

The Port Authority of New York and New Jersey
Committee on Capital Planning, Execution and Asset Management Meeting Transcripts
April 24, 2013

[Chair S. Rechler] The first portion of today's meeting is being held in public session, after which the Committee will meet in executive session to discuss matters related to the purchase, sale, or lease of real property, or securities where disclosure would affect the value thereof or the public interest. In addition, the public portion of this meeting is being broadcast live on the Port Authority's website for those interested in viewing today's proceedings via the internet. We have two agenda items for the public session today. The first agenda item is a brief update to move to the full Board of the Staten Island Bridge Investment Program. And then at the full public session, there will be a full presentation on that, so why don't I turn it over now to Pat Foye and Bill Baroni to give just a quick update on those two exciting ventures.

[P. Foye] Thanks, Vice Chair. Bill and I are going to briefly discuss in this public session and then in more detail in the full session later a major construction program for the three bridges that link Staten Island and New Jersey, which entail in this case significant investment, \$2.8 billion in the aggregate for these facilities. Today we are seeking approval of three major initiatives. First, a new Goethals Bridge by means of an innovative financing approach using a public-private partnership. Second, a Bayonne Bridge with a higher roadway done by means of an innovative engineering approach. And third, a \$24 million investment in the Outerbridge Crossing. At all three projects, construction will begin this year. The combined projects will create approximately 5,000 jobs, more than \$600 million in wages, and more than \$2.5 billion in regional activity--economic activity. Let me talk briefly about Goethals before turning it over to Bill. This Goethals project represents first a refocus on core mission, a historic investment in the facilities linking Staten Island and New Jersey, the first time in 80 years that the agency will construct a new bridge to replace the Goethals, uses I mentioned of an innovative public-private partnership, with the respect of Bayonne, and Bill will talk about this in more detail, the first time a bridge's roadbed will be raised and built during ongoing operations. I have given you the economic data before. Let's briefly talk about Goethals. The bridge is obsolete. This is the rendering of the winning proposal. It involves a stayed cable design. Since Goethals was one of the first facilities constructed by the Port Authority back in 1928, it seems fitting that we're working to replace this bridge with a state-of-the-art design and innovative bridge technology. And why don't I turn it over to Bill who will talk about Bayonne.

[B. Baroni] Thanks, Pat. I will be very brief as we are going to make a full presentation in the full Board meeting. But to follow up on what Pat said, the combination of the new Goethals Bridge, the raised Bayonne Bridge, and the work of the Outerbridge Crossing, it's the first time in the history of the Port Authority that three bridges will be constructed at the same time. A historic refocusing of our efforts at the Port Authority. On the Bayonne Bridge, this is a project that has been talked about in an expedited way over the last number of years. Governor Christie and Governor Cuomo have made this a top priority to raise the roadway of the Bayonne Bridge. Today's action--anticipated action by the Board would do that. This project, as Pat mentioned, will create more than 2,500 construction jobs and more than \$1.2 billion construction project. The roadway that is blocking the entrance of the Post-Panamax ships to Port Newark, Port Elizabeth, and Howland Hook would be removed by 2015. Therefore, allowing the largest and

most environmentally sensitive ships in the world to call Port Newark, Port Elizabeth, and Howland Hook. In addition, the Port Authority will be entering into an agreement with New Jersey DEP in order to address any environmental concerns that have been raised by the EPA and members of the community. In addition, we will be finalizing the environmental review process on the Bayonne Bridge. Obviously, this contract, as others the Board does, is contingent on the completion of that. And we would not be where we are today when it comes to the Bayonne Bridge, and I will mention this again, without the leadership of Governor Christie and Governor Cuomo as well as the partnership that we've had with our federal officials in New York and Senator Schumer and Senator Gillibrand and certainly the leadership of Senator Menendez and Senator Lautenberg in New Jersey to continue in a bipartisan way to continue to move this project forward. Finally, the Outerbridge Crossing, which-- coming from New Jersey, believe it or not, 40% of the people who cross the Outerbridge Crossing who are New Jersey E-ZPass users come from two counties, Monmouth and Ocean County. And this is showing the reach that these projects will have all across the state of New Jersey. This project is a full pavement replacement of east and westbound spans and the approach roadway surfaces. More than 20--nearly \$24 million in work on this project. And again, and we will talk a little bit more about this in the full Board meeting, these three projects together are a historic undertaking for this agency to do three bridges at the same time. Mr. Chairman, that is a synopsis of the presentation to go to the full Board.

[Chair S. Rechler] Well done and well done by the staff too. They have put together such an innovative program and thoughtful program. I look forward to hearing the whole presentation in the public session. Are there any comments from any of the Commissioners, or should we move this to the full Board? [Comm. D. Steiner] So moved.

[Comm. A. Sartor] Just one other item that I would like-- we are really working on four bridges. We have committed over a billion dollars to the George Washington Bridge. [B. Baroni] Commissioner, very, very briefly, actually if you think about it, we are going to be replacing-- we are doing the project on the pavement of the Outerbridge Crossing, we are replacing and building a new Goethals Bridge, we are raising the roadway of the Bayonne Bridge, we are rehabilitating the Helix at the Lincoln Tunnel, and we are replacing the suspender ropes at the George Washington Bridge. Certainly, when Eugenius Outerbridge was our Chairman, he never imagined the agency that he helped create would achieve so much in such a short period of time. [Chair S. Rechler] Well said, very nice. Okay. All in favor of moving this to the full Board? [Comm. D. Steiner] Aye.

[Chair S. Rechler] Okay. Thank you. The next item on the agenda is the LaGuardia Airport Runway Safety Enhancement, Sue Baer.

[S. Baer] Thank you. I am here today to seek authorization for LaGuardia's Runway Area Safety Enhancements Program. The program consists of a couple of items. One, we are going to extend the runway decks and install engineering material arrestor systems at the ends of those decks. We are building a continuous restricted vehicle service road, and we are planning for contractor mobilization in a laydown area to support the components of this program as well as future capital projects at LaGuardia. Not only would this program satisfy the Federal Aviation Administration's mandate for runway safety areas, it would also be consistent and supportive of

the FAA's National Runway Safety Plan, which is the top priority of the FAA focusing on safety at the airports. In 2005 Congress mandated that airports enhance passenger safety by improving runway safety areas no later than December 31, 2015. Runway safety area surfaces surrounding the runway-- it has to be cleared, graded, and the ends of the runways have to be-- have at least a 1,000 feet beyond the end of the runway. In order to comply with these standards, staff has been coordinating with the FAA environmental agencies to plan and implement RSA projects at all of our airports. As an alternative for airports such as LaGuardia, which has limited airport property and cannot support a 1,000 foot RSA, the FAA permits the installation of an arrestor system to decelerate and stop aircraft that overrun the runway. An arrestor system is a bed of crushable blocks at the end of a runway slowing planes down in the event of a runway overrun without causing structural damage to the plane. This chart will summarize-- we have 17 of our 26 runway ends done, and we are down to the last few complicated ones. A number of them are in progress. Authorization today brings two more into that fold. Collectively, EMASs have arrested four aircraft to date at our airports, so it is a very effective thing to do and a very safe thing to do. To meet the congressional mandate, LaGuardia arrestor systems have been installed on the 4 and 31 approaches and are required on the 13 and 22 approaches, which are located on the structural decks that extend into Flushing Bay. The proposed option, which would not limit LaGuardia's operational capacity and which has received FAA support, would entail structurally extending each runway deck to accommodate an arrestor system. Construction of the extensions would be completed during the nights and weekends to minimize disruption to the airport's operation. The proposed program also includes the creation of a continuous restricted roadway, which is also known as a patrol road, around the approach end of Runway 4. Connection of the existing bifurcated restricted roadway on the east and west sides of Runway 4-22 would enable vehicles to traverse the aeronautical area without having to cross the runway or exit and reenter via public roadways. It will provide significant safety and security benefit in that it would harden the separation between the public road and the aeronautical area as well as accommodate fuel trucks mitigating exposure to potential public area threats and reduce congestion on the public roads and at the vehicle guard post. Due to limited space availability at LaGuardia and the surrounding area, an evaluation of potential contractor mobilization in laydown areas is also included in this authorization. Both on airport and off airport sites are being evaluated for suitability to support the proposed program and the future capital projects at LaGuardia. For the Runway Safety Area Enhancement Program, the expected total regional impact over the life of the project is currently estimated to result in 920 job-years, \$62 million in wages, and \$300 million in economic activity. We are seeking program authorization for \$202.9 million for the Runway Safety Area Enhancement Program. Included in this amount, we are also seeking authorization for the Executive Director to award a design and construction contract for extending the runway decks, a design and construction contract for the arrestor systems, and a construction contract for the restricted roadway. Planning authorization of the contractor laydown immobilization area is also being requested at a cost of \$3.1 million. To date the FAA has authorized PFC funding applications for a total of \$161.9 million for the program. Authorization will be requested for an amendment to the PFC funding for the remaining project cost. Any costs that are not funded by PFCs are fully recoverable through the LaGuardia flight fee agreements. Construction is expected to commence in the fourth quarter-- in the first quarter, excuse me, of 2014 and be completed by the third quarter of 2017. The deck extensions and arrestor systems will be completed by the FAAs December 31, 2015, deadline. I ask that you approve this for the full Board.

[Chair S. Rechler] Thank you, Susan. Any questions for Sue Baer? Okay, if not, I will-->>

[Comm.] So moved. [Chair S. Rechler] You beat me to it. >> [Comm.] Second. [Chair S. Rechler] Okay. We will move that to the full Board. With that, that ends the public session of the Capital Planning Meeting. We will now turn to executive session.