

#0225-01: AUTHORIZATION OF AWARD OF CONTRACT GDC-25-007-HTP, PERFORMANCE OF EXPERT PROFESSIONAL DESIGN- BUILD SERVICES FOR THE MANHATTAN TUNNEL PROJECT

To help ensure the functionality of intercity and commuter rail infrastructure between the State of New Jersey ("**New Jersey**") and the State of New York ("**New York**") and throughout the Northeast Corridor (the "**NEC**"), New Jersey and New York created the Gateway Development Commission ("**GDC**") through the enactment of parallel legislation by each state codified as the Gateway Development Commission Act (2019 N.Y. Laws, Ch. 108 and N.J.S.A. 32:36-1, et seq.) (collectively, the "**GDC Act**").

The GDC Act empowers the Commission to "enter into, execute and deliver contracts and agreements and other documents and instruments as may be necessary or appropriate to carry out any power of the Commission under this act and to otherwise accomplish any lawful purpose which the commissioners determine will Facilitate the Project, including, without limitation, with the federal government, the state of New Jersey, any local government thereof, the state of New York, with any local government thereof, with any agency, instrumentality, department, commission or authority of any one or more of the foregoing, any bi-state agency, Amtrak, any individual or private firm, entity or corporation, or with any one or more of them." 2019 N.Y. Laws, Ch. 108, Section 2(7)(e); N.J.S.A. 32:36-8(e).

Section 3.06 of the GDC Bylaws provides that "[t]he 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."

Accordingly, on February 3, 2023, New Jersey, New York, the National Railroad Passenger Corporation ("**Amtrak**"), and GDC (collectively, the "**PDA Parties**") entered into an Agreement (the "**Project Development Agreement**" or "**PDA**") in order to establish their respective roles and responsibilities with respect to the funding, financing, right-of-way acquisition, procurement, delivery, and operation of the Hudson Tunnel Project ("**HTP**").

As further described in the PDA, the HTP has been organized into certain work packages, which may be updated or changed from time-to-time. The Manhattan Tunnel Project (the "**Manhattan Tunnel Project**") is a work package of the HTP, to be performed primarily pursuant to a design-build contract and includes but is not limited to the following work located entirely in New York: (a) grouting from within 12th Avenue and Temporary Access Shafts and/or street-levels, (b) designing and advancing SEM tunneling operations, including (i) SEM sequences, procedures, and incremental excavation advance lengths; (ii) sizing SEM tunnel geometries to accommodate future TBM operations; (iii) removal of encountered obstructions (e.g., timber piles and abandoned steel pile foundations); and (iv) installation of required initial ground support systems, (c) beneath 12th Avenue/Route 9A, infilling completed SEM tunnels and Temporary Access Shaft access shafts with controlled low strength materials and soil backfill materials, (d) constructing a final cast-in-place reinforced concrete tunnel liner between the east side of 12th Avenue Shaft and the interface with HYCC-3.

On August 31, 2023, a Request for Qualifications GDC23-005 was issued by GDC soliciting Statements of Qualifications ("**SOQ**") from entities interested in designing and constructing the Manhattan Tunnel Project. SOQs were submitted from the following three (3) firms: Frontier Kemper Constructors Tutor Perini JV, Gateway Tunnel Partners (JV between Halmar and FCC Construction) and Walsh, Skanska, Traylor JV. On August 1, 2024, GDC issued a federally compliant Request for Proposals GDC23-005 to these three (3) firms to provide design and construction services. Proposals were received on November 22, 2024 from all three (3) firms. The proposals were reviewed by an Evaluation Panel consisting of technical experts and representatives of GDC, the State of New York, NJ TRANSIT Corporation, the Port Authority of New York and New Jersey, and Amtrak. The Evaluation Panel selected Frontier-Kemper-Tutor-Perini JV

through a competitive evaluation of technical and price proposals (together, with the Contract Documents issued as part of the RFP process, referred to as ("**Contract GDC-25-007-HTP**")).

Article 12.05 of the PDA permits a contractor to propose an alternative technical concept ("ATC") subject to review by the GDC Technical Standards Committee, and recommendation to the Board. The PDA requires all ATCs recommended for award at the conclusion of the procurement process be subject to the approval of the GDC Board at such time.

Pursuant to the foregoing report, the following resolutions were adopted, with Co-Chair Glen, Co-Chair Grewal-Virk, Vice Chair Coscia, Commissioner Bauer, Commissioner Barbas, and Commissioner Rosen voting in favor:

RESOLVED, that the GDC Chief Executive Officer is authorized to enter into Contract GDC-25-007-HTP with Frontier-Kemper-Tutor-Perini JV at the Contract Price of \$1,177,700,000 and further authorizing an additional amount equal to twenty percent (20%) of the Contract Price for contingencies ("Contingency").

RESOLVED, that the GDC Board authorizes Frontier-Kemper-Tutor-Perini JV's alternative technical concept ATC#1 consisting of vertical ground stabilization in Route 9A / 12th Avenue and digger shields for tunnel mining and temporary shaft elimination.

RESOLVED, that the GDC Chief Executive Officer is delegated the responsibility and authority to authorize and approve, without further Board approval, any amendments or change orders to Contract GDC-25-007 that do not exceed an increase in the Contract Price by 10% and do not exceed 50% of the Contingency; and further that the GDC Chief Executive Officer is delegated the responsibility and authority to authorize and approve any amendments or changes to Contract GDC-25-007 utilizing the remaining 50% of Contingency provided however that the CEO may not take such action without Board approval to increase Contract GDC-25-007 where the amount of the amendment or change order is in excess of \$10,000,000.

RESOLVED, that the GDC Chief Executive Officer is authorized to issue a notice to proceed for Contract GDC-25-007-HTP, and take any and all other actions consistent with this resolution, and to make, execute, and deliver in the name and on behalf of GDC, Contract GDC-25-007-HTP, and to take all other steps necessary to comply with the terms and conditions of Contract GDC-25-007-HTP.

RESOLVED, that the GDC Chief Executive Officer is authorized to take any and all other actions consistent with this resolution, and to make, execute, and deliver in the name and on behalf of GDC, Contract GDC-25-007-HTP, and to take all other steps necessary to effectuate, enforce and/or comply with the terms and conditions of Contract GDC-25-007-HTP.