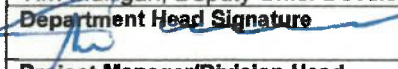




Staff Summary

Subject MTA 2020-2024 Capital Program Amendment
Department MTA C&D
Department Head Name Tim Mulligan, Deputy Chief Development Officer
Department Head Signature 
Project Manager/Division Head Stephen A. Berrang, Director C&D Program Oversight
Project Manager/Division Head Signature 

Date December 15, 2021
Project Manager/Division Head Stephanie Delisle, Director Capital Program Funding
Project Manager/Division Head Signature 

Board Action					
Order	To	Date	Approval	Info	Other
1	Board	12/15			

Internal Approvals			
Order	Approval	Order	Approval
5	Acting Chair and CEO		
4	Chief of Staff		
3	Chief Development Officer		
2	Chief Financial Officer		
1	Legal		

Purpose:

To obtain MTA Board approval of the proposed amendment to the MTA 2020-2024 Capital Program that increases the total funding to \$55.334 billion and to authorize the MTA to submit the \$52.007 billion Capital Program Review Board (CPRB) portion of it to the CPRB for its review and approval, in accordance with the Public Authorities Law §1269-b.

Discussion:

Proposed MTA 2020-2024 Capital Program Amendment: This amendment increases the current capital program by \$535 million from \$54.799 billion to \$55.334 billion. The CPRB portion of the program increases from \$51.472 billion to \$52.007 billion. Changes to the capital program address the following: (a) budget adjustments in the New York City Transit (NYCT) program for a track and structures project; (b) increases to the sizes of the Long Island Rail Road (LIRR) and Metro-North Railroad (Metro-North) programs; (c) two new MTA Interagency elements required to help administrate the capital program; (d) budget adjustments within and to the MTA Network Expansion program to support the Penn Station Access (PSA) project; and (e) elements with 10% increases which require CPRB approval (identified in Attachment A of this staff summary). The proposed capital program amendment includes the following:

CPRB Core Program: \$43.388 billion. Agencies continue to make investments that renew and enhance the networks of NYCT, the LIRR, Metro-North, the MTA Bus Company and MTA Interagency. The Core Program increases from \$43.674 billion to \$43.709 billion, and reflects the following notable changes:

- NYCT has proposed internal budget adjustments to support its Direct Fixation Track Replacement project for the 63rd Street and Jamaica lines with no change to the overall NYCT funding envelope. These \$206.1 million in budget adjustments impact several capital program elements including Track, Power, Line Structures and Miscellaneous portions of the capital program.
- The LIRR funding envelope has an increase of \$15.0 million reflecting additional FRA grant funding that was secured for the 2020-2024 Capital Program after its approval. This funding supports work at Penn Station. This increase exceeds the current 10% element allowance and requires a 10% CPRB approval.
- The LIRR has also proposed making internal budget adjustments within its approved program to reflect additional \$74.0 million in needs for fully wrapping up the Positive Train Control effort with no change to the LIRR funding envelope. This includes \$33 million for ESA commitments and \$41 million for PTC on the existing LIRR Right of Way. As a result of this overall increase, the budget exceeds the current 10% element allowance and requires a 10% CPRB approval.
- Metro-North is adding \$20.1 million in administrative assets to the 2020-2024 Capital Program to represent investment shares owed to the MTA by the Connecticut Department of Transportation.

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- A new \$18.8 million MTA Interagency element and project have been established to help administer MTA Construction & Development activities needed to administer the capital program. This \$18.8 million was established with transfers into the element from the NYCT, the LIRR, Metro-North, MTA Bus and MTA Expansion. This new element requires a 10% CPRB approval.
- Consistent with practices in prior MTA capital programs, a new Small Business Development Program administrative element and project have been established in MTA Interagency. \$4.2 million of transfers have been made into this element including \$3.8 million from CPRB agency sources (NYCT, the LIRR, Metro-North and MTA Expansion) and a separate \$0.4 million for MTA Bridges and Tunnels, which does not require CPRB approval. This creation of a new core SBMP administrative element requires a 10% CPRB approval.
- \$23.0 million in transfers to the two new MTA Interagency elements came from the agencies' Miscellaneous budget portions of the capital program with no change in the overall size of the 2020-2024 Capital Program.
- A decrease to the core capital programs by \$321 million to loan to MTA Expansion from various projects in NYCT, LIRR and Metro North whose design and delivery schedules do not require said funds until after the anticipated repayment through federal infrastructure funds.

MTA Expansion Program: \$8.619 billion. The MTA Expansion program has been altered to reflect budget revisions for the PSA project and the addition of \$500 million to the overall size of the MTA Expansion Program's 2020-2024 capital program.

The originally approved MTA 2020-2024 Capital Program includes \$1.131 billion for PSA. An additional \$452 million is included in the approved MTA 2015-2019 Capital Program for a total current combined budget of \$1.583 billion.

Based on bids, the anticipated fully loaded cost for PSA is \$2.867 billion. After adjustments to the budget to reflect deferral of \$460 million of activities until a future date, the total initial cost is anticipated to be \$2.407 billion. The elements deferred include a portion of contingencies and support cost as well as the delay of the option for the New Rochelle Yard.

As a result, this amendment will increase the overall PSA budget by \$921 million, from \$1.561 billion to \$2.482 billion, across both the 2015-2019 and the 2020-2024 programs. This increase is a result of recent bids received, extended project schedule due to limitations on track outages and labor support committed to by Amtrak, and additional Amtrak scope (fourth track, expanded power and communication upgrades), as well as market price increases in labor and construction materials. The proposed amendment impacts only the 2020-2024 Capital Program and immediately increases the funding for the PSA project in that program by \$921 million from \$1.131 billion to \$2.052 billion. There is no change to PSA in the 2015-2019 Capital Program.

The sources for this \$921 million increase are both from within the MTA 2020-2024 Capital Program's Expansion program as well as from a regional partner:

- A \$100 million transfer of surplus budget from the LIRR Expansion Project within the MTA Expansion Program
- An addition to the Expansion Program of \$500 million in anticipated Amtrak funds
- An addition of \$321 million to the Expansion Capital Program comprised of \$241 million from NYCT, \$40.1 million from the LIRR and \$40.1 million from MNR. The full budgets for NYCT, LIRR and Metro North capital plans are anticipated to be restored in either the 2020-2024 capital program or added into the 2025-2029 capital program. using future federal infrastructure funds.

The increase of \$921 million to the 2020-2024 Penn Station Access element budget exceeds the current 10% CPRB allowance and requires a 10% CPRB approval.

Impacts on Funding:

The proposed amendment increases the 2020-2024 funding envelope by \$535.1 million, to a new total of \$55.334 billion. The funding changes include the addition of \$15 million in FRA grant funding for the LIRR Penn Station Platform project and \$20.1 million from the Connecticut Department of Transportation for MNR administrative assets, including maintenance of way equipment and radio system upgrades, and the addition of \$500 million in anticipated Amtrak funds for Penn Station Access.

Alternatives:

Without CPRB approval of the changes, certain work may not proceed. The amendment is critical to continue renewing, enhancing, and expanding the MTA's network to meet the mobility needs of the region. Pursuant to the Public Authorities Law, program element increases exceeding 10% require CPRB approval.

Recommendation:

That the MTA Board approve the proposed amendment to the MTA 2020-2024 Capital Program that increases it to \$55.334 billion and authorize the MTA to submit the \$52.007 billion CPRB portion of it to the CPRB for its review and approval.

Attachment A
MTA 2020-2024 Capital Program Amendment
CPRB Program Element Changes
(\$ in millions)

Agency	Element	Category – Element Description	CPRB Approved Program December 2019	Proposed Program	Change
NYCT	T-801-01	Subway Cars	\$6,056.8	\$5,816.2	(\$240.6)
NYCT	T-805-02	Mainline Track Rehabilitation	\$1,803.5	\$1,861.8	\$58.3
NYCT	T-805-03	Mainline Switch Replacement	\$754.7	\$724.7	(\$30.0)
NYCT	T807-03	Line Structures	\$2,383.9	\$2,384.9	\$1.0
NYCT	T-809-02	Substations	\$2,055.5	\$2,077.5	\$22.0
NYCT	T-816-02	Miscellaneous	\$185.9	\$134.6	(\$51.3)
NYCT	T-816-05	Engineering Services	\$312.6	\$297.0	(\$15.6)
LIRR	L-802-04	Stations and Buildings	\$806.8	\$742.1	(\$64.7)
LIRR	L-802-06	Penn Station	\$44.4	\$59.4	\$15.0*
LIRR	L-804-01	Bridges	\$268.5	\$254.5	(\$14.0)
LIRR	L-805-02	Signal Improvements	\$288.9	\$339.5	\$50.6*
LIRR	L-806-01	Shops and Yards	\$118.9	\$106.9	(\$12.0)
LIRR	L-809-04	Miscellaneous	\$231.0	\$229.0	(\$2.0)
Metro-North	M-802-02	Outlying Stations	\$339.9	\$348.3	\$8.4
Metro-North	M-803-01	Track	\$261.5	\$268.8	\$7.3
Metro-North	M-804-01	Communications & Signals	\$182.2	\$186.6	\$4.4
Metro-North	M-805-01	Power	\$202.2	\$171.1	(\$31.1)
Metro-North	M-806-01	Shops & Yards	\$23.0	\$17.0	(\$6.0)
Metro-North	M-808-01	Miscellaneous	\$147.5	\$142.6	(\$4.9)
MTA Bus	U-803-02	Bus Company Projects	\$870.7	\$870.4	(\$0.3)
MTA Interagency	N-800-01	MTA Mentoring Program Administration	\$0.0	\$4.2	\$4.2*
MTA Interagency	N-813-01	MTA Construction & Development	\$0.0	\$18.8	\$18.8*
MTA Expansion	G-811-01	Penn Station Access	\$1,131.1	\$2,051.9	\$920.8*
MTA Expansion	G-813-01	LIRR Expansion Project	\$538.5	\$438.5	(\$100.0)
MTA Expansion	G-816-01	Miscellaneous	\$234.6	\$231.7	(\$2.9)

*Indicates a proposed element allocation is greater than 10% over CPRB-approved level.