

SUMMARY STATEMENT

ITEM NO.: DRPA-17-096

SUBJECT: 2018 DRPA Capital Budget

COMMITTEE:

Finance

COMMITTEE MEETING DATE:

November 8, 2017

BOARD ACTION DATE:

November 15, 2017

PROPOSAL: That DRPA approve and adopt a 2018 DRPA Capital Budget.

PURPOSE: To establish the 2018 DRPA Capital Budget.

BACKGROUND: Each year the DRPA adopts an updated five-year Capital Program and an annual Capital Budget. The Capital Program was developed based on input from Division Chiefs, Department and Facility Directors, and bridge and PATCO personnel and is then refined through a formal review process led by the Chief Executive Officer (CEO), Chief Financial Officer, Chief Engineer, and the Capital Budget Review Committee. This review process utilizes a framework that prioritizes projects based on essential maintenance, security, safety, customer service, operational enhancements, available funding and operational capacity.

The 2018 Capital Budget reflects the DRPA's commitment to maintain and improve its bridge and transit facilities in support of providing safe, reliable transportation facilities for the region. In addition to the inspections conducted by our Engineering Department, Biennial Inspections are conducted at each facility by outside consultants. As a result, many of the capital improvement projects included in the Capital Program are in response to recommendations made during the Biennial Inspection.

The 2018 Capital Budget proposes estimated net spending of \$166,795,000 (net of federal/state grants of approximately \$43,954,000) on projects identified for the year 2018. Net funding required to complete projects included in the 2018 capital budget totals \$662,350,000. It includes essential on-going and new start Capital Projects on all four bridge facilities, and the PATCO High Speed Line to maintain the current state of repair of the facilities

and to ensure the safety and security of customers and employees. The multi-year Capital Program proposes total net expenditures of \$770,331,000.

Three (3) of the largest projects, all with estimated 2018 costs in excess of \$10.0 million, total \$62.0 million (including \$27.1 million in federal funding) and nets to \$34.9 million in DRPA funding. (Estimated expenditures on these projects during the five-year period is expected to total \$165.0 million (prior to receipt of grant funding). These are shown below:

Rehabilitation of Fleet (PATCO) Total 2018 - \$35 million and nets to \$21.5 million (\$13.5 million in FTA funding). (Total project costs \$55 million in years 2018-2020)

- 1) Lindenwold Yard Track Rehabilitation & Lindenwold Viaduct Total 2018 - \$17.0 million with FTA funding of \$13.6 million. (Total project costs of \$40 million in 5-year plan.)
- 2) BRB Painting & Steel Repairs (Betsy Ross Bridge) Total 2018 - \$10.0 million. (Total project costs of \$70 million in 5-year plan.)

The 2018 Capital Budget projects will be funded through the “pay-go capital fund” (established within the General Fund.)

SUMMARY:	Amount:	\$166,795,000 (for the year 2018)
	Source of Funds:	General Fund
	Capital Project #:	N/A
	Operating Budget:	N/A
	Master Plan Status:	N/A
	Other Fund Sources:	Federal/State Grants approximately \$43,954,000
	Duration of Contract:	N/A
	Other Parties Involved:	N/A

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RESOLUTION

RESOLVED: That the 2018 DRPA Capital Budget is hereby approved by the Board of Commissioners (subject to the availability of funds); and be it

FURTHER RESOLVED: That the DRPA shall not expend funds in excess of the total authorized 2018 Capital Budget, in the amount of \$166,795,000 unless such Budget shall be amended by Resolutions of the Board of Commissioners to increase said authorization.

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	Capital Project #:	N/A
	Operating Budget:	N/A
	Master Plan Status:	N/A
	Other Fund Sources:	Federal/State Grants approximately \$43,954,000
	Duration of Contract:	N/A
	Other Parties Involved:	N/A