FOR IMMEDIATE RELEASE
December 12, 2022

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GATEWAY DEVELOPMENT COMMISSION TO RELEASE REQUEST FOR QUALIFICATIONS FOR INNOVATIVE “PROJECT DELIVERY PARTNER” MODEL ON HUDSON TUNNEL PROJECT

In New Approach to Delivering Rail Projects, PDP with Private Sector Will Build Financial, Legal and Technical Capabilities

New York – At a meeting of its Board of Commissioners, the Gateway Development Commission (GDC) announced today that it will release a Request for Qualifications (RFQ) for a Project Delivery Partner (PDP) on the Hudson Tunnel Project. As part of the solicitation, GDC will seek input from private industry on the specific PDP structure most appropriate for the project. The RFQ is expected to be issued in the coming days.

Engagement with a PDP will dramatically increase GDC’s technical, financial, and legal capacities to manage and deliver the Hudson Tunnel Project including enhancements to project planning, programming, design management and construction management capabilities. In addition, potential performance incentives in the partnership will increase discipline in delivering the project efficiently.

“This innovative approach to delivering the Hudson Tunnel Project is the kind of outside-the-box thinking we must bring on this critical project,” said New Jersey Commissioner and GDC Co-Chair Balpreet Grewal-Virk. “Private industry has told us they are ready to partner and help make sure the Gateway Hudson Tunnel Project is built. This moves us another big step in that direction.”

“Engaging with the private sector to leverage the best and brightest ideas in the industry is central to the successful delivery of the Gateway Hudson Tunnel Project,” said New York Commissioner and GDC Co-Chair Alicia Glen. “We will continue to look for smart opportunities to deliver the project on time and on budget.”

“This procurement approach for the Hudson Tunnel Project preserves flexibility and allows for opportunities to introduce innovative thinking into the project,” explained Amtrak Chairman and GDC Vice Chair Tony Coscia. “With partnerships that bring cost and schedule discipline, we’re putting GDC in the best possible position to deliver on our commitments.”

“Building the most urgent infrastructure project in the nation takes a strong partnership with the private sector that includes every area from international and nationwide companies to local and DBE firms,” said Kris Kolluri, GDC Chief Executive Officer. “Adding the expertise, innovation and scale of a project delivery partner will be an enormous benefit as we work to make the Gateway Hudson Tunnel a model of effective and responsible project management.”

Under the PDP model, the private partner is embedded with the asset owner and shares a collective focus on outcomes and incentives for meeting milestones on time. The model streamlines accountability and allows asset owners to establish performance metrics in areas like target cost, completion dates, quality control, safety, and others. The PDP model ensures GDC will maintain oversight of all elements of the project.

The GDC PDP will be among the first delivery partner model contracts in the United States, following international success. Among the most impactful uses was the development of the London Olympic Games, where work was
delivered ahead of schedule and under budget. The model is currently being deployed on some of the largest infrastructure construction projects in the world such as HS2 in the UK and Sydney Metro in Australia.

As part of the meeting, the GDC Board also approved a Capital and Operating Budget for the Commission for 2023, and a resolution to advance several organizational policies.

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The Gateway Program is the most urgent infrastructure program in the country – a comprehensive set of rail investments that will improve commuter and intercity services, add needed resiliency, and create new capacity for the busiest section of the Northeast Corridor (NEC). The NEC is the most heavily used passenger rail line in the country hosting more than 2,200 train movements and 800,000 passenger trips daily.