[Chair D. Samson] The Board Meeting of the Port Authority of New York & New Jersey and its subsidiaries is now called to order. Prior to today's meeting, the Committees on Capital Programs/Agency Planning and Construction met in public session, the Committee on Operations met in executive session, and the WTC Redevelopment Subcommittee met in both public and executive session. Their reports will be filed with the official minutes of today's Board Meeting. The Commissioners also met in executive session prior to today's Board Meeting to discuss matters involving ongoing negotiations or reviews of contracts, proposals, and matters related to the purchase, sale, or lease of real property or securities where disclosure would affect the value thereof or the public interest. First, before we get to the agenda, I want to welcome on behalf of the Board Commissioners Jeff Lynford and Scott Rechler. They're going to be great additions. They're already great additions to the Board. I personally look forward to working with them, and I know I reflect all the other Commissioners' views that we're going to have a terrific benefit from their participation and active engagement on behalf of the Board. So welcome and thank you for your efforts already. Our first presenter is Lash Green, Director of the Office of Diversity and Civil Rights, who will review the Port Authority's Minority, Women-Owned, and Small Business Enterprise participation results for 2010. Lash?

[L. Green] Good afternoon, Commissioners. Today I'm pleased to report on the Port Authority's performance in not only meeting but exceeding last year's goals and objectives for Minority, Women-Owned, and Small Business Enterprise participation in construction, procurement of goods and services, and other business activities. With the board's support, the Port Authority continues to be a regional leader in maintaining comprehensive and effective programs to support M/W/SBE participation. The result is that in 2010 the agency, including the efforts of our tenants and the construction programs at the World Trade Center site, posted over $470 million in contracts awarded to M/WBEs. While exceeding our goals for the program at a growing rate, these contract awards supported thousands of jobs and close to $200 million in wages. I would now like to share with you the details of those results. The 2010 total of $470 million represents 22 percent of all contract awards, which is above the annual agency goal of 17 percent. These results compare favorably with the prior three-year average of $424 million, which represents almost 16 percent of M/WBE participation. The 2010 total was made up of awards from three sources: Port Authority direct contracts and subcontracts, World Trade Center Redevelopment projects, and Aviation Tenant work. Notably, World Trade Center Redevelopment projects generated $258 million in awards to M/WBE firms. I would like to emphasize the importance of the M/W/SBE spending in the region and its contribution to jobs and economic growth. The regional impact estimates of the $470 million contract awards supported nearly 3,500 jobs, including both new and existing jobs, generated more than $188 million in wages and approximately $601 million in economic activity. The Port Authority continues to play a leading role in developing and participating in programs to assist M/WBEs. Our Mentor-Protege Program matches M/WBEs with some of the region's leading construction companies to increase their capacity and ability to bid successfully on larger contracts. In 2010 there were 16 participants in the program. A total of 37 firms have participated since its inception in 2002. An additional eight firms participated in a training segment as part of a pilot initiative which is designed for firms grossing under $500,000 annually. Seven proteges were awarded eight Port Authority contracts totaling $4.7 million. And a relatively new company, Deborah Bradley Construction and Management
Services, won its first Port Authority contract at almost $300,000. Earlier this year, the Board approved the renewal of our contract with the Regional Alliance for Small Contractors. Through this contract we developed and offered 20 software, construction management, and OSHA safety courses and a mentor-protege training seminar. Over 440 small businesses or their staff participated in these courses. As part of our effort to ensure a pipeline of skilled workers, we renewed our participation in construction pre-apprenticeship training programs offered by the Edward J. Malloy Initiative for Construction Skills in New York and in New Jersey by the Newark Essex Construction Careers Consortium and the New Jersey Pathways. These programs continue to be among the most successful in the region. Since their creation in 2001, close to 1,900 New York and New Jersey residents completed the training curriculum and prepared for acceptance into union apprenticeship programs in New York and New Jersey. Throughout 2010, we continued to hold bimonthly progress meetings with the M/WBE liaisons and construction managers for World Trade Redevelopment projects to monitor progress and discuss issues related to M/WBE participation. These meetings were held at our World Trade Center Resource Center, which was established to support M/WBEs working on WTC projects. Over 240 meetings were held with the firms at the center to assist these firms in accessing opportunities. Besides meeting with individual firms, we promoted and hosted capacity-building events, including four orientation workshops to assist construction, A&E, and IT firms as well as prospective certification applicants. 2010 was an excellent year for minority and women-owned firms working with the Port Authority. Going forward, we are continuing to maximize their performance in all areas as well as expand their capacity to participate in more Port Authority opportunities. Thank you.

[Chair D. Samson] Thanks very much. Our next presentation will be by Michael Francois, our Chief of Real Estate and Development, who will provide an update on the Authority’s efforts to redevelop the George Washington Bridge Bus Station and improve its appearance and effectiveness, both of which involve significant private sector involvement. Mike?

[M. Francois] Thank you. Good afternoon, Commissioners. Today I would like to update you on redevelopment efforts at George Washington Bridge Bus Station and seek authorization that supports the agency’s objective to provide facilities that meet the metropolitan area’s near- and long-term transportation needs. This initiative will create new construction and permanent jobs and bring new national retailers to Washington Heights by quadrupling the amount of retail space in the bus station. This public-private partnership with George Washington Bridge Development Venture will produce a modern 21st century facility by using private and public investments of over $180 million to enhance the physical plant and improve efficiency of George Washington Bridge Bus Station operations and customer service. This initiative also allows the Authority to substantially reduce the future capital and operating costs associated with the bus station. I will also update you on installation and operation of a new state-of-the-art advertising at the Port Authority Bus Terminal. These initiatives are examples of the Port Authority partnering with the private sector to improve the region’s infrastructure and drive economic growth. The George Washington Bridge Bus Station is a major transportation hub servicing bus, rail, and autos. It is the focal point of Washington Heights, which is undergoing a major economic, commercial, and residential transformation. The bus station serves 20,000 commuters per day as well as the local Washington Heights community through retail and professional services and parking facilities. This 47-year-old facility consists of two 3-level structures on both sides of Broadway. Currently, the West Building and part of the East Building support the bus station operations. Approximately 30,000 square feet of the facility is currently dedicated to retail space, which primarily serves commuters and long distance bus carriers. The improvements to the bus station will provide a state-of-the-art
transportation facility with new bus loading areas and passenger facilities, improved right-of-way signage, as well as new and improved light safety systems. This will be accomplished through the consolidation of all bus operations and a reconfigured rooftop bus concourse that offers an improved fully air-conditioned waiting area, new escalators and ADA elevators from the subway and street levels to the bus station level on the top. In December 2006, the Board authorized an exclusivity agreement with George Washington Bridge Development Venture, LLC. The authorization followed a request for proposal process for the redevelopment of the bus station, which includes redevelopment, leasing, operation of the bus station, as well as the creation of approximately 120,000 square feet of first-class retail space. As part of this effort, Development Venture will redevelop and construct a new consolidated transit facility on behalf of the Port Authority, including spaces for bus, passenger, and support operations. This project will bring new construction and permanent jobs to the community as well as bring new retail to the Washington Heights area. The plan changes will maximize the economic impact of the redevelopment by vastly improving and quadrupling retail space from 30,000 square feet to 120,000, which will include a range of food and service options for passengers and the community. The redevelopment project will totally overhaul the existing facility, streamline operations, and create a 21st century transportation center. It is estimated that a total of 746 permanent new jobs will be created, including a combination of indirect and induced jobs from construction and additional retail space. In anticipation of entering into a final net lease agreement, Development Venture has negotiated and finalized subleases for over 50 percent of the space with major national retailers, secured equity partners who have been approved by the Port Authority, finalized financing, and, together with the Authority, advanced design drawings and developed a more detailed design development construction budget for bus station improvements. During the interim period, the scope of work required for improvements was better defined than from the initial concept. Based on further analysis by staff and refinement of design, the Port Authority's capital commitment to the bus station improvements has been increased from $49.5 to $52.7 million. Some of the items that have been revised based on actual Stage I design are necessary environmental remediation work, higher than originally estimated costs for electrical power distribution and heating, ventilation, and air conditioning, and costs for emergency generator support systems required to provide emergency power for the operation of life safety systems. Based on further due diligence conducted by staff, today I am recommending an increase in the Port Authority's capital commitment for the redevelopment and construction of the George Washington Bridge Bus Station from $49.5 to $52.7 million. I am also recommending an increase in the amount of Port Authority financial expense, program management, design and construction review, and cost control from $28.7 to $30.5 million. This project will result in investments in the bus station by Development Ventures and its sublessors of $100 million in private capital, making the total public and private investment over $180 million. The bus station should be completely renovated by the end of 2013. This redeveloped bus station will significantly enhance the efficiency of bus operations and the level of service provided to bus passengers using the station. The project has been endorsed by elected and community leaders who have been interested in the Port Authority's commitment to maintain this important facility in the Washington Heights neighborhood. Commissioners, your approval of this action is requested.

[Chair D. Samson] Thank you, Mike. May I have a motion to approve this item?


[Chair D. Samson] Second?

[Chair D. Samson] All in favor?

[all] Aye.

[Chair D. Samson] So moved. Thank you.

[M. Francois] Thank you. I'm also pleased to report that Media Mesh has been fully installed and is now operational at the Port Authority Bus Terminal. This advertising initiative was recently undertaken by Real Estate Services as part of the Port Authority's broad goal to improve the appearance and operation of our bus facilities while increasing revenues. This new mesh will provide a vibrant, modernized look for the bus terminal's facade, which is part of the Port Authority's continued efforts to better serve our customers. In addition to a modernized exterior, this public-private partnership will also generate much-needed ad revenue for transportation projects throughout the region. In April 2010, the Board approved an extension of the Port Authority's agreement with CBS Outdoor to allow for the installation and operation of a new LED advertising display known as Media Mesh on the exterior grid of the Port Authority Bus Terminal. Media Mesh is a state-of-the-art electronic signage system using a sleek mesh fabric with interwoven LED lights that will cover 6,000 square feet of the bus terminal's exterior grid surface facing 8th Avenue and 42nd Street. With additional improvements being made in the coming months, including new exterior paint and dynamic lighting, the bus terminal will continue to improve its image. This new technology is operational, and it's currently displaying messages from first advertisers including FOX 5's X Factor, Paramount Pictures' Transformers 3, Fidelity Investment, Peter Pan Bus Lines, A2a Media, Macquarie Equipment Financing, and the Cystic Fibrosis Foundation. Media Mesh will also allow the Port Authority to broadcast public service advertisements as well as emergency messages to the public. This is another positive example of the Port Authority developing public-private partnerships by working with private developers as well as local communities and municipal and state governments to enhance and improve our facilities. Thank you.

[Chair D. Samson] Thank you, Michael. We all know that the Port Authority police force has a long and distinguished history ensuring the day-to-day safety and security of the agency's facilities, its tenants, its customers and employees who use them while remaining ready to respond in the event of an emergency. Today our Director of Public Safety, Mike Fedorko, will be recognizing several police officers for their conduct and responses in two recent significant incidents at our facilities. Mike?

[M. Fedorko] Thank you, Mr. Chairman, Commissioners. The first incident involved Police Officer Shaun Kehoe, Port Authority Bus Terminal. On March 16, 2011, while assigned to the Port Authority Bus Terminal, Police Officer Shaun Kehoe responded to a disturbance on the main concourse of the south wing. Upon arrival, Officer Kehoe observed a man screaming in the direction of the ladies' room, where a juvenile female had been hiding for over an hour and refused to come out. According to a bus terminal employee, an investigation revealed the juvenile was a runaway from Allentown, Pennsylvania. The investigation also revealed the subject was a registered sex offender. This case was presented to the Manhattan District Attorney's office and resulted in the indictment of the suspect, charging him with multiple counts of rape, two counts of sexual abuse, and one count of sexual misconduct and endangering the welfare of a minor. The suspect has since plead guilty and received a conviction of seven years. The sound judgment and quick action and dedication to duty exhibited by Police Officer Shaun Kehoe
resulted in the felony arrest of this sexual predator and helped remove this felon from the streets of our cities and in keeping with the tradition of pride, service, and distinction.

[applause] The next incident occurred at the Holland Tunnel. Police Officer David R. Nevarez, Police Officer Fernando Garcia, Police Officer Michael Miller, Police Officer Christopher Quinlan, and Police Officer John DeFilippo. On April 29, 2011, while assigned to the Holland Tunnel, Police Officer David Nevarez attempted to stop a Jeep Cherokee for improper lane change. The vehicle was occupied by two males, and the driver refused to stop and proceeded to drive the vehicle recklessly in an attempt to pin the officer against a bus. Officer Nevarez fired four rounds at the suspect's vehicle to prevent from being crushed. The vehicle entered the tunnel, traffic was halted in and out of the Holland Tunnel, and Police Officers David Nevarez, Fernando Garcia, Michael Miller, Christopher Quinlan, and John DeFilippo proceeded to chase the vehicle on foot into the tunnel. Upon the suspects realizing that all traffic entering and exiting the tunnel had been ceased by the Port Authority Police, they exited the vehicle and attempted to enter a patron vehicle that was in the tunnel. The first suspect was apprehended within the tunnel by Police Officers Nevarez and DeFilippo. The second suspect was ordered out of another passenger's vehicle in the tunnel and was apprehended by Police Officers Miller and Quinlan. Both suspects were transported to Bellevue Hospital. Investigation of the suspect's vehicle discovered a large quantity of pharmaceutical products. Jersey City Police were contacted, and it was confirmed that a theft occurred earlier at a Walgreens in Jersey City, where the suspects who fit the same description had threatened a store employee. The suspect's vehicle was also involved in a hit-and-run collision, fleeing the scene. The suspects were issued multiple summonses including reckless driving, leaving the scene of an accident, unlicensed driver, and uninsured motor vehicle. The subjects were also charged with a New Jersey criminal code with attempted murder of a police officer, aggravated assault on a police officer, possession of a weapon for unlawful purpose, carjacking, eluding a police officer, and obstructing administration of justice and resisting arrest. Because of the keen action and dedicated service of Police Officers David Nevarez, Fernando Garcia, Michael Miller, Christopher Quinlan, and John DeFilippo, the Holland Tunnel was secured and the suspects apprehended. The suspects remain in custody today.

[applause]

[applause]

[Chair D. Samson] We have another tribute today, which is the last day of the term of Commissioner Tony Coscia. Tony has led the Port Authority for the last eight years in a thoroughly professional manner. He's been a good friend of mine for the last 20 years, and over the last year or so has been extraordinarily helpful and supportive in my learning process and my transition here. He is now moving on to other, but not necessarily greener, pastures, and I know he's going to do a similarly great job down at Amtrak. And along those lines I'd like to recommend the following resolution for adoption by the Commissioners to express our appreciation of the Port Authority to him as he retires from the Board. Whereas, from his appointment in 2003, Commissioner Coscia has tirelessly given of his time, talent, and experience to further the mission and goals of the Port Authority; and Whereas, as Chairman of the Port Authority from April 2003 to February 2011, Anthony Coscia has served with pride and distinction in leading the agency; Whereas, he has been an advocate for and leader in the implementation of numerous governance reforms to ensure the agency's commitment to the highest levels of honesty and integrity and the agency's responsibility to conduct its business in the public interest; Whereas, he has led the agency to the adoption of its first multi-billion dollar ten-year Capital and Strategic Plans in 2006 to ensure the
Authority's mission to improve regional mobility of people and goods as well as to foster economic growth and opportunity in the region, continuing through projects that will serve the region for decades to come; Whereas, he has played a significant leadership role in the implementation of numerous security initiatives, including the creation of a regional Port Security Task Force and the investment of nearly $6 billion since 2001 to ensure the safety and security of the agency’s facilities; Whereas, he has provided vision and support in leading the agency to find innovative approaches to expand capacity for future airport passenger growth and to provide solutions to air travel delays throughout the region; Whereas, he has been instrumental in moving the agency forward and has encouraged and admired the resiliency of staff during a period of profound grief following the tragic events of September 11, 2001; and Whereas, during his years on the Board he has served with great distinction as Chairman of the Board, Chairman of the Committee on Operations, Vice Chairman of the Governance and Ethics Committee, Vice Chairman of the Committee on Finance, and as a member of the Committee on Construction and WTC Redevelopment Subcommittee; Now, therefore, be it Resolved, that the Commissioners of the Port Authority of New York and New Jersey hereby express to Anthony Coscia their sincere appreciation for his leadership and service to the agency and the region it serves. May I have a motion to approve this resolution?

[multiple commissioners] So moved.

[Chair D. Samson] Second?

[All] Second.

[Chair D. Samson] All in favor?

[all] Aye.

[Chair D. Samson] Okay, Tony.

[applause]

[Comm. A. Coscia] Mr. Chairman, my parting gift to the Port Authority is I will not make a speech.

[laughter] I've made many in this room. Thank you all very much.

[applause]

[Chair D. Samson] We will now provide an opportunity for members of the public to comment on other Port Authority matters not on today's agenda. This public comment period, which is limited to 30 minutes in total, provides an opportunity for members of the public to present their views directly to the Board but does not provide for a dialogue. Members of the public wishing to discuss a specific matter with Port Authority staff are advised to contact our Public Affairs Department. Speakers are asked to comply with the fixed time limit of three minutes each. Our first speaker today is Margaret Donovan of the Twin Towers Alliance.

[M. Donovan] Good afternoon. It was recently reported that one of the main reasons behind Governor
Cuomo's plans to relieve Christopher Ward of his duties is that he is a quote-unquote "Bloomberg guy." That charge is dramatically backed up by the way the city's Department of Investigation and the Conflict of Interest Board quashed a 69-page report by Bronx Assemblyman Dinowitz in September 2007 that requested an investigation into Ward's performance as head of the city's Department of Environmental Protection. The handout reveals parallels that are hard to miss. It's too bad that we can't just put on 3D glasses and see what Ground Zero would look like today if only the Executive Director had done the due diligence required by his position of trust instead of pumping a feeble project full of performance-enhancing drugs at the public's expense. And it's too bad that the media lapdogs couldn't be bothered to turn over some rocks at the site, leaving it to private citizens instead to document why all the so-called progress is as bogus as Barry Bonds' stats. But it doesn't really take magic glasses to see behind the curtain because of the Freedom of Information Law, which has made us experts on the anatomy of this swindle. And believe me, the record of how the Port Authority, the LMDC, and City Hall have responded to our FOIL requests over the past 18 months shows that swindle is much too nice a word for it. In 2008 it really could have gone either way, except that Ward is a Bloomberg guy, and the evidently top secret Master Development Agreement is a Bloomberg instrument. Even so, neither man is a match for the Freedom of Information Law when it is faithfully applied--and even when it is not. The Port Authority is not bound by New York's or New Jersey's Freedom of Information Laws; it is bound by both because that is what its bylaws mandate. But the General Counsel and the Board Secretary, whose loyalty should belong to the public, not to the Executive Director, and who between them collect almost half a million public dollars a year, felt free to obstruct the public's right to know, with staggering consequences. It is ironic that Tammany Hall stands just a few blocks from here because the notorious Boss Tweed didn't do a fraction of the damage inflicted by those who hijacked Ground Zero, and he died in prison. Darrell Buchbinder and Karen Eastman, both officers of the Port Authority, have flagrantly contravened its bylaws, which should lead to their dismissal without a public pension. As for Boss Ward, he shouldn't only lose his job and his pension but should be required to make some meaningful restitution, even though he can't ever make up for the harm he has done. It is time to cap the Freedom Tower and for an investigation to be opened into what is not a mere disagreement or difference of opinion but an actionable matter of far-reaching corruption, fraud, and collusion. It is time to give the public answers under oath. Thank you.

[Chair D. Samson] Thank you. The next speaker is Kristin Clark.

[K. Clark] Good afternoon, gentlemen. I am a resident of Ground Zero. I live at 90 West Street, which is a building located between Albany and Liberty Street. It neighbors the construction. It's a building that sustained significant damage during 9/11. I am here today to express my grave concerns about the construction noise that goes on at very unreasonable hours throughout the day every single day of the week. I am a mother of a 6-year-old boy, and this construction noise has impacted us significantly. I appreciate the very important work that's happening on the site to rebuild the site in time for the 10th anniversary, but it's my understanding that there are New York City noise ordinances that limit construction activity to 7am and 6pm on weekdays and 10am and 4pm on weekends. The construction noise that happens feet away from my window begins at 6am every single day of the week and goes routinely until 1:00, 1:30 in the morning every single night. My son has not been able to sleep, I have been unable to sleep, it's impacted his performance in school, it's impacted our emotional health and well-being, and I am here today to implore you to better regulate the construction activity that's happening at this site. I am talking about bulldozing, demolition activity, jackhammer, earth moving. I'm not talking about the kind of cleaning of the site, reasonable construction that might go on late in the
evening if necessary to keep the construction on pace to be completed by the 10th anniversary. It's the loudest possible construction that makes it impossible to sleep, to live, and to at all enjoy my home. I have double insulated windows in my apartment. I don't know what efforts are being made to minimize the noise of the equipment that is used at the site. Sometimes during the afternoon at around 5pm it seems that maybe the workers are off for dinner. I don't know if there's a way to double staff the site so that more construction activity can happen during reasonable periods of time. But I am here to urge you all to immediately take steps to make my building a livable place. There are kids. I have a kid, and it's impacted us significantly. I've made repeated reports to the Environmental Protection Agency to no avail. I went through great efforts to get this moment to come before you today. I don't know if this is the appropriate time for me to make a motion, but I move for you all to consider immediately revising the construction hour and activity that happens right next to my building at 90 West Street. Thank you.

[Chair D. Samson] Thank you. The next speaker is Meredith Otten.

[M. Otten] Gentlemen, my name is Meredith Otten. I too live at 90 West Street with my partner and our 8-year-old daughter. I have had to put earplugs and earphones on her so she can get to sleep at night. We've been living there for about two years, and it has been bearable, and I don't mind. Usually the construction stopped at 6:00 in the evening; occasionally it went till 10:00, and that was tolerable. I understood what was going on. We have a great view, it's very pretty, and I get to see everything that goes on all day long because I work from home. So every hour that everyone works in that pit outside 90 West Street I see what they're doing. It's become frustrating in the last couple of weeks because we renewed our lease, and it seems that the Board is under some sort of time deadline down there that they've now ramped up to 20-hour days. They do start at 6:00, they do go well past midnight, and I cannot tell you how insane it is to try and sleep with five industrial-size jackhammers outside your window. And if you don't believe me, I will welcome you. Please come and stay the night. I'll make you dinner, you can have our bedroom, and you try and get a good night's sleep. It would be one thing if we knew ahead of time this was going to happen on Monday and Tuesday. We would plan something else, go to the in-laws, but it's completely unreasonable. I have contacted every officer, every commissioner, every board, every authority, 311 twice a week, called the mayor's office. We don't have anyone else to complain to. Our building manager says that meeting with your people and their advocates is useless and nothing gets accomplished, that his complaints about the noise go unheard and unresponded to. It has taken at least two of us now to show up and say to you, "Look, this is unreasonable." And we do implore you to try and do something different about it. Thank you.

[Chair D. Samson] Thank you. The next speaker is Jim Laing from Tutor Perini Corporation.

[J. Laing] Good afternoon, members of the Board. My name is Jim Laing, and I'm the president of the local New York division of Tutor Perini Corporation. I'm here before you to make you aware that Tutor Perini Corporation is in a joint venture partnership on a proposal on the Goethals Bridge P3 project. We have participated in both competitive bid and RFP procurements for the Port Authority. We are currently completing the large JFK Runway and the Greenwich Street Corridor project at the World Trade Center site. Our competitive bids on each of these projects was 16 percent below the second bidder, and we have successfully achieved interim milestones on these very difficult projects. Our company was also involved in joint ventures on the Jamaica Station reconstruction, a $380 million project, and the billion dollar AirTrain project, which were both procured through the RFP process. On the Goethals RFP program, we were not included as one of the three short-listed firms. According to the procurement procedures, we
requested a debrief to understand why our team was not included on the short list. During the debrief we were made aware of the areas that our team was scored lower than the highest three ranking teams. The areas of relative strengths identified as evaluating the other teams as superior were not specifically identified as part of the evaluation criteria. Specifically, it was noted that our financial team did not have experience on P3 financing in the United States, and they did not have experience securing TIFIA loans. While this may be true, it was not identified as criteria by which we would be scored. And if the evaluation was to be based on relative strengths of our team versus others, it should have been clearly identified in the process. Tutor Perini Company does not take filing a protest lightly. But during the debrief we were not afforded a transparent evaluation of the scoring of the RFP. We were told we would need to file a request for Freedom of Information to try and evaluate the scoring criteria and how we were scored relative to the others. We have done that. I just wanted to make sure you were aware of what was going on. Thank you.

[Chair D. Samson] Thank you. Our next speaker is Fred Immendorfer

[F. Immendorfer] Good evening, Commissioners. In a 2009 financial report, it shows the Port Authority's gross revenue was $3.5 billion and the operating expense was $2.3 billion. It also showed a profit of $1.1 billion for 2009. These numbers are pretty much the same throughout the years, so the Port Authority is actually bringing in a lot of money. The Port Authority used 40 percent of its budget, or $1.3 billion, in 2009 for the rebuilding of the World Trade Center project. It looks like the Port Authority has been spending about a billion dollars for the last eight years for the World Trade project, and it seems that that would be a total of $7 to $8 billion, and that money will never be recovered by the rent coming back from the Trade Tower that's being made. So it's like, why are you making this tower, because you're spending a lot of money into it. Governor Christie said he wants to raise the tolls to $10, so that impacts a lot of people. So there's a lot of money and a lot of burden that's been falling on the commuters. According to the financial reports, most of the revenue comes from tolls and parking fees, which we pay. The Port Authority has gotten $3.5 billion for Liberty Bonds, which are earmarked for the Freedom Tower. Then out of the $8 billion from the Liberty Bonds, another--I'm not sure; I believe it's another $3 billion--is going for the Hub. And so then there was money that came in from insurance that MTA got for 9/11 for the destruction of the subways. And then the Port Authority, I'm assuming, also got money from the insurance companies for the destruction of the PATH trains, so there's additional money coming in, large amounts of money. Silverstein Properties got $4.5 billion, Goldman and Sachs received $1.6 billion, and that's a lot of money being poured into the project, but we're being asked to pay for it as commuters. So the Port Authority also has a billion dollars in Treasury Notes. I'm suggesting that the Port Authority sell its Treasury Notes so that the tolls won't go up and also property that the Port Authority has that's not commuter-based, like the Newark legal buildings and office buildings that the Port Authority has. Thank you. Sorry.

[Chair D. Samson] Thank you. Our next speaker is Deborah Sutton.

[D. Sutton] Good afternoon, commissioners. My question is going to be regarding bonds. Basically, looking at that CAFR from 2009, it shows $1.1 billion in surplus after you pay off your expenses with what you've taken in in revenues. And almost half of it is needed to service the bond debt. We do a lot of refunding and swapping of bonds, which is nothing more than refinancing of your home mortgage. You have closing costs that get built into it. The insurance ends up starting all over. It keeps us perpetually in debt. And what I'm trying to say is that basically, that is also having a great deal of impact on our tolls.
because we have to pay for this. However, it is just really keeping Wall Street bankers in business, it's keeping the insurance companies in business. The three insurance companies that back or insure these bonds-- AmBank, FGIC, MBIA--they're all bankrupt. This will come back, falling onto the citizens of New Jersey and New York, who will ultimately have to pay the price. I respectfully ask you to repudiate all those bonds since none of the citizens of New York or New Jersey ever allowed you to authorize the sale of them and selling us into this kind of bondage. Thank you.

[Chair D. Samson] Thank you. Our next and last speaker is Charles F. Kenny, Esquire, from Peckar and Abramson, PC.

[C. Kenny] Thank you, Mr. Chairman. Good afternoon, gentlemen. I'm here on behalf of the Goethals Bridge Partnership, and this is also about the Goethals Bridge replacement project. The Goethals Bridge Partnership was not selected to submit a proposal, and with your indulgence I would like to point out to you some reasons why I think it would be in the best interest of the Port Authority as well as the citizens of New York and New Jersey to have additional contenders. We're not saying we're the best, we're not saying we're the only ones, but I think the competition of having more rather than just three would be better. The RFQ did allow up to four proposers to be selected. However, only three of the eight that submitted the statements of qualifications were allowed to participate in the RFP. So in addition to what the Goethals Bridge Partnership can bring to the table, which I will get to in a minute, having four or more than four rather than only three proposers adds a higher level of security and competitiveness to the selection process. In large, complex projects such as this it is very likely that with the time frames involved one or more of the participants could drop out. One or more of the participants in the various consortiums--

[cell phone ringing] I'll ask for a couple more seconds. I don't think I'll need it.

[chuckles] One of the participants in one of the consortiums could likely have a business setback or whatever, and that could lead to the whole proposer dropping out. It's feasible or possible that even the proposal would not be acceptable to the Port Authority, which would then leave you with two or possibly even one. So I think having four or more gives you a whole lot more security. This is a mammoth project. It would decrease the odds of having only one or two to select from. The two main partners that are part of Goethals Bridge Partnership, China Construction America and Conti Enterprises, they possess really distinctive qualities that would add to the whole process here. China Construction America has excellent access to financing and has unique experience with cable-stayed bridges. The Conti name is well known in both New York and New Jersey with subcontractors, suppliers, and the unions that would be supplying the labor. Gentlemen, this is a signature project for the Port Authority, for the Northeast, for the people of New York and New Jersey, and the entire world is watching. I understand the cost will be approximately $1.5 billion. This will be a model for public-private partnerships in the future and pave the way for similar projects in the area. The Goethals Bridge Partnership is anxious to have the opportunity to participate and show the Port Authority how they can work successfully and bring this project to fruition. So I'd urge you to reconsider and allow them to participate in the project. Thank you. And Tony, congratulations.

[Chair D. Samson] Thank you. That's our last speaker. May I have a motion to approve the consent calendar?
[Comm. D. Steiner] So moved.


[Chair D. Samson] Second. All in favor?

[all] Aye.

[Chair D. Samson] So moved. May I have a motion to adjourn the meeting?

[multiple commissioners] So moved.

[Chair D. Samson] Second?


[Chair D. Samson] All in favor?

[all] Aye.

[Chair D. Samson] The meeting is adjourned.