

For Indicative, Illustrative, Contemplative Purposes Only



Gateway Development Commission Manhattan Tunnel Contract Package Forum

July 25, 2023

**GATEWAY DEVELOPMENT
COMMISSION**

Information presented in this briefing relates to future procurements and is for indicative, illustrative, and contemplative purposes only.

Agenda

Project Impact & GDC Recent Milestones

Upcoming Construction

Ongoing Procurements

Contract Packaging Schedule

Manhattan Tunnel

DBE Opportunities

Insurance and Bonding

Feedback and Questions

Why a new tunnel is needed

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A Vital Link at Risk

The Impact of a Hudson Rail Tunnel Closure

Today

100%



With **two tunnels**, capacity is **24 trains** per hour*



With **one tunnel**, capacity falls to **6 trains**, or **25%**



*Inbound, at peak morning times



- 4 year shutdown of one tube = \$16 Billion Loss to GDP.
- \$22 Billion Loss in Regional Property Values.
- 2 million additional tons of Co2 from car congestion.

Source: <https://rpa.org/work/reports/a-preventable-crisis>

Economic, Social and Environmental Impacts of the HTP

- Create over **72,000 direct, indirect, and induced jobs** over the Project's construction period

Source: Chapter 7. Socioeconomic Conditions, Hudson Tunnel Project Draft Environmental Impact Statement (DEIS), July 2017

- Generating **\$19 billion in economic activity** over the Project's construction period

Source: Chapter 7. Socioeconomic Conditions," Hudson Tunnel Project Draft Environmental Impact Statement (DEIS)", July 2017

- Stops consistent delays and provides 21st century reliability to **200,000 passengers** at the busiest point of the Northeast Corridor.
- Utilize **U.S. suppliers and manufacturers** through the Buy America/Build America requirements.
- Apply federal provisions regarding participation by **DBE's**.



\$700M allocated for Gateway rail tunnel in 2024 federal budget



INFRASTRUCTURE

More Progress on Hudson Tunnel Project

POLITICOPRO

Feds announce construction money for summer work on Gateway tunnel



Gateway to put bids out this year to start early tunnel work in 2024

Bloomberg

CityLab
Transportation

NYC's \$16 Billion Gateway Tunnel Wins Key Access at Hudson Yards



PROGRESS

The New York Times

Hudson Tunnel Project to Get \$6.9 Billion in Largest U.S. Transit Grant



Largest federal transportation grant ever awarded to critical NY-NJ tunnel project

northjersey.com

TRANSPORTATION

Gateway project moves to 'doing phase' with deal to pay for rail tunnel's NY entrance

ENRMidAtlantic

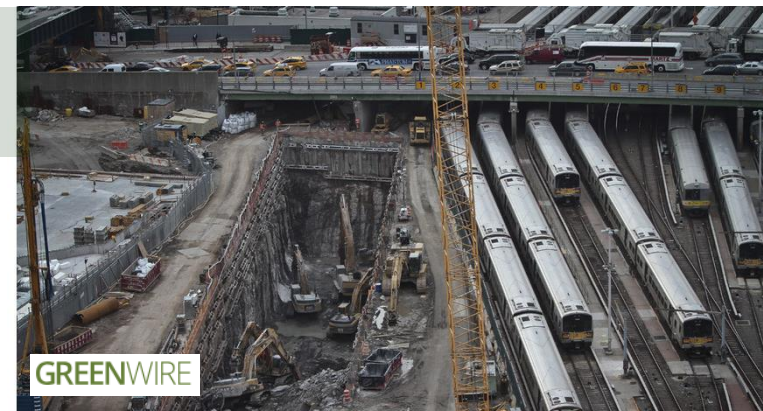
Hudson River Rail Tunnel Project Set for Record \$6.9B Federal Grant



Hudson Tunnel Project gets billions from feds to move Gateway project forward

Bloomberg

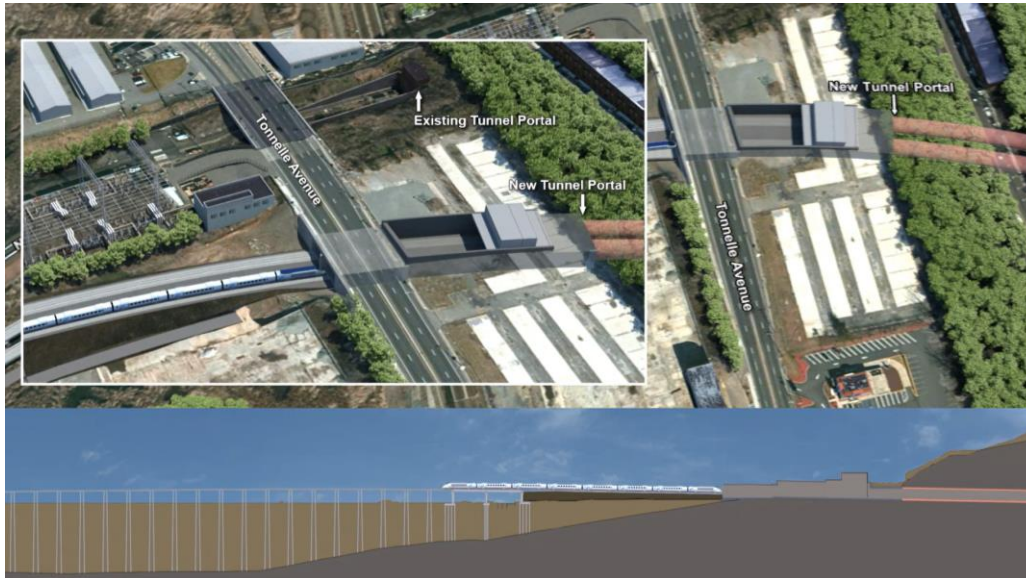
NYC's Gateway Tunnel Project Secures \$6.9 Billion Federal Grant



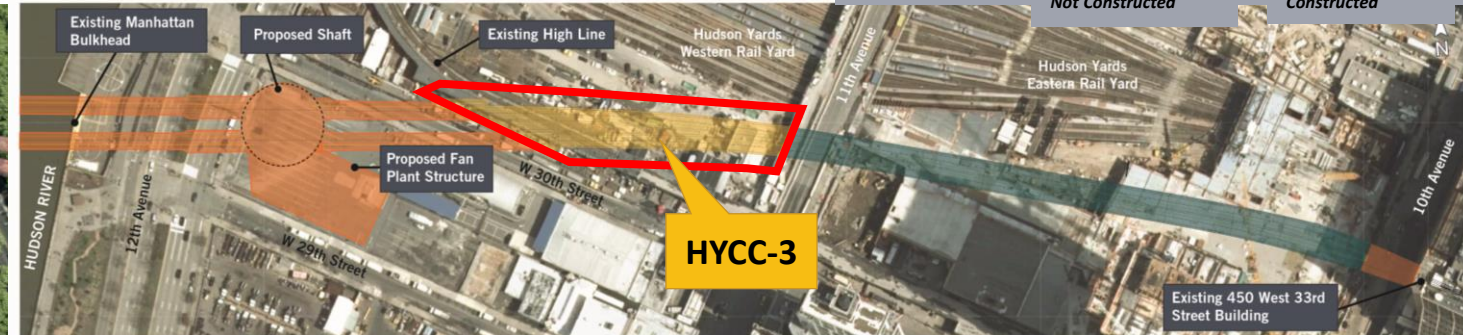
Recent HTP Milestones

- ✓ HTP Entering into Engineering enables GDC to receive \$6.88B in CIIG grant funding
- ✓ \$25 million RAISE grant for Tonnelles Avenue awarded to GDC
- ✓ Received \$292 million for Hudson Yards Concrete Casing Section 3 (HYCC-3)
- ✓ CIIG \$\$ in President's proposed FY2024 budget
- ✓ GDC assumed role of Permanent Project Sponsor
- ✓ States' Funding Plan in Place
- ✓ Procurement process for Project Delivery Partner
- ✓ Ongoing procurements for Hudson River Ground Stabilization and Palisades Tunnel
- ✓ Preparing to launch Early Work in both NY/NJ

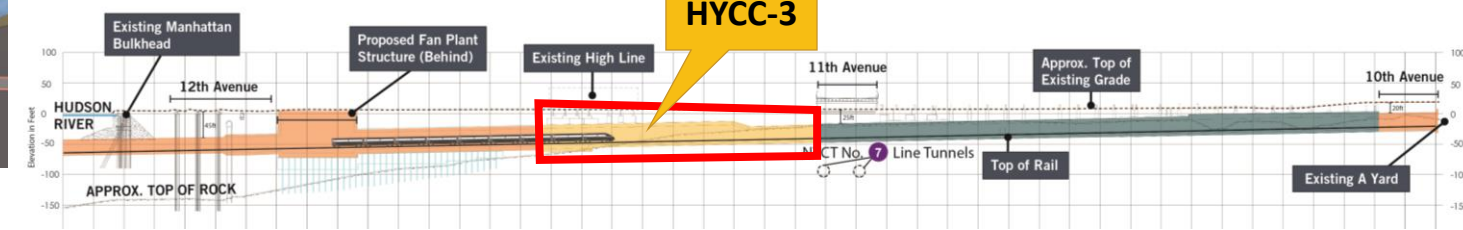
Construction on the Hudson River Tunnel starting on both sides of the River in 2023: Tonnelle Avenue and HYCC-3



Tunnel Plan View



Tunnel Profile View



Ongoing Procurements

Hudson River Ground Stabilization

Fortifying and stabilizing the river bottom on the New York side of the Hudson River.

Procurement Methodology: Design-Build

RFQ: Released May 31st, 2023

RFP: August 2023



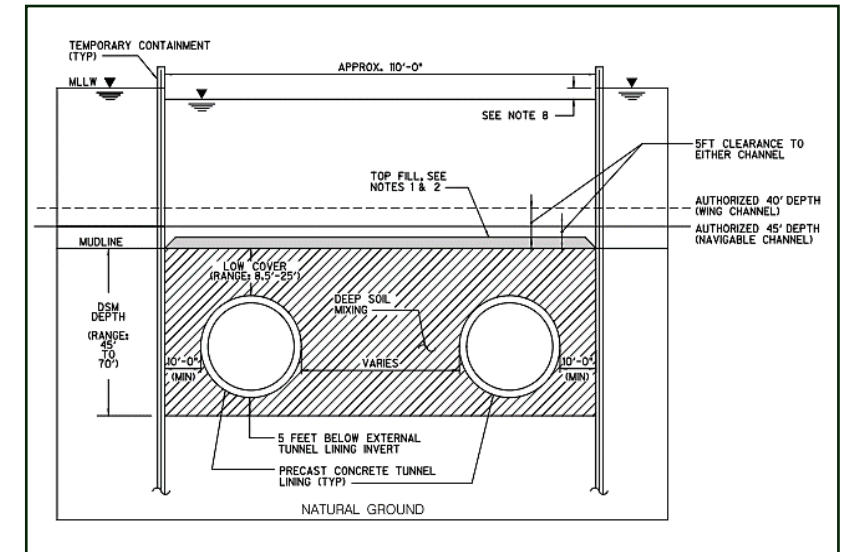
Palisades Tunnel

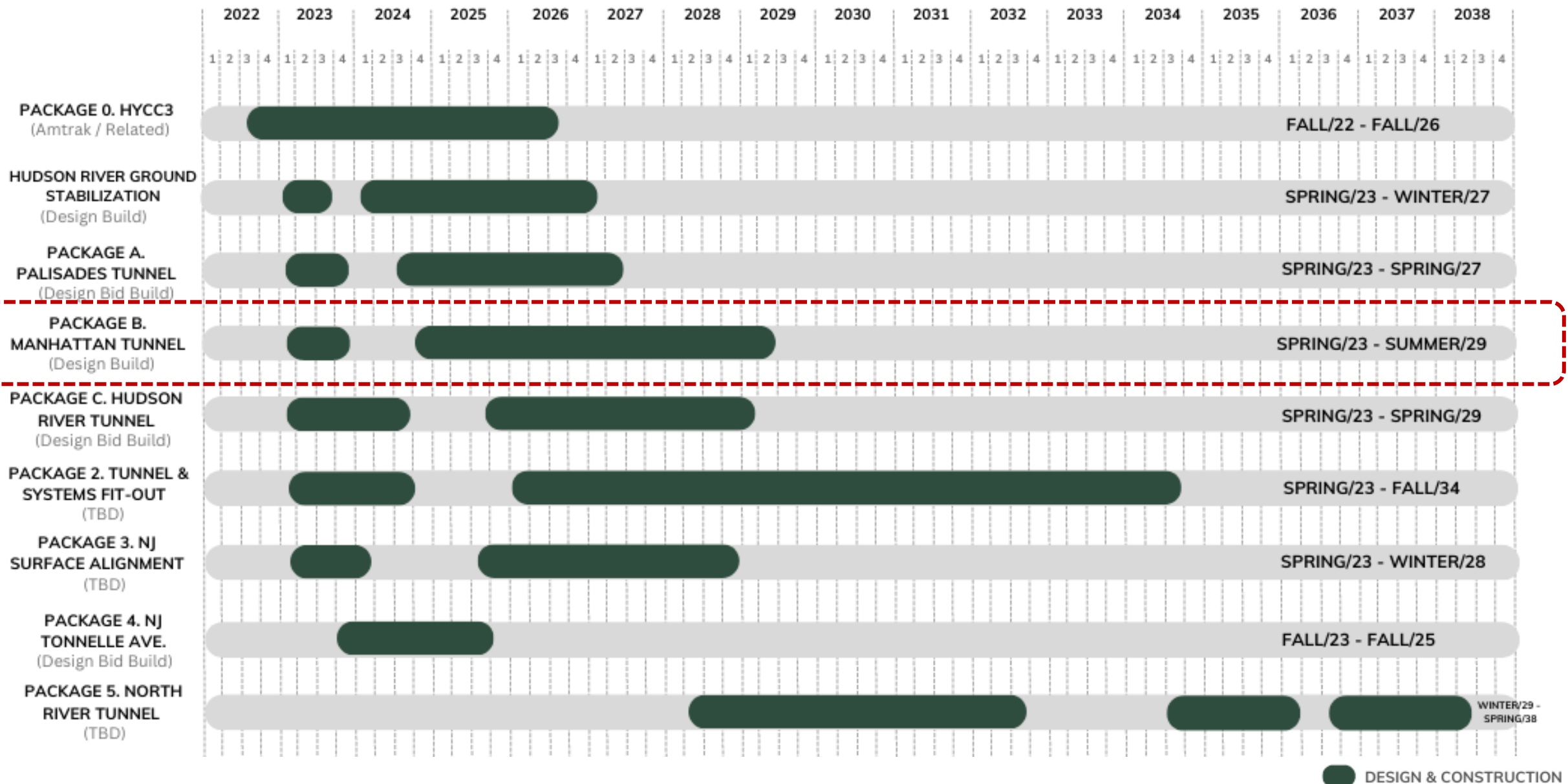
Tunnel portion through the Palisades to the construction shaft in Hoboken, New Jersey.

Procurement Methodology: Design-Bid-Build

RFQ: Published May 31st, 2023

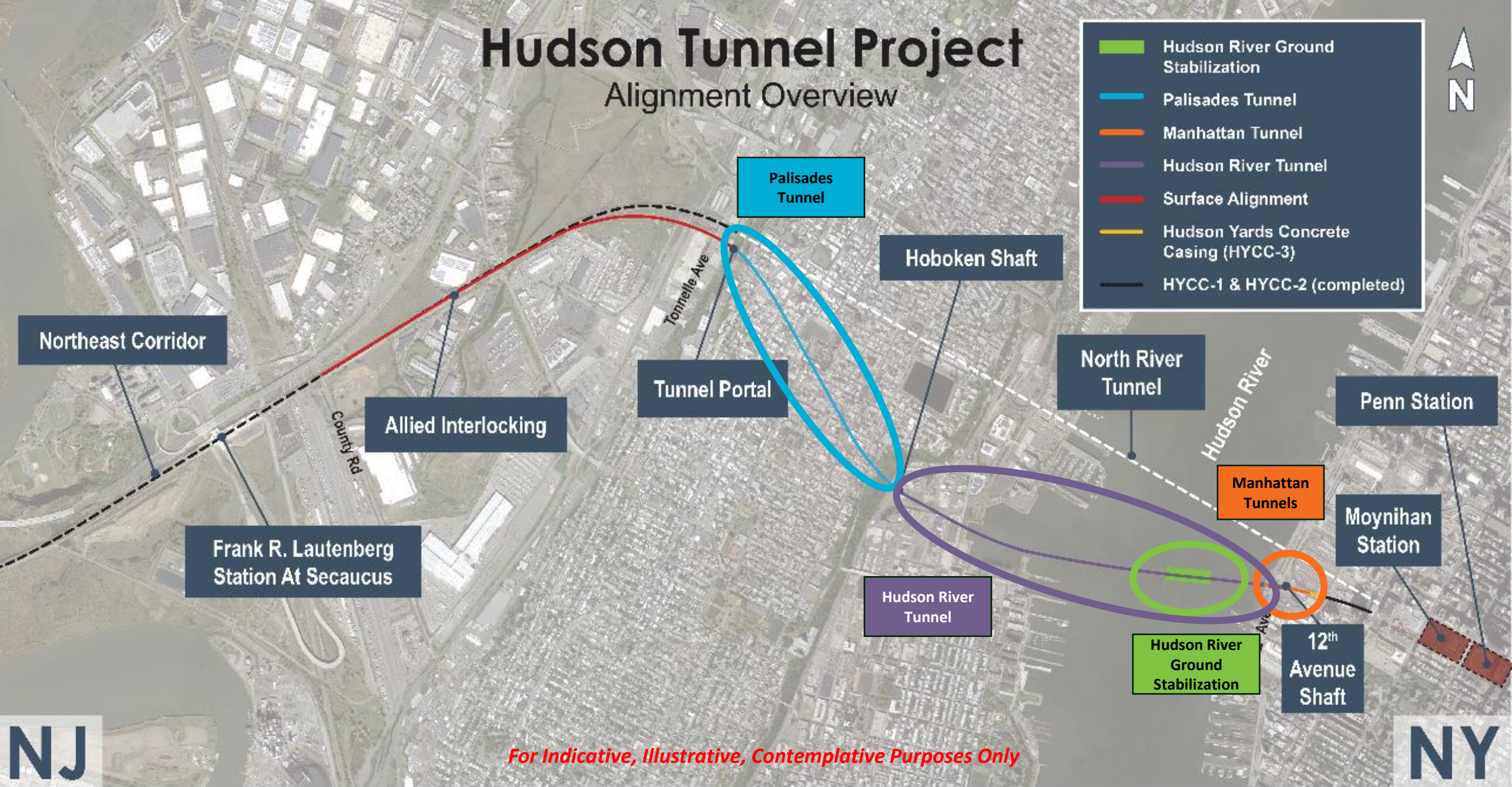
RFP: October 2023





Hudson Tunnel Project

Alignment Overview

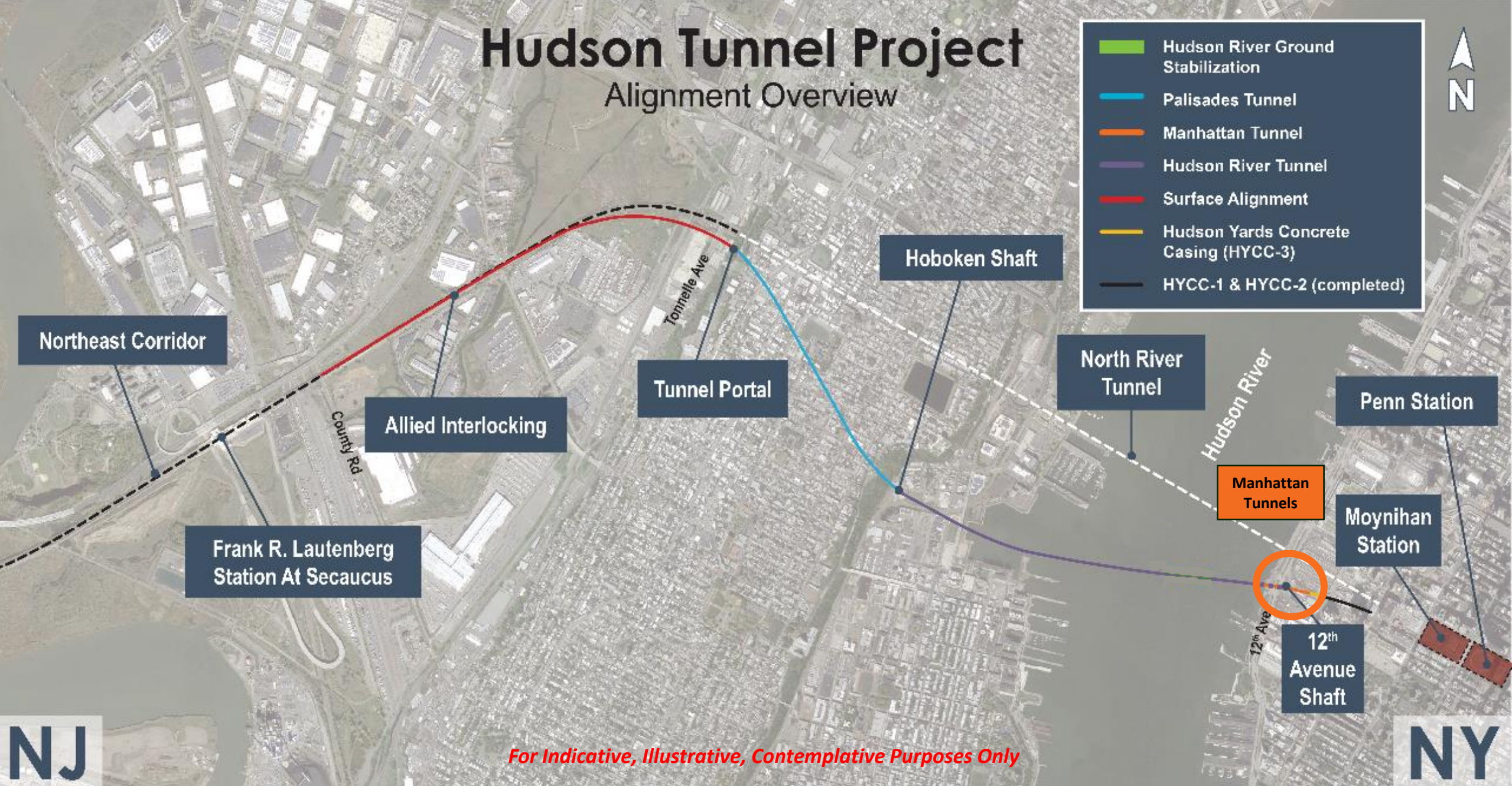


NJ

NY

Hudson Tunnel Project

Alignment Overview



NJ

NY

Panelists

Jim Morrison, *Chief Technical Officer – GDC*

Drew Bazil, *Assistant Vice President / Project Manager - GTHP*

Anthony Gardner, *Senior Director of Procurement – GDC*

Fraser Roberts, *CEO - Intech*

Manhattan Tunnel Package

Package 1B



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Package 1B

TEMPORARY
ACCESS SHAFT

12TH AVENUE / ROUTE 9A (SB)

12TH AVENUE / ROUTE 9A (NB)

12TH AVENUE
SHAFT

HYCC-3 (NIC)

HYCC-3
(PACKAGE 0)

W. 30TH STREET



Package 1B Manhattan Tunnels Design Build Package

1. 12th Ave Shaft and Temporary Shaft SOE
2. Ground Stabilization
3. Manhattan Bulkhead / 12th Ave SEM Tunnels / Underpin NYCDEP Sewer
4. W. 30th Street SEM Tunnels / Temp Relocation NYCDEP Sewer / Cast-in-Place Tunnel Liner

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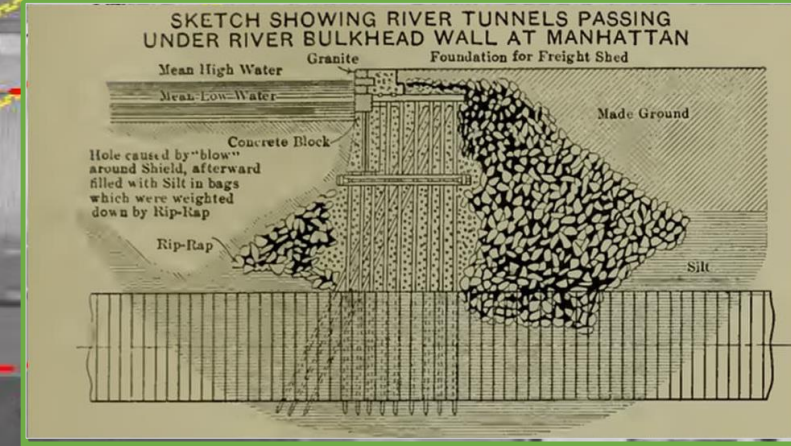
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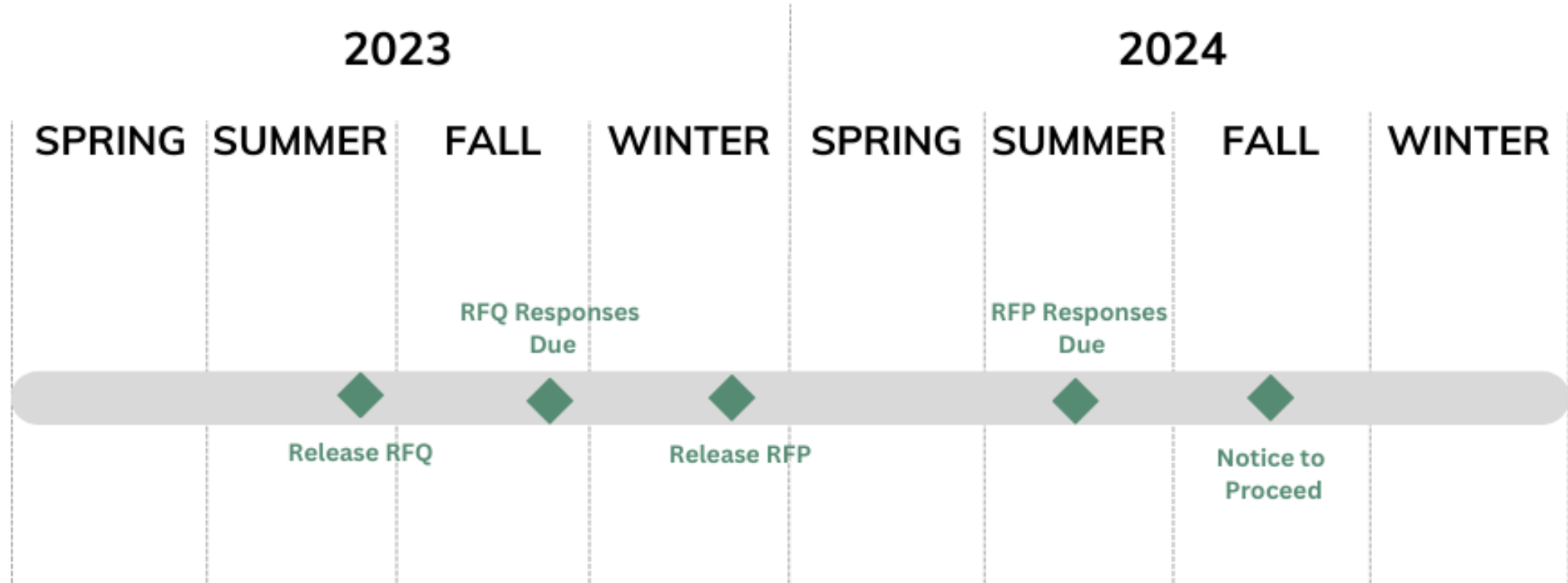
Key Elements of Work

1. Shaft support of excavation and material removal (2 locations)
2. Ground stabilization execution along entire tunnel alignment
3. Mined tunnels by Sequential Excavation Method (SEM)
4. Tunneling through Manhattan Bulkhead and removal of obstructions
5. Underpinning of DEP sewer (12th Ave) and potential temporary bypass DEP sewer (W. 30th Street)
6. Cast-in-place concrete tunnel liner (W. 30th Street)
7. Rigorous Maintenance Protection of Traffic (MPT) plan
8. Coordination with multiple agencies

Schedule Criticality

- 12th Avenue Shaft and SEM Tunnels from Bulkhead to 12th Avenue Shaft to be completed by mid-2027 (critical prior to Hudson River Tunnel boring activities (Package 1C) scheduled to commence from NJ in early 2027.)
- Construction at Hudson River Park (Manhattan Bulkhead) to be completed within a limited time, consistent with the FEIS.
- Interface with HYCC-3 (Package 0) tunnel in Hudson Yards.
- Completion of work is critical to provide future tunnel and shaft fit-out contractor access to Lot 1 construction site.

Procurement Timeline



Potential and Contemplated Stipend Program

- GDC intends to utilize a stipend program for this procurement.
- Staff will present the program structure to the GDC Board of Commissioners for a potential program.
- Additional details to be included in RFQ to be issued August 2023.

RFQ Overview and Potential and Contemplated Evaluation Criteria

- Design-Build, best value procurement
- Request For Qualifications (RFQ) process to shortlist qualified bidders. Maximum 5 bidders to be shortlisted.
- Evaluation criteria to qualify for shortlist includes: (criteria used to score and rate responses)
 - Legal Standing (pass/fail)
 - Financial Strength (pass/fail)
 - Backlog and Capacity (pass/fail)
 - Vendor Responsibility (pass/fail)
 - Key Personnel (quality)
 - Respondent Experience and Past Performance (quality)
 - Organization & Management Approach (quality)
 - Technical Understanding (quality)

RFP Potential and Contemplated Evaluation Criteria Factors

Overall RFP weighting - Technical (60%) vs. Price (40%)

Technical Factors:

Overall Project Objectives:

- Safety
- Schedule Certainty
- Technical Reliability
- Price Certainty
- Key Personnel
- Project Understanding

Specific Project Approach Criteria:

- Methodology and approach for Manhattan Bulkhead penetration
- Methodology for SEM excavation
- Implementation and Staging Plan
- Redundancy to Assure Schedule Certainty
- Sustainability in Construction

DBE Opportunities

Federal Compliance and Goal Setting

- Federally compliant procurements, subject to all USDOT DBE regulations as defined under 49 CFR Part 26.
- Establish achievable project-specific goals for DBE participation, expressed as a percentage of the total contract price.
- As part of the procurement process, require demonstration as to how proposers will meet this participation.
- Require primes to show past performance of DBE goal achievement and compliance with DBE program.
- Goals expressed as a percentage of the total contract price.
- Take all reasonable steps to eliminate obstacles to DBE participation, including unnecessary and unjustified bundling of contract requirements that may preclude DBE and small business participation in procurements as prime contractors or subcontractors.

Potential Subcontracting Opportunities to Support Prime Contractor

- Scheduling
- Project Controls
- Safety Monitoring
- Inspections
- QA/QC
- Contract Administration
- Third Party Coordination
- Support GDC Outreach Efforts
- Compliance (environmental, DBE, etc.)
- Expediting
- Trucking
- Disposal of Material
- Traffic control
- Cleanup

DBE Outreach

- **Three roundtables** in February and May 2022, and in February 2023 led by Chairman Payne Jr and with the participation of US DOT, GDC co-Chair and CEO, the Port Authority of New York and New Jersey, New Jersey Transit, and the New York Building Congress and multiple DBE representatives.
- **6/14 Infrastructure Opportunities Matchmaking Conference, NJ MBDA, National Association of Minority Contractors (NAMC), and New York Building Congress (NYBC)**
 - Participation by GDC Senior Director of Procurement, Deputy Chief Program Officer and Director of Government and Community Affairs.
- **2023 NYS Regional MWBE Opportunities Expo Series, Empire State Development**
 - Fireside chat on how GDC is building reliable, resilient, and innovative infrastructure for future economic growth, with the participation of GDC Senior Director of Procurement and Deputy Chief Program Officer.
- **29th Competitive Edge Conference 2023: Bridging the Gap from Equity to Equality**
 - Panel participation by GDC Senior Director of Procurement.

Insurance and Bonding

Insurance and Bonding

Potential and Contemplated for Feedback Purposes

- Utilize Contractor Controlled Insurance Program (CCIP) including:
 - Builders Risk with option for GDC to procure (limit based on Probable Maximum Loss)
 - CCIP including Commercial General Liability, Workers Compensation, Employers Liability, and Excess Liability (\$300,000,000 per occurrence, \$300,000,000 aggregate)
 - Contractors Pollution Liability (\$50,000,000)
 - Automobile Liability (\$10,000,000)
 - Contractors' Equipment (limit acceptable to GDC)
 - Aircraft/Watercraft Liability, if applicable (\$10,000,000)
 - Marine Cargo, if applicable (replacement cost)
 - Project Specific Professional Liability (\$25,000,000)
- FTA requires 100% performance and payment bonds for the Manhattan Tunnels package
 - Solicit alternative Performance Security options (e.g., Low Penalty Bond, Letters of Credit, Parental Company Guarantee) from Contractors, subject to acceptance by GDC and FTA

Feedback and Questions

Thank you

GATEWAY DEVELOPMENT COMMISSION