

April 30, 2025

The Honorable Kathy Hochul  
Governor of New York State  
NYS State Capitol Building  
Albany, NY 12224

The Honorable Philip D. Murphy  
Office of the Governor  
225 West State Street  
Trenton, NJ 08625

The Honorable Andrea Stewart-Cousins  
President Pro Tempore and Majority Leader  
The New York State Senate  
188 State Street  
Legislative Office Building, Room 907  
Albany, NY 12247

The Honorable Nicholas Scutari  
Senate President  
New Jersey Senate  
125 West State Street  
State House South Addition, Level A  
Trenton, NJ 08625

The Honorable Carl Heastie  
Speaker of the Assembly  
The New York State Assembly  
188 State Street  
Legislative Office Building, Room 932  
Albany, NY 12248

The Honorable Craig Coughlin  
Assembly Speaker  
New Jersey General Assembly  
125 West State Street  
State House South Addition, Level B  
Trenton, NJ 08625

Dear Governor Hochul, Governor Murphy, President Pro Tempore and Majority Leader Stewart-Cousins, President Scutari, Speaker Heastie, and Speaker Coughlin:

Pursuant to the bi-state Gateway Development Commission Act (the “GDC Act”), the Gateway Development Commission (“GDC”) is hereby transmitting its Annual Report for Fiscal Year 2024 to “the governors and state legislatures of New York and New Jersey...” via this letter of transmittal, which incorporates information specified in the GDC Act. *See* N.J.S.A. 32:36-10; 2019 N.Y. Laws Ch. 108, Section 2(9).

120 Broadway – 10<sup>th</sup> Floor  
New York, NY 10271

Two Penn Plaza East – 11<sup>th</sup> Floor  
Newark, NJ 07105

2024 was a pivotal year for GDC. We secured full funding for the Hudson Tunnel Project (“HTP”) and awarded contracts for two new construction packages, including the first tunnel boring contract. We also made significant progress on our active projects, including reaching the halfway point on the first construction package of the HTP on time and on budget.

GDC continued to grow and mature as an organization. We onboarded our Delivery Partner, significantly scaling up our staff capacity and adding centuries of collective experience and expertise to the project team, and hired an Inspector General. With the HTP fully funded, the Board established a search committee to identify our second world-class Chief Executive Officer, who will oversee the project’s transition from the planning phase to the heavy construction phase. The Board also approved GDC’s fourth Annual Operating and Capital Budget for Fiscal Year 2024, totaling \$68 million.

Today GDC is managing five active construction projects. Tens of thousands of people are employed in connection with the HTP and the project is driving billions in economic activity. We look forward to building on this progress in the year ahead.

## **I. INTRODUCTORY SECTION**

### ***a. Board and Officers Information***

In July 2019, the States of NY and NJ created GDC through the enactment of parallel legislation by each state and codified as the GDC Act. GDC is a public authority and a government-sponsored authority, with three Commissioners from the State of NY, three Commissioners from the State of NJ, and one Commissioner directly appointed by Amtrak.

Following the enactment of the GDC Act, nominations were made to the Board of Commissioners (“Board”) by the respective appointing authorities beginning in 2019, and all Commissioners were confirmed to the Board by 2022. The Commissioners of the GDC Board remain as follows:

Alicia Glen (NY Co-Chair)  
Balpreet Grewal-Virk (NJ Co-Chair)  
Anthony R. Coscia (Vice-Chair and Amtrak Commissioner)  
Jamey Barbas (NY Commissioner)  
Janine Bauer (NJ Commissioner)  
Marie Therese Dominguez (NY Commissioner)  
Amy Rosen (NJ Commissioner)

Alicia Glen serves as the NY Co-Chair when appointed at the Board meeting on July 19, 2022, Balpreet Grewal-Virk serves as the NJ Co-Chair when appointed at the Board meeting on

March 5, 2021, and Anthony R. Coscia serves as the Amtrak Commissioner and Vice-Chair in accordance with the GDC Act and the Bylaws; they continued to serve in such capacity during 2024.

Kris Kolluri continued to serve as Chief Executive Officer (“CEO”) of GDC through October. In August, the GDC Board established a search committee to select a successor to CEO Kris Kolluri. Chief Financial Officer (“CFO”) Patrick McCoy served as Acting CEO from October through December.

At the August 1, 2024, Board meeting, the Board adopted a resolution appointing William Fletcher as GDC’s Inspector General.

### ***b. Commission Developments and Activities***

These developments and activities are also referenced in the letter from the GDC Acting Chief Executive Officer to the Board dated December 23, 2024, attached hereto as Appendix A.

### **Organizational Developments.**

**GDC secured full funding for HTP in 2024.** In July, GDC signed a full-funding grant agreement (“FFGA”) for \$6.88 billion in Capital Investment Grants (“CIG”) Program funding and closed on Railroad Rehabilitation and Improvement Financing (“RRIF”) loans from the Build America Bureau totaling \$4.06 billion to fund the local share of the project. In September, GDC executed a grant agreement for \$3.8 billion in Federal-State Partnership (“FSP”) Grant funding. In June, GDC executed a \$25 million in Rebuilding American Infrastructure with Sustainability and Equity (“RAISE”) Grant. In January, GDC and Amtrak executed a \$1 billion Capital Funding Agreement.

**GDC also continued to mature as an organization.** In February, the Board awarded a Delivery Partner contract to MPA Delivery Partners, a Joint Venture of Parsons Corporation, Arcadis of New York, Inc., and Mace North America Limited. Over the course of the year, GDC onboarded roughly 260 MPA staff with a depth of experience working on all aspects of large-scale infrastructure projects. The Board also awarded contracts for legal services to support the HTP in October.

**The Board made two significant appointments to GDC leadership positions.** In April, the Board appointed then-acting CFO Patrick McCoy to serve as GDC’s permanent CFO and in August the Board appointed William Fletcher to serve as Inspector General. The Inspector General reviews GDC’s policies and processes and recommends enhancements and preventive measures to minimize the risk of misconduct. As mandated in GDC’s founding legislation, the Inspector General reports directly to the Board of Commissioners.

### **Hudson Tunnel Project Activities**

**GDC continued to advance construction of the HTP on both sides of the Hudson River – and in it – in 2024**, launching new projects and hitting key construction milestones, including surpassing 50 percent completion of the Tonnelle Ave. Project on schedule and on budget. Tens of thousands of people are now employed building the HTP and construction is generating billions of dollars in economic activity.

**In February, the Board awarded the contract for the Hudson River Ground Stabilization (“HRGS”) Project to Weeks Marine, Inc., and construction started in May.** This project involves injecting grout into the silt that makes up the shallow riverbed on the Manhattan side of the Hudson River, then creating columns of soil mixed with cement and water to create a block of reinforced earth that is strong enough for tunnel construction to take place. In 2024, construction crews completed the first of multiple sections of temporary cofferdams that will enclose work areas, enabling deep soil mixing to begin.

**The Board awarded the Palisades Tunnel Project contract – the first tunnel boring contract of the HTP – to Schiavone Dragados Lane JV in August.** Site preparation work is in progress and the Tunnel Boring Machines (“TBMs”) that will build this portion of the tunnel are in production.

**GDC advanced the procurement processes for the Manhattan Tunnel Project, the Hudson River Tunnel Project, and the New Jersey Surface Alignment Project.** GDC issued RFQs for the Hudson River Tunnel Project and the New Jersey Surface Alignment Project in October and November, respectively, and issued the final RFP for the Manhattan Tunnel Project in July. Seven out of the ten packages that comprise the HTP were either under construction or in procurement in Fiscal Year 2024.

**GDC also secured approvals for four National Environmental Policy Act (“NEPA”) Re-Evaluations from the FTA and the FRA,** ensuring that upcoming construction work is cleared to proceed on schedule.

**As construction activity ramped up, GDC worked with leaders in the communities where projects are located to educate community members about construction activity and raise awareness of GDC’s programs to mitigate the impacts of construction.** Commission staff created dedicated phone hotlines and email addresses for each active construction project, opened Public Information Centers at the Tonnelle Ave. Project site and in Weehawken, and hosted an open house in Weehawken. GDC launched a Noise Abatement Program to minimize the impacts of construction noise on residents living near the Tonnelle Ave. and Hudson County staging areas.

## **II. FINANCIAL SECTION**

As referenced in the letter from CFO Patrick McCoy to the Board of Commissioners dated April 25, 2025 (attached hereto as Appendix B), GDC prepared audited financial statements for Fiscal Year 2024 in accordance with the requirements of the GDC Act.

Fiscal Year 2025 will be the first annual period for which a capital plan report referenced in the GDC Act will be prepared.

### **III. CORPORATE INFORMATION SECTION**

#### ***a. Property Acquisition and Disposition***

GDC does not own and did not acquire any real property during Fiscal Year 2024. GDC also did not dispose of any personal property with a sales price of \$10,000 or more during Fiscal Year 2024.

#### ***b. Description of Commission and its Board Structure***

GDC is empowered by the GDC Act to facilitate and coordinate activities and encourage the actions of others to effectuate the Gateway Program, in particular, Phase 1 of the Gateway Program, which includes the HTP. The GDC Act states that GDC is “intended to qualify for, authorized, and empowered to apply for and accept, financial assistance, loans, grants, or any other funding for such purposes under federal, state, or local laws, and to make application directly to the appropriate officials or agencies for the application for and receipt of federal, state or local assistance, loans, grants or any other funding in aid of any of the purposes of this act.”

GDC’s Board of Commissioners held the following public Board meetings during 2024 in accordance with the GDC Act, its Bylaws, and the GDC Open Meetings Policy:

- February 16, 2024 – All Commissioners in attendance except for NY Commissioner Marie Therese Dominguez.
- February 28, 2024 – All Commissioners in attendance.
- April 16, 2024 – All Commissioners in attendance.
- May 6, 2024 – All Commissioners in attendance.
- July 2, 2024 – All Commissioners in attendance.
- August 1, 2024 – All Commissioners in attendance.
- August 28, 2024 – All Commissioners in attendance, except for NJ Co-Chair Balpreet Grewal-Virk and NY Commissioner Marie Therese Dominguez.
- October 11, 2024 – All Commissioners in attendance.
- December 12, 2024 – All Commissioners in attendance except for NY Commissioner Jamey Barbas when recused from acting upon Resolution 1224-03.

A copy of the GDC Bylaws, amended December 12, 2024, is attached hereto as Appendix C.

The GDC Board includes an Audit Committee, Governance Committee, and Project Delivery Committee.

The Audit Committee is comprised of Vice-Chair Coscia, Co-Chair Glen and Commissioner Bauer. The Audit Committee met on April 8, 2024, and September 16, 2024.

The Governance Committee is comprised of Vice-Chair Coscia, Commissioner Dominguez and Commissioner Rosen. The Governance Committee met on March 22, 2024, April 29, 2024, May 17, 2024, and November 4, 2024.

The Project Delivery Committee is comprised of Vice-Chair Coscia, Commissioner Bauer, and Commissioner Barbas. The Project Delivery Committee met on January 25, 2024, February 8, 2024, March 14, 2024, April 12, 2024, June 10, 2024, July 11, 2024, July 18, 2024, September 4, 2024, and September 20, 2024.

### *c. Description of Compensation Structure*

During Fiscal Year 2024, GDC officers and employees were provided a compensation plan that included annual or hourly salary, medical, dental, and vision benefits, accrued vacation and sick leave, and participation in the Gateway Development Commission Retirement 401(a) and 457(b) Plans. A schedule that identifies GDC officers or employees in decision-making positions who were provided such comprehensive benefits and whose base salary qualifies them under the statute is attached hereto as Appendix D. Biographical information, excluding confidential personal information, for such officers and employees is also included within Appendix D.

### *d. Material Pending Litigation*

GDC has not been a party to any litigation during Fiscal Year 2024.

## **IV. PROCUREMENT INFORMATION SECTION**

GDC adopted Procurement Guidelines on November 16, 2021, to govern the acquisition of goods and services of any kind greater than \$5,000 and requires a competitive process. GDC also adopted a Procurement Manual approved by the FTA on November 15, 2023, to govern purchases that are federally funded. GDC's CEO was delegated authority by the Board to enter into contracts in amounts not to exceed \$300,000, and report to the Board Co-Chairs and Vice-Chair any contracts executed that exceed \$100,000. In accordance with the Procurement Guidelines, and delegation of authority to the CEO, GDC entered into various operational contracts related to the operation of GDC during the 2024 calendar year. In accordance with the Procurement Guidelines, Procurement Manual, and resolutions adopted by the Board, GDC entered into three (3) capital related contracts during the 2024 calendar year. GDC also extended contracts during the 2024 calendar year that were assigned to GDC by its predecessor entity.

A list of the procurements during 2024 statutorily required to be reported are attached as Appendix E.

There have been no amendments to the Procurement Guidelines or Procurement Manual since GDC's last Annual Report.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read 'TPR', with a horizontal line extending to the left and a vertical line extending downwards from the 'R'.

Thomas Prendergast  
Chief Executive Officer  
Gateway Development Commission

## APPENDIX A

December 23, 2024

Alicia Glen, Co-Chair, NY Commissioner  
Balpreet Grewal-Virk, Co-Chair, NJ Commissioner  
Tony Coscia, Vice-Chair, Amtrak Commissioner  
Jamey Barbas, NY Commissioner  
Janine Bauer, NJ Commissioner  
Marie Therese Dominguez, NY Commissioner  
Amy Rosen, NJ Commissioner

Dear Commissioners,

2024 was a year of incredible progress for the Hudson Tunnel Project (HTP). With your leadership, and our partners in government, private industry and labor, the HTP moved from planning to reality, and reached the point of no turning back on construction and funding.

This year the Gateway Development Commission (GDC) secured full funding for the HTP, created hundreds of good union jobs, awarded the first tunnel boring contract, and made significant progress on construction projects on both sides of the Hudson River – as well as in the river itself.

Signing the Full Funding Grant Agreement (FFGA) for the HTP marked a major milestone for the project. With both the \$6.88 billion FFGA and \$3.8 billion Federal-State Partnership (FSP) Grant executed this year, the entire \$16 billion needed to complete this project is committed. This includes the largest ever federal funding commitment to a rail project, reflecting the critical importance of the HTP for the region and the nation.

Securing full funding enabled us to move full steam ahead with construction. We have now awarded contracts for four of the ten construction packages that make up the HTP. The three projects in progress alone are creating 7,500 jobs and generating \$1.5 billion in economic output, and this is just the beginning. New research released this year found that in total construction of the HTP will create 95,000 jobs and drive \$19.6 billion in economic activity that benefits workers and businesses across the country.

We accomplished all this thanks to the unwavering support of the Federal Administration, Senate Majority Leader Chuck Schumer, Governor Kathy Hochul, Governor Phil Murphy, and our Congressional delegation from both sides of the political aisle, as well as our partners at the Federal Transit Administration (FTA), the Federal Railroad Administration (FRA), Amtrak, NJ TRANSIT, and the Port Authority of New York and New Jersey (PANYNJ). We also owe our success to each of you, as well as the unyielding drive and commitment that all our colleagues at GDC bring to work every day

We will continue to build on our forward momentum in the year to come. We're looking forward to the completion of the first portion of the Project, the Tonnelles Avenue Bridge and Utility Relocation, which paves the way for the tunnel boring machines to enter the Palisades, provides a safe and



secure site to remove the spoils from the tunneling projects, and eventually will allow for trains to pass underneath Tonnel Avenue and into the underground portion of the project.

In addition, we have ordered the tunnel boring machines that will build the New Jersey portion of the tunnel and expect them to be produced in the new year. We will also award the contract for the Manhattan Tunnel Project, which involves designing and building the portion of the new tunnel on the Manhattan side of the river.

With rail ridership returning to, and even surpassing, pre-pandemic levels, the region, and nation, need the HTP now more than ever, and we have bipartisan support in Washington and the states, as well as strong partnerships with business and labor. GDC looks forward to continued cooperation with the incoming administration to deliver this vital project.

Thank you for entrusting me to oversee this crucial project as acting CEO. I wish you and your families a happy holiday season and look forward to our entire team building on the progress we have made to date in the new year.

Sincerely,

Patrick McCoy  
Acting Chief Executive Officer  
Gateway Development Commission

CC: Hon. Kathleen C. Hochul, Governor, New York  
Hon. Philip D. Murphy, Governor, New Jersey  
Stephen Gardner, Chief Executive Officer, Amtrak  
Senate President Pro Tempore Andrea Stewart-Cousins, New York  
Assembly Speaker Carl Heastie, New York  
Senate President Nicholas Scutari, New Jersey  
Assembly Speaker Craig Coughlin, New Jersey

**Below is a summary of key accomplishments GDC achieved over the past year and a brief preview of what is to come in 2025.**

### **2024 Progress**

***GDC secured full funding for the HTP, including the largest federal funding commitment to a rail transportation project in modern history.***

In July, GDC signed an FFGA for \$6.88 billion in Capital Investment Grants (CIG) Program funding and closed on Railroad Rehabilitation and Improvement Financing (RRIF) loans from the Build America Bureau totaling \$4.06 billion to fund the local share of the project. With these actions, GDC secured the entire \$16 billion commitment needed to complete the HTP.

We celebrated this milestone with a signing ceremony that included many of the leaders who have championed the HTP, including Senate Majority Leader Schumer, Governors Hochul and Murphy,

Senator Cory Booker, U.S. Department of Transportation Deputy Secretary Polly Trottenberg, FTA Acting Administrator Veronica Vanterpool, members of the New Jersey and New York Congressional delegations, our Board, and partners at NJ TRANSIT, Amtrak, and PANYNJ.

In addition to signing the FFGA, this year GDC executed grant agreements for \$3.8 billion in Federal-State Partnership (FSP) Grant funding, \$25 million in Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant funding, and a \$1 billion Capital Funding Agreement with Amtrak.

\$4 billion in federal funding is now obligated to the project. Together with the RRIF loans for the local share of the project, roughly \$8 billion is now available to advance construction.

Throughout the process of securing funding for the HTP, GDC has worked closely with our partners in New Jersey and New York to reduce the share of funding for this project borne by the states. The final 70-30 federal/state funding split saves both states billions, freeing up funds for other capital projects critical to the region.

***Construction has started on both sides of the Hudson River – and in it. These active construction projects will create 7,500 jobs and generate \$1.5 billion in economic output.***

GDC made significant progress on construction projects on both sides of the Hudson River this year. The Tonnelles Avenue Bridge and Utility Relocation Project in New Jersey is more than 50 percent complete. GDC reached this milestone on schedule and on budget, and we expect to complete the project in 2025. This important early works component of the HTP will create an access point for launching the tunnel boring machines that will dig the underground portion of the new tunnel on the New Jersey side.

In Manhattan, the Hudson Yards Concrete Casing – Section 3 (HYCC-3) Project is building the link that will connect the new tunnel to New York Penn Station. Secant pile installation under the High Line will be complete by the end of 2024, enabling excavation to install the tunnel box to begin.

In line with our commitment to transparency and public engagement, GDC has installed EarthCam panoramic cameras at the Tonnelles Ave. and HYCC-3 project sites. These cameras publish panoramic photos of each site to the GDC website daily, and we use footage collected from them to create videos showing our construction progress.

In July, we launched the first heavy construction project of the HTP: the Hudson River Ground Stabilization (HRGS) Project. This project involves injecting grout into the silt that makes up the shallow riverbed on the Manhattan side of the Hudson River then creating columns of soil mixed with cement and water to create a block of reinforced earth that is strong enough for tunnel construction to take place. Construction crews recently completed the first of multiple sections of temporary cofferdams that will enclose work areas, enabling deep soil mixing to begin.

This year GDC also took an important step toward the start of tunnel boring by awarding the first tunnel boring contract for the Palisades Tunnel Project. This project will build the first mile of twin tunnels in New Jersey. Preparatory work for tunnel boring is already in progress, and we have ordered the tunnel boring machines that will dig this portion of the tunnel.

GDC also secured approvals for three National Environmental Policy Act (NEPA) Re-Evaluations from the FTA and the FRA, ensuring that our upcoming construction work is cleared to proceed on schedule.

***GDC awarded three major contracts and launched procurement for two additional construction packages. Seven out of the ten packages that comprise the HTP are now either under construction or in procurement.***

This year, GDC awarded a Delivery Partner contract to MPA Delivery Partners, a Joint Venture of Parsons Corporation, Arcadis of New York, Inc., and Mace North America Limited, as well as contracts for the HRGS Project and the Palisades Tunnel Project. The HRGS contract was the first heavy construction project of the HTP and the Palisades Tunnel Project is the first tunnel boring contract.

In addition to awarding these contracts, GDC advanced the procurement process for three other HTP construction packages. We received proposals from shortlisted firms for the Manhattan Tunnel Project and we expect to award this contract in 2025. We also issued Requests for Qualifications (RFQs) for the Hudson River Tunnel Project and the New Jersey Surface Alignment Project.

Contracts for insurance brokerage and advisory services and expert business advisory services are also in procurement and GDC has released a notice of qualified firms for commercial banking and underwriting services providers.

***GDC continued to coordinate closely with the construction industry and work proactively to engage Disadvantaged Business Enterprises (DBEs).***

GDC partnered with construction industry associations including The General Contractors Association of New York, the Utility & Transportation Contractors Association, The Moles, The American Council of Engineering Companies of New Jersey, and the New York Building Congress to host industry engagement sessions related to the Hudson River Tunnel, the NJ Surface Alignment, and the Systems & Fit Out construction packages. These sessions gave members of the industry an opportunity to ask questions and provide feedback on how to structure upcoming procurements.

In line with GDC's plan to achieve our goal of 20 percent DBE participation, we hosted an industry day and DBE networking event to inform DBE leaders about opportunities to work on the project. We also collaborated with Congressman Donald Payne and the New Jersey NAACP to host informational sessions for DBEs.

***As construction activity ramped up, GDC worked with leaders in the communities where projects are located to proactively educate community members about construction activity and raise awareness of GDC's programs to mitigate the impacts of construction.***

GDC maintains consistent communication with local elected officials in communities where construction is taking place, including North Bergen, Weehawken, Hoboken, Union City, and Manhattan's West Side to provide timely updates on upcoming work and schedules. As part of

these efforts, we distribute weekly construction updates to ensure affected municipalities are informed of project-related road closures and other potential impacts on the local community.

GDC created dedicated phone hotlines and email addresses for each active construction project. We also opened Public Information Centers at the Tonnelle Ave. Project site and in Weehawken where members of the public can learn about the project and ask questions in person.

To minimize the impacts of construction noise on local residents, we launched a Noise Abatement Program to provide noise-reducing windows, sliding doors, and air conditioning units, as needed, to create a closed-window environment for residents living near the Tonnelle Ave. and Hudson County staging areas.

We also collaborated with Weehawken Mayor Richard Turner to host an open house for members of the community where GDC staff provided information about the construction work that would be happening in Weehawken and the mitigation measures that would be in place to minimize impacts on the community. We are planning a similar open house in collaboration with North Bergen Mayor Nicholas Sacco that is expected to take place in early 2025.

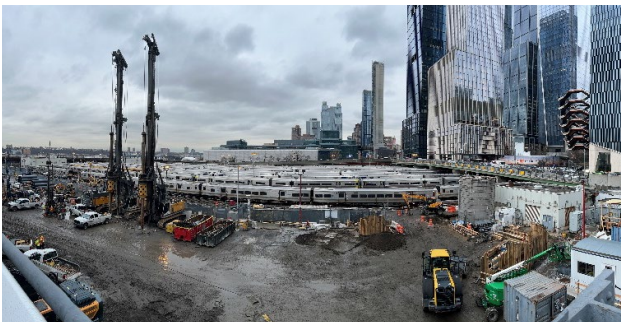
In New York, we briefed elected officials and the Community Board representing Manhattan’s West Side on the projects taking place in their neighborhood and GDC’s plans to mitigate the impacts of construction. GDC is also working to open a Public Information Center near the site of active construction in New York in 2025.

***GDC continued to mature as an organization, onboarding a Delivery Partner that is providing the expanded staff capacity and expertise needed to see this project through.***

In February, GDC awarded a Delivery Partner contract to MPA Delivery Partners. This cutting-edge staffing model significantly expanded our financial, compliance, and technical capacity.

Since awarding the contract, GDC has onboarded roughly 260 MPA staff with a depth of experience working on all aspects of large-scale infrastructure projects.

### **Hudson Yards Concrete Casing – Section 3 (HYCC-3) Construction Progress**



*January 2024*



*December 2024*

## Tonnelle Avenue Bridge & Utility Relocation Project Construction Progress



*February 2024*

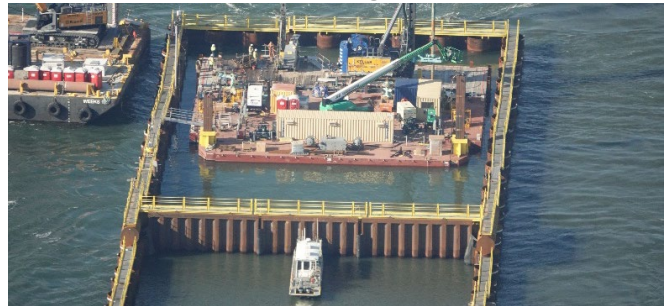


*December 2024*

## Hudson River Ground Stabilization Project Construction Progress



*July 2024*



*December 2024*

### **2025 Look Ahead**

2024 marked the transition from planning to building the HTP. With full funding secured and a large team of experts onboarded through our Delivery Partner, GDC is ready to continue moving full steam ahead with our active construction projects and ongoing procurements in the new year.

In the year ahead we expect to complete the Tonnelle Ave. Project and make significant progress on our other active construction projects. We have ordered the tunnel boring machines that will build the New Jersey portion of the tunnel and expect them to be produced in the coming year. We also anticipate awarding the contract for the Manhattan Tunnel Project.

Through it all, we will continue to coordinate closely with our partners in government, labor, private industry, and the communities where construction is taking place to ensure ongoing, productive collaborations with all of our stakeholders.

The future is bright. The need for and benefits of the HTP are clear, and we have strong support from leaders on both sides of the aisle in Washington, New York, and New Jersey as well as

business and labor leaders who will work with us to ensure this project stays on track. We look forward to building on our achievements over the past 12 months in the new year.

###

## **APPENDIX B**



**GATEWAY DEVELOPMENT COMMISSION**  
**Annual Comprehensive Financial Report**  
**For the year ended December 31, 2024**

**Prepared by the Finance Department**



**GATEWAY DEVELOPMENT COMMISSION**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**YEAR ENDED DECEMBER 31, 2024**

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**GATEWAY PROGRAM**

April 25, 2025

Board of Commissioners  
Gateway Development Commission

120 Broadway, 10th Floor New  
York, NY 10271

2 Penn Plaza East, 11th Floor  
Newark, NJ, 07107

**RE: Gateway Development Commission - 2024 Consolidated Financial Statements**

Dear Commissioners:

The Annual Comprehensive Financial Report (ACFR) of the Gateway Development Commission (the Commission), for the year ended December 31, 2024, is hereby submitted. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including disclosures, rests with management. To the best of our knowledge and belief, the presented data is accurate in all material respects and is reported in a manner that fairly presents the financial position, the results of operations of the Commission, and includes all disclosures necessary to enable the reader to gain the maximum understanding of the Commission's financial activities.

The GDC Act requires that financial statements be presented in conformance with accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental entities and audited in accordance with generally accepted auditing standards by licensed independent certified public accountants. This report serves to fulfill these requirements. In addition, an audit of the financial statements has been completed by the Commission's independent auditors, Deloitte & Touche, LLP. The audit was performed to provide reasonable assurance that the financial statements of the Commission, as a whole, are free of material misstatements. The audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded that there was a reasonable basis for issuing an unmodified ("clean") opinion stating that the Commission's financial statements for the year ended December 31, 2024, are fairly presented in conformity with Generally Accepted Accounting Principles ("GAAP"). The Independent Auditor's Report is presented at the front of the financial section of the ACFR.

Management is responsible for establishing and maintain internal accounting controls to provide reasonable assurance that assets are safeguarded against loss, theft or misuse and that financial records for preparing financial statements and maintaining accountability for assets are reliable.

Two Penn Plaza East - 11<sup>th</sup>  
Floor Newark, NJ 07105

120 Broadway - 10<sup>th</sup> Floor  
New York, NY 10271

The internal control system is designed to provide reasonable, rather than absolute, assurance that these objectives are met and that the financial statements are free from material misstatement. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived from that control and the evaluation of costs and benefits requires estimates and judgements by management. We believe the Commission's internal controls adequately safeguard assets and provide reasonable assurance that financial transactions are properly recorded.

Management's Discussion and Analysis (MD&A) immediately follows the Independent Auditor's Report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

This letter and its enclosure will be appended to the Commission's 2024 Annual Report that is being transmitted to the Governors and State Legislatures of New York and New Jersey in accordance with the provisions of the GDC Act.

Sincerely,

A handwritten signature in black ink, appearing to read "Patrick J. McCoy". The signature is written in a cursive style with a large, looping "M" at the end.

Patrick J. McCoy

Chief Financial Officer  
Gateway Development Commission

**GATEWAY DEVELOPMENT COMMISSION**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**YEAR ENDED DECEMBER 31, 2024**

**COMMISSION BOARD AND MANAGEMENT**

**COMMISSION BOARD**

**POSITION**

Balpreet Grewal-Virk	New Jersey Commissioner & Co-Chair
Alicia Glen	New York Commissioner & Co-Chair
Anthony R. Coscia	Amtrak Commissioner & Vice Chair
Jamey Barbas	New York Commissioner
Janine Bauer	New Jersey Commissioner
Marie-Therese Dominguez	New York Commissioner
Amy Rosen	New Jersey Commissioner

**MANAGEMENT**

**POSITION**

Thomas P. Prendergast	Chief Executive Officer
Adam Rosenbloom	Acting Chief Program Officer
Robert Hickman	Chief Administrative Officer
Hamed Nejad	Acting Chief Technical Officer
Patrick J. McCoy	Chief Financial Officer
Steve Sigmund	Chief of Public Outreach
Maria Anderson	Acting General Counsel; Chief Ethics and Compliance Officer and Board Secretary

## **FINANCIAL SECTION**

## **Independent Auditor's Report**

To the Members of the Board of  
Gateway Development Commission

### **Opinion**

We have audited the financial statements of the Gateway Development Commission (Entity), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Entity's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Gateway Development Commission as of December 31, 2024, and the changes in financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Entity, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Entity's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Entity's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

*Deloitte & Touche LLP*

April 25, 2025



**GATEWAY DEVELOPMENT COMMISSION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2024**

The following discussion and analysis of the business-type activities of the Gateway Development Commission (the "Commission") provides an introduction to the basic financial statements for the year ended December 31, 2024. This discussion has been prepared by management and should be read in conjunction with the basic financial statements and footnotes found in this report. This information collectively is designed to provide readers with an understanding of the Commission's finances.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The Commission is structured as a single enterprise fund. The financial statements are prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") as applied to government entities. Therefore, revenues are recognized when earned and expenses are recognized when incurred. Capital assets are capitalized and depreciated over their useful lives. See "Notes to Financial Statements" for a summary of the Commission's significant accounting policies and practices.

The Statement of Net Position presents information on all the Commission's assets, and liabilities with the difference between total assets and total liabilities reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of the Commission's financial position.

The Statement of Revenues, Expenses and Changes in Net Position presents information reflecting the current year's changes in the Commission's net position. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for certain items that will result in cash flows in future fiscal periods.

The Statement of Cash Flows reports on the flow of cash. Consequently, only transactions that affect the Commission's cash accounts are recorded in these statements. A reconciliation follows these statements to assist in the understanding of the difference between cash flow from operating activities and operating income.

The Notes to Financial Statements are an integral part of the basic financial statements and provide information that is essential to a full understanding of the basic financial statements, such as the Commission's accounting methods and standards, details of cash, receivables, capital assets, employee benefits, capital contributions, contingencies, and subsequent events.

**ACTIVITY HIGHLIGHTS**

In July 2019, the States of New York and New Jersey created the Commission to coordinate delivery of the Gateway Program. The Commission's current focus is delivering the Hudson Tunnel Project (HTP), a critical infrastructure project that will preserve the current functionality of Amtrak's Northeast Corridor (NEC) service and NJ TRANSIT's commuter rail service between New Jersey and New York Penn Station (NYP) by building a new, two-tube passenger rail tunnel under the Hudson River and repairing the existing, 115-year-old North River Tunnel.

The HTP is the most urgent infrastructure project in the nation. If even one of the two tubes in the current 115-year-old tunnel must undergo a planned shutdown for rehabilitation, without a new tunnel in place there will be a 75% reduction in rail service linking New York to New Jersey and the rest of the NEC. This would cost the national economy billions and severely disrupt travel up and down the east coast, negatively impact hundreds of millions of travelers and thousands of businesses from Boston to Washington, D.C.

Construction of the HTP will create 95,000 jobs and generate nearly \$20 billion in economic activity that will benefit American workers and businesses. Four construction projects are already in progress, and another project will launch in the coming weeks. Together, these five projects are creating more than 28,000 jobs.

The Commission made significant progress on the HTP in 2024 and anticipates a productive year ahead.

Over the last twelve months, the Commission completed the transition from a project planning to a project delivery organization. In July 2024, the Commission secured full-funding of the HTP by executing a Capital Investment Grant with the Federal Transit Administration closing on three Railroad Rehabilitation and Improvement Financing (RRIF) loans with the Build America Bureau (“BAB”) and entering into a line of credit with a commercial bank. By September 2024, the Commission and the Federal Railroad Administration executed a Federal-State Partnership Grant agreement, completing both the local and federal share of project costs, and obligating the HTP’s first significant funding tranche and accelerating progress on heavy construction.

To ensure construction continues on schedule, the Commission awarded a Delivery Partner contract to MPA Delivery Partners in February 2024. This cutting-edge staffing model significantly expanded the Commission’s financial, compliance, and technical capacity. The Tunnel Boring Machines that will build the New Jersey section of the tunnel are also in production and will be delivered this year.

This additional staff capacity enabled the Commission to increase the pace of procurement and construction activities. The Commission awarded contracts for and began work on two construction packages in 2024, including the first heavy construction project and the first tunnel boring contract.

There are now four active construction projects, including work on both sides of the Hudson River – and in it. Thousands of men and women are already employed on these projects, and together with future construction packages they will create tens of thousands of jobs and generate billions in economic output.

In December, the Commission reached a significant construction milestone, passing 50% completion of the Tonelle Avenue Bridge Project on time and on budget. This critical early works project is expected to be completed in 2025, enabling the launch of the Tunnel Boring Machines that will dig the New Jersey portion of the tunnel.

The Commission has continued to build on this progress in the early months of 2025. In January, the Board appointed Thomas Prendergast to serve as Chief Executive Officer. Thomas is a seasoned executive with decades of public and private sector experience directing major infrastructure projects and large, complex transportation systems in the United States and internationally. He brings substantial experience directing large public agencies to the Commission, including four years as Metropolitan Transit Authority (“MTA”) Chair and CEO.

Soon after, the Commission awarded the contract for the Manhattan Tunnel Project to Frontier-Kemper-Tutor-Perini JV. This project will build the section of the new tunnel from the Manhattan bulkhead in the Hudson River to the cut-and-cover Hudson Yards Concrete Casing east of 12th Avenue and will protect and support infrastructure, including the bulkhead and sewer lines. Construction is expected to begin in the coming months. According to a preliminary estimate by the Commission’s financial advisor, this project alone will create 15,800 jobs.

In the months ahead, the Commission will advance procurement on two substantial contracts. The Hudson River Tunnel Project will build the section of the tunnel that runs below the river from the Hudson County Shaft to the 12<sup>th</sup> Avenue Shaft in Manhattan. The Commission expects to award this third and final tunneling contract in Q4 2025 or Q1 2026. The Commission is also preparing to award the New Jersey Surface Alignment Project in Q1 2026, which will build above-ground trackway in New Jersey that enables existing track to connect to the new tunnel.

The Commission is proud of the progress we have made over the past year and looks forward to building on these successes in the year ahead to deliver the strong and reliable rail infrastructure America needs to succeed.

## **FINANCIAL HIGHLIGHTS**

The change in Net Position is an indicator of whether the Commission's overall financial condition has improved or deteriorated during the year. The Net Position balance increased from \$71.1 million on December 31, 2023, to \$235.0 million on December 31, 2024. The change in Net Position for the year ended December 31, 2024, was as follows:

	<b>AS OF DECEMBER 31,</b>	
	<b><u>2024</u></b>	<b><u>2023</u></b>
Operating Revenues	\$ 58,174,081	\$ 58,174,403
Operating Expenses	<u>33,922,271</u>	<u>10,355,866</u>
Operating Income	<u>24,251,810</u>	<u>47,818,537</u>
Non-Operating Revenues	<u>10,621,070</u>	<u>801,624</u>
Income Before Capital Contributions		
Contributions	34,872,880	48,620,161
Capital Contributions	<u>129,093,513</u>	<u>20,300,000</u>
Increase in Net Position	<u>163,966,393</u>	<u>68,920,161</u>
Beginning Net Position	<u>71,050,027</u>	<u>2,129,866</u>
Ending Net Position	<u>\$ 235,016,420</u>	<u>\$ 71,050,027</u>

## **OPERATING REVENUE**

### **STATE AND AGENCY CONTRIBUTIONS**

The 2024 Operating and Capital Budget is funded pursuant to Section 11.01 of the Project Development Agreement ("PDA"). Each of the State of New Jersey, the State of New York, and Amtrak (together the "Project Partners") have agreed to fund one-third of the annual operating budget approved by the GDC Board (the "Annual Operating Budget"). This Annual Operating Budget provides the necessary support for salaries of current staff, hiring of additional staff, professional support services necessary to support and supplement the work of Commission staff (including necessary support for planning, engineering and project systems and development), and other administrative expenses necessary to stand up the Commission as a fully functioning organization. The total of the Commission's 2024 Operating and Capital Budget was \$68.3 million.

The responsibility of each Project Partner is supported by a fully executed Funding Agreement that requires the payment of periodic installments to support the Commission's budget commitment. Below is a summary of each partner's commitment to the Commission's operating budget for the year ended December 31, 2024:

	<b>AS OF DECEMBER 31,</b>	
	<b><u>2024</u></b>	<b><u>2023</u></b>
Amtrak	\$ 19,391,468	\$ 19,391,467
State of New Jersey	19,391,468	19,391,468
State of New York	<u>19,391,145</u>	<u>19,391,468</u>
	<u>\$ 58,174,081</u>	<u>\$ 58,174,403</u>

In 2024, the Commission recognized \$58.2 million of operating revenue and received all funding obligations under the agreements by December 31, 2024. This amount was not materially changed from the prior year.

## **OPERATING EXPENSES**

In 2024, the Commission incurred operating costs of \$33.9 million, which was below the budgeted amount of \$68.3 million. The following reflects the major cost categories for the years ended December 31, 2024, and 2023.

	<b>AS OF DECEMBER 31,</b>	
	<b><u>2024</u></b>	<b><u>2023</u></b>
Labor, fringe benefits and taxes	\$ 10,458,016	\$ 4,450,960
Professional support services	18,752,564	4,520,781
Federal related costs	2,535,441	937,699
Administrative costs	2,176,250	255,200
Equipment purchases	-	87,664
Equipment services	-	103,562
Total Operating Expenses	<u>\$ 33,922,271</u>	<u>\$ 10,355,866</u>

The Commissions labor, fringe and benefit costs increased by \$6.0 million or 135 percent compared to the prior year. This was due to a significant increase in full-time staff from thirty-three in 2023 to forty-nine in 2024. Salaries and wages increased by \$4.9 million, or 126.0 percent, fringe benefits increased by \$0.8 million, or 192 percent, and payroll taxes increased by \$0.3 million, or 131.0 percent.

Professional support service costs increased by \$14.2 million, or 315 percent compared to the prior year. Major components of this expense category include financial advisor costs which increased by \$4.0 million, first year project delivery partner costs of \$9.3 million, and legal costs which increased by \$0.8 million, offset by decreases in system and organizational support costs.

Federal related costs increased by \$1.6 million compared to the prior year. Major components of this change were Build America Bureau (“BAB”) counsel fees increasing by \$1.6 million, and rating agency fees incurred in the amount of \$0.6 million, offset by a decrease in BAB fees of \$0.6 million.

Administrative costs increased by \$1.9 million, or 753 percent. Major components of this increase include fees associated with the revolving line of credit in the amount of \$0.7 million, rent for the 120 Broadway, New York location as well as the Newark, NJ office location in the amount of \$0.8 million, as well as job advertising costs increased by \$0.1 million.

## **NON-OPERATING REVENUES/EXPENSES**

### **Federal and State Operating Assistance**

The Commission has recognized non-operating revenue for certain administrative costs that qualify for reimbursement through the CIG grant in the amount of \$6.7 million.

### **Interest on Deposits**

Interest on deposits was \$4.6 million for the year ended December 31, 2024, a \$3.8 million increase from the prior year.

### **Interest Expense**

During 2024, the Commission incurred interest costs on the credit facility in the amount of \$0.7 million and an immaterial amount of accrued interest on the RRIF loans.

## **CAPITAL CONTRIBUTIONS**

During 2024, the Commission recognized the majority of capital contributions from the federal government. Funds received from the Federal Transit Administration (“FTA”) Capital Investment Grant (CIG) in the amount

of \$101.5 million were related to the Hudson River Ground Stabilization Package, \$10.3 million received from FTA RAISE Grant were related to the Tonnelles Avenue Bridge project, \$8.2 million of RRIF loan draws and associated accrued interest, and \$7.1 million received from the FRA-Federal/State Partnership Grant were related to project delivery partner costs spread across several packages of the HTP, as well as \$2.0 million from the State of New Jersey, Department of Transportation that is restricted for use on the Tonnelles Avenue Bridge Project. Sources of funds received are as follows:

<b>Source:</b>	<b>AS OF DECEMBER 31,</b>	
	<b><u>2024</u></b>	<b><u>2023</u></b>
FTA-Capital Investment Grant	\$ 101,513,813	\$ -
FTA-RAISE Grant	10,264,655	-
RRIF Loans due from Funding Partners	8,195,633	-
FRA - Federal/State Partnership Grant	7,119,412	-
Amtrak	-	3,300,000
State of New Jersey, Department of Transportation	2,000,000	17,000,000
	<u>\$ 129,093,513</u>	<u>\$ 20,300,000</u>

### **FINANCIAL POSITION**

The Statement of Net Position presents the financial position of the Commission on December 31, 2024. This statement includes all the assets and liabilities of the Commission. Net Position is the difference between total assets and total liabilities and is an indicator of the current fiscal health of the Commission. During the year ended December 31, 2024, Total Net Position increased by \$163.9 million from \$71.1 million on December 31, 2023, to \$235.0 million on December 31, 2024. The following is a summarized presentation of the Commission's assets, liabilities, and net position on December 31, 2024:

	<b><u>2024</u></b>	<b><u>2023</u></b>
<b>Assets:</b>		
Current Assets	\$ 283,187,952	\$ 52,956,998
Non Current Assets	11,319,533	20,300,000
Capital Assets	202,426,098	1,600,798
<b>Total Assets</b>	<u>\$ 496,933,583</u>	<u>\$ 74,857,796</u>
<b>Liabilities:</b>		
Current	\$ 145,250,819	\$ 3,759,680
Noncurrent Liabilities	116,666,344	48,089
<b>Total Liabilities</b>	<u>\$ 261,917,163</u>	<u>\$ 3,807,769</u>
<b>Net Position:</b>		
Net Investment in		
Capital Assets	\$ 160,540,623	\$ 298,526
Restricted	21,163,461	20,300,000
Unrestricted	53,312,336	50,451,501
<b>Total Net Position</b>	<u>\$ 235,016,420</u>	<u>\$ 71,050,027</u>

On December 31, 2024, \$160.5 million of the Commission's net position represents its Net Investment in Capital Assets. This represents total construction-in-progress less the associated construction expense accrual, construction retainages, and the RRIF loan payable at December 31, 2024. During the construction phase of the HTP, construction expenditures are reported as construction-in-progress until the assets are being used for their intended purpose.

The Restricted Net Position balance of \$21.2 million on December 31, 2024, represents \$3.1 million of non-cash contributions made available by Amtrak to be used for utility costs related to the Tonnelles Avenue Bridge Construction, \$9.8 million of cash received from draws on the FRA RAISE grant also restricted for use on the Tonnelles Avenue Bridge project, and \$8.2 million that represents amounts due from the Commissions funding partners for debt service on RRIF loan draws made during the year.

The Unrestricted Net Position of \$53.3 million on December 31, 2024, may be used to meet the Commission's ongoing obligations.

### **CAPITAL ACQUISITIONS AND CONSTRUCTION ACTIVITIES**

During the year ended December 31, 2024, the Commission expended \$200.8 million on capital projects related to the various packages of the HTP.

Below is a listing of the major projects under construction and the amounts charged to construction-in-progress during 2024:

<b><u>Projects Under Construction</u></b>	<b><u>2024</u></b>	<b><u>2023</u></b>
Hudson River Ground Stabilization	\$ 105,632,166	\$ 76,766
Palisades Tunnel	53,725,133	67,461
Manhattan Tunnel	6,091,483	81,939
Hudson Tunnel	3,154,169	16,284
Tunnel Fit-Out and Rail Systems	6,848,116	-
New Jersey Surface Alignment	5,048,690	-
Tonnelles Avenue Bridge	20,325,543	1,358,348
Total	<b><u>\$ 200,825,300</u></b>	<b><u>\$ 1,600,798</u></b>

### **FUNDS PASSED THROUGH TO AMTRAK**

The Commission is a party to two (2) separate funding agreements with the States of New York and New Jersey for the Hudson Yards Concrete Casing-Section 3 ("HYCC-3") construction. These agreements reflect the financial commitment that each state has agreed to in order to satisfy the terms of the Project Development Agreement ("PDA") that requires both states to fund their respective share of the costs required to fund the HYCC-3. The HYCC-3 is critical to the HTP and is being led by Amtrak for overall design and construction responsibilities.

During the year, the Commission received a payment in the amount of \$34.6 million from each state. These funds were subsequently passed through to Amtrak. The Commission has reported the receipt of funds from each respective state and subsequent disbursement of these funds to Amtrak in the operating activity section of the Statement of Cash Flows as "cash receipts from state and agency sources" and "cash disbursed to state and agency sources" in the amount of \$69.3 million, respectively.

### **Contact Information**

This financial report is designed to provide a general overview of the Gateway Development Commission's finances. Questions concerning any data provided in this report or request for additional information should be directed to Patrick J. McCoy, Chief Financial Officer, Gateway Development Commission, Two Penn Plaza East, Newark, New Jersey 07105.

**Gateway Development Commission  
Statement of Net Position  
as of December 31, 2024**

	<b>Business-Type Activities Enterprise Fund</b>
<b>ASSETS</b>	
<b>Current Assets</b>	
Cash	\$ 1,944,132
Cash- restricted	9,843,928
Investments	169,826,288
Interest receivable	26,223
Due from other governmental agencies	101,244,380
Prepaid expenses	276,804
Other receivables	26,197
<b>Total Current Assets</b>	<b>283,187,952</b>
<b>Noncurrent Assets</b>	
Due from Amtrak- restricted	3,123,900
Due from other governmental agencies-restricted	8,195,633
Capital assets, not being depreciated	202,426,098
<b>Total Noncurrent Assets</b>	<b>213,745,631</b>
<b>Total Assets</b>	<b>\$ 496,933,583</b>

See notes to financial statements (continued)

**Gateway Development Commission  
Statement of Net Position  
as of December 31, 2024**

	<b>Business-Type Activities Enterprise Fund</b>
<b>LIABILITIES AND NET POSITION</b>	
<b>Current liabilities</b>	
Accounts payable	\$ 3,356,753
Accrued payroll and benefits	670,561
Due to Amtrak	115,500,000
Construction payable	25,723,505
<b>Total Current Liabilities</b>	145,250,819
<b>Non-Current Liabilities</b>	
Construction retainage payable	7,995,406
RRIF Loan payable	8,166,564
Accrued interest payable	504,374
Line of Credit payable	100,000,000
<b>Total Non-Current Liabilities</b>	116,666,344
<b>Total Liabilities</b>	261,917,163
<b>NET POSITION</b>	
Net investment in capital assets	160,540,623
Restricted for:	
Capital acquisitions and construction	12,967,828
Debt service	8,195,633
Unrestricted	53,312,336
<b>Total Net Position</b>	235,016,420
<b>TOTAL LIABILITIES AND NET POSITION</b>	\$ 496,933,583

See notes to financial statements (concluded)



**Gateway Development Commission**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**for the Year Ended December 31, 2024**

	<b>Business-Type Activities Enterprise Fund</b>
<b>Operating Revenues</b>	
State and agency contributions	\$ 58,174,081
<b>Total Operating Revenues</b>	58,174,081
<b>Operating Expenses</b>	
Labor, fringe benefits and taxes	10,458,016
Professional support services	18,752,564
Federal related costs	2,535,441
Administrative costs	2,176,250
<b>Total Operating Expenses</b>	33,922,271
<b>Operating Income</b>	24,251,810
<b>Non-Operating Revenues/(Expenses)</b>	
Federal and state operating assistance	6,746,763
Interest on deposits	4,553,431
Interest expense	(679,124)
<b>Total Non-Operating Revenues</b>	10,621,070
<b>Change in Net Position Before Capital Contributions</b>	34,872,880
Capital contributions	129,093,513
<b>Change in Net Position</b>	163,966,393
<b>NET POSITION, Beginning of Year</b>	71,050,027
<b>NET POSITION, End of Year</b>	\$ 235,016,420

See notes to financial statements

**Gateway Development Commission  
Statement of Cash Flows  
For the Year Ended December 31, 2024**

	<b>Business-Type Activities Enterprise Fund</b>
<b>Cash Flows from Operating Activities</b>	
Cash receipts from state and agency sources	\$ 127,444,081
Payments to employees	(8,828,907)
Payments to suppliers	(23,622,680)
Cash disbursed to state and agencies	(69,270,000)
<b>Net Cash Provided by Operating Activities</b>	<b>25,722,494</b>
<b>Cash Flows from Capital and Related Financing Activities</b>	
RRIF Loan draws	8,166,564
Capital contributions	43,400,263
Interest payments	(174,750)
Draws on line of credit	100,000,000
Due to Amtrak	115,500,000
Investment in capital assets	(168,232,819)
<b>Net Cash Provided by Capital and Related Financing Activities</b>	<b>98,659,258</b>
<b>Cash Flows from Investing Activities</b>	
Sales and maturities of investments	2,032,899,630
Purchase of investments	(2,202,725,918)
Interest on deposits	4,699,395
<b>Net Cash Used in Investing Activities</b>	<b>(165,126,893)</b>
<b>Net Decrease in Cash</b>	<b>(40,745,141)</b>
<b>Cash, Beginning of Year</b>	<b>52,533,201</b>
<b>Cash, End of Year</b>	<b>\$ 11,788,060</b>
Cash- Unrestricted	\$ 1,944,132
Cash- Restricted	9,843,928
	<b>\$ 11,788,060</b>

See notes to financial statements (continued)

**Gateway Development Commission  
Statement of Cash Flows  
For the Year Ended December 31, 2024**

	<b>Business-Type Activities Enterprise Fund</b>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities</b>	
<b>Cash Flows from Operating Activities</b>	
Operating income	\$ 24,251,810
<b>Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:</b>	
<b>Increase in Operating Assets:</b>	
Other receivables	(20,093)
Prepaid expenses	(31,040)
<b>Increase in Operating Liabilities:</b>	
Accounts payable	1,191,310
Accrued payroll and benefits	330,507
<b>Net Cash Provided by Operating Activities</b>	\$ 25,722,494
<b>Non-cash Capital and Related Financing Activities:</b>	
Decrease in Restricted Due from Amtrak Receivable for Tonnelle Avenue Bridge utility costs	\$ (176,100)

See notes to financial statements (concluded)

**GATEWAY DEVELOPMENT COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024**

**NOTE 1 – ORGANIZATION AND BUSINESS PURPOSE**

**Organization and Purpose:** The Gateway Development Commission (“Commission”) was created in July 2019, by the States of New York and New Jersey through the enactment of parallel legislation by each state and codified as the Gateway Development Commission Act (“GDC Act”).

The Commission is a seven-member governed public authority and a government sponsored authority (with three Commissioners from the State of New York, three Commissioners from the State of New Jersey, and one Commissioner directly appointed by Amtrak) that is empowered to facilitate and coordinate activities and encourage the actions of others to effectuate the Gateway Program, in particular, Phase 1 of the Gateway Program which includes the Hudson Tunnel Project (HTP).

The Commission, in cooperation with the New Jersey Transit Corporation (NJ TRANSIT), the Port Authority of New York and New Jersey (PANYNJ) and the National Railroad Passenger Corporation (Amtrak), propose the construction of a new two-track heavy rail tunnel along the Northeast Corridor from the Bergen Palisades in New Jersey to Manhattan that will directly serve Penn Station New York. The project is part of the Northeast Corridor Gateway Program, a series of strategic rail infrastructure investments designed to improve current service.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES**

**Reporting Entity:** In defining the Gateway Development Commission for financial reporting purposes, management applied the requirements of Governmental Accounting Standards Board (GASB) Statements No.14, *The Financial Reporting Entity* and GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units*. These statements establish the basis for defining the reporting entity and whether it is considered a component unit of another entity and whether other entities are component units. Based on these criteria, the reporting entity of the Commission includes only the accounts of the Commission. The Commission identified no component units to include in these basic financial statements nor identified any other entity that should include the Commission in its basic financial statements.

**Basis of Presentation and Accounting:** The Commission’s financial statements are prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”) as applied to government entities and accordingly follow all applicable Governmental Accounting Standards Board (GASB) pronouncements. Revenues are recognized when they are earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The principal operating revenues of the Commission are received from the States of New York and New Jersey and Amtrak. Together these entities are referred to as the “Funding Partners” and have agreed to fund one-third each of the annual operating budget of the Commission. Operating expenses include salaries and wages of Commission staff, fringe benefit expenses, professional support service costs and administrative expenses. The Commission’s primary source of non-operating revenue is from capital contributions.

**Current Assets:**

- **Cash on Deposit:** The Commission’s bank balances are insured up to \$250 thousand in the aggregate by the Federal Deposit Insurance Corporation (“FDIC”) for each bank in which funds are deposited. The Commission also reports restricted cash as a current asset. This balance represents funds received through reimbursement from the FTA RAISE grant restricted for use on the Tonnelles Avenue Bridge project.

**GATEWAY DEVELOPMENT COMMISSION  
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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES (Continued)**

- **Investments:** The Authority accounts for all investments, regardless of time to maturity or their acquisition date, at fair value on the statement of net position with unrealized gains and losses charged or credited to investment income. Investments consist of United States government and agency obligations. The investment balance on December 31, 2024, consists of U.S. Treasury Bills.
- **Interest Receivable:** Represents interest earned during but not received as of December 31, 2024.
- **Prepaid Expenses:** Prepaid expenses consist primarily of insurance and any other expenditure expected to benefit future periods.

**Noncurrent Assets:**

Restricted assets necessary to meet current obligations that are payable from the restricted assets are classified as current assets on the statement of net position. Assets restricted for construction include funds available for the design and construction of the Hudson Tunnel Project (HTP).

Restricted assets that are restricted for disbursements in the acquisition or construction of noncurrent assets or that are segregated for the liquidation of long-term debts are classified as noncurrent assets.

Assets restricted for construction include funds available for the design and construction of capital improvements. Currently the only assets restricted for construction are amounts due from Amtrak.

The Commission also restricts assets due from the Port Authority of New York/New Jersey (“PANYNJ”), the states of New Jersey and New York. The asset is presented as a RRIF Loan repayment receivable. This represents assets that will be restricted for the repayment of principal and interest on the RRIF loans.

Restricted assets legally restricted (by law, regulation, or contractual obligation) for a specific purpose are reported as a restricted asset. The Commission’s restricted assets are expendable. The Commission’s practice is to determine on a case-by-case basis whether to spend restricted assets or unrestricted assets when both are available for the same purpose.

**Capital Assets:** Capital assets are presented as a noncurrent asset in the statement of net position. The Commission expects to record a significant amount of construction related activity to be recorded as Construction-in-Progress until the project is substantially complete and being used for its intended purpose. All capital assets are recorded at cost and may include vehicles, buildings, furniture, fixtures, other equipment, and infrastructure (tunnel construction related activity) as well as right-to-use leased assets and subscription-based information technology arrangements (SBITA), net of accumulated depreciation and amortization. The thresholds for capitalization of various capital asset acquisitions are listed below.

**Capitalization Policy:** Fixed assets are capitalized as follows:

- Buildings/facilities acquisitions and new construction costing more than \$100,000
- Facility renovation and improvement projects costing more than \$100,000
- Land improvement and infrastructure projects costing more than \$100,000
- Equipment costing more than \$5,000 with a useful life beyond a single reporting period (one year)
- Purchases of equipment and facilities acquired through a debt financing arrangement that transfers ownership at the end of the contract.
- Right-to-use intangible lease assets more than \$50,000 required under GASB 87
- SBITAs more than \$100,000 required under GASB 96
- Computer software costing more than \$5,000 with a useful life beyond a single reporting period.

**GATEWAY DEVELOPMENT COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES (Continued)**

- Intangible assets of internally generated computer software and all other intangible assets costing more than \$100,000
- Construction in Progress (CIP) for capital projects with a budget of more than \$100,000

**Depreciation of Capital Assets:** Depreciation of capital assets is computed using the straight-line method over the estimated useful lives of the assets as follows:

	<b>Useful Life in Years</b>
Tunnel Infrastructure	100
Equipment	5 to 7
Vehicles	5 to 7
Furniture and Fixtures	5 to 7
Buildings	30
Right to Use Assets	Lease Life
Subscription Based Information Technology Arrangements	*
Computer Software	2 to 5
Renovations and Improvements	25 to 30

\* subscription asset should be amortized over the shorter of the subscription term or the useful life of the underlying asset.

**Construction-in-Progress:** Construction-in-progress is stated at cost including accruals, which relates to the cost of construction related activities not yet placed into service. No depreciation expense is recorded on construction-in-progress until such time as the relevant assets are completed and being used for their intended purpose.

**Current Liabilities:**

**Vacation Allowance**

The Commission's *Vacation Days Policy* provides that Full-Time Officers and Employees receive twenty (20) paid vacation days per year. Full-Time Officers and Employees who have not completed a full year of employment will be credited on a pro-rated basis in accordance with the *Vacation Days Policy*. Full-Time Officers and Employees may carry no more than one (1) year's allotment into a subsequent year.

Payment of unused vacation allowance will not be provided for vacation carryover days in excess of the number of days that have accrued up to the point of the Full-Time Officer's or Employee's separation, which will be based on the Full-Time Officer or Employee's length of service and in accordance with the *Vacation Days Policy*. Officers and Employees will be compensated for unused vacation days upon separation of employment calculated at their rate of pay at separation.

**GATEWAY DEVELOPMENT COMMISSION  
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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES (Continued)**

**Sick Allowance**

The Commission provides twelve (12) days of annual paid Sick Leave to all Full-Time Officers and Employees to be used for their own illness or non-occupational injury, or the illness of Family Members. Such Sick Leave allotment shall be credited annually on January 1<sup>st</sup> of each year for Full-Time Officers and Employees who have completed a full calendar year of employment with the Commission. Full-Time Officers and Employees who have not completed a full calendar year of employment will be credited on a pro-rated basis in accordance with the Sick Leave Policy.

The liability for Vacation and Sick leave has been calculated in accordance with GASB Statement No. 101, Compensated Absences and is included in the accrued payroll and benefits line item in the accompanying Statements of Net Position.

There is no limitation on the maximum number of sick days an Employee may accumulate in his/her sick bank account. Officers and Employees will not be compensated for unused sick days upon separation of employment.

**Non-Current Liabilities:**

**Construction Retainage Payable** - represents the portion of funds that are withheld from a contractor and released when the contractual obligation is complete.

**Net Position**

The Commission's net position is reported in the statement of net position in the following categories:

- Net investment in capital assets
- Restricted for:
  - Capital projects
  - Debt Service
- Unrestricted

Net investment in capital assets includes capital assets, net of any construction related payables and retainages.

Net Position Restricted for Capital acquisitions and construction includes amounts that have a capital project related purpose restriction.

Resources that are not constrained are reported as unrestricted in the statement of net position.

When both restricted and unrestricted resources are available for use for a specific purpose, it is the Commission's policy to use restricted resources first, then unrestricted resources as they are needed.

**Revenue and Expense Classification** – The Commission distinguishes operating revenues and expenses from non-operating items in the preparation of its financial statements. Operating revenues and expenses primarily result from administrative operations. The principal operating revenues are classified as State and Agency Contributions. The Commission's operating expenses include labor, fringe benefits and payroll taxes, professional support services, and administrative costs, related to overseeing the construction of the HTP. All revenues and expenses not meeting this definition are reported as capital contributions.

**GATEWAY DEVELOPMENT COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Capital Contribution revenue is recognized upon receipt of an executed funding agreement. The Commission is exempt from paying federal and state taxes.

**Fiduciary Activities**

The Commission has reported the receipt and subsequent disbursement of certain funds as a fiduciary activity. Funds received from the State of New York and the State of New Jersey (“the States”) were passed through to Amtrak. Because the subsequent disbursement of these funds was made within a three-month period, accounting pronouncements require the Commission to separately report additions and deductions, if significant, as cash inflows and cash outflows, respectively, in the operating activities category of its statement of cash flows. The Commission received a combined total of \$69.3 million from the States, and this amount is reported as a component of the \$127.4 million reported as “Cash receipts from state and agency sources”, in the operating activities category of the statement of cash flows. The “Cash disbursed to state and agencies” reflects the same \$69.3 million disbursed to Amtrak.

**New Accounting Pronouncements Recently Adopted.**

GASB has issued the following pronouncements that may affect the future financial position, results of operations, cash flows, or financial presentation upon implementation. The following is a summary of GASB Statements that the Commission is required to assess:

GASB Statement No. 99, *Omnibus 2022* (“GASB 99”), has multiple effective dates depending on the Statement of the standard. This Statement addresses numerous accounting and financial reporting issues identified during the implementation and application of certain GASB pronouncements or during the due process on other pronouncements. The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. The adoption of GASB 99 had no impact on the Commission’s financial statements.

GASB Statement No. 100, *Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62* (“GASB 100”), has been issued to help enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. GASB 100 defines accounting changes, addresses corrections of errors in previously issued financial statements, and prescribes accounting and financial reporting for both. GASB 100 also addresses how information that is affected by a change in accounting or error correction should be presented in the required supplementary information explaining that the information should be restated for error corrections but not for changes in accounting principles. The requirements of GASB 100 are effective for fiscal years beginning after June 15, 2023. The adoption of GASB 100 had no impact on the Commission’s financial statements.

GASB Statement No. 101, *Compensated Absences* (“GASB 101”), has been issued to align the recognition and measurement guidance of compensated absences. GASB 101 requires that liabilities for compensated absences be recognized for leave that has not been used and leave that has been used but has not yet been paid in cash or settled otherwise. GASB 101 also establishes guidance for measuring a liability for leave that has not been used, generally using an employee’s pay rate as of the date of the financial statements. The requirements of



**GATEWAY DEVELOPMENT COMMISSION  
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**NOTE 2– SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

GASB 101 are effective for fiscal years beginning after December 15, 2023. The adoption of GASB 101 had no material impact on the Commission's financial statements.

**Significant Upcoming Pronouncements:**

GASB Statement No. 102, *Certain Risk Disclosures* ("GASB 102"), has been issued to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement defines a concentration as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority.

Concentrations and constraints may limit a government's ability to acquire resources or control spending. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact to have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of GASB 102 are effective for fiscal years beginning after June 15, 2024. The Commission has not completed their evaluation of GASB 102 but does not anticipate any material impact.

GASB Statement No. 103 *Financial Reporting Model Improvements* ("GASB 103") has been issued to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This statement also addresses certain application issues. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

The following key points have been outlined and summarized below:

- **Management Discussion and Analysis (MD&A):** This section serves as required supplementary information (RSI) preceding the basic financial statements and offers an objective analysis of the government's financial activities, comparing current and prior years.
- **Unusual and Infrequent Items Statement:** This statement further clarifies the definition of an unusual and infrequent item, previously known as an extraordinary and special item.
- **Proprietary Fund Statement of Revenues, Expenses, and Changes in Fund Net Position:** This requires the statement should continue to distinguish between operating and nonoperating revenues and expenses.
- **Major Component Unit Information:** Requires governments to present each major component unit separately in the reporting entity's statement of net position and activities, so long as it does not reduce the readability of the statements.
- **Budgetary Comparison Information:** Requires governments to present budgetary comparison information as supplementary information (RSI).

The Commission has not completed their evaluation of GASB 103 but does not anticipate any material impact.

**GATEWAY DEVELOPMENT COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 2– SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

GASB Statement No. 104 *Disclosure of Certain Capital Assets* (“GASB 104”) has been issued to improve financial reporting by providing users of financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability.

This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures by Statement 34. Lease assets recognized in accordance with Statement No. 87 *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying assets in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, *Subscription-based Information Technology Arrangements*, also should be separately disclosed. The requirements of GASB 104 are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. The Commission has not completed their evaluation of GASB 104 but does not anticipate any material impact.

**NOTE 3 – DEPOSITS AND INVESTMENTS**

The Commission’s total cash on deposit on December 31, 2024, was \$11.8 million. The Commission had investments in the amount of \$169.8 million on December 31, 2024.

	<u>2024</u>
<b>Unrestricted</b>	
Cash on hand	\$ 1,944,132
<b>Total cash</b>	<u>1,944,132</u>
Investments	169,826,288
<b>Total current cash and investments</b>	<u>171,770,420</u>
<b>Restricted</b>	
Cash on hand	9,843,928
<b>Total restricted cash</b>	<u>9,843,928</u>
 <b>Total cash and investments</b>	 <u>\$ 181,614,348</u>

**Custodial Credit Risk – Deposits.** Custodial credit risk for deposits exists when, in the event of the failure of a depository financial institution, a government entity may be unable to recover deposits or recover collateral securities that are in the possession of an outside agency. The Commission’s cash balance includes an amount deposited with commercial banks in interest-bearing accounts. The Federal Deposit Insurance Corporation (“FDIC”) insured this account up to \$250,000.

As of December 31, 2024, \$11.3 million of the Commission’s bank balance was exposed to custodial credit risk.

**GATEWAY DEVELOPMENT COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)**

<b>ACCOUNT TYPE</b>	<b>BALANCE</b>
Insured	\$ 500,000
Uninsured held by banks	11,288,060
Total	\$ 11,788,060

The Commission's cash on deposit with various entities as of December 31, 2024, totaled \$181.6 million, as follows:

<b>Institution/Issuer</b>	<b>2024</b>	
	<b>AMOUNT</b>	<b>% OF PORTFOLIO</b>
Citi Bank, NA	\$ 1,147,780	1%
JP Morgan Chase	180,466,568 *	99%
Total	\$ 181,614,348	

- Of the \$180.5 million balance at this institution, \$169.8 million were investments in U.S. Treasury bills.

**Interest Rate Risk.** In accordance with the Commission's investment policy, the Commission manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than one year.

**Credit Risk.** Permitted Investments of the Commission are restricted to the following:

- a. United States Treasury Securities.
- b. Senior debt securities provided such securities are rated at least AAA.
- c. Commercial paper, which must have the highest prime rating and must be issued by a company incorporated in the United States.
- d. Certificates of deposit, up to the FDIC insured limit per issuer
- e. Repurchase agreements.
- f. Bankers' acceptances.
- g. Money market mutual funds.

The restrictions pertaining to each class of these securities are outlined in the Commission's investment policy and are strictly adhered to.

The Commission's investment policy limits exposure to any single issuer to 20 percent of the investment portfolio. This restriction does not apply to issues of the U.S. government or its agencies that are explicitly guaranteed by the U.S. government.

**GATEWAY DEVELOPMENT COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)**

The Treasurer is authorized to invest and deposit funds of the Commission in obligations and/or depositories, which are generally consistent with the State of New Jersey Cash Management Fund as permitted under Public Law, c.270, and subsequent legislation, or as otherwise prescribed by the Board of Directors of the Commission. U.S. government and agency obligations are guaranteed by the full faith and credit of the issuing entity and are held by the Commission’s escrow agent in an account for the Commission. Repurchase agreements are uncollateralized and uninsured and are limited to investment-grade paper.

**Concentration of Credit Risk.** Concentration of credit risk is the risk of loss attributed to the magnitude of the Commission’s investment in a single issuer.

As of December 31, 2024, no exposure of the concentration of credit risk existed since the Commission did not hold any investments in any one issuer that would represent five percent or more of total investments. Investments issued or explicitly guaranteed by the U.S. government and pooled investments are excluded from this assessment.

**Fair Value Measurements.** The Commission categorizes its fair value measurements within the fair value hierarchy established by generally accepted governmental standards. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

	<b>Total</b>	<b>Quoted Prices in Active Markets for Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>
<b>Investments by fair value level:</b>				
Treasury Bills	\$ 169,826,288	\$ 169,826,288		\$ -
Total investments by fair value level	\$ 169,826,288	\$ 169,826,288	\$ -	\$ -

**NOTE 4 - DUE FROM AMTRAK**

In September 2023, the Commission entered into a funding agreement (“Tonnelles Funding Agreement”) with the State of New Jersey, whereas the State of New Jersey would provide funding for the Tonnelles Avenue Bridge and Utility Relocation Project (the “Project”). In addition to the State of New Jersey’s funding obligation, Amtrak will also be responsible for contributing \$3.3 million towards the local share requirement of the Project. Amtrak’s share will be met through an “in-kind” contribution. To satisfy the in-kind contribution, Amtrak will pay for certain utility relocation costs related to the Project.

During the year Amtrak incurred costs in the amount of \$0.2 million related to utility relocation costs on the Tonnelles Avenue project. The balance on December 31, 2024, was \$3.1 million.

**GATEWAY DEVELOPMENT COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
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**NOTE 5 – CAPITAL ASSETS**

A summary of the changes in capital assets is as follows for the years ended December 31, 2024, is as follows:

	Balance January 1, 2024	Increases	Decreases	Balance December 31, 2024
Capital assets not being depreciated:				
Construction Work in Progress	\$ 1,600,798	\$ 200,825,300	-	\$ 202,426,098
Total	<u>\$ 1,600,798</u>	<u>\$ 200,825,300</u>	<u>\$ -</u>	<u>\$ 202,426,098</u>

**NOTE – 6 DUE FROM OTHER GOVERNMENTAL AGENCIES**

The Commission relies on funding from various federal and state/local sources to fund the construction of the HTP. The federal support is comprised of the Federal Transit Administration – Capital Investment Grant (“CIG”), the Federal Railroad Administration – Federal-State Partnership (“FSP”) Grant, and the Federal Transit Administration RAISE Grant. Local support includes the gross funding commitments from the PANYNJ, the State of New Jersey, and the State of New York.

The Commission reports an amount due from other governmental agencies as unrestricted and restricted assets in the statement of net position. Restricted amounts due from other governmental agencies represent the local support for debt service requirements associated with the RRIF loan payable balance outstanding on December 31, 2024.

The Commission is a party (“Borrower”) to three (3) separate RRIF Loan Agreements with the U.S. Department of Transportation, BAB. The Commission draws funds from the BAB and records a loan payable in the same amount for each draw. The States of New York, New Jersey and the Port Authority of New York/New Jersey referred to as the (“funding partners”) to the loans are responsible for the repayment of principal and interest on these loans to the Commission when due. The Commission has recorded revenue and a receivable from the funding partners for the amounts of principal and interest on each draw.

The Commission has incurred grant eligible expenditures and has requested the drawdown of funds from the respective grantor agencies as follows:

**GATEWAY DEVELOPMENT COMMISSION  
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**NOTE 6 – DUE FROM OTHER GOVERNMENTAL AGENCIES (Continued)**

	<u>Amount</u>
Unrestricted	
Federal Transit Administration- CIG	\$ 90,665,875
Federal Railroad Administration- FSP	7,119,412
Federal Transit Administration- RAISE Grant	3,459,093
Total Unrestricted	<u>\$ 101,244,380</u>
Restricted	
RRIF Loan Debt Service:	
Port Authority of New York/New Jersey (PANYNJ)	\$ 5,346,831
State of New Jersey	505,671
State of New York	2,343,131
Total Restricted	<u>\$ 8,195,633</u>

**NOTE 7 – EMPLOYEE BENEFIT PLANS**

**403(b) Tax-Deferred Retirement Savings Plan**

The Commission provides a tax-deferred retirement savings plan 403(b) for all eligible employees. The Commission contributes six percent (6%) of gross wages upon eligibility. The Commission contributed \$0.4 million during 2024.

**457(b) Plan Employee Savings/Deferred Compensation Plan**

The Commission also provides an employee savings/deferred compensation plan 457(b) for eligible employees. The 457(b) plan permits employees to contribute up to 100 percent of their salary not to exceed \$23,000 annually on a pre-tax basis.

Employees who are age 50 (or older) by the end of the calendar year can elect to make additional “catch up” contributions to the plan. This is in addition to the pre-tax employee contribution limit. Pursuant to federal tax law, participants in the 403(b) and 457 plans who are over 50 years of age can contribute an additional \$7,500 above the \$23,000 limit.

The Commission’s expenses for the 403(b)-retirement plan totaled \$0.4 million for the fiscal year ending December 31, 2024.

**GATEWAY DEVELOPMENT COMMISSION  
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**NOTE 8 – DUE TO AMTRAK**

In January 2024, a Capital Funding Agreement was executed between the Commission and the National Railroad Passenger Corporation (“Amtrak”). According to the agreement Amtrak agreed to provide cash payments to the Commission or directly pay certain HTP costs (“Amtrak Contribution”) during federal fiscal year 2024 totaling \$231 million. In fiscal year 2024, Amtrak provided funds in excess of the \$231 million and therefore GDC has recorded a liability for those amounts due to Amtrak in accordance with the Capital Funding Agreement (“CFA”),

**NOTE 9 – DEBT AND OTHER OBLIGATIONS**

**Revolving Line of Credit**

In July 2024, the Commission entered into a Revolving Credit Agreement with the Bank of America, N.A. (“BofA”) for the purpose of obtaining a \$500 million Line of Credit (“Line”). The Revolving Credit Agreement and Line are secured by a pledge of and first lien on the pledged grant receipts, specifically Section 5309 Funds and the federal grant receipts relating to the Capital Investment Grant Program received by or to be received by the Commission.

The Revolving Credit Agreement and Line will terminate on July 6, 2029. As of December 31, 2024, the outstanding balance on the Line was \$100 million.

The Line is provided to finance eligible Hudson Tunnel Costs and other authorized costs related to the Hudson Tunnel Project.

The Commission’s Line bears interest based on Daily SOFR (Secured Overnight Financing Rate) plus the Applicable Spread of 1.15%.

The Commission will also pay a commitment fee of point three percent (0.30%), (based upon the Commission’s current ratings) on undrawn amounts.

**Railroad Rehabilitation & Improvement Financing (RRIF) Loans**

The Commission has entered into funding agreements with the States of New York, New Jersey and the Port Authority of New York/New Jersey (“funding partners”) to support borrowing for the HTP by the Commission through three (3) separate Railroad Rehabilitation & Improvement Financing loans (“RRIF”) administered through the U.S. Department of Transportation, Build America Bureau. The funding agreements commit the funding partners to pay principal, interest, and certain fees and expenses. The RRIF financing agreements are reimbursement-based, and the Commission will request (draw down) the funds after paying for the eligible capital project costs. Debt service for RRIF loans payable depends on future drawdowns since the loan is reimbursement-based.

The State of New York’s commitment to the repayment of the loan borrowings consists of two (2) tranches. Tranche A is for a Maximum Principal Amount of \$999.7 million at an interest rate of 4.48%, and Tranche B (“Cost Overrun Tranche”) in the amount of \$487.3 million at an interest rate of 4.48% with a maturity date of June 1, 2073.

The State of New Jersey’s commitment to the repayment of the loan borrowings consists of two (2) tranches. Tranche A is for a Maximum Principal Amount of \$215.7 million at an interest rate of 4.48%, and Tranche B (“Cost Overrun Tranche”) in the amount of \$487.3 million at an interest rate of 4.48% with a maturity date of February 1, 2073.

The PANYNJ’s commitment to the repayment of the loan borrowings is for a Maximum Principal Amount of \$1.87 billion at an interest rate of 4.48% with a maturity date of April 15, 2069.

**GATEWAY DEVELOPMENT COMMISSION  
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**NOTE 9 – DEBT AND OTHER OBLIGATIONS (Continued)**

In December 2024, the Commission drew a total of \$8.2 million on the three (3) RRIF loans. The following is a schedule of the drawings by funding partners:

<u>Funding Partner</u>	<u>Amount</u>
Port Authority of New York/New Jersey (PANYNJ)	\$ 5,327,866
State of New Jersey, Department of Transportation	503,877
State of New York	2,334,821
	\$ 8,166,564
	\$ 8,166,564

The RRIF loan payable balance on December 31, 2024, is \$8.2 million. Subsequent RRIF loan draws are described in Note 13, Subsequent Events.

The long-term RRIF loan payable maturities as of December 31, 2024:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ -	\$ -	\$ -
2026	-	-	-
2027	-	-	-
2028	-	-	-
2029	-	-	-
2030-2034	-	119,671	119,671
2035-2039	95,104	1,816,773	1,911,877
2040-2044	688,816	1,741,361	2,430,177
2045-2049	859,646	1,570,532	2,430,178
2050-2054	1,072,822	1,357,356	2,430,178
2055-2059	1,338,862	1,091,316	2,430,178
2060-2064	1,670,862	759,315	2,430,177
2065-2069	1,922,909	344,956	2,267,865
2070-2073	517,543	47,396	564,939
	\$ 8,166,564	\$ 8,848,676	\$ 17,015,240
	\$ 8,166,564	\$ 8,848,676	\$ 17,015,240



**GATEWAY DEVELOPMENT COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024**

**NOTE 10– CAPITAL CONTRIBUTIONS**

Grants and other contributions used to acquire capital assets are classified as Capital Contributions in the Statement of Revenues, Expenditures and Changes in Net Position. Capital contributions consisted of the following for the year ended December 31, 2024:

<b><u>Source:</u></b>	<b><u>Total</u></b>
Federal Transit Administration-Capital Investment Grant	\$ 101,513,813
Federal Transit Administration-RAISE Grant	10,264,655
RRIF Loans due from Funding Partners	8,195,633
Federal Railroad Administration - Federal/State Partnership	7,119,412
State of New Jersey, Department of Transportation	2,000,000
	\$ 129,093,513

**NOTE 11– OUTSTANDING CONTRACTS**

As of December 31, 2024, the Commission had entered into construction contracts totaling approximately \$844.7 million for construction and construction management services. These contracts are related to the Tonelle Avenue Bridge Project, the Hudson River Ground Stabilization (HRGS), and the Palisades Tunnel projects.

**NOTE 12– CONTINGENCIES**

The Commission has a potential payment to the Port Authority of New York and New Jersey (“PANYNJ”) of approximately \$44.0 million. The Commission had submitted an HTP Financial Plan as part of the Commission’s request to advance to a Full Funding Grant Agreement (FFGA). The FFGA was secured in July 2024. A financing component of this plan is a Railroad Rehabilitation and Improvement Financing (“RRIF”) loan to the Commission through the U.S Department of Transportation (“USDOT”). The proceeds from this RRIF loan will be used to repay the Port Authority. In the unlikely event that the loan cannot be procured, alternative funding arrangements would need to be explored.

**NOTE 13– SUBSEQUENT EVENTS**

**Due to Amtrak**

In January of 2025, based on the CFA, the Commission made a payment back to Amtrak in the amount of \$54.8 million and an additional payment in the amount of \$42.1 million in March of 2025.

**RRIF Loan Payable**

On January 2, 2025, pursuant to the CFA, the Commission initiated a draw in the amount of \$11.1 million on the RRIF loans. Additional draws were made on February 3, 2025, in the amount of \$13.5 million, on March 3, 2025, in the amount of \$16.9 million, and on April 1, 2025, in the amount of \$1.5 million.

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GATEWAY DEVELOPMENT COMMISSION**

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**ARTICLE I  
DEFINITIONS**

Section 1.01 Definitions. Except as otherwise expressly provided herein, capitalized terms used herein shall have the meanings assigned to them in Schedule A.

**ARTICLE II  
COMMISSIONERS**

Section 2.01 Board of Commissioners. The business and affairs of the Gateway Development Commission (the “Commission”) shall be managed by or under the direction of the Board of Commissioners (the “Board”). In accordance with the Gateway Development Commission Act (2019 N.Y. Sess. Laws ch. 108 and 2019 N.J. Sess. Law Serv. ch. 195) (collectively, the “GDC Act”), the Board shall consist of seven Commissioners:

(a) three Commissioners appointed by the Commissioner of the New York State Department of Transportation with the advice and consent of the New York State Senate (the “New York Commissioners”); provided that, the initial New York Commissioners shall be appointed by the Commissioner of the New York State Department of Transportation to serve for one year of the initial three-year term without such advice and consent and the Commissioner of the New York State Department of Transportation shall thereafter appoint Commissioners by and with the advice and consent of the New York State Senate for the remaining two years of such term;

(b) three Commissioners appointed by the Governor of New Jersey with the advice and consent of the New Jersey Senate (the “New Jersey Commissioners”); provided that, each New Jersey Commissioner shall be a resident voter of New Jersey at the time of appointment and while serving on the Commission and shall have been a resident voter of New Jersey for at least the two years immediately preceding appointment; provided further that, the Governor of New Jersey may appoint the individual serving as trustee of the Gateway Program Development Corporation, a New Jersey nonprofit corporation, at the time of the effective date of the GDC Act, as a New Jersey Commissioner and such individual may be seated without the advice and consent of the New Jersey Senate; and

(c) one Commissioner appointed by the National Railroad Passenger Corporation, a corporation organized under 49 U.S.C. § 24101 *et seq.* and the laws of the District of Columbia (“Amtrak”) (the “Amtrak Commissioner”). Amtrak may designate alternate Commissioners who are officers of Amtrak to serve in the event of the (i) absence, whether due to unavailability or incapacity, of the Amtrak Commissioner; or (ii) recusal of the Amtrak Commissioner pursuant to Section 4.07.

Section 2.02 Term of Commissioners. Except as provided under Section 2.01(a), the term of each Commissioner shall be three years. Each Commissioner may be reappointed pursuant to the laws of the State from which the Commissioner is appointed or, for the Amtrak Commissioner, pursuant to any rule or policy adopted by Amtrak. A Commissioner may automatically continue to serve following the expiration of such Commissioner’s term until a successor is appointed and seated unless such action is prohibited by the laws of the applicable State or, for the Amtrak Commissioner, any rule or policy adopted by Amtrak. At the conclusion

of a Commissioner's term, the Commissioner may be reappointed for a successive three-year term at the pleasure of the party that appointed that Commissioner. In the event that a Commissioner ceases to serve before the stated expiration of the Commissioner's term, the party that appointed the Commissioner may appoint a replacement to serve the remainder of the replaced Commissioner's term and thereafter the vacancy shall be filled as provided for in Section 2.01.

Section 2.03 Removal of Commissioners. Each of the Governor of New York, the Governor of New Jersey or Amtrak may remove a commissioner appointed by such office or entity in accordance with the GDC Act.

Section 2.04 Co-Chairpersons. The two Co-Chairpersons of the Commission (each, a "Co-Chairperson") shall consist of one Co-Chairperson selected from the New Jersey Commissioners (the "New Jersey Co-Chairperson") and one Co-Chairperson selected from the New York Commissioners (the "New York Co-Chairperson") as follows:

(a) the New Jersey Co-Chairperson shall be selected from the three New Jersey Commissioners and shall be determined by the affirmative vote of at least two of the New Jersey Commissioners; provided that, the New Jersey Co-chairperson shall be a resident voter of New Jersey at the time of selection and shall have been a resident voter of New Jersey for at least the two years immediately preceding selection as co-chairperson; and

(b) the New York Co-Chairperson shall be selected from the three New York Commissioners and shall be determined by the affirmative vote of at least two of the New York Commissioners.

The Co-Chairpersons shall communicate to the Chief Executive Officer and, where appropriate, executive staff, the policies of the Commission established by the Board, and be responsible for presiding over Meetings of the Board and advancing the mission and promoting the objectives of the Commission to members of the general public. To the extent practicable, the New York Co-Chairperson shall preside at Meetings of the Board held in New York and the New Jersey Co-Chairperson shall preside at Meetings of the Board held in New Jersey.

Section 2.05 Vice-Chairperson. The Amtrak Commissioner shall be the Vice-Chairperson of the Commission (the "Vice-Chairperson"). The Vice-Chairperson shall assist the Co-Chairpersons in their duties and shall preside at any Meeting of the Board at which a Co-Chair is not present.

Section 2.06 Vacancy; Resignation. A vacancy shall be deemed to exist at the occurrence of the incapacity, death, removal or resignation of a Commissioner. A Commissioner may resign from office at any time. Such resignation shall be made in writing to the Board filed with the Secretary, with copy to the party that appointed such Commissioner, and shall take effect at the future time specified therein, and if no time is specified, at the time of its receipt by the Secretary. The acceptance of a resignation by the Board shall not be necessary to make it effective.

Section 2.07 Other Commission Service. No Commissioner, including any Co-Chairperson or Vice-Chairperson, shall serve as any other officer or employee of the Commission while serving as a Commissioner.

**ARTICLE III  
OFFICERS**

Section 3.01 Initial Officers. The initial Officers of the Commission shall include the following:

(a) *Chief Executive Officer* – The Chief Executive Officer shall manage the operations of the Commission in accordance with the Commission’s policies as established by the Board and these Bylaws. The Chief Executive Officer may prepare proposals for presentation to the Board that carry out approved policies and may propose policies to the Board for adoption. The Chief Executive Officer is authorized to determine and prescribe the duties of new and existing positions and the qualifications for appointments to such positions and make and terminate appointments to the Commission staff and shall hold staff responsible and accountable for making financial, management and operational decisions in accordance with the policies established by the Board. To assist in the performance of his or her duties, the Chief Executive Officer is authorized to retain outside advisors in accordance with policies established by the Board.

(b) *Chief Administrative Officer* – The Chief Administrative Officer shall be responsible for overseeing the day-to-day administration and internal structure of the Commission and the performance of such other duties as may be assigned by the Board or the Chief Executive Officer.

(c) *Chief Financial Officer* – The Chief Financial Officer shall be in charge of the books and accounts of the Commission and shall be responsible for payments to and expenditures by the Commission and the performance of such other duties as may be assigned by the Board or the Chief Executive Officer. The Chief Financial Officer shall have custody of all funds and be responsible for investments of the Commission and shall deposit or cause to be deposited all moneys, evidences of indebtedness and other value documents of the Commission in the name and to the credit of the Commission in such banks or depositaries as the Board may designate. The Chief Financial Officer is authorized to sign financial instruments on behalf of the Commission and shall be an authorized signatory for the Commission with respect to any other documents incident to carrying out the Chief Financial Officer’s responsibilities.

(d) *General Counsel* – The General Counsel shall be legal counsel to the Commission and shall furnish legal opinions, advice, counsel and representation as may be required from time to time by the Board or the Chief Executive Officer. During any vacancy of the office of Chief Ethics and Compliance Officer, including during the period prior to the initial establishment and appointment of the Chief Ethics and Compliance Officer by the Commission, the General Counsel shall perform the duties of the Chief Ethics and Compliance Officer set forth in the GDC Act and in accordance with the rules, regulations and policies adopted by the Board. During any vacancy of the office of Inspector General, including during the period prior to the initial establishment and appointment of the Inspector General by the Commission, the General Counsel shall perform the duties of the Inspector General set forth in the GDC Act and in accordance with the rules, regulations and policies adopted by the Board. In performing the duties of the Inspector General, the General Counsel shall consult with the Co-Chairpersons in determining how best to approach the investigation of claims of fraud, waste, or abuse where the General Counsel believes it appropriate to appoint an independent third-party investigator, which

may include external auditors, outside counsel or other external investigators. To assist in the performance of his or her duties, with the approval of the Chief Executive Officer, the General Counsel is authorized to retain outside counsel in accordance with policies established by the Board.

(e) *Secretary* – The Secretary shall perform such duties as shall be assigned from time to time by the Chief Executive Officer, shall keep the official records and the seal of the Commission and, when required, shall certify copies of records.

Section 3.02 Additional Officers. In addition to the initial Officers identified in Section 3.01, the Officers shall include the officers set forth below when established by the Board by resolution and such other officers as the Board may designate by resolution; provided that, the Chief Ethics and Compliance Officer and the Inspector General are not required to be established until the Commission is in receipt of necessary federal funding for purposes of facilitating the Project.

(a) *Chief Ethics and Compliance Officer* – The Chief Ethics and Compliance Officer shall be responsible for developing and administering the Commission’s compliance program and shall advise on conflicts of interest and on federal and state ethics requirements.

(b) *Inspector General* – The Inspector General shall be responsible for receiving and investigating, where appropriate, all complaints regarding fraud, waste and abuse by Commissioners, Officers and employees or third-parties doing business with the Commission, including administering the Commission’s whistleblower access and assistance program. The Inspector General shall also be responsible for conducting investigations upon the Inspector General’s own initiative, as the Inspector General may deem appropriate.

Section 3.03 Appointment of Officers. Each Officer shall be appointed by the Board and shall serve at the pleasure of the Board and shall hold his or her respective office until the appointment of his or her successor or until his or her incapacity, death, removal or resignation. A person may hold more than one office.

Section 3.04 Removal of Officers. Any Officer may be removed, with or without cause, by the Board.

Section 3.05 Vacancy; Resignation. A vacancy shall be deemed to exist at the occurrence of the incapacity, death, removal or resignation of an Officer. An Officer may resign from office at any time. Such resignation shall be made in writing to the Board filed with the Secretary, and shall take effect at the future time specified therein, and if no time is specified, at the time of its receipt by the Secretary. The acceptance of a resignation by the Board shall not be necessary to make it effective. Any such vacancy may be filled by the Board.

Section 3.06 Delegation. The Board may delegate in whole or in part any power, authority, discretion or obligation to any Officer, in each case to the extent to which the Board deems appropriate.



**ARTICLE IV  
BOARD MEETINGS AND DECISION-MAKING**

Section 4.01 Timing of Meetings. The Board shall meet regularly as it may determine. The time and place for all Meetings shall be determined by the Co-Chairpersons; provided that, to the maximum extent practicable, Meetings shall be held on an alternating basis in New Jersey and New York.

Section 4.02 Notice of Meetings.

(a) *Notice to Commissioners*. The Secretary shall give notice to the Commissioners of all Meetings, specifying the time and place of the Meeting, by mail, electronic communication, telephone or in person, in each case at least three days before such Meeting. Any Commissioner may waive the requirement that such Commissioner receive such notice.

(b) *Public Notice*. At least five Business Days before any Meeting of the Board or any Committee thereof, the Secretary shall provide notice of the time and place of such Meeting to appropriate media outlets, conspicuously post such notice in one or more areas designated by the Co-Chairpersons and conspicuously post such notice on the Commission's official website. The Commission shall make meeting agendas available to the public at least seventy-two hours before each meeting. No later than 72 hours before such Meeting or as soon as practicable, the Secretary shall make the agenda and any public documents pertaining to such Meeting available for public inspection at an office of the Commission and post such agenda and such public documents on the Commission's website.

Section 4.03 Attendance. A Commissioner may participate in a Meeting by videoconference or teleconference when necessary under the circumstances.

Section 4.04 Quorum. A Meeting of the Board shall not be duly organized for the transaction of Commission business unless a quorum is present. The attendance of at least two New York Commissioners, two New Jersey Commissioners and the Amtrak Commissioner shall constitute a quorum.

Section 4.05 Voting Procedures. In order for the Board to take an action, a motion must be made by a Commissioner and seconded by a different Commissioner. Votes of the Board shall be taken by voice or show of hands or any other method selected by the person presiding at the Meeting.

Section 4.06 Board Action. Action may be taken and motions and resolutions adopted by the Commission at any Meeting of the Board by the affirmative vote of at least two New York Commissioners, two New Jersey Commissioners and the Amtrak Commissioner. In the event that the recusal of two New York Commissioners or two New Jersey Commissioners precludes obtaining the requisite number of affirmative votes otherwise required by this section, the affirmative vote of the remaining Commissioner of that State shall be sufficient. In the event that the recusal or absence of the Amtrak Commissioner precludes obtaining the requisite number of affirmative votes otherwise required by this section, the affirmative vote of an alternate Commissioner designated by Amtrak shall be required.

Section 4.07 Recusal. A Commissioner shall recuse himself or herself from any Board or committee discussions or decisions to the extent such recusal is required by the Conflicts of Interest Policy and Code of Ethics for Commissioners and Officers adopted by the Board. If a Commissioner has determined to recuse as to a particular matter, the Commissioner shall promptly notify the General Counsel of the Commission, disclose that fact and refrain from participating in any discussion or vote concerning that matter. The public shall be informed of any recusals prior to any Board action, and the minutes shall clearly reflect that recusal.

Section 4.08 Order of Business. The order of business at each Meeting of the Board shall be determined by the Co-Chairpersons.

Section 4.09 Governor Veto.

(a) *Transmission of Minutes; Effectiveness*. The minutes of every Meeting of the Board shall be forthwith transmitted, by and under the certification of the Commission, to the Governors of New York and New Jersey. No action taken at any Meeting by any Commissioner appointed by a State shall have force or effect for a period of 10 Business Days, after the minutes shall have been so transmitted and delivered unless the Governor of such State shall finally approve the minutes or any part thereof, reciting any such action, within said 10 Business Day period.

(b) *Certification of Minutes*. The minutes shall be certified as true and correct by the Secretary on behalf of the Commission and need not be approved by the Commission prior to transmittal to the Governors.

(c) *Governor Veto*. Each Governor shall, within 10 Business Days, after the minutes shall have been so delivered pursuant to Section 4.09(a), return or cause such minutes to be returned to the Commission either with or without his or her veto on any action recorded in such minutes as having been taken by any Commissioner appointed from such Governor's State. If the Governor (i) does not return or cause to be returned the minutes to the Commission within such 10 Business Day period or (ii) finally approves the minutes in accordance with Section 4.09(a) above, any action recorded in such minutes as having been taken at such Meeting by any Commissioner appointed from such Governor's State shall have force and effect in accordance with the terms described in such minutes.

Section 4.10 Policies. The Commission shall adopt such rules, regulations, guidelines and policies as required by the GDC Act.

## **ARTICLE V PUBLIC HEARINGS**

Section 5.01 Public Hearings. Public hearings shall be held as required by the GDC Act.

Section 5.02 Process. Pursuant to direction by the Board, the Chief Executive Officer shall have authority to arrange for public hearings, in connection with the budgeting, planning and programming of the Commission, including proposals for establishing, levying or collecting a toll or fee imposed by the Commission or relating to any increase in any such toll or fee, in each case,

subject to compliance with the requirements set forth in, and in accordance with, the GDC Act. In connection therewith, the Chief Executive Officer shall:

- (a) determine the dates, times and locations in each of the two States for the conduct of such hearings, which shall be designed to encourage the broadest possible attendance and participation;
- (b) provide for appropriate notice to be given not less than 72 hours in advance of such hearings;
- (c) designate hearing officers (if any) for such hearings;
- (d) arrange for transcripts and reports of the hearings, which shall be made available to all Commissioners prior to the consideration of any proposal; and
- (e) take such other action as will effectuate the requirements under the GDC Act or the Commission's policy, as established by the Board, for the conduct of public hearings.

Section 5.03 Establishing, Levying and Collecting Tolls or Fees. Not less than 30 days and not more than 90 days prior to any vote or action taken by the Board to establish, levy, or collect a toll or fee imposed by the Commission or relating to any increase in a toll or fee, in each case, subject to compliance with the requirements set forth, in and in accordance with, the GDC Act, the Commission shall conduct at least three public hearings as follows:

(a) Locations for public hearings shall be selected in such a way as to be geographically accessible to a majority of users of the facility or facilities to be impacted by the toll or fee, provided that at least one hearing shall be held in each State.

(b) Not less than 72 hours before the first hearing held pursuant to this Section 5.03, the Commission shall make the following information available to the public, including posting on the Commission's website:

(i) a written explanation of why the toll or fee, or any increase in a toll or fee, is necessary;

(ii) the amount of revenue expected to be generated from the establishment of or increase in the toll or fee; and

(iii) a detailed explanation of how the revenue raised from the establishment of or increase in the toll or fee is expected to be spent.

(c) Each hearing shall be attended by at least two New York Commissioners and two New Jersey Commissioners.

(d) The Commission shall hold no more than one public hearing in a single day and each public hearing shall be scheduled to begin after 6:30 p.m., Eastern Standard Time, on a Business Day.

(e) The Commission shall ensure that each of the requirements set forth in this Section 5.03 shall be complied with before placing on the Meeting agenda of the Board any item or matter establishing, levying, or collecting a toll or fee or relating to an increase in any toll or fee.

## **ARTICLE VI COMMITTEES**

Section 6.01 Committees. The Board may establish standing or ad hoc committees (each, a "Committee") with such duties and powers as conferred by Board resolution.

## **ARTICLE VII DEFENSE AND INDEMNIFICATION OF INDIVIDUALS**

Section 7.01 Defense. Upon compliance by any Indemnified Party with the provisions of Section 7.07, the Commission shall provide for the defense of such Indemnified Party in any civil action or proceeding in any state or federal court (i) arising out of any alleged act or omission that occurred or is alleged in the complaint to have occurred while the individual was acting within the scope of employment or duties with the Commission or (ii) that is brought pursuant to Section 1981 or 1983 of Title 42 of the United States Code and the act or omission underlying the action occurred or is alleged in the complaint to have occurred while the individual was acting within the scope of employment or duties with the Commission. The Commission shall not provide for a defense where such civil action or proceeding is brought by or on behalf of the Commission or to recover funds of the Commission.

Section 7.02 Counsel. Where an individual seeking indemnification delivers process and a request for a defense to the General Counsel, as required by Section 7.07, the General Counsel shall take the necessary steps on behalf of the individual in order to avoid entry of a default judgment pending resolution of any question pertaining to the determination to provide for a defense. The General Counsel or outside counsel to the Commission may represent such individual to the extent permitted by applicable legal ethics rules; provided that, the General Counsel shall, with the approval of the Chief Executive Officer (in accordance with policies adopted by the Board), assign outside counsel where the General Counsel determines, based upon an investigation and review of the facts and circumstances of the case, that representation by the General Counsel would be inappropriate; or whenever a court of competent jurisdiction determines that a conflict of interest exists and that the individual is entitled to be represented by outside counsel.

Section 7.03 Indemnification. The Commission shall indemnify and hold harmless each Indemnified Party against any loss, damage, expense, liability or claim (or action in respect thereof); provided that, the act or omission from which such loss, damage, expense, liability or claim (or action in respect thereof) arose occurred while the Indemnified Party was acting within the scope of employment or duties with the Commission; and provided further that, the Commission shall not indemnify and hold harmless or pay under this ARTICLE VII where the injury or damage resulted from actual fraud, actual malice, willful misconduct, or intentional wrongdoing or gross negligence on the part of the party seeking indemnification or where the Commission has brought the action. The Commission also agrees to indemnify and hold harmless each Indemnified Party against and to periodically reimburse each Indemnified Party for any and

all expenses whatsoever (including legal and other fees and expenses) incurred by such Indemnified Party in connection with investigating, preparing for or defending against any such losses, damages, expenses, liabilities or claims (or actions in respect thereof) within a reasonable time after such expenses are incurred. The Commission also agrees that no Indemnified Party shall have any liability, in tort or contract or otherwise, to the Commission or any person asserting a claim on behalf of or in the right of the Commission, except to the extent that any loss, damage, expense, liability or claim incurred by the Commission arises from such Indemnified Party's actual fraud, actual malice, intentional wrongdoing, gross negligence, bad faith or willful misconduct.

Section 7.04 Settlement and Final Judgment. Any proposed settlement or final judgment that may be subject to indemnification or payment by the Commission in accordance with these Bylaws, if not inconsistent with the provisions of this ARTICLE VII, shall, as applicable, be authorized for payment in accordance with the provisions of these Bylaws; provided that, the General Counsel has determined that such proposed settlement or final judgment is in the best interest of the Commission. Nothing in this ARTICLE VII shall be construed to authorize the Commission to indemnify and hold harmless or pay an Indemnified Party with respect to a settlement not so reviewed and approved by the General Counsel.

Section 7.05 Fines and Penalties. Nothing in this ARTICLE VII shall require the Commission to indemnify or hold harmless an Indemnified Party with respect to fines or penalties; provided that, the Commission shall indemnify and hold harmless an Indemnified Party in the amount of any costs, attorneys' fees, damages, fines or penalties that may be imposed by reason of an adjudication that an Indemnified Party, acting within the scope of employment or duties with the Commission, has, without willfulness or intent, violated a prior order, judgment, consent decree or stipulation of settlement entered in any court of New York or New Jersey or of the United States.

Section 7.06 Punitive Damages. The Commission may, in accordance with applicable law, provide for a defense when punitive damages are sought or criminal charges are asserted, in connection with any alleged act or omission that occurred or is alleged in the complaint to have occurred while the individual was acting within the scope of employment or duties with the Commission, based upon an investigation and review of the facts and circumstances and a determination by counsel to the Commission that provision of such defense would be in the best interest of the Commission; provided that, the Commission shall provide reimbursement of defense costs incurred by or on behalf of an Indemnified Party in defense of a criminal proceeding arising out of such an act or omission, upon acquittal or dismissal of the criminal charges. Furthermore, the Commission may, consistent with applicable law, indemnify or hold harmless an Indemnified Party with respect to punitive damages, fines or penalties, based upon an investigation and review of the facts and circumstances of the case and a determination by counsel to the Commission that to indemnify and hold harmless such Indemnified Party would be in the best interest of the Commission.

Section 7.07 Cooperation. The benefits of this ARTICLE VII with respect to any proposed settlement or final judgment shall be conditioned upon (i) delivery to counsel to the Commission of the original or a copy of any summons, complaint, process, notice, demand or pleading within five days after receipt or service of such document, such delivery being deemed a request by the party seeking indemnification that the Commission provide for defense pursuant to

this ARTICLE VII; (ii) the full cooperation of the Indemnified Party in the defense of such action or proceeding and in defense of any action or proceeding against the Commission based upon the same act or omission and in the prosecution of any appeal; and (iii) the agreement of the Indemnified Party that the Commission shall be entitled to withdraw such defense and demand reimbursement from such party for costs incurred in connection with such defense in the event that, upon further discovery, indemnification is not required or otherwise warranted under this ARTICLE VII.

Section 7.08 Third Parties. The benefits of this ARTICLE VII shall inure only to an Indemnified Party and shall not enlarge or diminish the rights of any other party. This ARTICLE VII shall not in any way affect the obligation of any claimant to give any notice otherwise required by any provision of law. The provisions of this ARTICLE VII shall not be construed to impair, alter, limit or modify the rights and obligations of any insurer under any policy of insurance.

Section 7.09 Immunity. Except as otherwise specifically provided herein, the provisions of this ARTICLE VII shall not be construed in any way to impair, alter, limit, modify, abrogate or restrict any immunity available to or conferred upon any unit, entity, Commissioner, Officer or employee of the Commission or any right to defense or indemnification provided for any governmental officer or employee by, in accordance with, or by reason of, any other provision of state or federal statutory or common law.

Section 7.10 Rules and Regulations. In compliance with policies established by the Board, the Chief Executive Officer is authorized to adopt such procedures as are necessary to effectuate the purposes of this ARTICLE VII.

Section 7.11 Limitations. Notwithstanding anything in this ARTICLE VII to the contrary, any obligation of the Commission to indemnify or to provide for the defense of a Commissioner shall be reduced or limited to the extent such Commissioner is indemnified or defended by New York, New Jersey or Amtrak.

## **ARTICLE VIII FINANCES, REPORTING, DISCLOSURE**

Section 8.01 Fiscal Year. Except as otherwise determined by the Board, the fiscal year of the Commission shall end on December 31 of each year.

Section 8.02 Annual Operating Budget. The Commission shall prepare a detailed annual operating budget for each fiscal year. A preliminary annual operating budget and a final annual operating budget shall be made publicly available on the Commission's website each fiscal year. The time within which such preliminary annual operating budget and final annual operating budget shall be made public during each fiscal year shall be determined by the Commission.

Section 8.03 Annual Financial Statements and Audit.

(a) The Commission shall prepare financial statements on an annual basis, in accordance with generally accepted accounting principles ("GAAP"), and the accounting

standards issued by the Governmental Accounting Standards Board (“GASB”). All audited financial statements and all unaudited interim financial statements prepared pursuant to this Section 8.03 shall be approved by the Board. As a condition to the issuance of the audited annual financial statements of the Commission, the Chief Executive Officer and the Chief Financial Officer shall be required to make a written certification as required pursuant to the GDC Act.

(b) The Board shall arrange for an independent firm of certified public accountants to perform an audit of the financial statements of the Commission each year, in accordance with generally accepted accounting principles and standards referenced in Section 8.03(a). Each independent firm of certified public accountants that performs any audit required by this section shall timely report to the Board:

(i) all critical accounting policies and practices to be used; and

(ii) other material written communications, that is not privileged or confidential, between the independent firm of certified public accountants and the management of the Commission, including the management letter along with management’s response or plan of corrective action, material corrections identified, or schedule of unadjusted differences.

(c) Notwithstanding any other provision of law to the contrary, the Commission shall not contract with an independent firm of certified public accountants for audit services to the authority if:

(i) the lead or coordinating audit partner having primary responsibility for the audit, or the audit partner responsible for reviewing the audit, has performed audit services for the two previous fiscal years of the Commission;

(ii) the firm is performing any non-audit services to such Commission contemporaneously with the audit; and

(iii) the Chief Executive Officer, Chief Financial Officer or any other person serving in an equivalent position for the Commission, was employed by that independent firm of certified public accountants and participated in any capacity in the audit of the Commission during the one-year period immediately preceding the date of the initiation of the audit.

(d) The Commission shall make accessible to the public on its website an executive summary of its most recent independent audit report unless such information is exempt from disclosure pursuant to either State’s freedom of information laws.

Section 8.04 Comprehensive Annual Financial Report. In addition, the Commission shall prepare and distribute a comprehensive annual financial report as required pursuant to the GDC Act, which shall address progress during the prior fiscal year with regard to development

and construction activities, capital expenditures, and procurement and financial matters and such other matters as required by the GDC Act.

**ARTICLE IX  
RESERVATION OF POWERS**

Section 9.01 Reservation of Powers. The powers not delegated by these Bylaws are reserved to the Board. The powers vested in any Officer shall not be construed or deemed to affect the power of the Board to act in any case but where the Board exercises a power in any such case, such action shall not be construed or deemed to affect the power of any Officer to act in similar cases in the future.

**ARTICLE X  
AMENDMENTS**

Section 10.01 Amendments. These Bylaws may be amended by resolution duly adopted at any Meeting of the Board; provided that, notice of intention to present such resolution shall be given to the Secretary at least 72 hours in advance of the Meeting at which the motion to adopt such resolution is made. Such notice may be given by any Commissioner or by any Committee (or by the Secretary at the request of any Commissioner or any Committee). Such notice shall be given to all Commissioners by mail, electronic communication, telephone or in person, at least 72 hours before the Meeting. Following such notice, any motion to amend the subject resolution may be made without additional notice.



## **SCHEDULE A**

### **DEFINITIONS**

“Amtrak” has the meaning given thereto in Section 2.01.

“Amtrak Commissioner” has the meaning given thereto in Section 2.01.

“Board” has the meaning given thereto in Section 2.01.

“Business Day” means a day other than, Saturday, Sunday or a public holiday in New York or New Jersey.

“Chief Administrative Officer” has the meaning given thereto in Section 3.01(b).

“Chief Ethics and Compliance Officer” has the meaning given thereto in Section 3.01(d).

“Chief Executive Officer” has the meaning given thereto in Section 3.01(a).

“Chief Financial Officer” has the meaning given thereto in Section 3.01(b).

“Co-Chairperson” has the meaning given thereto in Section 2.04.

“Commission” has the meaning given thereto in Section 2.01.

“Committee” has the meaning given thereto in Section 6.01.

“GAAP” has the meaning given thereto in Section 8.03.

“GASB” has the meaning given thereto in Section 8.03.

“GDC Act” has the meaning given thereto in Section 2.01.

“General Counsel” has the meaning given thereto in Section 3.01(d).

“Indemnified Party” means a current or former Commissioner, Officer or employee of the Commission or the estate or judicially appointed personal representative of any such person.

“Inspector General” has the meaning given thereto in Section 3.01(d).

“Meeting” means any gathering, whether corporeal or by means of communication equipment, that is attended by, or open to, the Board or any Committee thereof, held with the intent, on the part of the Commissioners present, to act as a unit upon the specific Public Business of the Commission or such Committee. “Meeting” does not mean a gathering (i) attended by less than a quorum of Commissioners; (ii) in which the Board or such Committee is engaged in ordinary course supervision of Commission staff; (iii) in which Commission business matters are informally discussed without the intent or effect of effectuating any action of the Commission; or

(iv) attended by or open to all the members of three or more similar public bodies at a convention or similar gathering.

“New Jersey” means the State of New Jersey.

“New Jersey Co-Chairperson” has the meaning given thereto in Section 2.01.

“New Jersey Commissioners” has the meaning given thereto in Section 2.01.

“New York” means the State of New York.

“New York Co-Chairperson” has the meaning given thereto in Section 2.01.

“New York Commissioners” has the meaning given thereto in Section 2.01.

“Officers” means the officers described in Section 3.01 and Section 3.012.

“Project” means a passenger rail transportation project between Penn Station, Newark, New Jersey and Penn Station, New York, New York currently referred to as the “Gateway Program” consisting of:

(i) phase one of the Project including: the replacement of the existing Portal Bridge; the construction of a tunnel connecting the states of New York and New Jersey and the completion of certain ancillary facilities including construction of concrete casing at Hudson Yards in Manhattan, New York; the rehabilitation of the existing North River Tunnels; all Projects necessary to connect the aforesaid Projects to the contiguous Amtrak Northeast Corridor Facilities; and

(ii) phase two of the Project including: the Portal South Bridge Project; the Sawtooth Bridge replacement Project; the Secaucus Loop Project; the Secaucus Junction renovation and expansion Project; and the Penn Station South Project, and other related Projects, but only if such phase two projects are authorized pursuant to a memorandum of understanding between the Governor of New York, the Governor of New Jersey and Amtrak.

“Public Business” means matters that relate in any way, directly or indirectly, to the performance of the functions of the Commission or the conduct of its business.

“Secretary” has the meaning given thereto in Section 3.01(e).

“State” means New York or New Jersey.

“Vice-Chairperson” has the meaning given thereto in Section 2.05.

## APPENDIX D

<b>Full name</b>	<b>Position Title</b>	<b>End Date</b>
Anderson, Maria C.	Acting General Counsel	
Daleo, Eric	Chief Program Officer	7/9/2024
Fletcher, S. William	Inspector General	
Gardner, Anthony L.	Deputy Chief of Procurement	
Hickman, Robert A.	Chief Administrative Officer	
Kolluri, Kris	Chief Executive Officer	11/8/2024
Lee, Milly	Deputy Chief Financial Officer	
Lee, Steve T.	Head of Audit Oversight	
Lopez, Nivardo	Principal Deputy Chief of Planning, Contracts and Grants	
McCoy, Patrick J.	Chief Financial Officer	
McDonnell, Madeleine	Deputy Chief, Contract and Grants	
Morrison, James	Chief Technical Officer	08/19/2024
Nejad, Hamed	Acting Chief Technical Officer	
Rosenbloom, Adam L.	Chief Program Officer	
Sigmund, Stephen	Chief of Public Outreach	
Strickland, Megan	Deputy Chief Program Officer	06/12/2024

### **Maria Anderson**

Maria C. Anderson is the Acting General Counsel, Acting Board Secretary, Acting Chief Ethics and Compliance Officer, and Acting Equal Employment Officer for the Gateway Development Commission. In these roles, she is responsible for supervising a team of attorneys and responding to legal issues arising under procurement, negotiation, and administration of contracts required for the delivery of the Hudson Tunnel Project and operation of the Commission, managing governance of the Commission and its Board, overseeing compliance with the Commission’s enabling legislation, policies and Code of Conduct, and developing and implementing the Commissioner’s Equal Employment Opportunity Program. Prior to joining the Commission, Ms. Anderson was a Deputy General Counsel where she engaged in similar responsibilities and areas of law in a different industry for 15 years, and was also engaged in the private practice of law for 15 years where she was a trial and appellate attorney that focused on real estate development and commercial litigation. Ms. Anderson has been practicing law in the State of New Jersey since 1993 and was admitted to the bar of the State of New York in 1999.

### **William Fletcher**

Will Fletcher was appointed the Gateway Development Commission’s inspector general in August 2024. Mr. Fletcher is a dedicated public service professional with a distinguished career in oversight, investigations, and legal counsel. Prior to joining the Commission, Mr. Fletcher served as the Inspector General for the Chicago Board of Education since July 2020, leading a 60-member agency responsible for independent oversight of the nation's fourth-largest public school district. Mr. Fletcher has served in offices of inspectors general since 2010 and his work has resulted in significant findings, leading to revised procedures, financial recoupment, resource reallocation, disciplinary actions, and criminal

prosecutions of theft and fraud. Mr. Fletcher has previously worked in the Special Litigation Bureau of the Illinois Office of the Attorney General where he investigated and prosecuted fraud cases and as a litigation attorney at prominent Chicago law firms. Earlier in his career, Mr. Fletcher served as General Counsel for the Chicago Police Department's Office of Professional Standards, an Assistant Corporation Counsel for the City of Chicago, and a law clerk for the Honorable Blanche M. Manning in the U.S. District Court for the Northern District of Illinois. A graduate of Columbia Law School and Northwestern University, Mr. Fletcher is deeply committed to the field of government oversight. He currently serves as the President of the Board of Directors for the Association of Inspectors General, a 2,500-member organization of state and local oversight professionals, where he leads the board, organization staff and advocates for the mission of independent government oversight nationwide.

### **Anthony Gardner**

Anthony Gardner joined the Gateway Development Commission in May 2023 as the Senior Director Procurement, with the responsibility of developing a procurement team, federally compliant procedures and protocols to solicit and award contracts to meet the mission of the Commission. Mr. Gardner is a procurement professional with over 35 years of experience, which commenced in the shipping industry and transitioned to Procurement at the Metropolitan Transportation Authority (MTA) Metro-North Railroad, where he spent the bulk of his career supporting the needs of the Railroad's Operations. While at Metro-North, he developed, solicited, negotiated, and awarded numerous contracts, implemented procurement strategies, policies, procedures, and guidance documents, and interpreted procurement regulations to address procurement activities and corrective actions ensuring compliance with FTA and state procurement statutes.

### **Robert Hickman**

Robert Hickman is the Gateway Development Commission's Chief of Federal Affairs. Previously, Mr. Hickman served as Transportation Counsel to Senate Majority Leader Chuck Schumer, where he was the senator's chief advisor on transportation and infrastructure policy. In that role, he coordinated and led senate negotiations to advance numerous laws, including: FAA reauthorization, the bipartisan infrastructure law, and multiple COVID relief packages that rescued Amtrak and the mass transit and aviation sectors, among other legislation. Mr. Hickman played a critical role in structuring the grant and loan programs that the Hudson Tunnel Project will rely on to advance. In addition to his national legislative work, Mr. Hickman served as the senator's primary liaison to the Gateway partners in Washington, New York, and New Jersey. Prior to his Senate service, Mr. Hickman was Rep. Donald M. Payne Jr.'s first policy advisor and senior legislative counsel on the House Transportation & Infrastructure Committee. In this role, he advised Rep. Payne on transportation policy. Additionally, he helped coordinate numerous DBE events for Rep. Payne to keep the DBE community apprised of the numerous business opportunities at the region's major transportation and infrastructure agencies. Mr. Hickman has a Juris Doctor from Harvard Law School and a Bachelor of Arts from The College of New Jersey.

### **Milly Lee**

Milly Lee is the Deputy Chief Financial Officer at the Gateway Development Commission. Ms. Lee previously served as the Commission's Senior Finance Manager helping to establish the Commission's finance department. Prior to her current role, Ms. Lee had almost 20 years of public finance experience. Ms. Lee was a municipal financial advisor with PFM Financial Advisors and served as advisor to multi-modal transportation agencies across the country for over a decade. In addition, she was a municipal investment banker with UBS, also in the transportation sector. Ms. Lee executed over 40 municipal bond deals totaling more than \$7.3 billion in par while at UBS. In addition to her public finance experience, Ms. Lee worked for a private philanthropic foundation, the Charles Revson Foundation, and for a non-profit community-based organization, Good Old Lower East Side, Inc.

**Steve Lee**

Steve Lee joined the Gateway Development Commission in December 2024 as the Head of Audit Oversight. In this role, he leads the Commission's internal audit function, which provides an independent, objective evaluation of the Commission's risk management practices, internal controls, and governance processes. He is responsible for ensuring the integrity of financial and other operations, promoting efficiency, compliance, and accountability across the organization. Mr. Lee has over 20 years of audit experience for various organizations. He most recently served as the Head of Audit at the Environmental Defense Fund (EDF). Before EDF, his experience in internal audit and risk management also includes tenures at Protiviti, Dun & Bradstreet, Alcatel-Lucent, and Sony Corporation of America. Steve is a Certified Public Accountant and a Certified Fraud Examiner.

**Nivardo Lopez**

Nivardo Lopez was appointed as Principal Deputy Chief Program Officer for the Gateway Development Commission, a role he has held since July of 2024. At the Commission Mr. Lopez works closely with the Planning, Policy, Contracts, Impact Management, and Grants divisions within the Program Office. Prior to his role at GDC, Mr. Lopez was the Deputy Secretary for Transportation to Governor Kathy Hochul from November of 2021 until June of 2024. Before serving as Deputy Secretary, Mr. Lopez served as Bronx Borough Commissioner for the New York City Department of Transportation (NYC DOT). Mr. Lopez joined NYC DOT in 2014, starting as Director of Legislative Affairs and then becoming Deputy Bronx Borough Commissioner. Mr. Lopez began his career in government working at the New York City Council, first for Council Member James Vacca in the Bronx, and then as a Legislative Policy Analyst for the City Council's Committee on Transportation. He holds a B.A. in History from Saint Joseph's University and a M.A. in History from The City College of New York (CUNY).

**Patrick McCoy**

Patrick McCoy is the Chief Financial Officer of the Gateway Development Commission. He is responsible for the Commission's Capital and Operating budgets, Comptroller functions including accounts receivable and accounts payable, and payroll and benefits. Prior to joining the Commission, Mr. McCoy worked for the MTA in New York, most recently as Deputy Chief, Financial Services. He was responsible for MTA's access to the capital markets and directed the issuance of MTA and TBTA municipal bonds under the MTA's multi credit borrowing structure. He was responsible for the MTA's \$50 billion debt portfolio, which includes variable rate products, derivatives and fixed rate obligations. Mr. McCoy was also responsible for Capital Program Funding and MTA's Treasury operations and served as a Trustee on the MTA Defined Benefit Pension Plan. Mr. McCoy has a M.S. Degree in Urban Policy Analysis and Management from the New School University in New York, and a B.A. from St. Ambrose University in Davenport, Iowa.

**Madeleine McDonnell**

Madeleine McDonnell serves as Chief of Strategy & Operations at the Gateway Development Commission. In this role she helps lead the \$16 billion Hudson Tunnel Project, the nation's most urgent infrastructure project. Previously, Ms. McDonnell spent eight years at the New York City Department of Transportation where she held various leadership positions, including as Chief of Staff to four Commissioners. She acted as a chief liaison with City Hall, partner agencies, and other key regional entities. Her portfolio included implementing key initiatives including Vision Zero, bus and bike lane expansions, new mobility pilots, and employee professional development programs.

**Hamed S. Nejad**

Hamed S. Nejad, P.E., is the Acting Chief of Program Delivery for the Gateway Development Commission, a role he has held since September 2024, overseeing the technical and program delivery of

the Hudson Tunnel Project, managing design, construction, safety, and stakeholder coordination to ensure the project meets scope, schedule, and budget of the Hudson Tunnel Project, a vital part of the Gateway Program aimed at enhancing rail services and resiliency along the Northeast Corridor between Newark, New Jersey, and New York City. Initially joining as Deputy Chief Technical Officer managing Package 1 construction contracts, Mr. Nejad brings over 20 years of heavy civil construction experience across the U.S., Australia, and the Middle East, with expertise in tunneling, bridge construction, and deep foundations. His prior roles include Design Build Manager for the MTA's \$162 million Harold Structures Eastbound Reroute, Project Manager for the \$12 million I-84 bridge replacements, and Assistant Project Manager for the \$265 million Belt Parkway Bridge project, as well as key contributions to the MTA's \$1.2 billion East Side Access program (multiple contracts) and major Australian tunneling projects like the \$3.1 billion North South Bypass Tunnel and the \$4.3 billion Airport Link Project. A certified Professional Engineer in New York, Mr. Nejad has collaborated with agencies like New York State Department of Transportation, New York City Department of Transportation, and the MTA, delivering complex infrastructure projects on time and within budget through his technical acumen and leadership.

### **Adam Rosenbloom**

Adam Rosenbloom is the Chief Program Officer for the Gateway Development Commission. In this role, he is responsible for supervising a team focused on program planning, grant management and federal compliance, cost management and project controls as well as the Delivery Partner contract. Prior to joining the Commission, Mr. Rosenbloom has had over 20 years of related experience in the transportation sector, at both public and private entities, working closely with project and program management to help deliver design and construction projects.

### **Stephen Sigmund**

Stephen Sigmund is a public affairs professional with a focus on transportation infrastructure, a writer, a political commentator and an adjunct professor. Mr. Sigmund has spent 30 years in communications and external relations, and has advised some of the nation's most vital transportation organizations. He is currently Chief of Public Outreach for the Gateway Development Commission. In this role, he is responsible for all public communications on the Hudson Tunnel project. Previously, Mr. Sigmund was Chief of Public and Government Affairs for the Port Authority of New York and New Jersey, where he was responsible for all external affairs around the rebuilding of the World Trade Center. In addition, Mr. Sigmund has published op-eds and commentary on a wide variety of subjects over the last twenty years and has been a commentator on national television for Fox News, CNN, NY1 and Fox Business. He also taught communications courses at Columbia University for fifteen years.

## APPENDIX E

<b>Vendor Name</b>	<b>Services Description</b>
B2Gnow	Software as a Service
Bank of New York Mellon	Financial Services
Bank of America	Credit Services
Bridgetower Op Co, LLC	Media Services
Clifton Larson Allen LLP	ERP Implementation Services
City and State NYC LLC d/b/a Gov Exec Holdings LLC	Subscription
Conti Civil LLC	Tonnelle Avenue Construction Services
DCI Consulting Group	EEO Consultants - HR Compliance
Deloitte & Touche	Auditing Services
Duane Morris LLP	Legal Services
	Financial Advisory Services
First Unum Life Insurance Company	Employee Benefits
Fusco Personnel	Executive Recruiting Services
Gibbons P.C.	Legal Services
GLA Public Private Enterprises	DBE Advisory Services
GTY Software Inc. dba Bonfire Interactive LTD.	E-Procurement Software as a Service
Hardwick Law Firm LLC	Legal Services
Hudson County Improvement Authority	Filing Fees
JP West, Inc	Insurance Broker Services
Krauthamer & Associates	Executive Recruiting Services
Liberty Mutual Agency Corporation dba Liberty Mutual Insurance Company	Insurance
LinkedIn Corporation	Personnel Recruiting Services
Marsh USA Inc. dba Marsh & McLennan Agency	Insurance Broker
Mayer Brown LLP	Legal Services
McManimon, Scotland & Baumann, LLC	Legal Services
Miller Advertising Agency, Inc.	Procurement Advertising
Moody's Investor Services, Inc.	Rating Services
MPA Delivery Partners	Project Delivery Partner
NXT Thing Pro	Executive Recruiting Services
Naik Consulting Group, PC	Tonnelle Avenue Construction Management Services
Orrick, Herrington & Sutcliffe LLP	Legal Services
Oxford United Healthcare	Employee Benefits
Paychex Human Resource Services	Payroll & Benefits Services
Proskauer Rose LLP	Legal Services
RLL LLC	Procurement Training
Sage Intacct Inc	Finance Software as a Service
Schiavone Lane Dragados JV	Palisades Tunnel construction services

Skadden, Arps, Slate	Legal Services
Standard & Poor's Financial Services, LLC	Rating Services
Standard Security Life Insurance Company	Insurance
Tandym Group	Executive Recruiting Services and Temporary Staffing
The Hartford Group, Inc.	Insurance
The HR Source, Inc.	Temporary Staffing
Thomas Reuters	Invoice Software as a Service
Venari	Executive Recruiting Services
Walrath Recruiting	Executive Search & Recruiting Services