



# 2018 Budget

**December 7, 2017**

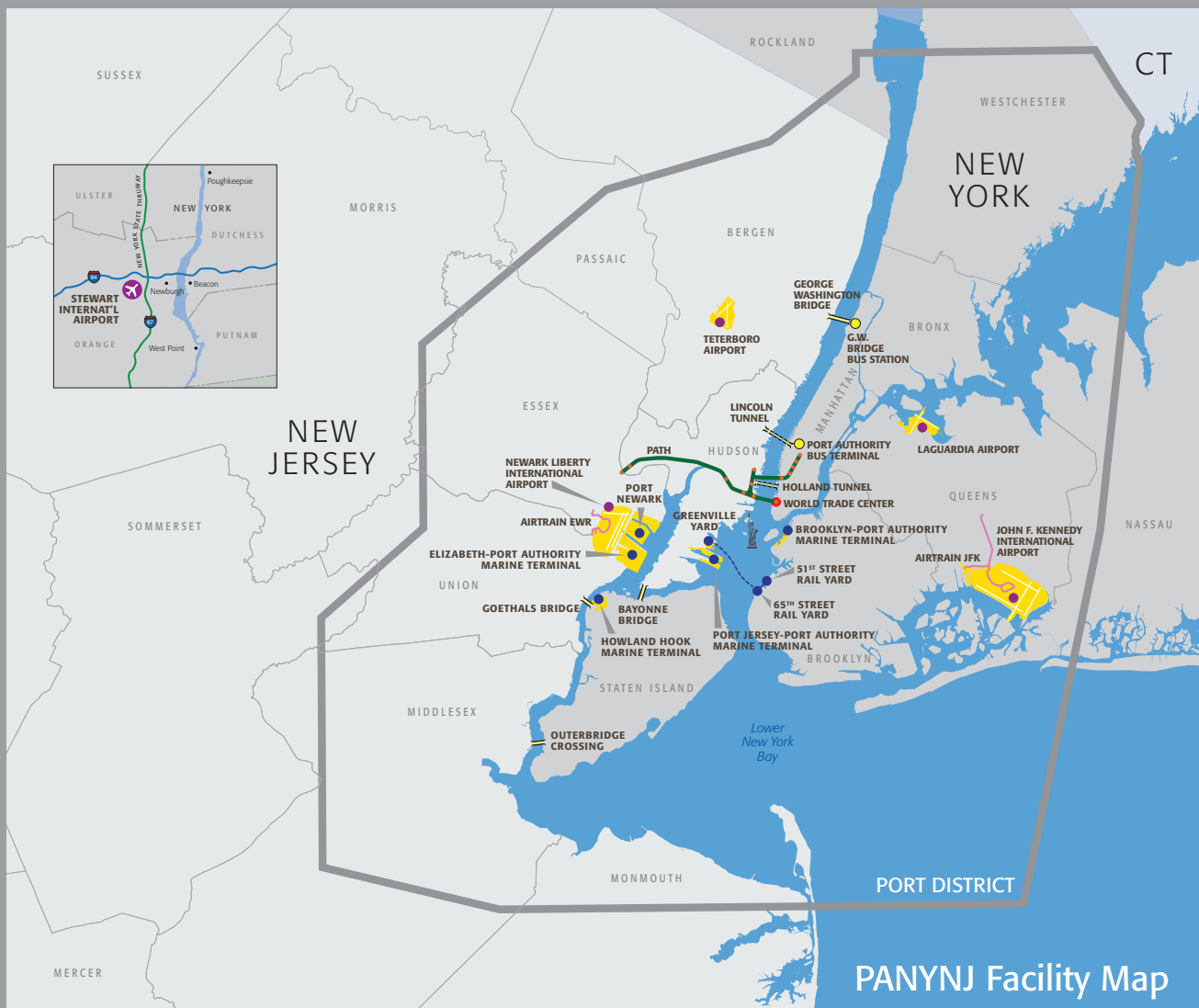
*Modified as of April 2, 2018*



# Mission

*Meet the critical transportation infrastructure needs of the bistate region's people, businesses, and visitors by providing the highest-quality and most-efficient transportation and port commerce facilities and services to move people and goods within the region, provide access to the nation and the world, and promote the region's economic development.*

## Port Authority of NY & NJ Facility Map



# Table of Contents

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## **Chapter 1: Preface**

- 2** Government Finance Officers Association Award
- 3** Letter from the Chairman and the Executive Director

## **Chapter 2: Budget Summary**

- 7** 2018 Budget Overview
- 10** Revenues and Reserves  
(Pursuant to Port Authority Bond Resolutions)
- 11** Assets and Liabilities  
(Pursuant to Port Authority Bond Resolutions)
- 12** 2018 Total Expenditure Budget

## **Chapter 3: Budget Details**

- 15** Sources and Uses of Funds
- 16** Operating Revenues
- 18** Operating Expenses
- 20** Staffing
- 22** Debt Service on Financing Obligations
- 23** Capital Expenditures

## **Chapter 4: Departmental Budget Summaries**

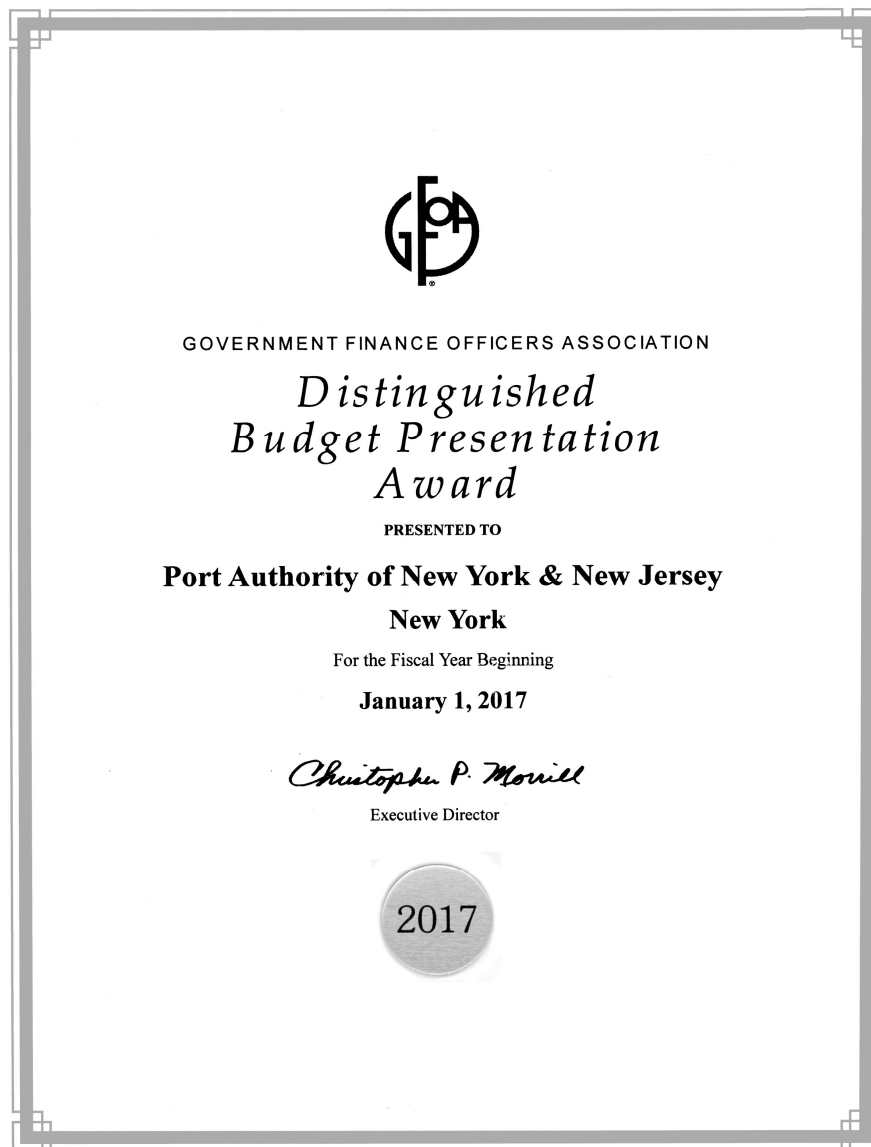
- 27** Tunnels, Bridges & Terminals (TB&T)
- 34** Port Authority Trans-Hudson (PATH)
- 39** Aviation
- 46** Port
- 52** World Trade Center (WTC)
- 57** Real Estate & Development
- 60** Staff Departments

## **Chapter 5: Capital Budget Summary**

- 63** Capital Project Listings

## **Appendix**

- 83** Appendix 1. Economic Outlook
- 85** Appendix 2. Consolidated Statements of Revenues, Expenses and Changes in Net Position (Multi-Year Projection)
- 86** Appendix 2A. Consolidated Statements of Net Position
- 87** Appendix 2B. Information on Port Authority Operations
- 88** Appendix 3. Outstanding Obligations and Financing
- 90** Appendix 4. Budget Process and Financial Policies
- 93** Appendix 5. Organizational Chart
- 94** Appendix 6. Operating Performance Metrics
- 96** Appendix 7. Glossary



The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Port Authority of New York and New Jersey for its annual budget for the fiscal year beginning January 1, 2017. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. This award is valid for a period of one year only. We believe our current 2018 Budget continues to conform to GFOA program requirements, and we will be submitting it to GFOA to determine its eligibility for an award.



# Letter from the Chairman and the Executive Director

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Dear Governors,

We are pleased to provide you with the final 2018 Budget, which the Board of Commissioners of the Port Authority of New York and New Jersey adopted at its December 2017 meeting. The \$8.1 billion Budget includes \$3.4 billion for capital investment, \$3.2 billion for operating expenses, and \$1.5 billion for debt service and deferred operating expenses. These expenditures are being funded by \$5.3 billion in projected operating revenues together with grants and passenger facility charges, financial income and the issuance of additional Port Authority Consolidated Bonds. This first budget under our leadership reflects our commitment to you to lead a Port Authority whose name and actions are synonymous with world class transportation facilities, customer service, best practices, safety and security in our operations, timeliness in our project and service delivery, and the highest standards of integrity and transparency.

In August 2017, we began serving as Chairman and Executive Director of this 96-year-old institution. Since then, we have been meeting with employees, sharing our message that integrity in all our dealings must be the foundation of all that we do. We have toured facilities and garnered an understanding of facility operations. In addition to the capital priorities laid out in the 10-year capital plan, we have also established priorities in customer service, technology, and the environment. Additionally, safety and security remain paramount priorities for us.

As you know, the agency is financially self-sustaining. Although 2018 operating revenues are forecast to be 2.5% higher than the year before, we had to make tough decisions on what activities to fund, with an eye towards strict fiscal discipline. Our challenges around selecting and prioritizing budget components were further challenged by our need – and our commitment - to properly address security and weather related risks that continue to evolve, and demand an increasing share of our resources.

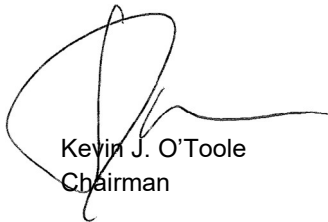
The largest increase in our \$3.2 billion 2018 operating budget is driven by increased funding for counterterrorism and other safety and security resources, plus investments in cyber-security. Additionally, the operating budget reflects increases for operating and maintaining property and equipment at a high level of performance and in conformance with codes and regulations. Also included in this operating budget are outlays to finalize a new Port Master Plan - a road map for optimizing use of Port assets, support for aviation airside and landside infrastructure, improve maintenance and replacement cycles on our assets, account for higher occupancy rates and construction completion at the World Trade Center complex that is reflected by higher payments-in-lieu-of-tax to New York City offset by increased revenue, and for workforce planning programs to address vital staff training and succession needs.

The Port Authority is in the midst of a historic \$32 billion ten-year capital investment program designed to transform our region's airports, the Port Authority Bus Terminal, its PATH commuter railway, its Trans-Hudson crossings and other agency facilities into key 21<sup>st</sup> century infrastructure assets as well as maintain our critical assets in a state of good repair. Our 2018 \$3.4 billion Capital Budget reflects the spending associated with the ten-year capital plan projects and priorities that are underway or will begin in 2018. In addition to important ongoing investments in state of good repair, the budget funds several priority projects reflected in the ten-year plan. Work in 2018 will advance the modernization of LGA and Newark Liberty Airports and provide funding to improve mass transit access to those airports. The budget will also advance upgrades of Trans-Hudson crossings such as the Goethals Bridge replacement, the Bayonne Bridge "Raise the Roadway" initiative and the George Washington Bridge suspender rope replacement. PATH's share of the budget is primarily allocated to its Signal System Replacement Program, the completion of federally mandated Positive Train Control safety enhancements, and ongoing station and equipment modernization. In the Port Department, the budget reflects container transfer facility improvements at the Port Jersey Greenville Yards.

This budget not only funds ongoing projects and essential current needs but also moves us towards other development projects that advance our goal of having world-class facilities. It includes dollars for advancing the JFK Vision Master Plan, for furthering planning and design for the new Port Authority Bus Terminal and for the extension of the PATH to Newark Liberty International Rail Link Station, as well as financial contributions in support of the Gateway Program transportation infrastructure project. 2018 capital plan spending is expected to result in direct payroll wages of \$1.4 billion dollars with a total economic impact from spillover effects of 28,900 total job-years, \$2.4 billion in total wages and nearly \$6 billion in regional activity.

We appreciate this opportunity to help shape the region's transportation future. One cannot overstate how important Port Authority operations are to the vitality and wellbeing of New York and New Jersey. We are committed to working in a spirit of partnership and cooperation with all our stakeholders, seeking to strategically position the agency as a strong advocate for integrated regional transportation that is cost effective, safe and reliable, and that may be seamlessly leveraged to fuel economic growth. We thank you for your leadership and shall continue to apprise you of our progress.

Sincerely,



Kevin J. O'Toole  
Chairman



Rick Cotton  
Executive Director



# Budget Summary



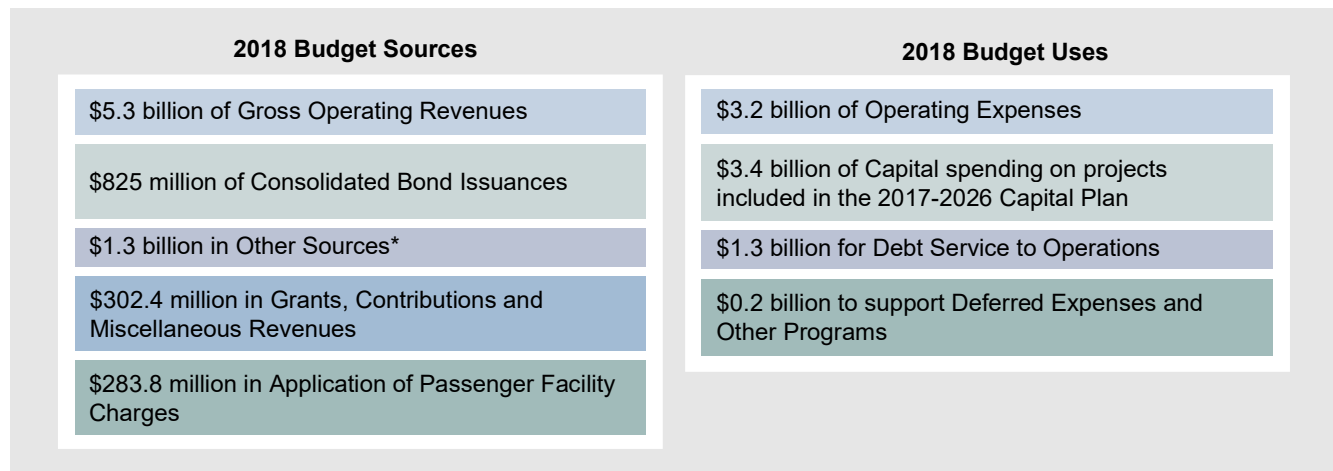


## 2018 Budget Overview

The Port Authority is an essential pillar of the New York and New Jersey regional economy, with a network of air, sea and surface transportation facilities, that on an annual basis, provides millions of people and millions of tons of cargo access to the region and the world. The Port Authority's 2018 Budget is consistent with its mission to meet critical regional transportation needs and to promote regional economic development, and with the agency's fiduciary responsibility to its stakeholders.

The Port Authority's budget relies on multiple funding sources, including: revenues from tolls, fares, landing and dockage fees; rentals and other charges for the use of Port Authority facilities; the issuance of consolidated bonds and notes; grants, and capital contributions; financial income earned on its investment portfolio, and the application of airport Passenger Facility Charges. The Port Authority is self-sufficient, and raises the funds necessary for the improvement, construction or acquisition of its facilities based primarily upon the strength of its own credit, it has no power to levy taxes or assessments. Its bonds, notes, and other obligations are not obligations of the States of New York or New Jersey (the "States") or of either of them, and are not guaranteed by the States or by either of them.

The 2018 Budget includes \$3.2 billion for operating expenses, \$3.4 billion for capital investments, and \$1.5 billion for debt service charged to operations and deferred operating expenses.



\*Other sources include unspent proceeds from previous bond issuances, financial income, and the application of monies from the Consolidated Bond Reserve Fund for purposes for funding capital investments in Port Authority facilities.

The 2018 Operating Expense Budget of \$3.2 billion is \$61 million, or 1.9%, higher than the 2017 Budget, in line with the rate of inflation. It provides for the ongoing operation, maintenance, and security at all agency facilities. The budget also makes strong incremental investments in security at Port Authority facilities, in a variety of cyber-security measures and in security staffing levels across-the-board, all necessary for the world we operate in today.

The Port Authority projects these expenses will be more than offset by increased revenues of \$127 million or 2.5% versus the 2017 Budget. This revenue increase is driven primarily from higher revenues from aviation facilities, as well as higher rental income at the World Trade Center (WTC) and at port facilities. The Port Authority is projecting a surplus of revenues after operating expenses and debt service of \$1.5 billion, an increase of \$12 million, or 0.8%, over the 2017 budget, that together with bond proceeds and other sources will be available to support its significant Capital Budget.



The \$3.4 billion Capital Budget includes significant state of good repair work at its tunnels, bridges, airports and PATH system, while investing in major projects to replace aging facilities with modern, state-of-the-art infrastructure and provide for future growth. The 2018 Capital Budget aligns with the 10-year, 2017-2026 Capital Plan adopted by the Board of Commissioners in February and invests in critical regional transportation projects such as: the redevelopment of LaGuardia and Newark Liberty International airports; advancement of the LaGuardia AirTrain and John F. Kennedy International Airport Vision planning; planning activities for the new Port Authority Bus Terminal; and extension of the PATH system to Newark Liberty rail link station. In addition, the 2018 Capital Budget includes spending for the completion of the Goethals Bridge replacement and Bayonne Bridge projects; the “Restoring the George” rehabilitation of the George Washington Bridge; implementation of Positive Train Control (PTC) across PATH by the end of 2018; the construction of the Intermodal Container Transfer Facility at Greenville Yards at the Port Jersey Marine Terminal; and support of the planning phase of the Gateway Passenger Rail Tunnel projects.

Highlights of the 2018 Operating Budget include:

- \$726 million to ensure safety and security at Port Authority facilities, a \$20 million increase over the 2017 budgeted amount -- the largest single increase in the 2018 budget. The budget includes the addition of new counterterrorism police posts at the airports, the addition of new PAPD supervisory officer positions, and the commencement of two PAPD police classes in 2018, totaling an estimated 270 new police officers.
- \$1,586 million to operate and maintain the agency’s infrastructure operations, reflecting a \$17 million increase in operating costs across all facilities over the 2017 budget, and a \$29 million increase in maintenance costs, including \$11 million related to additional facilities coming into operation in 2018 at the WTC (facilities that will drive increased revenues in 2018 and future years.)
- \$392 million for ongoing management services, a decrease of \$9 million from 2017, as an offset to increases elsewhere.
- \$396 million for payments to local municipalities and other landlords in return for the use of facilities or property, a \$12 million increase over 2017 levels, resulting primarily from the increased occupancy and construction completion at the WTC leading to higher payments-in-lieu-of-tax to New York City (offset by increased revenues in 2018 and future years from these facilities.)

The 2018 Operating Budget also includes funding for a number of initiatives and projects that align with key priorities across the Port Authority’s businesses, including:

- Continued enhancement of security (covering both security at Port Authority facilities and cyber-security) and preparedness;
- Creating a customer service focus in the operations at all Port Authority facilities;
- Increasing investment in sustainability and environmental protection initiatives, and;
- Improving the Port Authority’s use of technology across the board – both to serve our customers better and to improve the efficiency of Port Authority operations.

Highlights of the 2018 Capital Budget include:

- \$1.2 billion to redevelop the region’s airports and ready them for the future. At LaGuardia Airport, construction continues on the entirely new, redeveloped airport. Planning and design for the LaGuardia AirTrain continues. At Newark Liberty International Airport, investment continues for the redevelopment of Terminal A into the new state-of-the-art Terminal One. Planning and design for the extension of PATH to Newark Liberty rail link station continues. At JFK International Airport, planning continues to advance the Vision Plan of Governor Cuomo’s Airport Advisory Panel for the redevelopment of the airport, encompassing new and interconnected terminals, relocated state-of-the-art cargo facilities and a new roadway configuration for reduced congestion.

- \$55 million for further planning and design activities for a new Port Authority Bus Terminal. Procurement is currently under way to select an environmental and architectural and engineering consultant so that environmental review activities can begin in 2018.
- \$432 million for upgrades to Trans-Hudson crossings, including: further advancement of the Bayonne Bridge National Clearance Program construction; continued construction on the Goethals Bridge replacement; and the commencement of components of the George Washington Bridge suspender rope replacement program.
- \$71 million for PATH's Signal System Replacement Program, and the continuation of PATH station and equipment modernization programs. By the end of 2018, Positive Train Control (PTC) will be fully operational, in compliance with a Federal mandate requiring PTC by the end of next year.
- \$54 million for the Express-Rail intermodal container transfer facilities at Port Jersey.
- \$17 million to support continued planning activities for the Gateway Program, consistent with the Port Authority's commitment to pay debt service on \$2.7 billion under its ten-year capital plan, as part of the bi-state region's commitment to this critical project.

Overall, the Port Authority's 2018 Budget provides the financial resources necessary to advance the agency's core mission of moving people and goods within the Port District and providing access to the nation and the world.

# Revenues and Reserves

Pursuant to Port Authority Bond Resolutions

	Year ended December 31 <sup>st</sup>			
(in thousands)	2016 Actual	2017 Budget	2017 Estimate	2018 Budget
<b>Gross operating revenues:</b>	\$5,158,795	\$5,133,643	\$5,194,199	<b>\$5,260,482</b>
Expenses:				
Operating & Maintenance Expenses	2,772,861	2,888,246	2,891,172	<b>2,959,321</b>
Allocated Expenses	240,226	227,851	253,444	<b>221,004</b>
Total Operating Expenses	3,013,087	3,116,097	3,144,616	<b>3,180,325</b>
Operating Asset Obligations	18,871	16,051	16,051	<b>12,921</b>
Total Expenses	3,031,958	3,132,148	3,160,667	<b>3,193,246</b>
Net Operating Revenues	2,126,837	2,001,495	2,033,532	<b>2,067,236</b>
<b>Financial income:</b>				
Interest Income	6,746	35,759	42,116	<b>44,834</b>
Net Increase/(Decrease) in Fair Value of Investments	(11,530)	-	-	-
Contributions in Aid of Construction	293,770	306,966	240,305	<b>198,364</b>
Application of WTC Retail Joint Venture Payments	77,869	10,324	-	<b>5,897</b>
Application of Passenger Facility Charges	229,921	176,897	453,263	<b>283,849</b>
Application of 4 WTC Associated Payments	41,520	65,293	65,293	<b>65,293</b>
Grants, in Connection with Operating Activities	64,315	25,341	36,722	<b>34,084</b>
Pass-Through Grant Program Payments	(10,695)	(5,750)	(5,843)	<b>(1,221)</b>
Net Revenues Available for Debt Service and Reserves	2,818,753	2,616,325	2,865,388	<b>2,698,336</b>
<b>Debt Service:</b>				
Interest on Bonds and Other Asset Obligations	906,187	879,163	908,960	<b>865,747</b>
Debt Maturities and Retirements	268,520	300,090	300,905	<b>326,960</b>
Repayment of Asset Financing Obligations	(6,669)	1,276	1,276	<b>1,343</b>
Goethals Bridge Replacement Developer Financial Arrangement (DFA)	-	-	-	<b>56,477</b>
Total Debt Service	1,168,038	1,180,529	1,211,141	<b>1,250,527</b>
Revenues after Debt Service and Transfers to Reserves	1,650,715	1,435,796	1,654,247	<b>1,447,809</b>
Direct Investment in Facilities	(1,132,915)	(2,001,000)	(1,780,890)	<b>(2,097,817)</b>
Non-Cash Pension and OPEB adjustment*	-	(60,917)	(43,618)	<b>(16,261)</b>
(Decrease) / Increase in Reserves	517,800	(626,121)	(170,261)	<b>(666,269)</b>
Reserves Balances, January 1**	3,839,847	3,972,149	4,357,647	<b>4,187,386</b>
<b>Reserves Balances, December 31</b>	<b>\$4,357,647</b>	<b>\$3,346,028</b>	<b>\$4,187,386</b>	<b>\$3,521,117</b>

\* Non-cash Pension and Other Post-Employment Benefits (OPEB) are subject to updated annual actuarial valuations, which could increase or decrease operating and maintenance expenses listed above.

\*\* 2017 Budget beginning reserves based on estimates prior to year-end 2016.

# Assets and Liabilities

Pursuant to Port Authority Bond Resolutions

	December 31 <sup>st</sup>			
(in thousands)	2016 Actual	2017 Budget	2017 Estimate	2018 Budget
<b>ASSETS</b>				
Invested in facilities	\$53,830,211	\$56,030,544	\$57,939,569	<b>\$61,315,300</b>
Cash and Investments	5,435,086	5,208,965	5,535,391	<b>5,380,716</b>
Other Assets	5,473,990	4,179,222	4,632,075	<b>4,267,817</b>
<b>Total Assets &amp; Deferred Outflows</b>	<b>64,739,287</b>	<b>65,418,731</b>	<b>68,107,035</b>	<b>70,963,833</b>
<b>LIABILITIES</b>				
Consolidated Bonds and Other Financing Obligations	21,916,906	22,372,215	22,427,470	<b>22,926,548</b>
Other Obligations	2,616,690	2,553,200	2,553,200	<b>2,471,355</b>
Accounts Payable and Other Liabilities	3,369,549	3,050,592	3,531,965	<b>4,213,022</b>
<b>Total Liabilities &amp; Deferred Inflows</b>	<b>27,903,145</b>	<b>27,976,007</b>	<b>28,512,635</b>	<b>29,610,925</b>
<b>NET POSITION</b>	<b>36,836,142</b>	<b>37,442,724</b>	<b>39,594,400</b>	<b>41,352,908</b>
<b>Net position is comprised of:</b>				
Facility Infrastructure Investment	32,478,495	34,096,696	35,407,014	<b>37,831,791</b>
Reserves:				
General Reserve Fund	2,297,475	2,246,766	2,249,782	<b>2,295,539</b>
Consolidated Bond Reserve Fund	2,060,172	1,099,262	1,937,604	<b>1,225,578</b>
<b>Total Reserves:</b>	<b>4,357,647</b>	<b>3,346,028</b>	<b>4,187,386</b>	<b>3,521,117</b>
<b>NET POSITION</b>	<b>\$36,836,142</b>	<b>\$37,442,724</b>	<b>\$39,594,400</b>	<b>\$41,352,908</b>

## 2018 Total Expenditure Budget

<i>(in thousands)</i>	Operating	Capital	Debt Service, Deferrals & Other	Total
Chief, Capital Planning, Execution & Asset Management	\$938	\$ -	\$ -	<b>\$938</b>
Business Diversity and Civil Rights	5,201	-	-	<b>5,201</b>
Environmental & Energy Programs	5,088	-	-	<b>5,088</b>
Ferry Transportation	632	-	-	<b>632</b>
Planning & Regional Development	4,814	-	-	<b>4,814</b>
Project Management	387	8,712	-	<b>9,099</b>
World Trade Center Operations	178,149	151,469	-	<b>329,618</b>
Chief, Human Capital				
Human Resources	27,038	-	-	<b>27,038</b>
Labor Relations	2,461	-	-	<b>2,461</b>
Chief, Major Capital Projects / WTC Construction	10,888	253,838	1,244	<b>265,970</b>
Chief, Procurement & Contracting Officer	14,479	1,252	-	<b>15,731</b>
Chief, Public & Government Affairs	272	-	-	<b>272</b>
Government & Community Affairs	4,376	-	-	<b>4,376</b>
Media Relations	2,830	-	-	<b>2,830</b>
Marketing	9,160	-	-	<b>9,160</b>
Chief, Real Estate & Development	1,943	-	-	<b>1,943</b>
Real Estate & Development	25,843	6,131	4,456	<b>36,430 <sup>(1)</sup></b>
Chief Technology Officer	86,643	-	34,046	<b>120,689</b>
Chief Engineer	88,635	272,619	-	<b>361,254</b>
Capital Construction Contracts	-	542,052	-	<b>542,052</b>
Chief Financial Officer	3,864	-	-	<b>3,864</b>
Comptroller	14,066	-	-	<b>14,066</b>
Management & Budget	6,620	-	-	<b>6,620</b>
Financial Planning	2,571	1,200	-	<b>3,771</b>
Treasury	13,416	212,267	-	<b>225,683</b>
Chief Operating Officer	8,631	-	6,500	<b>15,131</b>
Aviation	782,693	681,541	7,551	<b>1,471,785</b>
Port	81,208	21,296	-	<b>102,504</b>
PATH	236,479	168,044	-	<b>404,523</b>
Tunnels, Bridges & Terminals	244,090	654,648	14,506	<b>913,244</b>
Operations Services	52,708	9,216	106,256	<b>168,180 <sup>(1)</sup></b>
Executive Director	1,559	-	-	<b>1,559</b>
Deputy Executive Director	1,255	-	-	<b>1,255</b>
General Counsel / Law	31,132	2,785	976	<b>34,893</b>
Chief Compliance Officer	1,118	-	-	<b>1,118</b>
Inspector General / Office of Investigations	15,767	9,472	-	<b>25,239</b>
Audit	9,878	4,269	-	<b>14,147</b>
Office of Continuous Improvement	1,052	-	-	<b>1,052</b>
Secretary	6,880	-	-	<b>6,880</b>
Chief Security Officer	15,015	3,697	-	<b>18,712</b>
Emergency Management	10,950	-	-	<b>10,950</b>
Security Operations & Program	92,250	11,255	4,138	<b>107,643</b>
World Trade Center Security	35,410	3,697	810	<b>39,917</b>
Port Authority Police / Public Safety	494,861	-	6,023	<b>500,884</b>
Corporate Expenditures:				
Amounts in Connection with Operating Asset Obligations	12,921	-	-	<b>12,921</b>
Debt Service   Allocated to Operations & Capitalized Interest	-	218,909	1,250,527	<b>1,469,436</b>
Insurance Premiums & Self-Insured Program Costs	121,522	33,058	-	<b>154,580</b>
Municipal Rents and Payments in Lieu of Taxes (PILOT)	362,144	-	-	<b>362,144</b>
Port Authority Insurance Captive Entity, LLC (PAICE)	451	-	-	<b>451</b>
Corporate Allocations	(19,219)	48,264	2,161	<b>31,206</b>
Regional Programs	3,097	60,200	-	<b>63,297</b>
Special Project Bonds	79,080	-	-	<b>79,080</b>
<b>Total Port Authority Budget</b>	<b>\$3,193,246</b>	<b>\$3,379,891</b>	<b>\$1,439,194</b>	<b>\$8,012,331</b>

(1) Net after interdepartmental chargebacks to other departments.





# Budget Details





## Sources and Uses of Funds

Sources of funds for the 2018 Budget are listed below and are anticipated to be \$8.0 billion, which is \$638 million, or 8.6%, higher than the 2017 Budget, primarily driven by the required support of the increased capital expenditures in 2018.

<b>Sources of Funds</b>					
<i>(in thousands)</i>	<b>2017 Budget</b>	<b>2017 Estimate</b>	<b>2018 Budget</b>	<b>2018 vs. 2017 Budget</b>	<b>% Change</b>
Gross Operating Revenues	\$5,133,643	\$5,194,199	<b>\$5,260,482</b>	\$126,839	2.5%
Consolidated Bond Issuances	900,000	1,075,000	<b>825,000</b>	(75,000)	(8.3%)
Other Sources*	761,906	(257,079)	<b>1,340,582</b>	578,676	76.0%
Grants, Contributions and Misc. Revenues**	402,174	336,477	<b>302,418</b>	(99,756)	(24.8%)
Application of Passenger Facility Charges***	176,897	453,263	<b>283,849</b>	106,952	60.5%
<b>Total</b>	<b>\$7,374,620</b>	<b>\$6,801,860</b>	<b>\$8,012,331</b>	<b>\$637,711</b>	<b>8.6%</b>

\*Other sources include unspent proceeds from prior years' issuances, financial income, and the application of monies from the Consolidated Bond Reserve Fund for purposes for funding capital investments in Port Authority facilities.

\*\*Grants, contributions, and miscellaneous revenues include grants and capital contributions from third parties.

\*\*\*Application of Passenger Facility Charges (PFCs) is based on the timing of capital spending on eligible capital projects.

Below is the 2018 Budget for the projected uses of funds.

<b>Uses of Funds</b>					
<i>(in thousands)</i>	<b>2017 Budget</b>	<b>2017 Estimate</b>	<b>2018 Budget</b>	<b>2018 vs. 2017 Budget</b>	<b>% Change</b>
Operating Expenses	\$3,132,148	\$3,160,667	<b>\$3,193,246</b>	\$61,098	1.9%
Debt Service – Operations	1,180,529	1,211,141	<b>1,250,527</b>	69,998	5.9%
Deferred Expenses*	159,844	121,051	<b>188,667</b>	28,823	18.0%
Capital Expenditures	2,902,099	2,309,001	<b>3,379,891</b>	477,792	16.5%

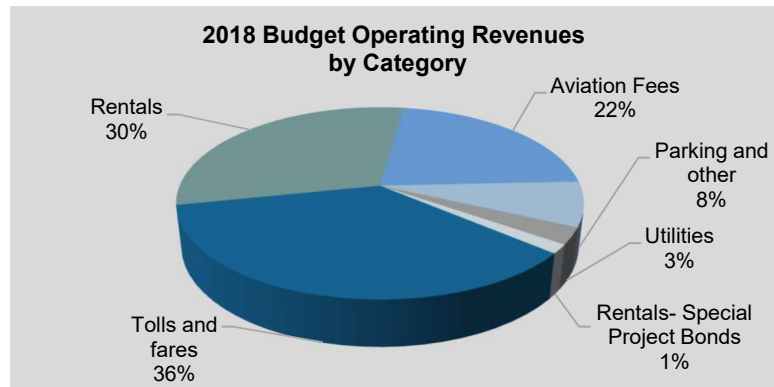
\* Deferred expenses include the purchase of ancillary equipment utilized at Port Authority facilities and corporate information software and hardware. These deferred operating expenses are amortized over the expected period of beneficial use.

# Operating Revenues

The 2018 Operating Revenue Budget of \$5.3 billion reflects an increase of \$127 million, or 2.5%, over 2017 Budget.

## 2018 Operating Revenues

- Higher aviation fees of \$54 million to recover incremental operating costs and investments in airport infrastructure.
- Higher rental income of \$40 million at the WTC, aviation and port facilities.
- Higher parking and other fees of \$20 million, mainly from higher activity and longer stays at the airports, and increased throughput activity at the ports.
- Higher tolls and fares of \$7 million from higher PATH passenger ridership and a very modest increase in vehicular activity.



## 2018 Operating Revenues Budget by Category and Business Segment

								Ferries & Regional Programs
(in thousands)	Total	TB&T	PATH	Aviation	Port	WTC	Development	
Tolls and fares	<b>\$1,873,028</b>	\$1,680,404	\$192,624	\$ -	\$ -	\$ -	\$ -	\$ -
Rentals	<b>1,597,983</b>	47,484	7,671	1,034,768	233,017	256,566	18,292	185
Aviation fees	<b>1,169,905</b>	-	-	1,169,905	-	-	-	-
Parking and other	<b>395,244</b>	12,195	1,768	288,669	66,206	25,319	587	500
Utilities	<b>145,242</b>	2,335	235	112,055	1,838	22,076	6,701	2
Rentals- Special Project Bonds	<b>79,080</b>	-	-	79,080	-	-	-	-
<b>Total</b>	<b>\$5,260,482</b>	\$1,742,418	\$202,298	\$2,684,477	\$301,061	\$303,961	\$25,580	\$687

## Revenue Category Descriptions

**Rentals** – Amounts charged for the use of space at various facilities. There are two primary types of rentals: Fixed Rentals, which are fixed monthly amounts, stipulated in tenants' lease agreements, and Percentage Rentals, that are based on certain types of revenue producing activities.

**Tolls and fares** – Amounts generated from tolls collected at the Port Authority's six vehicular crossings and fares charged to passengers using the PATH railroad system.

**Aviation fees** – Amounts derived from various cost recovery formulas contained in agreements with airlines, operating at certain Port Authority aviation facilities (LGA, JFK, EWR, Teterboro Airport (TEB), and Stewart Airport (SWF)) based on Port Authority operating and capital expenditures, covering items such as flight fees, landing fees, monorail fees, and fuel and security related recoveries.

**Parking and other** – The Port Authority charges an hourly or daily rate for the use of public parking lots located at its Aviation and Bus Terminal facilities. Other fees include activity related revenue earned from Port throughput, including dockage, wharfage and cargo facility charges.

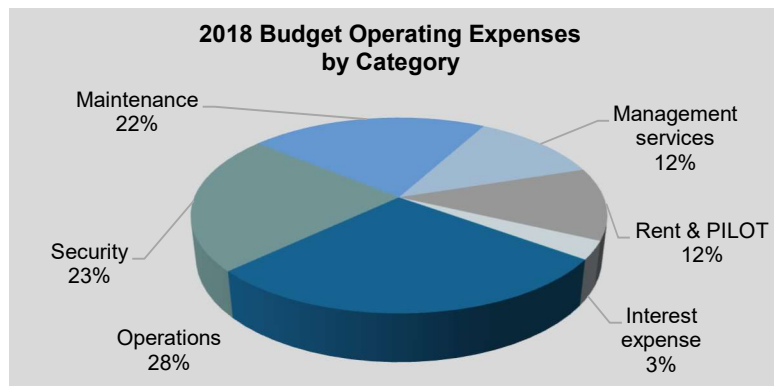
**Utilities** – These revenues include the resale of electricity, water, steam, and other fuels to tenants based on consumption levels.

**Rentals – Special Project Bonds** – This represents special limited obligations issued for the purpose of providing a single project for a lessee or for the purpose of refunding all or any part of a prior series of Special Project Bonds, or a combination of such purposes. Special Project Bonds are secured solely by a pledge of facility rental under a lease with the lessee.



# Operating Expenses

The 2018 Operating Expense Budget of \$3.2 billion reflects an increase of \$61 million, or 1.9%, compared to the 2017 Budget, in line with the rate of inflation. It was prepared with a fiscally disciplined approach that ensures continuous safe and secure operations, proper maintenance of the agency's extensive network of transportation assets, and support of workforce training and succession planning initiatives.



## 2018 Operating Expense

- \$726 million to ensure safety and security at Port Authority facilities, a \$20 million, or 2.7%, increase over the 2017 budgeted amount. The security budget includes:
  - A force of over 2,000 Port Authority Police Department (PAPD) and aircraft rescue firefighters (ARFF), and over 650 contract security guard posts;
  - New counterterrorism police post at the airports and THREAT (tactical hardening response emergency action teams) units that are mobilized across all facilities to address the ever-changing security threat environment;
  - Additional PAPD supervisory positions; and,
  - Commencement of two PAPD police classes in 2018 totaling an estimated 270 new police officers.
- \$878 million to support efficient operation of agency facilities, a \$17 million, or 2.0%, increase over the 2017 budgeted amount. The 2018 budget includes increased labor expenses to reflect the increased operating workload, as well as the implementation of customer service and airfield operations initiatives at aviation facilities.
- \$708 million to maintain property and equipment at a high level of performance and in conformance with codes and regulations, a \$29 million, or 4.3%, increase over the 2017 budgeted amount, including \$11 million related to additional facilities coming into operations at the WTC in 2018. The 2018 Budget also includes the implementation of an enterprise-wide asset management program to optimize maintenance routines and asset life cycles.
- \$392 million for ongoing management services in support of business operations and planning, a decrease of \$9 million, or 2.2%, from 2017 is an offset to increases elsewhere.

The budget also includes funding for a number of initiatives and projects aligned with key priorities across the Port Authority's businesses providing enhanced security, covering both physical security and cyber-security, improved customer service, environmental stewardship and enhanced use of technology for both our customers and our workforce.

## 2018 Operating Expenses Budget by Category and Business Segment

<i>(in thousands)</i>	<b>Total</b>	<b>TB&amp;T</b>	<b>PATH</b>	<b>Aviation</b>	<b>Port</b>	<b>WTC</b>	<b>Development</b>	<b>Allocated &amp; Other (incl. Ferry)</b>
Operations	<b>\$878,215</b>	\$142,943	\$140,624	\$449,985	\$37,101	\$82,478	\$8,024	\$17,060
Security	<b>726,156</b>	154,041	59,873	398,650	22,965	87,522	904	2,201
Maintenance	<b>708,450</b>	119,981	134,066	295,585	44,140	82,173	2,409	30,096
Management Services	<b>392,172</b>	42,241	35,490	94,055	26,788	32,790	776	160,032
Rent & PILOT	<b>395,586</b>	3,539	1,177	269,969	25,609	77,835	1,730	15,727
Interest Expense	<b>92,667</b>	-	-	79,080	-	-	-	13,587
<b>Total</b>	<b>\$3,193,246</b>	\$462,745	\$371,230	\$1,587,324	\$156,603	\$362,798	\$13,843	\$238,703

### Expense Category Descriptions

**Operations** – Includes customer service, facility management, facility operations, leasing, and utilities.

**Security** – Costs incurred to provide safe and secure facilities by maintaining vigilance for potential threats, investing in infrastructure and new technology, and utilizing best practices in security and emergency preparedness operations.

**Maintenance** – Costs incurred to keep property, facility structures and equipment operating at a high level of performance. Activities area includes electrical, general maintenance (e.g., elevators and escalators, tunnel subway pumps, automotive maintenance, and servicing, etc.), inspections, mechanical, janitorial/grounds keeping, and snow and ice removal.

**Management Services** – Functions that support line business operations as well as agency-wide management, including corporate costs related to agency oversight, departmental management, audit, financial services, human resource management, insurance, legal services, planning, public and government affairs, technology support, and training.

**Rent & PILOT** – Payments to governmental agencies and other landlords in return for the use of land, buildings, offices, or other property.

**Interest Expense** – Interest on special project bonds, operating asset obligations including equipment notes, and Fund for Regional Development Buy-Out Obligation.

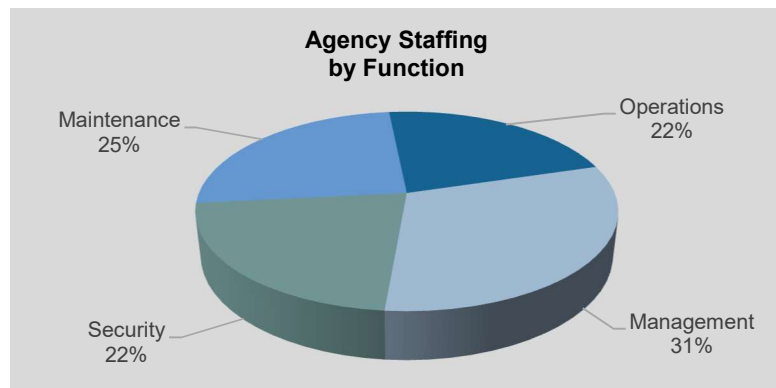
**Allocated & Other (incl. Ferry)** – Comprised of staff department and development expenses allocated to facilities, regional programs, and direct expenses for ferries.

## Staffing

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The 2018 total operating labor budget is \$1.3 billion and represents 41% of the 2018 Operating Budget. Total labor costs include salaries and benefits.

Over 70% of the agency workforce are represented employees of various collective bargaining units, which support our core operations, maintenance, security, and firefighting activities. The remaining non-represented staff support day-to-day operations across all business functions, including management and advisory, technical, engineering, and administrative support.



Total authorized positions are to increase by 106 positions for a total of 8,028. This increase includes 23 new police positions in support of heightened security at Port Authority facilities; 53 new positions in the Aviation Department primarily to support the substantial redevelopment activities at the three major airports; 12 new positions to cover incremental maintenance for fire, life safety and rail systems at the Ports; and 18 new positions to provide centralized support for the agency asset management program, the expanded ethics and compliance organizational structure and business diversity certification activities.

In addition, the Port Authority will commence two PAPD police classes in 2018, totaling an estimated 270 new police officers. As the graduates of these classes are expected to cover attrition and work that is currently being performed on overtime, they are not included in the authorized positions noted above.

Authorized Positions by Department			
	2016	2017	2018
Chief, Capital Planning, Execution & Asset Management	3	3	3
Business Diversity and Civil Rights	21	20	22
Environmental & Energy Programs	17	17	17
Planning & Regional Development	20	20	20
Project Management	21	21	23
World Trade Center Operations	29	33	33
Chief, Human Capital			
Human Resources	102	120	123
Labor Relations	10	10	10
Chief, Major Capital Projects/ WTC Construction	112	112	112
Chief, Procurement & Contracting Officer	92	92	92
Chief, Public & Government Affairs	2	2	2
Government & Community Affairs	19	18	18
Media Relations	10	10	10
Marketing	23	23	23
Chief, Real Estate & Development	50	47	47
Chief, Technology Officer	112	110	110
Chief Engineer	582	582	582
Chief Financial Officer	4	4	4
Comptroller	98	98	98
Management & Budget	36	36	36
Financial Planning	12	12	12
Priority Programs	4	4	4
Treasury	40	40	40
Chief Operating Officer	21	21	24
Aviation (incl. ARFF)	1,423	1,490	1,543
Port	182	188	200
PATH	1,301	1,339	1,339
Tunnels, Bridges & Terminals	943	957	953
Operations Services	446	461	464
Executive Director	4	4	5
Deputy Executive Director	3	3	3
General Counsel / Law	133	133	133
Chief Compliance Officer	-	-	4
Inspector General / Office of Investigations	70	70	73
Audit	77	77	77
Office of Continuous Improvement	4	4	4
Secretary	22	20	21
Chief Security Officer	10	10	10
Emergency Management	23	23	23
Security Business Resource Management	72	72	72
Security Operations & Programs	65	66	66
World Trade Center Security	5	5	5
Port Authority Police / Public Safety	1,544	1,545	1,568
<b>Total Authorized Positions</b>	<b>7,767</b>	<b>7,922</b>	<b>8,028</b>

Authorized Positions by Type			
	2016	2017	2018
Permanent	7,137	7,147	7,213
Temporary	630	775	815
<b>Total Authorized Positions</b>	<b>7,767</b>	<b>7,922</b>	<b>8,028</b>

Note: Includes reallocation of resources between departments.

Temporary positions support various training programs, seasonal, capital and other project work.

2018 Budget includes two police classes, totaling 270 recruits, that will cover attrition and fill work currently being performed on overtime.

## Debt Service on Financing Obligations

The Port Authority's strong credit quality allows it to efficiently access capital markets at competitive interest rates to finance long-term capital investments in its facilities. The Port Authority is projected to have approximately \$20.7 billion of Consolidated Bonds outstanding as of December 31, 2017. (See Appendix 3 for more information.)

The 2018 Budget includes \$1.3 billion of debt service to operations.

Debt Service on Financing Obligations				
(In thousands)	Year ended December 31 <sup>st</sup>			
	2016 Actual	2017 Budget	2017 Estimate	2018 Budget
<b>Consolidated Bonds:</b>				
Interest on Consolidated Bonds	\$823,538	\$806,184	\$839,191	<b>\$794,121</b>
Principal on Consolidated Bonds	268,520	300,090	300,905	<b>326,960</b>
Costs of Issuance	1,048	774	754	<b>919</b>
Subtotal	\$1,093,106	\$1,107,048	\$1,140,850	<b>\$1,122,000</b>
<b>Special Obligations:</b>				
Interest on Special Obligations*	\$358	\$4,007	\$817	<b>\$2,619</b>
Principal on Special Obligations*	-	-	-	-
Debt Service on Marine Ocean Terminal at Bayonne Peninsula Obligation (MOTBY)	9,281	4,181	4,181	<b>4,138</b>
Tower 4 Liberty Bonds**	65,293	65,293	65,293	<b>65,293</b>
Goethals Bridge Replacement Developer Financing Arrangement	-	-	-	<b>56,477</b>
Subtotal	\$74,932	\$73,481	\$70,291	<b>\$128,527</b>
<b>Total Debt Service</b>	<b>\$1,168,038</b>	<b>\$1,180,529</b>	<b>\$1,211,141</b>	<b>\$1,250,527</b>

\* Includes Variable Rate Master Notes and Commercial Paper Obligations.

\*\* Debt service related to Tower 4 Liberty Bonds are reimbursable to the Port Authority by the 4 WTC Net Lessee

Note: The amount of interest expense on both Consolidated Bonds and Special Obligations is reduced by the annual allocation of capitalized interest.



# Capital Expenditures

The 2018 Capital Budget includes \$3.4 billion of capital investment across all facilities. In February 2017, the Port Authority adopted its 2017-2026 Capital Plan to modernize and expand the region's aging airports, seaports and surface transportation facilities. The plan also focuses on maintaining these assets in a state of good repair and in the post Superstorm Sandy era, on rendering the assets more resilient.

The inclusion of over 600 projects in the 10-year plan resulted from a risk-based prioritization and ranking process to allocate the finite investment dollars available to the projects providing the greatest benefit. This process considered asset condition, operational and revenue impact, threat assessment, customer service, regional benefit, and regulatory or statutory requirements. The 2018 Capital Budget aligns with the 10-year 2017-2026 Capital Plan, which is divided into four categories of projects:

- **Renew** – Projects required to renew and maintain assets in a State of Good Repair and ensure efficient, safe, and secure operations.
- **Expand and Connect** – Projects that expand capacity, improve connectivity, meet the growth of the region, and advance the region's transportation needs.
- **Partner** – Projects where the Port Authority partners with federal and regional stakeholders to complete Superstorm Sandy restoration, fortify and improve resiliency of our assets and build for the future. In addition, the ten-year plan also provides support for the Gateway Passenger Rail Tunnel Project, a critical Trans-Hudson rail link and associated infrastructure.
- **Deliver** – Completion and delivery of projects that were under construction when the 2017-2026 Capital Plan was developed.

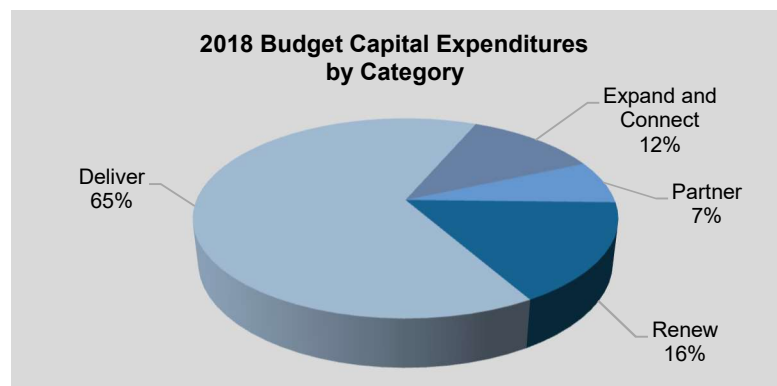
## 2018 Capital Spending

### Renew

- GWB - "Restoring the George" Construction Program
- JFK Runway Rehabilitation
- PABT - Interim Improvement Program

### Expand and Connect

- PABT – Replacement Planning
- EWR – Terminal One Redevelopment
- LGA – Integrated Unified Airport - Eastern Half and AirTrain Planning
- JFK – Redevelopment Planning
- PATH Rail Extension to Newark Liberty Rail Link Station Planning



**Partner**

- Superstorm Sandy Capital Program
- Support of Gateway Passenger Rail Tunnel Project Planning

**Deliver**

- LGA – New Integrated Unified Airport – Western Half
- WTC Program
- PATH – Signal System Replacement Program
- Greenville Yard Redevelopment Program
- Bayonne Bridge Navigational Clearance Project
- Goethals Bridge Replacement Project

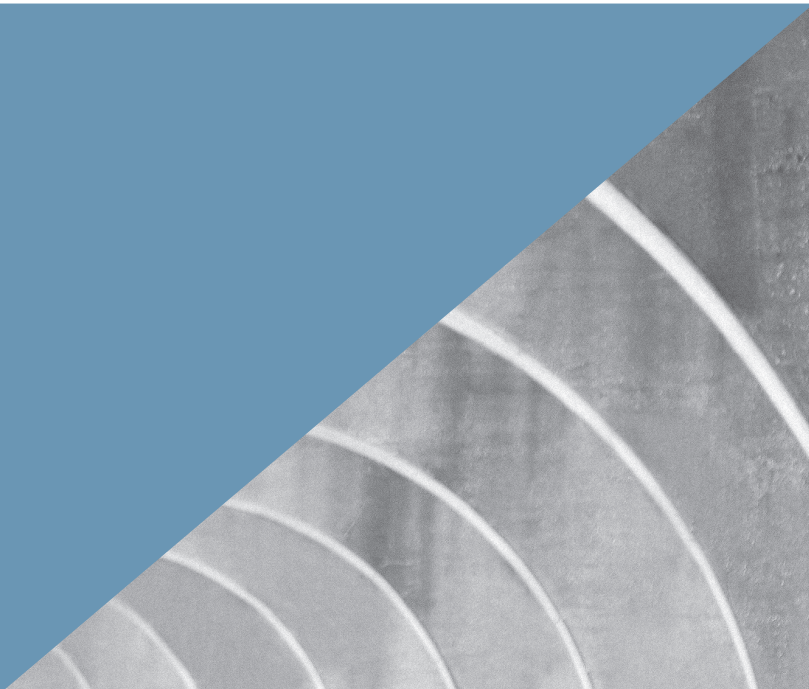
Net Capital Expenditures by Department				
<i>(in thousands)</i>	2016 Actual	2017 Budget*	2017 Estimate	2018 Budget
Tunnels, Bridges & Terminals	\$1,179,308	\$861,540	\$672,769	<b>\$960,136</b>
PATH	217,958	254,462	232,423	<b>398,986</b>
Aviation	585,000	991,746	904,409	<b>1,171,602</b>
Port Department	133,887	149,703	86,503	<b>169,734</b>
World Trade Center	1,082,670	508,718	357,590	<b>602,492</b>
Development and Ferry Transportation	1,859	1,121	1,044	<b>1,711</b>
Regional Programs	-	67,000	51,981	<b>60,200</b>
Agency Provisions	-	66,710	-	<b>10,870</b>
<b>Agency Total</b>	<b>\$3,200,682</b>	<b>\$2,901,000</b>	<b>\$2,306,719</b>	<b>\$3,375,731</b>

Note: Capital investment includes capitalized interest expense.

\* Amended to reflect the 2017-2026 Capital Plan adopted by the Board in February 2017.



# Departmental Budget Summaries





# Tunnels, Bridges & Terminals (TB&T)

## Mission

TB&T's mission is to connect the road networks of New York and New Jersey through four vehicular bridges and two vehicular tunnels, as well as two interstate bus terminals that facilitate the movement of people and goods safely and efficiently throughout the region.



## TB&T Facilities

TB&T facilities operate in three regions. In the northern region are the George Washington Bridge (GWB) and the GWB Bus Station (GWBS). In the central region are the Lincoln Tunnel (LT), Holland Tunnel (HT), and the Port Authority Bus Terminal (PABT). In the southern region are the three Staten Island Bridges (SIB): Bayonne Bridge (BB), Goethals Bridge (GB) and Outerbridge Crossing (OBX).

These TB&T facilities, most of which operate 24 hours a day, 7 days a week, 365 days a year, are critical to the movement of commuters and freight between New York and New Jersey, and connect the region to the rest of the country.



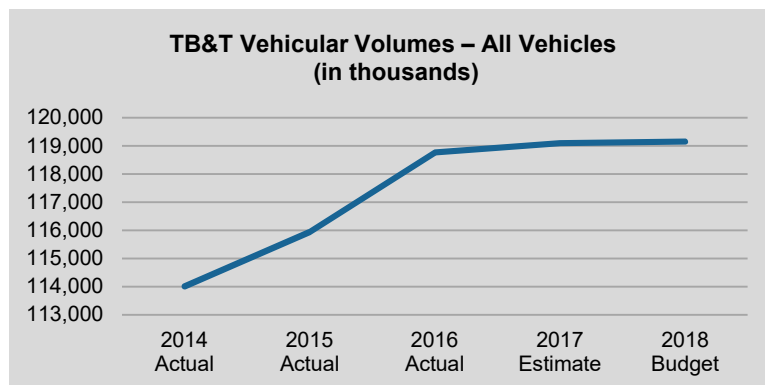
**Left:** Touch screen kiosks provide customers with bus schedule information at the Port Authority Bus Terminal. **Right:** Commuter Chat events at the Port Authority Bus Terminal offer customers an opportunity to provide in-person feedback.

### Core Functions

- Operate and maintain four long-span bridges, two trans-Hudson tunnels, the GWBBS and the PABT, the world's largest bus station in terms of volume.
- Deliver a capital program that ensures safety and security standards across TB&T facilities, and provides for the future needs of the region.
- Provide toll revenue collection services and management for both electronic toll collection and cash operations.
- Plan for the replacement of revenue collection systems that will facilitate the migration to all electronic tolling.

### Activity Levels

TB&T's eastbound vehicle volume is expected to reach 119 million in 2018, a modest increase of 0.9 million, or 0.7%, over the 2017 Budget across all vehicle types. TB&T total traffic volume reflects economic growth and personal income gains over the last two years, along with relatively low gasoline prices.



### Staffing

TB&T has a total of 953 positions: 891 permanent and 62 temporary. Permanent employees are dedicated to operating, maintaining, managing and providing capital support to the facilities. Temporary employees address short-term and seasonal workload, training and succession planning, and support capital projects.

### Operations (520)

Facility management has staff at GWB and GWBBS (123), HT (129), LT (134), PABT (57), SIB (61), and department wide operations (16), who are responsible for toll collection, traffic management, incident and emergency response, bus and passenger operations, and construction activities.

### Maintenance (301)

Maintenance staff at GWB and GWBBS (55), HT (71), LT (78), PABT (59), and SIB (38) perform daily maintenance activities including critical emergency response, structural and general maintenance, plumbing, electrical requirements, paving, building maintenance, and general condition repairs in the course of operations.

### Management (132)

Management and administrative staff (132) support the operations and maintenance of the facilities, and provide department-wide management oversight and administrative services, including capital project delivery, asset management, development programs at facilities and department properties, transportation and business planning, financial services and analysis, and revenue program management. In addition, staff support the operations and maintenance of the toll collection system and customer service contracts, as well as oversee a variety of operating and maintenance agreements.

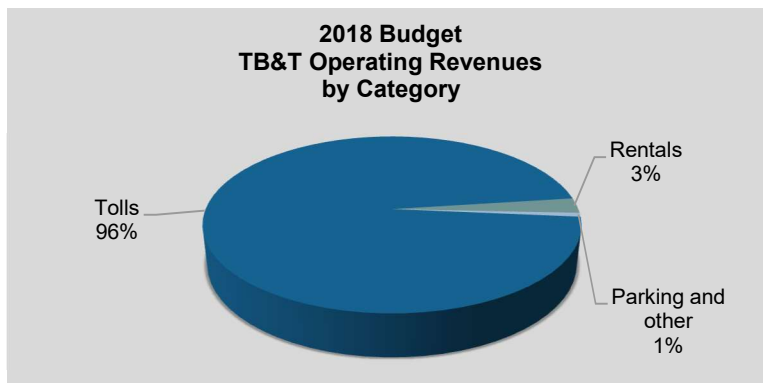


### 2018 Operating Revenues

TB&T's 2018 Operating Revenue Budget of \$1.7 billion is \$4 million, or 0.2%, higher than the 2017 Budget.

Tolls constitute 96.4% of total TB&T revenue. The increase in toll revenues is a function of vehicular volume.

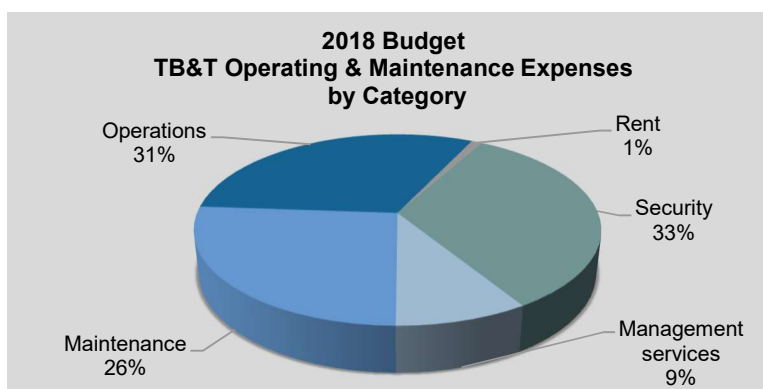
The balance of TB&T revenue is primarily comprised of rentals from tenants and public vehicular parking at PABT. Rental revenues reflect new leases for food establishments and other general consumer services at the PABT.



TB&T Operating Revenues by Category				
(in thousands)	2016 Actual	2017 Budget	2017 Estimate	2018 Budget
Tolls	\$1,685,350	\$1,678,331	\$1,675,155	<b>\$1,680,404</b>
Rentals	40,861	44,203	44,451	<b>47,484</b>
Parking and other	13,940	13,985	11,570	<b>12,195</b>
Utilities	1,877	2,289	2,289	<b>2,335</b>
Total Operating Revenues	\$1,742,028	\$1,738,808	\$1,733,465	<b>\$1,742,418</b>

### 2018 Operating Expenses

TB&T's 2018 Operating Expense Budget of \$516 million is \$1 million, or 0.1%, higher than the 2017 Budget.



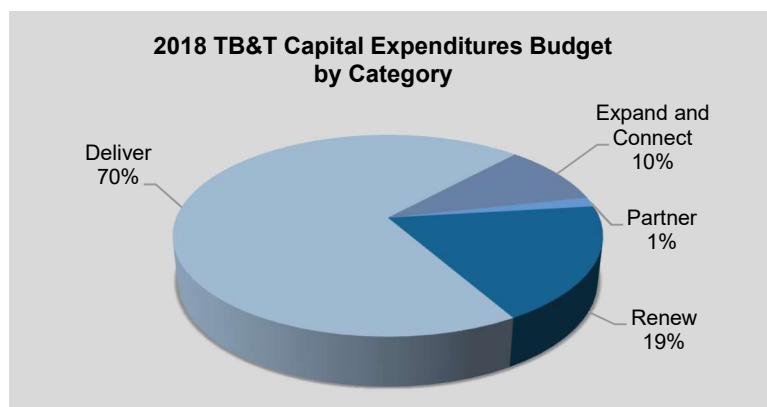
TB&T Operating Expenses by Category				
(in thousands)	2016 Actual	2017 Budget	2017 Estimate	2018 Budget
Operations	\$139,292	\$143,582	\$146,191	<b>\$142,943</b>
Security	146,486	153,179	154,622	<b>154,041</b>
Maintenance	106,756	115,178	110,217	<b>119,981</b>
Management services	55,210	44,443	43,408	<b>42,241</b>
Rent	3,497	3,689	3,759	<b>3,539</b>
Sub-total Operating & Maintenance	451,241	460,071	458,197	<b>462,745</b>
Allocated	58,288	55,469	61,435	<b>53,281</b>
Total Operating Expenses	\$509,529	\$515,540	\$519,632	<b>\$516,026</b>

### 2018 Operating Budget Highlights

The 2018 Operating Budget provides funding for contractual and inflationary increases and supports revenue collection systems, maintenance of assets, traffic and customer service management while providing safe and reliable facility operations. The increased 2018 security budget reflects incremental resources for the heightened security environment, mitigated in part by the addition of new officers, who will fill work currently performed on overtime at a lower cost. Additionally, it includes resources to support full year operation of GWBBS, planning for the replacement of the revenue collection system that will facilitate the migration to all electronic tolling, commencement of maintenance payments to the developer of the Goethals Bridge, continued implementation of the Enterprise Asset Management System and critical training and succession planning initiatives.

### 2018 Capital Budget Overview

TB&T's 2018 Capital Budget of \$960 million includes \$673 million of spending to continue Deliver projects already in construction, \$179 million for Renew projects to rehabilitate and maintain TB&T facilities in a state of good repair, \$93 million for Expand and Connect projects to expand capacity and improve connectivity that advances the region's transportation needs, and \$15 million for Partner projects primarily intended to continue Superstorm Sandy repairs.



Included in the Deliver category is the Bayonne Bridge Navigational Clearance Program, \$271 million; Goethals Bridge Replacement, \$83 million; and the Lincoln Tunnel Access Program, \$287 million.

Renew includes \$78 million in spending for the replacement of suspender ropes and rehabilitation of main cables at the George Washington Bridge. This project is one component of the department's "Restoring the George" construction program.

The \$93 million for Expand and Connect projects includes \$55 million to further planning and design activities for a new Port Authority Bus Terminal. Partner projects includes the repair and restoration of structures that were damaged by Superstorm Sandy, including projects to address latent salt damage at both the Holland and Lincoln Tunnels.



TB&T Net Capital Expenditures by Facility				
<i>(in thousands)</i>	2016 Actual	2017 Budget*	2017 Estimate	2018 Budget
George Washington Bridge	\$60,964	\$131,027	\$100,749	<b>\$113,738</b>
George Washington Bridge Bus Station	17,301	7,541	4,017	<b>166</b>
Holland Tunnel	44,457	38,747	36,872	<b>44,728</b>
Lincoln Tunnel	267,605	283,679	251,305	<b>312,320</b>
Bayonne Bridge	327,328	241,497	189,502	<b>273,756</b>
Goethals Bridge	427,108	64,441	58,879	<b>88,249</b>
Outerbridge Crossing	3,125	3,482	2,233	<b>9,651</b>
Port Authority Bus Terminal	31,420	91,126	29,212	<b>117,528</b>
Total Net Capital Expenditures	\$1,179,308	\$861,540	\$672,769	<b>\$960,136</b>

Note: Capital investment includes capitalized interest expense.

\* Amended to reflect the 2017-2026 Capital Plan adopted by the Board in February 2017.

2018 Capital Budget- Significant Projects: TB&T <i>(in thousands)</i>		
Project Title & Description	Operational Impacts	2018 Budget
<b>PABT Replacement Planning:</b> Planning for the advancement and further definition of capital projects related to the development of West Midtown PABT, including planning for required parking and staging facilities.	Advance the planning process for the replacement of the PABT to meet future capacity requirements.	\$55,000
<b>PABT Quality of Commute:</b> This program provides \$90 million for improvements to enhance on-time performance and customer services.	This program is intended to improve traffic circulation and throughput, facility access, trip quality and reliability, customer communications, and an overall better passenger environment.	\$33,858
<b>Lincoln Tunnel Access Program (LTAP):</b> Rehabilitation of the Pulaski Skyway, a new road for Route 1 & 9 Truck North and the replacement of the Wittpenn Bridge. Spending represents PA portion of the capital cost for NJ Department of Transportation project.	Improve the roadways and approaches leading to the LT, foster economic activity, and improve regional competitiveness.	\$286,691
<b>Bayonne Bridge Navigational Clearance Program:</b> Raised the existing air draft clearance and includes replacement of the existing main span deck, the NY and NJ approach structures and access ramps. The project includes a shared use path for bicyclists and pedestrians and provides for future mass transit options.	Allow larger and more efficient ships to access the Port of New York and New Jersey. Increased navigational clearance was achieved in 2017.	\$270,758
<b>Goethals Bridge Replacement Project:</b> Replacement of the original Goethals Bridge in its entirety with a new cable stayed bridge, including a shared-use-path for bikes and pedestrians along the northern edge of the westbound roadway. The total length of Bridge between the NY and NJ abutment will be 7,362 feet. Spending represents PA portion of capital cost under public-private-partnership agreement.	Provide safer operating conditions, decrease congestion, enhance structural integrity and reduce life-cycle costs, eliminate horizontal obstructions within the Arthur Kill navigation channel, provide for pedestrian and bicycle traffic, and provide for future mass transit expansion. Opening of the first span of the bridge was achieved in 2017.	\$82,817
<b>George Washington Bridge Replacement of Suspender Ropes and Rehabilitation of Main Cables:</b> Provides for replacement of all 592 suspender ropes, main cable rehabilitation, handrails, necklace lighting, security enhancements, upper level sidewalks, access ramps, and utility relocations.	Maintain structural integrity and state of good repair of the bridge so traffic load restrictions do not become necessary.	\$78,303

### 2018 Projected Free Cash Flow by Facility

A Free Cash Flow statement represents the cash that a facility is able to generate after monies required to operate, maintain, or expand its asset base are considered. The following table details 2018 projected free cash flow by facility.

2018 TB&T Projected Free Cash Flow							
<i>(in thousands)</i>	Gross Operating Revenues	O&M Expenses	Allocated Expenses	EBIDA	Grants, Contributions & PFC	Capital Expenditures	2018 Free Cash Flow
George Washington Bridge & Bus Station	\$805,177	\$115,214	\$13,138	\$676,825	\$367	\$113,904	<b>\$563,288</b>
Holland Tunnel	202,708	72,925	9,773	120,010	6,363	44,728	<b>81,645</b>
Lincoln Tunnel	277,027	92,271	11,394	173,362	1,781	312,320	<b>(137,177)</b>
Bayonne Bridge	41,521	20,333	2,387	18,801	49	273,756	<b>(254,906)</b>
Goethals Bridge	203,886	27,139	2,765	173,982	49	88,249	<b>85,782</b>
Outerbridge Crossing	164,565	24,661	2,421	137,483	49	9,651	<b>127,881</b>
Port Authority Bus Terminal	47,534	110,202	11,403	(74,071)	402	117,528	<b>(191,197)</b>
Total – TB&T	\$1,742,418	\$462,745	\$53,281	\$1,226,392	\$9,060	\$960,136	<b>\$275,316</b>

# Port Authority Trans-Hudson (PATH)

## Mission

PATH's mission is to provide a safe, reliable, and efficient rail transportation service that contributes to enhanced regional mobility and economic development.



## PATH Facilities

The system encompasses 14 route miles and 13 stations, 6 in New York and 7 in New Jersey, as well as the Journal Square Transportation Center (JSTC) and a complex network of electrical cables, communications equipment, signals, and track infrastructure. PATH's fleet of 350 active vehicles operates 24 hours a day, 7 days a week, making it one of the few 24-hour rail transit systems in the world. PATH facilities also include the WTC Transportation Hub, a state-of-the-art station featuring connections to the WTC site, retail destinations, and the New York City subway.



**Left:** PATH Information Agents provide customer assistance including with the purchase of PATH fare media. **Right:** Mobile device charging kiosk, MobileQubes, at Newport PATH station in Jersey City.

### Core Functions

- Operate and maintain a safe, reliable, and efficient rail transit system and the bus transportation terminal at JSTC.
- Comply with federal safety and environmental rules and regulations.
- Continue to improve service and address customer demands.
- Deliver a capital program that continues to focus on delivery of the positive train control signal system, as well as post-Superstorm Sandy recovery and resiliency efforts.

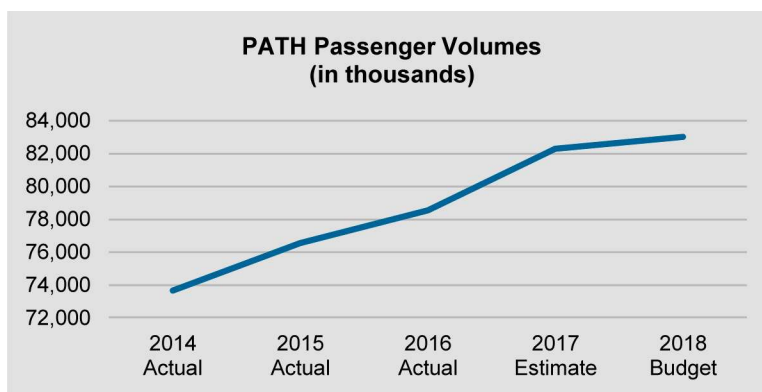
### Activity Levels

PATH's 2018 ridership is expected to reach 83 million trips, an increase of 1.3 million passengers, or 1.5%, over the 2017 Budget. This increase reflects growth in weekday ridership, driven by job growth in Manhattan and Hudson Counties as well as population growth in Hudson County.

### Staffing

PATH has a total of 1,339 positions: 1,084 permanent and 255 temporary.

Permanent employees are assigned to operating, maintaining, managing, and providing capital support to the rail transit system and bus terminal. Temporary employees primarily support short-term operational needs and capital projects.



### Operations (615)

Operations staff in Transportation (484), Power, Signals, and Communication (46), Way and Structures (41), Car Equipment (32), Safety and Environmental (7), and department wide operations (5) operate and manage the movement of trains in and out of the stations and yards, develop and maintain train schedules, and provide passenger information and customer care programs throughout the stations, including compliance with Federal Railroad Administration (FRA) rules and regulations.

### Maintenance (662)

Maintenance staff in the Way and Structures (253), Car Equipment (238), and Power, Signals and Communication (171) divisions ensure reliable and efficient train movement by inspecting, repairing, or replacing components of railcars, tracks, station structures, signals, power distribution, and communications.

### Management (62)

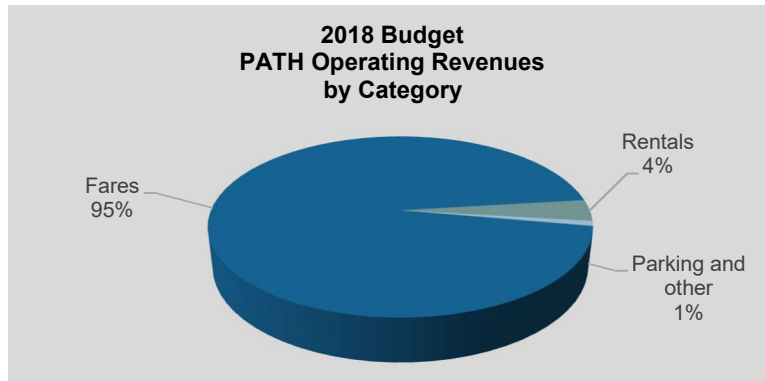
Management and administrative staff support the operation and maintenance of facilities, including capital project delivery, asset management, rail operations planning, property and revenue management, strategic business planning and financial functions, safety and environmental management, and department wide management oversight and administrative services.

### 2018 Operating Revenues

PATH's 2018 Operating Revenue Budget of \$202 million is \$4 million, or 2.0%, higher than the 2017 Budget.

Fares constitute the vast majority of PATH's operating revenues and are driven by increased passenger ridership.

The remainder of PATH's revenues are derived from rentals, public parking at JSTC, and advertising throughout the rail transit system.

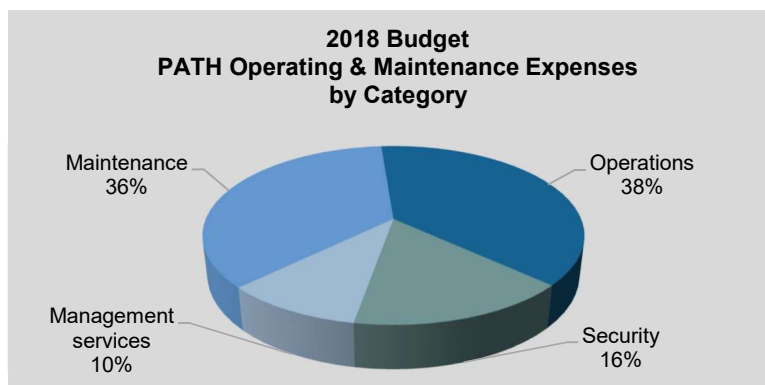


### PATH Operating Revenues by Category

<i>(in thousands)</i>	2016 Actual	2017 Budget	2017 Estimate	2018 Budget
Fares	\$180,132	\$187,676	\$191,131	<b>\$192,624</b>
Rentals	8,775	8,776	7,035	<b>7,671</b>
Parking and other	2,161	1,684	1,723	<b>1,768</b>
Utilities	193	266	137	<b>235</b>
Total Operating Revenues	\$191,261	\$198,402	\$200,026	<b>\$202,298</b>

### 2018 Operating Expenses

PATH's 2018 Operating Expense Budget of \$420 million is \$22 million, or 5.6%, higher than the 2017 Budget. This increase is due primarily to a one-time accounting adjustment to the portion of the PATH workforce allocated to capital. Absent this adjustment, the increase in the 2018 Operating Expenses over the 2017 Budget is \$4 million or 1%.



### 2018 Operating Budget Highlights

The 2018 Operating Budget includes contractual and inflationary increases and funding to ensure the safety and security of PATH's passengers, employees and contractors, as well as to maintain, protect, and preserve critical infrastructure and assets. The 2018 Operating Budget also includes funding for ongoing apprentice classes for railcar inspection and signal system maintainers, enhanced safety measures, and continued implementation of the Vehicle Asset Maintenance Management System (VAMMS). The 2018 security budget reflects lower construction support for PATH Journal Square as projects are completed in 2017 and the addition of new officers, who will fill work currently performed on overtime at a lower cost.

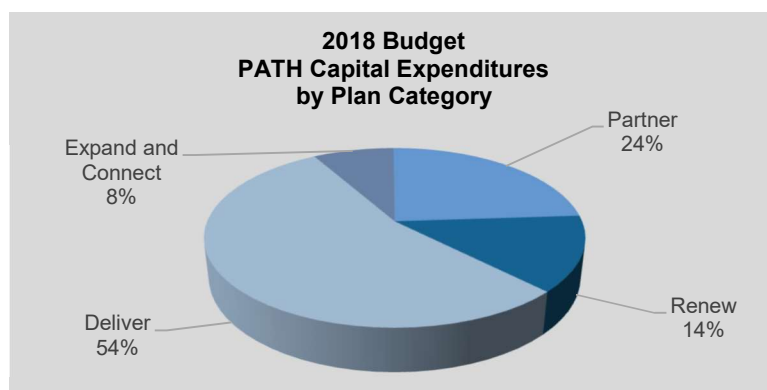
### PATH Operating Expenses by Category

<i>(in thousands)</i>	2016 Actual	2017 Budget	2017 Estimate	2018 Budget
Operations	\$127,601	\$131,182	\$134,293	<b>\$140,624</b>
Security	62,664	63,447	62,219	<b>59,873</b>
Maintenance	133,625	119,751	132,317	<b>134,066</b>
Management services	34,563	34,389	33,876	<b>35,490</b>
Rent	925	1,160	1,140	<b>1,177</b>
Sub-total Operating & Maintenance	359,378	349,929	363,845	<b>371,230</b>
Allocated	55,873	48,229	56,070	<b>49,059</b>
Total Operating Expenses	\$415,251	\$398,158	\$419,915	<b>\$420,289</b>

### 2018 Capital Budget Overview

PATH's 2018 Capital Budget includes \$399 million in expenditures.

The largest portion of the PATH 2018 budget will focus on Deliver projects currently in construction. These include \$71 million for the Signal System Replacement Program, which will complete Positive Train Control by the end of 2018, and the continuation of PATH station and equipment modernization projects. A total of \$96 million is focused on Partner projects including post-Superstorm Sandy recovery and resiliency efforts in the tunnels. A total of \$54 million is for Renew projects focused on critical state of good repair work. An additional \$33 million is for Expand and Connect system enhancements, such as continued upgrades to PATH stations and facilities, and planning for PATH Rail to Newark Liberty Rail Link Station.



### PATH Net Capital Expenditures by Facility

<i>(in thousands)</i>	2016 Actual	2017 Budget*	2017 Estimate	2018 Budget
PATH	\$217,956	\$254,462	\$232,423	<b>\$397,902</b>
Journal Square Transportation Center	2	-	-	<b>1,084</b>
Total Net Capital Expenditures	\$217,958	\$254,462	\$232,423	<b>\$398,986</b>

Note: Capital investment includes capitalized interest expense.

\* Amended to reflect the 2017-2026 Capital Plan adopted by the Board in February 2017.



2018 Capital Budget- Significant Projects: PATH <i>(in thousands)</i>		
Project Title & Description	Operational Impacts	2018 Budget
<b>Signal System Replacement Program:</b> Replace outdated signal system that has exceeded design life with a computerized Automatic Train Control System using Communications-Based Train Control technology. Install secondary train detection system to serve as a back-up signal system.	Comply with FRA mandates for Positive Train Control (PTC) and allow for increased capacity to meet growing ridership demand. System will allow for increased capacity of up to 20%, by permitting trains to run safely while in closer proximity to each other. PTC will be implemented by the end of 2018.	\$71,155
<b>PATH Rail Extension to Newark Liberty Rail Link Station:</b> Extend PATH rail infrastructure from its existing terminus at Newark- Penn Station to a new Newark Liberty Rail Link Station at EWR.	Increases regional transit and aims to reduce travel time. Increase travel time predictability for air travelers using EWR from lower Manhattan, and will provide commuter access from Newark's South Ward and neighboring communities to Lower Manhattan.	\$15,000
<b>Harrison Station Renovation:</b> Redevelop Harrison Station with platform extension for longer trains, new station entrances, and protected waiting areas.	Enhance safety and station quality, and provide expanded capacity to meet growing ridership demand. Project will also improve access for disabled riders. Phased opening starting in 2018 will provide customers with access to a portion of the new station including ADA access, new elevators and escalators.	\$38,917
<b>Superstorm Sandy Recovery &amp; Resiliency:</b> Complete a broad array of projects, including rehabilitation and replacement of electrical substations, repair of electrical and communications equipment, and installation of flood protection at stations and facilities.	Return damaged assets to a state of good repair and prepare the system for future coastal storms.	\$143,836

### 2018 Projected Free Cash Flow by Facility

A Free Cash Flow statement represents the cash that a facility is able to generate after monies required to operate, maintain, or expand its asset base are considered. The following table details 2018 projected free cash flow by facility.

2018 PATH Projected Free Cash Flow							
<i>(in thousands)</i>	Gross Operating Revenues	O&M Expenses	Allocated Expenses	EBIDA	Grants, Contributions & PFC	Capital Expenditures <sup>(1)</sup>	2018 Free Cash Flow
PATH	\$197,144	\$355,250	\$48,794	(\$206,900)	\$97,058	\$397,902	<b>(\$507,744)</b>
Journal Square Transportation Center	5,154	15,980	265	(11,091)	-	1,084	<b>(12,175)</b>
Total – PATH	\$202,298	\$371,230	\$49,059	(\$217,991)	\$97,058	\$398,986	<b>(\$519,919)</b>

(1) Federal Transit Administration Grants and related capital expenditures for the WTC Transportation Hub are included in World Trade Center.



# Aviation

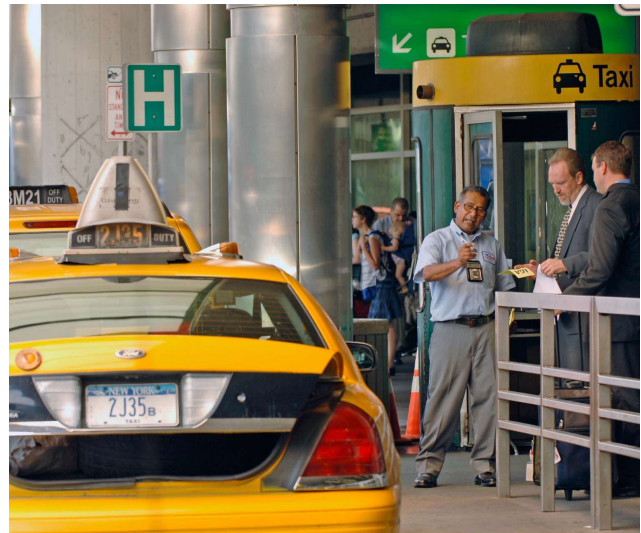
## Mission

Aviation's mission is to ensure the safety, security, and efficiency of the region's airport system to best serve its customers and to build infrastructure to provide services to meet the demand for air transportation of people, goods, and related services.



## Aviation Facilities

John F. Kennedy International Airport (JFK) serves as the region's chief international gateway, while Newark Liberty International Airport (EWR) serves both national and international markets. LaGuardia Airport (LGA) serves as the premier short-haul facility in the region. Stewart International Airport (SWF), acquired in 2007, recently added low cost international service offering the potential to increase capacity and augment service already provided by the major airports in the New York-New Jersey region. Teterboro Airport (TEB) serves general aviation clients.



**Left:** As part of the \$8 billion redevelopment of LaGuardia Airport, a new West Parking Garage will provide additional on-airport parking for travelers when open in 2018. **Right:** Taxi dispatch service at LaGuardia Airport ensures customers have reliable transportation to their destinations.

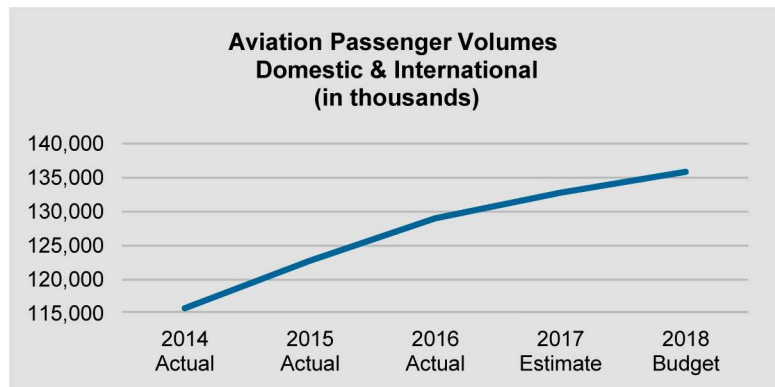
### Core Functions

- Develop, manage, and maintain passenger terminals, runways, and cargo facilities in compliance with Federal Aviation Administration (FAA) regulatory standards.
- Negotiate agreements and handle tenant relationships with airlines that rent passenger terminals and terminal gates, hangars, and cargo space, as well as with retail merchants and concessionaires.
- Supervise contract services for various operational and maintenance activities.
- Manage security and coordinate with the Transportation Security Administration (TSA) and Customs and Border Protection (CBP).
- Put Port Authority airports on a path to transform the current facilities to airports that meet global best-in-class standards.

### Activity Levels

In 2018, approximately 136 million people are projected to use the Port Authority's aviation facilities, an increase of 4.3 million, or 3.2%, compared to the 2017 Budget. This reflects sustained economic growth, demand stimulation from low ticket prices, and continuation of low oil prices in 2018.

Cargo activity of 2.3 million tons is forecasted to increase by 11% compared to the 2017 Budget. Cargo growth drivers include the rise in air shipment, an increase in e-commerce, strong export orders, and an increase in exports from Asia coming by air instead of by sea.



### Staffing

Aviation has 1,543 positions: 1,260 permanent and 283 temporary. Permanent employees are dedicated to operating, maintaining and managing the airports, as well as supporting capital projects and aircraft rescue and firefighting. Temporary employees support short-term and seasonal workloads and also support specific capital projects.

### Operations (373)

The operations staff at JFK (140), EWR (141), and LGA (87) operate and manage aeronautical, landside, security, and customer care functions, while complying with FAA rules and regulations. A key function of operational staff is to ensure the safe movement of aircraft, equipment, and personnel on the airfield. An additional 5 positions provide centralized operations support to all facilities.

### Maintenance (610)

The maintenance staff at JFK (277), EWR (177), and LGA (152) provide maintenance programs to ensure that the facilities' assets, infrastructure, and equipment operate at a high level of performance, including code and regulatory compliance. Maintenance staff include electrical personnel who maintain airfield lighting and electrical systems to FAA regulatory standards. An additional 4 positions provide centralized maintenance support to all facilities.

### Management (272)

Management and administrative staff provide support to facilities' operations and maintenance, including capital project delivery, asset management, property and revenue oversight; strategic business planning and financial functions, airspace modernization, environmental stewardship, and overall management and administrative services.

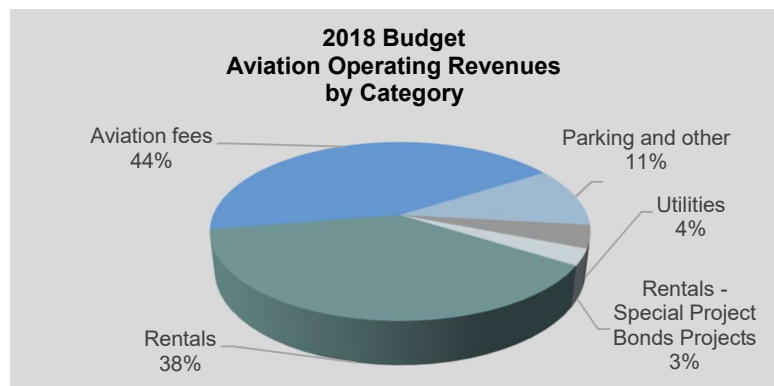
### Security - Aircraft Rescue and Firefighting (ARFF) (288)

ARFF staff at JFK (92), EWR (98), LGA (75), TEB (22), and Central Office (1) provide aircraft rescue and firefighting services to airlines in accordance with FAA mandated guidelines.

### 2018 Operating Revenues

Aviation's 2018 Operating Revenue Budget of \$2.7 billion is \$74 million, or 2.8%, higher than the 2017 Budget. All three of the largest revenue categories are expected to increase in 2018 including, aviation fees, payments from leases of terminals, warehouses and other facilities plus revenue related to other on-airport services including advertising and parking.

The largest source of the department's revenue is fees generated through contractual agreements with the airlines for the recovery of certain operating expenses and capital investment by the Port Authority at the airports. Included in this category are fuel and security fees, and JFK and EWR Air Train fare box revenues. Aviation fees are projected to increase by \$54 million compared to the 2017 Budget due to higher expected recoverable expenses from operations, maintenance, security, and capital investments.



Charges for use of Aviation facilities include fixed, percentage, and variable rentals associated with agreements for terminals, warehouses and ground rent, fees for on airport concessions, cargo, ground transportation, aircraft services, and advertising, and are all included in rentals for reporting purposes. Rentals are expected to increase by \$10 million compared to the 2017 Budget due to scheduled rent escalations across all facilities and higher activity-related revenues at JFK Terminal 4, partially offset by the expiration of certain fixed rental agreements at JFK.

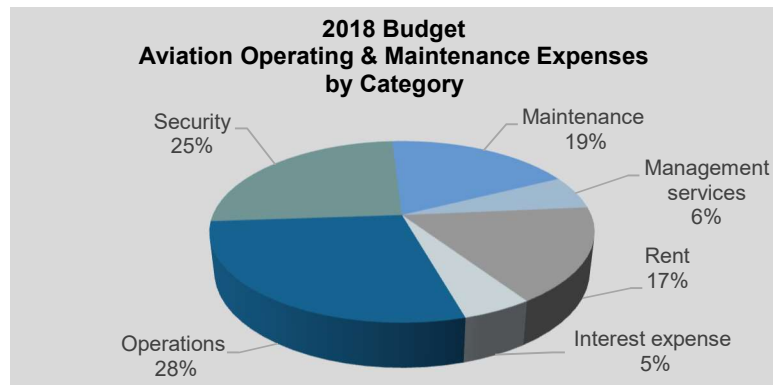
Parking revenue includes fees charged to tenants and customers for public parking at the airports. Parking and other fees are expected to increase by \$12 million compared to the 2017 Budget, primarily due to an increase in activity at EWR and SWF, and longer average vehicle stays.

### Aviation Operating Revenues by Category

<i>(in thousands)</i>	2016 Actual	2017 Budget	2017 Estimate	2018 Budget
Rentals	\$1,053,480	\$1,024,947	\$1,049,252	<b>\$1,034,768</b>
Aviation fees	1,112,435	1,116,317	1,142,071	<b>1,169,905</b>
Parking and other	277,224	277,039	279,771	<b>288,669</b>
Utilities	116,319	109,564	112,123	<b>112,055</b>
Rentals – Special Project Bonds	86,755	83,053	83,053	<b>79,080</b>
<b>Total Operating Revenues</b>	<b>\$2,646,213</b>	<b>\$2,610,920</b>	<b>\$2,666,270</b>	<b>\$2,684,477</b>

### 2018 Operating Expenses

Aviation's 2018 Operating Expense Budget of \$1.7 billion is \$21 million, or 1.2%, over the 2017 Budget.



### Aviation Operating Expenses by Category

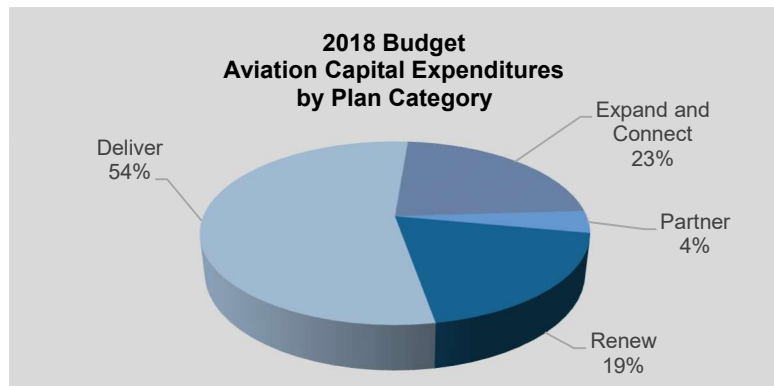
<i>(in thousands)</i>	2016 Actual	2017 Budget	2017 Estimate	2018 Budget
Operations	\$436,681	\$444,441	\$454,992	<b>\$449,985</b>
Security	373,081	383,480	381,742	<b>398,650</b>
Maintenance	283,132	289,089	282,306	<b>295,585</b>
Management services	93,791	93,417	102,027	<b>94,055</b>
Rent	231,911	267,421	269,311	<b>269,969</b>
Interest expense - Special Project Bonds	86,755	83,053	83,053	<b>79,080</b>
<b>Sub-total Operating &amp; Maintenance</b>	<b>1,505,351</b>	<b>1,560,901</b>	<b>1,573,431</b>	<b>1,587,324</b>
Allocated	107,119	106,618	117,219	<b>100,658</b>
<b>Total Operating Expenses</b>	<b>\$1,612,470</b>	<b>\$1,667,519</b>	<b>\$1,690,650</b>	<b>\$1,687,982</b>

### 2018 Operating Budget Highlights

The 2018 Operating Budget includes contractual and inflationary increases to support maintenance of critical airside and landside assets, transportation system operations, rent payable to the cities of New York and Newark, while providing safe and reliable airport operations. In recognition of the changing threat environment, the aviation budget includes funding for heightened security measures including additional airport terminal counterterrorism posts, new THREAT teams to engage in tactical deployments designed to deter terroristic activities at the airport facilities, and other measures. The 2018 Budget also provides funding for initiatives to improve customer service.

### 2018 Capital Budget Overview

The 2018 Capital Budget of \$1.2 billion addresses aging infrastructure, safety and security, and congestion and delays. The Capital Budget consists of \$633 million to complete and Deliver projects that are currently under construction, \$266 million for Expand and Connect projects for system enhancements, \$226 million for Renew projects to rehabilitate and maintain Aviation facilities in a state of good repair, and \$46 million for Partner projects, primarily concerning Superstorm Sandy recovery efforts.



Deliver and Expand and Connect projects include construction work at LGA to continue with the ongoing modernization effort of the airport and its infrastructure. The LaGuardia program totals \$578 million in the 2018 budget.

The \$266 million in Expand and Connect projects includes \$42 million in planning for an AirTrain system at LGA, and \$167 million for construction of EWR's new Terminal One and associated infrastructure and \$42 million to advance planning for the redevelopment of JFK. Importantly, the PATH capital budget also includes \$15 million for the continued planning and design of the extension of the PATH system to the Newark Liberty rail link station, a project that will enhance rail access to EWR from lower Manhattan.

The \$226 million in Renew expenditures include rehabilitation of runways and taxiways, repairing and improving electrical systems, and renewing infrastructure for fuel and electrical distribution. The largest project in this category involves rehabilitation of two runways and one taxiway at JFK for a total \$57 million. This category also includes \$9 million for technology improvements and a total of \$28 million will be spent to upgrade electrical power and lighting.

The \$46 million in Partner expenditures primarily consist of resiliency projects focusing on rehabilitating and fortifying electrical substations and light circuits damaged as a result of Superstorm Sandy.

Aviation Net Capital Expenditures by Facility				
(in thousands)	2016 Actual	2017 Budget*	2017 Estimate	2018 Budget
LaGuardia Airport	\$365,645	\$687,784	\$589,370	<b>\$674,559</b>
John F. Kennedy International Airport	89,800	155,725	161,584	<b>174,573</b>
Newark Liberty International Airport	119,124	137,105	147,035	<b>304,856</b>
Teterboro Airport	2,354	9,920	2,162	<b>17,498</b>
Stewart International Airport	8,077	1,212	4,258	<b>116</b>
Total Net Capital Expenditures	\$585,000	\$991,746	\$904,409	<b>\$1,171,602</b>

Note: Net Capital Expenditures includes capital investment funded with Passenger Facility Charges (PFCs).

\* Amended to reflect the 2017-2026 Capital Plan adopted by the Board in February 2017.

**2018 Capital Budget – Significant Projects: Aviation** *(in thousands)*

Project Title & Description	Operational Impacts	2018 Budget
<b>LGA Integrated Unified Airport</b> <b>Western Half:</b> Replace the existing 1964 Terminal and related infrastructure through a private consortium under a public-private partnership (PPP) model. <b>Eastern Half (Delta):</b> Support replacement of Terminal C and D by Delta.	Allow the airport to accommodate a projected increased passenger load and provide acceptable levels of service, while efficiently meeting all safety, security, and other operational requirements.	\$578,433
<b>EWR Terminal One Redevelopment:</b> Replace the existing 1973 Terminal A with an open, modern terminal.	Allow the airport to accommodate a projected increase in passengers over the next thirty years and provide world-class levels of service, while meeting all safety, security, and other operational requirements.	\$167,218
<b>LGA AirTrain:</b> Advances the design of an AirTrain system for LGA, which will provide a direct rail link to Long Island Rail Road (LIRR) and NYC Transit (NYCT) subway service.	Accommodate future passenger growth. Reduce auto congestion and travel time delays, and improve predictability of travel time for air travelers and airport employees.	\$41,525
<b>PATH Rail Extension to Newark Liberty Rail Link Station:</b> Extend PATH rail infrastructure from its existing terminus at Newark- Penn Station to a new Newark Liberty Rail Link Station at EWR.	Increases regional transit and aims to reduce travel time. Increase travel time predictability for air travelers using EWR from lower Manhattan, and will provide commuter access from Newark's South Ward and neighboring communities to Lower Manhattan.	\$15,000
<b>AOA Light Circuit Replacement:</b> Provides for the removal of airfield lighting circuit cables and connectors, cleaning of conduits, light base cans, and installation of new cables and connectors in the Aeronautical Operations Area (AOA).	Improve reliability and extend useful life of electrical infrastructure critical to providing a safe and efficient operating area for aircraft.	\$33,528
<b>Rehabilitate Taxiways Q and QG at JFK:</b> Rehabilitate Taxiways Q and QG and a restricted vehicle service road that includes overlaying of pavement, and the replacement of lighting, signage, markings and drainage improvements. Also included is the widening of taxiway fillets at five intersections to accommodate larger aircraft.	Improve taxiway navigability for aircraft on the taxiway and accessibility for larger aircraft.	\$30,163
<b>JFK Redevelopment:</b> Provide for airport infrastructure improvements, including airside enhancements to improve efficiency and reduce delays, and roadway modifications.	Support the modernization and transformation of JFK International Airport to accommodate passenger growth.	\$42,000



### 2018 Projected Free Cash Flow by Facility

A Free Cash Flow statement represents the cash that a facility is able to generate after monies required to operate, maintain, or expand its asset base are considered. The following table details 2018 projected free cash flow by facility.

2018 Aviation Projected Free Cash Flow							
<i>(in thousands)</i>	Gross Operating Revenues	O&M Expenses	Allocated Expenses	EBIDA	Grants, Contributions & PFC	Capital Expenditures	2018 Free Cash Flow
LaGuardia Airport	\$386,946	\$291,552	\$24,662	\$70,732	\$300,463	\$674,559	<b>(\$303,364)</b>
John F. Kennedy International Airport	1,264,113	750,358	39,974	473,781	28,885	174,573	<b>328,093</b>
Newark Liberty International Airport	971,845	493,333	33,366	445,146	21,128	304,856	<b>161,418</b>
Teterboro Airport	47,323	29,338	2,391	15,594	7,829	17,498	<b>5,925</b>
Stewart International Airport	14,250	22,743	265	(8,758)	1,646	116	<b>(7,228)</b>
Total – Aviation	\$2,684,477	\$1,587,324	\$100,658	\$996,495	\$359,951	\$1,171,602	<b>\$184,844</b>

# Port

## Mission

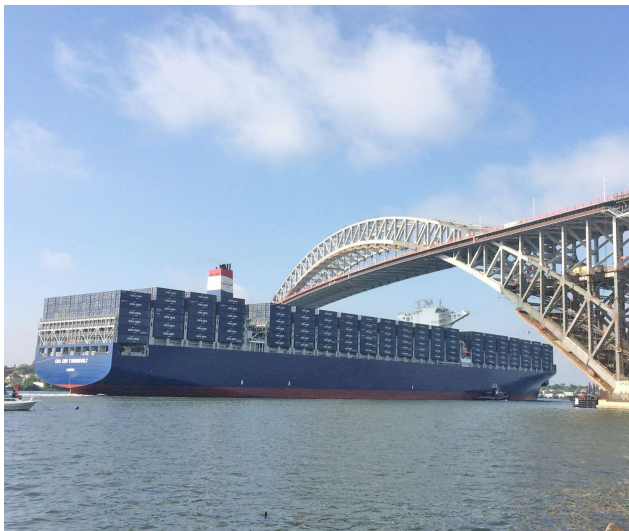
Port's mission is to develop and manage competitive port infrastructure and services that expedite the movement of international cargo in a secure, environmentally sound, and fiscally responsible manner.



## Port Facilities

The Port of New York and New Jersey is the largest port on the east coast, the third largest in the U.S. and 23<sup>rd</sup> largest in the world. The Port is located in the center of the largest consumer region in the country, serving more than 23 million regional consumers, with over 3.6 million containers (6,251,953 twenty-foot equivalent units or TEUs) loaded and unloaded at its docks in 2016.

Port oversees the following facilities: Port Newark, Elizabeth-Port Authority Marine Terminal, Port Jersey-Port Authority Marine Terminal, Brooklyn-Port Authority Marine Terminal including Red Hook Container Terminal, Howland Hook Marine Terminal/Port Ivory, and the Greenville Yard-Port Authority Marine Terminal. In addition, the Port Department operates a Class 1 freight railroad, New York-New Jersey Rail, LLC, which provides local cross-harbor transportation for freight railcars across the Hudson River utilizing a float barge system.



**Left:** The Bayonne Bridge achieved navigational clearance of 215 feet in 2017 allowing larger ships up to 18,000 TEUs including the 14,400 TEU CMA CGM T. Roosevelt to call on the Port of NY and NJ. **Right:** Unloading of bulk cargo at Port Newark Terminal in New Jersey.

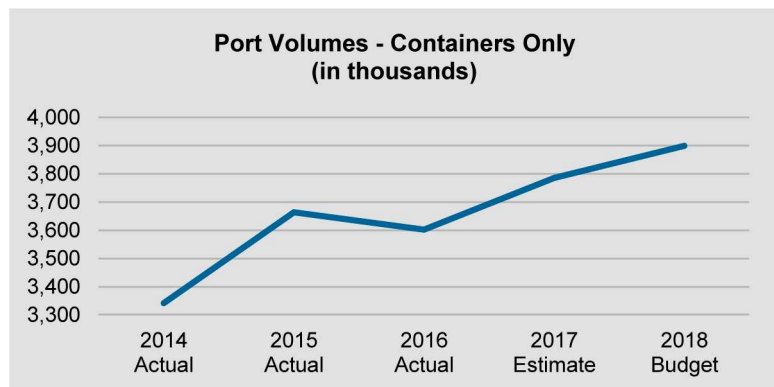


### Core Functions

- Develop and maintain all Port facility common areas and marine terminals, focusing on asset management, service reliability, service efficiency, security, and environmental stewardship.
- Manage and deliver Port capital initiatives, including terminal development, port-wide rail facilities, and land side infrastructure.
- Promote Port facilities as the premier cargo gateway port on the east coast for beneficial cargo owners, ocean carriers, logistics service providers, automotive, bulk cargo and cruise lines.
- Oversee the management of Port's real estate assets, leasing, administration, and facilitation of improvements and initiatives across Port facilities, carriers, and cruise lines.
- Undertake innovative planning for future port development, and partner with Port stakeholders, regional governments, and the business community on implementation.

### Activity Levels

The Port of New York and New Jersey handles approximately \$200 billion of containerized cargo, as measured by annual merchandise value. The critical advantage of the port to trading partners, to state, regional, national, and global stakeholders, along with other users along the supply chain, is providing direct access to efficient highway and rail transportation networks, as well as a regional market consisting of 23 million consumers.



The 2018 Budget projects 3.9 million containers (6.6 million TEU), an increase of 7% above the 2017 Budget.

### Staffing

Port has a total of 200 positions: 185 permanent and 15 temporary. Permanent employees manage, maintain, market, and provide capital support across the department and on behalf of the maritime facilities. The temporary employees support short-term and seasonal workloads.

### Operations (19)

The operations staff at the New Jersey Marine Terminals (11) and New York Marine Terminals (2) ensure that the berths, waterways, roadways, rail facilities, multi-tenant properties, and common utilities are operated in a manner that allows for the safe and efficient movement of international cargo to and from Port facilities. Staff oversee and administer terminal properties, and ensure compliance with all security regulations and preparedness for multi-hazards. An additional (6) positions provide centralized operations support to all facilities.

### Maintenance (96)

The maintenance staff at the New Jersey Marine Terminals (72) and New York Marine Terminals (24) maintain the marine terminals and port system, and ensure compliance with applicable codes and regulations.

### Management (85)

Management and administrative staff support the operations and maintenance of facilities, including capital program delivery, asset management, waterways management, cargo and revenue management, strategic

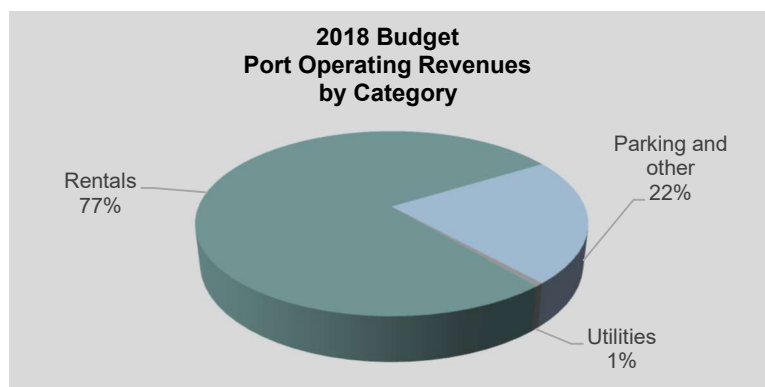
analysis, maintenance of industry relations, port productivity and strategic planning, financial functions, port security and emergency management programs, environmental programs management, facility and rail management and department-wide management oversight and administrative services.

### 2018 Operating Revenues

Port's 2018 Operating Revenue Budget of \$301 million is \$18 million, or 6.2%, higher than the 2017 Budget.

Rental revenues are the main source of revenue, and correspond to fixed rentals (facility leases) from various agreements, located at Port facilities, and percentage rents derived from container and other activity. Rental revenues are increasing by \$11 million compared to the 2017 Budget, mainly due to scheduled escalations of ground rent for current agreements, as well as additional revenues from new agreements for leaseholds throughout Port facilities.

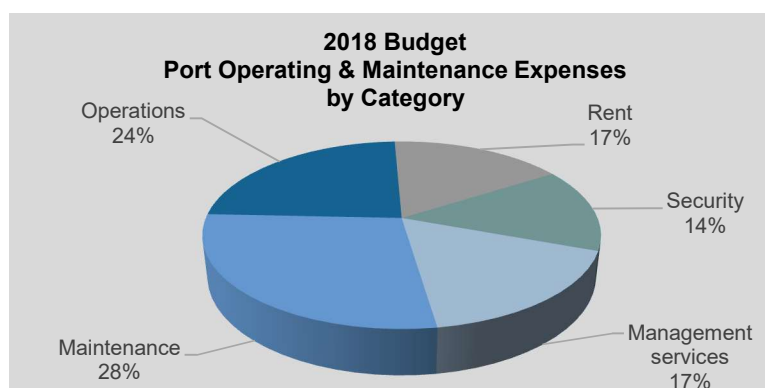
Parking and other fees are increasing by \$6 million compared to the 2017 Budget. Parking and other includes revenues collected from the Cargo Facility Charges of \$35 million. The remaining revenue is mainly for dockage and wharfage fees and tenant parking.



Port Operating Revenues by Category				
(in thousands)	2016 Actual	2017 Budget	2017 Estimate	2018 Budget
Rentals	\$215,850	\$221,809	\$225,695	<b>\$233,017</b>
Parking and other	82,118	59,877	62,120	<b>66,206</b>
Utilities	2,601	1,862	1,885	<b>1,838</b>
Total Operating Revenues	\$300,569	\$283,548	\$289,700	<b>\$301,061</b>

### 2018 Operating Expense Budget

Port's 2018 Operating Expense Budget of \$165 million is \$16 million, or 8.6%, lower than the 2017 Budget.



Port Operating Expenses by Category				
(in thousands)	2016 Actual	2017 Budget	2017 Estimate	2018 Budget
Operations	\$31,914	\$36,589	\$35,606	<b>\$37,101</b>
Security	24,269	23,979	23,458	<b>22,965</b>
Maintenance	51,778	54,975	44,682	<b>44,140</b>
Management services	25,044	30,435	34,975	<b>26,788</b>
Rent	25,689	26,073	25,681	<b>25,609</b>
Sub-total Operating & Maintenance	158,694	172,051	164,402	<b>156,603</b>
Allocated	9,030	8,581	9,127	<b>8,434</b>
Total Operating Expenses	\$167,724	\$180,632	\$173,529	<b>\$165,037</b>

### 2018 Operating Expense Budget Highlights

The 2018 Operating Expense Budget provides for maintenance of Port facilities, including berth dredging and fender repairs, as well as key environmental initiatives, while adopting best practices to provide safe and reliable facility operations. The big driver in the reduction of Operating Expenses in the 2018 Budget is a reduction of \$10 million for the transfer of responsibility for federal maintenance dredging to the US Army Corps of Engineers, per the Water Resources Reform and Development Act (WRRDA). In addition, security spending benefits from improved efficiencies realized by more regular time officers replacing overtime.

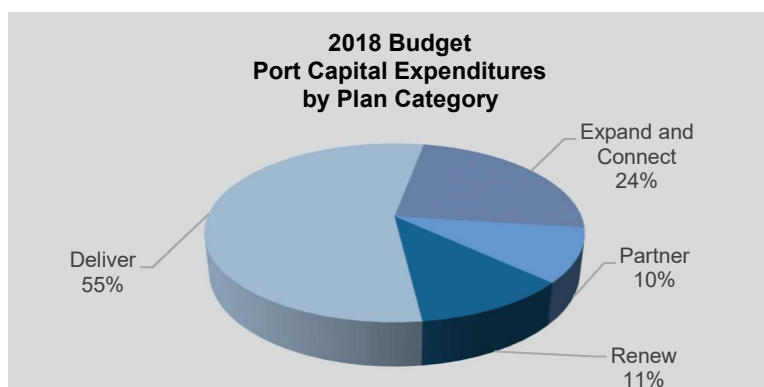
The 2018 Operating Budget includes resources for the implementation of an Enterprise Asset Management System and augmentation of maintenance routines at all facilities; environmental initiatives, including the clean vessel program and a green cargo handling equipment pilot; the ongoing truck replacement program; and the completion of the Port's Master Plan initiative that will establish a 30-year roadmap to inform the strategic direction of the maritime franchise and identify projects and programs that will increase operational efficiency, optimize land-use utilization, accommodate anticipated cargo growth, and promote facility resiliency in the face of climate change and expected rise in sea levels.

### 2018 Capital Budget Overview

Port's 2018 Capital Budget of \$170 million includes \$93 million for projects that are currently in the construction phase of the capital project life-cycle, including \$54 million for the development of the Intermodal Container Transfer Facility at Greenville yard at the Port Jersey Marine Terminal.

Another \$41 million will be used for Expand and Connect projects including construction of support tracks at Greenville

Yard. A total of \$19 million will be spent on Renew projects, which include key projects to maintain port facilities in a state of good repair. This includes \$5 million for priority marine rehabilitation of various berths at Elizabeth-Port Authority Marine Terminal, \$1 million for wharf repairs at Brooklyn-Port Authority Marine Terminal, and \$1 million for rail track repairs at Port Jersey-Port Authority Marine Terminal.



2018 Port Net Capital Expenditures by Facility				
(in thousands)	2016 Actual	2017 Budget*	2017 Estimate	2018 Budget
Port Newark	\$56,077	\$37,240	\$32,941	<b>\$24,751</b>
Elizabeth-PA Marine Terminal	17,810	12,154	427	<b>21,614</b>
Brooklyn-PA Marine Terminal	1,897	680	1,356	<b>2,141</b>
Red Hook Container Terminal	-	299	-	<b>468</b>
Howland Hook Marine Terminal	22,607	12,489	2,869	<b>13,895</b>
NJ Marine Development	-	17,638	4,476	<b>12,550</b>
Greenville Yard/ NY and NJ Rail, LLC	25,203	36,476	24,940	<b>37,025</b>
Port Jersey-PA Marine Terminal	10,293	32,727	19,494	<b>57,290</b>
Total Net Capital Expenditures	\$133,887	\$149,703	\$86,503	<b>\$169,734</b>

Note: Capital investment includes capitalized interest expense.

\* Amended to reflect the 2017-2026 Capital Plan adopted by the Board in February 2017.

2018 Capital Budget - Significant Projects: Port (in thousands)		
Project Title & Description	Operational Impacts	2018 Budget
<b>Express Rail Intermodal Container Transfer Facility at Greenville Yard:</b> Construct a new state-of-the-art intermodal rail facility at Global Marine Terminal's Port Jersey facility at Global Container Terminals Bayonne LP. Completion of Northern lead track in Greenville A Yard is expected in 2018 with full project completion by 2020.	Improve the flow of goods to and from the Port of New York and New Jersey and in accordance with the lease agreement with Global Container Terminals Bayonne LP.	\$53,858
<b>Installation of Support Tracks:</b> Provides for installation of tracks at Greenville Yard to facilitate efficient movement of cargo. Completion of Cross Harbor North Support Track is anticipated in 2018 with full project completion by 2020.	Create cross harbor rail capacity to stage trains for efficient barge operation.	\$19,286
<b>Improvements to Port Street Corridor:</b> Planning, design and construction of street improvements at Port Newark, including paving, utilities, and traffic signalization.	Improve roadway safety, reducing vehicular accidents and increases roadway capacity.	\$4,919
<b>Upgrade of Pavement Sub-Grade at Howland Hook Marine Terminal:</b> Provides for excavation and replacement of approximately 6 acres of pavement subgrade where sinkholes have been appearing at Howland Hook Marine Terminal and re-pavement of the same area.	Restore port container operation for full utilization of the tenant's leased area.	\$13,895
<b>Cross Harbor Freight Movement Program – Tier II Environment Review:</b> Examine the financial, economic, environmental, and social impacts of two preferred alternatives developed in Tier I: the Enhanced Railcar Float Alternative and the Freight Rail Tunnel Alternative.	Improve the movement of regional goods by enhancing the transportation of freight across the New York / New Jersey Harbor.	\$6,813

### 2018 Projected Free Cash Flow by Facility

A Free Cash Flow statement represents the cash that a facility is able to generate after monies required to operate, maintain, or expand its asset base are considered. The following table details 2018 projected free cash flow by facility.

2018 Port Projected Free Cash Flow							
<i>(in thousands)</i>	Gross Operating Revenues	O&M Expenses	Allocated Expenses	EBIDA	Grants, Contributions & PFC	Capital Expenditures	2018 Free Cash Flow
Port Newark	\$85,757	\$75,415	\$4,508	\$5,834	\$2,356	\$24,751	<b>(\$16,561)</b>
Elizabeth-PA Marine Terminal	152,359	24,762	1,804	125,793	48	21,614	<b>104,227</b>
Brooklyn-PA Marine Terminal	6,072	11,167	796	(5,891)	714	2,141	<b>(7,318)</b>
Red Hook Container Terminal	1,865	7,456	265	(5,856)	-	468	<b>(6,324)</b>
Howland Hook Marine Terminal	18,308	10,262	265	7,781	-	13,895	<b>(6,114)</b>
NJ Marine Development	-	-	-	-	-	12,550	<b>(12,550)</b>
Greenville Yard New York & New Jersey Rail, LLC	5,593	5,773	-	(180)	23,065	37,025	<b>(14,140)</b>
Port Jersey-PA Marine Terminal	31,107	21,768	796	8,543	2,450	57,290	<b>(46,297)</b>
Total – Port	\$301,061	\$156,603	\$8,434	\$136,024	\$28,633	\$169,734	<b>(\$5,077)</b>

# World Trade Center (WTC)

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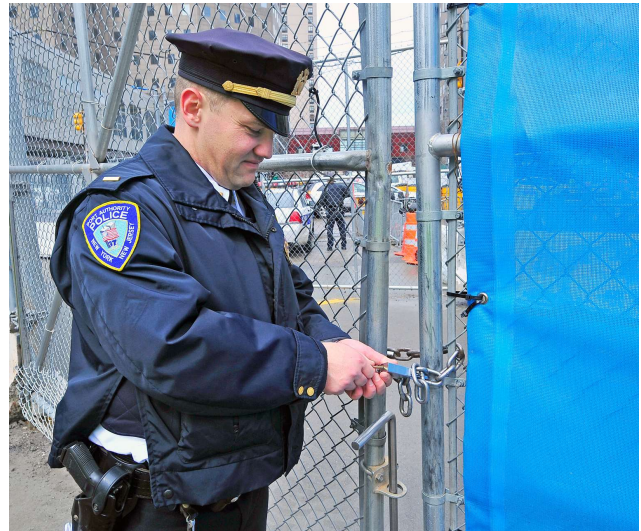
## Mission

WTC's mission is to operate, maintain, and promote the WTC Complex by overseeing regulatory guidelines, and by managing stakeholder relationships through open communication and teamwork, preserving the WTC's status as a landmark of international significance and world-class destination to be enjoyed by all.

## WTC Facilities

The WTC site is an internationally recognized complex that functions as a center of connection, business, culture, and remembrance. Comprised of approximately 16 acres, the redeveloped WTC Complex provides millions of square feet of commercial office space, retail space, public amenities, transportation, and other services. These facilities are either owned and operated by the Port Authority or operated by the respective stakeholders listed in parenthesis as follows:

- WTC Transportation Hub (Port Authority)
- Liberty Park (Port Authority)
- Vehicle Security Center and below-grade Vehicle Roadway Network (Port Authority)
- Critical site-wide infrastructure, including the Campus Security Plan Equipment, Central Chiller Plant, Generator Plant, and River Water Pump House (Port Authority)
- One WTC (joint venture with the Durst Organization)
- Office Towers: 3 WTC, 4 WTC, 7 WTC, and the future 2 WTC (net lease agreement with Silverstein Properties)
- WTC Retail (net leased to Westfield)
- 9/11 Memorial and Museum (National 9/11 Memorial & Museum at the WTC Foundation)
- Future Perelman Center for the Performing Arts (Perelman Center)
- Future Saint Nicholas Greek Orthodox National Shrine (The Greek Orthodox Archdiocese of America and The Hellenic Eastern Orthodox Church of Saint Nicholas of the Downtown Part of the City of New York)
- Future WTC Site 5 (development site to be transferred to the Port Authority under agreement with Lower Manhattan Development Corporation)



**Left:** A critical infrastructure link, the World Trade Center Transportation Hub represents the most integrated network of underground connections in New York City. **Right:** Port Authority Police officers protect the agency's transportation facilities and the millions of customers who use them each year.



### Core Functions

- Operate and maintain all Port Authority spaces at the site, including public areas and key critical infrastructure, including the WTC Transportation Hub.
- Oversee site-wide processes and functions, including compliance with applicable agency-wide guidelines, codes, rules, and regulations.
- Maintain WTC Campus Security Plan equipment, and manage WTC Campus credentialing functions in coordination with WTC Security, PAPD, and NYPD.
- Complete the design and construction of the various projects at the site, including remaining components of the retail complex (in coordination with private development partners), the Vehicle Security Center, certain core site infrastructure, and other necessary capital and operating projects.
- Negotiate, implement, and manage business partner agreements and stakeholder relationships to maximize the value of WTC.

### Staffing

WTC has a total of 145 positions: 113 permanent and 32 temporary. Permanent employees manage, maintain, market and provide capital support across the department. Temporary employees support short-term workload and support capital projects.

### Capital (112)

Capital staff are dedicated to delivering Major Capital Projects including the rebuilding of the WTC Site. Functions include managing design guidelines and contracts, and overseeing numerous on-site construction managers and contractors.

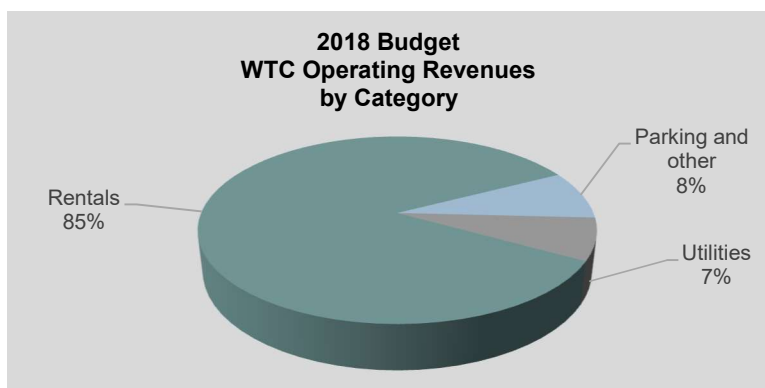
### Management (33)

Management and administrative staff to handle real estate and business relationships, property and revenue management, as well as other planning and financial functions.

### 2018 Operating Revenues

WTC's 2018 Operating Revenue Budget of \$304 million is \$29 million, or 10.5%, higher than the 2017 Budget.

The main components of WTC revenue are rentals, which are increasing by \$16 million primarily based on higher occupancy of One WTC.

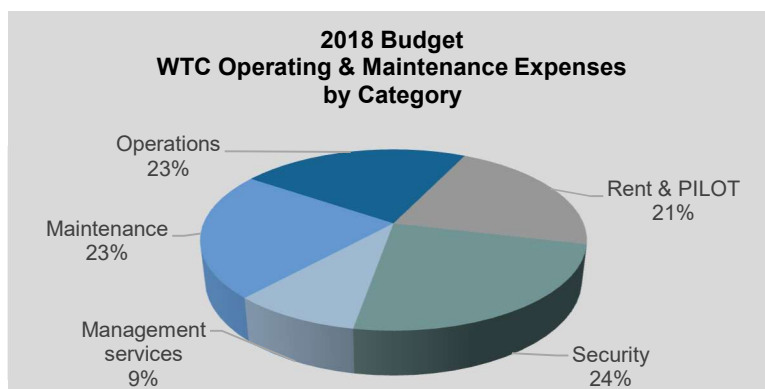


WTC Operating Revenues by Category				
(in thousands)	2016 Actual	2017 Budget	2017 Estimate	2018 Budget
Rentals	\$217,590	\$240,197	\$237,404	<b>\$256,566</b>
Parking and other	22,423	21,592	23,439	<b>25,319</b>
Utilities	12,073	13,247	18,132	<b>22,076</b>
Total Operating Revenues	\$252,086	\$275,036	\$278,975	<b>\$303,961</b>

### 2018 Operating Expenses

WTC's 2018 Operating Expense Budget of \$372 million is \$39 million, or 11.7%, higher than the 2017 Budget driven by the phasing of new facilities and increased activity at the site.

The 2018 Operating Budget includes Port Authority related operating expenses, the major components of which are site-wide operating cost, security and One WTC operating expense.



WTC Operating Expenses by Category				
(in thousands)	2016 Actual	2017 Budget	2017 Estimate	2018 Budget
Operations	\$90,340	\$79,222	\$70,690	<b>\$82,478</b>
Security	68,481	80,118	75,557	<b>87,522</b>
Maintenance	34,988	71,064	71,718	<b>82,173</b>
Management services	33,270	28,635	33,001	<b>32,790</b>
Rent & PILOT	57,163	65,348	61,275	<b>77,835</b>
Sub-total Operating & Maintenance	284,242	324,387	312,241	<b>362,798</b>
Allocated	9,622	8,941	9,315	<b>9,555</b>
Total Operating Expenses	\$293,864	\$333,328	\$321,556	<b>\$372,353</b>

The 2018 Operating Expense Budget includes:

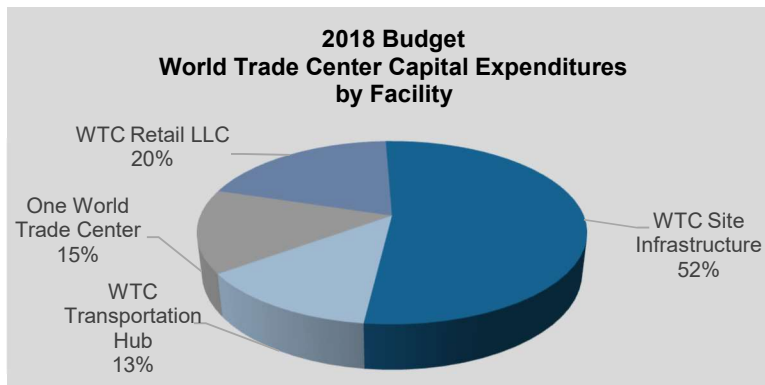
- Increase in One WTC expenses associated with higher occupancy including, brokers' commissions and cleaning and janitorial expenses.
- Higher utilities expenses to support increased occupancy.
- Increase in site-wide costs to provide additional routine and major maintenance.
- Higher PILOTs to New York City reflecting Tower 3 completion in 2018 (offset by increased revenue in 2018 and future years).



- Increase in security costs for expanded security guard coverage, maintenance for new security systems coming on-line, and police supervisors to improve span of control.

### 2018 Capital Budget Overview

WTC's 2018 Capital Budget of \$602 million will focus on Deliver projects, providing \$580 million to complete projects already in construction. Significant Deliver projects include \$118 million to continue the development of retail space, and \$56 million for the West Bathtub Vehicular Access. In addition, expenditures will focus on improving the base building at One WTC, implementing a flood resiliency program for the site, and continuing to close-out construction of the WTC Transportation Hub.



A total of \$9 million of Expand and Connect projects is slated to expand and improve the connectivity of the site. Another \$14 million of Renew projects are allocated to maintain assets in a state of good repair.

WTC Net Capital Expenditures by Facility				
(in thousands)	2016 Actual	2017 Budget*	2017 Estimate	2018 Budget
WTC Site Infrastructure	\$201,577	\$236,428	\$150,670	<b>\$315,838</b>
WTC Transportation Hub	236,072	63,888	61,632	<b>78,608</b>
WTC Retail, LLC	121,291	106,555	62,573	<b>118,010</b>
One World Trade Center	136,750	95,711	82,360	<b>88,742</b>
WTC Tower 2, 3, & 4	386,980	6,136	355	<b>1,294</b>
Total Net Capital Expenditures	\$1,082,670	\$508,718	\$357,590	<b>\$602,492</b>

Note: Capital investment includes capitalized interest expense.

\* Amended to reflect the 2017-2026 Capital Plan adopted by the Board in February 2017.

## World Trade Center (WTC)

### 2018 Capital Budget - Significant Projects: World Trade Center *(in thousands)*

Project Title & Description	Operational Impacts	2018 Budget
<b>WTC Vehicular Safety Center (VSC) and Other Site Infrastructure:</b> Construct a secure screening facility for buses, trucks, and cars entering the WTC site and other site infrastructure projects.	Provide comprehensive security screening for vehicles entering the WTC site.	\$275,098
<b>WTC Retail:</b> Develop and complete approximately 365,000 square feet of world-class retail and restaurant space.	Support the revival of Lower Manhattan's economy and contribute to economic growth in the region.	\$118,010
<b>One World Trade Center:</b> Leasing, marketing, and base building improvements	Facilitate the lease of One WTC office space.	\$74,742
<b>WTC Transportation Hub:</b> Construction of a new 800,000 square feet facility that will provide access to 11 subway lines, PATH, ferries, WTC retail, and a range of amenities.	Provide increased capacity to accommodate over 200,000 daily commuters.	\$78,608

### 2018 Projected Free Cash Flow by Facility

A Free Cash Flow statement represents the cash that a facility is able to generate after monies required to operate, maintain, or expand its asset base are considered. The following table details 2018 projected free cash flow by facility.

### 2018 WTC Projected Free Cash Flow

<i>(in thousands)</i>	Gross Operating Revenues	O&M Expenses	Allocated Expenses	EBIDA	Grants, Contributions & PFC	Capital Expenditures	2018 Free Cash Flow
WTC Site	\$3,156	\$172,018	\$8,751	(\$177,613)	\$373	\$315,838	<b>(\$493,078)</b>
WTC Transportation Hub	-	-	-	-	20,000	78,608	<b>(58,608)</b>
WTC Retail, LLC	13,385	7,524	265	5,596	5,897	118,010	<b>(106,517)</b>
One World Trade Center	215,254	121,490	265	93,499	-	88,742	<b>4,757</b>
WTC 2, 3, 4, & 7	72,166	61,766	274	10,126	65,293	1,294	<b>74,125</b>
Total – WTC	\$303,961	\$362,798	\$9,555	(\$68,392)	\$91,563	\$602,492	<b>(\$579,321)</b>

# Real Estate & Development

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## Mission

Real Estate & Development's mission is to identify and leverage the value of Port Authority property and increase revenue opportunities, as well as enhance the productivity of Port Authority staff via an efficient and functional work environment.

## Real Estate & Development Facilities

The department oversees certain Port Authority properties, including Bathgate Industrial Park, Port Authority Industrial Park at Elizabeth, the Teleport and Waterfront Development (Queens West Waterfront Development Facility and the Hoboken South Waterfront Development Facility).

Also included are the Essex County Resource Recovery Facility and the Newark Legal and Communications Center. The Essex County Resource Recovery Facility is managed under a restructured operating agreement where the facility operator is responsible for all operating and capital expenditures. The beneficial interest in the net lease agreement of the Newark Legal and Communications Center has been transferred to the building tenant.

## Core Function

- Maximize Port Authority revenues by managing and operating Port Authority facilities, identifying opportunities in retail and industrial space leasing, managing the generation of revenues from agency-wide advertising, and investigating and negotiating the sale of non-core assets.
- Negotiate property acquisitions and other agreements to advance Port Authority capital projects and operating requirements, including appraisals, negotiations with various private owners and municipalities, right-of-entry agreements, and geotechnical and environmental examinations and relocations.
- Manage all Port Authority leased and owned office and operations property, coordinate all staff relocations, and provide space planning, design, and fit-out services.



**Left:** South Waterfront in Hoboken, NJ. The Port Authority's Waterfront Development program turns once deteriorated properties into assets through adaptive reuse. **Right:** Retail, food and beverage and service opportunities provide high-quality concession offerings to customers who use Port Authority facilities.

### Staffing

Real Estate & Development has a total of 47 permanent positions performing an array of real estate functions that optimize the value of Port Authority assets and support other agency objectives.

### 2018 Operating Revenues

Real Estate & Development's 2018 Operating Revenue Budget of \$26 million is \$1 million, or 2.5%, lower than the 2017 Budget. Operating revenues are mainly comprised of fixed rentals and the resale of electricity.

Real Estate & Development Operating Revenues by Category				
<i>(in thousands)</i>	2016 Actual	2017 Budget	2017 Estimate	2018 Budget
Rentals	\$19,233	\$18,033	\$18,405	<b>\$18,292</b>
Parking and other	799	554	534	<b>587</b>
Utilities	5,924	7,642	6,141	<b>6,701</b>
Total Operating Revenues	\$25,956	\$26,229	\$25,080	<b>\$25,580</b>

### 2018 Operating Expenses

Real Estate & Development's 2018 total Operating Expense Budget of \$14 million is \$1 million, or 7.3%, lower than the 2017 Budget. The 2018 Budget provides funding for operating and maintaining the Real Estate & Development department's facilities, where the Port Authority earns revenues from rent and resale of electricity.

Real Estate & Development Operating Expenses by Category				
<i>(in thousands)</i>	2016 Actual	2017 Budget	2017 Estimate	2018 Budget
Operations	\$5,053	\$8,793	\$7,439	<b>\$8,024</b>
Security	667	813	767	<b>904</b>
Maintenance	2,493	2,581	2,609	<b>2,409</b>
Management services	790	837	832	<b>776</b>
Rent	1,577	1,912	1,759	<b>1,730</b>
Sub-total Operating & Maintenance	10,580	14,936	13,406	<b>13,843</b>
Allocated	273	13	278	<b>17</b>
Total Operating Expenses	\$10,853	\$14,949	\$13,684	<b>\$13,860</b>

### 2018 Capital Budget Overview

Real Estate & Development's 2018 Capital Budget funds completion of a mandatory Renew project at the Teleport.

Development Net Capital Expenditures by Facility				
<i>(in thousands)</i>	2016 Actual	2017 Budget*	2017 Estimate	2018 Budget
Teleport	\$1,569	\$522	\$948	\$24
Total Net Capital Expenditures	\$1,569	\$522	\$948	<b>\$24</b>

Note: Capital investment includes capitalized interest expense.

\* Amended to reflect the 2017-2026 Capital Plan adopted by the Board in February 2017.

### 2018 Projected Free Cash Flow by Facility

A Free Cash Flow statement represents the cash that a facility is able to generate after monies required to operate, maintain, or expand its asset base are considered. The following table details 2018 projected free cash flow by facility.

2018 Development Projected Free Cash Flow							
<i>(in thousands)</i>	Gross Operating Revenues	O&M Expenses	Allocated Expenses	EBIDA	Grants, Contributions & PFC	Capital Expenditures	2018 Free Cash Flow
Essex County Resource Recovery Facility	\$ -	\$133	\$ -	(\$133)	\$-	\$ -	<b>(\$133)</b>
Industrial Park at Elizabeth	1,216	69	-	1,147	-	-	<b>1,147</b>
Bathgate Industrial Park	4,020	1,963	4	2,053	-	-	<b>2,053</b>
Teleport	11,200	11,206	-	(6)	-	24	<b>(30)</b>
Newark Legal & Communications Center	-	106	-	(106)	-	-	<b>(106)</b>
Queens West Waterfront Development	997	-	-	997	-	-	<b>997</b>
Hoboken South Waterfront Development	8,147	366	13	7,768	-	-	<b>7,768</b>
Total – Real Estate & Development	\$25,580	\$13,843	\$17	\$11,720	\$-	\$24	<b>\$11,696</b>

## Staff Departments

The Port Authority has certain corporate departments that provide centralized management, advisory, technical, administrative, and capital planning support services to Port Authority facilities. Costs associated with these centralized services are allocated to operating facilities and capital projects on the basis of direct labor.

Allocated Expenses by Staff Department				
(in thousands)	2016 Actual	2017 Budget	2017 Estimate	2018 Budget
Chief, Capital Planning, Execution & Asset Management	\$2,231	\$1,487	\$1,567	<b>\$1,325</b>
Business Diversity and Civil Rights	4,968	5,356	5,168	<b>5,201</b>
Environmental & Energy Programs	4,096	5,175	5,632	<b>5,088</b>
Planning & Regional Development	4,768	4,618	4,635	<b>4,814</b>
Chief, Human Capital				
Human Resources	25,095	25,727	24,856	<b>25,357</b>
Labor Relations	3,222	2,281	2,601	<b>2,461</b>
Chief, Major Capital Projects / WTC Construction	4,113	1,954	2,076	<b>534</b>
Chief, Procurement & Contracting Officer	12,169	10,514	10,883	<b>10,681</b>
Chief, Public & Government Affairs	3	269	102	<b>272</b>
Government & Community Affairs	3,754	4,582	4,572	<b>4,376</b>
Media Relations	2,652	2,570	2,531	<b>2,830</b>
Marketing	5,121	4,394	4,503	<b>4,501</b>
Chief, Real Estate & Development	1,267	2,241	1,264	<b>1,943</b>
Real Estate & Development	18,327	14,405	14,875	<b>12,366</b>
Chief Technology Officer	85,304	84,510	84,114	<b>83,204</b>
Chief Engineer	1,590	1,648	1,612	<b>757</b>
Chief Financial Officer	2,724	3,885	3,913	<b>3,864</b>
Comptroller	11,005	11,596	11,598	<b>11,636</b>
Management & Budget	6,246	5,954	5,813	<b>5,853</b>
Financial Planning	1,483	2,560	2,465	<b>2,571</b>
Treasury	10,043	11,183	11,774	<b>13,144</b>
Chief Operating Officer	6,432	7,741	7,980	<b>8,622</b>
Operations Services	4,339	5,260	5,568	<b>5,030</b>
Executive Director	1,064	1,317	1,177	<b>1,559</b>
Deputy Executive Director	598	1,294	311	<b>1,255</b>
General Counsel / Law	25,385	22,451	20,745	<b>19,760</b>
Inspector General / Office of Investigations	10,592	9,206	9,306	<b>9,525</b>
Audit	10,225	9,727	9,780	<b>9,803</b>
Office of Continuous Improvement	5,294	938	963	<b>1,052</b>
Secretary	6,743	6,692	6,877	<b>6,880</b>
Other	(802)	(586)	(1,173)	<b>(1,077)</b>
Sub-total General Administrative	280,051	270,949	268,088	<b>265,187</b>
Allocated Expenses:				
Less General Administrative Allocated to Capital	41,174	47,416	17,798	<b>48,529</b>
General Administrative Allocated to Operations	238,877	223,533	250,290	<b>216,658</b>
Development Expenses Allocated to Operations	1,349	4,318	3,154	<b>4,346</b>
<b>Total Allocated Expenses to Operations</b>	<b>\$240,226</b>	<b>\$227,851</b>	<b>\$253,444</b>	<b>\$221,004</b>

Note: 2017 Budget includes restatements between departments.





# Capital Budget Summary

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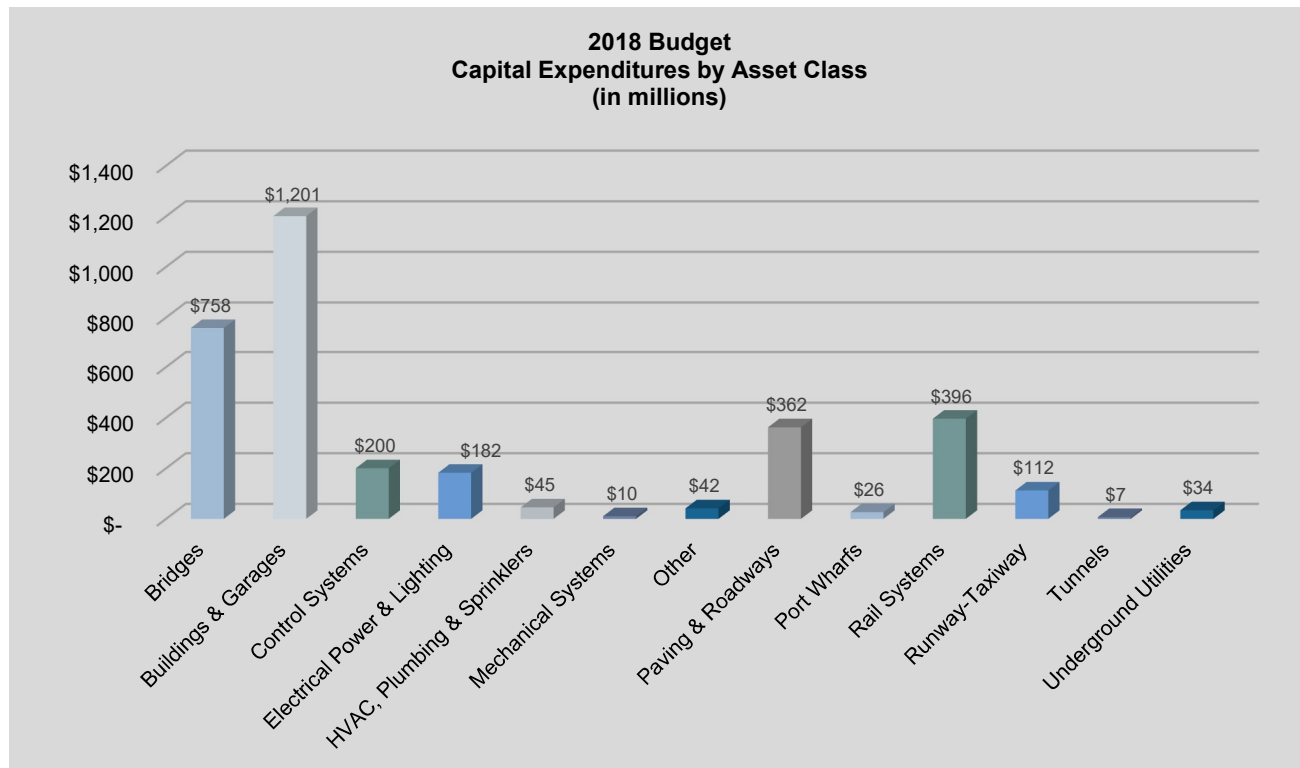


## Capital Project Listings

Outlined below is information on the 2018 spending on capital projects included in the Port Authority's 2017-2026 Capital Plan. For more information on the 2017-2026 Capital Plan visit <http://corpinfo.panynj.gov/pages/capital-plan/>.

The project categories and stage designations below support the capital project listing in the following section. For definitions of the project categories, refer to page 23.

Project Categories	Stage Designations
Renew	(Stage P) Planning
Expand and Connect	(Stage 1) Conceptual Design
Partner	(Stage 2) Preliminary Design
Deliver	(Stage 3) Contract Documents
	(Stage 4) Construction
	(Stage 5) Closeout Stage
	(Stage M1) Multiple Stages, Reporting Stage 1
	(Stage M2) Multiple Stages, Reporting Stage 2
	(Stage M3) Multiple Stages, Reporting Stage 3
	(Stage M4) Multiple Stages, Reporting Stage 4
	(Stage M5) Multiple Stages, Reporting Stage 5



# 2018 Capital Project Listing

Sorted by Department, Facility, and Project ID (\$in thousands)

Project ID	Title	Plan Category	Asset Category	Stage	2018 Budget
<b>DEPARTMENT: TUNNELS, BRIDGES &amp; TERMINALS</b>					
<b>CB02 - HOLLAND TUNNEL</b>					
CB02-040	REHABILITATION OF TUNNEL VENTILATION SYSTEM - MECHANICAL AND ELECTRICAL	Deliver	HVAC, Plumbing & Sprinklers	4	\$6,581
CB02-123	REPLACEMENT OF PIER 9 AND PIER 204	Deliver	Port Wharfs	M4	10,042
CB02-156	REPLACEMENT OF SUPERVISORY CONTROL SYSTEM	Renew	Control Systems	3	966
CB02-166	REPLACEMENT OF HVAC SYSTEM AT ADMINISTRATION AND SERVICE BUILDINGS	Deliver	HVAC, Plumbing & Sprinklers	4	32
CB02-175	REPLACEMENT OF BULKHEAD DOORS IN VENTILATION BUILDINGS	Renew	Buildings & Garages	3	399
CB02-180	REHABILITATION OF STAIR IN NEW YORK RIVER VENTILATION BUILDINGS	Deliver	Buildings & Garages	4	20
CB02-184	ENHANCEMENT OF ACCESS CONTROL SYSTEM	Deliver	Control Systems	4	22
CB02-193	REHABILITATION OF CONCRETE AND STEEL	Renew	Tunnels	P	422
CB02-195	REHABILITATION OF SUPPLY BLOWER PORTS	Deliver	Tunnels	4	4,315
CB02-202	REPLACEMENT OF TOLL COLLECTION SYSTEM	Renew	Control Systems	4	2,004
CB02-205	UPGRADE OF 800 MHZ SIMULCAST TRUNKED RADIO SYSTEM	Deliver	Control Systems	M4	131
CB02-207	REHABILITATION OF BRONZE DOORS AT SPRING STREET	Renew	Buildings & Garages	3	1,004
CB02-213	MITIGATION OF WATER LEAKAGE AT VENTILATION DUCTS AND MID-RIVER PUMP ROOM	Renew	Tunnels	4	2,170
CB02-217	REPLACEMENT OF ROOF AND PARAPET AT NEW YORK EMERGENCY GARAGE	Renew	Buildings & Garages	3	570
CB02-218	REHABILITATION AND REPLACEMENT OF HIGH VOLTAGE TRANSFORMERS	Renew	Electrical Power & Lighting	P	184
CB02-220	INSTALLATION OF ADDITIONAL SUPERVISORY CONTROL AT MID-RIVER PUMP ROOM	Renew	Control Systems	3	293
CB02-223	INSTALLATION OF ADDITIONAL MEANS OF EGRESS FOR NJ ADMINISTRATION BUILDING	Renew	Buildings & Garages	3	379
CB02-224	UPGRADE OF INTEGRATED TOLL COLLECTION SYSTEM	Deliver	Control Systems	4	571
CB02-225	MITIGATION OF LATENT SALT DAMAGE TO MECHANICAL, ELECTRICAL AND PLUMBING SYSTEMS	Partner	Electrical Power & Lighting	2	7,710
CB02-226	MITIGATION OF LATENT SALT DAMAGE	Partner	Electrical Power & Lighting	2	4,887
CB02-227	INSTALLATION OF AGENCY-WIDE TRANSPORTATION MANAGEMENT SOFTWARE	Renew	Control Systems	4	963
CB02-228	INSTALLATION OF EVASE STACK INSPECTION STRUCTURES	Renew	Buildings & Garages	4	493
CB02-229	HOLLAND TUNNEL VENTILATION BUILDINGS CAMERA INSTALLATION	Renew	Control Systems	P	184
CB02-235	ROOF REPLACEMENT AT NJ SERVICE GARAGE 1 AND NY NORTH TUBE SERVICE BUILDINGS	Renew	Buildings & Garages	3	386
<b>FACILITY TOTAL: CB02 - HOLLAND TUNNEL</b>					<b>44,728</b>
<b>CB03 - LINCOLN TUNNEL</b>					
CB03-093	REPAINTING OF TUNNEL VENTILATION FANS	Deliver	HVAC, Plumbing & Sprinklers	4	82
CB03-213	REPLACEMENT OF HELIX (PLANNING)	Renew	Paving & Roadways	1	6,500
CB03-231	REPLACEMENT OF VENTILATION LOUVERS IN NEW YORK VENTILATION BUILDINGS	Deliver	HVAC, Plumbing & Sprinklers	4	508
CB03-252	UPGRADE OF ACCESS CONTROL SYSTEM	Deliver	Control Systems	4	3
CB03-259	REHABILITATION OF PRIORITY STRUCTURAL COMPONENTS	Renew	Other-Misc	P	233
CB03-261	WATERSIDE BUFFER ZONE PROTECTION	Renew	Buildings & Garages	4	3,641
CB03-262	REPLACEMENT OF TOLL COLLECTION SYSTEM	Renew	Control Systems	4	3,152
CB03-264	REPLACEMENT OF HVAC SYSTEM AT ADMINISTRATION BUILDING - PHASE II	Renew	HVAC, Plumbing & Sprinklers	3	613
CB03-266	UPGRADE OF 800 MHZ SIMULCAST TRUNKED RADIO SYSTEM	Deliver	Control Systems	M4	124

# 2018 Capital Project Listing

Sorted by Department, Facility, and Project ID (\$in thousands)

Project ID	Title	Plan Category	Asset Category	Stage	2018 Budget
CB03-267	REHABILITATION OF PULASKI SKYWAY	Deliver	Bridges	M4	156,856
CB03-268	REPLACEMENT OF ROUTE 7 WITTPENN BRIDGE	Deliver	Bridges	M4	93,598
CB03-269	REPLACEMENT OF ROUTE 1 AND 9	Expand and Connect	Paving & Roadways	M3	36,237
CB03-273	REPLACEMENT OF EXISTING INTELLIGENT TRANSPORTATION SYSTEM	Renew	Control Systems	P	159
CB03-274	REPLACEMENT OF ABOVE-GROUND STORAGE TANKS	Renew	Other-Misc	P	485
CB03-276	REPLACEMENT OF SCADA SYSTEM	Renew	Control Systems	1	764
CB03-277	REPLACEMENT OF MECHANICAL AND ELECTRICAL VENTILATION EQUIPMENT	Renew	HVAC, Plumbing & Sprinklers	P	184
CB03-278	INSTALLATION AND REPLACEMENT OF OVER HEIGHT STRUCTURES AND DETECTORS AT NEW YORK ENTRANCE	Renew	Control Systems	3	2,742
CB03-284	UPGRADE OF INTEGRATED TOLL COLLECTION SYSTEM	Deliver	Control Systems	4	431
CB03-285	MITIGATION OF LATENT SALT DAMAGE TO MECHANICAL, ELECTRICAL AND PLUMBING SYSTEMS	Partner	Electrical Power & Lighting	3	941
CB03-286	MITIGATION OF LATENT SALT DAMAGE	Partner	Buildings & Garages	3	1,005
CB03-290	INSTALLATION OF AGENCY-WIDE TRANSPORTATION MANAGEMENT SOFTWARE	Renew	Control Systems	4	875
CB03-291	REHABILITATION AND RELOCATION OF LINCOLN TUNNEL HELIX GUIDERAIL AND MANHOLE COVER - PRIORITY REHABILITATION	Renew	Paving & Roadways	3	271
CB03-292	LINCOLN TUNNEL VENTILATION BUILDINGS CAMERA INSTALLATION	Renew	Control Systems	P	184
CB03-297	REPLACEMENT OF SIGNALS AT EASTBOUND 495 APPROACH	Renew	Paving & Roadways	3	392
CB03-298	REPLACEMENT OF HVAC SYSTEM AT THE ADMINISTRATION BUILDING - PHASE III	Renew	HVAC, Plumbing & Sprinklers	P	121
CB03-300	LINCOLN TUNNEL COMMUNICATION SYSTEM IMPROVEMENTS	Deliver	Other-Misc	4	2,219
<b>FACILITY TOTAL: CB03 - LINCOLN TUNNEL</b>					<b>312,320</b>
<b>CB04 - GEORGE WASHINGTON BRIDGE</b>					
CB04-132	REHABILITATION OF UNDERSIDE OF LOWER LEVEL STRUCTURE, PRIORITY STEEL REPAIR	Renew	Bridges	M4	5,221
CB04-258	IMPLEMENTATION OF FORT LEE STREET IMPROVEMENTS	Deliver	Paving & Roadways	4	1,381
CB04-260	REPLACEMENT OF TOLL COLLECTION SYSTEM	Renew	Control Systems	4	6,771
CB04-261	REHABILITATION OF UPPER LEVEL SPAN OVER NJ ANCHORAGE AND HUDSON TERRACE	Deliver	Bridges	M4	4,808
CB04-276	REHABILITATION OF 178TH & 179TH STREET RAMPS, BUS RAMPS, AND BUS TURNAROUND	Renew	Bridges	3	11,694
CB04-285	REPLACEMENT OF THE PALISADES INTERSTATE PARKWAY HELIX	Deliver	Bridges	4	15,624
CB04-288	REPLACEMENT OF MEDIAN BARRIERS AND TRAFFIC SAFETY IMPROVEMENTS	Renew	Paving & Roadways	3	1,592
CB04-310	REPLACEMENT OF CHILLER AT TOLL HOUSES	Renew	Other-Misc	P	311
CB04-364	REPLACEMENT OF HALON FIRE SUPPRESSANT SYSTEM IN ADMIN. BUILDING COMPUTER ROOM	Renew	Other-Misc	P	185
CB04-312	UPGRADE/REPLACEMENT OF SIGNS AND FIELD DEVICES	Renew	Control Systems	3	4,136
CB04-317	REHABILITATION OF CENTER AVE BRIDGE AND LEMOINE AVE BRIDGE	Renew	Bridges	3	3,214
CB04-318	UPGRADE OF ACCESS CONTROL SYSTEM	Deliver	Control Systems	4	2
CB04-319	REPLACEMENT OF SUSPENDER ROPES AND REHABILITATION OF MAIN CABLES	Renew	Bridges	4	78,303
CB04-328	UPGRADE OF FLAG HOIST SYSTEM ACCESS	Renew	Bridges	3	1,403
CB04-334	REHABILITATION OF HUDSON RAMPS COMPLEX - PHASE I	Renew	Bridges	P	903
CB04-335	REHABILITATION OF TRANSMANHATTAN EXPRESSWAY ELECTRICAL SYSTEM INCLUDING LIGHTING REPLACEMENT	Renew	Electrical Power & Lighting	P	244

# 2018 Capital Project Listing

Sorted by Department, Facility, and Project ID (\$in thousands)

Project ID	Title	Plan Category	Asset Category	Stage	2018 Budget
CB04-336	REHABILITATION OF TRANSMANHATTAN EXPRESSWAY OVERPASSES (PHASE 1)	Renew	Bridges	1	1,225
CB04-351	ACCESS RAMP BARRIER UPGRADES	Renew	Paving & Roadways	4	180
CB04-357	UPGRADE OF 800MHZ SIMULCAST TRUNKED RADIO SYSTEM	Deliver	Control Systems	M4	149
CB04-359	REHABILITATION OF SANITARY SEWER AT ADMIN BLDG. PARKING LOT	Renew	HVAC, Plumbing & Sprinklers	4	245
CB04-361	REHABILITATION OF FACILITY WIDE PRIORITY AREAS	Deliver	Bridges	4	1,425
CB04-362	REPAVING OF EASTBOUND UPPER LEVEL	Renew	Paving & Roadways	3	690
CB04-367	REPLACEMENT OF SCADA SYSTEM	Renew	Control Systems	P	213
CB04-377	UPGRADE OF INTEGRATED TOLL COLLECTION SYSTEM	Deliver	Control Systems	4	6,139
CB04-379	INSTALLATION OF AGENCY-WIDE TRANSPORTATION MANAGEMENT SOFTWARE	Renew	Control Systems	4	1,829
CB04-380	REHABILITATION OF BRIDGE MAIN SPAN UPPER LEVEL STRUCTURAL STEEL REHABILITATION (PHASE II)	Renew	Bridges	3	2,464
CB04-383	REHABILITATION OF LOW VOLTAGE POWER DISTRIBUTION SYSTEM	Renew	Electrical Power & Lighting	3	861
CB04-384	REPLACEMENT OF AUTOMATIC TRANSFER SWITCHES	Renew	Electrical Power & Lighting	4	60
CB04-390	REPLACEMENT OF ELECTRICAL FEEDER (PHASE II)	Renew	Electrical Power & Lighting	M4	2,243
CB04-391	INSTALLATION OF PEDESTRIAN SAFETY FENCING ON VARIOUS PARAPETS	Renew	Bridges	3	770
CB04-392	GWB NJ ADMIN BLDG. SPRINKLER SYSTEM REHAB.	Renew	Control Systems	1	453
CB04-EXP	PROVISION FOR EFFICIENCY AND PHASING - RESTORE THE GEORGE PROGRAM	Renew	Structure Rehabilitation	1	(41,000)
<b>FACILITY TOTAL: CB04 - GEORGE WASHINGTON BRIDGE</b>					<b>113,738</b>
<b>CB06 - BAYONNE BRIDGE</b>					
CB06-087	NAVIGATIONAL CLEARANCE PROGRAM	Deliver	Bridges	M4	270,758
CB06-113	REPLACEMENT OF TOLL COLLECTION SYSTEM	Renew	Control Systems	4	2,723
CB06-120	INSTALLATION OF AGENCY-WIDE TRANSPORTATION MANAGEMENT SOFTWARE	Renew	Control Systems	4	275
<b>FACILITY TOTAL: CB06 - BAYONNE BRIDGE</b>					<b>273,756</b>
<b>CB07 - GOETHALS BRIDGE</b>					
CB07-103	REPLACEMENT OF GOETHALS BRIDGE	Deliver	Bridges	4	82,817
CB07-145	CONSTRUCTION OF INTERCHANGE RAMPS	Expand and Connect	Bridges	1	1,607
CB07-149	REPLACEMENT OF TOLL COLLECTION SYSTEM	Renew	Control Systems	4	1,789
CB07-152	UPGRADE OF 800MHZ SIMULCAST TRUNKED RADIO SYSTEM	Deliver	Control Systems	M4	93
CB07-155	UPGRADE OF INTEGRATED TOLL COLLECTION SYSTEM	Deliver	Control Systems	4	315
CB07-156	INSTALLATION OF AGENCY-WIDE TRANSPORTATION MANAGEMENT SOFTWARE	Renew	Control Systems	4	275
CB07-157	GOETHALS BRIDGE MAINTENANCE PROGRAM - CAPITAL MAINTENANCE COST	Renew	Bridges	1	939
CB07-158	REPLACEMENT OF UNINTERRUPTIBLE POWER SUPPLY (UPS) SYSTEM	Renew	Electrical Power & Lighting	P	414
<b>FACILITY TOTAL: CB07 - GOETHALS BRIDGE</b>					<b>88,249</b>
<b>CB08 - OUTERBRIDGE CROSSING</b>					
CB08-083	REPLACEMENTS OF HVAC UNITS AND ROOF - TOLL CANOPY	Deliver	HVAC, Plumbing & Sprinklers	4	13
CB08-104	PRIORITY STRUCTURAL REHABILITATION	Renew	Other-Misc	P	558

# 2018 Capital Project Listing

Sorted by Department, Facility, and Project ID (\$in thousands)

Project ID	Title	Plan Category	Asset Category	Stage	2018 Budget
CB08-109	MAIN SPAN PIER & FENDER UPGRADES	Renew	Bridges	3	5,863
CB08-110	REPLACEMENT OF TOLL COLLECTION SYSTEM	Renew	Control Systems	4	1,580
CB08-112	REPLACEMENT OF ROOF AT TOLL HOUSE BUILDING	Renew	HVAC, Plumbing & Sprinklers	3	961
CB08-117	UPGRADE OF INTEGRATED TOLL COLLECTION SYSTEM	Deliver	Control Systems	5	217
CB08-118	INSTALLATION OF AGENCY-WIDE TRANSPORTATION MANAGEMENT SOFTWARE	Renew	Control Systems	4	414
CB08-119	REPLACEMENT OF UNINTERRUPTIBLE POWER SUPPLY SYSTEM	Renew	Electrical Power & Lighting	4	45
<b>FACILITY TOTAL: CB08 - OUTERBRIDGE CROSSING</b>					<b>9,651</b>
<b>CB48 - GEORGE WASHINGTON BRIDGE BUS STATION</b>					
CB48-065	INSTALLATION OF AGENCY-WIDE TRANSPORTATION MANAGEMENT SOFTWARE	Renew	Control Systems	4	166
<b>FACILITY TOTAL: CB48 - GEORGE WASHINGTON BRIDGE BUS STATION</b>					<b>166</b>
<b>CT06 - PORT AUTHORITY BUS TERMINAL</b>					
CT06-120	REPLACEMENT OF BUILDING AUTOMATED MONITORING & CONTROL SYSTEM	Deliver	Control Systems	4	106
CT06-199	REPLACEMENT OF FIRE PUMPS	Deliver	HVAC, Plumbing & Sprinklers	4	431
CT06-200	SUPPLEMENTAL FIRE ALARM SYSTEM	Renew	Control Systems	M4	3,527
CT06-202	REPLACEMENT OF PRIMARY ELECTRIC SERVICE	Deliver	Electrical Power & Lighting	4	4,524
CT06-212	REHABILITATION OF ESCALATORS	Renew	Buildings & Garages	3	1,041
CT06-230	REPLACEMENT OF SOUTH WING HVAC UNITS AND ASSOCIATED ELECTRICAL DISTRIBUTION SYSTEM	Deliver	HVAC, Plumbing & Sprinklers	4	4,837
CT06-239	INTERNAL STRUCTURAL ENHANCEMENTS	Renew	Buildings & Garages	3	7,258
CT06-241	UPGRADE CCTV SURVEILLANCE EQUIPMENT	Deliver	Control Systems	M5	15
CT06-246	UPGRADE OF ACCESS CONTROL SYSTEM	Deliver	Control Systems	4	2
CT06-259	REPLACEMENT OF NORTH WING STANDING BUS LANE WEARING COURSE	Renew	Paving & Roadways	3	218
CT06-266	UPGRADE OF 800MHZ SIMULCAST TRUNKED RADIO SYSTEM	Deliver	Control Systems	M4	163
CT06-267	MODIFICATIONS OF ROOM VIDEO PROCESSING EQUIPMENT	Deliver	Buildings & Garages	3	247
CT06-268	REPLACEMENT OF SPRINKLER SYSTEM	Renew	HVAC, Plumbing & Sprinklers	1	928
CT06-269	REHABILITATION OF EMERGENCY EGRESS DOORS	Renew	Buildings & Garages	P	882
CT06-274	IMPLEMENTATION OF SOUTH WING MISCELLANEOUS LEAK REPAIRS	Renew	Buildings & Garages	3	1,419
CT06-275	REPLACEMENT OF VISUAL PAGING SYSTEM AND MASTER CLOCK SYSTEM	Renew	Control Systems	4	3,977
CT06-276	REHABILITATION OF ELEVATORS	Renew	Buildings & Garages	3	1,601
CT06-277	REPLACEMENT OF CEILING SLATS	Deliver	Buildings & Garages	4	999
CT06-278	IMPLEMENTATION OF ON/OF BUS TRACKING SYSTEM AND SOFTWARE	Deliver	Control Systems	M4	128
CT06-281	ENHANCEMENT OF BUILDING ENTRANCES AND REPLACEMENT OF ENTRANCE/EXIT DOORS	Deliver	Buildings & Garages	M4	2,761
CT06-283	INSTALLATION OF AGENCY-WIDE TRANSPORTATION MANAGEMENT SOFTWARE	Renew	Control Systems	4	175
CT06-285	REPLACEMENT OF PORT AUTHORITY BUS TERMINAL	Expand and Connect	Buildings & Garages	P	55,000
CT06-289	REHABILITATION OF PRIORITY CONCRETE (PHASE II)	Renew	Buildings & Garages	3	367
CT06-290	REPLACEMENT OF TERMINAL DRAINAGE SYSTEM	Renew	HVAC, Plumbing & Sprinklers	1	391
CT06-291	REPLACEMENT OF ELECTRIC PANELS	Renew	Electrical Power & Lighting	4	1,198

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Project ID	Title	Plan Category	Asset Category	Stage	2018 Budget
CT06-292	REPLACEMENT OF BUS RAMP HEATING CONTROLS (SNOW MELTING)	Renew	Control Systems	P	208
CT06-293	STRAND REPLACEMENT OF PARKING LEVEL TRUSS #1	Renew	Buildings & Garages	1	1,531
CT06-294	REHABILITATION OF SANITARY DRAINAGE SYSTEM	Renew	HVAC, Plumbing & Sprinklers	P	893
CT06-295	TRANSFERRAL OF ELECTRICAL LOADS FROM SERVICE ROOM#2	Renew	Electrical Power & Lighting	3	543
CT06-296	REPLACEMENT OF SOVALOID SYSTEM	Renew	Control Systems	P	151
CT06-297	MODIFICATIONS TO CONDENSER WATER SYSTEM	Renew	HVAC, Plumbing & Sprinklers	P	97
CT06-298	REHABILITATION OF PRIORITIZED CONCRETE AND MASONRY	Renew	Buildings & Garages	1	556
CT06-299	INSTALLATION OF FIRE SPRINKLER HYDRO PNEUMATIC TANKS	Renew	HVAC, Plumbing & Sprinklers	1	278
CT06-300	REHABILITATION OF HVAC BALANCING AND DUCTWORK	Renew	HVAC, Plumbing & Sprinklers	P	683
CT06-301	NEW ESCALATOR FROM SOUTH WING LOWER LEVEL TO SUBWAY MEZZANINE	Renew	Buildings & Garages	3	4,971
CT06-302	CONSTRUCTION OF SAW TOOTH GATES 35 & 36 AND RELATED INFRASTRUCTURE	Renew	Paving & Roadways	M3	6,451
CT06-303	RESTORE ELEVATOR LOBBY AND INSTALL STAIR	Renew	Buildings & Garages	M3	5,550
CT06-304	REHABILITATION OF ROOF FLASHING AT NORTH WING AND SOUTH WING	Renew	Buildings & Garages	P	316
CT06-306	REHABILITATION OF WEARING COURSE FOR LOWER LEVEL, PARTIAL 3RD AND 4TH FLOOR BUS LEVEL	Renew	Paving & Roadways	1	2,350
CT06-307	PRESERVATION OF PARKING LEVEL TRUSS	Renew	Buildings & Garages	P	755
<b>FACILITY TOTAL: CT06 - PORT AUTHORITY BUS TERMINAL</b>					<b>117,528</b>
<b>DEPARTMENT TOTAL: TUNNELS, BRIDGES &amp; TERMINALS</b>					<b>960,136</b>

## DEPARTMENT: PATH

### CR02 - PATH

CR02-150	IMPLEMENTATION OF SIGNAL REPLACEMENT PROGRAM	Deliver	Control Systems	4	71,155
CR02-212	IMPLEMENTATION OF TIE REPLACEMENT PROGRAM	Deliver	Rail Systems	4	3,741
CR02-233	CONSTRUCTION AND RELOCATION OF SUBSTATION #2	Renew	Electrical Power & Lighting	M1	2,141
CR02-258	IMPLEMENTATION OF TURNOUT REPLACEMENT PROGRAM (PHASE 3)	Deliver	Rail Systems	M4	446
CR02-259	IMPLEMENTATION OF CONTINUOUS WELDED RAIL PROGRAM	Deliver	Rail Systems	4	3,795
CR02-261	IMPLEMENTATION OF CONTACT RAIL PROGRAM	Deliver	Rail Systems	4	3,284
CR02-290	CONSTRUCTION OF PATH RAIL EXTENSION TO NEWARK LIBERTY RAIL LINK STATION	Expand and Connect	Rail Systems	1	15,000
CR02-328	IMPLEMENTATION OF TUNNEL TRACK AND DRAINAGE PROGRAM	Deliver	Rail Systems	4	1,557
CR02-336	REPLACEMENT AND UPGRADE OF CHRISTOPHER ST SUBSTATION	Deliver	Electrical Power & Lighting	M4	4,966
CR02-345	CLOSEOUT OF PURCHASE OF PA-5 RAILCARS	Deliver	Rail Systems	4	5,109
CR02-358	IMPLEMENTATION OF RESTRAINING RAIL PROGRAM	Deliver	Rail Systems	4	913
CR02-378	REPLACEMENT OF SUBSTATION #8	Partner	Electrical Power & Lighting	3	1,767
CR02-382	INSTALLATION OF CONTACT THIRD RAIL HEATERS FROM GRAPE TO NEWARK	Deliver	Rail Systems	4	1,117
CR02-384	UPGRADE OF SOUTH STREET COMPRESSOR	Partner	Rail Systems	3	1,049
CR02-418	REPLACEMENT OF 15KV AND 27KV CABLES AT SUBSTATION #2 AND #15	Deliver	Electrical Power & Lighting	4	515



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Project ID	Title	Plan Category	Asset Category	Stage	2018 Budget
CR02-419	UPGRADE OF FIRE ALARM SYSTEM	Renew	Control Systems	3	11,166
CR02-421	REHABILITATION OF TUNNEL ELECTRICAL LIGHTING SYSTEM	Renew	Electrical Power & Lighting	1	996
CR02-434	INSTALLATION OF STANDBY GENERATOR INFRASTRUCTURE	Deliver	Electrical Power & Lighting	4	915
CR02-439	INSTALLATION OF NETWORK MANAGEMENT SYSTEM	Deliver	Control Systems	4	774
CR02-457	PATH RAILCAR FLEET EXPANSION (CBTC)	Expand and Connect	Rail Systems	P	17,635
CR02-458	REPLACEMENT AND UPGRADE OF HARRISON STATION	Deliver	Rail Systems	M4	38,917
CR02-462	REPLACEMENT OF SUBSTATION #7	Partner	Electrical Power & Lighting	4	15,815
CR02-463	REPLACEMENT OF SUBSTATION #9	Partner	Electrical Power & Lighting	4	11,391
CR02-477	IMPLEMENTATION OF HARRISON YARD SPECIAL TRACK WORK	Deliver	Rail Systems	4	454
CR02-496	ACQUISITION, REMEDIATION & DEMOLITION OF PROPERTY AT HARRISON STATION	Deliver	Rail Systems	M4	1,425
CR02-501	REPLACEMENT OF REVOLVING AND PIVOT ENTRY DOORS AT NEWPORT STATION	Deliver	Other-Misc	3	653
CR02-502	INSTALLATION OF TACTILE STRIP AND RUBBING BOARD AT NEW YORK UPTOWN STATIONS	Renew	Rail Systems	4	276
CR02-505	RESTORATION OF FACADE AND ROOF AT CHRISTOPHER STREET SUBSTATION #1	Renew	Buildings & Garages	3	467
CR02-507	UPGRADE OF FIRE SUPPRESSION SYSTEM	Renew	HVAC, Plumbing & Sprinklers	3	802
CR02-511	REPLACEMENT OF VENT LOUVERS AT SUBSTATION #4	Renew	Buildings & Garages	3	341
CR02-513	REHABILITATION OF SUBSTATION #2A TO PREVENT WATER INFILTRATION	Renew	Buildings & Garages	3	484
CR02-514	REPLACEMENT OF THE ROOF AT EXCHANGE PLACE SUBSTATION #4	Renew	Buildings & Garages	3	826
CR02-516	REPLACEMENT OF MITER RAILS HACKENSACK RIVER BRIDGE	Deliver	Rail Systems	4	2,813
CR02-518	REPLACEMENT OF SWITCHING STATION NO. 6	Deliver	Electrical Power & Lighting	4	1,699
CR02-520	CENTRAL VACUUM SYSTEM UPGRADE AT HARRISON CAR MAINTENANCE FACILITY TRACKS 5 & 6	Renew	HVAC, Plumbing & Sprinklers	3	1,063
CR02-521	REPLACEMENT OF HIGH MAST LIGHTING AT HARRISON CAR MAINTENANCE FACILITY	Renew	Electrical Power & Lighting	3	815
CR02-527	REPLACEMENT OF IN-GROUND LIFTS AT HARRISON CAR MAINTENANCE FACILITY	Deliver	Buildings & Garages	4	7,323
CR02-529	REPLACEMENT OF TRACKSIDE CIRCUIT BREAKERS	Renew	Electrical Power & Lighting	P	368
CR02-530	REPLACE AND INSTALL NEW 5-TON CRANE AT D YARD	Renew	Other-Misc	3	1,235
CR02-535	REPLACEMENT OF SCADA PROGRAMMABLE LOGIC CONTROLLERS AND INTERFACE EQUIPMENT	Renew	Control Systems	3	1,451
CR02-536	IMPLEMENTATION OF PA-5 OVERHAUL PROGRAM	Renew	Rail Systems	P	9,426
CR02-538	REPLACEMENT OF HACK BRIDGE CONTROLS	Renew	Control Systems	1	253
CR02-548	REPLACEMENT OF SUBSTATION #14	Partner	Electrical Power & Lighting	2	2,257
CR02-556	REPLACEMENT OF ELEVATORS AT HARRISON CAR MAINTENANCE FACILITY	Partner	Mechanical Systems	3	543
CR02-564	REPLACEMENT OF WEST SIDE CROSSOVER	Renew	Rail Systems	3	1,500
CR02-573	UPGRADE OF 800 MHZ SIMULCAST TRUNKED RADIO SYSTEM	Deliver	Control Systems	M4	245
CR02-574	REHABILITATION OF 30TH ST MEZZANINE	Renew	Buildings & Garages	M4	2,131
CR02-576	REPLACEMENT OF ROOF AT MACMILLAN BLOEDEL BUILDING	Partner	Buildings & Garages	4	6,731
CR02-579	REPLACEMENT OF TRACKSIDE CIRCUIT BREAKER CONTROL CABLES	Renew	Electrical Power & Lighting	P	242

# 2018 Capital Project Listing

Sorted by Department, Facility, and Project ID (\$in thousands)

Project ID	Title	Plan Category	Asset Category	Stage	2018 Budget
CR02-580	IMPROVEMENTS OF INFRASTRUCTURE AT SOUTH ST YARD	Deliver	Control Systems	4	755
CR02-582	REPLACEMENT OF HACKENSACK RIVER BRIDGE	Deliver	Fueling	4	710
CR02-583	EMERGENCY GENERATOR FUEL TANK REHABILITATION OF TUNNELS TO ADDRESS LATENT SALT HURRICANE SANDY DAMAGE	Deliver	Rail Systems	M4	5,915
CR02-584	PURCHASE OF EQUIPMENT FOR RECOVERY WORK	Deliver	Rail Systems	M4	12,647
CR02-585	DESIGN AND PURCHASE OF RESILIENCY EQUIPMENT	Deliver	Rail Systems	M4	17,244
CR02-586	REPLACEMENT OF HOBOKEN STATION UNDER PLATFORM FAN	Deliver	HVAC, Plumbing & Sprinklers	4	2,047
CR02-587	IMPLEMENTATION OF HOBOKEN FLOOD RESILIENCY PROGRAM	Partner	Buildings & Garages	3	3,000
CR02-588	REHABILITATION OF SUBSTATIONS 7, 8, 9 AND 14	Deliver	Electrical Power & Lighting	M4	230
CR02-589	REPLACEMENT OF SIGNALS IN TUNNELS E & F	Partner	Electrical Power & Lighting	P	7,038
CR02-590	REPLACEMENT OF RADIO AND ELECTRONICS IN TUNNELS E & F	Partner	Electrical Power & Lighting	P	1,200
CR02-591	REPLACEMENT OF 27KV, 15KV, TRACTION POWER AND INTER-TRIPPING CABLES IN TUNNELS E & F	Partner	Electrical Power & Lighting	P	13,965
CR02-592	REPLACEMENT OF LIGHTING 480V POWER DISTRIBUTION EQUIPMENT IN TUNNELS E & F	Partner	Electrical Power & Lighting	P	4,403
CR02-593	REPLACEMENT OF AUXILIARY POWER EQUIPMENT & CABLE REPLACEMENT AT EXCHANGE PLACE	Partner	Electrical Power & Lighting	P	375
CR02-594	REPLACEMENT OF CORROSION PROTECTION AND CONTROL SYSTEM IN TUNNELS E & F	Partner	Control Systems	P	1,216
CR02-595	REPLACEMENT OF TRACK, THIRD RAIL AND APPURTENANCES IN TUNNELS E & F	Partner	Rail Systems	P	1,493
CR02-597	REPLACEMENT OF EXCHANGE PLACE STATION ESCALATORS	Partner	Mechanical Systems	3	2,514
CR02-598	REHABILITATION OF GROVE ST. STATION	Deliver	Buildings & Garages	5	126
CR02-599	INSTALLATION OF HARRISON CAR MAINTENANCE FACILITY AUTOMATIC FLOOD BARRIER	Partner	Buildings & Garages	3	1,147
CR02-600	INSTALLATION OF EXCHANGE PLACE STATION HEAD HOUSE PROTECTION	Partner	Buildings & Garages	3	674
CR02-601	INSTALLATION OF HARRISON CAR MAINTENANCE FACILITY CONCRETE SEA WALL	Partner	Buildings & Garages	3	1,787
CR02-602	EXTENSION OF RAIL YARDS	Partner	Rail Systems	M4	6,423
CR02-606	INSTALLATION OF TRANSPORTATION MANAGEMENT SOFTWARE	Renew	Control Systems	4	869
CR02-608	REPLACEMENT OF POWER DISTRIBUTION CABLES IN PATH TUNNELS A & B	Deliver	Electrical Power & Lighting	4	5,412
CR02-609	REPLACEMENT OF EXCHANGE PLACE STATION ELEVATORS	Partner	Mechanical Systems	3	902
CR02-610	REPLACEMENT OF NEWPORT STATION ELEVATORS	Partner	Mechanical Systems	3	421
CR02-611	REPLACEMENT OF NEWPORT STATION ESCALATORS	Partner	Mechanical Systems	3	1,890
CR02-612	INSTALLATION OF GROVE STREET STATION HEAD HOUSE PROTECTION	Partner	Buildings & Garages	3	1,134
CR02-613	INSTALLATION OF NEWPORT STATION HEAD HOUSE PROTECTION	Partner	Buildings & Garages	3	564
CR02-614	INSTALLATION OF HOBOKEN ELEVATOR FLOOD RESILIENCY	Partner	Mechanical Systems	3	1,159
CR02-619	IMPLEMENTATION OF FIRE STANDPIPE SGR PROGRAM	Renew	HVAC, Plumbing & Sprinklers	4	779
CR02-624	REPLACEMENT OF GROVE STREET STATION ESCALATORS	Partner	Mechanical Systems	1	434
CR02-625	33RD STREET SWITCHGEAR REPLACEMENT	Renew	Electrical Power & Lighting	3	428
CR02-629	REPLACEMENT OF HOBOKEN INTERLOCKING	Partner	Rail Systems	1	823

# 2018 Capital Project Listing

Sorted by Department, Facility, and Project ID (\$in thousands)

Project ID	Title	Plan Category	Asset Category	Stage	2018 Budget
CR02-630	REPLACEMENT OF APPROACH SLAB AND PAVEMENT AT HARRISON CAR MAINTENANCE FACILITY	Partner	Paving & Roadways	1	872
CR02-631	RESTORATION OF HOBOKEN, NEWPORT, EXCHANGE PLACE AND GROVE STREET STATIONS	Partner	Buildings & Garages	1	1,569
CR02-632	REPLACEMENT OF OPEN AREA TRACKS ON TRACK G, H & P	Partner	Rail Systems	1	1,469
CR02-634	REHABILITATION OF CATENARY CABLES AND POLES	Deliver	Other-Misc	3	600
CR02-635	RESTORATION OF BRIDGE STRUCTURES EAST AND WEST OF NEWARK PENN STATION	Deliver	Other-Misc	3	300
CR02-636	REHABILITATION OF SANITARY EJECTOR PIT AT HARRISON CAR MAINTENANCE FACILITY (HCMF)	Deliver	Other-Misc	3	750
CR02-641	REPLACEMENT OF AIR CURTAINS AT CAR WASH & RUNNING REPAIR FACILITY	Renew	HVAC, Plumbing & Sprinklers	M3	914
CR02-642	INSTALLATION OF REDUNDANT FLUID COOLER AT PTCC	Renew	HVAC, Plumbing & Sprinklers	3	1,705
CR02-643	REPLACEMENT OF SILENCER FOR EMERGENCY VENT FAN AT RAILROAD AVENUE TUNNEL	Deliver	Other-Misc	3	2,600
CR02-644	HCMF CCTV SURVEILLANCE	Renew	Other-Misc	P	450
CR02-569	ACQUISITION OF PROPERTY FOR SUBSTATION #8	Renew	Other-Misc	3	990
CR02-430	TACTILE STRIP / RUBBING BOARD - NJ STATIONS	Renew	Other-Misc	P	1,193
<b>FACILITY TOTAL: CR02 - PATH</b>					<b>373,123</b>
<b>CR08 - PATH SAFETY</b>					
CR08-095	INSTALL VHF RADIO HEADEND EQUIPMENT AT TRAIN CONTROL AND COMMUNICATIONS CENTER	Renew	Other-Misc	P	368
CR08-022	REHABILITATION OF TUNNEL EMERGENCY VENTILATION FAN BLADE	Deliver	HVAC, Plumbing & Sprinklers	4	1,191
CR08-066	EXCHANGE PLACE BOLLARD UPGRADE	Renew	Paving & Roadways	M4	739
CR08-068	UPGRADE OF JOURNAL SQUARE TRANSPORTATION CENTER BOLLARDS	Renew	Paving & Roadways	M4	2,901
CR08-078	IMPLEMENTATION OF TUNNEL WATER MANAGEMENT PROGRAM	Deliver	Rail Systems	M4	13,554
CR08-079	INSTALLATION OF TUNNEL MITIGATION	Renew	Rail Systems	M4	2,716
CR08-081	EXCHANGE PLACE STATION UNDERWATER NETTING	Renew	Buildings & Garages	4	2,043
CR08-096	INSTALLATION OF LENEL ACCESS CONTROL AND CCTV	Deliver	Control Systems	5	24
CR08-101	UPGRADE OF CCTV & ACCESS CONTROL STATION	Deliver	Control Systems	5	33
CR08-104	UPGRADE OF JOURNAL SQUARE TRANSPORTATION CENTER RADIO SYSTEM - PHASE I	Deliver	Control Systems	M4	334
CR08-105	INSTALLATION OF CCTV AT PATH C, D, AND HARRISON YARDS	Renew	Control Systems	3	876
<b>FACILITY TOTAL: CR08 - PATH SAFETY</b>					<b>24,779</b>
<b>CR21 - JOURNAL SQUARE TRANSPORTATION CENTER</b>					
CR21-075	REPLACEMENT OF JOURNAL SQUARE TRANSPORTATION CENTER WATER PUMPS AND PIPING SYSTEMS	Renew	HVAC, Plumbing & Sprinklers	3	187
CR21-079	REPLACEMENT OF PLAZA DRAIN BODY AT JSTC	Renew	Other-Misc	3	347
CR21-082	REHABILITATION OF PUBLIC RESTROOMS AT JSTC	Renew	Other-Misc	3	550
<b>FACILITY TOTAL: CR21 - JOURNAL SQUARE TRANSPORTATION CENTER</b>					<b>1,084</b>
<b>DEPARTMENT TOTAL: PATH</b>					<b>398,986</b>

# 2018 Capital Project Listing

Sorted by Department, Facility, and Project ID (\$in thousands)

Project ID	Title	Plan Category	Asset Category	Stage	2018 Budget
<b>DEPARTMENT: AVIATION</b>					
<b>CA02 - LAGUARDIA AIRPORT &amp; REDEVELOPMENT PROGRAM</b>					
CA22-001	LGA TERMINAL B REDEVELOPMENT - MASTER PLANNING	Deliver	Buildings & Garages	M2	1,090
CA22-005	CONSTRUCTION OF AIRTRAIN	Expand and Connect	Rail Systems	1	41,525
CA22-440	REPLACEMENT OF UTILITIES EAST OF GUARD POST 1	Deliver	Underground Utilities	M4	5,606
CA22-444	REDEVELOPMENT OF HANGARS 1, 2 AND 4	Deliver	Paving & Roadways	M4	190
CA22-469	CONSTRUCTION OF EAST END SUBSTATION BUILDING, EQUIPMENT AND FEEDERS	Deliver	Electrical Power & Lighting	5	75
CA22-500	LGA REDEVELOPMENT- PA COST FOR NEW FACILITIES (PPP)	Deliver	Buildings & Garages	4	32,074
CA22-501	LGA REDEVELOPMENT PROGRAM-CONCOURSE B	Deliver	Buildings & Garages	4	119,338
CA22-502	LGA REDEVELOPMENT PROGRAM-HEADHOUSE	Deliver	Buildings & Garages	4	168,138
CA22-600	LGA REDEVELOPMENT- PA COST FOR SUPPORTING INFRASTRUCTURE (PPP)	Deliver	Paving & Roadways	4	42,833
CA22-601	LGA REDEVELOPMENT-UTILITIES	Deliver	Underground Utilities	M4	18,807
CA22-602	LGA REDEVELOPMENT-LANDSIDE ROADS AND BRIDGES	Deliver	Paving & Roadways	4	105,895
CA22-603	LGA REDEVELOPMENT-WEST PARKING GARAGE	Deliver	Buildings & Garages	4	37,216
CA22-605	LGA REDEVELOPMENT- 605-AIRSIDE MODIFICATIONS AND RSR	Deliver	Paving & Roadways	4	1,877
CA22-606	AIRPORT WIDE NEEDS IN SUPPORT OF LGA REDEVELOPMENT PROGRAM	Deliver	Buildings & Garages	M4	7,754
CA22-700	LGA REDEVELOPMENT- PA COST FOR CENTRAL HALL (PPP)	Deliver	Buildings & Garages	4	555
CA22-701	LGA REDEVELOPMENT- CENTRAL HALL	Deliver	Buildings & Garages	4	1,537
CA22-800	TERMINAL C (DELTA)	Deliver	Buildings & Garages	4	35,449
CA02-118	REHABILITATION OF RUNWAYS DECK WEARING SURFACE	Renew	Runway-Taxiway	M4	8,249
CA02-330	INSTALLATION OF BIOMETRIC CARD READER SYSTEM	Renew	Control Systems	2	60
CA02-345	REHABILITATION OF PUMP HOUSES ELECTRICAL AND COMMUNICATION SYSTEM	Renew	Electrical Power & Lighting	P	210
CA02-347	CONSTRUCTION OF RESTRICTED VEHICLE SERVICE ROAD (RVSR) AND RUNWAY DRIVE	Expand and Connect	Runway-Taxiway	2	1,042
CA02-401	REHABILITATION OF RUNWAY 13-31 AND ASSOCIATED TAXIWAYS	Deliver	Runway-Taxiway	4	63
CA02-414	INSTALLATION OF AGENCY WIDE TRANSPORTATION MANAGEMENT SOFTWARE	Renew	Control Systems	4	868
CA02-417	CONSTRUCTION OF RUNWAY 13 & 22 DECKS SAFETY OVERRUN	Deliver	Runway-Taxiway	M4	1,951
CA02-425	REHABILITATION OF RUNWAY 4-22 AND ASSOCIATED TAXIWAYS	Renew	Runway-Taxiway	2	1,513
CA02-447	UPGRADE OF 800 MHZ SIMULCAST TRUNKED RADIO SYSTEM	Deliver	Control Systems	M4	243
CA02-464	REPLACEMENT OF THE RUNWAY DECK EXPANSION JOINTS	Renew	Bridges	1	485
CA02-465	REHABILITATION OF RUNWAY DECK PRIORITY STRUCTURAL ELEMENTS - 3	Renew	Paving & Roadways	3	3,878
CA02-466	REHABILITATION OF TAXIWAY B FROM TAXIWAY G TO TAXIWAY CY	Renew	Runway-Taxiway	4	41
CA02-467	REHABILITATION OF TAXIWAYS B, AA, BB AND ASSOCIATED TAXIWAYS	Renew	Runway-Taxiway	4	7,989
CA02-468	REHABILITATION OF TAXIWAY A FROM TAXIWAY K TO TAXIWAY B	Renew	Runway-Taxiway	P	542

# 2018 Capital Project Listing

Sorted by Department, Facility, and Project ID (\$in thousands)

Project ID	Title	Plan Category	Asset Category	Stage	2018 Budget
CA02-484	AIR OPERATIONS AREA LIGHT CIRCUIT REPLACEMENT	Partner	Electrical Power & Lighting	3	2,723
CA02-485	REHABILITATION OF PUMP HOUSES 2 AND 3	Deliver	HVAC, Plumbing & Sprinklers	4	621
CA02-486	FLOOD CONTROL AND RESILIENCY IMPROVEMENTS	Deliver	HVAC, Plumbing & Sprinklers	M4	10,527
CA02-487	INSTALLATION OF AIRPORT ACCESS FEE PROGRAM INFRASTRUCTURE	Expand and Connect	Paving & Roadways	1	239
CA02-488	REHABILITATION OF PUMP HOUSE 6 SUBSTATION	Partner	Electrical Power & Lighting	4	4,498
CA02-489	REPLACEMENT OF PARKING ACCESS AND REVENUE CONTROL SYSTEM (PARCS)	Renew	Control Systems	4	5,470
CA02-490	IMPROVEMENT OF DRAINAGE AT MARINE TERMINAL ROAD	Renew	Underground Utilities	P	381
CA02-494	REHABILITATION OF ROMEO SWITCHGEARS AND FUEL FARM SUBSTATION SWITCHGEARS	Renew	Fueling	1	545
CA02-496	INSTALLATION OF PILE SUPPORTED STRUCTURE FOR RUNWAY 4 LOCALIZER	Expand and Connect	Runway-Taxiway	1	545
CA02-499	REHABILITATION OF PUMP HOUSE 1 RETAINING WALL	Renew	Underground Utilities	3	1,278
CA02-503	INSTALLATION OF GROUND BASED AUGMENTATION SYSTEM	Expand and Connect	Runway-Taxiway	1	639
<b>FACILITY TOTAL: CA02 - LAGUARDIA AIRPORT</b>					<b>674,559</b>
<b>CA03 - JFK INTERNATIONAL AIRPORT</b>					
CA03-057	K - INSTALL CCTV IN TERMINAL FRONTAGES AT TERMINALS 1, 2, 4, 5, 7 AND 8	Renew	Control Systems	1	781
CA03-061	CCTV AT TERMINAL BAGGAGE AREAS	Renew	Control Systems	4	4,609
CA03-141	INSTALLATION OF BOLLARDS AT TENANT TERMINALS	Deliver	Paving & Roadways	M4	124
CA03-505	INSTALLATION OF BIOMETRIC CARD READER SYSTEM	Renew	Control Systems	2	124
CA03-507	UPGRADE OF VEHICLE GATE SECURITY	Deliver	Paving & Roadways	4	4,224
CA03-516	REHABILITATION OF RUNWAY 4R-22L	Renew	Runway-Taxiway	4	16,690
CA03-529	REHABILITATION OF TAXIWAY Q, QG AND RESTRICTED VEHICLE SERVICE ROAD	Renew	Runway-Taxiway	4	30,163
CA03-543	REHABILITATION OF TAXIWAY W (NORTH OF RUNWAY 13L)	Renew	Runway-Taxiway	1	253
CA03-574	REPLACEMENT OF AIRPORT TRAFFIC CONTROL TOWER ROOFS & RELATED EQUIPMENT	Renew	Runway-Taxiway	3	6,273
CA03-591	REDEVELOPMENT OF TERMINAL 3/TERMINAL 4	Deliver	Buildings & Garages	4	2,995
CA03-601	REHABILITATION OF TAXIWAY CE	Renew	Other-Misc	P	473
CA03-672	REHABILITATION OF GREEN GARAGE	Renew	Other-Misc	P	1,088
CA03-673	REHABILITATION OF BLUE GARAGE	Renew	Other-Misc	P	619
CA03-674	REHABILITATION OF ORANGE GARAGE	Renew	Other-Misc	P	397
CA03-679	REHABILITATION/REPLACEMENT OF LOW PRESSURE WATER	Renew	Other-Misc	P	500
CA03-605	REPLACEMENT OF BUILDING 14 ROOF AT EAST WING	Renew	Buildings & Garages	4	5,410
CA03-612	REHABILITATION OF RUNWAY 13L-31R AND ASSOCIATED TAXIWAYS	Renew	Runway-Taxiway	1	10,000
CA03-620	REHABILITATION OF VAN WYCK SUBSTATION	Renew	Electrical Power & Lighting	1	1,000
CA03-621	REPLACEMENT OF 5KV FEEDERS	Deliver	Electrical Power & Lighting	4	4,784
CA03-632	REHABILITATION OF CENTRAL SUBSTATION	Renew	Electrical Power & Lighting	1	1,500
CA03-633	REHABILITATION OF BERGEN SUBSTATION AT JFK	Renew	Electrical Power & Lighting	1	1,000
CA03-634	REHABILITATION OF FARMERS SUBSTATION	Renew	Electrical Power & Lighting	1	1,000
CA03-636	INSTALLATION OF SUPERVISORY CONTROL AND DATA ACQUISITION (SCADA)	Deliver	Control Systems	4	422

# 2018 Capital Project Listing

Sorted by Department, Facility, and Project ID (\$in thousands)

Project ID	Title	Plan Category	Asset Category	Stage	2018 Budget
CA03-639	UPGRADE OF 800 MHZ SIMULCAST TRUNKED RADIO SYSTEM	Deliver	Control Systems	M4	338
CA03-640	REDEVELOPMENT OF NORTH CARGO AREA	Expand and Connect	Buildings & Garages	P	943
CA03-646	UPGRADE OF 800MHZ SIMULCAST TRUNKED RADIO SYSTEM	Deliver	Control Systems	4	541
CA03-668	REHABILITATION OF TAXIWAYS A & B SOUTH (TAXIWAY N - TAXIWAY KF)	Renew	Runway-Taxiway	P	994
CA03-669	ENHANCEMENT OF TAXIWAYS CA & CB	Expand and Connect	Runway-Taxiway	P	2,000
CA03-675	REPLACEMENT OF FIRE ALARM SYSTEM AT CONTROL TOWER	Deliver	Control Systems	4	185
CA03-676	REHABILITATION OF 5KV FEEDER DISTRIBUTION SYSTEM	Renew	Electrical Power & Lighting	1	2,000
CA03-677	REPLACEMENT OF FACILITY-WIDE FIRE ALARM SYSTEMS	Renew	Control Systems	2	2,222
CA03-678	REHABILITATION/REPLACEMENT OF HIGH PRESSURE WATER	Renew	Underground Utilities	P	903
CA03-689	REHABILITATION OF AIRPORT ACCESS ROADWAY (JFK EXPRESSWAY)	Renew	Paving & Roadways	P	500
CA03-730	REHABILITATION OF BUILDING 142 ROOF	Renew	Buildings & Garages	P	551
CA03-748	INSTALLATION OF ACCESS AND SAFETY IMPROVEMENTS AT BUILDING 161(FIRE PUMP STATION)	Deliver	HVAC, Plumbing & Sprinklers	4	52
CA03-755	INSTALLATION OF WEST AREA LIGHTING AT FORMER HANGAR 12 SITE	Deliver	Electrical Power & Lighting	4	1,703
CA03-762	REPLACEMENT OF FIRE PROTECTION SYSTEM AT HANGAR 19	Renew	Control Systems	1	500
CA03-764	REPAIR & HAZARD MITIGATION OF CUT & COVER TUNNEL POWER DISTRIBUTION VAULT & PUMP STATION	Partner	Electrical Power & Lighting	1	1,387
CA03-765	REPLACEMENT OF AIRSIDE SWITCHGEARS	Partner	Electrical Power & Lighting	3	2,415
CA03-766	INSTALLATION OF GATES / CHECK VALVES FOR EXISTING STORM WATER SYSTEMS (OUTFALLS 2, 3, 4, 5 and 6)	Partner	HVAC, Plumbing & Sprinklers	3	2,417
CA03-769	REPLACEMENT OF LIGHT CIRCUIT AT AIR OPERATIONAL AREA	Partner	Electrical Power & Lighting	3	7,731
CA03-772	REPLACEMENT OF 86 PAD SUBSTATION	Renew	Buildings & Garages	3	561
CA03-774	INSTALLATION OF AGENCY WIDE TRANSPORTATION MANAGEMENT SOFTWARE	Renew	Control Systems	4	841
CA03-775	INSTALLATION OF JFK BACKFLOW PREVENTION DEVICES AND WATER METER UPGRADES - PHASE IV	Renew	HVAC, Plumbing & Sprinklers	3	1,423
CA03-776	INSTALLATION OF AIRPORT ACCESS FEE PROGRAM INFRASTRUCTURE	Expand and Connect	Paving & Roadways	1	374
CA03-777	REPLACEMENT OF PARKING ACCESS AND REVENUE CONTROL SYSTEM (PARCS)	Renew	Control Systems	4	3,956
CA03-778	JFK VEHICULAR GUARD POST LIGHTING IMPROVEMENTS	Renew	Electrical Power & Lighting	4	455
CA03-782	REHABILITATION OF BRIDGES J31 AND J32 AT AQUEDUCT ROAD	Renew	Bridges	1	678
CA03-783	INSTALLATION OF FLOODGATES AT 17 OUTFALLS	Partner	HVAC, Plumbing & Sprinklers	1	1,648
CA03-788	INSTALLATION OF GROUND BASED AUGMENTATION SYSTEMS FOR AIRPORTS	Expand and Connect	Runway-Taxiway	P	826
CA03-802	JFK REDEVELOPMENT	Expand and Connect	Paving & Roadways	P	42,000
<b>FACILITY TOTAL: CA03 - JFK INTERNATIONAL AIRPORT</b>					<b>174,573</b>

# 2018 Capital Project Listing

Sorted by Department, Facility, and Project ID (\$in thousands)

Project ID	Title	Plan Category	Asset Category	Stage	2018 Budget
<b>CA04 - NEWARK LIBERTY INTERNATIONAL AIRPORT</b>					
CA44-017	EXPANSION OF LOWER LEVEL AND REHABILITATION OF VERTICAL CIRCULATION AT TERMINAL B1	Deliver	Buildings & Garages	5	493
CA44-037	TERMINAL A REDEVELOPMENT - TERMINAL	Expand and Connect	Buildings & Garages	M3	46,295
CA44-038	TERMINAL A REDEVELOPMENT - AIRSIDE	Expand and Connect	Buildings & Garages	M3	49,740
CA44-039	TERMINAL A REDEVELOPMENT - LANDSIDE INFRASTRUCTURE	Expand and Connect	Paving & Roadways	M4	65,328
CA44-040	TERMINAL A REDEVELOPMENT - PARKING	Expand and Connect	Buildings & Garages	3	5,854
CA44-041	EWR AIRTRAIN REPLACEMENT PLANNING	Renew	Rail Systems	2	12,684
CA44-TBD	SOUTH AIRFIELD	Expand and Connect	Other-Misc	P	4,000
CA04-041	SCHOOL SOUNDPROOFING PROGRAM (PHASE 3)	Deliver	Buildings & Garages	4	1,951
CA04-045	TERMINAL B EXTERIOR CURTAIN WALL GLASS UPGRADE	Renew	Buildings & Garages	3	3,660
CA04-047	WR - INSTALL CCTV AT AIRPORT TERMINAL A, B & C FRONTAGES	Renew	Control Systems	1	516
CA04-049	CCTV AT TERMINAL BAGGAGE AREAS	Renew	Control Systems	4	2,171
CA04-053	R - INSTALL CCTV IN TERMINAL B INTERIOR PASSENGER PRE-SCREENING AREAS	Renew	Control Systems	1	616
CA04-397	INSTALLATION OF BIOMETRIC CARD READER SYSTEM	Renew	Control Systems	2	170
CA04-482	INSTALLATION OF BOLLARDS AT TENANT TERMINALS	Deliver	Paving & Roadways	4	14
CA04-514	AIRTRAIN CAPITAL ASSET REPLACEMENT PROGRAM	Deliver	Rail Systems	M4	13,197
CA04-524	REHABILITATION OF TAXIWAY Z (FROM RUNWAY EDGE TO UA)	Renew	Runway-Taxiway	3	11,007
CA04-528	REPLACEMENT OF CHRP NORTH ELECTRICAL SUBSTATION AND CHILLER UPGRADES	Deliver	Electrical Power & Lighting	M4	1,598
CA04-529	REHABILITATION OF TERMINAL FRONTAGE BRIDGES	Renew	Bridges	M3	3,230
CA04-532	REHABILITATION OF TERMINAL C AND P4 GARAGE DECKS	Renew	Buildings & Garages	P	1,027
CA04-559	REHABILITATION OF CENTRAL TERMINAL AREA ENTRANCE & BRIDGES - N1, N2, N18, N19, N20, N21 AND N22	Renew	Bridges	M4	9,642
CA04-573	REHABILITATION OF RUNWAY 11-29	Renew	Runway-Taxiway	1	2,386
CA04-578	REHABILITATION TERMINAL A VERTICAL CIRCULATION	Renew	Buildings & Garages	P	25
CA04-579	RENEWAL OF AIRPORT WIDE ELECTRICAL DISTRIBUTION SYSTEM	Renew	Electrical Power & Lighting	M4	20,660
CA04-582	REHABILITATION OF TERMINAL B2 AND B3 RAMP FROM RD TO RF	Renew	Paving & Roadways	P	466
CA04-583	RENEWAL OF AIRPORT WIDE FUEL DISTRIBUTION SYSTEM	Deliver	Fueling	4	2,022
CA04-584	REPLACEMENT OF TERMINAL B INFRASTRUCTURE AND UTILITIES	Deliver	Electrical Power & Lighting	M4	28
CA04-589	REHABILITATION OF EXPANSION JOINTS AND STRUCTURAL ELEMENTS OF FACILITY BRIDGES	Deliver	Bridges	M4	45
CA04-593	REPLACEMENT OF TERMINAL B STERILE CORRIDOR DOORS AND OPERATIONAL MODIFICATIONS	Deliver	Buildings & Garages	M3	6,394
CA04-598	UPGRADE OF 800 MHZ SIMULCAST TRUNKED RADIO SYSTEM	Deliver	Control Systems	M4	298
CA04-604	REPLACEMENT OF FUEL FARM BUILDING 117 SWITCHGEAR	Renew	Electrical Power & Lighting	P	389
CA04-608	REHABILITATION OF RUNWAY 4R-22L	Renew	Runway-Taxiway	P	767
CA04-611	RECONSTRUCTION OF ESCALATORS 15 AND 21 AT TERMINAL B	Renew	Buildings & Garages	P	284
CA04-639	REPLACEMENT OF EWR AERONAUTICAL OPERATIONS AREA (AOA) LIGHT CIRCUIT	Partner	Electrical Power & Lighting	4	15,489



# 2018 Capital Project Listing

Sorted by Department, Facility, and Project ID (\$in thousands)

Project ID	Title	Plan Category	Asset Category	Stage	2018 Budget
CA04-640	INSTALLATION OF AGENCY WIDE TRANSPORTATION MANAGEMENT SOFTWARE	Renew	Control Systems	4	783
CA04-642	INSTALLATION OF AIRPORT ACCESS FEE PROGRAM INFRASTRUCTURE	Expand and Connect	Paving & Roadways	P	104
CA04-643	REPLACEMENT OF PARKING ACCESS AND REVENUE CONTROL SYSTEM (PARCS)	Renew	Control Systems	4	3,921
CA04-646	REHABILITATION OF TAXIWAY D FROM TAXIWAY B TO TAXIWAY N, AND TAXIWAY S FROM TAXIWAY Y TO TAXIWAY B	Renew	Runway-Taxiway	3	3,793
CA04-647	REHABILITATION OF EARHART DRIVE, SOUTH DIRECTORY ROAD & RECIRCULATION ROAD	Renew	Paving & Roadways	P	292
CA04-648	IMPROVEMENT OF FUEL FARM DRAINAGE	Renew	Fueling	4	317
CA04-655	REPLACEMENT OF CHRP SOUTH SUBSTATION ROOF	Renew	Buildings & Garages	3	1,537
CA04-659	RECONSTRUCTION OF OPERATIONS CONTROL CENTER AT TERMINAL B	Renew	Buildings & Garages	P	419
CA04-667	REPLACEMENT OF TERMINAL B BAGGAGE HANDLING SYSTEM	Renew	Buildings & Garages	P	421
CA04-669	REPLACEMENT OF AIRCRAFT LOADING BRIDGES AT TERMINAL B	Renew	Buildings & Garages	P	613
CA04-670	REHABILITATION OF INNER CONCRETE APRON AT SATELLITES B2 AND B3	Renew	Runway-Taxiway	P	358
CA04-672	UPGRADE OF BACKUP DATA CENTER FOR CACS/CRS SYSTEMS	Renew	Control Systems	P	199
CA04-685	EWR - UPS NORTH AREA AIR CARGO FACILITY LEASEHOLD - UTILITY RELOCATION	Expand and Connect	Other-Misc	3	2,438
CA04-TBD	AIRTRAIN FOOTING	Renew	Other-Misc	P	5,657
CA04-687	REPLACEMENT OF AIR TRAIN STATION P4 ELEVATOR SHAFT WAY ENCLOSURE GLASS	Expand and Connect	Other-Misc	3	1,558
<b>FACILITY TOTAL: CA04 - NEWARK LIBERTY INTERNATIONAL AIRPORT</b>					<b>304,856</b>
<b>CA05 - TETERBORO AIRPORT</b>					
CA05-127	REHABILITATION OF TAXIWAY G (WEST OF RUNWAY 1-19) AND TAXIWAY E (HIGH SPEED)	Renew	Runway-Taxiway	P	2,259
CA05-128	REHABILITATION OF RUNWAY 6-24	Renew	Other-Misc	P	484
CA05-129	REHABILITATION OF TAXIWAY L	Renew	Runway-Taxiway	1	929
CA05-141	REHABILITATION OF STORM WATER DRAINAGE SYSTEM	Renew	Underground Utilities	M4	3,614
CA05-151	REPLACEMENT OF TETERBORO AERONAUTICAL OPERATIONS ARIAL LIGHT CIRCUIT	Partner	Electrical Power & Lighting	3	7,585
CA05-153	INSTALLATION OF AGENCY WIDE TRANSPORTATION MANAGEMENT SOFTWARE	Renew	Control Systems	4	83
CA05-155	REHABILITATION OF SEWAGE PUMPS	Renew	Underground Utilities	3	1,586
CA05-158	INSTALLATION OF GROUND BASED AUGMENTATION SYSTEMS	Expand and Connect	Runway-Taxiway	P	958
<b>FACILITY TOTAL: CA05 - TETERBORO AIRPORT</b>					<b>17,498</b>
<b>CA06 - STEWART AIRPORT</b>					
CA06-079	INSTALLATION OF BACKFLOW PREVENTER DEVICES	Renew	HVAC, Plumbing & Sprinklers	4	116
<b>FACILITY TOTAL: CA06 - STEWART AIRPORT</b>					<b>116</b>
<b>DEPARTMENT TOTAL: AVIATION</b>					<b>1,171,602</b>

# 2018 Capital Project Listing

Sorted by Department, Facility, and Project ID (\$in thousands)

Project ID	Title	Plan Category	Asset Category	Stage	2018 Budget
<b>DEPARTMENT: PORT</b>					
<b>CP05 - PORT NEWARK</b>					
CP05-148	CONSTRUCTION OF EXPRESS RAIL TRACK WORK (PHASE 2A)	Deliver	Rail Systems	M4	2,316
CP05-187	IMPROVEMENTS TO PORT STREET CORRIDOR	Deliver	Paving & Roadways	M4	4,919
CP05-193	UPGRADE OF WATER LINES AT NEW JERSEY MARINE TERMINAL	Deliver	Underground Utilities	M4	53
CP05-220	REPLACEMENT OF BERTHS 30, 32 AND 34 FENDER SYSTEM	Deliver	Port Wharfs	4	3,354
CP05-233	REHABILITATION OF BERTH 3	Deliver	Port Wharfs	M4	2,864
CP05-241	REHABILITATION OF BERTHS 15 & 17 AT PORT NEWARK	Renew	Port Wharfs	1	3,388
CP05-249	REPLACEMENT OF TRAFFIC SIGNALS AT NEW JERSEY MARINE TERMINAL	Deliver	Control Systems	M4	900
CP05-251	REHABILITATION OF OFFICE SPACE AT BUILDING 260	Partner	Buildings & Garages	3	1,714
CP05-255	UPGRADE OF 800 MHZ SIMULCAST TRUNKED RADIO SYSTEM	Deliver	Control Systems	M4	85
CP05-266	RECONSTRUCTION AND RELOCATION OF RESIDENT ENGINEERS OFFICE	Partner	Buildings & Garages	1	491
CP05-272	IMPLEMENTATION OF AGENCY-WIDE TRANSPORTATION MANAGEMENT SOFTWARE	Renew	Control Systems	4	908
CP05-273	REHABILITATION OF BUILDING #111 ELECTRICAL AND MECHANICAL EQUIPMENT	Partner	Electrical Power & Lighting	1	397
CP05-277	REHABILITATION OF TYLER STREET PAVING	Renew	Paving & Roadways	4	29
CP05-281	IMPLEMENTATION OF HOLDING TANKS AT BUILDINGS 182 & 188	Renew	Underground Utilities	4	258
CP05-283	PN - BERTHS 26, 28, 32 AND 34 DEEPENING	Renew	Port Wharfs	4	11
CP05-288	PORT NEWARK CCTV UPGRADE AND EXPANSION	Renew	Other-Misc	3	505
CP05-290	NJMT BRIDGES PRIORITY REPAIRS AND CONCRETE PAVEMENT REPAIRS - CORBIN STREET RAMP	Renew	Bridges	3	669
CP05-291	NJMT PAVING & UTILITY REHABILITATION - NAVY STREET, PORT STREET, BENGAL STREET AND BERTH	Renew	Paving & Roadways	3	406
CP05-295	RECONSTRUCTION OF TRACK FROM DISTRIBUTION STREET TO PORT STREET AT NJMT	Renew	Rail Systems	3	1,051
CP05-298	RECONSTRUCTION OF GRADE CROSSINGS AT DISTRIBUTION STREET, DOREMUS AVE & PORT STREET	Renew	Rail Systems	3	433
<b>FACILITY TOTAL: CP05 - PORT NEWARK</b>					<b>24,751</b>
<b>CP08 - ELIZABETH PA MARINE TERMINAL</b>					
CP08-070	PORT ELIZABETH CCTV UPGRADE AND EXPANSION	Renew	Other-Misc	3	505
CP08-149	REHABILITATION OF WATER SYSTEM (PHASE II) AT PORT ELIZABETH MARINE TERMINAL	Renew	Underground Utilities	1	1,312
CP08-155	BERTHS 94 AND 96 DEEPENING	Expand and Connect	Other-Misc	1	13,350
CP08-156	BLDG. 1200 - REPLACEMENT OF EXISTING FORCE MAIN	Renew	Other-Misc	1	1,304
CP08-157	PRIORITY MARINE REHABILITATION OF BERTHS 50, 52, 54 & 56	Renew	Other-Misc	3	1,402
CP08-158	PRIORITY MARINE REHABILITATION OF BERTHS 58, 60, 62 & 64	Renew	Other-Misc	1	1,430
CP08-159	PRIORITY MARINE REHABILITATION OF BERTHS 82, 84, 86, 88, 90, 92, 94, 96 & 98	Renew	Other-Misc	1	2,311
<b>FACILITY TOTAL: CP08 - ELIZABETH PA MARINE TERMINAL</b>					<b>21,614</b>
<b>CP09 - BROOKLYN MARINE TERMINALS</b>					
CP09-101	BROOKLYN PIERS CCTV UPGRADE AND EXPANSION	Renew	Other-Misc	3	659

# 2018 Capital Project Listing

Sorted by Department, Facility, and Project ID (\$in thousands)

Project ID	Title	Plan Category	Asset Category	Stage	2018 Budget
CP09-125	REPLACEMENT OF UNDERGROUND ELECTRICAL DELIVERY LINES AT NEW YORK MARINE TERMINAL	Partner	Underground Utilities	1	52
CP09-128	WHARF A, WHARF B (PIER 10) AND WHARF B EXTENSION UNDER DECK CONCRETE GIRDER PRIORITY REPAIR	Renew	Other-Misc	3	1,427
CP09-129	PRIORITY MARINE REPAIRS AT PIER 9A	Renew	Other-Misc	4	3
<b>FACILITY TOTAL: CP09 - BROOKLYN MARINE TERMINALS</b>					<b>2,141</b>
<b>CP11 - HOWLAND HOOK</b>					
CP11-089	UPGRADE OF PAVEMENT SUBGRADE AT HOWLAND HOOK MARINE TERMINAL	Partner	Paving & Roadways	3	13,895
<b>FACILITY TOTAL: CP11 - HOWLAND HOOK</b>					<b>13,895</b>
<b>CP14 - NEW JERSEY REDEVELOPMENT</b>					
CP14-023	IMPLEMENTATION OF REGIONAL RAIL FREIGHT PROGRAM	Deliver	Rail Systems	4	12,550
<b>FACILITY TOTAL: CP14 - NEW JERSEY REDEVELOPMENT</b>					<b>12,550</b>
<b>CP16 - PORT JERSEY-PORT AUTHORITY MARINE TERMINAL</b>					
CP16-035	DEVELOPMENT OF INTERMODAL CONTAINER TRANSFER FACILITY AT GREENVILLE YARD	Deliver	Rail Systems	M4	53,858
CP16-044	UPGRADE ELECTRICAL INFRASTRUCTURE AT PORT JERSEY	Renew	Electrical Power & Lighting	P	177
CP16-047	REHABILITATION OF BERTH E-1 AND E-2	Renew	Port Wharfs	1	457
CP16-066	UPGRADE OF EAST SUBSTATION PROTECTIVE DEVICES & DISTRIBUTION EQUIPMENT	Deliver	Electrical Power & Lighting	M4	2,443
CP16-070	CONSTRUCTION OF PORT JERSEY 2ND LEAD TRACK	Expand and Connect	Rail Systems	1	355
<b>FACILITY TOTAL: CP16 - PORT JERSEY-PORT AUTHORITY MARINE TERMINAL</b>					<b>57,290</b>
<b>CP17 - GREENVILLE YARD / NYNJ RAIL LLC</b>					
CP17-016	INSTALLATION OF SUPPORT TRACKS	Expand and Connect	Rail Systems	4	19,286
CP17-019	CONSTRUCTION OF NEW BARGE	Deliver	Port Wharfs	4	3,314
CP17-027	REHABILITATION OF TRANSFER BRIDGE #10	Deliver	Bridges	4	4,111
CP17-033	MODIFICATIONS TO FENDER SYSTEM AT 65TH STREET TERMINAL	Deliver	Port Wharfs	4	753
CP17-034	REHABILITATION OF MOORING CELLS AT NY/NJ RAILROAD	Deliver	Port Wharfs	4	1,682
CP17-037	MODIFICATIONS TO RAIL ACCESS FOR 65TH STREET YARD	Expand and Connect	Rail Systems	P	1,066
CP17-038	CROSS HARBOR TIER II EIS	Expand and Connect	Rail Systems	P	6,813
<b>FACILITY TOTAL: CP17 - GREENVILLE YARD / NYNJ RAIL LLC</b>					<b>37,025</b>

# 2018 Capital Project Listing

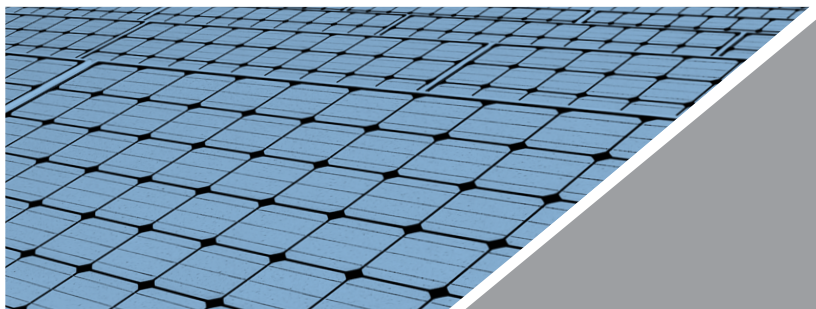
Sorted by Department, Facility, and Project ID (\$in thousands)

Project ID	Title	Plan Category	Asset Category	Stage	2018 Budget
<b>CP91 - RED HOOK TERMINAL</b>					
CP91-056	REPLACEMENT OF SPRINKLER SYSTEM AT PIER SHED 9B	Renew	HVAC, Plumbing & Sprinklers	P	65
CP91-062	REHABILITATION OF PIER 10 AT RED HOOK	Renew	Port Wharfs	P	403
<b>FACILITY TOTAL: CP91 - RED HOOK TERMINAL</b>					<b>468</b>
<b>DEPARTMENT TOTAL: PORT</b>					<b>169,734</b>
<b>DEPARTMENT: DEVELOPMENT</b>					
<b>CH02 - FERRY SERVICES</b>					
CH02-006	HOBOKEN PERMANENT FERRY TERMINAL	Deliver	Buildings & Garages	4	1,066
CH02-022	CAPITAL IMPROVEMENTS - BATTERY PARK CITY FERRY TERMINAL	Renew	Buildings & Garages	P	621
<b>FACILITY TOTAL: CH02 - FERRY SERVICES</b>					<b>1,687</b>
<b>CW03 - TELEPORT</b>					
CW03-029	INSTALLATION OF BACKFLOW PREVENTION DEVICES AT TELEPORT	Renew	HVAC, Plumbing & Sprinklers	3	24
<b>FACILITY TOTAL: CW03 - TELEPORT</b>					<b>24</b>
<b>DEPARTMENT TOTAL: DEVELOPMENT</b>					<b>1,711</b>
<b>DEPARTMENT: WORLD TRADE CENTER</b>					
CR12	WTC TRANSPORTATION HUB	Deliver	Buildings & Garages	M5	78,608
CW11	WTC SITE INFRASTRUCTURE	Deliver	Multiple	1-M5	315,838
CW30	WTC RETAIL REDEVELOPMENT	Deliver	Buildings & Garages	M4	118,010
CW31	ONE WORLD TRADE CENTER	Various	Multiple	1-M5	88,742
CW34	WTC TOWER 4	Deliver	Buildings & Garages	4	1,294
<b>DEPARTMENT TOTAL: WORLD TRADE CENTER</b>					<b>602,492</b>
<b>REGIONAL CAPITAL PROGRAMS</b>					
CF99-002	MOYNIHAN PROGRAM	Partner	Rail Systems	4	43,200
CF99-004	GATEWAY (PLANNING)	Partner	Rail Systems	P	17,000
<b>REGIONAL CAPITAL PROGRAMS TOTAL:</b>					<b>60,200</b>
<b>BUDGET PROVISIONS</b>					
<b>OTHER-MISCELLANEOUS</b>					
	FUTURE SGR FUNDING REQUIREMENTS	Renew	Structure Rehabilitation	P	30,870
	PROVISION FOR EFFICIENCY AND PHASING - EXPAND AND CONNECT PROJECTS	Expand and Connect	Structure Rehabilitation	1	(30,000)
	PROVISION FOR FUTURE MAINTENANCE CAPITAL	Renew	Structure Rehabilitation	1	10,000
<b>BUDGET PROVISIONS TOTAL:</b>					<b>10,870</b>
<b>AGENCY TOTAL:</b>					<b>\$3,375,731</b>

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# Appendix



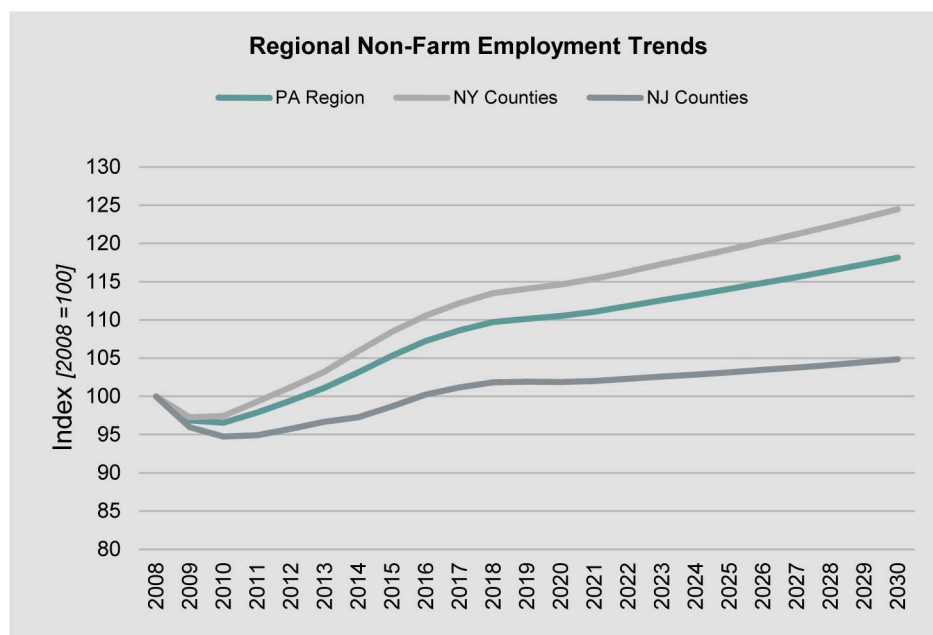




## Appendix 1. Economic Outlook

As a part of the development of the Port Authority 2018 budget, the agency's Chief Economist and its Planning & Regional Development Department develop a Regional Economic Outlook. The agency assumed that its baseline outlook is one of moderate growth in 2017 and beyond. Specifically, the current baseline forecast calls for economic growth in 2018 of 2.7%, with longer term growth, ignoring any future recessions, of below 2%, considerably below the historical average growth rate of roughly 3%. As a result of near full employment nationally and regionally, wage levels have started to rise ahead of inflation. Energy prices, in particular crude oil prices, have remained relatively low after their dramatic decline in 2015. The baseline scenario also acknowledges economic risks in the form of uncertain consequences from new federal executive policies. The baseline scenario is in line with many mainstream economic forecasts. Based on the Chief Economist's assessment, the probability of the baseline scenario may be around 50%, in line with the expectations of many peer forecasts.

The Port Authority's core catchment area, its 17-county New York/New Jersey Port District and the surrounding bistate region, draws great economic strength from its vast, densely populated local consumer base, diversified commercial and industrial base, and its attractiveness to tourists and visitors from all over the world.



Source: *Oxford Economics Macroeconomic Model, PANYNJ Economics Group*

These features continue to provide the New York/New Jersey area with the resilience to remain a premier metropolitan region and gateway in the United States. The regional economic recovery has continued to perform slightly ahead of the national economy in terms of gains in output and employment post-recession. In the Port District, output growth for 2017 and 2018 likely will exceed 2.5%, with employment gains outpacing the national average. Consumer spending has been strong in New York City and surrounding counties, in part as a result of record tourism activity.

Total employment levels now exceed pre-crisis levels in both New York and New Jersey, a recovery driven especially by the strong employment growth in the five counties making up New York City. The New Jersey

counties, making up the other half of the Port District, continue to lag behind national and New York recovery indicators, but the state of New Jersey overall reached its pre-recession employment peak earlier in 2017.

Despite the overall positive trends, employment gains have occurred in economic sectors that are quite different from the ones that lost most of the jobs during and after the 2009 Great Recession. The finance, insurance, brokerage, and banking sectors, which have been major contributors to regional income at a rate disproportionately high compared to their share of employment, have continued to show lackluster growth. Some of the lost jobs in banking and financial services may never return. Sectors such as leisure and hospitality, tourism, healthcare, and professional business services, i.e. not the traditional office-based sectors of the regional economy, have shown very strong gains across the board. Healthcare, for instance, did not experience any declines in employment, even during the 2008/2009 crisis. These trends are likely to continue resulting in strong employment gains but only modest wage level improvements on average over the next several years.

As is the case nationally, long-term unemployment and depressed labor force participation rates among workers persist. Specifically, groups of workers such as older individuals who have been unemployed for longer stretches of time, as well as some younger workers relatively new to the workforce, seem to be having a hard time finding work even in a moderately growing economy. Paired with the more naturally occurring decline in labor force participation as a result of an aging population, it is unlikely that this trend will reverse over the next few years.

These shifts in industry composition in the region could continue to affect traditional agency activity and revenue streams, most pointedly, traffic volumes at Port Authority bridges and tunnels and passenger levels on PATH. Sectors such as finance, insurance, and banking, where growth has slowed, have typically been a large portion of the local bridge and tunnel-commuting base. Other sectors such as leisure and hospitality, tourism, and professional business services have a lower incidence of automobile commuting. In addition, some of those sectors may have a lower incidence of shift work. Healthcare is one example where demographic shifts and altered travel preferences among “Millennials” may mean lower than historically projected changes to levels of auto trips across Port Authority facilities. On PATH, passenger growth has continued post-Superstorm Sandy due to strong employment gain in Manhattan, and most of these gains are due to solid weekday passenger growth on the system. Such employment growth is expected to continue, albeit at a slightly lower pace, creating additional demand for PATH capacity, especially during peak periods. Other Port Authority business lines have benefited from the improvement in economic conditions. For instance, Aviation and Port have experienced increases in passenger and cargo volumes, and those positive growth trends are expected to continue into 2018 and 2019. Initially a sizeable concern, the current imposition of travel bans and other more stringent requirements for entry into the USA do not seem to have altered the decision by many international travelers to visit the United States and New York City in particular. As a result, passenger growth in the regional aviation system has not let up in 2017.

While forecasting continued recovery and growth in the local economy, the agency is also aware that a heightened level of uncertainty is a hallmark of the region’s economic outlook over the near-term. A point of note is the currently ongoing debate about immigration policy and trade agreements, the outcome of which may possibly affect the regional labor market and agency businesses such as Port or the Aviation cargo business. Therefore, the Port Authority will continuously monitor regional, national, and international economic trends to facilitate appropriate responses to any deviations from baseline expectations.

## Appendix 2. Consolidated Statements of Revenues, Expenses and Changes in Net Position (Multi-Year Projection)

Prepared in Accordance with Generally Accepted Accounting Principles

	Year ended December 31 <sup>st</sup>							
(in thousands)	2016 Actual	2017 Budget	2017 Estimate	2018 Budget	2019 Projection <sup>(1)</sup>	2020 Projection <sup>(1)</sup>	2021 Projection <sup>(1)</sup>	2022 Projection <sup>(1)</sup>
Gross Operating Revenues*	\$5,167,364	\$5,143,013	\$5,203,570	<b>\$5,271,169</b>	\$5,455,084	\$5,712,151	\$5,895,558	\$6,064,631
<b>Operating Expenses</b>								
Operating & Maintenance Expenses	(2,772,861)	(2,888,246)	(2,891,172)	<b>(2,959,321)</b>	(3,025,419)	(3,085,936)	(3,143,571)	(3,254,306)
Allocated Expenses	(240,226)	(227,851)	(253,444)	<b>(221,004)</b>	(228,738)	(237,172)	(246,532)	(252,623)
Total Operating Expenses	(3,013,087)	(3,116,097)	(3,144,616)	<b>(3,180,325)</b>	(3,254,157)	(3,323,108)	(3,390,103)	(3,506,929)
Depreciation & Amortization	(1,238,512)	(1,235,173)	(1,274,188)	<b>(1,275,640)</b>	(1,315,681)	(1,350,229)	(1,379,797)	(1,410,012)
Income from Operations	915,765	791,743	784,766	<b>815,204</b>	885,246	1,038,814	1,125,658	1,147,690
<b>Non-operating revenues and (expenses)</b>								
Interest Income	42,047	46,144	51,705	<b>54,273</b>	52,639	66,261	70,943	82,041
Net increase/(decrease) in fair value of investments	(11,493)	-	-	-	-	-	-	-
Interest Expenses	(916,571)	(889,422)	(915,631)	<b>(930,583)</b>	(945,230)	(979,777)	(1,020,817)	(1,052,031)
Operating Asset Obligations	(18,871)	(16,051)	(16,051)	<b>(12,921)</b>	(9,529)	(5,851)	(708)	-
Grants & Pass-through grant payments, net	53,620	19,591	30,879	<b>32,864</b>	3,446	5,000	5,000	5,000
4WTC associated payments	41,521	65,293	65,293	<b>65,293</b>	65,310	65,310	65,310	65,310
Non-operating expenses, net	(809,747)	(774,445)	(783,805)	<b>(791,074)</b>	(833,364)	(849,057)	(880,272)	(899,680)
Income before capital contributions and PFC	106,018	17,298	961	<b>24,130</b>	51,882	189,757	245,386	248,010
<b>Capital Contributions and Passenger Facility Charges</b>								
Grants and contributions in aid of construction	674,950	306,966	240,305	<b>198,364</b>	290,184	261,208	180,326	129,734
Passenger facility charges (PFC)	264,363	258,385	277,378	<b>283,849</b>	291,756	298,298	305,319	312,303
Total Capital Contributions and PFC	939,313	565,351	517,683	<b>482,213</b>	581,940	559,506	485,645	442,037
Increase in Net Position	\$1,045,331	\$582,649	\$518,644	<b>\$506,343</b>	\$633,822	\$749,263	\$731,031	\$690,047
Net Position, January 1	\$15,529,563	\$16,141,021	\$16,574,894	<b>\$17,093,538</b>	\$17,599,881	\$18,233,703	\$18,982,966	\$19,713,997
Net Position, December 31	\$16,574,894	\$16,723,670	\$17,093,538	<b>\$17,599,881</b>	\$18,233,703	\$18,982,966	\$19,713,997	\$20,404,044

(1) Disclaimer: The information in this schedule is based upon conditions existing at the present time, recognizing that the estimates of future revenues and expenses set forth in the forecast years constitute present estimates and statements of expectation. Any forecast is subject to uncertainties and, inevitably, some estimates and assumptions will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between the forecasts set forth herein and actual results, and those differences may be material.

\*Revenues include the recognition of unearned income related to the transfer of the Port Authority's interest in the WTC Retail Joint Venture.

## Appendix 2A. Consolidated Statement of Net Position

Prepared in Accordance with Generally Accepted Accounting Principles

	December 31 <sup>st</sup>			
(in thousands)	2016 Actual	2017 Budget	2017 Estimate	2018 Budget
<b>ASSETS:</b>				
Cash and Investments	\$5,435,088	\$5,208,965	\$5,535,391	<b>\$5,380,716</b>
Receivables, net	711,464	1,548,138	789,825	<b>689,825</b>
Restricted receivables	71,491	128,575	75,517	<b>84,517</b>
Deferred charges and other noncurrent assets	2,144,926	1,388,570	1,355,339	<b>1,539,845</b>
Amounts receivable – Special Project Bonds	1,376,882	1,314,334	1,314,334	<b>1,233,431</b>
Amounts receivable – Tower 4 Liberty Bonds	1,246,861	1,246,249	1,246,249	<b>1,245,637</b>
Unamortized costs for regional programs	216,109	245,402	213,819	<b>219,844</b>
Facilities, net	34,693,691	35,680,489	35,729,903	<b>37,823,970</b>
<b>Total Assets and Deferred Outflows</b>	<b>45,896,512</b>	<b>46,760,722</b>	<b>46,260,377</b>	<b>48,217,785</b>
<b>LIABILITIES:</b>				
Accounts payable	1,072,412	1,691,613	1,073,657	<b>1,347,179</b>
Accrued interest and other liabilities	1,683,269	1,573,817	1,459,421	<b>1,691,115</b>
Accrued pension and other employee benefits	1,138,574	1,008,662	1,013,531	<b>1,291,056</b>
Amounts payable – Special Project Bonds	1,376,882	1,314,334	1,314,334	<b>1,233,431</b>
Amounts payable – Tower 4 Liberty Bonds	1,246,861	1,246,249	1,246,249	<b>1,245,637</b>
Bonds and other asset financing obligations	22,803,620	23,202,377	23,451,467	<b>23,892,516</b>
<b>Total Liabilities and Deferred Inflows</b>	<b>29,321,618</b>	<b>30,037,052</b>	<b>29,558,659</b>	<b>30,700,934</b>
<b>NET POSITION</b>	<b>\$16,574,894</b>	<b>\$16,723,670</b>	<b>\$16,701,718</b>	<b>\$17,516,851</b>
<b>Net position is comprised of:</b>				
Net investment in capital assets	\$12,746,144	\$12,682,762	\$12,368,009	<b>\$13,332,149</b>
Restricted:				
Passenger Facility Charges	204,053	433,960	532,573	<b>332,566</b>
Port Authority Insurance Captive Entity - PAICE	263,390	238,431	230,784	<b>231,784</b>
Minority Interest in Tower 1 Joint Venture, LLC	100,000	100,000	100,000	<b>100,000</b>
Unrestricted	3,261,307	3,268,517	3,470,352	<b>3,520,352</b>
<b>NET POSITION</b>	<b>\$16,574,894</b>	<b>\$16,723,670</b>	<b>\$16,701,718</b>	<b>\$17,516,851</b>

## Appendix 2B. Information on Port Authority Operations

Prepared in Accordance with Generally Accepted Accounting Principles

								Year ended December 31 <sup>st</sup>		
(in thousands)	Gross Operating Revenues	O&M Expenses	Allocated Expenses	Depreciation & Amortization	Income (Loss) from Operations	Net Interest & Other Exp.	Grants, Contributions & PFCs	2018 Increase/ (Decrease) in Net Position	2017 Estimate Increase/ (Decrease) in Net Position	2016 Increase/ (Decrease) in Net Position
<b>INTERSTATE TRANSPORTATION NETWORK</b>										
Holland Tunnel	\$202,708	\$72,925	\$9,773	\$19,593	\$100,417	\$13,600	\$6,363	<b>\$93,180</b>	\$93,772	\$92,513
Lincoln Tunnel	277,027	92,271	11,394	60,484	112,878	46,204	1,781	<b>68,455</b>	60,634	77,660
George Washington Bridge & Bus Station	805,177	115,214	13,138	41,118	635,707	26,367	367	<b>609,707</b>	607,879	610,437
Bayonne Bridge	41,521	20,333	2,387	18,392	409	46,102	49	<b>(45,644)</b>	(41,937)	(32,234)
Goethals Bridge	203,886	27,139	2,765	7,584	166,398	18,118	49	<b>148,329</b>	142,750	152,221
Outerbridge Crossing	164,565	24,661	2,421	5,087	132,396	2,551	49	<b>129,894</b>	127,088	145,728
Port Authority Bus Terminal	47,534	110,202	11,403	25,321	(99,392)	14,513	402	<b>(113,503)</b>	(114,982)	(106,242)
<b>Subtotal - Tunnels, Bridges &amp; Terminals</b>	<b>1,742,418</b>	<b>462,745</b>	<b>53,281</b>	<b>177,579</b>	<b>1,048,813</b>	<b>167,455</b>	<b>9,060</b>	<b>890,418</b>	875,204	940,083
PATH	197,144	341,324	48,794	119,669	(312,643)	65,068	97,058	<b>(280,653)</b>	(316,927)	(475,591)
WTC Transportation Hub	—	13,926	—	72,885	(86,811)	—	20,000	<b>(66,811)</b>	21,191	113,197
Journal Square Transportation Center	5,154	15,980	265	5,633	(16,724)	2,199	—	<b>(18,923)</b>	(20,887)	(25,704)
<b>Subtotal - PATH</b>	<b>202,298</b>	<b>371,230</b>	<b>49,059</b>	<b>198,187</b>	<b>(416,178)</b>	<b>67,267</b>	<b>117,058</b>	<b>(366,387)</b>	(316,623)	(388,098)
Ferry Transportation	187	1,229	—	5,289	(6,331)	3,145	—	<b>(9,476)</b>	(10,125)	(9,875)
<b>Total Interstate Transportation Network</b>	<b>1,944,903</b>	<b>835,204</b>	<b>102,340</b>	<b>381,055</b>	<b>626,304</b>	<b>237,867</b>	<b>126,118</b>	<b>514,555</b>	548,456	542,110
<b>Aviation</b>										
LaGuardia Airport	386,946	291,552	24,662	86,960	(16,228)	42,045	16,614	<b>(41,659)</b>	(33,945)	(634)
John F. Kennedy International Airport	1,264,113	750,358	39,974	154,255	319,526	64,615	28,885	<b>283,796</b>	284,368	282,160
Newark Liberty International Airport	971,845	493,333	33,366	117,101	328,045	56,684	21,128	<b>292,489</b>	279,261	278,501
Teterboro Airport	47,323	29,338	2,391	14,535	1,059	6,315	7,829	<b>2,573</b>	(1,069)	(6,130)
Stewart International Airport	14,250	22,743	265	10,692	(19,450)	4,510	1,646	<b>(22,314)</b>	(25,846)	(23,574)
PFC Program	—	—	—	91,749	(91,749)	—	283,849	<b>192,100</b>	181,130	167,484
<b>Total Aviation</b>	<b>2,684,477</b>	<b>1,587,324</b>	<b>100,658</b>	<b>475,292</b>	<b>521,203</b>	<b>174,169</b>	<b>359,951</b>	<b>706,985</b>	683,899	697,807
<b>Port Department</b>										
Port Newark	85,757	75,415	4,508	34,704	(28,870)	23,046	2,356	<b>(49,560)</b>	(58,691)	(67,324)
Elizabeth - PA Marine Terminal	152,359	24,762	1,804	32,169	93,624	32,295	48	<b>61,377</b>	49,759	64,302
Brooklyn - PA Marine Terminal	6,072	11,167	796	1,837	(7,728)	2,012	714	<b>(9,026)</b>	(9,536)	(8,079)
Red Hook Container Terminal	1,865	7,456	265	62	(5,918)	70	—	<b>(5,988)</b>	(4,300)	(3,719)
Howland Hook Marine Terminal	18,308	10,262	265	16,416	(8,635)	12,310	—	<b>(20,945)</b>	(26,140)	(26,439)
Greenville Yard and New York & New Jersey Rail, LLC	5,593	5,773	—	1,436	(1,616)	2,182	23,065	<b>19,267</b>	25,921	15,824
Port Jersey - Port Authority Marine Terminal	31,107	21,768	796	9,357	(814)	12,375	2,450	<b>(10,739)</b>	(7,662)	(23,168)
<b>Total Port</b>	<b>301,061</b>	<b>156,603</b>	<b>8,434</b>	<b>95,981</b>	<b>40,043</b>	<b>84,290</b>	<b>28,633</b>	<b>(15,614)</b>	(30,649)	(48,603)
<b>Development</b>										
Essex County Resource Recovery Facility	—	133	—	1	(134)	—	—	<b>(134)</b>	(139)	(471)
PA Industrial Park at Elizabeth	1,216	69	—	254	893	—	—	<b>893</b>	889	599
Bathgate Industrial Park	4,020	1,963	4	1,024	1,029	—	—	<b>1,029</b>	715	297
Teleport	11,200	11,206	—	2,013	(2,019)	198	—	<b>(2,217)</b>	(2,313)	(152)
Newark Legal & Communications Center	—	106	—	—	(106)	—	—	<b>(106)</b>	(2,675)	—
Hoboken Waterfront	8,147	366	13	2,534	5,234	—	—	<b>5,234</b>	4,963	3,535
Queens West Waterfront	997	—	—	605	392	1,344	—	<b>(952)</b>	(1,173)	(966)
<b>Total Development</b>	<b>25,580</b>	<b>13,843</b>	<b>17</b>	<b>6,431</b>	<b>5,289</b>	<b>1,542</b>	<b>—</b>	<b>3,747</b>	267	2,842
<b>World Trade Center</b>										
WTC Site	3,156	172,018	8,751	84,073	(261,686)	128,665	373	<b>(389,978)</b>	(358,085)	(180,427)
WTC Retail, LLC	24,072	7,524	265	38,644	(22,361)	83,026	—	<b>(105,387)</b>	(86,916)	(51,318)
One World Trade Center	215,254	121,490	265	97,996	(4,497)	111,285	—	<b>(115,782)</b>	(135,478)	(173,822)
WTC 2, 3, 4, & 7	72,166	61,766	274	41,992	(31,866)	49,247	65,293	<b>(15,820)</b>	(18,197)	366,347
<b>Total World Trade Center</b>	<b>314,648</b>	<b>362,798</b>	<b>9,555</b>	<b>262,705</b>	<b>(320,410)</b>	<b>372,223</b>	<b>65,666</b>	<b>(626,967)</b>	(598,676)	(39,220)
Regional Programs	500	3,098	—	54,176	(56,774)	19,139	—	<b>(75,913)</b>	(84,195)	(110,349)
Port Authority Insurance Captive Entity, LLC	—	451	—	—	(451)	—	—	<b>(451)</b>	(456)	744
<b>Subtotal</b>	<b>500</b>	<b>3,549</b>	<b>—</b>	<b>54,176</b>	<b>(57,225)</b>	<b>19,139</b>	<b>—</b>	<b>(76,364)</b>	(84,651)	(109,605)
<b>Total Port Authority</b>	<b>\$5,271,169</b>	<b>\$2,959,321</b>	<b>\$221,004</b>	<b>\$1,275,640</b>	<b>\$815,204</b>	<b>\$889,230</b>	<b>\$580,368</b>	<b>\$506,342</b>	<b>\$518,646</b>	<b>\$1,045,331</b>

## Appendix 3. Outstanding Obligations and Financing

(in thousands)	December 31st						
	2016 Actual	Issued/ Accreted	2017 Repaid/ Refunded	2017 Estimate	2018 Issued/ Accreted	2018 Repaid	2018 Budget
Consolidated Bonds	\$20,429,565	\$1,822,530	(\$1,579,730)	\$20,672,365	\$825,000	(\$360,580)	<b>\$21,136,785</b>
Commercial Paper Obligations	388,315	1,987,825	(1,956,270)	419,870	150,000	(75,000)	<b>494,870</b>
Variable Rate Master Notes	77,900	—	—	77,900	—	—	<b>77,900</b>
Fund for Regional Development							
Buy-Out Obligation	221,393	—	(37,162)	184,231	—	(40,292)	<b>143,939</b>
MOTBY Obligation	55,332	—	(2,095)	53,237	—	(2,205)	<b>51,032</b>
Tower 4 Liberty Bonds	1,225,520	—	—	1,225,520	—	—	<b>1,225,520</b>
Goethals Bridge							
Replacement DFA	744,401	275,466	—	1,019,867	2,155	—	<b>1,022,022</b>
Sub-total	23,142,426	4,085,821	(3,575,257)	23,652,990	977,155	(478,077)	<b>24,152,068</b>
Special Project Bonds	1,391,170	—	(63,490)	1,327,680	—	(81,845)	<b>1,245,835</b>
<b>Total Obligations (at PAR Value)</b>	<b>24,533,596</b>	<b>4,085,821</b>	<b>(3,638,747)</b>	<b>24,980,670</b>	<b>977,155</b>	<b>(559,922)</b>	<b>25,397,903</b>
Unamortized Premium/ (Discount) Inflow of Resources*	863,360	225,719	(57,699)	\$1,031,380	—	(57,699)	<b>973,681</b>
<b>Total Obligations (at Book Value)</b>	<b>\$25,396,956</b>	<b>\$4,311,540</b>	<b>(\$3,696,446)</b>	<b>\$26,012,050</b>	<b>\$977,155</b>	<b>(\$617,621)</b>	<b>\$26,371,584</b>

\*Includes unamortized issuance premiums and discounts related to Consolidated Bonds, Tower 4 Liberty Bonds and Special Project Bonds.

**Limitations related to Outstanding Obligations:** Limitations applicable to Port Authority debt are not, unless otherwise indicated, "legal limits" established by State constitutions or laws but, rather, are set forth in, or calculated in accordance with, the contracts with the holders of such obligations, as adopted by the Port Authority's Board of Commissioners. Port Authority debt is subject to the issuance tests and limitations contained in the various resolutions and policies established by the Port Authority.

- Consolidated Bonds (which includes Consolidated Notes): Established pursuant to the Consolidated Bond Resolution of October 9, 1952, under which additional Consolidated Bonds may not be issued (except such Consolidated Bonds issued to refund other Consolidated Bonds) except under one or another of three conditions, each of which requires that a certain future calendar year's debt service is met at least 1.3 times by certain revenues. Under the Board of Commissioners resolution establishing and authorizing the issuance of particular series of Consolidated Bonds, Consolidated Bonds may be issued for purposes in connection with additional facilities (in addition to those for which the Port Authority has already issued bonds secured by a pledge of its General Reserve Fund) only if the Port Authority has first certified its opinion that such issuance will not, among other things, materially impair its ability to fulfill its undertakings to the holders of Consolidated Bonds as more specifically set forth in such Series Resolution. The chart above lists the principal amount due for Consolidated Bonds.
- Special obligations of the Port Authority are payable from the proceeds of obligations of the Port Authority issued for such purposes, including Consolidated Bonds issued in whole or in part for such purposes, or from net revenues (as defined below) deposited into the Consolidated Bond Reserve Fund, and in the event such net revenues are insufficient therefore, from other moneys of the Port Authority legally available for such payments when due.

- Special obligations of the Port Authority are subject in all respects to payment of debt service on Consolidated Bonds as required by the applicable provisions of the Consolidated Bond Resolution and payment into the General Reserve Fund of the amount necessary to maintain the General Reserve Fund at the amount specified in the General Reserve Fund statutes.

Special obligations of the Port Authority are not secured by or payable from the General Reserve Fund. Additionally, special obligations of the Port Authority do not create any lien on, pledge of or security interest in any revenues, reserve funds or other property of the Port Authority.

- Commercial Paper Obligations: These special obligations of the Port Authority are issued to provide interim financing for authorized capital projects at Port Authority facilities and may be outstanding until December 31, 2020 under the current approved program. The maximum aggregate principal amount that may be outstanding at any one time is \$250 million for Series A, \$250 million for Series B and \$250 million for Series C.
- Variable Rate Master Notes: These notes, which are special obligations of the Port Authority, may be issued in a total aggregate principal amount outstanding at any one time not to exceed \$400 million, under the current authorized program.
- MOTBY Obligation: Represents the amounts due to the Bayonne Local Redevelopment Authority for the purchase of certain parcels of the Marine Ocean Terminal at Bayonne Peninsula.
- Tower 4 Liberty Bonds: In connection with the issuance of the Tower 4 Liberty Bonds by the New York Liberty Development Corporation in November 2011, the Port Authority entered into a Tower 4 Bond Payment Agreement with the Tower 4 Trustee to make, as a co-borrower/obligor with respect to the New York Liberty Development Corporation, Liberty Revenue Bonds, Series 2011 (4 WTC Project), debt service payments of principal and interest under the bonds as a special obligation of the Port Authority to the Tower 4 Trustee during the term of the agreement through November 15, 2051. Certain Port Authority debt service payments related to Tower 4 Liberty Bonds are reimbursable to the Port Authority from Tower 4 cash flow and to the extent Tower 4 cash flow is not sufficient, would accrue interest until reimbursed or paid with an overall term for such reimbursement or payment not in excess of 40 years.
- Goethals Bridge Replacement Developer Financing Arrangement: Upon the substantial completion of the Replacement Bridge, the Port Authority is required to make a payment to the private developer in the amount of \$1.02 billion, subject to certain adjustments for the construction of the Replacement Bridge. In lieu of a cash payment at that time, the developer will extend a loan in that principal amount to the Port Authority, to be repaid in monthly payments of principal and interest (the “DFA Payments”) to the private developer. DFA Payments are a special obligation of the Port Authority, payable over the term of the Project Agreement, which has a scheduled expiration date on the thirty-fifth anniversary of the substantial completion date of the Replacement Bridge. The DFA Payments are subject to certain deductions for non-compliance by the private developer with the terms of the Project Agreement.
- Special Project Bonds: Neither the full faith and credit of the Port Authority, nor the General Reserve Fund, nor the Consolidated Bond Reserve Fund are pledged to the payment of the principal and interest on Special Project Bonds. Each series of Special Project Bonds is secured solely by a mortgage by the Port Authority, in favor of the holders of such bonds, of facility rental as set forth in a lease with respect to the project to be financed with the proceeds of such bonds, by a mortgage by the applicable lessee, in favor of the holders of such bonds, of the lessee’s leasehold interests under the lease with respect to such project, and by a security interest granted by the applicable lessee to the Port Authority and mortgaged by the Port Authority, in favor of the holders of such bonds, in certain items of the lessee’s personalty to be located at such project, and such other security in addition to the foregoing as may be required by the Port Authority from time to time. Each series of Special Project Bonds is to be issued under a separate resolution and may be issued in one or more installments as the Port Authority may determine.



## Appendix 4. Budget Process and Financial Policies

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### A Unified Planning Process

Each year, the Port Authority undertakes a comprehensive unified planning process to develop its annual budgets, including capital programs, and business plans for its operations. This planning model ensures consistency with the agency's long-term mission and goals, as articulated through the policy and strategic direction established by the Board of Commissioners.

The Port Authority's annual budget is prepared on a basis consistent with the Port Authority's By-Laws. The Board approves an annual expenditure budget comprised of operating expenses, debt service, gross capital expenditures, and other expenditures, such as heavy equipment and computer systems that are deferred and amortized in future periods. The Board also periodically reassesses the agency's multi-year Capital Plan and modifies the current year budget, as necessary.

### Developing the Budget

Typically, the budget process begins with efforts to understand the economic and business environment in which the agency will be operating in the coming years, especially over the subsequent three-year period, and to ensure that all departments and the executive offices are of common accord on regional context and trends. In support of this effort, the Planning & Regional Development Department develops the regional planning context, releases quarterly forecasts of economic and business variables, and throughout the year, schedules economic outlook webinars, issues topical economic bulletins and hosts periodic roundtables on subject area information and analysis. This information is used with other business intelligence to reassess priorities and develop short-term strategies in line with longer term agency goals. With this groundwork as a foundation, the Executive Director provides planning and budget guidance directives that include agency-wide priorities, and any budget targets. This guidance informs the development of department business and work plans, the capital program, and the budget for the coming year.

The Management and Budget Department (Management and Budget) responsible for managing and implementing several cross-functional processes, including the Annual Budget process to ensure the Port Authority's budget is fiscally sound and reflective of the agency's mission. Throughout the year, Management and Budget regularly monitors budget performance, identifying any offsets required to accommodate unanticipated resource needs, as well as areas where corrective or rebalancing initiatives become necessary. Agency policy indicates the appropriate level of notification and /or authorization for any such corrective adjustments.

All departments submit the quantitative data on what they plan to spend and revenues they expect to take in. In addition, the operating departments that manage the Port Authority's lines of business (Port, Aviation, PATH, Tunnels, Bridges, and Terminals, WTC and Real Estate and Development), prepare business plans that detail both capital and operating department-specific strategies and initiatives, and that are consistent with the planning context and strategic priorities articulated by the Executive Director. Staff departments prepare work plans laying out how they intend to support the agency and especially its operating arms in achieving agency and departmental objectives. Management and Budget, and Capital Planning review departmental submissions and, in consultation with executive management, provide comments for incorporation, as appropriate.

As departments incorporate agency's comments, they update and resubmit business/work plans, capital project lists and budget proposals. Management and Budget, and Capital Planning assess the financial impact of the updated submissions, working iteratively with the executive offices and the departments to refine and finalize a corporate budget and a capital project list that can achieve Port Authority business objectives within the financial constraints of the agency and in accordance with the long-range Capital Plan.

A final corporate budget proposal is posted online for public information and comment. The complete and thoroughly vetted proposed budget package of operating, capital, and debt service spending is presented to the Board of Commissioners for approval. In general, the development of the full Port Authority budget is a 12-month process and follows the calendar shown below. When circumstances warrant, the process may be modified or extended.

Port Authority of New York & New Jersey (12 Month Budget Process)													
	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Scanning													
Executive Economic Review													
Planning Context													
Economic Variable Updates													
Guidance													
Business Plan Guidelines													
Budget Guidance													
Work Plans/Business Plans													
Work Plans, Staff Departments (Operating & Capital)													
Business Plans, Line Departments (Operating & Capital)													
Capital Project Listing													
Draft Project List													
Final Project List													
Operating & Capital Budgets													
Staff Department Drafts													
Line Department Drafts													
Final Budgets													
Reporting													
Board Presentations													
Public Release and Comment Period													
Approval of Budget													
Release of Budget Book													

### Basis of Budgeting

Revenues and expenses are budgeted in an enterprise fund using the accrual basis of accounting. The budgeted Revenues and Reserves schedule is prepared pursuant to Port Authority bond resolutions and differs in some respects from accounting principles generally accepted in the United States, with the primary difference being the inclusion of principal and interest payments on outstanding Port Authority debt in lieu of depreciation and amortization related to capital investment.

This is intended to demonstrate to the bondholders that the agency is generating sufficient cash flows to meet its debt service obligations. For presentation purposes, budgeted net position is calculated on a basis consistent with generally accepted accounting principles. Management and Budget prepares periodic financial reports designed to inform all levels of executive management, that measure and discuss actual and projected performance against the operating and capital budget. Financial reports are also presented to the Board of Commissioners on a quarterly basis, that concisely describe the operating and capital results and financial position of the agency as a whole, including year-end estimates, highlight exceptions or significant changes impacting the agency's financial condition, and suggest areas where management action may be necessary.

## Financial Policies

The Port Authority is financially self-sustaining and raises the monies necessary to operate its facilities and provide services to the public at large through tolls, fares, rentals, and other user charges. Funds needed for capital improvements, construction, and acquisition of facilities are raised on the basis of the Port Authority's own credit. The Port Authority cannot pledge the credit of either state or any municipality, nor can it levy taxes or assessments.

Within the context of programmatic agency-wide objectives, the Port Authority has established various financial measures designed to ensure that the agency is able to sustain its projects, plan for the future, and fund debt service. The Port Authority maintains two reserve funds, the General Reserve Fund and the Consolidated Bond Reserve Fund, which were established in accordance with applicable laws, statutes and resolutions. The agency has set specific targets for the balances of the reserve funds at any given time, as well as other debt-related ratios, including the Additional Bonds Test (as set forth in Section 3 of the Consolidated Bond Resolution).

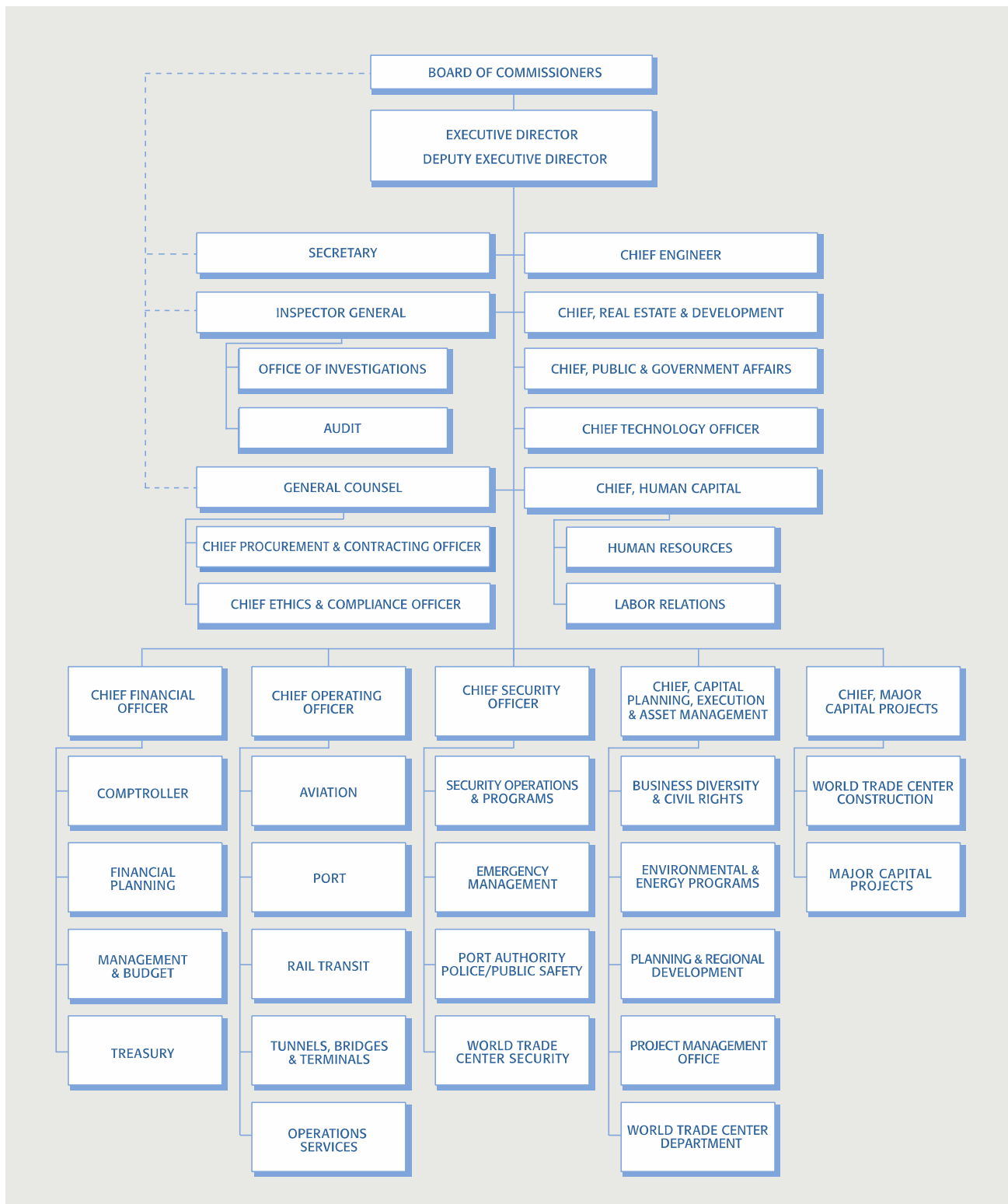
The General Reserve Fund is pledged in support of Consolidated Bonds and Notes. Statutes, which required the Port Authority to create the General Reserve Fund, established the principle of pooling revenues from all facilities and require that the Port Authority to apply surplus revenues from all of its facilities financed by the issue and sale of bonds legal for investment (as defined in the applicable statutes) to maintain the General Reserve Fund in an amount equals to 10% of the par value of outstanding bonds legal for investment. The balance remaining of all net revenues of the Port Authority's existing facilities, after deducting payments for debt service upon all Consolidated Bonds and Notes and the amount necessary to maintain the General Reserve Fund at its statutorily required amount, is to be paid into the Consolidated Bond Reserve Fund, which is pledged as additional security for all outstanding Consolidated Bonds and Notes. Consolidated Bonds and Notes have a first lien upon the net revenues (as defined in the Consolidated Bond Resolution) of all existing facilities of the Port Authority and any additional facility financed by Consolidated Bonds and Notes.

Special obligations of the Port Authority include Commercial Paper Obligations, Variable Rate Master Notes, Marine Ocean Terminal at Bayonne Peninsula (MOTBY) Obligation, Tower 4 Liberty Bonds and the Goethals Bridge Developer Financing Arrangement. Special obligations of the Port Authority are payable from the proceeds of obligations of the Port Authority issued for such purposes, including Consolidated Bonds issued in whole or in part for such purposes, or from net revenues (as defined below) deposited into the Consolidated Bond Reserve Fund, and in the event such net revenues are insufficient therefore, from other moneys of the Port Authority legally available for such payments when due. Net revenues for purposes of special obligations of the Port Authority are defined, with respect to any date of calculation, as the revenues of the Port Authority pledged under the Consolidated Bond Resolution and remaining after (i) payment or provision for payment of debt service on Consolidated Bonds as required by the applicable provisions of the Consolidated Bond Resolution; (ii) payment into the General Reserve Fund of the amount necessary to maintain the General Reserve Fund at the amount specified in the General Reserve Fund statutes; and (iii) applications to purposes authorized in accordance with Section 7 of the Consolidated Bond Resolution.

Special obligations of the Port Authority are not secured by or payable from the General Reserve Fund. Additionally, special obligations of the Port Authority do not create any lien on, pledge of, or security interest in any revenues, reserve funds or other property of the Port Authority. Equipment notes and the Fund for Regional Development Buy-Out Obligation are payable in the same manner and from the same sources as operating expenses. Special project bonds are not secured by or payable from the General Reserve Fund or the Consolidated Bond Reserve Fund.

The Port Authority has a long-standing policy of maintaining total reserve funds in an amount equal to at least the next two years' bonded debt service on outstanding debt secured by a pledge of the General Reserve Fund. The monies in the reserve funds may be accumulated or applied only to the purposes set forth in legislation and the agreements with the holders of the Port Authority's obligations pertaining thereto.

## Appendix 5. Organizational Chart



## Appendix 6. Operating Performance Metrics

*The Port Authority continues to advance its mission to meet critical infrastructure needs of the bi-state region.*

TB&T			
Metric	Definition and Operational Impacts*	2017 Major Outcomes	2018 Performance Measurement
TB&T - Facility Mobility	<ul style="list-style-type: none"> <li>Maintain median travel speeds during the weekday at all interstate vehicular crossings in the eastbound direction</li> </ul>	<ul style="list-style-type: none"> <li>Met the goal</li> </ul>	<ul style="list-style-type: none"> <li>The median vehicular speeds on TB&amp;T crossings each month shall surpass the 80% mark of each facility's posted speed limit</li> </ul>
TB&T - Average Crash Rate (per Million Vehicles)	<ul style="list-style-type: none"> <li>Improve safety and travel time reliability by ensuring priority crash locations are monitored and implementing mitigations to reduce crashes</li> </ul>	<ul style="list-style-type: none"> <li>The Average Crash Rate is higher than the target range. Traffic Engineering is focusing on high collision locations to reduce the rate by enhancing the use of delineators</li> </ul>	<ul style="list-style-type: none"> <li>Decrease in crash rate over the 2017 actuals</li> </ul>
PATH			
PATH - On-Time Performance	<ul style="list-style-type: none"> <li>Maintain 96% on-time performance in order to meet passenger demand and customer service needs</li> </ul>	<ul style="list-style-type: none"> <li>Met the goal</li> </ul>	<ul style="list-style-type: none"> <li>Maintain 96% 24-hour on-time-performance</li> <li>Maintain 96% peak period on-time-performance</li> </ul>
PATH - Safety Training	<ul style="list-style-type: none"> <li>Operate PATH system with a high degree of safety for passengers and employees</li> </ul>	<ul style="list-style-type: none"> <li>Met the goal</li> </ul>	<ul style="list-style-type: none"> <li>Achieve 100% completion rate for mandatory safety training</li> </ul>
PATH - Service Reliability	<ul style="list-style-type: none"> <li>Maintain planned mean distance between failure (number of miles, on average, a PATH car travels before breakdown or failure occurs that results in delay) at 100,000 miles in order to reduce operational incidents and delays</li> </ul>	<ul style="list-style-type: none"> <li>Met the goal</li> </ul>	<ul style="list-style-type: none"> <li>Maintain miles between failure at 100,000</li> </ul>
PATH - Safety Maintenance Performance	<ul style="list-style-type: none"> <li>Complete all Federal Railroad Association (FRA) mandated inspections and maintenance routines each year</li> </ul>	<ul style="list-style-type: none"> <li>Met the goal</li> </ul>	<ul style="list-style-type: none"> <li>Meet all FRA-mandated inspections and maintenance routines "on-target"</li> </ul>
Aviation			
Aviation - Flight Delay Reduction	<ul style="list-style-type: none"> <li>Improvement of year-to-year operation delay statistics for all airports</li> </ul>	<ul style="list-style-type: none"> <li>Operation delays remained constant year over year at 5%</li> </ul>	<ul style="list-style-type: none"> <li>Less than 5% of total operations delayed (non-weather-related delays)</li> </ul>
Aviation - FAA Part 139 Compliance	<ul style="list-style-type: none"> <li>Meet Federal Aviation Administration (FAA) Federal Aviation Regulation (FAR) Part 139 requirements to meet all safety standards and maintain airports' operating certificates</li> </ul>	<ul style="list-style-type: none"> <li>Met the goal</li> </ul>	<ul style="list-style-type: none"> <li>Meet all requirements for FAA (FAR) Part 139 inspections; Correct any discrepancies by FAA imposed deadlines</li> </ul>
Aviation - Runway Availability	<ul style="list-style-type: none"> <li>Maintain runway availability at 98%</li> </ul>	<ul style="list-style-type: none"> <li>Met the goal</li> </ul>	<ul style="list-style-type: none"> <li>Maintain the runways open and operational for use by the FAA unless there is any planned preventative maintenance and construction</li> </ul>

## Appendix 6. Operating Performance Metrics

*The Port Authority continues to advance its mission to meet critical infrastructure needs of the bi-state region.*

Port			
Metric	Definition and Operational Impacts*	2017 Major Outcomes	2018 Performance Measurement
Port - Increased Intermodal Efficiency	<ul style="list-style-type: none"> <li>Move cargo by rail to 20% by 2020</li> </ul>	<ul style="list-style-type: none"> <li>Maintained 14.8% of port cargo moved by rail</li> </ul>	<ul style="list-style-type: none"> <li>Move at least 16% of port cargo by rail</li> </ul>
Port Facilities - Retain and Grow Key Services	<ul style="list-style-type: none"> <li>Retain and grow key maritime services—container (volumes twenty-foot equivalent units (TEU))</li> </ul>	<ul style="list-style-type: none"> <li>Exceeded the target volume of 5% by 2.8%</li> </ul>	<ul style="list-style-type: none"> <li>Container volumes 3% greater than 2017 actuals</li> </ul>
Port Facilities - Retain and Grow Key Services	<ul style="list-style-type: none"> <li>Retain and grow key maritime services—U.S. market share</li> </ul>	<ul style="list-style-type: none"> <li>Market share of 15.2%; missed the 16% goal by 0.8%</li> </ul>	<ul style="list-style-type: none"> <li>U.S. market share greater than 16%</li> </ul>

\*Note: Please refer to the Departmental Budget Summaries chapter for each line departments' operational impacts associated with significant capital projects. The Departmental Budget Summaries also include the departments' mission, goals, and core functions.

## Appendix 7. Glossary

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**Additional Bonds Test** - A debt service coverage ratio test required under the Port Authority's Consolidated Bond Resolution. This test sets forth that prior to the issuance of Bonds or other obligations secured by a pledge of the General Reserve Fund, it must be determined that net revenues will be sufficient to cover the bonded debt service in the year that the debt service is at its maximum by at least 1.3 times.

**Agency Provision** - The agency provisions in the Capital Plan are provided to address future needs of the Agency, which may or may not be specifically known at this point in time.

**Allocated Expenses** - Expenses allocated to various business programs, operating facilities, and capital projects of the Port Authority, using labor as the basis for allocation for the provision of centralized general management and administrative services and/or general services applicable to development activities.

**Budget** - A formal financial estimate of expected revenues and expenditures setting forth the Port Authority's financial operations for a calendar year in a form compatible with the Port Authority's accounting system. The estimate is prepared by all departments and approved by the Board of Commissioners. It becomes a means of achieving systematic review of program expenditures to ensure that they are made in accordance with the policies and financial decisions of the Board and the By-Laws of the Port Authority.

**Capital Expenditures** - Expenditures for projects that benefit future accounting periods and are expected to prolong the service lives of assets beyond the originally assigned life or result in a better or more efficient asset. Capital expenses are broken down into four Plan Categories that reflect the policy goals of the Agency:

- **Renew** - Projects required to renew and maintain assets in a state of good repair and ensure efficient, safe, and secure operations.
- **Expand and Connect** - Projects that expand capacity, improve connectivity, meet the growth of the region, and advance the region's transportation needs.
- **Partner** - Projects where we partner with federal and regional stakeholders to complete Superstorm Sandy restoration, fortify and improve resiliency of our assets, and build for the future, with \$2 billion in direct Port Authority investment. In addition, the plan also provides for the Port Authority's support of the Gateway Passenger Rail Tunnel Project, a critical trans-Hudson rail link and associated infrastructure.
- **Deliver** - Completion and delivery of projects that were under construction when the 2017-2026 Capital Plan was created.

**Capital Plan** - Reflects the current assessment of the potential need for capital expenditures over a specific period of time for the modernization, renovation, rehabilitation, expansion, or acquisition of existing and additional facilities in order to continue to maintain appropriate levels of service. The most recent version of the plan is the 2017-2026 Capital Plan approved by the Board of Commissioners in February 2017.

**Commercial Paper Obligations (CP)** - Certain short-term special obligations of the Port Authority authorized to be issued to provide interim financing for the payment of capital expenditures in connection with the facilities of the Port Authority or to refund certain Port Authority obligations. Payment of the principal and interest on CP is subject in all respects to the payment of debt service on Consolidated Bonds as required by the applicable provisions of the Consolidated Bond Resolution and to the payment into the General Reserve Fund of the amount necessary to maintain the General Reserve Fund at the amount specified in the General Reserve Fund statutes.

CP, and the interest thereon, are not secured by or payable from the General Reserve Fund.



**Consolidated Bonds** - Long-term direct and general obligations of the Port Authority issued pursuant to the Port Authority's Consolidated Bond Resolution for which the full faith and credit of the Port Authority is pledged for the payment of principal thereof and interest thereon. Consolidated Bonds are secured by a pledge of the net revenues of all existing facilities of the Port Authority, a pledge of the General Reserve Fund of the Port Authority equally with other obligations of the Port Authority secured by the General Reserve Fund, and a pledge of the agency's Consolidated Bond Reserve Fund.

**Consolidated Bond Reserve Fund** - A special reserve fund created by Section 7 of the Consolidated Bond Resolution. The balance remaining of all net revenues of the Port Authority's existing facilities after deducting payments for debt service upon all Consolidated Bonds and Notes and the amount necessary to maintain the General Reserve Fund at its statutorily required amount, is to be paid into the Consolidated Bond Reserve Fund, which is pledged as additional security for all outstanding Consolidated Bonds and Notes. Consolidated Bonds and Notes have a first lien upon the net revenues (as defined in the Consolidated Bond Resolution) of all existing facilities of the Port Authority and any additional facility financed by Consolidated Bonds.

**Consolidated Bond Resolution** - The Port Authority resolution, adopted in 1952, that authorized and established the issuance of Consolidated Bonds for the purpose of refunding outstanding Port Authority bonds and to serve as a unified medium for financing purposes for which the Port Authority is or shall be authorized to issue bonds secured by a pledge of the General Reserve Fund.

**Debt Service** - Represents interest payments, accruals, and mandatory and accelerated amortization (by sinking fund payments, serial maturities, bank loan payments, etc.), on outstanding debt charged to the operating and reserve funds.

**Deferred Expenses** - Includes the purchase of ancillary equipment utilized at Port Authority facilities and corporate information technology components. These deferred expenses are amortized over the expected period of beneficial use.

**Direct Prorated Expenses** - Centralized line department, operations and maintenance services, and engineering general expenses that are prorated directly to individual operating facilities and business programs based on their prorated share of direct labor costs.

**EBIDA** - Earnings before Interest, Depreciation, and Amortization.

**Facility** - A location classification defining a complete and self-contained unit owned, leased or operated by the Port Authority.

**Fund for Regional Development Buy-Out Obligation** - Represents the annual implicit interest cost (8.25%) contained in the present value of amounts due to the States of New York and New Jersey upon the termination, in 1990, of the Fund for Regional Development. Payments related to this buy-out obligation are special obligations of the Port Authority payable in the same manner and from the same sources as operating expenses.

**General Reserve Fund** - A special Port Authority reserve fund established by the States of New York and New Jersey through a 1931 resolution, which was amended in 1952 to conform to the Port Authority's Consolidated Bond Resolution, that is pledged to support all outstanding Port Authority Consolidated Bonds and Notes. The General Reserve Fund is funded through surplus operating revenues from all existing Port Authority facilities and is statutorily required to be maintained at an amount equal to at least 10 percent of the par value of all outstanding Port Authority bonds legal for investment.

**Gross Operating Revenues** - Revenues derived from the operation of Port Authority facilities, including rentals, tolls, fares, aviation fees and other charges derived in connection with the use of and privileges granted at Port Authority facilities before the deduction of operating expenses.

**Net Operating Revenues** - The amount remaining after deducting certain operating expenses of the Port Authority from the gross operating revenues thereof, as more specifically defined in the Consolidated Bond Resolution.

**Operating Asset Obligations** - Principal and interest expense associated with the funding of operating assets such as the Fund for Regional Development Buy-Out Obligation and Port Authority Equipment Notes. Debt service in connection with operating asset obligations is paid from the same revenues and in the same manner as operating expenses of the Port Authority.

**Operating Expenses** - Expenses incurred in connection with the operation, maintenance, security, repair and administration of Port Authority facilities, including direct prorated, and allocated expenses.

**Passenger Facility Charges (PFC)** - Pursuant to the Federal Aviation Safety and Capacity Expansion Act of 1990, as amended, the Port Authority has been authorized to impose a PFC on passengers utilizing its airports. Pursuant to federal law, the collection and expenditure of PFCs requires prior approval of the Federal Aviation Administration (FAA) and is restricted to PFC eligible project.

**Port District** - A geographical area of about 1,500 square miles in the States of New York and New Jersey, centering about New York Harbor. The Port District includes the Cities of New York and Yonkers in New York State, and the Cities of Newark, Jersey City, Bayonne, Hoboken and Elizabeth in the State of New Jersey, and over 200 other municipalities, including all or part of seventeen counties, in the two States.

**Port Authority Equipment Notes (PAEN)** - Certain special obligations of the Port Authority, of which none are currently outstanding, authorized to be issued for purposes of payment for expenditures in connection with the facilities of the Port Authority or to refund prior obligations issued by the Port Authority in connection with the purchase of equipment and/or for incidental purposes. The payment of the principal of and interest on PAENs would be a special obligation of the Port Authority payable from the proceeds of obligations of the Port Authority issued for such purposes or from the same revenues and in the same manner as operating expenses of the Port Authority.

**Special Obligations of the Port Authority** - Special obligations of the Port Authority are payable from the proceeds of obligations of the Port Authority issued for such purposes, including Consolidated Bonds issued in whole or in part for such purposes, or from net revenues deposited into the Consolidated Bond Reserve Fund pursuant to the Consolidated Bond Resolution, and in the event such net revenues are insufficient therefore, from other moneys of the Port Authority legally available for such payments when due. Special obligations of the Port Authority are subject in all respects to payment of debt service on Consolidated Bonds, as required by the applicable provisions of the Consolidated Bond Resolution and payment into the General Reserve Fund of the amount necessary to maintain the General Reserve Fund at the amount specified in the General Reserve Fund statutes. Special obligations of the Port Authority are not secured by or payable from the General Reserve Fund, and do not create any lien on, pledge of or security interest in any revenues, reserve funds or other property of the Port Authority

**Special Project Bonds (SPB)** - Special limited obligations of the Port Authority issued for the purpose of providing a single project for a lessee, to refund all or any part of a prior series of SPB, or a combination of such purposes. Neither the full faith and credit of the Port Authority nor any of its reserve funds are pledged for the payment of principal and interest on SPB, which are underlying mortgage bonds within the meaning of the Consolidated Bond Resolution. Each series of SPB is secured solely by a mortgage by the Port Authority, in favor of the holders of such bonds, of facility rental as set forth in a lease with respect to the project to be provided with the proceeds of such bonds, by a mortgage by the applicable lessee, in favor of the holders of such bonds, of the lessee's leasehold interests under the lease with respect to such project, and by a security interest granted by the applicable lessee to the Port Authority and mortgaged by the Port Authority, in favor of the holders of such bonds, in certain items of the lessee's personalty to be located at such project, and such other security in addition to the foregoing as may be required by the Port Authority from time to time.

**Source of Funds** - Gross operating revenues generated by Port Authority facilities, in addition to monies generated from the issuance of bonds, notes and other obligations, receipt of grants, insurance proceeds, earned income on investments and money drawn down from reserve funds, as well as the collection of Airport Passenger Facility Charges. A balanced budget is achieved when the Sources of Funds is equal to the planned spending or Uses of Funds for the fiscal year.

**Uses of Funds** - The cost of operating expenses, capital expenditures, debt service on outstanding bonds, notes and others obligations, and other expenditures that are deferred and amortized in future periods. When the Uses of Funds is equal to revenues generated by the Sources of Funds, the budget is balanced.

**Variable Rate Master Notes (VRMN)** - Certain special obligations of the Port Authority authorized to be issued for purposes of payment for capital expenditures in connection with the facilities of the Port Authority or to refund prior Port Authority obligations and for incidental purposes. VRMN carry variable interest rates in accordance with specified indices and are subject to prepayment at the option of the Port Authority or upon demand of the holders thereof. Payment of the principal of and interest VRMN is subject in all respects to the payment of debt service on Consolidated Bonds as required by the applicable provisions of the Consolidated Bond Resolution and to the payment into the General Reserve Fund of the amount necessary to maintain the General Reserve Fund at the amount specified in the General Reserve Fund statutes. VRMN, and the interest thereon, are not secured by or payable from the General Reserve Fund.

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