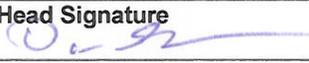


Staff Summary

Subject MTA 2010-2014 Capital Program Amendment
Department Capital Programs
Department Head Name Don Spero
Department Head Signature 
Project Manager/Division Head Stephen Berrang  Stephanie DeLisle 

Date May 24, 2017
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Board	05/24			

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 \$32.021 billion MTA 2010-2014 Capital Program amendment and to authorize the MTA to submit the \$29.237 billion Capital Program Review Board (CPRB) portion of the capital program amendment to the CPRB for its review and approval, in accordance with Public Authorities Law § 1269-b.

Discussion:

Proposed 2010-2014 Capital Program Amendment: This amendment reduces the current capital program from \$34.801 billion to \$32.021 billion.

In the Security / Disaster Recovery portion of the capital program the Sandy restoration and mitigation programs are reduced by a combined \$2.959 billion, restoration by \$183 million and mitigation by \$2.777 billion, to reflect the availability of funding. Budgets were established in prior program amendments with full funding undetermined. The proposed amendment now aligns overall budget allocations with essential project needs and funding. As part of this effort, agencies have prioritized their needs and updated the timing and costs of projects. The amended Sandy program provides full funding for all priority (essential) needs. The MTA has also established \$240 million of programmatic Sandy restoration reserves for NYCT (\$194 million), Metro-North (\$24 million) and the LIRR (\$22 million) to support ongoing and future restoration projects. Partially offsetting these reductions is a \$3 million increase in the security portion of the program.

Select budget allocations for East Side Access (ESA), Regional Investments and ESA Rolling Stock, which are all common to both the 2015-2019 and 2010-2014 capital programs, are being administratively transferred to the 2010-2014 Capital Program. These transfers consolidate the budgets for rolling stock, the ESA management reserve and select Regional Investment Harold Interlocking budgets to re-organize projects to increase transparency and improve budget management. For example, the rolling stock reserves for the ESA growth fleet are now budgeted in a single capital program. The overall multi-capital program budgets for ESA (\$10.178 billion) and Regional Investments (\$758 million) remain unchanged. The resulting \$464 million increase to the 2010-2014 MTA Capital Construction's network expansion program is supported by surpluses identified in this and other MTA capital programs.

B&T, which does not require CPRB approval, proposes moving \$90 million from the 2010-2014 Capital Program to the 2015-2019 Capital Program to support Open Road Tolling projects at the various B&T facilities. The reduction includes \$32 million that was added since the last amendment, resulting in a net reduction of \$61 million in B&T's core program (from \$2.078 billion to \$2.018 billion).

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The proposed 2010-2014 Capital Program amendment also incorporates the update of project timing and cost estimates within the core and network expansion programs to reflect current assumptions and prioritizations. In addition, numerous elements are more than 10% over the CPRB-approved element budgets as a result of these changes. Elements with 10% issues are identified within the body of the amendment.

Impacts on Funding:

The proposed amendment decreases the 2010-2014 Capital Program funding envelope by \$2.780 billion to \$32.021 billion, primarily to align the Sandy budgets with reduced funding assumptions. The Sandy program's remaining federal, insurance and MTA local funds fully support each MTA agency's highest repair and resiliency priorities. The proposed funding plan also reflects the administrative transfer of funding between approved capital programs - particularly New Starts and MTA local funding for ESA and Second Avenue Subway - to match actual/planned fund source usage by program. The amendment also transfers available MTA local funds from prior capital programs to support ESA, Regional Investment and ESA Rolling Stock Reserve and various Core agency projects. The remaining adjustments reconcile the funding plan with actual receipts of funds.

Alternatives:

There are no viable alternatives. This program amendment is necessary to enable vital capital projects to address core needs, progress recovery from Superstorm Sandy and enhance system resiliency to better withstand future climate events and disruptions, and promote regional mobility. Pursuant to the Public Authorities Law, program element increases exceeding 10% require CPRB approval; the proposed changes include such increases. Without CPRB approval of the changes, certain work may be halted.

Recommendation:

That the MTA Board approve the proposal to amend the MTA 2010-2014 Capital Program as described and authorize the \$29.237 billion CPRB portion of the program to be submitted to the CPRB for its review and approval.