

Port Authority of New York and New Jersey
Committee on Capital Planning, Execution and Asset Management Meeting Transcripts
November 13, 2013

[Chair S. Rechler] A little bit behind schedule, so I will commence the Committee on Capital Planning, Execution, and Asset Management public session. The first portion of today's meeting will be held in public session, which the Committee will meet in executive session to discuss matters involving ongoing negotiations or reviews of contracts or proposals. In addition, the public portion of this meeting is being broadcast live on the Port Authority's website for those interested in viewing today's proceeding via the Internet. At this point I'd like the Board Secretary to advise the Committee of any Commissioner recusals on items before the Committee at today's public session.

[K. Eastman] Mr. Chairman, there are no recusals at this meeting for any of the items.

[Chair S. Rechler] All right, terrific. So our first item is the Newark Liberty International Airport modification upgrade, and Tom Bosco is going to provide a presentation. Tom?

[Tom Bosco] Good morning. Commissioners, I ask that you authorize an additional \$11.6 million for the modification and upgrade of the aviation fueling system at Newark Liberty International Airport for a revised total project cost of \$97.7 million. The Board had originally approved of this project back in May 2012 for \$86.1 million. Included in the revised cost is \$400,000 for an existing contract for engineering and design services to cover items not included in the original scope of work and also \$72.8 million in a construction contract for which we seek your delegated authority to award. This reauthorization includes additional scope such as utilities relocations, roadway restoration, and guard post relocations that was originally included under other concurrent construction projects that have since been deferred and so now this scope is included under this project. It also includes, or involves, removal of scope such as the demolition of the existing fuel tanks shown in blue on this—they look like blue-purple on this slide—and the installation of replacement high capacity tanks shown in purple. The reason that we're removing them from the project is that we think that we can achieve equivalent capacity through future alternative means at a lower cost, and that is possibly through direct connection of the pipeline to the fuel pipeline existing from the Lyndon station. Here you see the economic impact. And here is a cost summary of the project, 100 percent of which is recoverable through the Newark flight fee. You can see the project duration is 5½ years. It has to be carefully staged in order to minimize the impact to aircraft operations on the aeronautical area. So, Commissioners, I ask that you advance this item to the full Board for approval today.

[Chair S. Rechler] Any questions or comments, Commissioners? [Comm.] Move. >> [Comm.] Second. [Chair S. Rechler] All in favor? >> [All Comm.] Aye. >>

[Chair S. Rechler] Okay. Thank you very much, Tom. Now that concludes our public session. We're now going to—

[Comm. J. Moerdler] Can I just say something? >> [Chair S. Rechler] Yeah, sure. [J. Moerdler] Question on that thing—one of the things that always concerned me at the airports, and it's

something that we can have a separate discussion on, is how you deal with security at the fuel farms, and I assume that's being factored into all of these renovations and that you coordinate that with the Chief Security Officer to make sure that everyone's comfortable with how we're both staging and doing the work and also the net result at the end.

[T. Bosco] That's an excellent point, Commissioner. We'll keep that in mind.

[Chair S. Rechler] Thanks. Okay. Thank you. Now we end our public portion of today's meeting. The Committee will now adjourn to executive session to discuss matters involving ongoing negotiations or reviews of contracts or proposals. So all those of the public, please excuse us.