2014-2023 Proposed Capital Plan

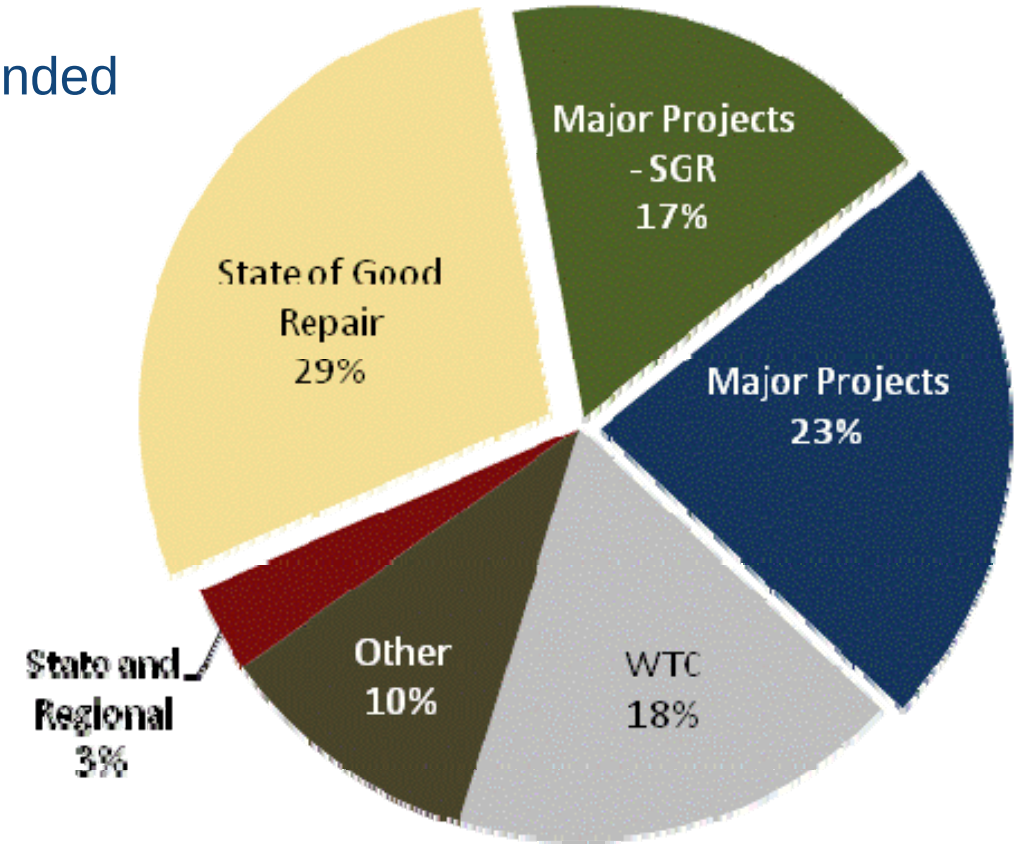
Committee on Capital Planning, Execution and Asset Management

February 4, 2014

Overview: Return to Core Mission

- $27.6 Billion in spending 2014 – 2023
- $12.6 Billion, or 46 percent of plan is targeted for State of Good Repair (SGR) projects
- All high priority SGR projects funded
- Includes $11 Billion for major project initiatives

	2014-2023 ($ Billions)	
State of Good Repair	$	7.9
Major Projects - SGR	$	4.7
Major Projects	$	6.3
WTC	$	4.9
Other	$	2.9
State and Regional	$	0.9
Total	**$**	**27.6**



Capital Plan – Major Jobs Generator

The Proposed Capital Plan will be a major engine for jobs and economic development in the region:

- 126,000 job years created
- $7.3 billion in wages
- $29 billion in economic activity

Priorities in Developing the Proposed Capital Plan

Build for the Future

- **Return to our core mission of maintaining and building transportation infrastructure**

Improve Capital Planning and Execution

- **Enhance focus on implementation of capital projects and establish governance to monitor and drive execution, effectiveness and efficiency**
- **Process improvements for ranking and prioritization of projects**
- **Process improvements to speed deliverability and lessen "soft costs"**

Prioritize Capital Project by type

- **Disciplined risk based approach to rank projects**

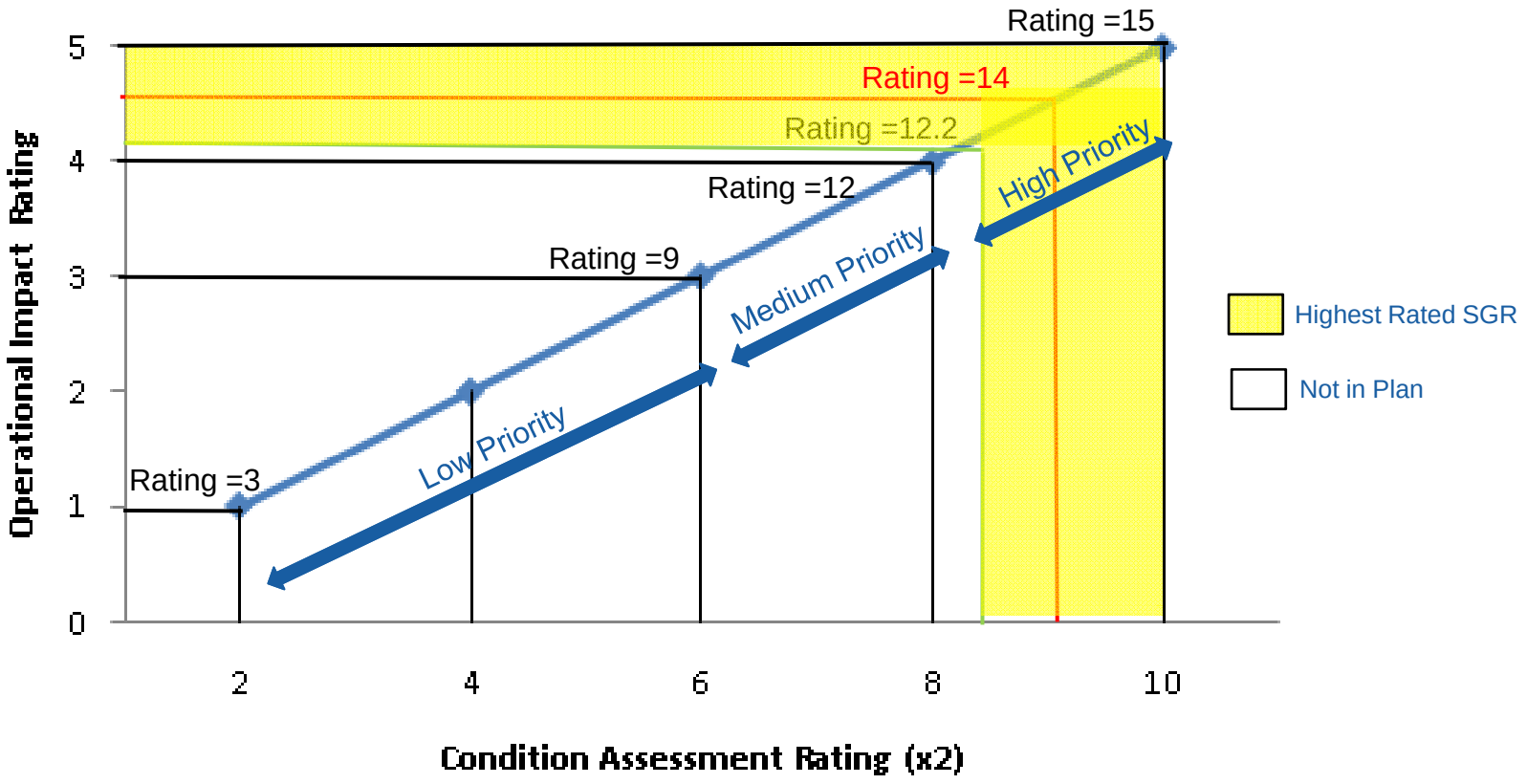
State of Good Repair Program Project Prioritization

- SGR projects prioritized based upon **physical condition** and **operational impact** associated with potential asset failure

- Physical Condition Criteria
  - Life Safety
  - Life Cycle
  - Physical / Mechanical Operational Capability
  - Maintenance Required
  - Maintainability

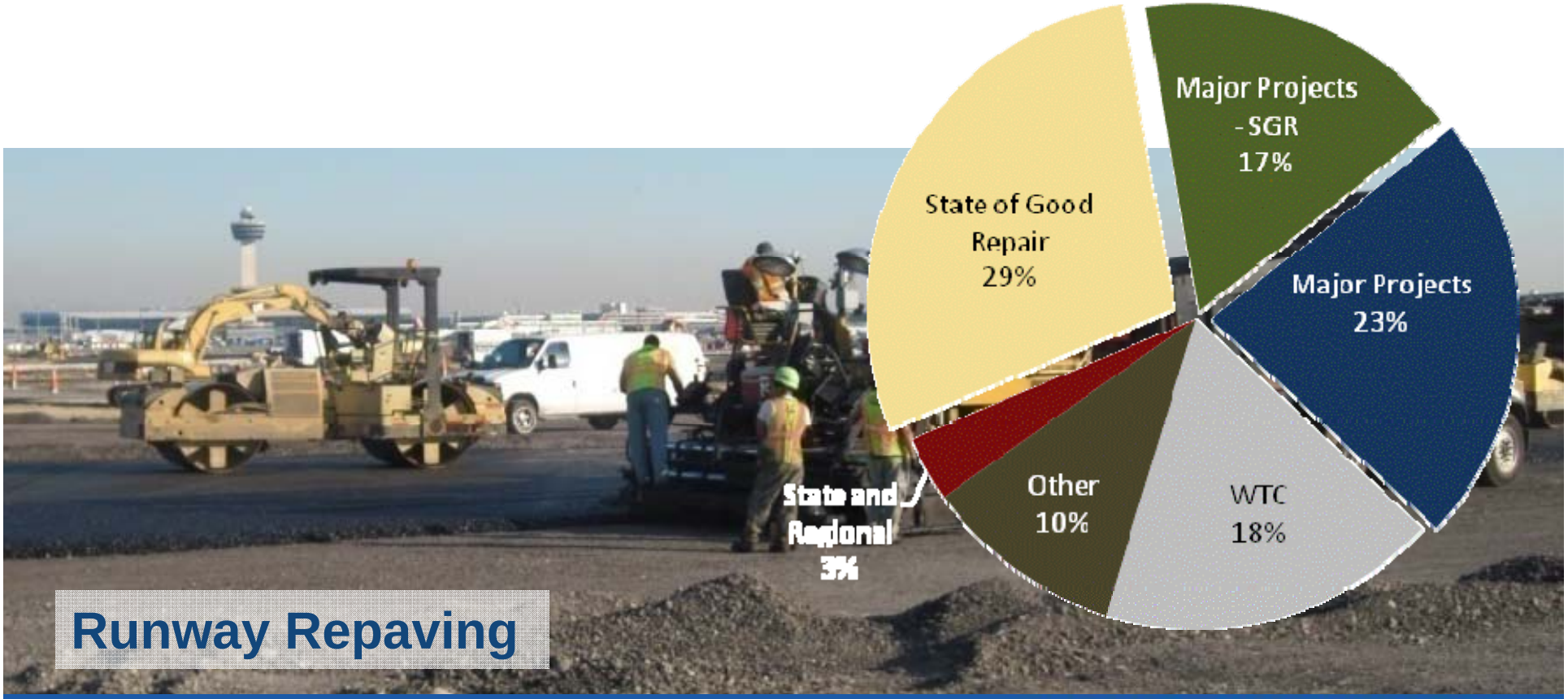
- Operational Impact Criteria
  - Operational Impact to Facility
  - Revenue Impact
  - Customer Service Impact

State of Good Repair (SGR) Program Prioritization Ratings



State of Good Repair

- Nearly half of the Authority's capital spending (46 percent) over the next ten years -- including $4.7B in Major Projects -- will be to maintain its facilities in a state of good repair.

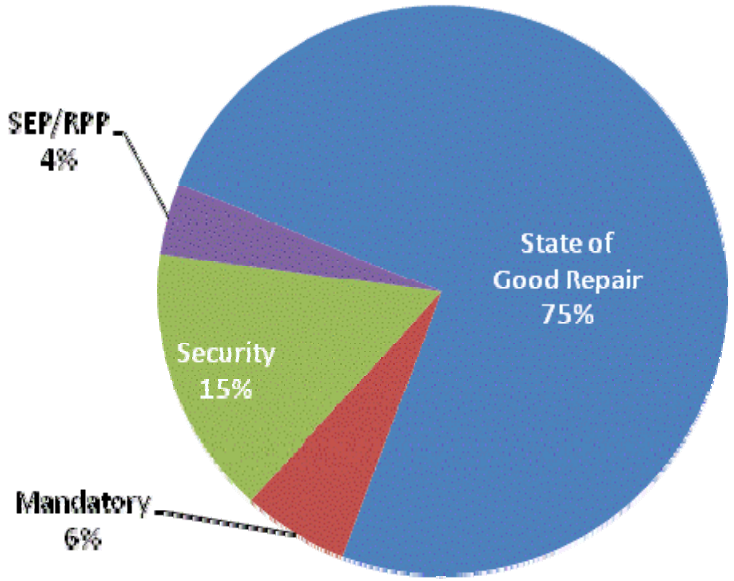


Disciplined Approach to Determining and Monitoring Capital Capacity

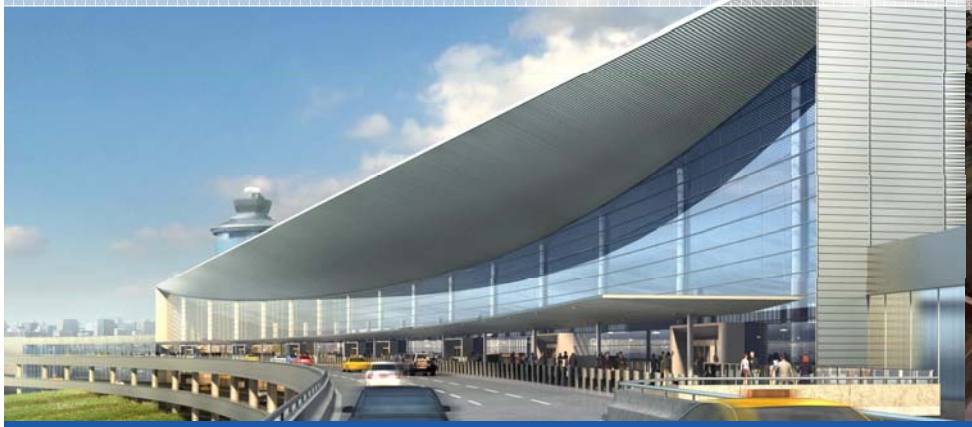
- The Capital Plan will be monitored and updated as necessary
- First step is determining Capital Capacity utilizing our Integrated Financial model
- Projects are prioritized by category
  - SGR, System Enhancing/Revenue Producing, Mandatory, Security
- Capital Capacity and progress on Plan will be monitored quarterly
- A structured process for “project on-boarding” and a “funding gate” review process will be implemented

Aviation

- Approximately $8 Billion will be invested in the region's airports
- $3.4 Billion for new terminals at LaGuardia and Newark Liberty International airports
- $4.7 Billion in core spending, including 104 state of good repair projects



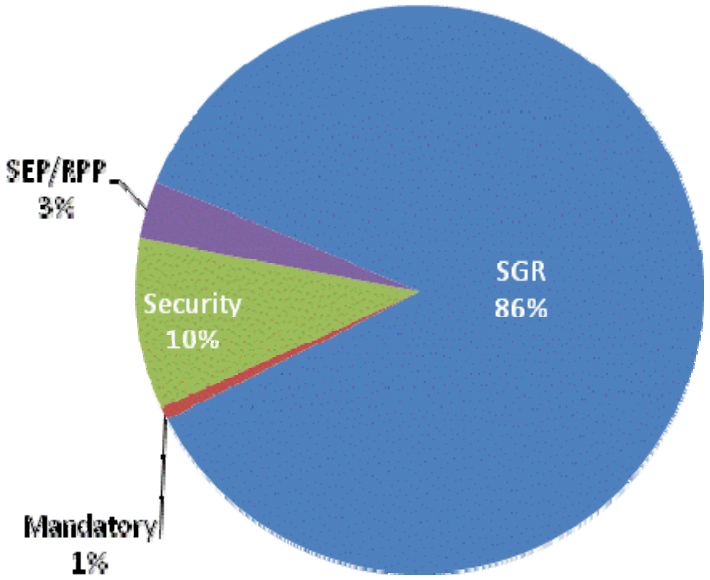
LGA Central Terminal ($3.6B TPC - $2.2B PA Cost)
Terminal, aeronautical areas, roads and infrastructure



EWR Terminal A ($2B TPC - $1.2B PA Cost)
New terminal, roadway system and parking garage

Tunnels, Bridges and Terminals

- $7.9 Billion in spending includes
  - Replacement of Goethals Bridge
  - Replacement of GWB suspender ropes and certain cables and sidewalks
  - Replacement of the Lincoln Tunnel Helix
  - Access improvements for the Lincoln Tunnel

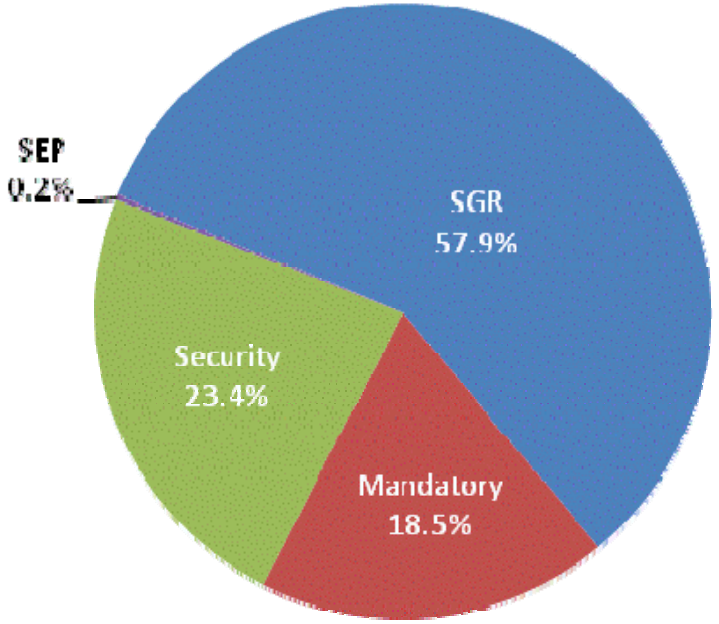


Goethals Bridge ($1.5 B TPC - $540M PA Cost)
A new 900 foot cable stayed bridge and approach viaducts

George Washington Bridge ($1.2B)
Replaces all 592 suspender ropes, rehabilitates four main support cables, replaces upper level sidewalks

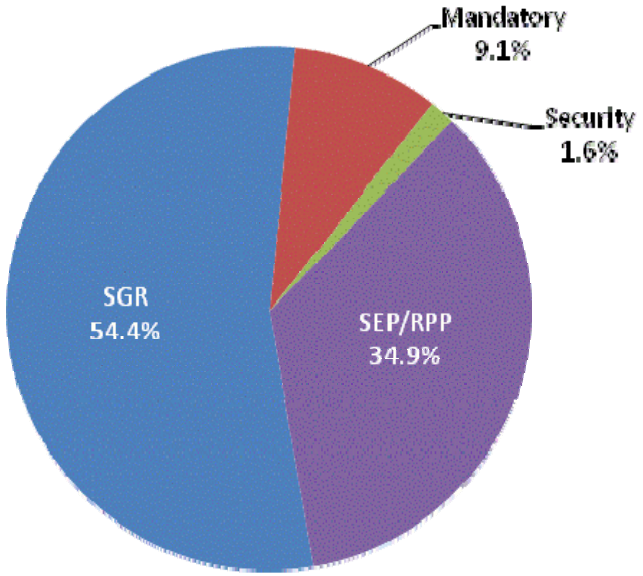
PATH

- $3.3 Billion in spending includes
  - Almost $900 Million in core projects including a new signal system, electrical substations, and tunnel improvements
  - ~$1.5 Billion project to extend PATH to Newark Liberty Airport
  - More than $400 Million for Harrison and Grove Street stations



Port Commerce

- $1.6 Billion in spending includes
  - $438 Million to upgrade Cross Harbor Car Float facility and new on-dock rail facility at Global Container Terminal
  - 51 core projects including $690 million in SGR projects
- In addition, $1.3 Billion being spent to raise the Bayonne Bridge



Bayonne Bridge ($1.3B)
Main span raised for next generation ships

SGR Projects ($690 Million)

World Trade Center

- $4.9 Billion over the next five years to complete the Port Authority's commitment to rebuild the World Trade Center site and revitalize Lower Manhattan.
- Scheduled openings starting in:

  Tower 1 – 2014

  9/11 Museum and Memorial - 2014

  Vehicular Security Center – 2014

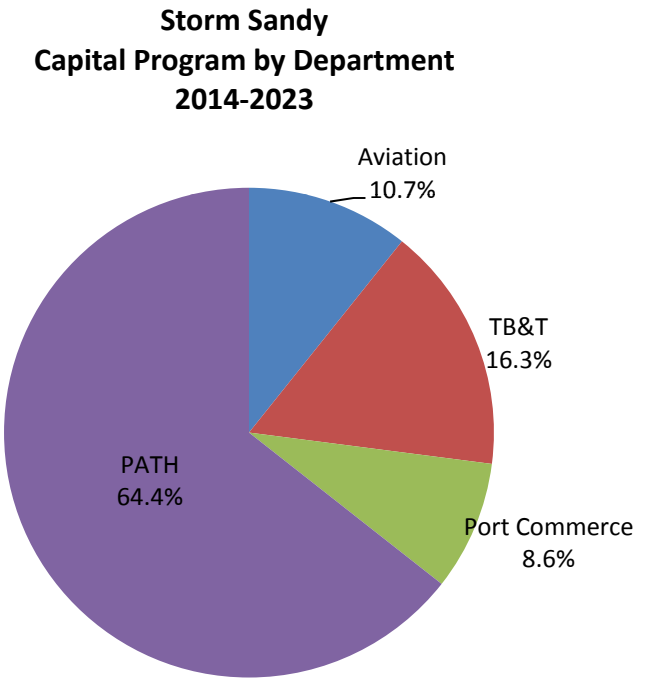
  Transportation Hub – 2015

  Retail Development – 2015

  Site Infrastructure

Storm Sandy Capital Program

- **Storm Sandy Losses**
  - ✓ **Total losses from Storm Sandy are estimated at $2.4 billion (including emergency/long-term repairs, preliminary latent damage estimates and revenue losses)**
- **Storm Sandy Projects in Capital Plan**
  - ✓ **$1 billion in Storm Sandy related projects included in the Capital Plan**
  - ✓ **Excludes WTC program (most WTC restoration work is anticipated to be operating cost, recoverable through insurance and FTA)**
  - ✓ **Sandy program likely to expand as long-term mitigation projects are determined and latent damages fully assessed**



End of Presentation