT set aside $100M for their share of cost overruns</td>
<td>• Address FTA concerns regarding the “optimistic” Project cost estimate • Demonstrate financial capacity to cover an overrun of at least 10% of project cost</td>
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</table>
Hudson Tunnel Project – FTA Project Rating

The FY2020 submission contained a strong local commitment that meets and exceeds the level required by FTA at this stage of the CIG process; the local contributions from PANYNJ, NY, and NJ represent 89% of the local funds needed to build the new Hudson River Tunnel.

Given the unanimous action by the PANYNJ Board in June 2018, 34.8% of the non-CIG funds should be considered “Committed” or “Budgeted” - Greater than the 30% needed for a “Medium” rating from FTA.

<table>
<thead>
<tr>
<th>FY2019 FTA’s Top 3 Recommendations for Improvement of Rating</th>
<th>FY2020 Actions by Project Partners to Improve Rating</th>
<th>FY2020 FTA Rating Response</th>
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</table>
| Obtain commitments Local Share of funds                    | • June 2018 PANYNJ Board Resolution confirming $2.7B for Hudson Tunnel  
• New Jersey and New York Funding Commitments                | • None of the local funds are committed or budgeted |
| Provide details on the local, project-related revenues      | • June 2018 PANYNJ Board Resolution confirming $2.7B for Hudson Tunnel  
• New Jersey and New York Funding Commitments                | • The capital funding sources for the project are optimistic |
| Explain how private capital would be acquired for the Project | • The Financial Plan – for the time being – removed unsourced private capital and replaced it with identifiable local commitments from PANYNJ, NJ, and NY | None |
Hudson Tunnel Project
Hudson Tunnel Project – Value for Money Analysis

GDC is undertaking an analysis to determine the best-value strategy for procuring and constructing the new Hudson River Tunnel

Value for Money Analysis Includes:

• Identifying, Analyzing, Valuing, and Allocating Project Risks
• Establishing Project Contracting Goals
• Developing Contract Scenarios
• Identifying Procurement Options (Design-Build, Design-Bid-Build, PPP, etc.)

This Analysis is On-Going and Will Help Inform GDC’s Procurement Decisions
Hudson Tunnel Project – Phase 2 Supplemental Boring Program

Additional Geotechnical Investigations Can Help Reduce Unknowns, Reduce Construction Risks, and Reduce project cost

- **Feb. 2019**: Launched HTP Pre-Procurement Virtual Data Room
- **Feb. 2019**: Received Industry Feedback on Proposed Phase 2 Boring Program
- **March 2019**: Added Additional Geotechnical Data to Virtual Data Room
- **March 2019**: Conducted 1-on-1 Meetings with Industry on Phase 2 Boring Program
- **March-April 2019**: Revised Phase 2 Supplemental Boring Program
- **Today**: Authorize Phase 2 Supplemental Boring Program
- **Spring/Summer 2019**: Conduct Phase 2 Supplemental Boring Program
Program Updates
Portal Bridge: Interim Improvement

Restricting hours of operation to primarily non-rush hours increases reliability for passengers

- Temporary rule change prohibits opening during rush hour (5a-10a, 3p-8p) with limited exception and advance notice
- Change requested by Amtrak at suggestion of Senators Menendez and Booker and Governor Murphy
- Coast Guard led engagement with marine community to arrive at temporary compromise
- Long-term solution is a new, higher-clearance fixed span that does not need to open & close
Continued Stakeholder Support

Key briefings for lawmakers & committee staff:
• Sens. Schumer, Menendez, Booker, Gillibrand
• House T&I Committee Staff
• New York-New Jersey House Delegations

Legislative proposals:
• Letter of No Prejudice Reform (Sen. Schumer)
• Plan B Legislation (Reps. Gottheimer-King)

FY20 Appropriations:
• $500m for CIG in President’s Budget

Regional Plan Association: “A Preventable Crisis” Report
If we lost one of the two tracks under the Hudson River:
• $16 billion loss to the National economy
• $22 billion loss in property values
• Increased congestion
• Increased pollution
Thank You

GDC is a not-for-profit corporation overseeing the development of the Gateway Program in cooperation with Amtrak, NJ TRANSIT, and the Port Authority of NY & NJ.
Hudson Tunnel Project – Project Counsel Request for Proposals (RFP)

GDC’s Hudson Tunnel Project Counsel will be a key part of the team, together with GDC’s financial advisor, helping to procure and execute delivery of the new Tunnel

Expected Tasks:
• Governance
• Project Development
• Project Procurement
• Funding and Financing

RFP materials will be available at GatewayProgram.org