NEWARK LIBERTY INTERNATIONAL AIRPORT – REPLACEMENT OF AIRTRAIN SYSTEM – PLANNING AUTHORIZATION

Committee on Capital Planning, Execution & Asset Management
April 30, 2015
Recommendation

• Authorize planning for the future replacement of the AirTrain Newark system at Newark Liberty International Airport at an estimated cost of $40 million

• Authorize (a) the award of a contract for expert professional technical services to support the planning effort at an estimated amount of $30 million and (b) submit an application to FAA for up to $40 million in Passenger Facility Charges (PFCs) to recover expenditures associated with planning for a new AirTrain Newark system.
Current AirTrain System

- Opened in 1996
- Design, build, operate, maintain (DBOM)
- Existing O&M contract expires in 2022
- Cost: $769 million
  - $1.3 billion in today’s dollars
Need for System Replacement

- End of system’s useful life in 2022 and O&M contract
- Significant investments required to maintain existing operations
- Passenger demand forecast to exceed capacity
- “Repair vs replacement” analysis validates need for replacement
- Extending existing O&M contract is cost-prohibitive
AirTrain Replacement Planning

• Planning funds included in 2014-2023 Capital Plan and 2015 Budget
• Professional services agreement (via task order)
  – Preliminary design
  – Analysis of funding alternatives
  – Evaluation of procurement and project delivery approaches
  – Support during the project’s RFP development and selection process
Replacement Project – Illustrative Timeline

- **Planning Authorization**: 2015
- **Project Authorization**: 2016
- **Construction and System Manufacturing Begins**: 2017
- **Testing and Commissioning for new system**: 2018
- **Award Contract to Train Supplier**: 2019
- **Substantial Completion – Passenger Service**: 2020
- **Minimum 5 yrs required**
- **Award Planning Technical Services Agreement**: 2021
- **Release AirTrain RFP**: 2022
AirTrain Replacement Planning - Cost

- ** Authorization - $40 million**
  - $30 million for professional services agreement
  - $5 million in staff costs
  - $5 million in agency allocations (Insurance, Administration, Financial Expenses)

- **Amount Recoverable**
  - 100%.