

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Thursday, June 26, 2003

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MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, June 26, 2003, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor
 Hon. Jack G. Sinagra
 Hon. David S. Steiner

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Henry R. Silverman
 Hon. Anastasia M. Song

Joseph J. Seymour, Executive Director
 Jeffrey S. Green, General Counsel
 Karen E. Eastman, Secretary

Gwendolyn Archie, Staff Administrator, Office of the Secretary
 Kayla M. Bergeron, Director, Public Affairs
 A. Paul Blanco, Chief of Regional and Economic Development
 Bruce D. Bohlen, Treasurer
 John D. Brill, Director, Audit
 Gregory G. Burnham, Chief Technology Officer
 Ernesto L. Butcher, Chief Operating Officer
 Timothy Castano, Senior Business Consultant, Office of the Chairman
 Arthur J. Cifelli, Assistant Director, Government and Community Affairs
 Steven J. Coleman, Public Information Officer, Public Affairs
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 William R. DeCota, Director, Aviation
 John C. Denise, Supervisor, Audio Visual/Photography, Operations Services
 Michael P. DePallo, Director, PATH
 Charles D. DeRienzo, Superintendent of Police/Director, Public Safety
 Pasquale DiFulco, Public Information Officer, Public Affairs
 Michael G. Fabiano, Comptroller
 Michael B. Francois, Director, Real Estate
 Linda C. Handel, Assistant Secretary
 Edward L. Jackson, Director, Financial Services
 Howard G. Kadin, Senior Attorney, Law
 Richard M. Larrabee, Director, Port Commerce
 Francis J. Lombardi, Chief Engineer
 Robert Lurie, Senior Policy Advisor, Office of the Chairman
 Gloria Martinez, Administrator, Office of the Secretary
 Daniel S. Maynard, Client Manager, Public Affairs
 Charles F. McClafferty, Chief Financial Officer
 James E. McCoy, Manager, Board Management Support, Office of the Secretary
 Lynn A. Nerney, Senior Administrator, Office of the Secretary
 Catherine F. Pavelec, Manager, Administration, Protocol and Executive Correspondence,
 Office of the Secretary
 Michael A. Petralia, Chief of Public and Government Affairs
 Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals
 Edmond F. Schorno, Chief of Staff
 Douglas L. Smith, Director, Office of Forecasting and Capital Planning
 Harry Spector, Deputy Director, Public Affairs

John F. Spencer, Deputy Chief Engineer

Tiffany A. Townsend, Public Information Officer, Public Affairs
Gregory J. Trevor, Senior Public Information Officer, Public Affairs
Sean P. Walsh, Director, Government and Community Affairs
Jason Yan, Summer Law Intern, Law

The public session was called to order by Chairman Coscia at 2:37 p.m. and ended at 2:45 p.m. The Board met in executive session prior to the public session.

Action on Minutes

The Secretary submitted for approval Minutes of the meeting of May 29, 2003. She reported that copies of these Minutes were sent to all of the Commissioners and to the Governors of New York and New Jersey. She reported further that the time for action by the Governors of New York and New Jersey has expired.

Whereupon, the Board of Commissioners unanimously approved the Minutes.

Report of Audit Committee

The Audit Committee reported, for information, on matters discussed in executive session at its meeting on June 26, 2003, which included discussion of internal audit matters, and the report was received.

Report of Committee on Finance

The Committee on Finance reported, for information, on matters discussed in executive session at its meeting on June 23, 2003, which included discussion of lease and contract matters, and matters which could affect the competitive economic position of the Port Authority, the Port District or businesses with which we deal. The Committee also reported, for information, on matters discussed in executive session at its meeting on June 26, 2003, which included discussion of matters related to, or which could impact upon, the issuance, sale, resale, or redemption of Port Authority bonds, notes or other obligations, and matters which could affect the competitive economic position of the Port Authority, the Port District or businesses with which we deal, in addition to matters filed with the Committee pursuant to Board action or separately reported to the Board of Commissioners at this meeting of the Board, and the report was received and is included with these minutes.

Report of Committee on Capital Programs/Port Planning

The Committee on Capital Programs/Port Planning reported, for information, on matters discussed at its meeting on June 26, 2003, which included discussion of a demonstration project to retrofit one Staten Island ferry exhaust system, as well as matters discussed in executive session, which included discussion of property matters, and the report was received.

Report of Committee on Construction

The Committee on Construction reported, for information, on matters discussed at its meeting on June 26, 2003, which included discussion of the rehabilitation of the concrete deck and structural steel for the Goethals Bridge, as well as matters discussed in executive session, which included discussion of contract matters, in addition to matters filed with the Board pursuant to Board action or separately reported to the Board of Commissioners at this meeting of the Board, and the report was received and is included with these minutes.

Report of Committee on Operations

The Committee on Operations reported, for information, on matters discussed in executive session at its meeting on June 26, 2003, which included discussion of lease and contract matters, and matters which could affect the competitive economic position of the Port Authority, the Port District or businesses with which we deal, and the report was received.

Staff Report

A presentation was made by staff on the progress to-date regarding the construction of the AirTrain JFK project.

NEWARK LIBERTY INTERNATIONAL AIRPORT – PERMIT NO. ANB-395 – PERMIT TO OCCUPY TERMINAL A SPACE – UNITED STATES GENERAL SERVICES ADMINISTRATION; LEASE NO. AN-537 – SURRENDER OF CLUB SPACE – US AIRWAYS, INC.

It was recommended that the Board authorize the Executive Director to enter into: (1) a space permit agreement with the United States General Services Administration (GSA), covering use and occupancy of space (Space) on the Concourse Level in Flight Station A-3 of Terminal A at Newark Liberty International Airport constituting approximately 3,844 square feet, for a period commencing as of July 15, 2003 and expiring July 14, 2013. The Space is currently part of the leasehold of US Airways, Inc. (Airline) under its lease agreement with the Port Authority, Lease No. AN-537; and (2) a related supplemental agreement to Lease No. AN-537 with the Airline, pursuant to which the Space would be surrendered by the Airline as of July 14, 2003.

The space permit agreement with GSA would provide for a basic fee per annum of approximately \$269,080 (including utilities and other maintenance) commencing July 15, 2003 through July 14, 2004, subject thereafter to adjustment in accordance with the Consumer Price Index. The Space would be used as administrative offices for Transportation Security Administration personnel, but may be used alternatively by personnel of any other United States governmental agency. GSA may, but would not be obligated to, make an initial capital investment of up to \$270,000 with respect to the Space. Each party would have the right to terminate the permit without cause on ninety days' written notice. If the Port Authority terminates the permit without cause, it would be obligated to reimburse GSA for its unamortized initial capital investment, up to \$270,000. The unamortized amount would be calculated on a straight-line basis from the effective date of the permit to the end of the average useful life of the investment or the fifth anniversary of the effective date of the permit, whichever is shorter.

The supplemental agreement with the Airline would provide for the surrender of the Space under Lease No. AN-537 as of July 14, 2003, with a reduction in the Airline's basic annual rental in the amount, associated with the Space, which would otherwise have accrued from and after such date.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Sinagra, Song and Steiner voting in favor; none against:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into: (1) a permit agreement with the United States General Services Administration covering the use and occupancy of space at Terminal A at Newark Liberty International Airport; and (2) a related supplemental agreement with US Airways, Inc. providing for the surrender of the same space under Port Authority Lease No. AN-537; in each case, substantially in accordance with the terms and conditions outlined to the Board; and it is further

RESOLVED, that the form of the foregoing agreements shall be subject to the approval of General Counsel or his authorized representative.

JOHN F. KENNEDY INTERNATIONAL AIRPORT – JETBLUE AIRWAYS CORPORATION – LEASE AGREEMENT FOR DEVELOPMENT OF OPERATIONS SUPPORT AND AIRCRAFT MAINTENANCE COMPLEX

It was recommended that the Board authorize the Executive Director to: (1) enter into an agreement with JetBlue Airways Corporation (JetBlue) for the letting and development of an aircraft maintenance and support campus on the sites of Buildings No. 81 and 179 and a portion of the Building No. 183 site at John F. Kennedy International Airport (JFK), and for the demolition of Building No. 183; and (2) take action with respect to a construction contract for the installation of redundant electrical capacity to the Buildings No. 81 and 179 sites and, if required, for increased electrical capacity to these sites.

JetBlue would rehabilitate Building No. 81 for the central storage of in-flight articles, and would demolish Buildings No. 179 and 183. JetBlue would design and construct on the Buildings No. 81 and 179 sites a new three-bay aircraft hangar and an approximate 36,000 square-foot building to support JetBlue's technical operations units. The Port Authority would reimburse JetBlue, either through a rental credit or payment, for its incremental costs to dispose of contaminated soil which cannot be reused at the sites, in an amount not to exceed \$440,000, and for costs which exceed \$370,000 but do not exceed \$600,000 for the removal of all above-ground hazardous substances, including but not limited to asbestos and lead, from Buildings No. 81 and 179. The Port Authority would install redundant electrical service to the Buildings No. 81 and 179 sites at its expense, and may perform certain work to increase the electrical capacity to these sites, the costs of which work would be reimbursed by JetBlue to the Port Authority. Effective upon completion of construction, approximately one acre of the Building No. 183 site would be added to the premises for the parking of vehicles associated with the aircraft maintenance and support campus.

Ground and building rentals would commence on the effective date of the lease at reduced rates. Effective on the earlier to occur of the completion of construction or 18 months from the commencement of the term of the lease (the Construction Period Outside Date), ground and building rentals would increase to market rates as set forth in the lease and would further increase annually thereafter by the greater of 4 percent or one-half of the increase in the Consumer Price Index. JetBlue would be given a rental credit for its costs to demolish Building No. 183 in an amount not to exceed \$1,023,000. The term of the proposed lease with JetBlue would commence on or about August 1, 2003 and expire on December 30, 2015. If the Port Authority lease with the City of New York for JFK is extended to a date 25 years or more after the Construction Period Outside Date, then the lease with JetBlue would be extended to a date 25 years from the Construction Period Outside Date. JetBlue would be permitted to mortgage its leasehold interest under the lease and would pay to the Port Authority an annual rental based upon the amount of debt service secured by the mortgage.

JetBlue would be responsible for all subsurface contamination at the premises above an agreed upon groundwater and soil baseline. In addition, JetBlue would be responsible for contamination subsequently discovered on the premises that is not in the baseline, unless JetBlue can prove to the satisfaction of the Port Authority that such contamination existed on the premises prior to the effective date of the lease and was not caused by JetBlue. The Port

Authority would be responsible for the cost of remediating existing contamination that was not caused by JetBlue.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Sinagra, Song and Steiner voting in favor; none against:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to: (1) enter into an agreement with JetBlue Airways Corporation (JetBlue) for the letting and development of an aircraft maintenance and support campus on the sites of Buildings No. 81 and 179 and a portion of the Building No. 183 site at John F. Kennedy International Airport (JFK) and for the demolition of Building No. 183, substantially in accordance with the terms and conditions outlined to the Board; and (2) take action with respect to a construction contract for the installation of redundant electrical capacity to the site of Buildings No. 81 and 179 at JFK and, if required, for the installation of increased electrical capacity to these sites, Contract JFK 134.396, "Power for Buildings 81 and 179 Operations Complex," as he deems in the best interest of the Port Authority, including, without limitation, award to the lowest bidder qualified by reason of responsibility, experience and capacity to perform the work and whose bid price the Executive Director deems reasonable, at a total contract cost estimated at \$3.9 million; or to reject all proposals, solicit new proposals on revised or the same requirements or negotiate with one or more proposers or other contractors as he deems in the best interest of the Port Authority, and to order extra work (if necessary) and net cost work in connection therewith, including supplemental agreements thereto; and it is further

RESOLVED, that the form of the foregoing agreements shall be subject to the approval of General Counsel or his authorized representative.

JOHN F. KENNEDY (JFK) AND NEWARK LIBERTY (EWR) INTERNATIONAL AIRPORTS – ELIMINATION OF FREE LUGGAGE CART PROGRAM – SMARTE CARTE, INC. (JFK) PERMIT AYC-912 AND AIRPORT CARTS, LLC (EWR) PERMIT ANB-073

It was recommended that the Board authorize the Executive Director to eliminate the Free Luggage Cart Program (Free Cart Program) to all international arriving passengers at John F. Kennedy (JFK) and Newark Liberty (EWR) International Airports and impose a luggage cart rental fee of \$2.00 at JFK and EWR for all cart rentals to international passengers effective October 1, 2003. It was also recommended that the Board authorize the Executive Director to enter into supplemental agreements with: (1) Smarte Carte, Inc. providing for the imposition of a luggage cart rental fee of \$2.00 for all cart rentals to international passengers at JFK; and (2) Airport Carts, LLC, providing for the imposition of a luggage cart rental fee of \$2.00 for all cart rentals to international passengers at EWR.

The elimination of the Free Cart Program and the imposition of a \$2.00 luggage cart rental fee for all international passengers at JFK and EWR would result in the conversion of the Port Authority's financial subsidy of the luggage cart program, which amounts to approximately \$3.2 million annually, to a surplus of \$1.4 million annually, while maintaining a valuable passenger service currently used by 5.1 million passengers. Although the elimination of the Free Cart Program may initially cause confusion for international arriving passengers at JFK and EWR as a result of the inconvenience associated with obtaining U.S. currency in order to pay for the cart rental, all of the pay cart dispensers accept major credit cards and debit cards.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Sinagra, Song and Steiner voting in favor; none against:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to: (1) eliminate the Free Luggage Cart Program to all international arriving passengers at John F. Kennedy (JFK) and Newark Liberty (EWR) International Airports and impose a luggage cart rental fee of \$2.00 at JFK and EWR effective October 1, 2003; and (2) enter into supplemental agreements with (a) Smarte Carte, Inc. providing for the imposition of a luggage cart rental fee of \$2.00 for all international passengers at JFK; and (b) Airport Carts, LLC, providing for the imposition of a luggage cart rental fee of \$2.00 for all international passengers at EWR, substantially in accordance with the terms and conditions outlined to the Board; and it is further

RESOLVED, that the form of the foregoing agreements shall be subject to the approval of General Counsel or his authorized representative.

CONFIDENTIAL ITEM (page 284-285)

This item shall not be available for public inspection until otherwise agreed to by the parties involved.

TETERBORO AIRPORT – FIRST AVIATION SERVICES, INC. – USE AND OCCUPANCY AGREEMENT

It was recommended that the Board authorize the Executive Director to enter into an agreement with First Aviation Services, Inc. (FAS) providing for the use and development of approximately 20.55 acres of unimproved land (the Site) at Teterboro Airport (TEB) for a 20-year term. FAS would construct a Fixed Based Operator Complex consisting of not less than two hangars of approximately 39,500 square feet each, a terminal/office building, a ground service equipment maintenance building and paving of airside space for aircraft parking and landside space for automobile parking. The agreement would also provide for the Port Authority advancing FAS an amount not to exceed \$25 million and payment of additional fees by FAS to the Port Authority in connection with such advances over the balance of the term of the agreement, on a financially self-sustaining basis.

The proposed agreement provides the Port Authority with opportunities for effectively addressing community and operational concerns, as well as security and space issues at the airport, while meeting the financial goals of the organization. The development complements the \$50 million of investment previously approved by the Board being undertaken by the other four Fixed Based Operators. Furthermore, the proposed agreement with FAS is consistent with a recommendation by a Port Authority consultant for the highest and best use development for the Site at TEB.

Aside from the development and revenue opportunities that this proposal offers, there are existing operational concerns that are resolved by providing the Site to FAS. In 1998, FAS, a tenant at TEB since 1986, lost the use of approximately 75 percent of its leasehold due to the implementation of an Instrument Landing System (ILS) on Runway 1-19. The installation of the ILS equipment necessitated the permanent removal of parked aircraft from areas adjacent to the runway.

Both aircraft parking and taxiing are now serious problems on FAS' leasehold. The activity of FAS' prime tenant has been growing rapidly and comprises a fleet of 486 aircraft. The Federal Aviation Administration (FAA) has had to place ground holds at other airports on aircraft destined for FAS' TEB facility due to the seriousness of the congestion. In 1999, FAS challenged the Port Authority in an informal arbitration procedure, arguing that the Port Authority was discriminatory in not developing a plan to restore FAS' acreage lost to the ILS. The FAA did not reach a definitive conclusion. However, the Port Authority subsequently gave FAS temporary use of an adjacent hangar vacated by Sony, which was the corporate tenant, and convinced the FAA to issue temporary waivers from typical airfield restrictions on parking aircraft that expire in 2004.

At that time, FAS will be unable to operate from its current location, given its current activity, nor can its future growth be accommodated. Restoring the size of FAS' leasehold and providing additional space meets FAS' growth projections and prevents further FAA arbitration.

In proposing this agreement, staff has considered alternatives for developing the Site, including dividing the Site for multiple users. However, staff determined that developing the

Site for more than one user would require the construction of aeronautical infrastructure (*i.e.*, taxiways) for common use that would diminish the revenue opportunities and increase airfield maintenance costs.

Under the proposed agreement, in addition to the land fees payable to the Port Authority, FAS would also pay additional fees associated with the construction advances at rates favorable to the Port Authority. In addition, the Port Authority would have the right to have the land appraised in 2009 and 2020, with the rate adjusted to the greater of the appraised rate or as adjusted by the Consumer Price Index. FAS would be responsible for all aspects of construction, including all permits required for the development of the Site.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Sinagra, Song and Steiner voting in favor; none against:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into a 20-year use and occupancy agreement with First Aviation Services, Inc. for the development of approximately 20.55 acres at Teterboro Airport, substantially in accordance with the terms and conditions outlined to the Board; the form of the agreement shall be subject to the approval of General Counsel or his authorized representative.

PORT NEWARK – SECURITY PARK, INC. – NEW LEASE

It was recommended that the Board authorize the Executive Director to enter into an agreement of lease with Security Park, Inc. (Security Park) for a 10-year term for approximately 10.6 acres of open area at Port Newark, to be operated as a secured parking facility.

The term of the lease will commence on or about July 15, 2003 and will expire on or about July 31, 2013. Security Park, a tenant at Port Newark since 1990, operates a secured parking facility for the temporary storage of containers and tractor-trailers that await transport to consignees and container terminals. Security Park currently leases approximately 12.25 acres of open area at Port Newark under a lease that expired on February 28, 2003.

The 10.6-acre area to be leased to Security Park is composed of 2.3 acres that were previously occupied by Garfield Transportation Systems, Inc. (Garfield Transportation) and 8.3 acres that were previously occupied by Beazer East, Inc. (Beazer), formerly known as Koppers Industries, Inc. (Koppers). Garfield Transportation operated a container drayage facility at Port Newark and vacated the area when its lease expired on December 31, 2002. Koppers operated a wood creosoting plant at the site from 1940 until 1991. As required by the New Jersey Department of Environmental Protection, several remedial investigations were performed on the site, which revealed the presence of contaminants in the soils and groundwater, and therefore required a remedial action work plan to be developed. The Koppers/Beazer site has been vacant since 1991, while the environmental condition of the property was being evaluated and remediated. All environmental remediation work has been completed by Koppers' contractor; Koppers, however, is obligated to monitor several monitoring wells until June 2004.

The Port Authority has agreed to pave approximately 2.3 acres of the property at an estimated cost of \$400,000. Security Park will install perimeter fencing at a cost not to exceed \$30,000, for which it will receive a rent credit.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Sinagra, Song and Steiner voting in favor; none against:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into an agreement of lease with Security Park, Inc., for a 10-year term for approximately 10.6 acres of open area at Port Newark, substantially in accordance with the terms and conditions outlined to the Board; the form of the agreement shall be subject to the approval of General Counsel or his authorized representative.

HARBOR DEEPENING PROJECT – GENERAL (AIR) CONFORMITY – STATEN ISLAND FERRY RETROFIT DEMONSTRATION PROJECT – AGREEMENT WITH THE NEW YORK CITY DEPARTMENT OF TRANSPORTATION AND AWARD OF CONTRACT

It was recommended that the Board authorize the Executive Director to: 1) enter into an agreement with the New York City Department of Transportation to retrofit one Staten Island ferry as a demonstration project, at a total estimated cost of \$1.2 million, to determine if a sufficient reduction in emissions from the operation of the entire ferry fleet's diesel engines can be achieved, so as to permit such reduction to be used to offset air pollutants that will be generated as a result of the Harbor Deepening (50-foot) Project (HDP); and 2) without further authorization, take action with respect to the award of a contract for the purchase and installation of Emission Reduction Technology devices and such other contracts for the purchase and installation of instrumentation, fuel, catalyst and consultant services related to the demonstration project.

Construction of the HDP is an essential requirement to accommodate the larger ships that are forecasted to call at the Port of New York and New Jersey, and relates to the channels objective contained in the Port Authority's business plan. In order for the HDP to proceed, compliance with the federal Clean Air Act is mandated. Such compliance requires an offset to air emissions generated during construction. Compliance will be accomplished through the approval and implementation of a Harbor Air Mitigation Plan, which must be in place before the Project Cooperation Agreement with the U.S. Army Corps of Engineers is signed in May 2004. Retrofitting the Staten Island ferries to lower the emission of pollutants of concern has been identified as the single project that has the highest probability of success at the least cost to the region. Authorization at this time will allow for protocols to be developed and put in place to measure emissions both before and after the installation of retrofit devices, and in order to select vendors and have equipment manufactured and installed in time to determine the success of the demonstration in accordance with the HDP's schedule.

The cost of the work covered by the purchase contract is estimated at \$500,000 and includes the retrofit of the demonstration ferry with a selective catalytic reduction device and catalyst, a diesel oxidation catalyst and diesel particulate filters, as well as the purchase and use of ultra low sulfur diesel fuel. An agreement for professional and technical advisory services will also be awarded by the Chief Engineer, at an estimated cost of \$700,000, to develop protocols and monitor emissions.

Should the demonstration project prove to be successful, it is anticipated that future Board authorization will be sought for a Memorandum of Understanding with the City of New York to retrofit the remaining six Staten Island ferries.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Sinagra, Song and Steiner voting in favor; none against:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to: 1) enter into an agreement with the New York City Department of Transportation to retrofit one Staten Island ferry as a demonstration project, at a total estimated cost of \$1.2 million, to determine if a sufficient reduction in emissions from the operation of the entire ferry fleet's diesel engines can be achieved, so as to permit such reduction to be used to offset air pollutants that will be generated as a result of the Harbor Deepening (50-foot) Project; and 2) take action with respect to the award of a contract for the purchase and installation of Emission Reduction Technology devices and such other contracts for the purchase and installation of instrumentation, fuel, catalyst and consultant services as related to the demonstration project; the form of the agreement shall be subject to the approval of General Counsel or his authorized representative.

**GEORGE WASHINGTON BRIDGE BUS STATION – LEASE AGREEMENT LBF-102 –
WASHINGTON HEIGHTS OPTICAL, INC.**

It was recommended that the Board authorize the Executive Director to enter into a lease agreement with Washington Heights Optical, Inc. (Optical), covering the letting of approximately 800 rentable square feet of retail space at the George Washington Bridge Bus Station for use for the performing of eye examinations and the sale of eyeglasses and frames, for an approximate ten-year, four-month term commencing on or about August 1, 2003, at an aggregate basic rental over the term of approximately \$282,000. Payment of basic rental will begin approximately four months after the commencement of the letting. The Port Authority will have the right to terminate the lease on 30 days' notice without cause, in which case it shall be obligated to reimburse Optical for its unamortized initial capital investment in the premises up to \$125,000, calculated on a straight-line basis over the lease term.

The final terms and conditions of the lease agreement will be subject to the approval of the Committee on Operations in the event that the rental payment terms and/or the term of the letting are not substantially in accordance with the terms outlined to the Board.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Sinagra, Song and Steiner voting in favor; none against:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into an agreement with Washington Heights Optical, Inc., covering the letting of retail space at the George Washington Bridge Bus Station, substantially in accordance with the terms and conditions outlined to the Board, or on such other terms and conditions as the Executive Director deems appropriate, subject to the conditions set forth below; and it is further

RESOLVED, that the Committee on Operations be and it hereby is authorized to approve the final terms and conditions of the foregoing agreement in the event that the rental payment terms and/or the term of the letting are not substantially in accordance with the terms outlined to the Board; and it is further

RESOLVED, that the form of the foregoing agreement shall be subject to the approval of General Counsel or his authorized representative.

PORT AUTHORITY BUS TERMINAL – LEASE RENEWAL – LBT-534 – VILLA SPECIALITIES, INC. d/b/a/ CASA JAVA

It was recommended that the Board authorize the Executive Director to enter into a supplemental lease agreement with Villa Specialties, Inc. d/b/a Casa Java (Casa Java), extending the term of the letting under its lease for the operation of a retail store of approximately 654 rentable square feet of space at the Port Authority Bus Terminal for an approximate five-year period commencing on the earlier to occur of November 1, 2004 or the completion of the renovation of the space by Casa Java.

Casa Java will pay an aggregate basic rental over the extended term of the letting of approximately \$614,760, together with an increased percentage rental based on Casa Java's gross sales. Payment of basic rental will commence on the earlier to occur of November 1, 2004 or the completion of the renovation of the space by Casa Java. Casa Java will pay additional rental to cover increases in operating and maintenance costs, as set forth in the supplemental agreement. Casa Java will spend approximately \$225,000 on the renovation of its space. The Port Authority will continue to have the right to terminate the letting under the lease on 30 days' notice without cause, in which case it shall be obligated to reimburse Casa Java for its unamortized capital investment in the premises up to \$225,000, calculated on a straight-line basis over the extended lease term. Casa Java will have the right to extend the term of the letting further under the lease for an additional five-year period at increased rentals, provided it satisfies certain criteria set forth in the supplemental agreement.

The final terms and conditions of the supplemental agreement will be subject to the approval of the Committee on Operations in the event that the rental payment terms and/or the term of the letting are not substantially in accordance with the terms outlined to the Board.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Sinagra, Song and Steiner voting in favor; none against:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into a supplemental lease agreement with Villa Specialties, Inc. extending the term of the letting under its lease agreement covering the letting of retail space at the Port Authority Bus Terminal, substantially in accordance with the terms and conditions outlined to the Board, or on such other terms and conditions as the Executive Director deems appropriate, subject to the conditions set forth below; and it is further

RESOLVED, that the Committee on Operations be and it hereby is authorized to approve the final terms and conditions of the foregoing agreement in the event that the rental payment terms and/or term of the letting are not substantially in accordance with the terms outlined to the Board; and it is further

RESOLVED, that the form of the foregoing agreement shall be subject to the approval of General Counsel or his authorized representative.

**DOWNTOWN RESTORATION PROGRAM – WORLD TRADE CENTER SITE
PLANNING – LOWER MANHATTAN DEVELOPMENT CORPORATION
ENVIRONMENTAL ANALYSIS AND REVIEW**

On February 27, 2003, New York Governor George E. Pataki and New York City Mayor Michael R. Bloomberg announced the selection of the Memory Foundations Concept Plan proposed by Studio Daniel Libeskind (SDL) for redevelopment of the World Trade Center (WTC) site. Port Authority staff are currently working with the Lower Manhattan Development Corporation (LMDC), SDL, the net lessees of various components of the WTC and other public and private sector entities to finalize a WTC Site Master Plan, incorporating transportation facilities, a memorial and memorial-related improvements, up to 10 million square feet of office space, up to 1 million square feet of retail space, conference center and hotel facilities, new open space areas, museum and cultural facilities, and certain infrastructure improvements, including new street configurations at the WTC site. LMDC has launched the WTC Site Memorial Competition, and is undertaking a program to develop the memorial and memorial-related improvements, as well as potential museum and cultural facilities for the WTC site.

LMDC will be conducting a coordinated review of its WTC Memorial and Redevelopment Plan, as a state recipient of a Community Development Block Grant from the United States Department of Housing and Urban Development (HUD), and as a lead agency under both the National Environmental Policy Act (NEPA) and the New York State Environmental Quality Review Act (SEQRA). A Memorandum of Understanding (MOU) between the Port Authority and LMDC would formalize the understanding between the agencies to cooperate in the environmental analysis required to implement the redevelopment of the WTC site. LMDC has agreed that it shall be solely responsible for costs incurred in connection with this coordinated environmental review.

The Port Authority, together with various agencies, including LMDC, the New York State Urban Development Corporation d/b/a Empire State Development Corporation (ESDC), HUD, the Federal Emergency Management Agency (FEMA), the Federal Transportation Administration (FTA), the Federal Highway Administration (FHWA), the United States Coast Guard (USCG), the United States Army Corps of Engineers (USACE), the United States Fish and Wildlife Service (USFWS), National Marine Fisheries Service (NMFS), National Park Service (NPS), New York State's Metropolitan Transportation Authority (MTA), New York State Department of Transportation (NYSDOT), New York State Office of Parks, Recreation and Historic Preservation (OPRHP), and the City of New York Department of City Planning (DCP), will be cooperating, involved or interested agencies for purposes of the LMDC environmental review. An additional MOU among these governmental agencies would formalize the commitment among the agencies to coordinate the review of the proposed WTC Memorial and Redevelopment Plan under NEPA and SEQRA. This MOU would remain in effect until the last project funded as a result of the September 11, 2001 terrorist attacks at The World Trade Center is fully constructed.

The proposed WTC Memorial and Redevelopment Plan shall remain subject to approval by the Port Authority and LMDC after completion of the environmental review. To enable the construction of, and institutional arrangements associated with, the Memorial, future Board authorization will be sought at the appropriate time. Upon completion of the environmental reviews, LMDC will take the lead on the implementation of the Memorial Plan, and the Port Authority will take the lead on the implementation of the WTC Redevelopment Plan.

Apart from the foregoing, the permanent Port Authority Trans-Hudson (PATH) system WTC Terminal transportation component of the WTC Site Master Plan is an independent project, and will undergo a separate NEPA environmental analysis and review. The FTA will be the lead agency for environmental reviews to be undertaken in cooperation with the Port Authority for PATH's permanent WTC Terminal.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Sinagra, Song and Steiner voting in favor; none against:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to: (1) enter into one or more Memorandum(s) of Understanding (MOU) with the Lower Manhattan Development Corporation (LMDC), among other matters, concurring with LMDC's proposal to serve as lead agency for the environmental analysis of the World Trade Center Memorial and Redevelopment Plan, and committing the Port Authority to cooperate with LMDC regarding preparation, management and public outreach related to the environmental analysis and review; (2) enter into a joint MOU with cooperating and interested New York City, New York State, and Federal agencies providing for coordinated and expedited review of the environmental analysis; and (3) take such other actions as may be appropriate from time to time to effectuate the environmental reviews and analyses pertaining to the redevelopment of the World Trade Center site; and it is further

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

FIVE MARINE VIEW PLAZA – AMENDMENT TO LEASE WITH HOBOKEN ASSOCIATES, L.P. AND RETENTION OF DESIGN SERVICES

It was recommended that the Board authorize the Executive Director to enter into: (1) an agreement amending the Port Authority's existing lease (Lease) with Hoboken Associates, L.P., of Montvale, New Jersey, covering space in an office building known as Five Marine View Plaza in Hoboken, New Jersey, to provide for the leasing by the Port Authority of additional space; and (2) an agreement with Grad Associates, P.A., a professional architectural design firm, to provide design and other services in connection with the proposed expansion, at an estimated cost of approximately \$13,000.

At its meeting of September 20, 2001, the Board authorized the Executive Director to take appropriate action in connection with the relocation of staff offices formerly located at The World Trade Center (WTC). In October 2001, staff briefed the Board on the Port Authority's office space requirements to house the Office of the Inspector General (OIG) staff previously located at the WTC. In November 2001, the Port Authority entered into the Lease with Hoboken Associates, L.P., for approximately 5,000 rentable square feet (rsf) of space for the OIG staff. This Lease has a present term of 8 years and 3 months, with an option to extend the term of the Lease for a single additional five-year period.

Subsequent to the lease of the existing space, six additional auditors were added to the OIG's staff located in the New Jersey offices, in order to facilitate the unit's increased responsibility for conducting physical, internal and personnel security reviews, and for performing internal control functional inspections. Staff has determined that it is appropriate to arrange for enhancements to the OIG's present quarters, for the storage of technical equipment, conducting interviews, storing evidence, conducting wiretaps, securing grand jury documents, and effectively carrying out some of the unit's other functions. The leasing of an additional 2,300 rsf would enable the office to be expanded to accommodate the unit's current requirements.

The basic rental rate for the new space would range from approximately \$76,000 annually to approximately \$88,000. The term of the letting of the additional space would begin on August 1, 2003, and would expire coterminously with the term of the existing Lease, subject to exercise of the single five-year extension option by the Port Authority. The Lease contains sublet provisions, but no provisions for cancellation. Grad Associates, P.A. designed the existing office space and is expected to quickly develop a compatible design for this expansion. An additional authorization will be obtained at a future date, for the construction and furnishing of the additional space.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Sinagra, Song and Steiner voting in favor; none against:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into agreements with: (1) Hoboken Associates, L.P., amending the Port Authority's existing lease for office space at Five

Marine View Plaza in Hoboken, New Jersey to cover the letting of an additional 2,300 square feet of space; and (2) Grad Associates, P. A., a professional architectural design firm, to provide design and other services in connection with the proposed expansion; each agreement to be substantially in accordance with the terms and conditions outlined to the Board, and the form of each agreement shall be subject to the approval of General Counsel or his authorized representative.

**SETTLEMENT OF CLAIM – ANDREW MORIELLO AND CAROLYN MORIELLO
v. THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY AND JON
TRUTNEFF**

It was recommended that the Board authorize General Counsel, for and on behalf of the Port Authority, to enter into an agreement with plaintiffs Andrew Moriello and Carolyn Moriello to provide for a settlement of their claims for personal injury and loss of consortium arising out of an automobile accident wherein plaintiff Andrew Moriello was struck by a car owned by the Port Authority and driven, with permission, by a Port Authority employee, by paying plaintiffs the total amount of \$250,000, including attorneys' fees. In return, plaintiffs would provide the Port Authority with a General Release, a Stipulation of Discontinuance with prejudice, and a "hold harmless" letter with respect to an outstanding Workers' Compensation lien.

On May 11, 1999, Mr. Moriello, an employee of the New York City Department of Sanitation, was struck by a vehicle owned by the Port Authority and operated by a Port Authority employee, Jon Trutneff. The accident took place at the intersection of Pioneer and Van Brunt Streets in the Red Hook section of Brooklyn.

Mr. Moriello sustained two herniated cervical discs, one herniated lumbar disc, a central posterior herniation of the nucleus pulposis at L4-5 and a posterior protrusion of intervertebral discs at L1-2 and L5-S1. He was out of work for five months and remains unable to perform his duties as a sanitation worker. He remains employed by the Department of Sanitation, but in a position that requires no physical exertion and bestows no opportunities for overtime. He has been diagnosed with Major Effective Disorder induced by a traumatic situational event.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Sinagra, Song and Steiner voting in favor; none against:

RESOLVED, that General Counsel be and he hereby is authorized, for and on behalf of the Port Authority, to enter into an agreement with plaintiffs Andrew Moriello and Carolyn Moriello to provide for the settlement of a lawsuit for personal injuries entitled Andrew Moriello and Carolyn Moriello v. The Port Authority of New York and New Jersey and Jon Trutneff by paying to plaintiffs and their attorneys the sum of \$250,000.

FINAL CONTRACT PAYMENTS

The Comptroller's Department reported, for information only, that the contracts set forth hereafter have been completed satisfactorily by the contractors. Final payments have been made during the period of March 1, 2003 to March 31, 2003.

CONTRACT NUMBER	CONTRACT TITLE FACILITY AND CONTRACTOR	TOTAL AUTHORIZED		TOTAL PAYMENTS	
AK161	REPAIR OF BRIDGE JOINTS VIA WORK ORDER	575,000	(B)	23,800	(B)
	STATEN ISLAND BRIDGES	110,000	(C)	77,555	(C)
	P.T. STONE, INC.	34,500	(D)	34,500	(D)
		135,000	(F)	116,343	(F)
		--0--	(G)	1,880	(G)
		854,500		254,078	
AK162	MAINTENANCE PAVEMENT REPAIRS VIA WORK ORDER	437,600	(B)	437,600	(B)
	STATEN ISLAND BRIDGES	345,000	(C)	62,624	(C)
	ACME SKILLMAN CONCRETE CO., INC.	46,956	(D)	14,200	(D)
		43,760	(H)	11,729	(H)
		873,316		526,153	
EXD204	800MHZ TRUNKED RADIO COMMUNICATION SYSTEM-SIMULCAST SITE - BUILDING 14 BASE STATION HVAC SYSTEM	147,400	(A)	147,400	(A)
	JOHN F. KENNEDY INTERNATIONAL AIRPORT	24,990	(C)	--0--	(C)
	VPH MECHANICAL CORP.	11,760	(D)	11,760	(D)
		38,000	(I)	38,000	(I)
		10,000	(J)	7,567	(J)
	232,150		204,727		
EWR114001	DESIGN AND CONSTRUCTION OF AUTOMATED PEOPLE MOVER	142,395,000	(A)	142,116,528	(A,M)
	NEWARK LIBERTY INTERNATIONAL AIRPORT	14,239,500	(D)	3,956,727	(D)
	BOMBARDIER TRANSPORTATION, INC.	250,000	(K)	--0--	(K)
		13,000,000	(L)	13,000,000	(L)
	169,884,500		159,073,255		
PN234898	CONTAINER TERMINAL BERTH DEEPENING PORT NEWARK	79,000	(A)	79,000	(A)
	GREAT LAKES DREDGE & DOCK COMPANY	3,405,900	(B)	2,718,256	(B)
		450,000	(C)	--0--	(C)
		209,094	(D)	--0--	(D)
	4,143,994		2,797,256		

EWR999515	CUSTOMS HALL MODIFICATIONS	1,379,000	(A)	1,379,000	(A)
	NEWARK LIBERTY INTERNATIONAL AIRPORT	100,000	(C)	6,740	(C)
	VRH CONSTRUCTION CORP.	110,320	(D)	97,294	(D)
		1,589,320		1,483,034	
LGA215416	CENTRAL TERMINAL BUILDING	1,181,475	(A)	1,181,475	(A)
	ASBESTOS ABATEMENT - EAST WING	100,000	(C)	31,152	(C)
	LAGUARDIA AIRPORT	94,518	(D)	82,466	(D)
	EWT CONTRACTORS, INC.	1,375,993		1,295,093	
JFK134177	SW RESTRICTED SERVICE ROAD AROUND	2,690,400	(A)	2,687,200	(A,Q)
	BUILDING #269 AND NEW VAN WYCK BRIDGE	222,600	(B)	156,310	(B)
	JOHN F. KENNEDY INTERNATIONAL AIRPORT	340,000	(C)	338,000	(C)
	GRACE INDUSTRIES, INC.	233,040	(D)	233,040	(D)
		21,021	(E)	21,021	(E)
		170,000	(N)	170,000	(N)
		80,000	(O)	80,000	(O)
		115,000	(P)	61,543	(P)
		3,872,061		3,747,114	

(A) Lump Sum.

(B) Classified Work.

(C) Net Cost - amount in the "Total Authorized" column represents the authorized estimated net cost amount. However, the amount in the "Total Payments" column is the actual net cost amount paid.

(D) Extra Work.

(E) Premium for furnishing performance and payment bond as provided for in the contract.

(F) Increase in extra work in the amount of \$135,000 authorized on 4/11/2002.

(G) Increase in compensation pursuant to "Emergency Delays" clause, in the amount of \$1,880, as provided for in the contract.

(H) Increase in classified work.

(I) Increase in extra work in the amount of \$38,000 authorized on 1/26/2000.

(J) Increase in extra work in the amount of \$10,000 authorized on 10/11/2002.

(K) Supplemental Agreement No.1 which provided for an increase in the amount of \$250,000 for lump sum work on 1/17/97.

(L) Increase in compensation pursuant to an "Acceleration of Guideway Rehabilitation" clause, in the amount of \$13,000,000 authorized on 9/19/2002.

(M) The difference between "Total Authorized" and "Total Payments" represents credit change orders in the total amount of \$278,472 for changes in the scope of the work.

(N) Increase in extra work in the amount of \$170,000 authorized on 1/10/2000.

(O) Increase in extra work in the amount of \$80,000 authorized on 1/8/2001.

(P) Increase in extra work in the amount of \$115,000 authorized on 10/1/2002.

(Q) The difference between "Total Authorized" and "Total Payments" represents credit change orders in the total amount of \$3,200 for changes in the scope of the work.

FINAL CONTRACT PAYMENTS

The Comptroller's Department reported, for information, that the contracts set forth hereafter have been completed satisfactorily by the contractors. Final payments have been made in the period of April 1, 2003 to April 30, 2003.

CONTRACT NUMBER	CONTRACT TITLE FACILITY AND CONTRACTOR	TOTAL AUTHORIZED	TOTAL PAYMENTS
BP900950	CONCRETE CELL & PILE REPAIRS	127,500 (A)	127,500 (A)
	BROOKLYN PORT AUTHORITY	133,850 (B)	133,850 (B)
	MARINE TERMINAL	200,000 (C)	141,045 (C)
	SPEARIN, PRESTON & BURROWS, INC.	15,681 (D)	3,244 (D)
		66,150 (F)	20,832 (F)
		543,181	426,471
BP929101	MAINTENANCE DREDGING	179,500 (A)	179,500 (A)
	BROOKLYN PORT AUTHORITY	634,800 (B)	474,915 (B)
	MARINE TERMINAL	100,000 (C)	--0-- (C)
	GREAT LAKES DREDGE & DOCK COMPANY	48,858 (D)	--0-- (D)
		963,158 (D)	654,415
EWR154203	TERMINAL B - LED & PLASMA DISPLAY	976,555 (A)	976,555 (A)
	SCREENS	150,000 (C)	--0-- (C)
	NEWARK LIBERTY INTERNATIONAL AIRPORT	78,124 (D)	--0-- (D)
	TWIN TOWERS ENTERPRISES, INC.	8,836 (E)	8,836 (E)
		1,213,515	985,391
LT449	HEAT TRACING OF FIRE STANDPIPE SYSTEM	291,800 (A)	291,800 (A)
	FOR NY & NJ VENTILATION BUILDINGS	30,000 (C)	24,988 (C)
	LINCOLN TUNNEL	23,350 (D)	--0-- (D)
	ROTHSTEIN & HOFFMAN ELECTRIC SERVICE	345,150	316,788
LGA970307	IMMEDIATE REPAIRS VIA WORK ORDER	1,000,000 (C)	1,000,000 (C)
	LAGUARDIA AIRPORT	1,000,000 (G)	1,000,000 (G)
	HALLEN CONSTRUCTION COMPANY	1,000,000 (H)	535,962 (H)
		3,000,000	2,535,962

JFK847	REHABILITATION OF RUNWAY 4L-22R	7,024,721	(A)	7,018,221	(A,L)
	JOHN F. KENNEDY INTERNATIONAL AIRPORT	5,445,980	(B)	4,939,772	(B)
	TULLY CONSTRUCTION CO., INC.	1,050,000	(C)	830,835	(C)
		748,242	(D)	748,282	(D)
		612,000	(I)	612,000	(I)
		634,432	(J)	490,813	(J)
		--0--	(K)	268,279	(K)
		15,515,375		14,908,202	
HT224073	REPLACEMENT OF FIRE STANDPIPE FROM	1,045,362	(A)	1,035,922	(A,P)
	NEW YORK LAND VENTILATION BUILDING	250,000	(C)	173,520	(C)
	TO SOUTH TUBE EXIT PORTAL	62,722	(D)	62,722	(D)
	HOLLAND TUNNEL	112,000	(M)	112,000	(M)
	PERINI CORP.	138,000	(N)	26,993	(N)
		--0--	(O)	8,820	(O)
		1,608,084		1,419,977	
HT224084	SIGN FOUNDATIONS AT RENWICK & WATTS	315,000	(A)	315,000	(A)
	STREETS IN NEW YORK CITY	23,000	(C)	22,971	(C)
	HOLLAND TUNNEL	120,000	(D)	2,659	(D)
	GRACE INDUSTRIES, INC.	458,000		340,630	
	PERINI CORP.				

(A) Lump Sum.

(B) Classified Work.

(C) Net Cost - amount in the "Total Authorized" column represents the authorized estimated net cost amount. However, the amount in the "Total Payments" column is the actual net cost amount paid.

(D) Extra Work.

(E) Premium for furnishing performance and payment bond as provided for in the contract.

(F) Increase in classified work in the amount of \$66,150 authorized on 10/31/2000.

(G) Increase in net cost work in the amount of \$1,000,000 authorized on 6/30/98.

(H) Increase in net cost work in the amount of \$1,000,000 authorized on 2/4/99.

(I) Increase in extra work in the amount of \$612,000 authorized on 6/2/2000.

(J) Increase in extra work in the amount of \$634,432 authorized on 2/8/2002.

(K) Increase in compensation pursuant to "Emergency Delays" clause, in the amount of \$261,879 as provided for in the contract.

(L) The difference between "Total Authorized" and "Total Payments" represents a credit change order in the amount of \$6,500 for the deletion of part of the work.

(M) Increase in extra work in the amount of \$112,000 authorized on 6/2/2000.

(N) Increase in extra work in the amount of \$138,000 authorized on 9/12/2000.

(O) Increase in compensation pursuant to "Emergency Delays" clause, in the amount of \$8,820, as provided for in the contract.

(P) The difference between "Total Authorized" and "Total Payments" represents a credit change order in the amount of \$9,440 for the deletion of part of the work.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

The Committee on Finance reported, for information only, that in accordance with authority granted by the Committee, the Executive Director had authorized the following security transactions, time accounts, interest rate exchange contracts and variable rate master note agreements during the period April 1, 2003 through April 30, 2003.

REPORT A:

Purchase of Port Authority Bonds

(Unless otherwise noted, all Port Authority Bonds are callable at par).

<u>Purchase</u> <u>Date</u>	<u>Par</u> <u>Value</u>	<u>Description</u>	<u>Coupon</u> <u>Rate</u>	<u>Maturity</u> <u>Date</u>	<u>Purchase</u> <u>Price</u>	<u>Call</u> <u>Year</u>	<u>YTC</u> <u>@ Cost</u>	<u>BEY</u> <u>@ Cost</u>	<u>Total</u> <u>Principal</u>	<u>Dealer</u>
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No new transactions this period.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/01/03	\$25,000,000	CITICORP CP	--	04/02/03	99.99	1.280%	1.288%	\$24,999,111.11	Citicorp
04/01/03	50,000,000	UBSFIN CP	--	04/02/03	99.99	1.300	1.309	49,998,194.44	Lehman Brothers
04/01/03	50,000,000	UBSFIN CP	--	04/02/03	99.99	1.300	1.309	49,998,194.44	Lehman Brothers
04/01/03	300,000	JFK-APO	6.375%	12/01/15	99.90	--	6.387	299,700.00	JFKIAT-APO
04/02/03	10,300,000	FNDN	--	04/03/03	99.99	1.170	1.177	10,299,665.25	Lehman Brothers
04/02/03	50,000,000	FNDN	--	04/03/03	99.99	1.170	1.177	49,998,375.00	Lehman Brothers
04/02/03	50,000,000	FHDN	--	04/30/03	99.91	1.170	1.177	49,954,500.00	Mizuho
04/02/03	50,000,000	GE CORP CP	--	04/03/03	99.99	1.230	1.238	49,998,291.67	G.E. Capital
04/02/03	50,000,000	GE CORP CP	--	04/03/03	99.99	1.230	1.238	49,998,291.50	G.E. Capital
04/02/03	50,000,000	UBSFIN CP	--	04/03/03	99.99	1.230	1.238	49,998,291.67	Lehman Brothers
04/02/03	50,000,000	UBSFIN CP	--	04/03/03	99.99	1.230	1.238	49,998,291.67	Lehman Brothers
04/03/03	50,000,000	GE CORP CP	--	04/04/03	99.99	1.250	1.258	49,998,263.89	G.E. Capital

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/03/03	\$50,000,000	GE CORP CP	--	04/04/03	99.99	1.250%	1.258%	\$49,998,263.89	G.E. Capital
04/03/03	50,000,000	UBSFIN CP	--	04/04/03	99.99	1.260	1.268	49,998,250.00	Lehman Brothers
04/03/03	8,675,000	UBSFIN CP	--	04/04/03	99.99	1.260	1.268	8,674,696.38	Lehman Brothers
04/03/03	11,000,000	UBSFIN CP	--	04/04/03	99.99	1.260	1.268	10,999,615.00	Lehman Brothers
04/04/03	50,000,000	FNDN	--	05/09/03	99.89	1.170	1.178	49,943,125.00	UBS Warburg
04/04/03	50,000,000	GE CORP CP	--	04/07/03	99.99	1.230	1.238	49,994,875.00	G.E. Capital
04/04/03	50,000,000	GE CORP CP	--	04/07/03	99.99	1.230	1.238	49,994,875.00	G.E. Capital
04/04/03	50,000,000	UBSFIN CP	--	04/07/03	99.99	1.220	1.228	49,994,916.67	Lehman Brothers
04/04/03	10,900,000	UBSFIN CP	--	04/07/03	99.99	1.220	1.228	10,898,891.80	Lehman Brothers
04/04/03	50,000,000	USTB	--	04/15/03	99.96	1.175	1.182	49,982,048.61	Bank of America
04/04/03	50,000,000	USTB	--	04/15/03	99.96	1.175	1.182	49,982,048.61	Bank of America
04/07/03	39,000,000	USTB	--	04/15/03	99.97	1.180	1.187	38,989,773.33	Morgan Stanley

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/07/03	\$50,000,000	USTB	--	04/15/03	99.97	1.180%	1.187%	\$49,986,888.89	Lehman Brothers
04/07/03	50,000,000	USTB	--	04/15/03	99.97	1.180	1.187	49,986,888.89	Merrill Lynch
04/07/03	39,000,000	USTB	--	04/15/03	99.97	1.180	1.187	38,989,773.33	Mizuho
04/07/03	50,000,000	GE CORP CP	--	04/08/03	99.99	1.240	1.248	49,998,277.78	G.E. Capital
04/07/03	50,000,000	GE CORP CP	--	04/08/03	99.99	1.240	1.248	49,998,277.78	G.E. Capital
04/07/03	50,000,000	UBSFIN CP	--	04/08/03	99.99	1.260	1.268	49,998,250.00	Lehman Brothers
04/07/03	50,000,000	UBSFIN CP	--	04/08/03	99.99	1.260	1.268	49,998,250.00	Lehman Brothers
04/07/03	24,200,000	CITIGROUP CP	--	04/08/03	99.99	1.220	1.227	24,199,179.89	Citigroup
04/08/03	50,000,000	GE CORP CP	--	04/09/03	99.99	1.230	1.238	49,998,291.67	G.E. Capital
04/08/03	50,000,000	GE CORP CP	--	04/09/03	99.99	1.230	1.238	49,998,291.67	G.E. Capital
04/08/03	50,000,000	UBSFIN CP	--	04/09/03	99.99	1.230	1.238	49,998,291.67	Lehman Brothers
04/08/03	50,000,000	UBSFIN CP	--	04/09/03	99.99	1.230	1.238	49,998,291.67	Lehman Brothers

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/08/03	\$50,000,000	CITIGROUP CP	--	04/09/03	99.99	1.210%	1.217%	\$49,998,319.44	Citigroup
04/08/03	6,500,000	CITIGROUP CP	--	04/09/03	99.99	1.210	1.217	6,499,781.53	Citigroup
04/09/03	50,000,000	FNDN	--	05/02/03	99.93	1.170	1.177	49,962,625.00	Mizuho
04/09/03	50,000,000	FHDN	--	05/07/03	99.91	1.180	1.188	49,954,111.11	Bank of America
04/09/03	50,000,000	GE CORP CP	--	04/10/03	99.99	1.220	1.227	49,998,305.56	G.E. Capital
04/09/03	50,000,000	CITIGROUP CP	--	04/10/03	99.99	1.210	1.217	49,998,319.44	Citigroup
04/09/03	50,000,000	UBSFIN CP	--	04/10/03	99.99	1.220	1.227	49,998,305.56	Lehman Brothers
04/09/03	6,000,000	UBSFIN CP	--	04/10/03	99.99	1.220	1.227	5,999,796.67	Lehman Brothers
04/10/03	50,000,000	GE CORP CP	--	04/11/03	99.99	1.250	1.258	49,998,263.89	G.E. Capital
04/10/03	50,000,000	GE CORP CP	--	04/11/03	99.99	1.250	1.258	49,998,263.89	G.E. Capital
04/10/03	50,000,000	UBSFIN CP	--	04/11/03	99.99	1.250	1.258	49,998,263.89	Merrill Lynch
04/10/03	10,100,000	UBSFIN CP	--	04/11/03	99.99	1.250	1.258	10,099,649.31	Merrill Lynch

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/11/03	\$50,000,000	GE CORP CP	--	04/14/03	99.99	1.250%	1.258%	\$49,994,791.67	G.E. Capital
04/11/03	50,000,000	GE CORP CP	--	04/14/03	99.99	1.250	1.258	49,994,791.67	G.E. Capital
04/11/03	25,000,000	UBSFIN CP	--	04/14/03	99.99	1.240	1.248	24,997,416.67	Lehman Brothers
04/11/03	28,000,000	UBSFIN CP	--	04/14/03	99.99	1.240	1.248	27,997,106.67	Lehman Brothers
04/14/03	50,000,000	USTB	--	05/01/03	99.95	1.140	1.147	49,973,083.33	Legg Mason
04/14/03	50,000,000	FNDN	--	05/02/03	99.94	1.170	1.177	49,970,750.00	Mizuho
04/14/03	50,000,000	FHDN	--	05/09/03	99.92	1.180	1.187	49,959,027.78	Bank of America
04/14/03	50,000,000	GE CORP CP	--	04/15/03	99.99	1.300	1.309	49,998,194.44	G.E. Capital
04/14/03	50,000,000	GE CORP CP	--	04/15/03	99.99	1.300	1.309	49,998,194.44	G.E. Capital
04/14/03	27,000,000	UBSFIN CP	--	04/15/03	99.99	1.290	1.298	26,999,032.50	Lehman Brothers
04/14/03	25,000,000	UBSFIN CP	--	04/15/03	99.99	1.290	1.298	24,999,104.17	Lehman Brothers
04/14/03	25,000,000	CITIGLOBAL	--	04/15/03	99.99	1.280	1.288	24,999,111.11	Citiglobal

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/15/03	\$40,000,000	USTB	--	07/10/03	99.73	1.150%	1.158%	\$39,890,111.11	Legg Mason
04/15/03	50,000,000	USTB	--	04/24/03	99.97	1.140	1.147	49,985,750.00	Legg Mason
04/15/03	50,000,000	USTB	--	04/24/03	99.97	1.140	1.147	49,985,750.00	Legg Mason
04/15/03	28,000,000	FCDN	--	04/24/03	99.97	1.200	1.207	27,991,600.00	Merrill Lynch
04/15/03	50,000,000	GECC CP	--	04/16/03	99.99	1.370	1.379	49,998,097.22	G.E. Capital
04/15/03	50,000,000	GECC CP	--	04/16/03	99.99	1.370	1.379	49,998,097.22	G.E. Capital
04/15/03	50,000,000	UBSFIN CP	--	04/16/03	99.99	1.370	1.379	49,998,097.22	Lehman Brothers
04/15/03	45,000,000	UBSFIN CP	--	04/16/03	99.99	1.370	1.379	44,998,287.50	Lehman Brothers
04/15/03	50,000,000	USTB	--	05/01/03	99.95	1.150	1.157	49,974,444.44	Bank of America
04/16/03	50,000,000	FHDN	--	05/14/03	99.91	1.190	1.198	49,953,722.22	Bank of America
04/16/03	25,000,000	FHDN	--	05/14/03	99.91	1.190	1.198	24,976,861.11	Bank of America
04/16/03	50,000,000	GE CORP CP	--	04/17/03	99.99	1.260	1.268	49,998,250.00	G.E. Capital

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/16/03	\$50,000,000	GE CORP CP	--	04/17/03	99.99	1.260%	1.268%	\$49,998,250.00	G.E. Capital
04/16/03	15,190,000	UBSFIN CP	--	04/17/03	99.99	1.270	1.278	15,189,464.13	Lehman Brothers
04/16/03	50,000,000	CITIGLOBAL	--	04/17/03	99.99	1.240	1.248	49,998,277.78	Citiglobal
04/16/03	50,000,000	CITIGLOBAL	--	04/17/03	99.99	1.240	1.248	49,998,277.78	Citiglobal
04/16/03	15,000,000	USTN	1.625%	03/31/05	99.91	--	1.681	14,985,937.50	Mizuho
04/17/03	50,000,000	USTB	--	07/17/03	99.71	1.145	1.153	49,855,284.72	Legg Mason
04/17/03	50,000,000	USTB	--	04/24/03	99.98	1.120	1.126	49,989,111.11	Legg Mason
04/17/03	25,000,000	FNDN	--	06/02/03	99.85	1.190	1.198	24,961,986.11	ABN AMRO
04/17/03	21,500,000	GE CORP CP	--	04/21/03	99.99	1.220	1.228	21,497,085.56	G.E. Capital
04/17/03	50,000,000	UBSFIN CP	--	04/21/03	99.99	1.220	1.228	49,993,222.22	Lehman Brothers
04/17/03	50,000,000	UBSFIN CP	--	04/21/03	99.99	1.220	1.228	49,993,222.22	Lehman Brothers
04/17/03	50,000,000	CITIGLOBAL	--	04/21/03	99.99	1.210	1.217	49,993,277.78	Citiglobal

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/17/03	\$50,000,000	CITIGLOBAL	--	04/21/03	99.99	1.210%	1.217%	\$49,993,277.78	Citiglobal
04/17/03	25,000,000	FNDN	--	05/22/03	99.89	1.180	1.188	24,971,319.44	Bank of America
04/18/03	9,000,000	GECC CP	--	04/23/03	99.98	1.130	1.136	8,998,587.50	G.E. Capital
04/21/03	50,000,000	GECC CP	--	04/22/03	99.99	1.250	1.258	49,998,263.89	G.E. Capital
04/21/03	40,000,000	GECC CP	--	04/22/03	99.99	1.250	1.258	39,998,611.11	G.E. Capital
04/21/03	44,000,000	CITICORP CP	--	04/22/03	99.99	1.230	1.238	43,998,496.67	Citicorp
04/21/03	50,000,000	UBSFIN CP	--	04/22/03	99.99	1.250	1.258	49,998,263.89	Lehman Brothers
04/21/03	50,000,000	UBSFIN CP	--	04/22/03	99.99	1.250	1.258	49,998,263.89	Lehman Brothers
04/22/03	25,000,000	FNDN	--	05/30/03	99.88	1.180	1.188	24,968,861.11	Morgan Stanley
04/22/03	25,000,000	FHDN	--	05/16/03	99.92	1.180	1.187	24,980,333.33	Bank of America
04/22/03	50,000,000	GECC CP	--	04/23/03	99.99	1.240	1.248	49,998,277.78	G.E. Capital
04/22/03	50,000,000	GECC CP	--	04/23/03	99.99	1.240	1.248	49,998,277.78	G.E. Capital

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/22/03	\$47,000,000	CITICORP CP	--	04/23/03	99.99	1.230%	1.238%	\$46,998,394.17	Citicorp
04/22/03	50,000,000	UBSFIN CP	--	04/23/03	99.99	1.250	1.258	49,998,263.89	Lehman Brothers
04/22/03	50,000,000	UBSFIN CP	--	04/23/03	99.99	1.250	1.258	49,998,263.89	Lehman Brothers
04/23/03	25,000,000	FNDN	--	06/05/03	99.86	1.190	1.198	24,964,465.28	Mizuho
04/23/03	50,000,000	GECC CP	--	04/24/03	99.99	1.230	1.238	49,998,291.67	G.E. Capital
04/23/03	35,000,000	GECC CP	--	04/24/03	99.99	1.230	1.238	34,998,804.17	G.E. Capital
04/23/03	50,000,000	UBSFIN CP	--	04/24/03	99.99	1.230	1.238	49,998,291.67	Lehman Brothers
04/23/03	50,000,000	UBSFIN CP	--	04/24/03	99.99	1.230	1.237	49,998,291.87	Lehman Brothers
04/24/03	33,000,000	USTB	--	05/22/03	99.91	1.110	1.117	32,971,510.00	Legg Mason
04/24/03	50,000,000	USTB	--	07/24/03	99.71	1.135	1.143	49,856,548.61	Legg Mason
04/24/03	50,000,000	USTB	--	07/24/03	99.71	1.135	1.143	49,856,548.61	Legg Mason
04/24/03	50,000,000	USTB	--	06/26/03	99.81	1.110	1.117	49,902,875.00	Legg Mason

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/24/03	\$50,000,000	USTB	--	06/26/03	99.81	1.110%	1.117%	\$49,902,875.00	Legg Mason
04/24/03	28,000,000	FNDN	--	05/21/03	99.91	1.180	1.188	27,975,220.00	Mizuho
04/24/03	50,000,000	GECC CP	--	04/25/03	99.99	1.230	1.237	49,998,291.91	G.E. Capital
04/24/03	50,000,000	GECC CP	--	04/25/03	99.99	1.230	1.238	49,998,291.67	G.E. Capital
04/24/03	36,000,000	CITICORP CP	--	04/25/03	99.99	1.230	1.238	35,998,770.00	Citicorp
04/24/03	50,000,000	UBSFIN CP	--	04/25/03	99.99	1.240	1.248	49,998,277.78	Lehman Brothers
04/24/03	50,000,000	UBSFIN CP	--	04/25/03	99.99	1.240	1.248	49,998,277.78	Lehman Brothers
04/25/03	25,000,000	FNDN	--	06/05/03	99.87	1.180	1.188	24,966,402.78	Mizuho
04/25/03	50,000,000	FHDN	--	06/25/03	99.80	1.180	1.188	49,900,027.78	Mizuho
04/25/03	50,000,000	GE CORP CP	--	04/28/03	99.99	1.220	1.228	49,994,916.67	G.E. Capital
04/25/03	50,000,000	GE CORP CP	--	04/28/03	99.99	1.220	1.228	49,994,916.67	G.E. Capital
04/25/03	25,000,000	CITIGROUP CP	--	04/28/03	99.99	1.190	1.197	24,997,520.83	Citigroup

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/25/03	\$50,000,000	UBSFIN CP	--	04/28/03	99.99	1.210%	1.217%	\$49,994,958.33	Bank of America
04/25/03	50,000,000	UBSFIN CP	--	04/28/03	99.99	1.210	1.217	49,994,958.33	Bank of America
04/28/03	50,000,000	GECC CP	--	04/29/03	99.99	1.280	1.288	49,998,222.22	G.E. Capital
04/28/03	33,000,000	GECC CP	--	04/29/03	99.99	1.280	1.288	32,998,826.67	G.E. Capital
04/28/03	50,000,000	UBSFIN CP	--	04/29/03	99.99	1.290	1.298	49,998,208.33	Lehman Brothers
04/28/03	50,000,000	UBSFIN CP	--	04/29/03	99.99	1.290	1.298	49,998,208.33	Lehman Brothers
04/29/03	50,000,000	GE CORP CP	--	04/30/03	99.99	1.300	1.309	49,998,194.44	G.E. Capital
04/29/03	50,000,000	GE CORP CP	--	04/30/03	99.99	1.300	1.309	49,998,194.44	G.E. Capital
04/29/03	25,000,000	UBSFIN CP	--	04/30/03	99.99	1.280	1.288	24,999,111.11	Lehman Brothers
04/29/03	50,000,000	CITIGLOBAL	--	04/30/03	99.99	1.270	1.278	49,998,236.11	Citiglobal
04/29/03	29,460,000	UBSFIN CP	--	04/30/03	99.99	1.280	1.288	29,458,952.53	Bank of America
04/30/03	26,000,000	USTB	--	08/14/03	99.67	1.120	1.128	25,914,257.78	ABN AMRO

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/30/03	\$21,000,000	USTB	--	05/22/03	99.93	1.115%	1.122%	\$20,985,690.83	ABN AMRO
04/30/03	50,000,000	FHDN	--	05/23/03	99.93	1.170	1.177	49,962,625.00	Merrill Lynch
04/30/03	50,000,000	FHDN	--	05/28/03	99.91	1.170	1.177	49,954,500.00	Merrill Lynch
04/30/03	50,000,000	GE CORP CP	--	05/01/03	99.99	1.370	1.379	49,998,097.22	G.E. Capital
04/30/03	50,000,000	GE CORP CP	--	05/01/03	99.99	1.370	1.379	49,998,097.22	G.E. Capital
04/30/03	50,000,000	UBSFIN CP	--	05/01/03	99.99	1.360	1.369	49,998,111.11	Lehman Brothers
04/30/03	50,000,000	CITIGLOBAL	--	05/01/03	99.99	1.320	1.329	49,998,166.67	Citiglobal
04/30/03	<u>38,725,000</u>	CITIGLOBAL	--	05/01/03	99.99	1.320	1.329	<u>38,723,580.08</u>	Citiglobal
	<u>\$5,880,850,000</u>							<u>\$5,878,860,944.81</u>	

BEY - Bond Equivalent Yield

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Sale of Securities

<u>Sale Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Sale Price</u>	<u>Discount Rate</u>	<u>Principal</u>	<u>Dealer</u>
04/17/03	\$ 15,000,000	USTN	1.625%	3/31/2005	99.94	--	\$ 14,990,625.00	Mizuho
	<u>\$ 15,000,000</u>						<u>\$ 14,990,625.00</u>	

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Mizuho	04/01/03	04/03/03	\$ 5,175,000	1.250%	\$ 352.19 *
Mizuho	04/01/03	04/03/03	5,175,000	1.250	352.19 *
Mizuho	04/01/03	04/03/03	5,175,000	1.250	352.19 *
Mizuho	04/01/03	04/03/03	5,175,000	1.250	352.19 *
Mizuho	04/01/03	04/03/03	44,775,000	1.250	3,047.19 *
Mizuho	04/01/03	04/03/03	44,775,000	1.250	3,047.19 *
Mizuho	04/01/03	04/03/03	44,775,000	1.250	3,047.19 *
Mizuho	04/01/03	04/03/03	44,775,000	1.250	3,047.19 *
Lehman Brothers	04/02/03	04/03/03	576,000	1.200	19.20
Lehman Brothers	04/02/03	04/03/03	4,943,000	1.200	164.77
Lehman Brothers	04/02/03	04/03/03	6,185,000	1.200	206.17
Lehman Brothers	04/02/03	04/03/03	9,996,000	1.200	333.20

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Lehman Brothers	04/02/03	04/03/03	\$20,909,000	1.200%	\$ 696.97
Lehman Brothers	04/02/03	04/03/03	22,618,000	1.200	753.93
Lehman Brothers	04/02/03	04/03/03	49,815,000	1.200	1,660.50
Lehman Brothers	04/02/03	04/03/03	49,935,000	1.200	1,664.50
Nomura	04/03/03	04/07/03	2,368,000	1.200	315.73
Lehman Brothers	04/03/03	04/04/03	3,028,000	1.250	105.14
Lehman Brothers	04/03/03	04/04/03	4,944,000	1.250	171.67
Mizuho	04/03/03	04/04/03	18,643,000	1.250	647.33
Mizuho	04/03/03	04/04/03	19,522,000	1.250	677.85
Lehman Brothers	04/03/03	04/04/03	20,909,000	1.250	726.01
Lehman Brothers	04/03/03	04/04/03	22,619,000	1.250	785.38
Mizuho	04/03/03	04/04/03	24,341,000	1.250	845.17

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Nomura	04/03/03	04/07/03	\$29,184,000	1.200%	\$ 3,891.20
Mizuho	04/03/03	04/04/03	48,683,000	1.250	1,690.38
Mizuho	04/03/03	04/04/03	48,744,000	1.250	1,692.50
Nomura	04/03/03	04/07/03	48,816,000	1.200	6,508.80
Nomura	04/03/03	04/07/03	48,816,000	1.200	6,508.80
Nomura	04/03/03	04/07/03	48,816,000	1.200	6,508.80
UBS Warburg	04/03/03	04/04/03	49,755,000	1.240	1,713.78
UBS Warburg	04/03/03	04/04/03	50,245,000	1.240	1,730.66
Lehman Brothers	04/03/03	04/04/03	53,550,000	1.250	1,859.38
Daiwa	04/04/03	04/07/03	1,066,000	1.180	104.82
BNP Paribas	04/04/03	04/07/03	2,046,000	1.180	201.19
Daiwa	04/04/03	04/07/03	2,750,000	1.180	270.42

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Daiwa	04/04/03	04/07/03	\$3,584,000	1.180%	\$ 352.43
Daiwa	04/04/03	04/07/03	4,944,000	1.180	486.16
Daiwa	04/04/03	04/07/03	18,160,000	1.180	1,785.73
Daiwa	04/04/03	04/07/03	21,979,000	1.180	2,161.27
Daiwa	04/04/03	04/07/03	22,620,000	1.180	2,224.30
Daiwa	04/04/03	04/07/03	34,411,000	1.180	3,383.75
BNP Paribas	04/04/03	04/07/03	48,977,000	1.180	4,816.07
BNP Paribas	04/04/03	04/07/03	48,977,000	1.180	4,816.07
Daiwa	04/04/03	04/07/03	55,514,000	1.180	5,458.88
Lehman Brothers	04/07/03	04/08/03	4,898,000	1.220	165.99
Lehman Brothers	04/07/03	04/08/03	6,383,000	1.220	216.31
Lehman Brothers	04/07/03	04/08/03	9,387,000	1.220	318.12

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Lehman Brothers	04/07/03	04/08/03	\$20,914,000	1.220%	\$ 708.75
Lehman Brothers	04/07/03	04/08/03	22,547,000	1.220	764.09
Lehman Brothers	04/07/03	04/08/03	35,000,000	1.220	1,186.11
Lehman Brothers	04/07/03	04/08/03	50,000,000	1.220	1,694.44
Lehman Brothers	04/07/03	04/08/03	50,120,000	1.220	1,698.51
Nomura	04/08/03	04/09/03	3,327,000	1.210	111.82
Nomura	04/08/03	04/09/03	4,899,000	1.210	164.66
Nomura	04/08/03	04/09/03	7,391,000	1.210	248.42
Nomura	04/08/03	04/09/03	12,900,000	1.210	433.58
Nomura	04/08/03	04/09/03	22,543,000	1.210	757.70
Nomura	04/08/03	04/09/03	48,877,000	1.210	1,642.81
Nomura	04/08/03	04/09/03	48,938,000	1.210	1,644.86

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Daiwa	04/09/03	04/10/03	\$ 4,899,000	1.200%	\$ 163.30
Daiwa	04/09/03	04/10/03	11,663,000	1.200	388.77
Daiwa	04/09/03	04/10/03	13,063,000	1.200	435.43
Daiwa	04/09/03	04/10/03	19,561,000	1.200	652.03
Daiwa	04/09/03	04/10/03	20,922,000	1.200	697.40
Daiwa	04/09/03	04/10/03	22,415,000	1.200	747.17
Daiwa	04/09/03	04/10/03	36,937,000	1.200	1,231.23
Lehman Brothers	04/09/03	04/10/03	46,385,000	1.200	1,546.17
Lehman Brothers	04/09/03	04/10/03	53,615,000	1.200	1,787.17
Daiwa	04/09/03	04/10/03	56,328,000	1.200	1,877.60
UBS Warburg	04/10/03	04/14/03	4,899,000	1.200	653.20
UBS Warburg	04/10/03	04/14/03	6,688,000	1.200	891.73

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Daiwa	04/10/03	04/14/03	\$12,258,000	1.200%	\$ 1,634.40
UBS Warburg	04/10/03	04/14/03	17,648,000	1.200	2,353.07
UBS Warburg	04/10/03	04/14/03	22,416,000	1.200	2,988.80
Daiwa	04/10/03	04/14/03	32,228,000	1.200	4,297.07
UBS Warburg	04/10/03	04/14/03	36,311,000	1.200	4,841.47
UBS Warburg	04/10/03	04/14/03	49,632,000	1.200	6,617.60
Daiwa	04/10/03	04/14/03	55,514,000	1.200	7,401.87
UBS Warburg	04/10/03	04/14/03	57,352,000	1.200	7,646.93
Lehman Brothers	04/14/03	04/15/03	4,467,000	1.260	156.35
Lehman Brothers	04/14/03	04/15/03	4,895,000	1.260	171.33
Lehman Brothers	04/14/03	04/15/03	22,379,000	1.260	783.27
Lehman Brothers	04/14/03	04/15/03	36,021,000	1.260	1,260.74

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Lehman Brothers	04/14/03	04/15/03	\$50,180,000	1.260%	\$ 1,756.30
Mizuho	04/15/03	04/16/03	4,895,000	1.290	175.40
Mizuho	04/15/03	04/16/03	17,548,000	1.290	628.80
Mizuho	04/15/03	04/16/03	21,873,000	1.290	783.78
Mizuho	04/15/03	04/16/03	36,074,000	1.290	1,292.65
Mizuho	04/15/03	04/16/03	37,320,000	1.290	1,337.30
Mizuho	04/15/03	04/16/03	48,683,000	1.290	1,744.47
Nomura	04/16/03	04/21/03	3,522,000	1.190	582.11
Nomura	04/16/03	04/21/03	4,895,000	1.190	809.03
Nomura	04/16/03	04/21/03	21,830,000	1.190	3,608.01
Nomura	04/16/03	04/21/03	36,453,750	1.190	6,024.99
Nomura	04/16/03	04/21/03	49,551,250	1.190	8,189.72

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Nomura	04/16/03	04/21/03	\$49,735,000	1.190%	\$ 8,220.09
Daiwa	04/21/03	04/22/03	4,831,000	1.170	157.01
Daiwa	04/21/03	04/22/03	17,519,000	1.170	569.37
Daiwa	04/21/03	04/22/03	21,698,000	1.170	705.19
Daiwa	04/21/03	04/22/03	24,479,000	1.170	795.57
Daiwa	04/21/03	04/22/03	33,014,000	1.170	1,072.96
Daiwa	04/21/03	04/22/03	49,387,000	1.170	1,605.08
Lehman Brothers	04/22/03	04/24/03	4,822,000	1.170	313.43
Lehman Brothers	04/22/03	04/24/03	21,293,000	1.170	1,384.05
Lehman Brothers	04/22/03	04/24/03	22,417,000	1.170	1,457.11
Lehman Brothers	04/22/03	04/24/03	49,060,000	1.170	3,188.90
Lehman Brothers	04/22/03	04/24/03	50,855,000	1.170	3,305.58

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Nomura	04/24/03	04/28/03	\$ 782,000	1.180%	\$ 102.53
Nomura	04/24/03	04/28/03	4,818,000	1.180	631.69
Nomura	04/24/03	04/28/03	20,688,000	1.180	2,712.43
Nomura	04/24/03	04/28/03	28,313,000	1.180	3,712.15
Nomura	04/24/03	04/28/03	44,961,000	1.180	5,894.89
Nomura	04/24/03	04/28/03	47,922,000	1.180	6,283.11
BNP Paribas	04/28/03	04/29/03	4,779,000	1.210	160.63
BNP Paribas	04/28/03	04/29/03	20,637,000	1.210	693.63
BNP Paribas	04/28/03	04/29/03	22,847,000	1.210	767.91
BNP Paribas	04/28/03	04/29/03	47,219,000	1.210	1,587.08
BNP Paribas	04/28/03	04/29/03	50,228,000	1.210	1,688.22
Mizuho	04/29/03	04/30/03	9,493,000	1.230	324.34

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Mizuho	04/29/03	04/30/03	\$18,523,000	1.230%	\$ 632.87
Mizuho	04/29/03	04/30/03	20,551,000	1.230	702.16
Mizuho	04/29/03	04/30/03	28,002,000	1.230	956.74
Mizuho	04/29/03	04/30/03	48,744,000	1.230	1,665.42
Nomura	04/30/03	05/01/03	18,579,000	1.280	660.59
Nomura	04/30/03	05/01/03	20,551,000	1.280	730.70
Nomura	04/30/03	05/01/03	39,660,000	1.280	1,410.13
Nomura	04/30/03	05/01/03	46,526,000	1.280	1,654.26

*This transaction was executed simultaneously with a like reverse/repurchase agreement.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Reverse Repurchase Transactions (All transactions are executed simultaneously with a like repurchase agreement)

<u>Dealer</u>	<u>Sale Date</u>	<u>Purchase Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Paid</u>
Mizuho	04/01/03	04/03/03	\$49,950,000	1.100%	\$ 2,983.13
Mizuho	04/01/03	04/03/03	49,950,000	1.100	2,983.13
Mizuho	04/01/03	04/03/03	49,950,000	1.100	2,983.13
Mizuho	04/01/03	04/03/03	49,950,000	1.100	2,983.13

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

REPORT B: In addition to the transactions described in Report A of this report, the Executive Director also reports the following transactions during the period April 1, 2003 through April 30, 2003, pertaining to investments in United States Treasury securities and interest rate options contracts with respect to United States Treasury securities pursuant to the guidelines established by the Board of Commissioners on August 25, 1988.

Options Transactions - Purchased

Transaction Date	Par Value	Description	Price	Exercise Price	Expirations/ Settlement	Dealer	Option Premium
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No new transactions this period.

Options Transactions - Sold

Transaction Date	Par Value	Description	Price	Exercise Price	Expirations/ Settlement	Dealer	Option Premium
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No new transactions this period.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

REPORT C: In addition to the transactions described in Report A and B, the Executive Director also reports the following transactions during the period April 1, 2003 and April 30, 2003 pertaining to the execution or cancellation of Interest Rate Exchange Contracts pursuant to the guidelines established by the Board of Commissioners on December 10, 1992.

Interest Rate Exchange Contracts

<u>Date</u>	<u>Counterparty</u>	<u>Notional Amount</u>	<u>Start Date</u>	<u>Termination Date</u>	<u>Fixed Interest Rate Paid</u>	<u>Variable Interest Rate Received</u>
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No new transactions this period.

As of April 30, 2003, the Port Authority has interest rate exchange contracts in place on notional amounts totaling \$379 million, all of which pertain to refundings.

REPORT D: In addition to the transactions described in Report A, B and C, the Executive Director also reports the following transactions during the period April 1, 2003 and April 30, 2003 under the Variable Rate Master Note Program as amended and supplemented through October 13, 1994.

Variable Rate Master Note Placements

<u>Date of Issuance</u>	<u>Amount</u>	<u>Purchaser</u>	<u>Term</u>	<u>Variable Rate Index</u>
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No new transactions this period.

Whereupon, the meeting was adjourned.

Secretary