

Gateway Development Commission

Board Meeting

August 1, 2024



Agenda

Gateway Program Update

Palisades Tunnel Project & HRGS – Phase Two

Palisades Tunnel Contract Award & HRGS - Phase Two NTP

Action Items



Gateway Program Update

Kris Kolluri, CEO

Patrick McCoy, CFO

The Hudson Tunnel Project is Fully Funded



Historic Commitment Reached on July 8, 2024

- GDC signed an FFGA for \$6.88 billion in CIG funding, securing the largest-ever federal funding commitment to a mass transit project
- GDC simultaneously closed on the largest aggregate RRIF loan with the Build America Bureau for the local share, with low interest rates and strong credit ratings on each of the 3 loans
- \$800 million in CIG funding was obligated, making it available immediately to move construction forward

Looking Forward

- GDC expects to execute an FSP Grant Agreement for \$3.8 billion in the weeks ahead
- This will obligate a significant first tranche of project funding

Progress Updates



Launched construction in New York, New Jersey, and in the Hudson River



Fully funded the entire \$16B HTP with historic \$12B federal commitment



Finalized the governance framework and partner agreements for successful HTP delivery



Transformed GDC from a start up to a strong and capable agency with the financial, compliance, and technical capacity to delivery the most urgent infrastructure project in America



Reached the point of no return, with the start of tunnel boring just around the corner



GDC Finance Update – Hudson Tunnel Project Funding *Secured*

January 2024

- **\$1.016 billion.** Amtrak and GDC execute Capital Funding Agreement.

June 2024

- **\$25 million.** RAISE Grant for Tonelle Avenue Bridge and Utility Relocation Project

July 8, 2024

- **\$6.88 billion.** Full Funding Grant Agreement (FFGA) with Federal Transit Administration executed.
- **\$4.006 billion.**¹ Railroad Rehabilitation and Improvement Financing (RRIF) loans executed with Build America Bureau.
+ \$975 million in standby loan facility backed by NY and NJ for additional costs, if needed.
- **\$500 million.** Liquidity facility closed with Bank of America
- **\$57 million.** Cash contributions secured from NY, NJ and Port Authority

Fall 2024

- **\$3.8 billion.** Federal State Partnership (FSP) grant.

¹This amount includes the RRIF loan principal amount of \$3.085 billion and capitalized interest.



Palisades Tunnel Project & HRGS Phase 2

Kris Kolluri, CEO
Jim Morrison, CTO

Palisades Tunnel Project

The Palisades Tunnel contract marks **the start of tunnel boring activity** on the Hudson Tunnel Project.

It is the HTP's **largest** and **most complex** construction contract to date.

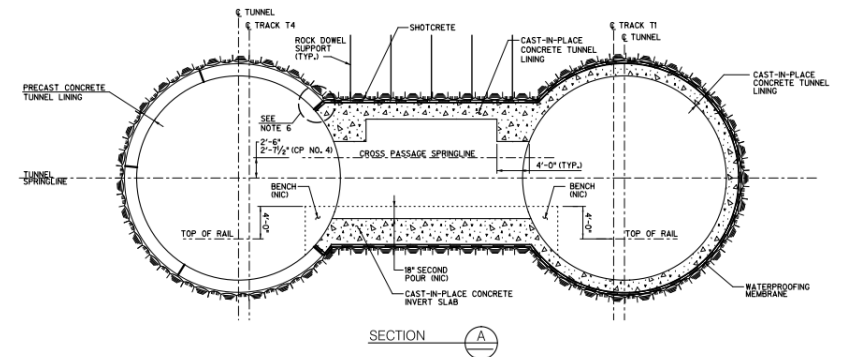
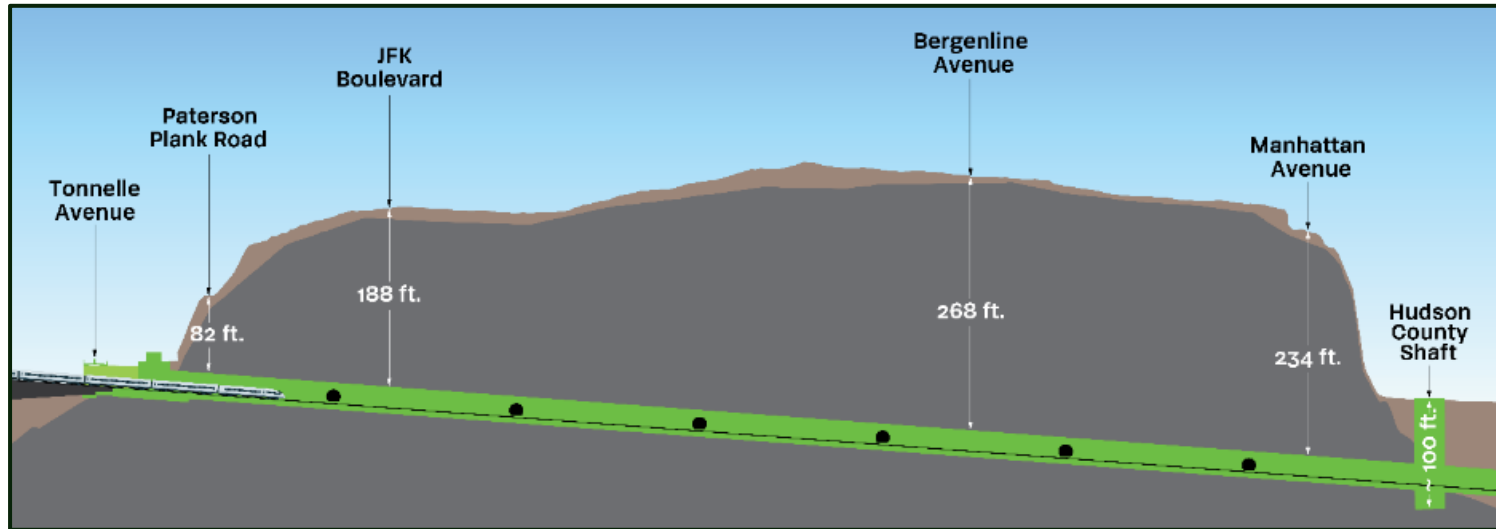


Palisades Tunnel Project

The Palisades Tunnel consists of two separate tunnels each approximately 5,100-feet long and with an inside diameter of 25 feet 2 inches and six cross passages. The tunnels will be excavated by Tunnel Boring Machines (TBM) with excavation commencing at the tunnel portal at the Tonnelle Avenue construction site and mining eastward into the Hudson County Shaft.

Delivery Methodology: Design-Bid-Build Best Value Method

Expected Construction Duration: Summer 2024 – Spring 2027



Palisades Tunnel Project

Major Activity in the Palisades Tunnel Contract includes:

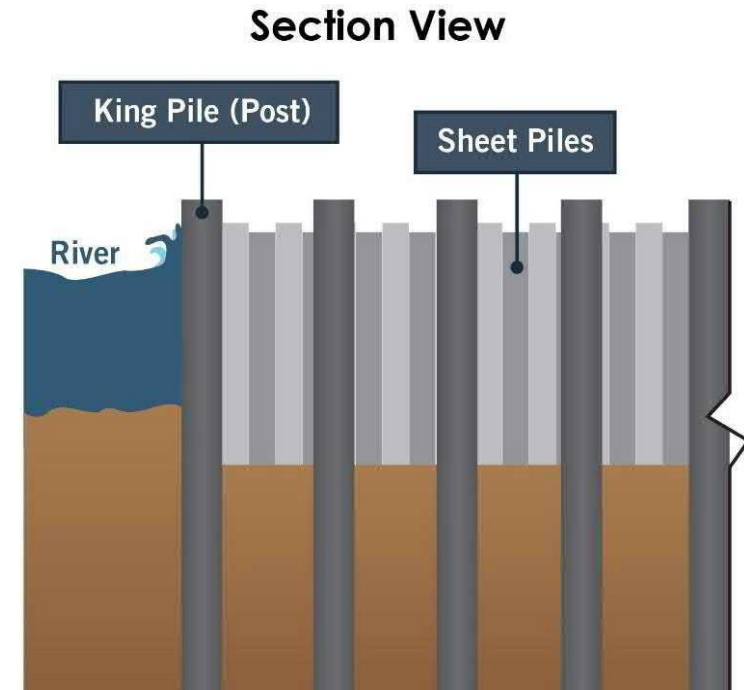
- Furnishing two new hard rock tunnel boring machines (TBMs) and constructing two bored tunnels, with excavation commencing at the tunnel portal at the Tonnelle Avenue site and mining eastward into the Hoboken Shaft;
- Furnishing and installing a precast concrete tunnel lining;
- Constructing six cross passages in rock, including temporary support of rock and a cast-in-place concrete tunnel lining with a waterproofing membrane system;
- Transportation of excavated tunnel material from the Palisades Tunnels and cross passages through the bored tunnels to the Tonnelle Avenue site;
- Constructing the Hudson County Shaft, including slurry walls, rock excavation and installing rock support, and rock mass grouting at the toe of the slurry walls, around the entire perimeter of the shaft and within the entire shaft invert.

Hudson River Ground Stabilization

The HRGS Project was GDC's **first heavy construction contract** award.

The project will **strengthen the riverbed** in 1,200 feet of the shallow area on Manhattan side of the Hudson River.

Phase One work began in 2024, joining ongoing construction at HYCC-3 in Manhattan and Tonelle Avenue in North Bergen.

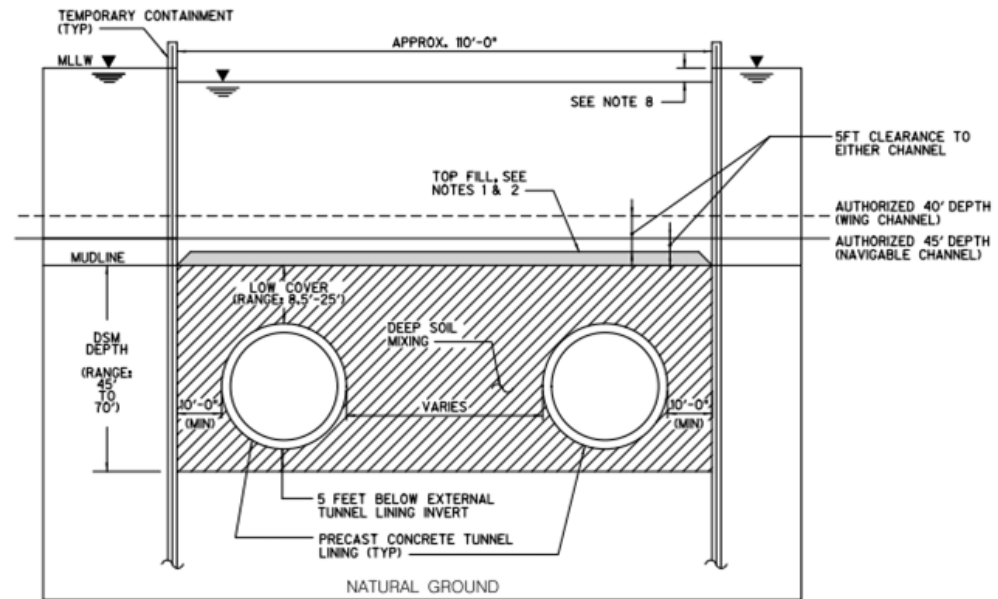


Hudson River Ground Stabilization

Fortification of riverbed in Hudson River's low-cover area in Manhattan side, required for TBM operations and to protect riverbed from disruption

Phase One (Spring 2024 – Fall 2024): Surveying and design and construction of test cofferdam

Phase Two (Fall 2024 – Spring 2027): Design and construction of riverbed stabilization



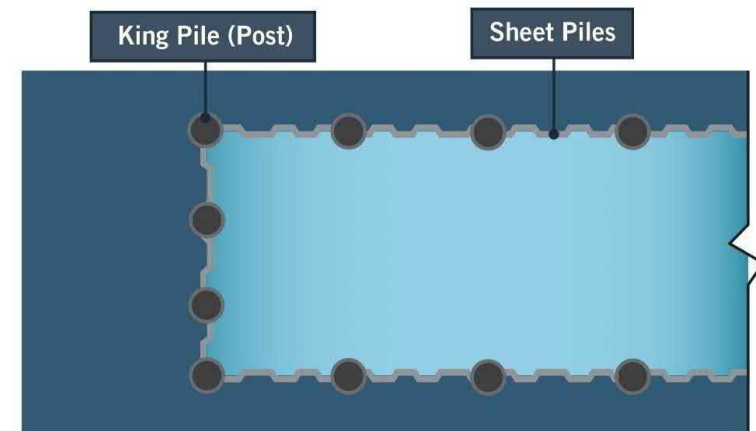
Hudson River Ground Stabilization

Major activity in the HRGS contract includes:

- Marine bathymetric and geophysical surveys to verify bottom profile and detect obstructions
- Obstruction removal
- Design and construct staged temporary containment structure
- Design and implement ground stabilization program to strengthen soils
- Demonstrate means and methods can achieve specified stabilization results with ground stabilization test program
- Maintenance and protection of marine traffic during all work



Plan View





Palisades Tunnel Contract Award & HRGS – Phase Two Notice to Proceed

Anthony Gardner, Senior Director of Procurement

Palisades Tunnel Contract Award

Palisades Tunnel Project Contract: GDC-24-006-HTP

- Five proposals submitted by shortlisted proposers during the Request for Proposals stage
- Best value selection of **Schiavone, Dragados Lane JV**
- Award of full contract for **\$465,600,000** along with approval of Market Case Estimate following PDA guidelines

Hudson River Ground Stabilization – Phase Two Notice to Proceed

- On February 16, 2024, GDC Resolution 0224-02 authorized the GDC CEO to enter into Contract GDC24-004-HTP with **Weeks Marine, Inc.** (Weeks) for the Hudson River Ground Stabilization (HRGS) Project, at a Contract Price of \$284,000,000 plus an additional five percent (5%) contingency.
- The HRGS Project was divided into two phases. GDC Board Resolution 0224-02 authorized a limited notice to proceed to Weeks for Phase One in an amount not to exceed \$100 million, subject to the availability of funds, for work that began in March 2024 and is scheduled through September 2024 for surveying, design and construction of the test cofferdam.
- Board authorization is needed for a notice to proceed for Phase Two of HRGS in an amount of \$184 million plus contingency. Funding for Phase Two is available under the FFGA signed by GDC and FTA on July 8, 2024 (GDC Board Resolution 0724-01 approved by the Board on July 2, 2024).



Action Items

Action Items

- **Item #0824-01:** Authorization to Award Contract GDC-24-006-HTP for the Palisades Tunnel Project
- **Item #0824-02:** Approval of Market Case Estimate for the Palisades Tunnel Project
- **Item #0824-03:** Authorization of Notice to Proceed for Phase 2 of Contract GDC24-004-HTP, Performance of Expert Professional Design-Build Services for the Hudson River Ground Stabilization Project
- **Item #0824-04:** Appointment of the Inspector General of the Gateway Development Commission
- **Item #0824-05:** Authorization of Delegation of Authority to Chief Executive Officer in Connection with Contract GDC-24-005-HTP for the Performance of Professional Services by Delivery Partner to Support the Hudson Tunnel Project and Authorization of Amendment of Phase A Task Orders



GATEWAY DEVELOPMENT COMMISSION