

#0824-01: AUTHORIZATION TO AWARD CONTRACT GDC-24-006-HTP FOR THE PALISADES 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 Palisades Tunnel Project (the "**Palisades Tunnel Project**") is a work package of the HTP and includes but is not limited to the following work located entirely in New Jersey: furnishing two new hard rock tunnel boring machines ("TBMs") and constructing two bored tunnels, with excavation commencing at the tunnel portal at the Tonnelle Avenue site and mining eastward into the Hudson County Shaft, and furnishing and installing a precast concrete tunnel lining; constructing six cross passages in rock, including temporary support of rock and a cast-in-place concrete tunnel lining with a waterproofing membrane system; transportation of excavated tunnel material from the Palisades Tunnels and cross passages through the bored tunnels to the Tonnelle Avenue site; and constructing the Hudson County Shaft, including slurry walls, rock excavation and installing rock support, and rock mass grouting at the toe of the slurry walls, around the entire perimeter of the shaft and within the entire shaft invert.

In May of 2023, Request for Qualifications GDC23-004 was issued by GDC soliciting Statements of Qualifications ("**SOQ**") from entities interested in constructing the Palisades Tunnel Project. SOQs were submitted from the following five (5) firms: Shea-Kiewit Tunnel Constructors,

Adopted 8/1/24

Walsh/Skanska/Traylor JV, Gateway Tunnel Contractors, Schiavone, Dragados Lane JV, and FKC Tutor Perini Hyundai JV. On February 6, 2024, GDC issued a federally compliant Request for Proposals GDC23-004 to these five (5) firms to provide construction services. Proposals were received on June 13, 2024 from all five (5) firms. The proposals were reviewed by an Evaluation Panel consisting of technical experts and representatives of GDC, the State of New York, NJ TRANSIT, the Port Authority of New York and New Jersey, and Amtrak. The Evaluation Panel selected Schiavone, Dragados Lane 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-24-006-HTP**”).

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

RESOLVED, that the GDC Chief Executive Officer is authorized to enter into Contract GDC-24-006-HTP with Schiavone, Dragados Lane JV at the Contract Price of \$465,600,000 and further authorizing an additional amount equal to five percent (5%) of the Contract Price for contingencies.

RESOLVED, that the GDC Chief Executive Officer is authorized to issue a notice to proceed for Contract GDC-24-006-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-24-006-HTP, and to take all other steps necessary to comply with the terms and conditions of Contract GDC-24-006-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-24-006-HTP, and to take all other steps necessary to effectuate, enforce and/or comply with the terms and conditions of Contract GDC-24-006-HTP.