

2014-2023 Proposed Capital Plan

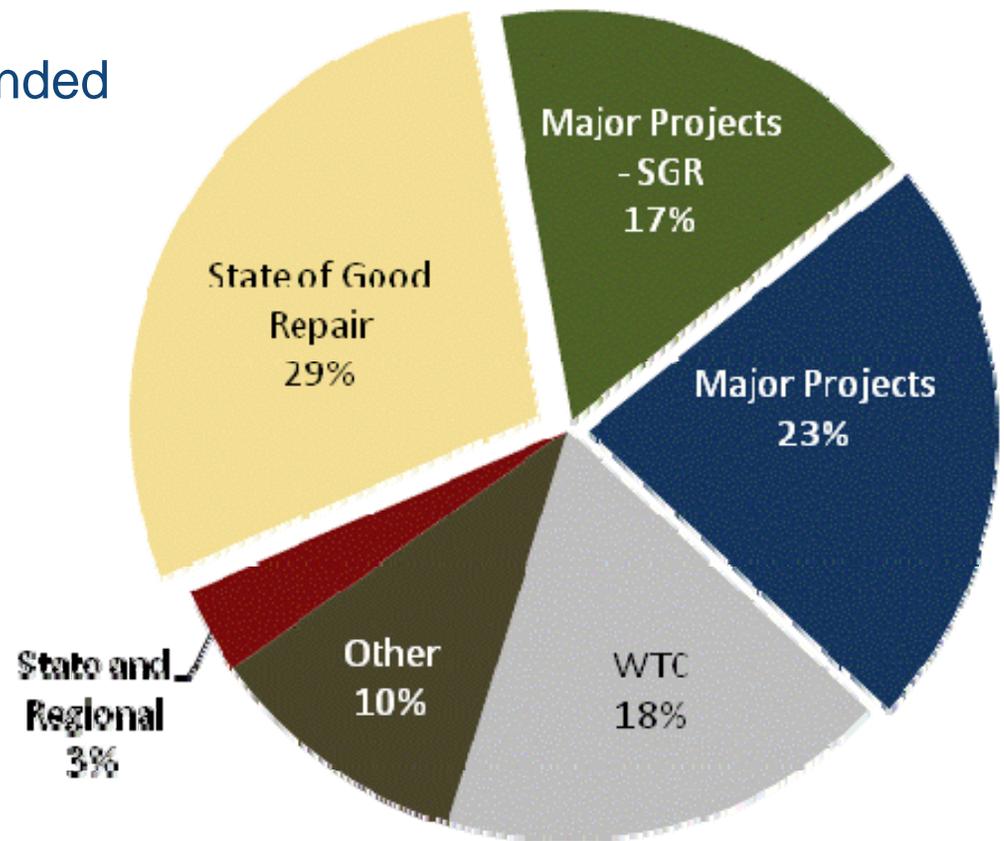
Committee on Capital Planning, Execution and Asset Management

February 4, 2014

Overview: Return to Core Mission

- \$27.6 Billion in spending 2014 – 2023
- \$12.6 Billion, or 46 percent of plan is targeted for State of Good Repair (SGR) projects
- All high priority SGR projects funded
- Includes \$11 Billion for major project initiatives

	2014-2023 (\$ Billions)	
State of Good Repair	\$	7.9
Major Projects - SGR	\$	4.7
Major Projects	\$	6.3
WTC	\$	4.9
Other	\$	2.9
State and Regional	\$	0.9
Total	\$	27.6



Capital Plan – Major Jobs Generator

The Proposed Capital Plan will be a major engine for jobs and economic development in the region:

- 126,000 job years created
- \$7.3 billion in wages
- \$29 billion in economic activity

Priorities in Developing the Proposed Capital Plan

Build for the Future

- **Return to our core mission of maintaining and building transportation infrastructure**

Improve Capital Planning and Execution

- **Enhance focus on implementation of capital projects and establish governance to monitor and drive execution, effectiveness and efficiency**
- **Process improvements for ranking and prioritization of projects**
- **Process improvements to speed deliverability and lessen “soft costs”**

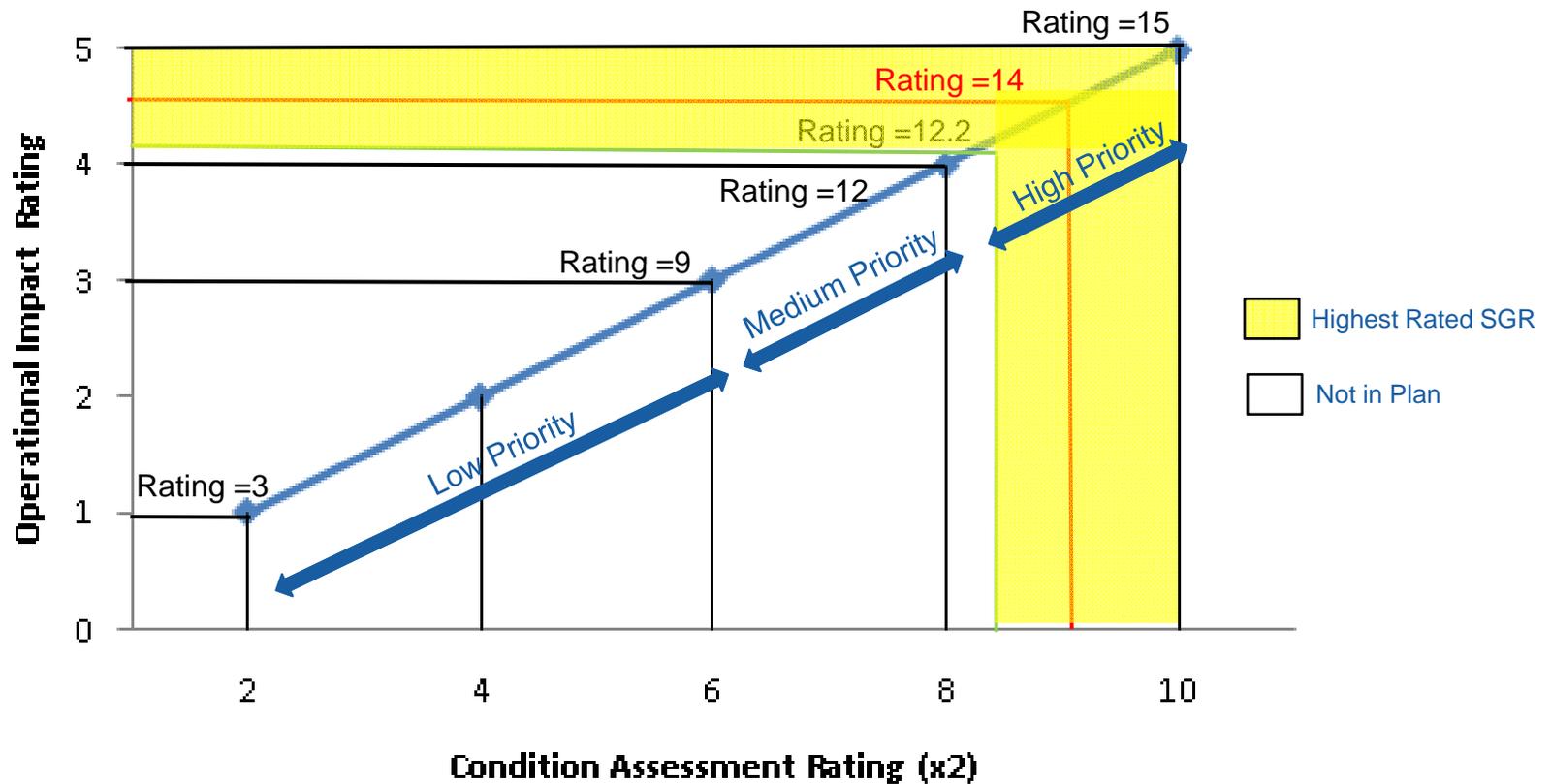
Prioritize Capital Project by type

- **Disciplined risk based approach to rank projects**

State of Good Repair Program Project Prioritization

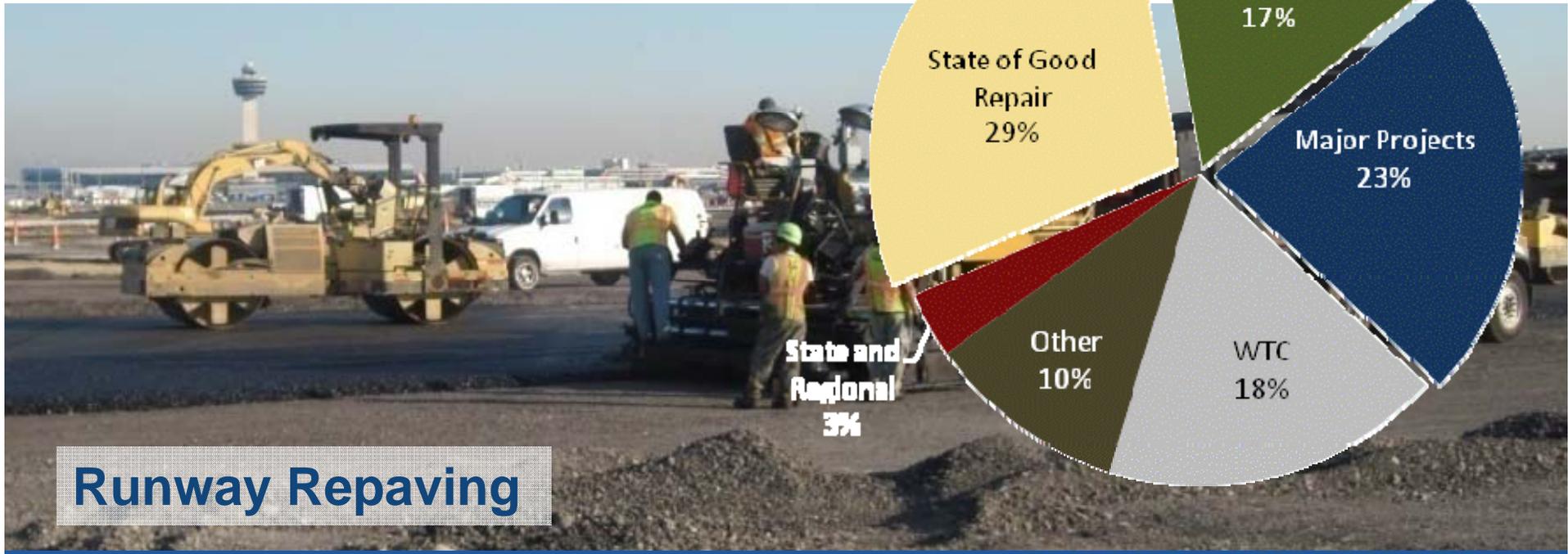
- SGR projects prioritized based upon **physical condition** and **operational impact** associated with potential asset failure
- Physical Condition Criteria
 - Life Safety
 - Life Cycle
 - Physical / Mechanical Operational Capability
 - Maintenance Required
 - Maintainability
- Operational Impact Criteria
 - Operational Impact to Facility
 - Revenue Impact
 - Customer Service Impact

State of Good Repair (SGR) Program Prioritization Ratings



State of Good Repair

- Nearly half of the Authority's capital spending (46 percent) over the next ten years -- including \$4.7B in Major Projects -- will be to maintain its facilities in a state of good repair.



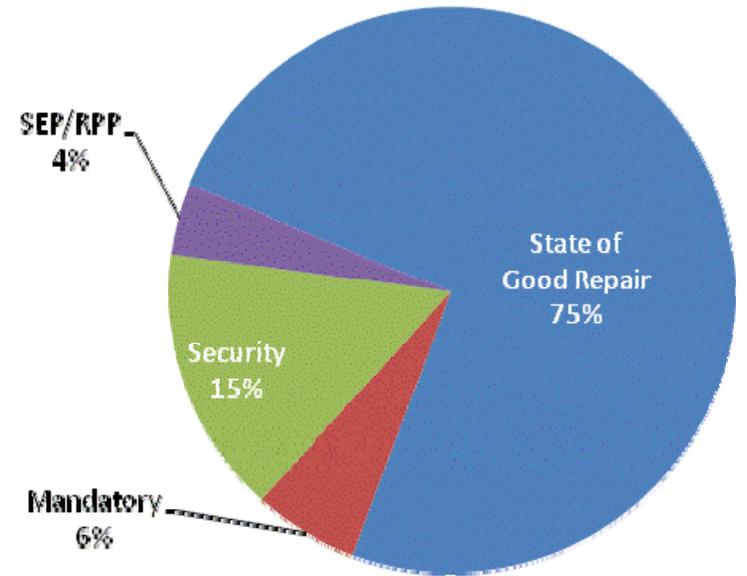
Runway Repaving

Disciplined Approach to Determining and Monitoring Capital Capacity

- The Capital Plan will be monitored and updated as necessary
- First step is determining Capital Capacity utilizing our Integrated Financial model
- Projects are prioritized by category
 - SGR, System Enhancing/Revenue Producing, Mandatory, Security
- Capital Capacity and progress on Plan will be monitored quarterly
- A structured process for “project on-boarding” and a “funding gate” review process will be implemented

Aviation

- Approximately \$8 Billion will be invested in the region's airports
- \$3.4 Billion for new terminals at LaGuardia and Newark Liberty International airports
- \$4.7 Billion in core spending, including 104 state of good repair projects



LGA Central Terminal (\$3.6B TPC - \$2.2B PA Cost)

Terminal, aeronautical areas, roads and infrastructure



EWR Terminal A (\$2B TPC - \$1.2B PA Cost)

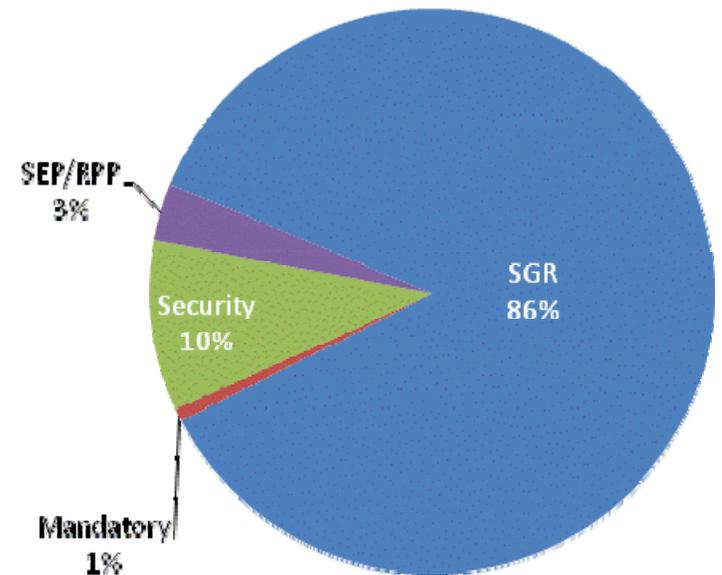
New terminal, roadway system and parking garage



THE PORT AUTHORITY OF NY & NJ

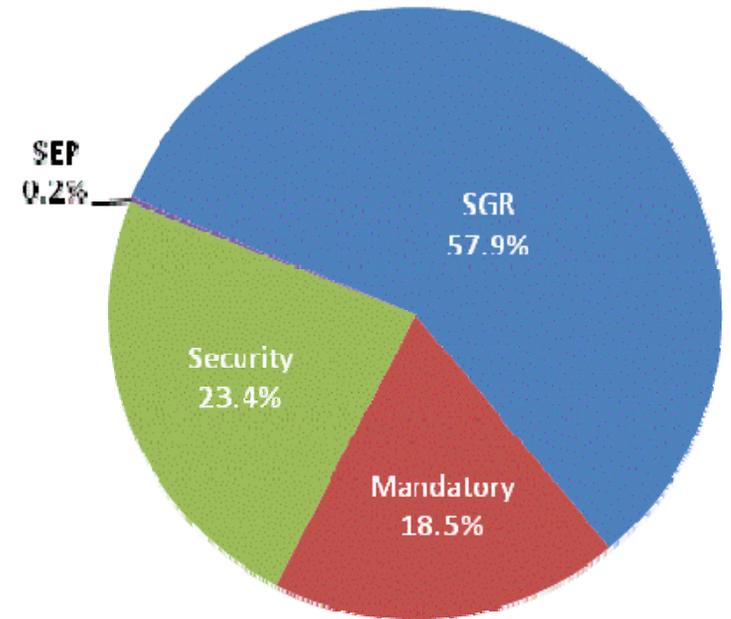
Tunnels, Bridges and Terminals

- \$7.9 Billion in spending includes
 - Replacement of Goethals Bridge
 - Replacement of GWB suspender ropes and certain cables and sidewalks
 - Replacement of the Lincoln Tunnel Helix
 - Access improvements for the Lincoln Tunnel



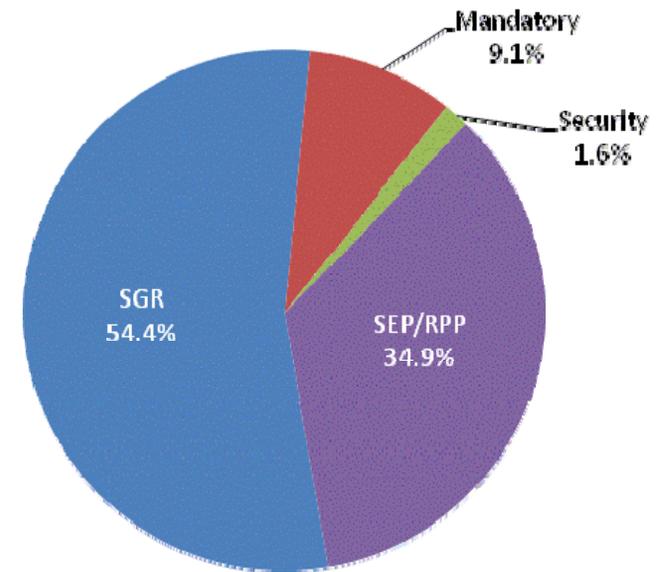
PATH

- \$3.3 Billion in spending includes
 - Almost \$900 Million in core projects including a new signal system, electrical substations, and tunnel improvements
 - ~\$1.5 Billion project to extend PATH to Newark Liberty Airport
 - More than \$400 Million for Harrison and Grove Street stations



Port Commerce

- \$1.6 Billion in spending includes
 - \$438 Million to upgrade Cross Harbor Car Float facility and new on-dock rail facility at Global Container Terminal
 - 51 core projects including \$690 million in SGR projects
- In addition, \$1.3 Billion being spent to raise the Bayonne Bridge



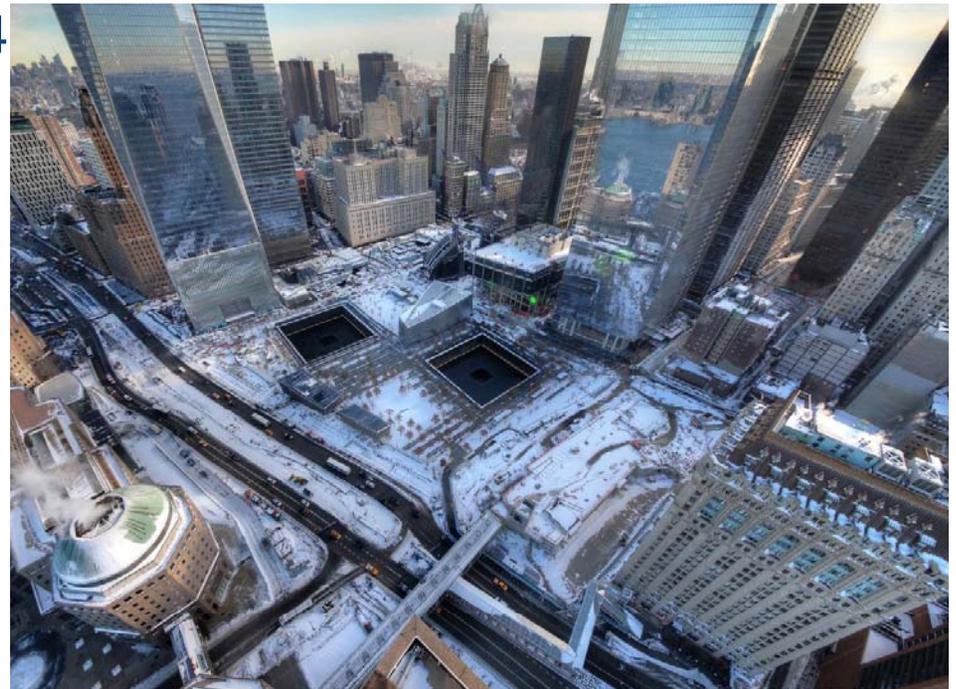
Bayonne Bridge (\$1.3B)
Main span raised for next generation ships



SGR Projects (\$690 Million)

World Trade Center

- \$4.9 Billion over the next five years to complete the Port Authority's commitment to rebuild the World Trade Center site and revitalize Lower Manhattan.
- Scheduled openings starting in:
 - Tower 1 – 2014
 - 9/11 Museum and Memorial - 2014
 - Vehicular Security Center – 2014
 - Transportation Hub – 2015
 - Retail Development – 2015
 - Site Infrastructure



Storm Sandy Capital Program

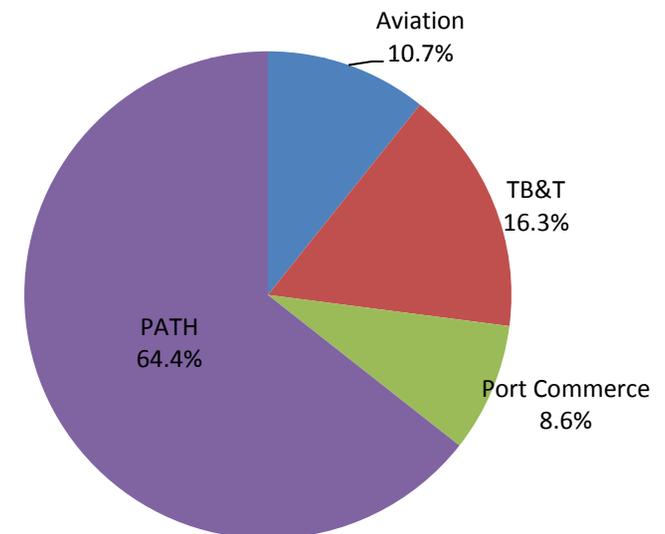
➤ Storm Sandy Losses

- ✓ Total losses from Storm Sandy are estimated at \$2.4 billion (including emergency/long-term repairs, preliminary latent damage estimates and revenue losses)

➤ Storm Sandy Projects in Capital Plan

- ✓ \$1 billion in Storm Sandy related projects included in the Capital Plan
- ✓ Excludes WTC program (most WTC restoration work is anticipated to be operating cost, recoverable through insurance and FTA)
- ✓ Sandy program likely to expand as long-term mitigation projects are determined and latent damages fully assessed

Storm Sandy
Capital Program by Department
2014-2023



End of Presentation