

## Governor Cuomo & Senator Lanza Announce Start of Construction on \$1.5 Billion Project to Replace the Goethals Bridge

ANDREW J LANZA May 7, 2014



Construction crews begin work on project that will create 2,250 jobs and \$872 million in economic activity for the region

Governor Andrew M. Cuomo and Senator Andrew J. Lanza today announced the official commencement of construction on a \$1.5 billion public-private partnership (PPP) to replace the Goethals Bridge with a new state-of-the-art cable-stayed bridge. The replacement bridge will connect Staten Island with Elizabeth, New Jersey and serve as a key thoroughfare for the transport of billions of dollars of goods and millions of travelers throughout the region.

The new bridge will include additional wide travel lanes and 12-foot shoulders that will ease congestion and

accommodate anticipated future traffic volumes. The upgraded bridge will also enhance the efficiency of the New York Container Terminal, while making accommodations for future growth at the site. The Container Terminal sits at the mouth of the bridge and serves as Staten Island's largest private employer.

"Today we are launching a project that will serve travelers in the New York City region for generations to come," Governor Cuomo said. "The Goethals Bridge is a vital artery of the transportation network that connects millions of commuters throughout the New York City region, and our administration is moving aggressively to make its replacement a reality. After a decade of negotiation, construction on the new bridge is finally moving forward and I look forward to seeing its swift completion.

Senator Andrew Lanza said, "The Goethals Bridge has served the people of Staten Island and New York well since 1928. At the center of one of the largest air cargo gateways and vehicle crossings in the nation, the bridge no longer meets modern standards of safety and demand. Governor Cuomo's announcement to commence the construction of a state-of-the-art replacement for the Goethals Bridge, which will include a myriad of improvements and utilize modern technologies, is great news and will ensure greater convenience and utility for Staten Islanders and the entire region. I want to thank Governor Cuomo for leading the way in getting this important infrastructure improvement project to the starting line."

The Goethals is the first surface transportation project built as a true PPP in the Northeast Region. The project will create more than 2,250 direct construction jobs and generate \$224 million in wages and \$872 million in economic activity for the region.

Along with additional wider travel lanes and 12-foot shoulders, the new Goethals Bridge will provide state-of-the-art smart bridge technology, including Roadway Weather Information Systems that collect environmental data such as wind speed, visibility, and pavement temperature. The bridge will also feature a Traffic Detection System that uses sensors embedded in the roadway to provide alerts on traffic build-up so incident response plans may be quickly implemented.

Additionally, the new structure will restore pedestrian access to the Goethals Bridge with a pedestrian/bicycle pathway, providing a safe, scenic passageway for recreational enjoyment. The replacement Goethals Bridge will have a 100-year service life, will be built to include options for mass transit in the future, and will comply with the Buy America requirement on steel.

Renderings of the new Goethals Bridge can be found here.

This is the first new bridge constructed in New York by the Port Authority since 1931, when the George Washington Bridge opened to vehicular traffic. The work is being done through an innovative PPP with the NYNJ Link Partnership. NYNJ Link is comprised of Macquarie Infrastructure and Real Assets Inc. and Kiewit Development, together with lead contractors Kiewit Infrastructure, Weeks Marine, and Massman Construction. This diverse group features leaders in the field of construction and infrastructure financing.

The unique partnership structure allows the agency to maintain control of the asset, while having access to private-sector construction and maintenance expertise as well as private capital. The agreement will save the Port Authority an estimated ten percent in combined construction and maintenance costs over the life of the agreement versus the Port Authority's own project estimates, while minimizing impact to the agency's debt capacity.

The developer is benefiting from \$474 million in a low cost, U.S. DOT TIFIA loan and the issuance of \$461 million in Private Activity Bonds. The Port Authority believes the incentives included in the deal will speed the delivery of the completed bridge by at least six months compared to the Port Authority's own construction estimates.

The Port Authority Board of Commissioners awarded the construction contract for the new Goethals Bridge in April 2013 and pre-construction activity began in December 2013 after more than a decade of planning and environmental review. The Port Authority Board first authorized planning and preparation for an Environmental Impact Statement on a new Goethals Bridge in 2003.

Construction is estimated to last approximately four years with initial service commencing in late 2016 and substantial completion of the bridge occurring in late 2017. To ensure the speedy delivery of the project, milestone payments to the developer will not begin until the bridge nears completion. The current Goethals Bridge will remain open until service begins on the new bridge.

Senator Diane Savino said, "The replacement of the Goethals Bridge, will take away that terrifying feeling every Island driver has of passing anyone on the bridge with safer wider lanes and shoulders. It creates over 2,000 construction jobs and pumps \$872 million in economic activity into the area. In conjunction with the Expressway expansion and and Verazzano redecking a dream of mine will be realized; as a seamless bus/HOV lane the entire width of Staten Island to the Brooklyn Battery Tunnel will smooth our commuters rides to and from work. Kudos to Governor Cuomo and his Port Authority Team for their ingenuity on this project."

Assemblyman Michael Cusick said, "It is welcomed news that the project to replace the Goethals Bridge with a new state-of-the-art bridge has begun. This important thoroughfare is a vital connector for Staten Island to Elizabeth, New

Jersey and essential to our economy moving billions of regional goods each year. It is also important for Staten Islanders to have a dependable infrastructure that provides them with safe travel to and from their homes. I commend Governor Cuomo for his leadership and the Port Authority for moving forward with this project. It will enhance future economic growth and create new jobs."

Staten Island Borough President James Oddo said, "The current Goethals Bridge is an antiquated structure that is not sufficient to meet modern traffic standards. Its shortcomings, including narrow travel lanes and lack of shoulders, have hurt commerce coming into and out of Staten Island and caused numerous Staten Islanders to endure traffic jams during trips onto and off Staten Island. One broken down vehicle is enough to cause traffic to back up across the length of the Staten Island Expressway. When the new bridge is completed, the larger travel lanes, the addition of a new lane in each direction, and shoulders will alleviate some of the chronic traffic conditions caused by the current bridge's limitations. This is good news for the New York Container Terminal, which is highly dependent on that bridge, and for the people of Staten Island who will now have a modern, state of the art bridge connecting them to New Jersey. Thanks to

Governor Cuomo and Pat Foye for their creativity in bringing this public-private partnership to reality."

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