SUMMARY STATEMENT

ITEM NO.: DRPA-19-121
SUBJECT: 2020 DRPA Capital Budget
COMMITTEE: Finance
COMMITTEE MEETING DATE: November 13, 2019
BOARD ACTION DATE: November 20, 2019

PROPOSAL: That DRPA approve and adopt a 2020 DRPA Capital Budget.

PURPOSE: To establish the 2020 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 2020 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 2020 Capital Budget proposes estimated net spending of $200,097,000.00 (net of federal/state grants of approximately $21,217,000) on projects identified for the year 2020. Net funding required to complete projects included in the 2020 capital budget totals $757,216,000.00. 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 $810,291,000.00.

The five (5) the largest projects, all with estimated 2020 costs in excess of $10 million, total $79 million. (Estimated expenditures on these projects during the five-year period is expected to total $319.5 million. These are shown below:

1) BFB Suspension Spans Rehabilitation (Benjamin Franklin Bridge) Total 2020 - $25.6 million. (Total project costs of $186 million in 5-year plan.)
2) WWB Corridor Rehabilitation (Walt Whitman Bridge) Total 2020 - $13.9 million (Total project costs of $69 million in 5-year plan.)

3) CBB Bridge Deck Rehabilitation (Commodore Barry Bridge) Total 2020 - $13 million. (Total project costs of $22 million in 5-year plan.)

4) BRB NJ Approach Roadway Resurfacing (Betsy Ross Bridge) Total 2020 - $11 million. (Total project costs of $27 million in 5-year plan.)

5) Enterprise Resource Planning System – SAP Enhanced (Technology) Total 2020 - $15.5 million. (Total project costs of $15.5 million in 5-year plan.)

The 2020 Capital Budget projects will be primarily funded through bond project funds and/or from the General Fund. (Note: certain short-lived capital expenditures, such as vehicles, equipment, etc. will be funded by the General Fund.) When necessary, staff may, through use of an internal Capital Change Form, adjust budgeted funds, within the constraints of the total approved 2020 budgeted amount.

It should also be noted that the approval of the capital program does not in itself authorize any specific project. Specific approval by the Board of Commissioners is required before any capital project may commence.

**SUMMARY:**

| Amount: | $200,097,000.00 (for the year 2020) |
| Source of Funds: | 2020 A Revenue Bond Project Fund, General Fund |
| Capital Project #: | N/A |
| Operating Budget: | N/A |
| Master Plan Status: | N/A |
| Other Fund Sources: | Federal/State Grants approximately $21,217,000.00 |
| Duration of Contract: | N/A |
| Other Parties Involved: | N/A |
RESOLUTION

RESOLVED: That the 2020 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 2020 Capital Budget, in the amount of $200,097,000.00 unless such Budget shall be amended by Resolutions of the Board of Commissioners to increase said authorization.

SUMMARY:

Amount: $200,097,000.00 (for the year 2020)
Source of Funds: 2020 A Revenue Bond Project Fund, General Fund
Capital Project #: N/A
Operating Budget: N/A
Master Plan Status: N/A
Other Fund Sources: Federal/State Grants approximately $21,217,000.00
Duration of contract: N/A
Other parties Involved: N/A