

Gateway Program Update

November 18, 2022

GATEWAY PROGRAM

Update Summary

Summary of Key Ongoing Activities

Request to Enter Engineering Phase

Project Development Agreement

Updated Financial Plan

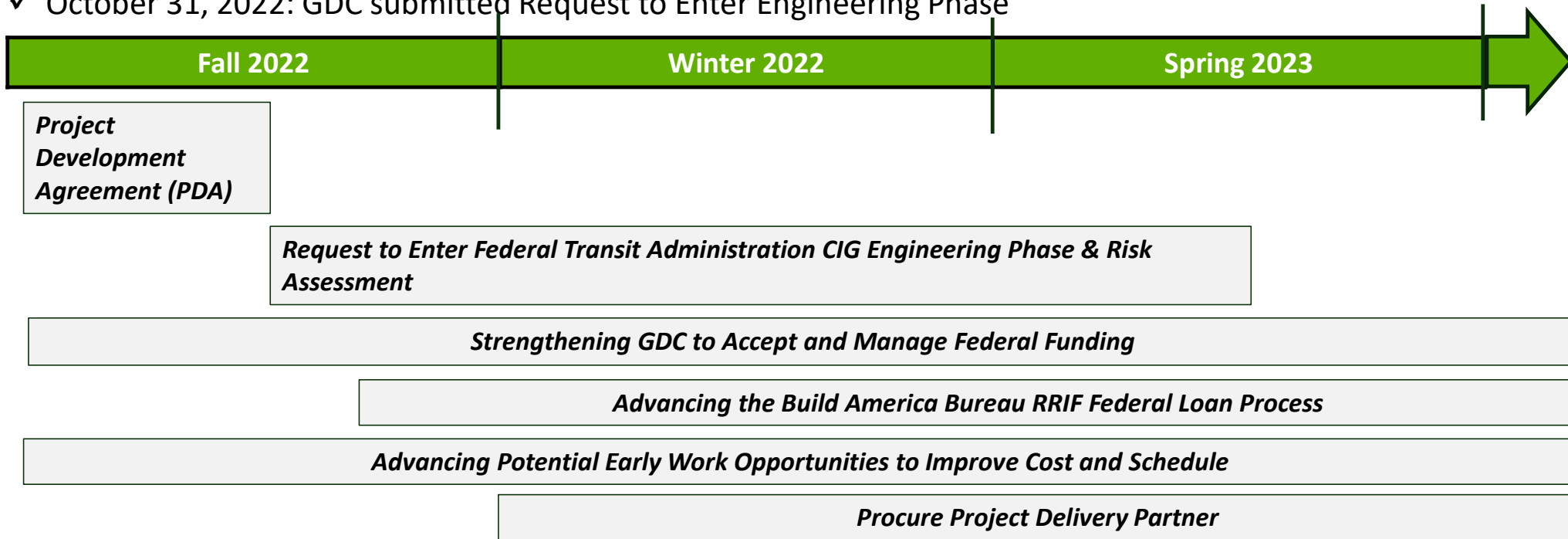
*GDC Preliminary 2023
Operating & Capital Budget*

Action Items

Hudson Tunnel Project – Summary of Key Ongoing Activities

Critical Work on Multiple Fronts to Meet Project Schedule Milestones

- ✓ August 31, 2022: Updated estimated cost and schedule
- ✓ October 21, 2022: GDC formally assumed the role of HTP Project Sponsor
- ✓ October 31, 2022: GDC submitted Request to Enter Engineering Phase



Hudson Tunnel Project – Request to Enter into Engineering Phase



Significance

- FTA is required to evaluate and rate projects to advance between CIG phases.
- FTA reviews the submission and concurrently performs a risk assessment.
- The Request for Entry into Engineering marks the completion of the design, engineering, and environmental work required during the FTA's Project Development Phase.
- The Engineering Phase is a statutorily required step prior to advancing to a Full Funding Grant Agreement.

Key Submission Components

- Project Development Agreement
- Updated Estimated Cost and Schedule
- Updated Financial Plan
- Project Management Plan and Sub-Plans
- Design Documents, Geotechnical Studies, and Other Project Documents

Hudson Tunnel Project – Engineering Phase Submittal Project Development Agreement (PDA)

Parties: States of New Jersey and New York, Amtrak, and the Gateway Development Commission

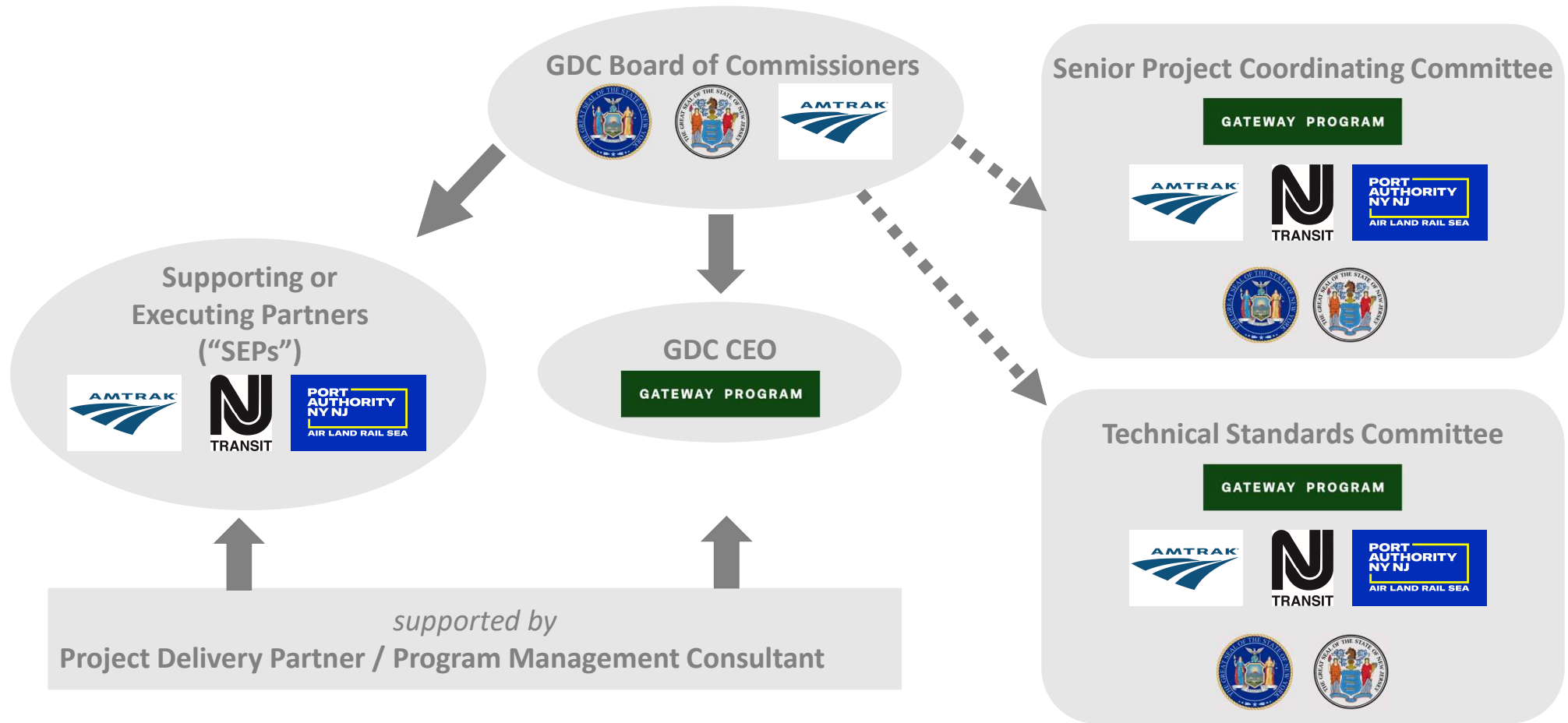
Purpose: To serve as a roadmap for partner roles and responsibilities and ensure that the HTP is delivered in the most transparent, responsible, and cost-effective manner as possible and that Federal funding partners have confidence in the project's ultimate successful completion.

Summary:

- GDC is responsible for delivery of the entire HTP project and individual contract packages.
- Delivery overseen and governed by GDC Board of Commissioners.
- GDC will oversee design and construction, including opportunities to maximize innovation.
- GDC may partner with entities like the Port Authority of New York and New Jersey, Amtrak, and/or NJ TRANSIT, to provide services to support delivery of certain HTP packages.
- Key components of the PDA include decision-making and governance, project reporting and controls, funding and financing obligations, operations and maintenance, and dispute resolution procedures.



PDA Governance Structure



Hudson Tunnel Project – Engineering Phase Submittal: Updated October 2022 Financial Plan

Updated Financial Plan Builds Reflects Cost/Schedule and Builds on 2021 “Medium-High”

- First financial plan submitted by GDC as Project Sponsor
- Reflects August 2022 Cost/Schedule
- Estimated cost assumes a 50-50 funding split between local and Federal partners
- Includes strong local funding commitments from the States of New Jersey and New York and the Port Authority of NY & NJ
- Highlights effort to reduce costs & schedule via Bipartisan Infrastructure Law Grants, Value Engineering, Early Work



GDC Preliminary Operating and Capital Budget - 2023

Operating Expenses

Staff	10,560,262
Professional Support Services	11,050,907
Federal-related Costs	750,000
Rent and Utilities	718,557
Administration	316,170
Office Equipment, Services and Supplies	378,508
Total Operating Expenses	\$23,774,403

Capital Expenses

Planning, Engineering and Project Systems and Development	34,400,000
Total Capital Expenses	\$34,400,000

Total GDC Operating and Capital Budget	\$58,174,403
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Action Items

- Item #1122-01: Hudson Tunnel Project – Authorization to Execute the Project Development Agreement**
- Item #1122-02: Authorization for GDC to Enter into Operational Funding Agreements and to Retain an Independent Auditor**

Thank You

GATEWAY PROGRAM