

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
MEETING OF THE BOARD OF COMMISSIONERS AND BOARD COMMITTEE
MEETINGS – THURSDAY, JUNE 30, 2016

The following is the agenda and related materials as of Friday, June 24, for the June 30, 2016 Meetings of the Board of Commissioners and Board Committees of The Port Authority of New York and New Jersey and its subsidiaries to be held at 2 Montgomery Street, Jersey City, NJ 07302.

Meeting attendees are required to go through a security screening upon entering the building. Attendees are encouraged to arrive early. Security screening will begin at 8:45 a.m.

Executive Session Committee Meetings – 9:00 a.m. (3rd Floor – Room D)

Committee on Security

The Committee on Security will meet in executive session to discuss matters involving public safety or law enforcement and matters involving external or internal investigations or audits.

World Trade Center Redevelopment Subcommittee

The World Trade Center Redevelopment Subcommittee will meet in executive session to discuss matters related to the purchase, sale, or lease of real property, where disclosure would affect the value thereof or the public interest.

Public Session Committee Meetings – 9:45 a.m. (3rd Floor - Training Room)

Committee on Operations

- ◆ Journal Square Transportation Center – New Retail Lease Gerard Del Tufo

Committee on Finance

- ◆ Underwriting Services for the Issuance of Debt Obligations Cheryl Yetka

Committee on Capital Planning, Execution and Asset Management

- ◆ Port Authority Tunnel and Bridge Facilities – Toll Collection Program – Replacement of Toll Collection System – Project Cedrick Fulton
- ◆ Howland Hook Marine Terminal – Upgrade of Pavement Subgrade – Project Molly Campbell

Committee on Governance and Ethics

- ◆ Resolution on General Counsel Review of Board-Authorized Contracts And Agreements

Board Meeting – 10:30 a.m. (estimated) (3rd Floor - Training Room)

- ◆ Staff Recognitions
- ◆ Report of Executive Director
- ◆ Speakers Program*
- ◆ Resolution Approvals

Patrick Foye

Executive Session Meeting – All Commissioners

The Board of Commissioners will also meet in executive session immediately following the public meetings to discuss matters involving ongoing negotiations or reviews of contracts or proposals, matters related to the purchase, sale, or lease of real property, where disclosure would affect the value thereof or the public interest, matters involving public safety or law enforcement, and matters in which the release of information could impair a right to receive funds from the United States or other grantor.

For more information, contact the Office of the Secretary at (212) 435-6682 or (212) 435-3712.

Media Only: (212) 435-7777

SUBJECT TO CHANGE

* Members of the public wishing to address the Board on Port Authority-related matters may do so at its public Board Meeting. Individuals who wish to address the Board at its public Board Meeting should register by completing and submitting a registration form, which is located in the Speakers Registration section of the Port Authority Website, by 9:30 a.m. on the day of the Board meeting. Speakers are limited to three minutes each, and speaking time may not be transferred. The use of audio visual equipment is not permitted. The public comment period may be limited to 30 minutes. Appropriate photo identification is required.

Summaries of Proposed Actions and form of Proposed Resolutions to be Considered by the Board and Committees at the June 30, 2016 Meeting

1. Underwriting Services for the Issuance of Debt Obligations
2. PATH - Easement and Cost Sharing Agreements with National Railroad Passenger Corporation
3. PATH - Journal Square Transportation Center – Starbucks Corporation – New Lease LRR-377
4. Port Authority Tunnel and Bridge Facilities – Toll Collection Program – Replacement of Toll Collection System – Project Authorization and Award of Contracts
5. Brooklyn-Port Authority Marine Terminal – Brooklyn Cruise Terminal – Shore Power Installation – Authorization of Additional Funds for Project Completion and Increase to Associated Contract
6. Howland Hook Marine Terminal – Upgrade of Pavement Subgrade – Project Authorization
7. One World Trade Center – Increase in Scope to the Existing Owner’s Representative and Construction Manager Agreement with Affiliates of the Durst Organization in Support of the Expansion of the Tenant Pre-Built Program and Lobby Improvements
8. General Counsel Review of Board-Authorized Contracts and Agreements

1. Underwriting Services for the Issuance of Debt Obligations

Request:

- *This item authorizes the establishment of an underwriting syndicate composed of Senior Managers, Co-Managers and Selling Group members to provide underwriting services for the issuance of Port Authority debt obligations on a negotiated basis to support the ongoing capital markets program and the refunding of outstanding debt obligations for a three-year period, with two, one-year renewal options.*

Transaction Details:

- *The recommended underwriters have been selected via a publicly advertised selection process.*
- *Thirty-three proposals were received and evaluated, and firms whose proposal best met the technical criteria were selected for inclusion in the underwriting syndicate as a Senior Manager, Co-Manager or Selling Group member.*

Background:

- *At the time of each negotiated debt issuance, the Port Authority will select a firm, or firms, from the prequalified pool of Senior Managers to serve as book-running Senior Manager and Co-Senior manager(s), as appropriate. The Port Authority will also select firms from the prequalified pool of Co-Managers and Selling Group members to serve in that capacity if warranted by deal size.*

UNDERWRITING SERVICES FOR THE ISSUANCE OF DEBT OBLIGATIONS

It was recommended that the Board authorize the Chief Financial Officer and the Treasurer, each individually, to select: (1) as senior managers: Bank of America Merrill Lynch, Citigroup Global Markets Inc., Goldman, Sachs & Co., Ramirez & Co., Inc. and Wells Fargo Securities; (2) as co-managers: Fidelity Capital Markets, Janney Montgomery Scott LLC, Jefferies LLC, J.P. Morgan Securities LLC, Loop Capital Markets LLC, RBC Capital Markets, Roosevelt & Cross Incorporated/Academy Securities, Inc., Siebert Brandford Shank & Co., L.L.C. and Stifel, Nicolaus & Company, Incorporated; and (3) as selling group members: Blaylock Beal Van, LLC, Drexel Hamilton LLC, Rice Financial Products Company, Stern Brothers & Co, and The Williams Capital Group, L.P. (collectively, the Underwriters), to provide underwriting services supporting the Port Authority's ongoing capital markets program and the refunding of outstanding debt obligations, for a three-year period, with two, one-year renewal options. This proposed action would provide for qualified Underwriters to be used to complete negotiated Port Authority debt issuances.

At its special meeting on June 28, 2012, after a publicly advertised Request for Proposals (RFP) process, the Committee on Operations, acting for and on behalf of the Board pursuant to delegated authority, authorized staff to enter into agreements with four senior managers to provide underwriting services to assist the Port Authority with negotiated financing for the redevelopment of the World Trade Center site, for an estimated period of three to five years. At its special meeting on June 25, 2014, after a publicly advertised RFP process, the Committee on Operations, acting for and on behalf of the Board pursuant to the By-Laws, authorized the establishment of a pool of four senior managers and nine co-managers, for up to a three-year period, to provide underwriting services for the issuance of non-World Trade Center-related Port Authority debt obligations on a negotiated basis, to support both the ongoing capital markets program and the refunding of outstanding debt obligations.

With Port Authority construction work for the World Trade Center site redevelopment nearing completion, staff recommended that there was no longer a need for separate pools of underwriters. Therefore, in October 2015, a publicly advertised selection process was issued to establish a new pool of firms as Underwriters.

At the time of each negotiated debt issuance, the Port Authority would select a firm or firms from the pool of senior managers to serve as book-running senior manager(s) and co-senior manager(s), as appropriate. The selection of co-managers and selling group members, if any, for a specific negotiated debt issuance would depend, in part, on the overall size of the deal and consideration of the Port Authority's minority and women-owned business enterprise goals. The senior managing and co-managing underwriter services solicited under this selection process would replace all senior managing and co-managing underwriter pools authorized in 2012 and 2014.

Pursuant to the foregoing report, the following resolution was adopted:

RESOLVED, that the Chief Financial Officer and the Treasurer be and each hereby is authorized, individually, for and on behalf of the Port Authority, to select: (1) as senior managers: Bank of America Merrill Lynch, Citigroup Global Markets Inc., Goldman, Sachs & Co., Ramirez & Co., Inc. and Wells Fargo Securities; (2) as co-

managers: Fidelity Capital Markets, Janney Montgomery Scott LLC, Jefferies LLC, J.P. Morgan Securities LLC, Loop Capital Markets LLC, RBC Capital Markets, Roosevelt & Cross Incorporated/Academy Securities, Inc., Siebert Brandford Shank & Co., L.L.C. and Stifel, Nicolaus & Company, Incorporated; and (3) as selling group members: Blaylock Beal Van, LLC, Drexel Hamilton LLC, Rice Financial Products Company, Stern Brothers & Co, and The Williams Capital Group, L.P., to provide underwriting services supporting the Port Authority's ongoing capital markets program and the refunding of outstanding debt obligations for up to a three-year period, with two, one-year renewal options; and it is further

RESOLVED, that the form of all contracts, agreements and other documents in connection with the foregoing shall be subject to the approval of General Counsel or his authorized representative.

2. PATH - Easement Agreement and Cost Sharing Agreement with National Railroad Passenger Corporation

Request:

- *This item authorizes a perpetual Easement Agreement and Dock Bridge Cost Sharing Agreement with Amtrak to accommodate PATH's continued use of Amtrak properties from South Street in Newark, NJ to Kearny, NJ; use of additional Amtrak property required to complete a project for the replacement and expansion of the Harrison PATH station; and continued maintenance of PATH facilities located within the Easement area.*

Transaction Details:

- *The proposed Easement, which commences August 1, 2016 in perpetuity, would be provided to PATH in exchange for PATH's assumption of maintenance obligations of Amtrak bridges and structures that are used exclusively by PATH.*
- *The proposed Dock Bridge Cost Sharing Agreement would commence August 1, 2016 and remain in effect as long as the parties share the use of the Dock Bridge, and the Easement Agreement remains in effect. After the 10th anniversary of the effective date, either party may terminate the Cost Sharing Agreement on 6 months' notice.*
- *PATH assumes responsibility for the bridges and structures along its exclusive right-of-way within the Easement Area, and would contribute a pro-rated share of the actual expenses for the operation, maintenance, or repair of the Dock Bridge infrastructure that is shared by multiple users.*
- *Over the next 10 years, PATH anticipates additional expenditures of approximately \$6.9 million to address state of good requirements for the bridges and structures within its exclusive easement area; maintenance costs of \$1.8 million; and payments to Amtrak for the operation of the Dock Bridge of approximately \$5.2 million.*

Background:

- *A portion of the PATH rapid transit system between Newark and Kearney, NJ is located on property owned by Amtrak pursuant to an existing lease entered into in 1967 by PATH and The Pennsylvania Railroad Company (Amtrak's predecessor). Consistent with the Passenger Rail Investment and Improvement Act of 2008, Amtrak desires to replace the existing lease agreement with a new easement agreement and cost sharing agreement that would supersede the existing lease agreement between PATH and Amtrak. The new easement agreement would address property interests relating to the existing leased property, and additional property interests PATH requires from Amtrak for the PATH Harrison Station Replacement and Expansion project.*
- *The new Cost Sharing and Reimbursement Agreement relating to the operation, maintenance, repair and replacement of the Dock Bridge would define the rights and obligations of each party regarding this shared use infrastructure, which supports PATH, Amtrak and New Jersey Transit rail operations.*

PATH - EASEMENT AND COST SHARING AGREEMENTS WITH THE NATIONAL RAILROAD PASSENGER CORPORATION

It was recommended that the Board authorize the President of Port Authority Trans-Hudson Corporation (PATH) to enter into: (1) an Easement Agreement (the Easement Agreement) between PATH and the National Railroad Passenger Corporation (Amtrak) granting PATH a perpetual easement for the construction, operation and maintenance of PATH's rail system and improvements in PATH's right-of-way; and (2) a Cost Sharing and Reimbursement Agreement relating to the Operation, Maintenance, Repair, Use and Replacement of Shared Use Infrastructure Components of Dock Bridge (the Cost Sharing Agreement) between PATH and Amtrak, relating to the operation, maintenance, repair and replacement of the Dock Bridge shared use infrastructure.

PATH operates a passenger rail rapid transit system that provides mass transit services on property owned by Amtrak, pursuant to an existing Agreement of Lease dated April 26, 1967 (the Lease) entered into by and between PATH and The Pennsylvania Railroad Company (Amtrak's predecessor). Amtrak desires to replace the Lease with the Easement Agreement and the Cost Sharing Agreement. The Easement Agreement would grant PATH a perpetual easement for the construction, operation and maintenance of PATH's rail system and improvements on the property currently leased under the Lease, as well as on additional property PATH requires from Amtrak for several capital projects. PATH would accept the easement in its as-is condition, subject to certain environmental provisions contained in the Easement Agreement.

By entering into the proposed Easement Agreement with Amtrak, PATH would gain exclusive use of additional properties to support PATH's projects, including the Harrison Station Replacement, the Replacement of PATH's Signal System and the Replacement of Substation No. 9. PATH would be required to maintain the easement area at its sole cost, including all the tracks, ties and appurtenances, signals, signal system, cables, stations, yards, bridges and structures along its right-of-way. The Easement Agreement also would grant PATH non-exclusive easements on Amtrak property for: (i) use of certain access and service roads; (ii) utilities; and (iii) installation and repair of conduits, signals and cables.

The Cost Sharing Agreement would define the operation and maintenance obligations of each party regarding the Dock Bridge, which is a critical structure. The Dock Bridge is a lift bridge spanning the Passaic River between Newark, New Jersey and Harrison, New Jersey. It consists of three spans, commonly referred to as Spans A, B and C. Span B is used exclusively by PATH, and Spans A and C are shared by Amtrak and New Jersey Transit Corporation (NJ Transit). Under the Cost Sharing Agreement, Amtrak would perform the operation and maintenance services of certain infrastructure that is used by PATH, Amtrak and NJ Transit, and PATH would agree to pay Amtrak a monthly fixed fee, representing its pro rata share of such operating and maintenance services. In addition, PATH would pay PATH's pro rata share of the capital costs for capital projects related to the Dock Bridge shared infrastructure that PATH and Amtrak agree are necessary, and the entire cost of capital projects only affecting PATH's exclusive right-of-way.

The Cost Sharing Agreement would be in effect as long as the parties share the use of the Dock Bridge and the Easement Agreement remains in effect. However, after 10 years, either party would have the right to terminate the Cost Sharing Agreement with six months' prior notice. Amtrak would have additional termination or suspension rights in the event of certain

contingencies. Any termination or suspension of the Cost Sharing Agreement would not affect the Easement Agreement.

Pursuant to the foregoing report, the following resolution was adopted:

RESOLVED, that the President of Port Authority Trans-Hudson Corporation (PATH) be and he hereby is authorized, for and on behalf of PATH, to execute: (1) an Easement Agreement between PATH and the National Railroad Passenger Corporation (Amtrak) granting PATH a perpetual easement for the construction, operation and maintenance of PATH's rail system and improvements in PATH's right-of-way; and (2) a Cost Sharing and Reimbursement Agreement relating to the Operation, Maintenance, Repair, Use and Replacement of Shared Use Infrastructure Components of Dock Bridge between PATH and Amtrak, relating to the operation, maintenance, repair and replacement of the Dock Bridge shared use infrastructure; each substantially in accordance with the terms outlined to the Board; and it is further

RESOLVED, that the form of all documents and agreements necessary to effectuate the foregoing shall be subject to the approval of Counsel or his authorized representative.

3. PATH - Journal Square Transportation Center – Starbucks Corporation – New Lease LRR-377

Request:

- *This item authorizes a new 10-year lease with Starbucks Corporation (Starbucks) for approximately 2,079 square feet of retail space on the Plaza level of Journal Square Transportation Center (JSTC), for the operation of a coffee/espresso house and food and beverage establishment, at a total aggregate rental of approximately \$1.4 million.*

Transaction Details:

- *The proposed lease would commence on or about August 1, 2016 for a 10-year term and would include two, five-year extensions at Starbucks' option.*
- *Starbucks will invest an estimated \$588,160 in the retail space.*
- *Rent would commence either on February 1, 2017, six months from the anticipated lease commencement date, or on the date the business opens, whichever comes first. In addition, PATH would provide reimbursement in the form of rental credits for the landlord work of up to \$370,000 to be performed by Starbucks.*
- *Starbucks will be granted an exclusive right to be the only retailer whose primary business is the sale of coffee/espresso-related beverages at JSTC. This exclusivity, which was a condition that Starbucks required prior to committing to lease the space, will neither impact existing JSTC retailers whose primary or ancillary business is the sale of coffee/espresso related beverages; nor prevent PATH from entering into any new leases with retailers whose ancillary business involves the sale of coffee/espresso-related beverages.*
- *Starbucks will also have the right to set up outdoor seating in a 1,600 square foot common area adjacent to its leasehold at no additional rental. The outside area would be limited to two sides of its storefront, which Starbucks is required to maintain as part of its lease, and would not negatively impact emergency ingress or egress to the Plaza.*
- *The Port Authority may terminate the lease on 30-days' notice, subject to reimbursement of Starbucks' unamortized capital investment up to \$588,160, and may recapture the space in the event that Starbucks closes for more than 60 days. Starbucks may terminate the lease without cause after five years and upon 120-days' notice. If Starbucks exercises this right, the Port Authority will have no financial obligation to reimburse any portion of unamortized costs.*

Background:

- *Starbucks is a premium national retailer of coffee and espresso-related goods, assorted food items, and digital media content.*
- *The leasehold has been vacant since 2013 and was previously leased to PSE&G.*
- *As part of its build-out requirements, Starbucks will subdivide the existing space on behalf of the Port Authority to prepare the remaining space for a complementary retailer, for which PATH will reimburse Starbucks in the form of a rental credit up to \$370,000.*

PATH - JOURNAL SQUARE TRANSPORTATION CENTER – STARBUCKS CORPORATION – NEW LEASE LRR-377

It was recommended that the Board authorize the President of Port Authority Trans-Hudson Corporation (PATH) to enter into a lease agreement with Starbucks Corporation (Starbucks) for the letting of approximately 2,079 square feet of retail space on the Plaza Level of the Journal Square Transportation Center (JSTC) for a 10-year term. The lease also would include two, five-year extension options.

Starbucks would use the premises for the operation of a Starbucks store, which specializes in the sale of coffee, baked goods and related items. The term of the new lease would commence on or about August 1, 2016. Over the term of the lease, the Port Authority would receive a total aggregate rental of approximately \$1.4 million. Starbucks would be responsible for all operational, maintenance and repair costs associated with the leased premises. Starbucks would have the right to terminate the lease, without cause, after five years and upon 120 days' prior notice, in which case the Port Authority would have no financial obligation to reimburse any portion of Starbucks' unamortized costs.

Starbucks would be granted an exclusive right to be the only retailer at JSTC whose primary business is the sale of coffee/espresso-related beverages. This exclusivity would neither impact existing JSTC retailers whose primary or ancillary business is the sale of such beverages, nor prevent PATH from entering into any new leases with retailers whose ancillary business involves the sale of coffee/espresso-related beverages. The lease also would grant Starbucks the right to set up outdoor seating in the common areas adjacent to the leasehold, which Starbucks would be required to maintain as part of the lease.

Starbucks would be obligated to subdivide the existing retail space of approximately 6,610 square feet on which the leasehold is located, in order to prepare the remainder space for a complementary retailer, for which PATH would reimburse Starbucks in the form of a rental credit. To ready the leased premises for initial occupancy, Starbucks also would be obligated to undertake improvements at the leased premises. The Port Authority would have the right to terminate the lease, without cause, upon 30 days' notice, in which case it would be obligated to reimburse Starbucks' for its unamortized capital investment, in an amount up to \$588,160, for such initial improvements at the leased premises.

Pursuant to the foregoing report, the following resolution was adopted:

RESOLVED, that the President be and he hereby is authorized, for and on behalf of Port Authority Trans-Hudson Corporation (PATH), to enter into a new lease agreement with Starbucks Corporation for the occupancy of approximately 2,079 square feet of retail space on the Plaza Level of the Journal Square Transportation Center for a term of 10 years, with two, five-year option periods, substantially in accordance with the terms outlined to the Board; and it is further

RESOLVED, that the President be and he hereby is authorized, for and on behalf of PATH, to enter into any other contracts and agreements necessary or appropriate in connection with the foregoing; and it is further

RESOLVED, that the form of all contracts and agreements in connection with the foregoing shall be subject to the approval of Counsel or his authorized representative.

4. Port Authority Tunnel and Bridge Facilities – Toll Collection Program – Replacement of Toll Collection System – Project Authorization and Award of Contracts

Request:

- This item authorizes a \$170.1 million project for the replacement of the toll collection system for the Port Authority's bridge and tunnel facilities with capability for all-electronic tolling (AET) and related contracts and agreements necessary to implement the project and provide for the ongoing maintenance of the system upon completion of the project.

Transaction Details:

- The award of a contract to Kapsch will provide for the design and implementation of a replacement toll collection system at an estimated cost of \$73.5 million.
- The award of a second contract to Kapsch to maintain the new toll collection system following the completion of the project for a six-year period at a total estimated amount of \$32.3 million to Kapsch, with options totaling \$41.4 million to extend the contract for up to three, two-year periods, a 120-day period. Authorization will also include net cost work in the amount of up to \$10 million to support ongoing toll collection system maintenance requirements.
- The extension of an existing contract with Atkins Architecture and Engineering (Atkins) is necessary for continued program management services for a four-year period at an estimated amount of \$7.5 million.
- The extension of an existing contract with Traffic Technologies Inc. (TTI) is necessary for continue technical services to support the program for a four-year period at an estimated amount of \$4.1 million.
- Also, included are options for further extensions of these agreements up to two years, at an estimate cost of \$3 million and \$1.2 million for Atkins and TTI, respectively.

Background:

- The existing Integrated Toll Collection System (ITCS) is used to process tolls electronically; record cash tolls indicated by toll collectors; capture images of vehicles for tolling; report revenue and traffic data; control in-lane operations; record equipment maintenance activities; and interface with the New York E-ZPass Customer Service Center for electronic toll transactions.
- The ITCS is 19 years old and has exceeded its design life.
- Following the November 2013 termination of prior RTCS contracts with Electronic Transactions Consultants Corporation (ETC), which were authorized pursuant to a February 2010 Board-authorized project, the Commissioners were briefed on a revised plan to ensure the protection of the existing toll revenue stream, along with a revised project implementation plan that included demonstration of prospective vendors' toll collection system technology as part of a new Request for Proposals process to identify the most qualified contractor to design, develop, install, and maintain a new toll collection system at the Port Authority's bridges and tunnels.
- Strategic investments in ITCS were authorized by the Board in July 2014 in order to extend the system's life through at least December 2020.
- The installation of RTCS will provide long-term revenue protection and provide additional functionality, redundancy, and audit capabilities.

PORT AUTHORITY TUNNEL AND BRIDGE FACILITIES – TOLL COLLECTION PROGRAM – REPLACEMENT OF TOLL COLLECTION SYSTEM – PROJECT AUTHORIZATION AND AWARD OF CONTRACTS

It was recommended that the Board: (1) authorize a project for the replacement of the toll collection system for the Port Authority's bridge and tunnel facilities, including capability for all-electronic tolling (AET), at a total estimated project cost of \$170.1 million; (2) authorize the Executive Director to take the following actions in connection with the delivery of the project: (a) award Contract MF-244.251 to Kapsch TrafficCom IVHS, Inc. (Kapsch) for the design and implementation of a replacement toll collection system, at an estimated total cost of \$73,532,711; (b) extend the term of an existing contract with Atkins Architecture and Engineering, for continued program management services for a four-year extension period, through December 31, 2021, and increase the amount of the contract by an estimated \$7.5 million, with an option to extend the term of the contract up to a total of two additional years, at an estimated additional amount of \$3 million; and (c) extend the term of an existing contract with Traffic Technologies Inc. for continued technical services to support the project for a four-year extension period, through December 31, 2021, and increase the amount of the contract by an estimated \$4.1 million, with an option to extend the term of the contract up to a total of two additional years, at an estimated additional amount of \$1.2 million; and (3) authorize the Executive Director to take the following actions with respect to the ongoing operation and maintenance of the new toll collection system infrastructure following the successful completion of the project: (a) award Contract MF-244.251M to Kapsch for maintenance of the new toll collection system for a six-year period, at a total estimated amount of \$32,324,322, with options to extend the term of the contract for up to three, two-year periods, and a 120-day extension period, and to provide for optional replacement of certain equipment, at an additional total estimated amount of \$41,374,535; and (b) order net cost work, in an amount of up to \$10 million, in support of ongoing toll collection system maintenance requirements.

The existing Integrated Toll Collection System (ITCS), which collects an estimated amount of more than \$1.8 billion annually in toll revenues, is used to process tolls electronically, record cash tolls, capture images of vehicles of violators, report revenue and traffic data, control in-lane operations, record equipment maintenance activities and interface with the New York Customer Service Center for electronic toll transactions.

The current ITCS at the Port Authority's bridge and tunnel crossings was deployed in 1997, has exceeded its design life, and requires replacement.

At its February 25, 2010 meeting, the Board authorized, among other things, a project for the final design and construction of a new Replacement Toll Collection System (RTCS), with cashless AET capability, at all Port Authority bridge and tunnel vehicular crossings.

As a result of the termination of contracts awarded in July 2011 for the design, implementation and maintenance of the RTCS, due to the contractor's inability to meet all of the contract deliverables, it was necessary to develop a revised project implementation plan to ensure the protection of the existing toll revenue stream. A new publicly advertised Request for Proposals (RFP) was issued, which included demonstrations by prospective vendors of their toll collection system technology as part of the RFP process. Because the existing ITCS had no significant upgrades since its deployment, at its meeting of June 25, 2014, the Board authorized, among other things, various actions to provide for strategic investments in the ITCS, at an estimated total cost

of \$38.8 million, in order to extend its useful life and ensure its continued operation until December 2020, to provide sufficient time for a new RTCS to be procured, designed, developed and installed.

The proposed project would be in place of the project authorized by the Board at its February 25, 2010 meeting, due to the aforementioned circumstances that resulted in the termination of the prior contracts.

A publicly advertised RFP for the design and construction of the RTCS and its post-implementation maintenance was issued on November 26, 2014 and was followed by a thorough evaluation process, which resulted in the selection of Kapsch as the highest rated proposer.

A construction staging plan for the proposed project has been developed, to minimize impacts on the public.

Pursuant to the foregoing report, the following resolution was adopted:

RESOLVED, that a project for the replacement of the toll collection system for the Port Authority's bridge and tunnel facilities, including capability for all-electronic tolling, at a total estimated project cost of \$170.1 million, be and it hereby is authorized; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to take the following actions in connection with the foregoing project: (1) award Contract MF-244.251 to Kapsch TrafficCom IVHS Inc. (Kapsch) for the design and implementation of a replacement toll collection system, at an estimated total cost of \$73,532,711; (2) extend the term of an existing contract with Atkins Architecture and Engineering, for continued program management services for a four-year extension period, through December 31, 2021, and increase the amount of the contract by an estimated \$7.5 million, with an option to extend the term of the contract up to a total of two additional years, at an estimated additional amount of \$3 million; and (3) extend the term of an existing contract with Traffic Technologies Inc. for continued technical services to support the project for a four-year extension period, through December 31, 2021, and increase the amount of the contract by an estimated \$4.1 million, with an option to extend the term of the contract up to a total of two additional years, at an estimated additional amount of \$1.2 million; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to take the following actions with respect to the ongoing operation and maintenance of the new toll collection system infrastructure following the successful completion of the foregoing project: (1) award Contract MF-244.251M to Kapsch for maintenance of the new toll collection system for a six-year period, at a total estimated amount of \$32,324,322, with options to extend the term of the contract for up to three, two-year periods, and a 120-day extension period, and to provide for optional replacement of certain equipment, at an additional total amount of \$41,374,535; and (2) order net cost work, in the amount of up to \$10 million, in support of ongoing toll collection system maintenance requirements; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to take action with respect to the award of construction contracts, contracts for professional and advisory services and such other contracts and agreements as may be necessary to effectuate the foregoing project, pursuant to authority granted in the By-Laws or other resolution adopted by the Board; and it is further

RESOLVED, that the form of all contracts, agreements and other documents in connection with the foregoing project shall be subject to the approval of General Counsel or his authorized representative.

5. Brooklyn-Port Authority Marine Terminal – Brooklyn Cruise Terminal – Shore Power Installation – Authorization of Additional Funds for Project Completion and Increase to Associated Contract

Request:

- *This item authorizes \$1.84 million in additional funds to complete the Shore Power Facility Project to deliver landside electrical power in lieu of ship-board, diesel-generated power to cruise ships calling at the Brooklyn Cruise Terminal (BCT), located at Pier 12 at the Brooklyn-Port Authority Marine Terminal (BPAMT), resulting in a revised total estimated project cost of \$21.14 million.*
- *Includes an increase of \$674,288 to Contract BP-694.504A with Paul J. Scariano, Inc. to provide compensation for additional work, downtime, and additional costs due to the extended contract duration, resulting in a revised total estimated contract amount of \$10,942,417.*

Transaction Details:

- *The proposed authorization is necessary to compensate the contractor for additional costs incurred over an extended contract duration; additional engineering and design costs to accommodate new Federal Emergency Management Agency (FEMA) flood elevation maps, and agency allocated costs associated with the extended contract duration.*
- *Upon completion of the project, the Shore Power Facility will be turned over to the New York City Economic Development Corporation (NYCEDC), which is responsible for the operation and maintenance of the facility pursuant to the terms of its lease with the Port Authority for the BCT.*

Background:

- *In August 2010, the Board authorized a project to construct the Shore Power Facility at the BCT at a total estimated cost of \$15 million, with \$2.858 million in funding provided through a USEPA Grant.*
- *The project consists of (1) the construction of a new service substation with three isolation transformers and switchgear to provide utility-required short-circuit protection for three Consolidated Edison Company of New York's (Con Edison) feeders; (2) the routing of power via duct bank to a new shore power substation; (3) the construction of the new shore power substation to manage the power transfer to the cruise ships (including step-down transformers and switchgear); and (4) the routing of power and communication lines from the new shore power substation to the on-board cruise ship power interface equipment.*
- *The original project cost estimate was based on a Stage 1 design. As the design progressed and agreements between key stakeholders advanced, certain unforeseen conditions and requirements were identified that resulted in design scope changes and increased estimated construction costs, including increased structural costs to enhance the load-bearing capacity of Pier 12 to support the shore power substation; costs to meet Con Ed requirements for additional conduit and cable; increased construction costs to relocate the outdoor substation and the shore power substation; and an unanticipated increase in market driven costs for equipment and materials. The Board re-authorized the project in June 2012 at a total estimated cost of \$19.3 million, with the additional \$4.3 million in funding provided through the Port Authority's Comprehensive Bi-State Dredging and Disposal Plan commitment, at the request of the State of New York.*
- *Contract BP-694.504A was awarded to Paul J. Scariano, Inc. in 2013 to construct the improvements at a total estimated cost of \$10,268,129. Paul J. Scariano, Inc. is covered by an existing contractor certification at the request of the Office of the Inspector General.*
- *The project involved a number of agreements with both public and private entities, including NYCEDC's lease agreement with the Port Authority to assume ongoing operation and*

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maintenance costs associated with the shore power infrastructure. Additionally, Carnival retrofitted its two primary vessels that call at the BCT with shore power equipment, and at least one additional vessel to date, at a total cost to Carnival of approximately \$4 million.

- The project has been substantially completed in order to obtain Temporary Use and Occupancy Permits. Additional work is needed to fully complete the project and to obtain Final Use and Occupancy Permits, which are required prior to the formal turnover of the facility to NYCEDC consistent with the terms for the BCT.*

BROOKLYN-PORT AUTHORITY MARINE TERMINAL – BROOKLYN CRUISE TERMINAL – SHORE POWER INSTALLATION – AUTHORIZATION OF ADDITIONAL FUNDS FOR PROJECT COMPLETION AND INCREASE TO ASSOCIATED CONTRACT

It was recommended that the Board authorize: (1) the expenditure of an additional approximately \$1.84 million in support of the completion of a project to construct a shore power facility to deliver landside electrical power, in lieu of ship-board diesel-generated power, to cruise ships calling at the Brooklyn Cruise Terminal (BCT), located at Pier 12 at the Brooklyn-Port Authority Marine Terminal (BPAMT), which would result in a revised total estimated project cost of \$21.14 million; and (2) the Executive Director to increase the amount of Contract BP-694.504A with Paul J. Scariano, Inc. by approximately \$674,288, to provide compensation for additional work, downtime, and costs due to the extended contract duration, which would result in a revised contract amount of \$10,942,417, the cost of which is included within the revised total estimated project cost.

At its meeting of August 5, 2010, the Board authorized the shore power facility project at the BCT, which is leased to the New York City Economic Development Corporation (NYCEDC). In addition, the Board authorized the Executive Director to enter into agreements with: (1) Cochran, Inc. for consulting, project development and engineering services for the shore power substation, and for the purchase, testing and commissioning of the shore power electrical equipment and vessel interface system, at a total estimated cost of \$3.1 million; and (2) Lizardos Engineering, Inc. for the final design of the shore power infrastructure and for construction support services, at a total estimated cost of \$660,000, with funding for both agreements included as part of the \$15 million project authorization, of which approximately \$2.858 million was reimbursed to the Port Authority through a United States Environmental Protection Agency grant.

The shore power facility project consists of: (1) construction of a new service substation with three isolation transformers and switchgear to provide utility-required short-circuit protection for Consolidated Edison Company of New York's (Con Edison) three feeders; (2) routing of power via duct bank to a new shore power substation; (3) construction of the new shore power substation to manage the power transfer to cruise ships; and (4) routing of power and communication lines from the new shore power substation to the on-board cruise ship power interface equipment, which includes the cable-handling equipment. The details of the vessel interface, including cable sizes and connectors and data communications, complied with specifications developed by Carnival Corporation (Carnival).

The original project cost estimate was based on a Stage 1 design. As the design progressed, unforeseen conditions and requirements were identified that resulted in design scope changes and increased estimated construction costs. These included: increased structural costs associated with enhancing the load-bearing capacity of Pier 12 to support the shore power substation; costs to meet Con Edison requirements for additional conduit and cable, and the relocation of the outdoor substation and the shore power substation, which increased construction costs associated with that work; and an unanticipated increase in market driven costs for equipment and materials. Also, Port Authority staff recommended an increase in project contingency due to the high proportion of electrical equipment on this project and the anticipated continued volatility in the cost of materials and their potential impact on bids. Lastly, the design scope changes and extended

negotiations on technical engineering issues with stakeholders on additional requirements resulted in increased planning and engineering costs.

On June 28, 2012, the Board re-authorized the project, at a total estimated cost of \$19.3 million, with the additional \$4.3 million to be provided through the Port Authority's Comprehensive Bi-State Dredging and Disposal Plan commitment, at the request of the State of New York. Pursuant to a publicly advertised procurement, Contract BP-694.504A was awarded to Paul J. Scariano, Inc., for the construction of two electrical substations and supporting infrastructure for the shore power project, at a total estimated cost of \$10,268,129, inclusive of net cost work and extra work. The project involved a number of agreements with public and private entities, including, but not limited to, a New York Power Authority-NYCEDC electricity cost-sharing agreement, NYCEDC's lease agreement with the Port Authority to assume ongoing operation and maintenance costs associated with the shore power infrastructure, and the commitment from Carnival to retrofit, at its own expense, two vessels that call at the BCT with shore power equipment. The project has been substantially completed in order to obtain Temporary Use and Occupancy Permits for the shore power facility that will allow the Port Authority to turn over operation and maintenance of the system to NYCEDC, consistent with the terms of its lease of the BCT. Additional minor work is needed to fully complete the project and to obtain Final Use and Occupancy Permits.

The additional funds being requested under this authorization are needed to address: (1) contractor overhead costs associated with extended contract duration; (2) contractor costs for unforeseen impacts to productivity, staging and scheduling, including demobilization/mobilization costs due to unanticipated numbers of contractually required "dark days" (no work) during BCT events, and costs associated with the late and unforeseen cancellation of scheduled ship commissioning events; (3) additional planning and engineering costs associated with meeting new Federal Emergency Management Agency flood elevations that extended the contract duration, including the installation and positioning of the heating, ventilation and air conditioning rooftop unit and general revisions to the transformer deluge fire suppression system; (4) post-contract work orders to allow for closing of the main construction contract; and (5) Port Authority-allocated costs associated with the extended contract duration.

This action would provide for completion of the shore power facility project, which will reduce emissions from cruise ships at the BCT.

Pursuant to the foregoing report, the following resolution was adopted:

RESOLVED, that the expenditure of an additional approximately \$1.84 million in support of the completion of a project to construct a shore power facility to deliver landside electrical power, in lieu of ship-board diesel-generated power, to cruise ships calling at the Brooklyn Cruise Terminal, located at Pier 12 at the Brooklyn-Port Authority Marine Terminal, resulting in a revised total estimated project cost of \$21.14 million, be and it hereby is authorized; and it is further

RESOLVED, that the Executive Director be and hereby is authorized, for and on behalf of the Port Authority, to increase the amount of Contract BP-694.504A with Paul J. Scariano, Inc. by approximately \$674,288, to provide compensation for additional work, downtime, and additional costs due to the extended contract duration, which will result in a revised contract amount of \$10,942,417, the cost of which is included within the revised total estimated project cost; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to take action with respect to construction contracts, contracts for professional and advisory services and such other contracts and agreements as may be necessary to effectuate the foregoing project, pursuant to authority granted in the By-Laws or other resolution adopted by the Board; and it is further

RESOLVED, that the form of all contracts, agreements and other documents in connection with the foregoing project shall be subject to the approval of General Counsel or his authorized representative.

6. Howland Hook Marine Terminal – Upgrade of Pavement Subgrade – Project Authorization

Request:

- *This item authorizes a project to reconstruct approximately nine acres of open area, including associated subsurface work, which is used for container terminal storage at the Howland Hook Marine Terminal (HHMT) that was severely damaged as a result of Hurricane Sandy to mitigate subsurface degradation to ensure a state-of-good repair (SGR) at an estimated total project cost of \$32.7 million.*

Transaction Details:

- *The proposed authorization would provide for the full reconstruction of approximately nine acres of open area at the HHMT, including the removal of existing paver blocks and subsurface granular fill, excavation to remove the underlying gypsum laden material, placement of a geotextile reinforced structural backfill material, and resurfacing of the area with asphalt pavement. The work would also include, as-needed, reconstruction/ rehabilitation of the storm drainage system and other subsurface utilities.*

Background:

- *The HHMT was built by American Export Lines and was purchased in 1973 by the City of New York (City). The Port Authority currently leases the HHMT from the City under an agreement that expires in July 2058, and subleases the 153-acre HHMT to GCT New York, LP (Global) through December 2029.*
- *Prior to the Port Authority's leasing of the HHMT from the City and the commencement of container terminal operations, significant amounts of gypsum were disposed of throughout the HHMT. The gypsum has slowly dissolved over time creating subsurface voids, resulting in sinkholes.*
- *Pursuant to a June 2000 Board authorization, a contract was awarded for the paving and installation of drainage utilities on approximately 11 acres of undeveloped open area at the HHMT at an estimated amount of \$7 million. Work included partial excavation of unsuitable material, backfilling with clean compacted fill, and paving with a concrete block system that also included two underlying layers of geotextile. The design intent was to have the voids manifest at the ground surface as depressions instead of sudden sinkholes.*
- *During the week of October 28, 2012, damage from Hurricane Sandy and its associated storm surge caused the underlying gypsum to dissolve at a significantly faster rate than previously anticipated, resulting in the development of numerous depressions that rendered the subject nine-acre area unsafe for use.*
- *This project is required in order to allow the tenant to resume use of the area for container terminal storage.*

HOWLAND HOOK MARINE TERMINAL – UPGRADE OF PAVEMENT SUBGRADE – PROJECT AUTHORIZATION

It was recommended that the Board authorize a project to reconstruct approximately nine acres of open area, including associated subsurface work, which is used for container storage at the Howland Hook Marine Terminal (HHMT) and was severely damaged as a result of Hurricane Sandy, at an estimated total project cost of \$32.7 million, of which amount approximately \$23.1 million is anticipated to be recovered through the Federal Emergency Management Agency (FEMA) Public Assistance Program.

The Port Authority leases the HHMT property from the City of New York (City) through July 2058. GCT New York, LP (Global) currently subleases from the Port Authority the 153-acre HHMT under an agreement that expires in December 2029. The Port Authority also acquired the Port Ivory property, consisting of 124 acres located adjacent to the HHMT, in December 2000, to allow for expansion of the HHMT. The Port Ivory site includes the first phase of ExpressRail Staten Island, which is currently operated by Global under an agreement that expires in December 2029, and a warehouse building that is leased to Global under an agreement that also expires in December 2029.

Prior to the Port Authority's leasing of the HHMT from the City and the commencement of container terminal operations, significant amounts of gypsum were disposed of throughout the HHMT. The gypsum has slowly dissolved over time, creating subsurface voids which resulted in sinkholes. Pursuant to a June 2, 2000 Board action authorizing planning and design work in connection with ExpressRail Staten Island, a contract was awarded for paving and the installation of drainage utilities on 11 acres of undeveloped land at the HHMT. That design work provided for the voids to manifest at the ground surface as depressions instead of sudden sinkholes.

In 2012, Hurricane Sandy and its associated storm surge caused significant flooding at the HHMT, which caused the underlying gypsum to dissolve at a rate significantly faster than previously anticipated, resulting in the development of numerous depressions that rendered a nine-acre area, which is used for container storage purposes, unsafe for use.

In 2015, FEMA authorized the allocation of \$3.9 million for engineering design and permitting to upgrade the pavement subgrade at the nine-acre HHMT site. Upon completion of design by the submission deadline of October 29, 2016, FEMA will consider additional costs, in an amount not to exceed \$26.9 million, for the construction of approved project improvements, for a total FEMA-approved project cost of \$30.8 million. Approximately 75 percent of the \$30.8 million, which amounts to \$23.1 million, is expected to be recovered by the Port Authority through FEMA's Public Assistance Program. Implementation of the project improvements is contingent upon the Port Authority's recovery of the \$23.1 million from FEMA.

The proposed project would provide for the full reconstruction of approximately nine acres of open area at the HHMT. Work would include the removal of existing paver blocks and subsurface granular fill, excavation to remove the underlying gypsum-laden material, placement of a geotextile reinforced structural backfill material, and resurfacing of the area with asphalt pavement. The work also would include, as needed, reconstruction/rehabilitation of the storm drainage system and other subsurface utilities.

Staff is currently in discussions with Global to provide for the recovery from Global of a portion of the Port Authority's costs associated with the proposed project through a reimbursement agreement, with the reimbursement amount currently estimated at \$3.85 million. Execution of the reimbursement agreement is contingent upon Global's review and approval of the final design of the proposed project that is submitted to FEMA by the October 29, 2016 due date.

Advancement of this project was recommended to allow for continued operations by Global pursuant to its agreements at the HHMT/Port Ivory. The project would contribute to providing a safe and reliable facility capable of supporting terminal operations at the HHMT.

Pursuant to the foregoing report, the following resolution was adopted:

RESOLVED, that a project to reconstruct approximately nine acres of a container terminal storage area at the Howland Hook Marine Terminal that was severely damaged as a result of Hurricane Sandy, at an estimated total project cost of \$32.7 million, of which amount approximately \$23.1 million is anticipated to be recovered through the Federal Emergency Management Agency Public Assistance Program, be and it hereby is authorized; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to take action with respect to construction contracts, contracts for professional and advisory services, and such other contracts and agreements as may be necessary to effectuate the foregoing project, pursuant to authority granted in the By-Laws or other resolution adopted by the Board; and it is further

RESOLVED, that the form of all contracts, agreements and other documents in connection with the foregoing project shall be subject to the approval of General Counsel or his authorized representative.

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7. World Trade Center – Increase in Scope to the Existing Owner’s Representative and Construction Manager Agreement with Affiliates of the Durst Organization in Support of the Expansion of the Tenant Pre-Built Program and Lobby Improvements

Request:

- This item seeks authorization to amend the existing Owner’s Representative and Construction Manager Agreement in connection with the Joint Venture (JV) agreement with affiliates of The Durst Organization (Durst) to support the expansion of the Tenant Pre-Built Program and lobby improvements in furtherance of the lease-up of One World Trade Center (One WTC) in the amount of \$31.5 million.

Transaction Details:

- The expansion of the Tenant Pre-Built Program would include three additional floors) at an amount of \$30 million, inclusive of fees of 6 percent for owner’s representative and construction management services and 9 percent of construction costs for General Conditions; and the continued improvement of lobby spaces in the amount of \$1.5 million.

Background:

- The Tenant Pre-Built Program is intended to meet the downtown demand for leased premises smaller than One WTC’s large floor plates of 32,000-48,000 square feet. The first three phases of the pre-built program at One WTC have been successful, with 25 leases signed and additional leases expected in the near term.
- Lobby improvement work will consist of various upgrades to the ground floor and below grade tenant lobbies, including the installation of a media wall in the public lobby adjacent to the Conde Nast lobby, as well as new furniture, finishes and related improvements consistent with best practices at comparable Class A office buildings in New York City.

ONE WORLD TRADE CENTER – INCREASE IN SCOPE TO THE EXISTING OWNER’S REPRESENTATIVE AND CONSTRUCTION MANAGER AGREEMENT WITH AFFILIATES OF THE DURST ORGANIZATION IN SUPPORT OF THE EXPANSION OF THE TENANT PRE-BUILT PROGRAM AND LOBBY IMPROVEMENTS

In connection with the leasing and fit-out of One World Trade Center (One WTC), it was recommended that the Board authorize the Executive Director to amend agreements with Royal 1 WTC Management LLC (Royal), an affiliate of the Durst Organization (Durst), to increase the scope of the Owner’s Representative and Construction Manager Agreement, at an aggregate estimated cost of \$31.5 million, including fees of six percent for owner’s representative and construction management services and nine percent of construction costs for general conditions, to include: (1) a fourth phase of the Tenant Pre-Built Program (Pre-Built Program), consisting of three full floors of additional pre-built suites, at a cost of approximately \$30 million; and (2) the continued design and fit-out of lobby spaces, at a cost of approximately \$1.5 million.

At its meeting of August 5, 2010, the Board authorized a transaction with Durst for Durst to become a joint venture partner with the Port Authority in the net leasehold interest of One WTC and to participate and/or advise in the construction, financing, leasing, management and operation of One WTC.

The Pre-Built Program was developed to meet the demand for leased premises smaller than the standard floor plates of 32,000 to 48,000 square feet at One WTC. The program was designed to accommodate significant demand for small commercial office space in Lower Manhattan. The Board previously authorized certain actions, at its meetings of July 24, 2013, October 22, 2014, and November 19, 2015, in support of the lease-up of One WTC, including the allocation of an aggregate amount of \$56.7 million for the development of pre-built spaces. To date, approximately 166,000 rentable square feet of pre-built space is under signed lease at One WTC, representing approximately 67 percent of the total pre-built inventory under the first three phases. The implementation of Phase IV of the Pre-Built Program would allow the Port Authority to continue to meet the high demand for these types of spaces.

The proposed added scope of the agreements with Royal includes the following: (1) development of three full floors of additional pre-built space to accommodate tenants who wish to occupy less than a full floor, at an estimated cost of \$30 million; and (2) improvements to the lobby spaces, including the installation of a media wall in the public lobby adjacent to the Conde Nast lobby, in addition to new furniture, artwork and/or finishes on the ground floor lobby, all of which are consistent with best practices at comparable Class A office buildings and would enhance leasing efforts, at an estimated cost of approximately \$1.5 million.

The Joint Venture Agreement and related documents authorized by the Board on August 5, 2010 and May 25, 2011 anticipated that Durst would act as construction manager or owner’s representative with respect to the fit-out of space within One WTC, and specified that a separate agreement would be reached on the terms of such work. Accordingly, on July 24, 2013, the Board authorized the Owner’s Representative and Construction Management Agreement with Royal to act as the owner’s representative and construction manager for the fit-out of a Tenant Pre-Built Program in One WTC, and for the fit-out of the lobby spaces of One WTC.

Royal would retain construction services necessary to implement the work through procurement processes, as defined in the agreements.

Pursuant to the foregoing report, the following resolution was adopted:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to amend agreements with Royal 1 WTC Management LLC, an affiliate of the Durst Organization, to increase the scope of the Owner's Representative and Construction Manager Agreement, at an aggregate estimated cost of \$31.5 million, including fees of six percent for owner's representative and construction management services and nine percent of construction costs for general conditions, to include: (1) a fourth phase of the Tenant Pre-Built Program, consisting of: (a) three full floors of additional pre-built suites, at a cost of approximately \$30 million; and (b) the continued design and fit-out of lobby spaces, at a cost of approximately \$1.5 million; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to take any and all action to effectuate the foregoing, including the execution of contracts, agreements and other documents, together with amendments and supplements thereof, or amendments and supplements to existing contracts, agreements and other documents, and to take action in accordance with the terms of such contracts, agreements and documents, as may be necessary in connection therewith; and it is further

RESOLVED, that the form of all contracts, agreements and other documents in connection with the foregoing shall be subject to the approval of General Counsel or his authorized representative.

(Board – 6/30/16)

8. *General Counsel Review of Board-Authorized Contracts and Agreements*

Request:

- *In furtherance of the Board’s discussion at its March 24, 2016 meeting, the attached resolution is for consideration with respect to requirements for final terms of Board (and Committee)-authorized contracts and agreements.*

GENERAL COUNSEL REVIEW OF BOARD-AUTHORIZED CONTRACTS AND AGREEMENTS

In furtherance of the Board’s discussion at its March 24, 2016 meeting, the following resolution was adopted with respect to requirements for the final terms of Board (or Committee) authorized contracts and agreements.

RESOLVED, that the General Counsel, or his designee, shall review each contract or agreement (including any amendment, modification or renewal thereof) authorized by the Board of Commissioners ("Board") or a Committee of the Board to determine whether, in his opinion, its final terms are substantially in accord with the terms of the applicable authorizing resolution(s) and any accompanying report; and it is further

RESOLVED, that if, in the General Counsel’s opinion, the terms of such contract or agreement are not substantially in accord with said authorizing resolution(s) and report, he shall advise the Board in writing, specifying the manner in which the contract or agreement is not in substantial accord with the authorizing resolution(s) and report; and in the event that the General Counsel or his designee so advises the Board, and prior to the execution of the contract or agreement by the Executive Director, or his designee, the Board shall vote on whether to approve the execution of the contract or agreement as presented.