

**The Port Authority of New York and New Jersey
Committee on Capital Planning, Execution & Asset Management Transcript
November 16, 2017**

[Board Chair K. O'Toole] This next meeting is the Committee on Capital Planning, Execution and Asset Management which is to be Chaired by Vice-Chair Jeff Lynford.

[Chair J.H. Lynford] Thank you, Mr. Chairman. As the Chair of the Committee on Capital Planning, Execution and Asset Management, I will now report on certain items under the Committee's purview.

[Chair J.H. Lynford] Start again?

[J. McCoy] Yes.

[Chair J.H. Lynford] Okay. I apologize. Today's meeting on the Committee on Capital Planning, Execution and Asset Management is being held in public session in its entirety. At this point, I would ask the Board Secretary to advise those present of the composition of the Committee and any Commissioner recusals on the items before the Committee at today's public session meeting.

[K. Eastman] The Committee is composed of yourself as Chair, Chairman O'Toole as Vice-Chair of the Committee, and Commissioners LaBarbera, Pocino, and Rosado. All Commissioners are present at today's meeting. No recusals are required.

[Chair J.H. Lynford] So we begin with a discussion by Huntley once again on LaGuardia Airport AirTrain system Phase II planning.

[H. Lawrence] Thank you. I'm here today to request Phase II planning funding

[AirTrain LGA - Phase II Planning Authorization] for a new AirTrain system

[Committee on Capital Planning, Execution & Asset Management November 16, 2017] at LaGuardia Airport.

[Phase I Planning Efforts] In February 2017, the Board authorized Phase I planning for a new AirTrain system. Throughout 2017, staff engaged in a substantial amount of planning work including operational feasibility and constructability analysis, initial ridership assessments, financial feasibility analysis, and preliminary geotechnical investigation program. While these efforts have been encouraging, additional planning work is required.

[Authorization Request] The requested authorization would provide for \$55 million to be used for planning associated with the implementation of an AirTrain at LaGuardia, bringing the total authorized planning amount to approximately \$75 million, all of which is included in the 2017-2026 Capital Plan. These funds would provide for expert professional, technical, and advisory services to support preliminary planning efforts. These funds will also be used to increase two existing contracts, one with Jacobs Civil Consultants for program management services and another with WSP, formerly Parsons Brinckerhoff, for technical procurement support services

and to take initial design through 30% completion. Additionally, we are seeking authority to apply up to \$55 million in passenger facility charges in the event that the Port Authority has available capacity for the collection of PFCs in the future.

[Phase II Tasks and Deliverables] Phase II work would begin on the National Environmental Policy Act or NEPA and procurement processes in order to ensure the construction of the new AirTrain system can be coordinated alongside other major construction activities, including the ongoing Terminal B Redevelopment program and the Redevelopment of Terminals C and D. In Phase II, we will initiate and advance all applicable environmental review processes, analyze requirements for additional supporting landside infrastructure, and receive technical support throughout the duration of the procurement process. Staff currently anticipate a public-private partnership approach to project delivery that would incentivize innovation and mitigate risk. Staff anticipate exploring private sector feedback, potential interest and qualifications in participating in alternate project delivery structures as well. Following the completion of these tasks, I intend to return to the Board in 2018 to request full project authorization. Pending your questions, I ask that you advance the proposed Phase II planning authorization for the AirTrain system at LaGuardia to the full Board for approval.

[Chair J.H. Lynford] Any questions from my fellow Commissioners? May I please have a motion?

[Comm. LaBarbera] So moved.

[Chair J.H. Lynford] Second?

[Board Chair K. O'Toole] Second.

[Chair J.H. Lynford] Now we will go on, Huntley, with the Newark Liberty International Airport rehabilitation of Runway 11-29 project.

[H. Lawrence] Okay.

[Chair J.H. Lawrence] You're on a roll.

[H. Lawrence] All right. I'm actually here to request project authorization for another item, and that's to rehabilitate Newark Runway 11-29 to maintain a state of good repair, extend the useful life, and ensure compliance with FAA standards. I would also like to request that the Board authorize the Executive Director to award a contract to perform construction work associated with the rehabilitation project. Runway 11-29 is 6,726 feet by 150 feet wide and serves primarily as a landing runway during strong east-west wind conditions. The runway was last rehabilitated in 2008 and the pavement shows signs of surface deterioration due to normal wear. Over the last few years, interim repairs have been performed under existing work order contracts. This project's scope of work includes milling and overlaying approximately three inches of asphalt on Runway 11-29, the runway shoulders, and intersecting taxiways up until the edge of the runway safety area. It also includes new pavement markings, electrical infrastructure replacement, and LED upgrades for lighting and signage.

[Project Cost and Schedule] This project is estimated to cost \$39.2 million, which includes \$25.2 million for construction. Remaining project cost for planning, engineering, support, contingency, and agency allocations. \$26.2 million of the \$39.2 million of the total project cost is in the 2017-

2026 Capital Plan. Offsets have been identified to cover the remaining \$13 million. It is anticipated that this project will receive the combined \$24 million in total Airport Improvement Program or AIP funding, \$18 million in entitlement funding, plus \$6 million in discretionary funding. Any costs not reimbursed by AIP funding will be recovered through the EWR flight fee. Upon approval of this project, design will continue and staff anticipate awarding the contract in November of 2018. Construction will commence in the fourth quarter of 2018 and the project will be completed in the fourth quarter of 2019. Capital spending

[Impacts] on this project will serve to create new jobs as well as to support existing jobs. The total economic impact of this project is expected to be 330 job-years and \$28 million in payroll wages. Work will be staged and performed in a manner that minimizes impact to airport operations, our customers, and our stakeholders. Commissioners, pending your questions, I ask that this project authorization and delegated authority toward be advanced to the Board for consideration.

[Chair J.H. Lynford] Huntley, this is a good example of a state of good repair that you're responsible for. And this is a very large runway, long runway, it's over a mile long. It's a big undertaking. So good work.

[H. Lawrence] Thank you.

[Chair J.H. Lynford] Assuming you get it on time and on budget, right?

[H. Lawrence] That is our absolute intent to ensure that this project's coming on time and on budget but also to make sure that we're minimizing the impact to our customers, airlines, and our passengers as well.

[Chair J.H. Lynford] Well, we have great confidence in you.

[H. Lawrence] Thank you.

[Board Chair K. O'Toole] One question.

[Chair J.H. Lynford] Question.

[Board Chair K. O'Toole] Chair, thanks very much. Just, Huntley, through the Chair question, I think you said that 13 million were discovered through offsets. How did you come across those offsets, one is the rehabilitation of Terminal A vertical and that's one of the What's the other pocket of offset?

[H. Lawrence] The other pocket was rehabilitation of a taxiway.

[Board Chair K. O'Toole] Yeah.

[H. Lawrence] And basically we've got some favorable bids and so we were able to actually extract some funding that was allocated to that due to some favorable bids.

[Board Chair K. O'Toole] And just so I was clear, this 26.2 comes out of capital?

[H. Lawrence] That's correct.

(Public CPEAM Meeting Transcripts 11/16/17)

[Board Chair K. O'Toole] Okay, that's all the questions I have, Chairman. Thank you.

[Chair J.H. Lynford] Do any of my other fellow Commissioners have any questions? If not, I will ask Commissioner LaBarbera to move.

[Comm. LaBarbera] So moved.

[Chair J.H. Lynford] Do we have a second?

[Comm. Rosado] Second.

[Chair J.H. Lynford] Any objections? Hearing none, the motion is passed. This concludes today's meeting of the Committee on Capital Planning, Execution and Asset Management.