

THE BOND BUYER

Port Authority's resiliency focus turns to Holland Tunnel

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More than five years after the Holland Tunnel took severe seawater damage from Superstorm Sandy, the Port Authority of New York and New Jersey is spending \$364 million dollars on repairs and resiliency measures for the 91-year old crossing.

The Port Authority's board of commissioners approved on Thursday a \$364.2 million rehabilitation and resiliency project for the tunnel that links Manhattan and Jersey City, N.J. The bi-state transportation agency is planning to repair and restore mechanical, electrical and plumbing systems damaged by Sandy. The Oct. 29, 2012 storm filled the tunnel with 30 million gallons of water resulting in flooding up to 9 feet above the North Tube roadway.

"It's essential that we maintain this artery in a state of good repair given its critical role in the region's economy and in moving tens of thousands of commuters and visitors each day," Port Authority Chairman Kevin O'Toole said in a statement. "Our goal is to get this project done as quickly and seamlessly as possible with minimal disruption to the traveling public and local communities."

In addition to tunnel system repairs, the Port Authority is also tackling resiliency initiatives aimed at preventing damages from future major weather events.

The Holland Tunnel project adds to the nearly \$1 billion in [storm mitigation and resiliency projects](#) the Port Authority has undertaken since Superstorm Sandy. The agency announced last October that another \$1.8 billion of resiliency projects were in the pipeline.

"Superstorm Sandy taught us some very important lessons about the impact Mother Nature can have on our transportation facilities, including the Holland Tunnel," said Port Authority Vice Chairman Jeffrey Lynford. "Not only do we need to ensure that the tunnel remains a viable lifeline between the two states, but

also that we take the appropriate steps to prevent the devastating impacts of future storms.”

Port Authority officials said roughly 84% of the Holland Tunnel project cost is projected to be reimbursed by federal funds with the remainder funded through the authority’s 2017-2026 capital plan. The project is slated to commence in the second quarter of 2019 and take around five years to complete.

The Port Authority is one of the nation's largest municipal bond issuers with around \$20 billion in outstanding debt. The transportation agency has debt ratings of Aa3 from Moody's Investors Service and AA-minus from S&P Global Ratings and Fitch Ratings.