

**#0417-02: AUTHORIZATION TO ENTER INTO FUNDING AND SUPPORT AGREEMENTS FOR GDC OPERATIONS**

In June 2016, prior to the creation of the Gateway Program Development Corporation (“GDC”), the Gateway Program project partners (“the Partners”), consisting of the National Railroad Passenger Corporation (“Amtrak”), New Jersey Transit Corporation (“NJ TRANSIT”), the Port Authority of New York and New Jersey (“Port Authority”), and the U.S. Department of Transportation (“USDOT”), entered into a Memorandum of Understanding (“MOU”) to establish an interim framework for coordination to advance the Gateway Program. Included in the MOU was the formation of an Executive Committee, to include staff from key project partners and stakeholders to provide leadership and oversight for the Gateway Program. The interim framework also includes five working groups focused on early Program actions. In July 2016, John D. Porcari was named Interim Executive Director of the Gateway Program, and continues to serve in that capacity today.

Prior to the formation of GDC, and pursuant to the MOU, the Partners have supported the Gateway Program by providing staffing and financial resources to advance early efforts, which include but are not limited to: the completion of the Hudson Tunnel environmental review process; and the advancement of the Portal North Bridge and Hudson Tunnel Projects through the Federal Transit Administration’s Capital Investment Grant process.

The GDC was incorporated as a New Jersey non-profit in November 2016, and held its organizational meeting on January 12, 2017, to elect officers and adopt by-laws. GDC is charged with advancing the Gateway Program, with an initial focus on Phase I Projects, which includes the construction of a new two-track Hudson River rail tunnel from New Jersey to Manhattan that will directly serve Penn Station New York, the rehabilitation of the existing Hudson River tunnel, the completion of a concrete casing to preserve the right-of-way on Manhattan’s West Side, and the replacement of the Portal Bridge.

To advance the Gateway Program in the near term, GDC will engage in activities including, but not limited to, hiring an Executive Director and retaining necessary professional services such as legal and financial advisors. It is therefore recommended that the Board authorize staff to enter into an agreement with Amtrak for the provision of short-term operating funds to finance these activities (“Operating Funds Agreement”). The funds would be disbursed according to a pre-determined schedule incorporated into the Operating Funds Agreement, and disbursement would be subject to any audit, oversight and financial requirements as agreed between Amtrak and GDC.

In support of the Operating Funds Agreement, it is also recommended that the Board authorize staff to enter into support agreements with one or more of Amtrak, NJ TRANSIT, and the Port Authority for the provision – at no cost to GDC - of professional and technical support services that GDC may require in the near term including, but not limited to, engineering review, human resources, and procurement support (each a “Support Agreement”). These support services will permit GDC to more effectively use

the operating funds provided under the Operating Funds Agreement by leveraging the experience and capabilities of the Partners. GDC may enter into a Support Agreement with one or more of the Partners.

Pursuant to the foregoing report, the following resolution was adopted, with Trustees Bagger, Cohen, Coscia and Ray voting in favor.

RESOLVED, that the Chair of the Board or other Officer of the Gateway Program Development Corporation (“GDC”) is hereby authorized, for and on behalf of GDC, to take all actions as may be necessary to effectuate the entry of GDC into an Operating Funds Agreement with the National Railroad Passenger Corporation (“Amtrak”), subject to any audit, oversight and financial requirements as negotiated, and it is further

RESOLVED, that the Chair of the Board or other Officer of GDC is hereby authorized, for and on behalf of GDC, to take all actions as may be necessary to effectuate the negotiation of Support Agreements with one or more of Amtrak, the New Jersey Transit Corporation (“NJ TRANSIT”), or the Port Authority of New York and New Jersey (“Port Authority”).