

# **Fiscal 2009 Executive Budget Hearings**

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## **Department of Transportation (Capital)**

*May 2008*

*Hon. Christine C. Quinn  
Speaker of the Council*

*Hon. David I. Weprin, Chair  
Committee on Finance*

*Hon. John Liu, Chair  
Committee on Transportation*

*Preston Niblack, Director  
Finance Division*

New York City Council Finance Division

Preston Niblack  
Director

Jeffrey Rodus  
Deputy Director

Jonathan Rosenberg  
Deputy Director

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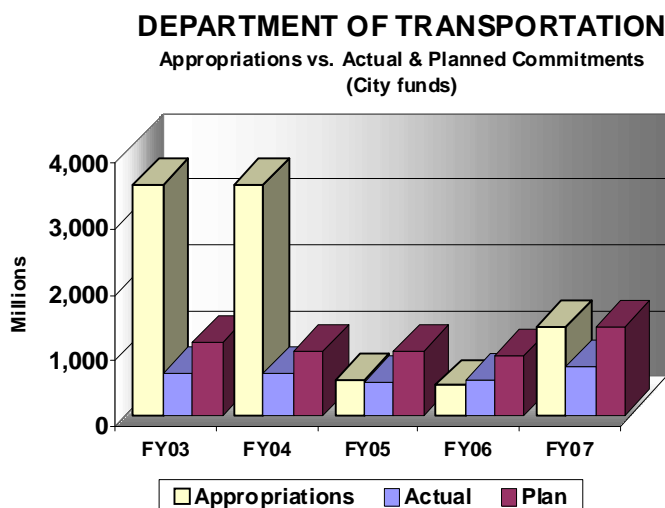
Department of Transportation (Capital)

Chima Obicberi  
Analyst

### *Agency Overview*

The Department of Transportation (DOT) is responsible for the movement of pedestrian and vehicular traffic throughout the City. DOT is comprised of five operating bureaus: The Bureau of Highway Operations, the Parking Violations Bureau, the Bureau of Traffic Operations, the Bureau of Bridges and the Bureau of Transit Operations.

The goals of DOT's Capital Program include, but are not limited to, providing roads in good condition for safe travel, providing safe and efficient travel throughout the City by maintaining bridge and tunnel structures, improving the flow of traffic and minimize congestion, and maintaining the safe and efficient operation of ferries and ferry terminals. To meet these and other objectives, the Bureau of Highway Operations builds and maintains approximately 5,700 linear miles of streets and highways. It also operates an asphalt plant to provide materials for resurfacing and repair work.



The Bureau of Bridges inspects, maintains, repairs and operates 842 bridge and tunnel structures, oversees major bridge and tunnel construction work. The Bureau of Bridges also manages the “Flag” Repair Program to correct deficient bridge conditions. The Staten Island and Harts Island Ferries, various aviation facilities, and the repair of docks and terminal facilities are the responsibility of the Bureau of Transit Operations.

Under the previous Administration, the Department of Design and Construction (DDC) was created to manage the majority of the City’s infrastructure projects, including many projects funded through DOT's capital program. For example, DDC manages DOT’s highway reconstruction and resurfacing contracts, sidewalk and curb contracts and parking facility reconstruction projects. While most capital personnel were transferred to DDC, some stayed at DOT for those projects assigned to the agency. DOT personnel manage all Highway Bridge and Waterway Bridge contracts.

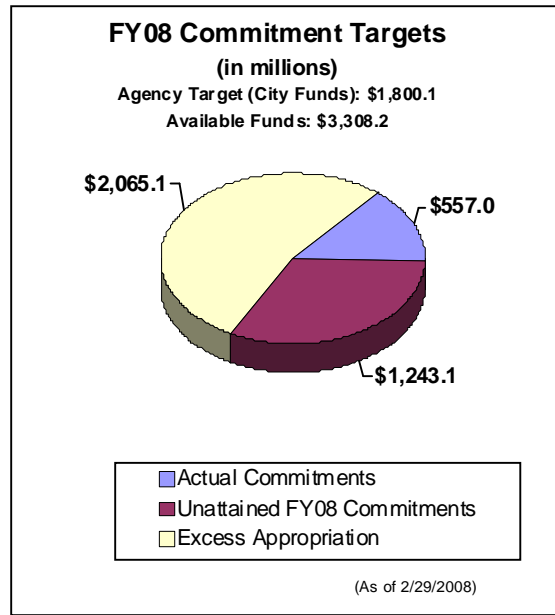
## Fiscal 2009 Executive Capital Budget

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### *Current Budget Summary*

The May 2008 Capital Commitment Plan includes \$5.81 billion in Fiscals 2009-2012 for the Department of Transportation (including City and Non-City funds). This represents 13.5 percent of the City's total \$43.1 billion Executive Plan for Fiscals 2009-2012. The agency's Executive Commitment Plan for Fiscals 2009 - 2012 is 14.5 percent more than the \$5.07 billion January Commitment Plan, an increase of \$737.8 million.

As of February 29, 2008, the Department of Transportation has only committed \$556.1 million, or 52.1 percent, of its \$1.07 billion Fiscal 2008 Plan. Over the past five years the Department of Transportation has only committed an average of 57.3 percent of its annual capital plan. Therefore, it is assumed that a large portion of the agency's Fiscal 2008 capital plan will be rolled into Fiscal 2009 thus greatly increasing the size of the Fiscal 2009-2012 capital plan. Since Adoption last June, the Capital Commitment Plan for Fiscal 2008 has decreased from \$1.80 billion to \$1.07 billion, a reduction of \$731 million or 40.6 percent.



Currently DOT's appropriations total \$3.31 billion in City-funds for Fiscal 2008. These appropriations are to be used to finance the DOT's \$512.1 million City-funded Fiscal 2008 capital commitment program. The agency has 6.5 times more funding than it needs to meet its entire capital commitment program for the current fiscal year.

## **Fiscal 2009 Executive Capital Budget**

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The Department of Transportation's capital commitments for the last five years are shown below:

<b>FIVE YEAR HISTORY – CAPITAL BUDGET</b> (\$ in millions)					
	FY03	FY04	FY05	FY06	FY07
CITY	627	623	410	530	736
NON-CITY	139	284	301	74	93
TOTAL	766	907	711	604	829

The Preliminary Four-Year Capital Plan is shown below:

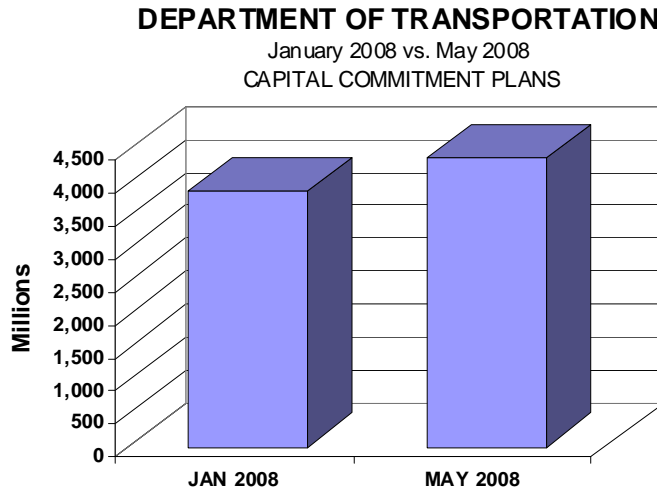
<b>PRELIMINARY CAPITAL BUDGET – JANUARY 2008</b> (\$ in millions)					
	FY09	FY10	FY11	FY12	FY's 09-12
CITY	1,810.5	919.9	542.7	614.0	3,887.1
NON-CITY	699.3	345.8	65.5	74.0	1,184.5
TOTAL	2,509.8	1,265.6	608.2	687.9	5,071.6

The Executive Four-Year Capital Plan is shown below:

<b>EXECUTIVE CAPITAL PLAN – MAY 2008</b> (\$ in millions)					
	FY09	FY10	FY11	FY12	FY's 09-12
CITY	1,794.2	1,312.2	641.4	635.2	4,383.0
NON-CITY	694.0	401.1	288.0	43.3	1,426.4
TOTAL	2,488.3	1,713.3	929.3	678.5	5,809.4

### EXECUTIVE BUDGET ISSUES/HIGHLIGHTS:

- In the Executive Plan, the four-year capital commitment plan for Fiscals 2009-2012 is \$5.81 billion of which \$4.38 billion is City funds and \$1.43 billion is Non-city funds. City-funded commitments for Fiscal 2009-2012 have increased by \$495.9 million while Non-City commitments have increased by \$241.9 million when compared to the January Plan. However, most of the increase in the City-funded portion of the plan is the result of \$392.8 million rolling from Fiscal 2008 to Fiscal 2009. When this role is taken out of the equation, the City-funded portion of the Executive Plan increases only \$103.1 million.



- In the Executive Plan, there is a net increase in City funding for all components of DOT's Capital Plan for Fiscals 2009-2012: Highway Bridges increases by \$21.5 million; Waterway Bridges increases by \$29.8 million; Ferries and Aviation increases by \$449,000; Highways increases by \$26.0 million; Transportation Equipment increases \$1.2 million; and Traffic increases by \$24.1 million. These numbers do not include the funding that rolled from Fiscal 2008 to Fiscal 2009. Non-City funding increased by \$241.9 million in the Executive Plan when compared to the January Plan. This total includes federal, state, and private monies.

The major changes between the January Plan and the Executive Plan for Fiscals 2009-2012 are:

- **Madison Ave. Bridge Seismic Retrofitting & Rehabilitation:** \$5 million is added for design and support services based on recently developed Total Design Scope of Service. An additional \$38 million is in the out years (Fiscals 2013-2017) for construction costs.
- **Manhattan Bridge #14:** \$23.7 million is added in Fiscal 2010 after inspections revealed that the some bearings required replacement; new cable bands require installation; additional lubrication of the suspenders was needed; and for the replacement of the grease beneath the cable wrappings. Total planned commitments for this project are now \$118.7 million, reflecting the most recent cost estimate. The construction component of this project will now begin in Fiscal 2010 rather than Fiscal 2009.
- **Broadway Bridge over the Harlem River:** \$40.3 million is being added to the plan for this project bringing total planned commitments for this project up to \$57.3 million. The project's scope has been substantially revised to accommodate additional work such as

replacement of the fender system, adding off going barrier gates, adding bridge security system, replacement of elevator, and replacement of existing generator. Construction Support Services and Resident Engineer Inspection services cost estimates have also been updated based on the latest scope of work for this project.

- **Bruckner Expressway over Amtrak:** An increase of \$26.8 million is attributable to additional scope items added after the initial estimate was originally provided. Furthermore, the original estimate did not include accommodations for general conditions, including but limited to: 1) anticipated labor adjustments; 2) soft project costs; 3) site conditions; 4) restrictions imposed by Amtrak; and 5) increased cost of bonds and insurance.
- **Citywide Milling:** \$36.6 million has been added to this program where asphalt is grinded up in preparation for highway work. These additional funds reflect current market costs and trends.
- **Williamsburg Bridge #8:** \$2.6 million has been added to the plan to cover the deployment of Traffic Enforcement Agents (TEAs). Additionally, new bollards and fencing surrounding the bridge's towers were added to this contract to expedite security measures that would have been installed in another contract.
- **Roosevelt Ave. Bridge over the Van Wyck Expressway:** \$11.5 million in planned commitments have slipped from Fiscal 2009 to Fiscal 2010 when construction registration is scheduled to commence.
- **Reconstruction of Ramps at St. George's Terminal:** \$35.8 million has been added because the lowest cost proposal for this project exceeded the engineer's estimate. Thus, DOT had to include this new need in the commitment plan. DOT expects registration of this project in the second quarter of Fiscal 2009.
- **PlaNYC 2030 Projects:**
  - **Congested Corridors/Growth Areas:** DOT will address multi-modal congestion issues in additional growth areas around the city, to manage streets efficiently for all users, and to address anticipated growth and land use changes. \$29.2 million was cut by OMB from this project in the January Plan but was restored in the Executive Plan.
  - **Public Plaza Improvements:** Formerly called the Town Square Initiative, DOT will create a new (or enhance an existing) pedestrian plaza in every community in the City by 2030. The plazas will be created from existing road space. \$14.6 million was cut by OMB from this project in the January Plan but was restored in the Executive Plan.