

**The Port Authority of New York and New Jersey  
Committee on Capital Planning, Execution & Asset Management Transcript  
October 20, 2016**

[Board Chair J. Degnan] Operations. The next Committee meeting would be the CPEAM meeting and Scott Rechler is normally the Chair of that, he's detained in his arrival today. And so I'm gonna go ahead and proceed to Chair that Committee meeting as Vice-Chairman myself. The first presentation is a presentation by Molly Campbell On Port Newark and Port Street Corridor Improvements Project Re-authorization. Welcome, Molly.

[M. Campbell] Thank you.

[K. Eastman] I'll give you the Committee membership and the recusals.

[Board Chair J. Degnan] Yeah, let Karen tell the audience who's on this Committee and whether there are any recusals. Thank you.

[K. Eastman] The Committee is composed of Commissioner Rechler as the Committee Chair, Chairman Degnan as the Vice-Chair and Commissioners Fascitelli, Pocino and Steiner. All Commissioners are present with the exception of Commissioner Rechler. With regard to the Port Newark, Port Street Corridor Improvements, of the Committee members present Commissioner Pocino is recused on this matter.

[Board Chair J. Degnan] Okay. Thank you. Molly?

[M. Campbell] Good afternoon, Commissioners. Thank you, Chairman.

[Port Newark - Port Street Corridor Improvements The idea before you today requests Project Re-Authorization

[Project Re-Authorization And Award Of Contracts Committee] for improvements to the Northern Access Roadway Network at Port Newark

[on Capital Planning, Execution and Asset Management October 10, 2016] and the Elizabeth-Port Authority Marine Terminal. This project, previously authorized in December of 2013 at a total estimated cost of \$105 million is in the final design review period, prior to advertising for bids. However, between the initial authorization at preliminary design and now at final design, the developing design resulted in an estimated construction and project cost that exceeded the original authorization. So today, your authorization is requested for to increase the overall project authorization to \$132.6 million to address the additional construction cost, increased utility relocations, increased design engineering cost, and finally increases in project- related agency allocation projections associated with the increased project cost.

[Project Area/Benefits] Just to orient you, the slide that's in front of you shows the northern

access of the port as it relates to the Newark Airport and the New Jersey Turnpike, which you will see. What you will see, what's important here is just to point out that the Port Street handles approximately 65% of the total port traffic daily, of which more than half are port trucks. And that's about 50,000 vehicles on a daily basis. The project benefits include improved roadway safety, replacement of a deteriorated 50-year-old ramp, reduce vehicle travel, and idle times associated with the associated pollution. And then also results in 260 direct jobs, \$25 million in direct wages and \$171 million in regional economic activities over the life of the project.

[Project Scope] Slide three talks to the scope, which is outlined in yellow. If you take a look the roadway network is outlined there in yellow and what's proposed for improved at the project. There are two... Several elements to that, the state of good repair elements include both the Corbin Street Ramp and the Port Street Bridge span. Secondly, you've got, the Corbin Street just to mention has been in poor shape. The concrete itself is deteriorated and the ramp itself is too tight to accommodate especially at the turns, to accommodate the current vehicle sizes. For example, trucks typically don't go side by side as they navigate the turn, they usually straddle to make sure that they're not neck and neck, because the roadway that was built quite some ago was built for smaller truck traffic.

[Key Drivers for Project Increase] Some of the key drivers for the project, the site conditions, as to why the project cost increase, site conditions were not fully known at the preliminary design, which resulted in increased bridge and foundation work. Secondly, the closed working conditions to Conrail required further restricted hours, and so it's a longer construction period. And then finally, increased cost in utility relocation work that was required for the project. Given the cost increase, one of the things...

[Lessons Learned] Next slide please, that we focused on and just some lessons learned. And number one is to perform greater in-depth underground surveys at the beginning. Secondly, during preliminary design, add more appropriate contingency for unknown conditions, and finally, engage early with stakeholders such as Conrail during preliminary design.

[Project Cost and Construction Schedule] Next slide. Project cost and schedule. Commissioners, today your re-authorization is requested for the Port Street Corridor Improvement Project for total estimated cost of \$105 million to a revised estimated total project cost of \$132.6 million. Bids are planned for the first quarter of 2017 with construction now scheduled for completion in late 2022. So Commissioners, I would request that you advance this item to the full Board for consideration. And I'd be happy to answer any questions you may have.

[Board Chair J. Degnan] Thank you, Molly. Are there any questions or comments from the members of the Board? If not, can I have a motion from a Committee member who is not recused on the matter to move the item forward to the full Board for consideration later today.  
>> So moved.

[Board Chair J. Degnan] Second. Any objection? If not, the motion is moved for approval by the Board later on today. I'm now.