

Special Panel on the Future of the Port Authority

Implementation of Recommendations

*Public Session
March 19, 2015*

KEEPING THE REGION MOVING

A report prepared by
The Special Panel on the Future of the
Port Authority
for
The Governors of New York and New Jersey

December 26, 2014



*The Port
Authority of
New York and
New Jersey*



Special Panel Implementation Recommendations

GOVERNANCE RECOMMENDATIONS

1. Reorganize the leadership of the Board of Commissioners and the executive management of the Port Authority to increase accountability and foster regional focus in its day-to-day operations
2. Continue reforms to promote a culture of transparency and ethical conduct at the Port Authority

Special Panel Implementation Recommendations

MISSION RECOMMENDATIONS

1. Refocus the Port Authority's mission statement, strategic vision and capital plan to return the Port Authority to its core mission of facilitating the efficient movement of people and goods through the region
2. Revitalize the Port Authority's core transportation assets, including LaGuardia, Kennedy and Newark Liberty Airports, the Port Authority Bus Terminal ("PABT"), Port Commerce and the PATH
3. Phase out real estate ownership and development as an element of the Port Authority's mission
4. Employ innovative and flexible financing techniques to increase operational flexibility and financing capacity while maintaining the Authority's high standing in the credit markets

Special Panel Implementation Teams

Governance Teams

- Ethics & Transparency
- Board Calendar & Metrics

Mission Teams

- Asset Review Metric (“ARM”) & Capital Plan
- Aviation
- Trans-Hudson
- Port Commerce
- PATH
- Real Estate Divestiture
- Finance

Special Panel Implementation Timeline

2015	1Q	2Q	3Q	4Q	2016
<u>Governance Teams</u>					
Ethics and Transparency					
Board Calendar & Metrics					
<u>Mission Teams</u>					
ARM/Capital Plan					
Aviation					
Trans-Hudson					
Port Commerce					
PATH					
Real Estate					
Finances					

ETHICS & TRANSPARENCY IMPLEMENTATION PLAN

OBJECTIVE(S)	DELIVERABLES	SUCCESS METRICS
Team tasked with continuing reforms that have begun over the past months, like supporting the Governance & Ethics Committee of the Board in its efforts to inform Employees, Commissioners and Vendors on ethically sound and concise policies for Code(s) of Conduct and fostering stronger public relations by increasing public access to agency information online and at meetings.	2.12. Review of Open Meetings Policy and exemptions for holding meetings in executive sessions 2.13. Increase posting of public information on Port Authority web site 2.14. Support efforts to inform Employees, Commissioners, and Vendors on ethically sound and concise policies for Codes of Conduct.	(1) Weekly Meetings (2) Completion of Monthly Board/Update Reports (3) Increase postings of public information on Port Authority web site by (X%) compared to YTD data of 2014 (4) Distribute new Code(s) of Conduct for Employees, Commissioners, and Vendors via email, e-net page, flyer postings and PA News publication

TIMELINE

MONTHS	2015	MAR	APR	MAY	JUNE	JULY	AUG	SEPT.	OCT.	NOV.	DEC.
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TASK STAGES												
1) Review of Open Meetings Policy and exemptions												
2) Public Information Postings on Website												
3) Code(s) of Conduct for Employees, Commissioners and Vendors												

KEY MILESTONES

1) Convene first Team Meeting/Finalize workplan												
2) Complete recommendations for Open Meetings Policy and exemptions												
3) Submit guidelines for Board approval												
4) Create a regular schedule and criteria for posting public information												
5) Obtain necessary approvals for schedule and criteria												
6) Compile Code(s) of Conduct												
7) Obtain approval to internally advertise new Code(s) of Conduct												
8) Successful outreach completed via email, etc.												

RESPONSIBLE TEAM MEMBERS & ROLES

Team Captain	Team Secretary	Executive Session Lead	Public Information Lead	Code(s) of Conduct Lead
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Special Panel Implementation Teams

Performance Management Dashboard

Team #1: Ethics & Transparency						
#	Measure	1Q	2Q	3Q	4Q	Current Status
1.1	Review of Open Meetings Policy and exemptions for holding meetings in executive sessions	●				●
1.2	Increase posting information on the Port Authority's website	●				●
1.3	Promote new Code of Conduct for Employees, Commissioners, and Vendors	●				●

Team #2: Board Calendar & Metrics						
#	Measure	1Q	2Q	3Q	4Q	Current Status
2.1	Create 12-Month Board Calendar	●				●
2.2	Create Monthly "dashboard" for Board	●				●
2.3	Modernize management processes and information flow	●				●
2.4	Create metrics to measure alignment of PA activities with core transportation mission	●				●

Team #3: ARM/Capital Plan						
#	Measure	1Q	2Q	3Q	4Q	Current Status
3.1	Create schedule for review/revision of 10-year	●				●
3.2	Establish processes and criteria to ensure funds meet regional transportation needs (ARM)	●				●

Team #4: Aviation						
#	Measure	1Q	2Q	3Q	4Q	Current Status
4.1	Expand Gov. Cuomo's Design Competition to all PA airports	●				●
4.2	LGA Central Terminal Building redevelopment	●				●
4.3	Explore AirTrain to LGA	●				●
4.4	EWR Airtrain renovation	●				●
4.5	Coordinate with state and federal officials to	●				●
4.6	Continue to prioritize "repatriation" of aviation	●				●

Legend

●	On or better than Schedule/Target	■	Governance
●	Near Schedule/Target (within two weeks)	■	Mission
●	Behind or worse than schedule/target (more than two weeks deviation from target)		

Team #5: Trans Hudson						
#	Measure	1Q	2Q	3Q	4Q	Current Status
5.1	12-Month "Visioning" Process with key stakeholders to create strategy for expanding Trans-Hudson capacity	●				●
5.2	Pursue construction of a new Port Authority Bus Terminal	●				●
5.3	Support Bus Master Planning Process	●				●

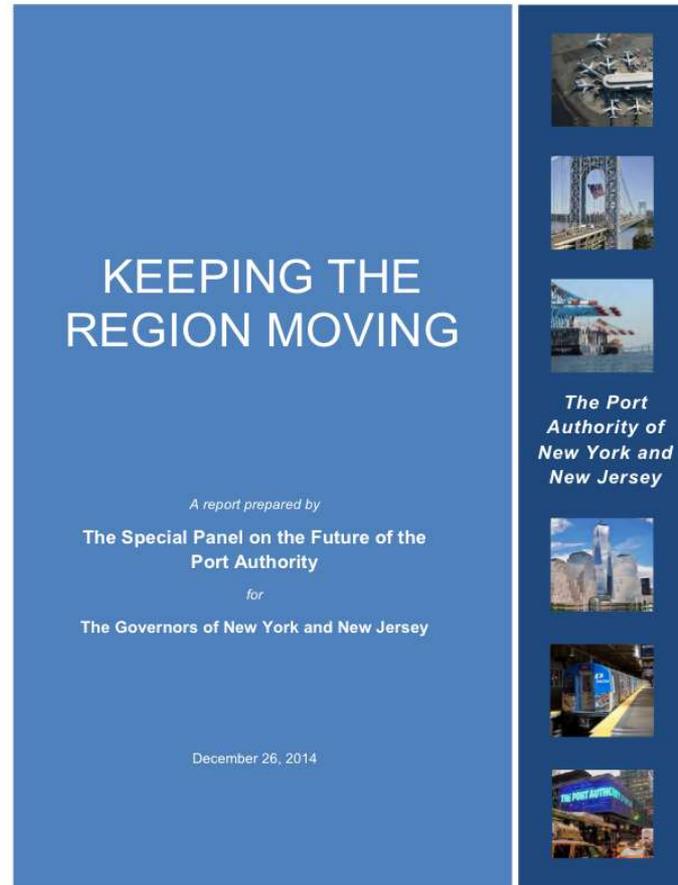
Team #6: Port Commerce						
#	Measure	1Q	2Q	3Q	4Q	Current Status
6.1	Create a plan to modernize Port Commerce facilities	●				●

Team #7: PATH						
#	Measure	1Q	2Q	3Q	4Q	Current Status
7.1	Seek improved operating model for PATH	●				●

Team #8: Real Estate						
#	Measure	1Q	2Q	3Q	4Q	Current Status
8.1	Evaluate existing real estate holdings	●				●
8.2	Create a plan to monetize WTC holdings	●				●
8.3	Create plan to divest other real estate holdings unnecessary to core transportation mission	●				●
8.4	Adopt standard metric(s) for assessing future real estate	●				●
8.5	Identify, repurpose, redevelop, lease or sell underperforming assets	●				●

Team #9: Finances						
#	Measure	1Q	2Q	3Q	4Q	Current Status
9.1	Update Port Authority 1952 Consolidated Bond Resolution	●				●
9.2	Employ innovative financing tools (i.e. PPP, TIF)	●				●
9.3	Retain a leading global advisory firm to assist in maximizing return on invested assets	●				●

Thank you



www.panynj.gov/pdf/SpecialPanelReporttotheGovernors.pdf