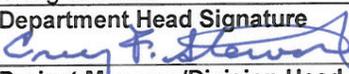


Staff Summary

Subject MTA 2015-2019 Capital Program Amendment
Department Capital Programs
Department Head Name Craig Stewart
Department Head Signature 
Project Manager/Division Head Stephen Berrang  Stephanie DeLisle 

Date February 23, 2017
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Board	2/23			

Internal Approvals			
Order	Approval	Order	Approval
4	Interim Executive Director 		
3	Chief of Staff 		
2	Chief Financial Officer 		
1	Legal 		

Narrative

Purpose:

To obtain MTA Board approval of the proposed amendment to add three station investment projects for \$399 million and offsetting changes in other projects in the New York City Transit (NYCT) and Long Island Rail Road (LIRR) portions of the MTA 2015-2019 Capital Program and use of program surpluses from prior capital programs, for subsequent submission to the Capital Program Review Board (CPRB) for their approval, as provided by statute.

Discussion:

Background: The original \$32.0 billion MTA 2015-2019 Capital Program, including \$29 billion for CPRB agencies and \$3 billion for the self-funded Bridges and Tunnels (B&T) program, was approved by the MTA Board in September 2014. The \$29 billion program was submitted to the CPRB in October 2014, but was vetoed by the CPRB without prejudice in October 2014. A refocused 2015-2019 Capital Program, \$29.0 billion, of which \$2.9 billion was self-funded by B&T and \$26.1 billion required review and approval of the CPRB, was approved by the MTA Board in October 2015. Discussions were immediately undertaken with stakeholders to ensure the revised program met their concerns. Consequently, the revised capital program was \$29.5 billion, of which \$26.6 billion required CPRB approval. The Board approved this capital program in April 2016 and the CPRB approved the \$26.6 billion portion in May 2016. The B&T portion of the program remained unchanged since its October 2015 MTA Board approval.

Proposed Capital Program Amendments: The amendments focus on changes in the CPRB portion of the programs. The B&T portion of the program is not affected. The amendments propose to add three new station investment projects (\$399 million) in the NYCT and LIRR portion of the 2015-2019 Capital Program. These additions are funded by changes in other work, reflecting agency priorities, right-of-way access, planning and coordination with other related project schedules, and surpluses yielded from completed projects in the 2010-2014 Capital Program. Note that the MTA is in the process of developing a comprehensive set of changes to both the 2010-2014 and 2015-2019 Capital Programs that is expected to be presented at a later date. The changes proposed in this amendment cannot wait until those comprehensive amendments.

New York City Transit: NYCT's approved 2015-2019 capital program included funds to begin an important station investment strategy called the Enhanced Station Initiative (ESI). ESI will revamp design guidelines for subway stations, resulting in cleaner, brighter stations that will be easier to navigate, with better wayfinding and a modernized look and feel. At the time of the capital program approval, the ESI strategy was still under development and funded only the initial effort. ESI is to be implemented across 31 stations. The first group of stations has been awarded. \$129 million is proposed to support four additional ESI stations: 163rd St., 110th St., 86th St., and 72nd St., all on the 8th Avenue line. Offsetting this addition are changes in two projects. Construction (\$97 million) of a new vent plant near Grand Central on the Lexington Avenue line is moved to the 2020-2024 Capital Program so that environmental planning and community issues can be addressed. Structural painting on the Jamaica line (\$32 million) is moved due to lack of track access in this time frame.

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Long Island Rail Road: Two projects for work at Penn Station are proposed for addition to LIRR’s program. The new Penn Station-33rd Street Corridor project (\$170 million) helps to reimagine and redesign Penn Station to significantly improve the customer experience and flow throughout the LIRR concourse. The 33rd Street Corridor inside Penn Station, which is among the station’s busiest sections connecting Seventh and Eighth Avenues, will be widened and ceiling height will be increased. Other improvements will include upgraded lighting and wayfinding, and digital information screens to provide a modernized environment. In addition, a new project (\$100 million) related to Penn Station is for the LIRR’s contribution towards the Moynihan Train Hall, as part of a regional partnership which aims to transform the Penn Station experience. Offsetting these additions are changes in the following projects. For the LIRR M-9 fleet expansion project (\$151 million), an option for 54 additional cars will now be exercised in the 2020-2024 Capital Program. This cash flow adjustment is consistent with the current delivery schedule for this contract. \$119.4 million is available from prior capital programs as a result of MTA agency review to identify surplus funds and efficiencies. This includes \$29 million from the 2010-2014 or earlier LIRR capital programs, \$11 million from the 2010-2014 NYCT Capital program, and \$79 million in surplus local funds from the 2010-2014 Sandy recovery program.

Pursuant to the Public Authorities Law 1269-b, changes to capital program elements that are greater than 10% require approval of the CPRB in order to be progressed. As shown in the table below, the proposed changes in the NYCT and LIRR program result in budget increases more than 10% over the CPRB-approved level for two elements of the capital program

Elements With Increases Exceeding 10%
(\$ in millions)

Agency	Element	Category – Element Description	CPRB Approved Program May 2016	Proposed Program	Change
NYCT	T-704-12	Passenger Stations – Station Work	\$975.3	\$1,104.3	\$129.0
LIRR	L-702-06	Stations – Penn Station	\$70.5	\$340.5	\$270.0

Numbers may not total due to rounding

Impacts on Funding:

The 2015-2019 Capital Program will increase by \$119 million (\$79 million from PAYGO, \$40 million from MTA Bonds) reflecting the transfer of funds from the 2010-2014 or earlier capital programs. The total CPRB portion of the program increases to \$26.7 billion.

Alternatives:

There are no viable alternatives. The amendment is necessary to support pending work with regional partners and to progress critical strategic improvements to MTA’s network to continue to transform customer experience and better meet the mobility needs of the region. Pursuant to the Public Authorities Law, program element increases exceeding 10% require CPRB approval. Without CPRB approval of the changes, certain work may not proceed.

Recommendation:

That the MTA Board approves the proposal to amend the MTA 2015-2019 Capital Program as described and authorizes the \$26.7 billion CPRB portion of the program to be submitted to the CPRB for its review and approval.