

#0617-03: AUTHORIZATION TO ISSUE A REQUEST FOR INFORMATION (RFI) – HUDSON TUNNEL PROJECT

Phase 1B of the Gateway Program, the Hudson Tunnel Project (“Project”), will improve the resiliency of the North River Tunnel, a critical link in the region’s trans-Hudson commuting system and a single point-of-failure along the Northeast Corridor (“NEC”). The Hudson Tunnel Project includes three components: the construction of a new two-track Hudson River rail tunnel from New Jersey to Manhattan that will directly serve Penn Station New York (“PSNY”); the rehabilitation of the 107-year-old, existing North River Tunnel; and the completion of a concrete casing on the West Side of Manhattan to preserve right-of-way for the future tunnel to PSNY.

The existing North River Tunnel handles approximately 450 trains per day with over 200,000 commuters and intercity passengers, and has deteriorated due to age, intensive use, and damage sustained from saltwater exposure during Superstorm Sandy in 2012. A closure of just one tube of the existing tunnel could reduce capacity by as much as 75%, and force tens of thousands of commuters and travelers into other modes of travel, pushing them onto already congested bridges, tunnels and streets in both New York and New Jersey. When complete, the Project would allow for the rehabilitation of the North River Tunnel without disrupting existing levels of train service, and provide redundant capability and increased operational flexibility for both the National Railroad Passenger Corporation (“Amtrak”) and the New Jersey Transit Corporation (“NJ TRANSIT”).

At this early stage in the Project’s design and development, the development and issuance of a Request for Information (“RFI”) by the Gateway Program Development Corporation (“GDC”) would allow GDC to engage with and obtain feedback from the private sector, particularly construction and finance firms, on possible project and delivery structures.

The RFI would help GDC gain insight into the current market for tunnel construction, and better understand the range of ways to structure the project’s financing and delivery method. It would also inform GDC about alternative delivery opportunities, and better shape the Project’s subsequent procurement and financing approach. The RFI would not commit the Project or GDC to any particular procurement method or firm. GDC staff will provide periodic updates on the RFI process to the Board of Trustees, including a report of key outcomes and findings.

The RFI may be developed and advanced with support from GDC’s project partners through support agreements for the provision of professional and technical services at no cost to GDC. At its meeting on April 11, 2017, the GDC approved entering into such agreements.

Pursuant to the foregoing report, the following resolution was adopted, with Trustees Bagger, Cohen and Coscia voting in favor. Trustee Ray was recused.

RESOLVED, that the Board of Trustees authorizes the issuance of a Request for Information (“RFI”) to solicit private sector interest and feedback on the Hudson Tunnel Project’s finance and delivery structure.