

# THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

## MINUTES

Thursday, September 19, 2002

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**MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, September 19, 2002, at 225 Park Avenue South, City, County and State of New York.**

**PRESENT:**

**NEW JERSEY**

Hon. Jack G. Sinagra, Chairman  
 Hon. Charles Kushner  
 Hon. Alan G. Philibosian  
 Hon. Raymond M. Pocino  
 Hon. Anthony J. Sartor

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

Gwendolyn Archie, Administrator, Office of the Secretary  
 Catherine M. Bergamini, Senior Administrator, Port Commerce  
 A. Paul Blanco, Acting Chief of Planning and Development  
 Bruce D. Bohlen, Treasurer  
 John D. Brill, Director, Audit  
 Gregory G. Burnham, Chief Technology Officer  
 Ernesto L. Butcher, Chief Operating Officer  
 Janice Chiantese, Special Advisor to the Chairman  
 Anthony G. Cracchiolo, Director, Priority Capital Programs  
 Joanne Crowley, Deputy Director, Tunnels, Bridges and Terminals  
 William R. DeCota, Director, Aviation  
 Michael R. DeCotiis, Deputy Executive Director  
 John C. Denise, Supervisor, Audio Visual/Photography, Operations Services  
 Michael P. DePallo, Director, PATH  
 Charles D. DeRienzo, Superintendent of Police/Director, Public Safety  
 Michael Dombrowski, Cinematographer, Operations Services  
 William E. Ellis, General Manager, Port Commerce  
 Nancy J. Ertag-Brand, Executive Advisor to the Chief Financial Officer  
 Linda C. Handel, Assistant Secretary  
 Edward L. Jackson, Director, Financial Services  
 Howard G. Kadin, Senior Attorney, Law  
 Kevin J. Kirchner, Assistant Director, Public Affairs  
 Joshua Klevans, Executive Assistant to the Deputy Executive Director  
 Francis J. Lombardi, Chief Engineer  
 Stephen Marinko, Attorney, Law  
 Angel E. Martinez, Executive Assistant to the Chief Engineer  
 Charles F. McClafferty, Chief Financial Officer  
 James E. McCoy, Senior Administrator, Office of the Secretary  
 Allen M. Morrison, Supervisor, Public Affairs  
 Lynn A. Nerney, Staff Administrator, Office of the Secretary  
 Alan L. Reiss, Deputy Director, Aviation  
 Myron D. Ronis, Deputy Director, Port Commerce  
 Edmond F. Schorno, Chief of Staff  
 Douglas L. Smith, Director, Office of Forecasting and Capital Planning  
 John F. Spencer, Deputy Chief Engineer  
 Sean P. Walsh, Deputy Director, Public Affairs  
 Richard Wright, State Legislative Representative, Government and Community Relations  
 Peter Yerkes, Press Secretary  
 Margaret R. Zoch, Comptroller

**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

The public session was called to order by Chairman Sinagra at 2:50 p.m. and ended at 2:59 p.m. The Board met in executive session prior to the public session.

### **Action on Minutes**

The Secretary submitted for approval Minutes of the meetings of June 27, 2002 and July 15, 2002. 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 September 19, 2002, 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 September 19, 2002, 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, legal matters 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 in executive session at its meeting on September 19, 2002, which included discussion of 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.

### **Report of Committee on Construction**

The Committee on Construction reported, for information, on matters discussed at its meeting on September 19, 2002, which included discussion of the rehabilitation of the ventilation system at the Holland Tunnel, 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 and action taken in executive session at its meeting on September 19, 2002, which included discussion of certain contract matters, matters related to the purchase, sale or lease of real property 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.

### **Staff Report**

A presentation was made by staff on the status of the restoration of the World Trade Center site and Port Authority Trans-Hudson system rail service to both the Exchange Place Station in Jersey City, New Jersey and a terminal in lower Manhattan.

**NEWARK INTERNATIONAL AIRPORT – AIRTRAIN NEWARK - MID-LIFE OVERHAUL OF VEHICLE SUBSYSTEMS AND ADDITIONS TO OPERATIONS AND MAINTENANCE CONTRACT - AGREEMENTS WITH BOMBARDIER TRANSPORTATION (HOLDINGS) USA, INC.**

It was recommended that the Board authorize the Executive Director to enter into: 1) Supplemental Agreement No. 2 to Contract EWR-305.502, Newark International Airport Automated People Mover Operations & Maintenance (O&M Contract), with Bombardier Transportation (Holdings) USA, Inc. (Bombardier), to perform a mid-life overhaul of the vehicle subsystems of the original AirTrain Newark fleet in an amount presently estimated at \$15.6 million; and 2) Supplemental Agreement No. 3 to the O&M Contract with Bombardier for the operation and maintenance of certain equipment that was not included in the O&M Contract, for the remainder of the term of the O&M Contract and its five-year renewal option in an amount presently estimated at \$700,000.

The O&M Contract requires Bombardier to undertake a mid-life overhaul of the AirTrain Newark system (System) at specified intervals based on stated design lives at an additional cost to the Port Authority. Vehicle subsystems were specified to have a ten-year design life. Since the System opened in 1996, the vehicle subsystems were due for their mid-life overhaul in 2001. The implementation of this program has been delayed by the recent guideway rehabilitation, as well as the attacks of September 11<sup>th</sup>. The mid-life overhaul would consist of replacement and/or overhaul of the following vehicle subsystems: bogies, propulsion motors and controls, door equipment (including station doors), heating, ventilation and air conditioning equipment and traction motors/gear units. The costs for this project are fully recoverable through the Monorail Component of the Newark International Airport Master Lease.

Authorization also was requested to amend the O&M Contract to include the operation and maintenance costs associated with the additional automatic station doors at the RailLink Station and ancillary equipment that was installed after the execution of the O&M Contract.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Gargano, Kushner, Mack, Philibosian, Pocino, Sartor, Silverman, Sinagra and Song 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 Supplemental Agreement No. 2 to Contract EWR-305.502, Newark International Airport Automated People Mover Operations and Maintenance (O&M Contract), with Bombardier Transportation (Holdings) USA, Inc. (Bombardier), to perform a mid-life overhaul of the vehicle subsystems on the original AirTrain Newark fleet in an amount presently estimated at \$15.6 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 enter into Supplemental Agreement No. 3 to the O&M Contract with Bombardier for the operation and maintenance of certain equipment not currently included in the O&M Contract for the remainder of the

current term of the O&M Contract and its five-year renewal option in an amount presently estimated at \$700,000; and it is further

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

**NEWARK INTERNATIONAL AIRPORT – AIRTRAIN NEWARK - COMPENSATION TO BOMBARDIER TRANSPORTATION (HOLDINGS) USA, INC. FOR ACCELERATION OF GUIDEWAY REHABILITATION, MID-LIFE OVERHAUL ITEMS, AND NORTHEAST CORRIDOR EXTENSION WORK**

It was recommended that the Board authorize the Executive Director to compensate Bombardier Transportation (Holdings) USA, Inc. (Bombardier) in the amount of \$20.4 million for the acceleration of: (1) the AirTrain Newark guideway rehabilitation; (2) certain mid-life overhaul items with specified fifteen-year design lives; and (3) work under Contract EWR-304.301, Newark International Airport-Airport Access Program - EWR Monorail - NEC Connection - Design and Construction of Guideway & System Elements (NEC Contract).

In July 2000, AirTrain Newark system service was reduced between the Newark International Airport terminals and Station P3 in order to perform the guideway rehabilitation program. Also at that time, service to Stations P1, P2 and P4 was suspended. Based on meetings between the Port Authority and AdTranz (predecessor to Bombardier), it was decided to suspend AirTrain Newark system service entirely in September 2000 in order to expedite the rehabilitation program and return to passenger service at the earliest possible date. Bombardier has requested compensation for the expedited completion of the base guideway rehabilitation program to achieve the earliest possible restart of passenger service, as requested by the Port Authority.

Compensation also was requested for the acceleration of certain AirTrain Newark system enhancements. Such enhancements both ensured the optimal readiness of the AirTrain Newark system for immediate return to passenger service at the conclusion of the rehabilitation program and accelerated the mid-life overhauls for various fifteen-year design life components. The acceleration of these items mitigates the need to shut the AirTrain Newark system down again in the near future, thus avoiding disruption to passenger service.

Compensation also was requested for acceleration of the NEC Contract work. At the request of the Port Authority, Bombardier re-sequenced and accelerated the installation of the power distribution and signal systems. Although a significant amount of work was added to the NEC Contract, there was no extension of the NEC Contract completion date.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Gargano, Kushner, Mack, Philiposian, Pocino, Sartor, Silverman, Sinagra and Song 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 compensate Bombardier in the amount of \$20.4 million for acceleration of: (1) the AirTrain Newark guideway rehabilitation; (2) certain mid-life overhaul items and system enhancements; and (3) work under Contract EWR-304.301, Newark International Airport - Airport Access Program - EWR Monorail - NEC Connection - Design and Construction of Guideway & System Elements; 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 General Counsel or his authorized representative.

**AIRTRAIN JFK & AIRTRAIN NEWARK REVENUE SHARING AGREEMENTS –  
CREDIT TO JOHN F. KENNEDY INTERNATIONAL AIRPORT AIRLINES**

It was recommended that the Board authorize the Executive Director to: (1) enter into agreements with the Metropolitan Transportation Authority (MTA), the New York City Transit Authority (NYCT) and the Long Island Rail Road Company (LIRR) regarding the operation and service of an automated fare collection system for AirTrain JFK, including revenue sharing, the establishment of access fees of \$5 for a single-ride ticket, \$25 for a ten-trip ticket, and \$40 for a monthly unlimited ride ticket, and a smart card initiative; (2) enter into agreements with the New Jersey Transit Corporation (NJ Transit) and the National Railroad Passenger Corporation (Amtrak), amending existing agreements, to provide for a reduction in the access fee for a monthly AirTrain Newark pass from \$46 to \$40 and, with the concurrence of NJ Transit and Amtrak, the establishment of a new discounted ten-trip fare category with an access fee of \$25; (3) provide certain credits to the John F. Kennedy International Airport (JFK) airlines against a portion of the expenses incurred by the Port Authority from the operation and maintenance of AirTrain JFK; and (4) enter into such agreements as shall be necessary or desirable to implement such credits.

On May 9, 1996, the Board authorized a project for the implementation of an automated Light Rail Transit (LRT) system serving JFK, including links between Howard Beach and JFK, and Jamaica and JFK, at a total estimated project cost of \$1.268 billion, excluding interest on bonded debt. On April 16, 1998, the Board authorized the Executive Director to award three contracts associated with the LRT system serving JFK to the Air Rail Transit Consortium (ARTC). On June 2, 2000, the Board authorized an increase in the total project cost for the LRT system, then known as the AirTrain JFK project, in an amount estimated at \$287 million, which resulted in a new total project cost estimated at \$1.885 billion, and authorized the Executive Director to enter into agreements with appropriate entities, including but not limited to, the MTA, NYCT, the LIRR, and the City of New York for, among other things, cost sharing, fare collection, security, operations and maintenance in connection with facilities to be built at, and in the vicinity of, the Jamaica LIRR Station and the NYCT Howard Beach Station, and execute associated documents.

On June 6, 1996, the Board authorized a project to extend the existing monorail system at Newark International Airport to a rail station located on the Northeast Corridor rail line at a total estimated cost of \$250 million. On September 24, 1998, the Board authorized an increase in the project scope, with a corresponding increase of \$165 million in costs, resulting in a revised total estimated project cost of \$415 million. The extended monorail system was rebranded “AirTrain Newark,” the rail station named “Newark International Airport Station,” and the station opened, with connecting rail service from NJ Transit and Amtrak, on October 21, 2001. On July 26, 2001, the Board authorized the Executive Director to enter into a Memorandum of Agreement with NJ Transit and Amtrak for the operation and maintenance of the new rail station, as well as for such things as fare collection and revenue sharing, and to credit the Newark International Airport airlines for certain revenues associated with AirTrain Newark.

The agreements concerning AirTrain JFK would provide that all revenues associated with access to AirTrain JFK will be collected by NYCT and the LIRR. The revenue will be shared on the basis of an “access fee” and cost of revenue collection. Port Authority access fees will be \$5 for a single-ride ticket, \$25 for a ten-trip ticket, and \$40 for a monthly unlimited-ride ticket.

The amendment to existing agreements between the Port Authority, NJ Transit, and Amtrak for AirTrain Newark would result in a reduction in the access fee for a monthly pass from \$46 to \$40 and, with the concurrence of NJ Transit and Amtrak, the establishment of an additional NJ Transit and Amtrak-discounted ten-trip fare category with an access fee of \$25. NJ Transit and Amtrak collect all fares, with the Port Authority's share based on the terms of a revenue sharing arrangement.

Airlines at JFK are obligated to pay a portion of the AirTrain JFK operating and maintenance costs. Certain Port Authority AirTrain JFK revenues would be credited to the JFK airlines to offset AirTrain JFK costs.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Blakeman, Chasanoff, Gargano, Kushner, Philiposian, Pocino, Silverman, Sinagra and Song voting in favor; Commissioners Mack and Sartor abstaining; 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 the Metropolitan Transportation Authority, the New York City Transit Authority and the Long Island Rail Road Company regarding the operation and service of an automated fare collection system for Airtrain JFK, including revenue sharing, the establishment of access fees of \$5 for a single-ride ticket, \$25 for a ten-trip ticket, and \$40 for a monthly unlimited-ride ticket, and a smart card initiative; and it is further

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into amendments to Memoranda of Agreement with the New Jersey Transit Corporation (NJ Transit) and the National Railroad Passenger Corporation (Amtrak), with respect to AirTrain Newark, to provide for a reduction in the Access Fee (as such term is defined in the Memoranda of Agreement) for a monthly pass from \$46 to \$40 and, with the concurrence of NJ Transit and Amtrak, the establishment of a new discounted ten-trip fare category with an access fee of \$25; and it is further

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into such other agreements as shall be necessary or desirable to implement credits for John F. Kennedy International Airport airlines against a portion of the expenses incurred by the Port Authority from the operation and maintenance of AirTrain JFK; 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 General Counsel or his authorized representative.

## **THE TELEPORT – AT&T (OR AFFILIATE) – LEASE AGREEMENT**

It was recommended that the Board authorize the Executive Director to enter into an agreement of lease with AT&T (or an affiliate) covering the letting, “as is,” of approximately 25,873 square feet of space in the Telecenter Building at The Teleport and approximately 11 acres of adjacent land, known as the “infield,” on which satellite dishes have been installed, for an approximate ten-year term commencing on or about May 15, 2004, at an aggregate basic rental over the term of approximately \$13 million. The lease will include two five-year renewal options, each at fair market value.

AT&T is a leading telecommunications company that acquired Teleport Communications Group, Inc. (TCG) in 1998. TCG owns Teleport Communications, the New York general partnership that is one of the original Teleport tenants, having commenced operations at The Teleport in 1984 under a lease agreement scheduled to expire on May 14, 2004. In 1986, Teleport Communications entered into a use and occupancy agreement with the predecessor of GlobeCast North America Inc. (GlobeCast), pursuant to which GlobeCast operates the satellite dish farm installed in the infield. The proposed agreement of lease will provide for GlobeCast to continue to operate the satellite dish farm and for AT&T (or an affiliate) to operate and maintain the generators and the uninterruptible power supply for the Telecenter Building and the satellite dish farm.

Teleport Communications elected not to exercise its right set forth in the existing lease agreement to extend the term of the letting and, consequently, upon expiration of the existing lease, will pay the Port Authority an amount equivalent to the unamortized development costs of the Telecenter Building.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Gargano, Kushner, Mack, Philibosian, Pocino, Sartor, Silverman, Sinagra and Song 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 AT&T (or an affiliate) covering the letting of approximately 25,873 square feet of space in the Telecenter Building at The Teleport and approximately 11 acres of adjacent land for an approximate ten-year term, commencing on or about May 15, 2004, with two five-year renewal options at fair market value, subject to the conditions set forth in the following delegation; 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 agreement of lease in the event the rental payment terms and/or the term of the lease agreement are not substantially in accordance with the terms outlined to the Board; and it is further

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

**NEWARK INTERNATIONAL AIRPORT – REVISION TO LEASE AGREEMENT  
ANB-269 WITH POLISHED, INC.**

It was recommended that the Board authorize the Executive Director to enter into a lease with Polished, Inc. (the Lessee) for the operation of a day spa offering personal care services and cosmetics in Terminal A at Newark International Airport. The leased premises will consist of a total of approximately 645 square feet.

At its meeting on September 20, 2001, the Board authorized the Executive Director to enter into a lease with the Lessee pursuant to which the Lessee was to pay a minimum annual guaranteed rent (MAG) in the amount of \$70,000 or percentage rent equal to 12 percent of gross receipts up to \$900,000 and 13 percent of gross receipts over \$900,000. Due to intervening events, the lease terms have been renegotiated. Under the revised lease terms, the lease shall commence on or about October 16, 2002 and shall have a term of six years from the date of beneficial occupancy, which in all events shall be no later than sixty days after the Port Authority delivers the space to the Lessee. As of the rent commencement date, the Lessee shall pay the greater of a MAG in the amount of \$40,000 or percentage rent equal to 11 percent of gross receipts in excess of \$363,636. The Lessee shall be required to make an initial capital investment of at least \$112,875.

The Port Authority may terminate the lease on 30 days' notice without cause, in which event it shall be obligated to reimburse the Lessee for its unamortized initial capital investment, up to \$112,875 for the store, calculated on a straight-line basis over the stated lease term.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Gargano, Kushner, Mack, Philiposian, Pocino, Sartor, Silverman, Sinagra and Song 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 Polished, Inc. for the letting of space in Terminal A at Newark International 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.

**NEWARK INTERNATIONAL AIRPORT – AMENDMENTS TO UNITED AIR LINES, INC. LEASE AN-535, AMERICAN AIRLINES, INC. LEASES ANA-172 AND AN-538, CONTINENTAL AIRLINES, INC. LEASE ANB-056, AND US AIRWAYS, INC. LEASE AN-537 TO EXTEND THE FINAL INVOICE DATE FOR TERMINAL A RELIFING**

At its meeting of January 14, 1994, the Board authorized the Executive Director to enter into an agreement pursuant to which United Air Lines, Inc. (United) would manage certain renovation work in the common-use areas of Terminal A at Newark International Airport (Relifing Project) and the Port Authority would reimburse United for approved Relifing Project invoices. Reimbursement was authorized for an amount not to exceed \$10 million, based on invoices to be submitted to the Port Authority no later than December 31, 1996. United was unable to submit all of the Relifing Project invoices to the Port Authority by the required date of December 31, 1996, due to protracted litigation between United and contractors associated with the Relifing Project. Approximately \$8,200,000 has been reimbursed to United, and approximately \$1,800,000 remains outstanding.

At the same meeting, the Board authorized the Executive Director to enter into separate agreements with the Terminal A airline lessees to recover each airline's proportionate share of the Relifing Project's costs over a ten-year period. The Terminal A master airline lessees include American Airlines, Inc. (American), pursuant to ANA-172 and AN-538, Continental Airlines, Inc. (Continental), pursuant to ANB-056, United Air Lines, Inc. (United), pursuant to AN-535, US Airways, Inc. (US Airways), pursuant to AN-537, and Air Canada. In order to have the Terminal A airline lessees pay their share of the additional rental necessary to reimburse the Port Authority for any additional amounts reimbursed to United in connection with the Relifing Project, each of the leases with American, Continental, United and US Airways must be supplemented accordingly. The lease with Air Canada does not need to be supplemented, inasmuch as the gate rental provisions under such lease already take into account that airline's share of the \$10 million Relifing Project. In addition, the Port Authority has one common-use gate in Terminal A which provides for a per-turn rate that takes into account the gate's share of the \$10 million Relifing Project and, therefore, this arrangement also does not need to be revised.

The Port Authority may require that all of the proposed lease supplements be executed by the respective Terminal A master airline lessees as a condition precedent to the Port Authority's execution of such proposed lease supplements. If this is not required and if one or more Terminal A master airline lessees does not sign its lease supplement, the Port Authority shall be entitled to withhold from its reimbursement to United the amount which represents the non-signing airline's proportionate share of the additional Relifing Project cost. In view of the recent bankruptcy filing by US Airways, its proposed lease supplement may not be approved by the bankruptcy court. If approved, the supplement would be executed by US Airways as debtor-in-possession in bankruptcy or, if US Airways' lease is assigned as approved by the bankruptcy court, the lease supplement would be executed by the assignee.

Accordingly, it was recommended that the Board authorize the Executive Director to: (1) enter into a lease supplement with United extending the final date to submit invoices to the Port Authority for reimbursement by the Port Authority of the Relifing Project costs to December 31,

2001, and (2) enter into lease supplements with each of American, Continental, United and US Airways requiring those airlines to pay rental to reimburse the Port Authority for its share, respectively, of any additional reimbursement amounts the Port Authority provides to United as a result of the extension of the final date for United to submit invoices to the Port Authority.

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

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into lease supplements with United Air Lines, Inc., American Airlines, Inc., Continental Airlines, Inc., and US Airways, Inc., amending those airlines' leases at Newark International Airport Terminal A, substantially in accordance with the terms and conditions outlined to the Board; the form of the lease supplements shall be subject to the approval of General Counsel or his authorized representative.

**NEWARK INTERNATIONAL AIRPORT – SIGNATURE FLIGHT SUPPORT-NEW JERSEY, INC. – LEASE ANA-273 – SUPPLEMENTAL AGREEMENT— CONTINENTAL AIRLINES, INC. - LEASE ANA-040 - SUPPLEMENTAL AGREEMENT**

It was recommended that the Board authorize the Executive Director to enter into: (i) a supplemental agreement to Lease ANA-273 with Signature Flight Support-New Jersey, Inc. (Signature) whereby Signature would surrender from its leasehold under Lease ANA-273 at Newark International Airport (EWR) approximately .14 acres to the Port Authority and would lease approximately .0078 acres to become part of its leasehold under Lease ANA-273; and (ii) a supplemental agreement with Continental Airlines, Inc. (Continental) whereby Continental would surrender the approximately .0078 acres (which are to become part of the Signature leasehold) from its leasehold at EWR under Lease ANA-040 and would lease the approximately .14 acres to be surrendered by Signature. Signature and Continental would lease the areas in their “as is” condition.

The supplemental agreement to the Signature Lease ANA-273 would provide for a reduction in rental. The supplemental agreement to the Continental Lease ANA-040 would provide for an increase in rental. Both supplemental agreements would be effective on or about October 15, 2002.

These supplemental agreements and the exchange of land areas reflect an adjustment of the lease lines of the adjacent leaseholds of Signature under Lease ANA-273 and Continental under Lease ANA-040. As part of Continental’s redevelopment of the premises under Lease ANA-040, it has been determined that a change in the lease lines that delineate the Signature and Continental leaseholds would provide for a better utilization of the available land.

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

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into: (i) a supplemental agreement to Lease ANA-273 at Newark International Airport (EWR) with Signature Flight Support-New Jersey, Inc., and (ii) a supplemental agreement to Lease ANA-040 at EWR with Continental Airlines, Inc., substantially in accordance with the terms and conditions outlined to the Board; the form of the agreements shall be subject to the approval of General Counsel or his authorized representative.

**ELIZABETH-PORT AUTHORITY MARINE TERMINAL – TYLER  
DISTRIBUTION CENTERS, INC. – LEASE AMENDMENT AND  
EXTENSION**

It was recommended that the Board authorize the Executive Director to enter into an agreement with Tyler Distribution Centers, Inc. (Tyler) to: (1) extend Tyler's lease covering Building No. 1400 at the Elizabeth-Port Authority Marine Terminal, (2) provide for a partial surrender of the leasehold and the addition thereto of open area, and (3) reimburse Tyler for relocation costs associated with the partial surrender.

Tyler's lease, which will expire by its terms on September 30, 2005, will be extended to September 30, 2015, with the rental in effect on September 30, 2005 to escalate on October 1, 2005 and every two years thereafter during the extended term of the lease at a fixed rate compounded annually. Tyler will have the right to terminate the lease, without cause, effective at any time after September 30, 2010 on one year's notice to the Port Authority.

Tyler will vacate an estimated 23,300 square feet of Building No. 1400 to allow an estimated 15,000 square feet of the building to be demolished by the Port Authority in connection with the reconfiguration of the adjacent streets. During the period of the demolition work, Tyler will receive an abatement of rental under the lease for the space vacated for purposes of the work. Upon completion of the work, the demolished portion of Building No. 1400 will be surrendered, open area will be added to the leasehold without charge, and the rental under the lease will be reduced to reflect the surrender. In addition, the Port Authority will reimburse Tyler in an amount not to exceed \$135,000 for its expenses associated with the relocation of cargo and that part of the surrendered space constituting U.S. Customs bonded area.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Gargano, Kushner, Mack, Philibosian, Pocino, Sartor, Silverman, Sinagra and Song 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 Tyler Distribution Centers, Inc. (Tyler) to: (1) extend Tyler's lease covering Building No. 1400 at the Elizabeth-Port Authority Marine Terminal, (2) provide for a partial surrender of the leasehold and the addition thereto of open area, and (3) reimburse Tyler for relocation costs associated with the partial surrender, 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 – PORT NEWARK CONTAINER TERMINAL LLC – LEASE AMENDMENT – LEASE NO. LPN-264, SUPPLEMENT NO. 5**

It was recommended that the Board authorize the Executive Director to enter into a supplemental lease agreement with Port Newark Container Terminal LLC (PNCT) for the letting of approximately 15 acres of additional open area at Port Newark to be used as part of PNCT's adjacent container terminal, and to provide up to \$15 million to PNCT for additional work at the 15 acres and for additional work at its premises under its container terminal lease (Lease) at Port Newark.

The Board, at its September 28, 2000 and July 26, 2001 meetings, respectively, authorized the letting to PNCT of a container terminal of approximately 160 acres through November 2030 and an approximately seven-acre interim intermodal rail facility through August 2005 at Port Newark. The Lease contemplates the letting to PNCT of approximately 15 acres adjacent to PNCT's existing container terminal in the tenth year of the lease term. PNCT is currently occupying this 15-acre site for use as a construction staging area and for the storage of empty containers under a short-term space permit. In order to accommodate PNCT's accelerated growth, significant investment must be made to the site now, and PNCT has asked to lease the site for the duration of the term of the Lease as soon as the site can be tendered to it. PNCT would perform the work required to make the site fully operational as a container terminal, and the Port Authority would reimburse it for the cost thereof.

Soil testing performed on the 15-acre site has identified soil contamination that exceeds the New Jersey Department of Environmental Protection's (NJDEP) guidances for both restricted and unrestricted use. PNCT has requested that in order to accommodate the needs of a new customer, it be permitted to pave and make other improvements to the site prior to the execution of the lease supplement and prior to the determination by NJDEP of the remediation it will require be performed at the site. A letter agreement has been transmitted to PNCT that would permit PNCT to perform this work now at PNCT's sole cost and expense, and on the condition that it assume specified risks. Additionally, prior to the performance of the paving and other site improvement work, it is anticipated either the Port Authority or PNCT may excavate and dispose of contaminated soil that the Port Authority believes NJDEP may require be removed from the site, or the removal of which the Port Authority determines would be environmentally prudent. PNCT has agreed to accept the risk that the site would need to be repaved in the event NJDEP requires that soil remediation be performed after pavement of the site. Additionally, the Port Authority will have the right to terminate the letting of all or portions of the 15-acre site in the event that PNCT's use thereof is no longer permitted without subsurface remediation. PNCT would receive an abatement of rental in the event of such termination, but would not be reimbursed for its investment in the terminated premises.

At its meetings on September 28, 2000 and July 26, 2001, the Board also authorized, as part of the Lease, reimbursement to PNCT for certain work performed by it on its main terminal and on the interim intermodal rail facility. Since that time, as a result of added requirements relating to existing conditions, actual costs have exceeded the amounts authorized, and additional funds are requested to cover these costs as well as costs for other work that PNCT has agreed to perform.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Gargano, Kushner, Mack, Philibosian, Pocino, Sartor, Silverman, Sinagra and Song 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 amendment to the Port Newark Container Terminal LLC (PNCT) lease at Port Newark (Lease) to: (1) lease approximately 15 acres of open area at Port Newark to be used by PNCT as a part of its adjacent container terminal facility, and (2) provide up to \$15 million to PNCT for additional work at the 15 acres and for additional work at its existing premises under the Lease, substantially in accordance with the terms outlined to the Board; the form of the agreement shall be subject to the approval of General Counsel or his authorized representative.

**INCREASED APPLICATIONS FROM THE CONSOLIDATED BOND RESERVE FUND**

It was reported that, under the By-Laws, the Executive Director is authorized to apply moneys from the Consolidated Bond Reserve Fund to the Capital Fund in connection with the effectuation of the Port Authority's capital program. At its meeting on February 28, 2002, in connection with the adoption of the 2002 Budget, the Board of Commissioners established a maximum amount of applications for 2002 of \$300 million (after reimbursement for temporary applications from the Capital Fund). These funds from the Consolidated Bond Reserve Fund were to be applied to the Capital Fund, in addition to other capital funds carried into 2002 and the proceeds of Port Authority obligations to be issued, to effectuate the Port Authority's capital program (consistent with the 2002 Budget and capital program projections).

Based on estimated capital expenditures for the remainder of 2002, it is currently anticipated that requirements for applications from the Consolidated Bond Reserve Fund (after reimbursement for temporary applications and excluding applications of proceeds of Port Authority obligations) will exceed \$300 million. It was therefore recommended that the Board increase this authorization for the Executive Director to apply such amounts to \$500 million for 2002.

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

**RESOLVED**, that the provision by the Executive Director of portions of the Port Authority's capital program from time to time, consistent with the 2002 Budget and capital program projections (including the continuing application of the Capital Fund on a temporary basis, subject to reimbursement), by application of moneys in the Consolidated Bond Reserve Fund to the Capital Fund for capital expenditures for the year 2002 in connection with the Port Authority's facilities, shall not, subject to statutory, contractual, and other commitments and financial policies of the Port Authority, exceed \$500 million (after any such reimbursements and in addition to other capital funds carried into 2002 and the proceeds of obligations to be issued).

## **RATIFICATION OF HELICOPTER RENTAL AND PURCHASE OF RELATED INSURANCE**

It was recommended that the Board ratify the execution of an agreement for the lease of a helicopter to provide for continued helicopter operations during the period in which the engines of the Port Authority's helicopter are being overhauled and upgraded, with an option to extend the lease agreement for three additional one-month periods, pending consideration of the purchase of a back-up aircraft.

At its meeting on October 25, 2001, the Board directed the Executive Director to authorize, for the Port Authority's Sikorsky S76 helicopter, the purchase and installation of police surveillance and communications equipment and necessary maintenance, inspection, repairs and refurbishing. The Board also directed the Executive Director to authorize the Director of Procurement to enter into an agreement with GE Capital Corporation (GE Capital) for the lease of a Sikorsky S76B helicopter for a three-month period and to authorize the Treasurer to purchase a separate helicopter liability and hull insurance policy. The helicopter lease and purchase of insurance were necessary to provide for continued helicopter operations and service during the period in which the Port Authority's helicopter was undergoing its federally required annual inspection and maintenance and enhancements to prepare it for police uses, and in the event the helicopter required any unscheduled servicing during this critical period.

The Port Authority's helicopter has been instrumental in complementing our ground-based security efforts with aerial surveillance patrols conducted daily over our bridges, airports, tunnel entrances and plazas, Port Authority Trans-Hudson system rights-of-way, terminals and other structures. Over 750 helicopter flight-hours have been logged since September 11, 2001, and Federal Aviation Administration regulations require the overhaul of the engines of the Port Authority's helicopter by September 2002.

In June 2002, contracts were authorized to overhaul and upgrade the engines of the Port Authority's helicopter, upgrade the helicopter's airframe to accept the new engine configuration, replace gearboxes with overhauled units, and perform inspections required by the manufacturer. However, it was necessary to negotiate a short-term lease for a back-up Sikorsky helicopter to permit continued aerial security support during the period the Port Authority's helicopter is out of service for engine overhauls.

Due to time constraints, staff has entered into an agreement with GE Capital for the lease of a Sikorsky S76B helicopter for a period of approximately three months, with three additional one-month renewal options, at an estimated cost of \$35,000 per month, plus an hourly engine fee of \$150. GE Capital was selected primarily because of the time constraints, the critical need to have the work performed, and the fact that it is the only company with a Sikorsky Model S76 helicopter for lease. As in the past, it is necessary for the Treasurer to purchase a separate helicopter liability and hull insurance policy. This insurance would be provided through our liability broker, Marsh of New York, which contacted four insurance companies and received one quote from Associated Aviation Underwriters, New Jersey at a premium cost of \$84,000 for

a six-month period, the minimum period for which the insurance can be obtained. This premium rate is deemed reasonable by staff.

The lease agreement is cancelable upon 10 days' notice in the event the Board does not ratify the agreement.

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

**RESOLVED**, that the execution of the agreement entered into with GE Capital Corporation, effective September 9, 2002, for the lease of a Sikorsky S76B helicopter for a period of approximately three months, with an option to extend the lease agreement for an additional three one-month periods, at an estimated cost of \$35,000 per month, plus an hourly engine fee of \$150, be and it hereby is ratified; and it is further

**RESOLVED**, that the Treasurer be and he hereby is authorized, for and on behalf of the Port Authority, to purchase separate helicopter liability and hull insurance for the leased helicopter through the broker Marsh of New York at a premium cost of \$84,000 for a six-month period; and it is further

**RESOLVED**, that the form of the lease and contract of insurance are subject to the approval of General Counsel or his authorized representative.

**DOWNTOWN RESTORATION PROGRAM - REGIONAL PLAN ASSOCIATION -  
*LISTENING TO THE CITY* PUBLIC PARTICIPATION PROCESS**

It was recommended that the Board authorize a payment to the Regional Plan Association (RPA) of \$407,000 for costs incurred in arranging for *Listening to the City*, a public participation process event held on July 20 and 21, 2002 in connection with the planning effort for the rebuilding of Lower Manhattan.

The RPA is a tri-state group (covering New York, New Jersey and Connecticut) that was formed in 1922 and has worked with the Port Authority on a wide range of transportation and economic development projects through the years. Currently, they are working with the Port Authority on Access to the Region's Core and the transportation planning component for the World Trade Center site. Recently, they have been supportive of our efforts to construct the AirTrain at John F. Kennedy International Airport.

*Listening to the City* represents an important component of the Port Authority's and the Lower Manhattan Development Corporation's public participation process for rebuilding the World Trade Center site and Lower Manhattan. The event was held at the Jacob Javits Center and is widely viewed as the most well attended public hearing in the history of the country. The sponsors – RPA, New York University, AmericaSpeaks, Pratt Institute and the New School University – remain several hundred thousand dollars short of the dollar amount that was needed to hold the event. The total cost is approximately \$2.4 million. The large numbers of attendees required additions to the program, additional staff time and related expenses.

The Port Authority's participation in this initiative is in keeping with its commitment to work in coordination with all interested parties in the redevelopment of the World Trade Center site.

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

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to make a payment of \$407,000 to the Regional Plan Association for costs incurred in arranging for *Listening to the City*, a public participation process event held on July 20 and 21, 2002 in connection with the planning effort for the rebuilding of Lower Manhattan.

## STATEN ISLAND RAILROAD FREIGHT SERVICE – FREIGHT RAIL CONNECTION TO THE CHEMICAL COAST LINE – SITE ACQUISITIONS

At its meeting on June 6, 1996, the Board authorized the Executive Director to take actions on behalf of the Port Authority in connection with the effectuation of projects to provide rail freight service between Staten Island, New York, and rail lines in New Jersey. The Executive Director had been authorized to form a subsidiary corporation as a terminal railroad, and to enter into agreements with the New York City Economic Development Corporation (NYCEDC) and New Jersey's Department of Transportation so that the Port Authority's rail subsidiary, acting for the parties, would select a private rail operator and petition the Federal Surface Transportation Board (STB) for authority to operate the rail service. This was intended to re-institute rail service of the former Staten Island Railroad (SIRR), which had been abandoned in 1991, while at the same time providing rail access of benefit to Port Authority marine terminals.

Subsequently, the Executive Director acted to form the New York and New Jersey Railroad Corporation (Corporation) as a wholly owned subsidiary. The Board of Directors of the Corporation has been acting since then to authorize actions related to this purpose, including projects for the planning, design and construction of rail freight connectors between the former SIRR and the Chemical Coast Line of CSX and Norfolk Southern in Elizabeth, New Jersey. In addition to the benefit of SIRR service to the Howland Hook Marine Terminal in Staten Island, the connectors would service the chemical industry, intermodal facilities in Elizabeth, and the Port Authority's major marine terminals.

Most recently, the Corporation (with the approval of its Committee on Operations) has begun action to acquire sites in Elizabeth for the connectors, and the relocation (and effectuation) of a portion of relocated Bayway Avenue. The owner of a portion of the properties, the Joint Meeting of Essex and Union Counties, has asked for the Port Authority to stand behind the Corporation's undertakings (including environmental indemnities), and the need for this and financial support of the subsidiary has become apparent. Furthermore, discussions with NYCEDC have progressed so that it is anticipated that NYCEDC will retain the private rail operator and petition the STB for operational authority, so that it is now more expedient and efficient for the Port Authority to have the option to assume or guarantee the obligations and rights of the Corporation. However, staff will return to the Board for approval of any agreement entered into with the NYCEDC.

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

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to take actions he deems necessary or appropriate to effectuate freight rail connections to the Chemical Coast Line, substantially in accordance with the terms outlined to the Board, including site acquisitions and improvements, financial arrangements, and the assumption of the obligations of the Port Authority's subsidiary, the New York and New Jersey

Railroad Corporation (Corporation), with prior actions of the Board of Directors of the Corporation being hereby adopted as those of the Port Authority; the form of any agreements, contracts, conveyances, or other documents necessary to effectuate the foregoing shall be subject to the approval of General Counsel or his authorized representative.

**AGREEMENT WITH THE CITY OF ELIZABETH AND UNION COUNTY**

At the present time, certain issues exist among the Port Authority, the County of Union (County) and the City of Elizabeth (City) regarding the future of certain properties and transportation access to Port Authority facilities. The following items would enable the Port Authority to accommodate future growth at its facilities while easing traffic congestion in the surrounding communities.

The Port Authority would commit \$17.5 million toward the purchase by the City or its designee, which shall be a public entity, of certain real property consisting of approximately 177 acres currently owned by Continental Airlines, Inc. located in Elizabeth adjacent to the Elizabeth-Port Authority Marine Terminal. Any purchase would result in the Port Authority having ownership of approximately 100 acres of underwater wetlands property located on the site for marine terminals use. Up to \$2.5 million of the \$17.5 million may be used by the Port Authority for environmental remediation needed on the property to be owned by the Port Authority. If the Port Authority obtains ownership of the 177-acre site, it will convey the remaining upland area (approximately 50 to 70 acres) to the City or its designee. The Port Authority will incur no environmental liability for the property not owned by it.

In a manner consistent with applicable legislative authority, and pursuant to the terms of an agreement to be negotiated by the parties, the Port Authority would commit \$15 million toward the design of the proposed North Avenue Corridor (Corridor) Roadway Improvements and, after all funds have been committed and are in place for the project, \$35 million toward the construction of the Corridor. Nothing herein shall be interpreted to prohibit the City from issuing Certificates of Occupancy in the area. The parties agree that a comprehensive Traffic Plan is required to accommodate the project, to minimize the impacts on port operations. Nothing herein shall be interpreted to require the City or the County to repay any of the amounts referred to herein.

The Committee on Operations shall be advised periodically of the status of these approved terms and conditions.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Gargano, Kushner, Mack, Philibosian, Pocino, Sartor, Silverman, Sinagra and Song voting in favor; Commissioner Blakeman abstaining; 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 the City of Elizabeth and the County of Union resolving all outstanding issues among the parties to enable the Port Authority to plan for future growth and expansion at its facilities; the form of any agreements shall be subject to the approval of General Counsel or his authorized representative.

**PORT INLAND DISTRIBUTION NETWORK – AGREEMENTS WITH REGIONAL PORT ENTITIES TO FACILITATE START UP AND TO PROVIDE FUNDING FOR RELATED LOGISTICS SERVICES**

It was recommended that the Board authorize the Executive Director to: 1) negotiate and enter into agreements with various regional port and rail entities to initiate the Port Inland Distribution Network (PIDN); and 2) provide up to \$1.2 million in funding for each of up to five regional port service areas in New York, New Jersey, and other northeastern states, for a total expenditure not to exceed \$6 million. The final terms of any agreements will be subject to approval by the Committee on Capital Programs/Port Planning.

PIDN is intended to be a new hub-and-spoke barge and rail distribution network from the Port of New York and New Jersey (Port) for marine service customers of the Port concentrated within nine strategically located trade clusters. Containers would move by barge to terminals at Albany, New York, Southern New Jersey (*i.e.*, the Camden and/or Salem areas), and other locations in the northeast. For certain areas, rail service would be utilized.

It is expected that full implementation of PIDN would produce operational and economic benefits for the Port Authority, particularly at the marine terminal facilities. Greater use of barges would increase productivity and port throughput by about 20 percent, allowing deferral of some investment in container terminals and increasing revenue derived by the Port Authority from existing terminal leases. PIDN would help decentralize and disperse port development impacts and thereby provide new warehousing and light manufacturing opportunities at or near regional ports and inland rail terminals. Benefits to PIDN customers, governments, and the general public would include lower inland transportation costs, new service options, a substantial reduction of truck travel on regional roadways, and a resultant improvement in regional air quality and efficient energy use.

PIDN development requires concerted planning between the Port and various port and rail terminal operators, as well as the coordination of services and schedules with barge, rail and truck drayage providers. Extensive market and service requirements analysis has been undertaken at most prospective regional locations. The Port Authority and its potential regional partners have tentatively agreed that the start-up of any service route must be supported by a business plan to demonstrate how volume and revenues that would ultimately make the system self-sufficient would be achieved.

Port Authority participation in any start-up effort would require that participating regional port entities: demonstrate operational capability, in part, through a contract with an experienced container-on-barge operator; have sufficient funding to assure a minimum of two years of operation; and agree to pursue, as necessary, additional long-term state and federal funding support. To facilitate start-up and the delivery of well-integrated port services, the Port Authority would enter into formal agreements with regional port entities whereby the Port Authority would:

- advance up to \$25 per container handled -- up to a maximum payment of \$1 million per location -- based on the activity level at each regional location; and
- expend up to \$200,000 per regional location to support PIDN marketing and defray general program support expenses.

It is anticipated that the Port Authority payments would be spent over a two- to five-year period. The Port Authority would seek to negotiate agreements providing for repayment of funds expended by it based on the achievement of predetermined container volumes and revenue goals at each regional port.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Blakeman, Chasanoff, Gargano, Kushner, Mack, Philibosian, Pocino, Sartor, Silverman, Sinagra and Song 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 negotiate and enter into agreements with various regional port and rail entities to initiate the Port Inland Distribution Network (PIDN), which would create a new hub-and-spoke barge and rail distribution network from the Port of New York and New Jersey to marine service customers in nearby states; and it is further

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to provide up to \$1.2 million in funding to as many as five regional port entities for the establishment of regional PIDN service areas in New York, New Jersey, and other northeastern states, for a total expenditure not to exceed \$6 million; and it is further

**RESOLVED**, that the Committee on Capital Programs/Port Planning be and it hereby is authorized to approve the final terms of agreements with regional port and rail entities for the establishment of regional PIDN service areas; 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.

**CONTRACT AND PURCHASE ORDER AUTHORIZATIONS AND AMENDMENTS-  
QUARTERLY REPORT**

**REPORT:** In accordance with Article XII, sections (g)(1) and (g)(2) of the By-Laws, the Executive Director reports for the period April 1, 2002 to June 30, 2002

<b>AWARDEE</b>	<b>DESCRIPTION</b>	<b>AUTHORIZATION</b>	<b>PROCUREMENT METHOD</b>
J2 Blueprint Supply Company P.O. 4500023641	Flat file cabinets for staff relocated to 2 Gateway Center	\$106,921	Publicly Advertised
Motors Fleet P.O. 4500023885	Purchase of 14 Automobiles	229,866	Government Contract
Dyntek Services, Inc P.O. 4500023893	Novell Software Maintenance - One-Year Term	112,787	Government Contract
Freehold Chevrolet P.O. 4500023896	Purchase of 12 Automobiles for Police	241,760	Publicly Advertised
Motors Fleet P.O. 4500023904	Purchase of 10 Alternative Fuel Vehicles	203,804	Government Contract
Harry Burwell & Associates P.O. 4500023924	Cable, CAT 5, 4PR for networking personal computers	98,310	Publicly Advertised
Human Scale Corporation P.O. 4500023963	Keyboard trays for staff relocated to 2 Gateway Center	98,136	Government Contract
Winner Ford P.O. 4500024029	Purchase of 18 Police Vehicles	458,435	Government Contract
Motors Fleet P.O. 4500024421	Purchase of 10 Four Wheel Drive Trucks	287,310	Government Contract

<b>AWARDEE</b>	<b>DESCRIPTION</b>	<b>AUTHORIZATION</b>	<b>PROCUREMENT METHOD</b>
Tele-Measurements, Inc. P.O. 4500024579	Restoration and upgrade of the closed-circuit television security system at the New Jersey Marine Terminals	157,479	Negotiated
OCE – U.S.A., Inc. P.O. 4500024588	OCE Copier	173,791	Government Contract
M/A-Com Private Radio Systems, Inc P.O. 4500024972	Radios, Portable	438,726	Government Contract
Voicestream Wireless (Omnipoint) P.O. 4500025052	Wireless telephone services	144,150	Government Contract
Rent-A-John Contract 4600003343	Provide portable toilets at Port Newark Marine Terminal	116,090	Publicly Advertised
Avon Electrical Supply Contract 460003348	Electrical parts & supplies	162,743	Publicly Advertised
Adler Industrial Services, Inc. Contract 4600003353	Lift station cleaning at Port Newark	394,637	Publicly Advertised
Fit-Rite Uniform Co., Inc. Contract 4600003359	Police Safety Vests	324,760	Government Contract
Marquardt & Co Inc Contract 4600003365	Cover stock paper for use by reproduction shop	144,172	Publicly Advertised
Kelly & Hayes Electrical Supply Of Contract 4600003366	Electrical Parts and Supplies	93,148	Publicly Advertised
Allied Envelope Co. Contract 460003382	Various Envelopes and Business Cards	447,510	Publicly Advertised

<b>AWARDEE</b>	<b>DESCRIPTION</b>	<b>AUTHORIZATION</b>	<b>PROCUREMENT METHOD</b>
Fremont Industrial Corporation Contract 4600003384	Miscellaneous Safety Equipment	98,104	Publicly Advertised
Ben Funk Inc. Contract 4600003390	Truck parts, aftermarket	107,505	Publicly Advertised
General Sales Administration, Inc. Contract 4600003402	Automotive signal parts	\$362,854	Government Contract
Harry Burwell & Associates Contract 4600003410	Electrical Supplies	154,307	Publicly Advertised
Media Photo Group Inc. Contract 4600003411	Photography services two-year requirements contract.	500,000	Publicly Advertised
Potters Industries Contract 4600003419	Glass bead for reflective traffic paint	110,000	Government Contract
Carsonite International Contract 4600003421	Provide roadway delineators for use at various facilities – Two-year requirements contract	159,645	Negotiated/Sole Source
Camera One Contract 4600003429	Photography services – two-year requirements contract	500,000	Publicly Advertised
Ben Funk Inc. Contract 4600003432	Aftermarket truck parts	160,800	Publicly Advertised
Xybernaut Solutions, Inc. Contract 4600003436	Capital Planning and Project Tracking system support and training services – Two-year term	150,000	Negotiated/Sole Source

<b>AWARDEE</b>	<b>DESCRIPTION</b>	<b>AUTHORIZATION</b>	<b>PROCUREMENT METHOD</b>
Top Job Maintenance Inc. Contract 4600003445	General cleaning – Teleport	\$75,000	Negotiated
Goldcrest Electronics Contract 4600003449	Batteries	237,916	Government Contract
Lexis Law Publishing Contract 4600003452	On-line legal database services	84,000	Government Contract
Trim-A-Lawn Contract 4600003457	Lawn mowing – Staten Island Bridges	392,789	Publicly Advertised
Work Area Protection Corp Contract 4600003460	Traffic Cones	384,520	Government Contract
Creative Visual Systems of New Jersey Contract 4600003462	Sign Shop Supplies	90,000	Government Contract
Metro Fuel Oil Corp. Contract 4600003472	Diesel fuel for Central Terminal Area buses at John F. Kennedy International Airport – One-year requirements contract	500,000	Government Contract
Paper Plus Inc. Contract 4600003480	Cafeteria Supplies	222,082	Publicly Advertised
Verrazano Exterminating Corp Contract 4600003484	Integrated Pest Management – Newark International Airport	107,148	Publicly Advertised
Visual Image Systems Co., LLC Contract 4600003498	Automotive decals	79,456	Publicly Advertised
Multi-Source Electrical Corp Contract 4600003506	Seasonal external facility lighting	148,182	Publicly Advertised

<b>AWARDEE</b>	<b>DESCRIPTION</b>	<b>AUTHORIZATION</b>	<b>PROCUREMENT METHOD</b>
I&E Tire Corp Contract 4600003507	Tires, Automobile	\$383,819	Publicly Advertised
Bayway Lumber & Home Center Contract 4600003512	Lumber	169,004	Publicly Advertised
Sagem-Morpho, Inc. Contract 4600003513	Maintenance of police scanning equipment	103,156	Government Contract
Wear Guard Corp. Contract 4600003525	Supply three-in-one field parkas for facility staff – Three-year requirements contract	212,694	Negotiated
Skyline Credit Ride Inc. Contract 4600003526	NJ Multi-facility car service primary contract	77,511	Publicly Advertised
Capital Limousine Contract 4600003528	NJ Multi-facility car service secondary contract	77,537	Publicly Advertised
Skyline Credit Ride Inc. Contract 4600003529	NY Multi-facility car service primary	79,602	Publicly Advertised
East-West Electrical Contractors Contract 4600003530	Lift Station Electrical Maintenance and Repair Services at Newark International Airport	374,754	Publicly Advertised
Dom's Lawnmaker, Inc. Contract 4600003541	Tree spraying – LGA	136,581	Publicly Advertised
Mid-Island Electrical Sales Corp. Contract 4600003544	Ballast	87,383	Government Contract
Weldon Material, Inc Contract 4600003545	Asphalt removal at Newark International Airport	78,025	Publicly Advertised

<b>AWARDEE</b>	<b>DESCRIPTION</b>	<b>AUTHORIZATION</b>	<b>PROCUREMENT METHOD</b>
Metropolis A.C. Corporation Contract 4600003550	Maintenance of HVAC equipment for remote monorail stations –at Newark International Airport	\$ 82,044	Publicly Advertised
United Parcel Service Contract 4600003552	Priority mail services	500,000	Government Contract
Julian A. McDermott Corp. Contract 4600003553	Lamps, automobile	86,428	Government Contract
Dyntek, Inc. Contract 4600003554	Anti-virus software license & support	109,050	Government Contract
Verizon – New Jersey, Inc.	Relocation of telephone infrastructure in the North Area at Newark International Airport	233,200	Negotiated/Sole Source
Schindler Elevator Corporation LG-01/17	Maintenance and emergency repair services for elevators and escalators at LaGuardia Airport – 120-day term	169,200	Publicly Advertised
Anselmi & DeCicco, Inc. EP-384.044	Increase in authorization to provide additional pavement overlay in connection with the demolition of Buildings 4000 at the Elizabeth-Port Authority Marine Terminal	128,400	Existing Contract

<b>AWARDEE</b>	<b>DESCRIPTION</b>	<b>AUTHORIZATION</b>	<b>PROCUREMENT METHOD</b>
DiRAD Technologies, Inc.	Upgrade and maintenance of the existing telephone information system at the Port Authority Bus Terminal – Three-year term	\$ 207,000	Government Contract
The Robbins Company	Requirements contract to provide medals for special awards ceremony	150,000	Negotiated/Sole Source

**Tort Claim Settlements - Report**

The Executive Director reports, for information only, that in accordance with the authority granted under Article XII, section (g)(4) of the By-Laws, the following claims were previously settled, and reported closed during the period April 1, 2002 to June 30, 2002.

**TORT CLAIMS OF THE PORT AUTHORITY, CLOSED**

<b>NAME</b>	<b>FACILITY</b>	<b>AMOUNT COLLECTED</b>
ACADEMY BUS CO	Lincoln Tunnel	1,305.00
AHMED ALI	John F. Kennedy International Airport	78.75
AT LAST SPORTSWEAR	George Washington Bridge	11,436.00
AVIS RENT A CAR	Newark International Airport	9,528.08
BARCLAY GEORGE R	George Washington Bridge	11,209.50
BARCLAY GEORGE/ROBB	George Washington Bridge	1,043.20
BURKE SUPPLY CORP	LaGuardia Airport	1,000.00
CHRISTI CLEANING SVC	LaGuardia Airport	88.75
DARNLEY THOMAS	George Washington Bridge	5,348.06
DOBBS INTERNAT'L	Newark International Airport	5,406.00
DOBBS INTERNAT'L	Newark International Airport	250.00
EMERY W/WIDE AIRLINE	Newark International Airport	996.25
GALUZZO MARIA	Newark International Airport	3,125.00
GREEN WILLIE JR	George Washington Bridge	2,730.00
GREENTREE TRANSP	George Washington Bridge	2,413.30
HUDSON GENERAL	John F. Kennedy International Airport	6,000.00
INTERNAT'L BUS SVC	Lincoln Tunnel	2,105.00
KAMITSIS SARANTOS	LaGuardia Airport	5,348.06
LEE HYONG JONG	John F. Kennedy International Airport	960.40
MANZAR ASTARI	John F. Kennedy International Airport	2,498.50
MERIN RICHARD	Newark International Airport	11,209.50
MOISHES MOVING SYS	Goethals Bridge	212.50
OGDEN AVIATION SVC	John F. Kennedy International Airport	935.00
OGDEN CO	John F. Kennedy International Airport	317.50
OGDEN FUELING CO	John F. Kennedy International Airport	190.15
PENSKE TRUCK LEASE	Lincoln Tunnel	2,105.00
PINE HILL TRAILS	Lincoln Tunnel	5,871.00
RODRIGUEZ LEONEL	Newark International Airport	2,400.00
SCHNEIDER NAT'L	Lincoln Tunnel	1,151.75
SIGNATURE FLIGHT	Newark International Airport	3,255.28
VAULT	Lincoln Tunnel	216.82

**TOTAL COLLECTED****\$100,734.35****TORT CLAIMS AGAINST THE PORT AUTHORITY, CLOSED**

NAME	FACILITY	AMOUNT PAID
CHARLES ANDREA	Off Property	\$ 6,750.00
MORTHANOS JOHN-AUTO	LaGuardia Airport	1,452.33
CONNER KIM	Newark International Airport	294.15
ALIBERI JOSEPHINE-TRAV	George Washington Bridge	1,419.45
VIRGO SEAN	George Washington Bridge	8,155.00
WALSH GEORGE	Lincoln Tunnel	652.90
MCGEE LAMONT	Brooklyn-Port Authority Marine Terminal	2,062.38
DAVIS ELAINE B	TECH	500.00
FAZIO JOHN	Lincoln Tunnel	7,032.31
SINGH ESHWAR	George Washington Bridge	521.32
HELLER MICHAEL	LaGuardia Airport	1,141.27
FELD LOUIS	Outerbridge Crossing	312.52
WALSH GEORGE	Lincoln Tunnel	652.90
PODLASKI MIKE	Newark International Airport	600.60
GALATRO CHRISTINA	Holland Tunnel	875.00
AMARINI MICHAEL	Off Property	5,483.28
KOZIK ALAN L JR	Lincoln Tunnel	1,000.00
WILKINSON KENNETH JR	John F. Kennedy International Airport	703.62
CALADO CHRISTINA	Off Property	1,120.53
WAHAB AMROON G	John F. Kennedy International Airport	938.96
FERRANTE RICHARD	George Washington Bridge	1,878.32
MUNIER PAUL	George Washington Bridge	899.93
MATTIOLI FRANK	Lincoln Tunnel	1,982.71
LIND JOHN M	Lincoln Tunnel	1,970.38
REGENCY LIMOUSINE	John F. Kennedy International Airport	1,810.21
CHEN SHO PAO	LaGuardia Airport	894.46
ESPOSITO MICHAEL	Lincoln Tunnel	2,357.65
CONKLING HOWARD	Off Property	265.00
TUMINO'S TOWING INC	Lincoln Tunnel	2,155.88
POLINSKY YAEL	Port Authority Bus Terminal	820.00
LIU YUGANG	Newark International Airport	190.00
GUARNIERI LAWRENCE	LaGuardia Airport	500.00
LEAHEY MICHAEL	Port Authority Technical Center	635.00
EISEN MARTIN	Goethals Bridge	222.95
KIDES ADELE	Port Authority Technical Center	3,548.91
DE LEO FRANK	LaGuardia Airport	116.73
PANNISI JANET V	Newark International Airport	80.00
JACOBS SUSAN	Off Property	2,428.69
STANGO DEANNA	Port Authority Bus Terminal	60.00
HOWE STEPHEN D	Holland Tunnel	179.35
WOLFSON DAVID	Newark International Airport	833.28
LO FRANCO JAMES	Port Authority Bus Terminal	1,355.77

**TORT CLAIMS AGAINST THE PORT AUTHORITY, CLOSED (cont'd)**

<b>NAME</b>	<b>FACILITY</b>	<b>AMOUNT PAID</b>
FARRAR ALLAN	LaGuardia Airport	\$ 466.01
UNITED STATES TELE	Holland Tunnel	1,491.16
BUAN ALESDANDRA	LaGuardia Airport	5,680.79
VALENTINI ANGELINA	Newark International Airport	1,838.88
SABATIER ISIDRO	Newark International Airport	1,748.78
GONZALEZ MIRIAM	Lincoln Tunnel	2,100.00
SMITH EDWARD	Off Property	349.80
MARTIN MARY S	George Washington Bridge	2,299.97
POLLEY DONALD JAMES	LaGuardia Airport	1,062.42
RELS INC	Lincoln Tunnel	1,236.17
NATARAJAN AMAN	LaGuardia Airport	2,658.04
SCHEERER WILLIAM	Newark International Airport	85.00
DOYLE WILLIAM J	Newark International Airport	68.27
ARAMBURU ALFONSO	Port Authority Bus Terminal	24,362.13
OUTEN LEROY S	John F. Kennedy International Airport	7,500.00
PHILLIPS MARLENE	Off Property	5,000.00
CHUGHTAI MOHAMMAD	Port Authority Bus Terminal	7,500.00
RAITHATHA MUKUL	Off Property	42,500.00
	<b>TOTAL</b>	<b>\$174,801.16</b>

**PROFESSIONAL, TECHNICAL AND ADVISORY SERVICES CONTRACT AUTHORIZATIONS AND AMENDMENTS - REPORT**

In accordance with Article XII, paragraph (g)(2) of the By-Laws, the Executive Director reports the following Professional, Technical and Advisory Services Contracts were authorized during the period June 1, 2002 to July 31, 2002.

<b>AUTHORIZATION</b>	<b>SERVICE</b>	<b>RETAINER FEE AND EXPENSES</b>
For the Director, Aviation Services to retain the services of:  United States Department of Agriculture Pittstown, NJ	Professional advisory services to assist in the preparation of the Wildlife Hazard Management Plan for Newark International Airport.	\$4,000
For the Director, Port Commerce to retain the services of:  ABS Consulting Houston, TX	Professional services to technically evaluate and verify work completed in the refurbishment of container cranes at the Red Hook Container Terminal.	\$9,140
For the Director, Tunnels, Bridges and Terminals to retain the services of:  Strategy Implementation Solutions Yardley, PA	Professional services to assist in the development of performance measures and targets for the department's business plan.	\$10,000
For the Director, Tunnels, Bridges and Terminals to retain the services of:  Change Management Consulting, Inc. Wayne, NJ	Professional services to assist in the refinement of the department's business objectives, strategies and initiatives in alignment with the agency's Performance Management Excellence Program.	\$10,000

**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 in the period of June 1, 2002 to June 30, 2002.

<b>CONTRACT NUMBER</b>	<b>CONTRACT TITLE FACILITY AND CONTRACTOR</b>	<b>TOTAL AUTHORIZED</b>		<b>TOTAL PAYMENTS</b>	
LGA215740	ASBESTOS REMOVAL VIA WORK ORDER LAGUARDIA AIRPORT D&S RESTORATION, INC.	1,000,000.00 1,000,000.00	(C)	191,607.00 191,607.00	(C)
LT444	41TH STREET VENTILATION BUILDING REHABILITATION OF VENTILATION SYSTEM LINCOLN TUNNEL T. MORIARTY & SON, INC.	1,025,928.00 82,000.00 1,107,928.00	(A) (D)	1,025,928.00 68,750.00 1,094,678.00	(A) (D)
MFI109	CLEANING STORM DRAINAGE SYSTEMS & PUMP ROOM SUMPS LINCOLN & HOLLAND TUNNELS ALLSTATE POWER VAC, INC.	279,750.00 60,000.00 16,785.00 27,975.00 384,510.00	(B) (C) (D) (F)	279,750.00 236,491.00 --0-- 1,591.00 517,832.00	(B) (C) (D) (F)
EWR684	CLEANING STORM DRAINS VIA WORK ORDER NEWARK AIRPORT NATIONAL WATER MAIN CLEANING COMPANY	448,800.00 30,000.00 18,000.00 496,800.00	(B) (C) (D)	281,716.00 1,044.00 --0-- 282,760.00	(B) (C) (D)
BP364017	UPLAND PAVING & UTILITIES OF PIER 7 BROOKLYN PA MARINE TERMINAL LOMMA CONSTRUCTION CORP.	300,000.00 412,500.00 66,625.00 42,750.00 20,000.00 158,125.00 1,000,000.00	(A) (B) (C) (D) (G) (H)	288,000.00 375,803.00 76,548.00 42,750.00 --0-- 43,557.00 826,658.00	(A,I) (B) (C) (D) (G) (H)
JFK906	REHABILITATION OF NORTH BOUNDARY ROAD - WESTBOUND JOHN F. KENNEDY INTERNATIONAL AIRPORT RAEBECK CONSTRUCTION CORP.	221,400.00 179,000.00 50,000.00 24,024.00 474,424.00	(A) (B) (C) (D)	221,400.00 153,500.00 2,431.00 4,627.00 381,958.00	(A) (B) (C) (D)
HT424	STEAM BOILERS WATER TREATMENT SYSTEMS HOLLAND TUNNEL OMEGA SERVICE MAINTENANCE CORP.	117,000.00 5,000.00 9,360.00 131,360.00	(A) (C) (D)	117,000.00 --0-- --0-- 117,000.00	(A) (C) (D)

- (A) Lump Sum
- (B) Classified Work
- (C) Net Cost - amount in the "Total Authorized" column represents the estimated net cost amount. However, the amount in the "Total Payments" column is the authorized net cost amount.
- (D) Extra Work.
- (E) Premium for furnishing performance and payment bond as provided for in the contract.
- (F) Increase in classified work.
- (G) Increase in classified work in the amount of \$20,000 authorized on 3/27/2000.
- (H) Increase in extra work in the amount of \$158,125 authorized on 3/27/2000.
- (I) The difference between "Total Authorized" and "Total Payments" represents a credit change order in the amount of \$12,000 for the deletion of part of the work .

**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 in the period of July 1, 2002 to July 31, 2002.

<b>CONTRACT NUMBER</b>	<b>CONTRACT TITLE FACILITY AND CONTRACTOR</b>	<b>TOTAL AUTHORIZED</b>		<b>TOTAL PAYMENTS</b>	
EWR670	GRADING & DRAINAGE IMPROVEMENTS TO	745,412	(A)	745,412	(A)
	INFIELD EROSION AREAS	13,500	(C)	2,590	(C)
	NEWARK AIRPORT	150,000	(D)	120,910	(D)
	C. H. WINANS COMPANY	--0--	(F)	9,600	(F)
		908,912		878,512	
MFP994990	MAINTENANCE DREDGING	11,173,280	(B)	11,173,280	(B)
	MULTI-FACILITY NJ MARINE TERMINALS	200,000	(C)	--0--	(C)
	CONSOLIDATED TECHNOLOGIES, INC.	670,397	(D)	271,636	(D)
		72,020	(E)	72,020	(E)
		250,000	(G)	168,432	(G)
		84,750	(H)	84,750	(H)
	12,450,447		11,770,118		
JFK990426	REPLACEMENT OF DAMAGED 5KV	877,000	(A)	877,000	(A)
	DUCTBANK AT THE CTA	100,000	(C)	66,911	(C)
	JOHN F. KENNEDY INTERNATIONAL AIRPORT	52,620	(D)	52,620	(D)
	BEL-AIR ELECTRIC CONSTRUCTION, INC.	250,000	(I)	133,933	(I)
		1,279,620		1,130,464	
WTC922084A	INTERIOR SIGNAGE REHABILITATION	588,040	(A)	588,040	(A)
	WORLD TRADE CENTER	100,000	(C)	--0--	(C)
	BROADWAY NATIONAL SIGN	58,804	(D)	38,846	(D)
		746,844		626,886	
EWR154218	AIRCRAFT PARKING SOUTH OF TERMINAL "A"	9,915,887	(A)	9,906,872	(A,M)
	NEWARK AIRPORT	500,000	(C)	128,813	(C)
		594,954	(D)	572,856	(D)
		250,000	(J)	249,945	(J)
		--0--	(K)	21,518	(K)
		--0--	(L)	98,345	(L)
	11,260,841		10,978,349		
LT484	VENTILATION BUILDINGS	109,375	(A)	109,375	(A)
	PERIMETER LIGHTING IMPROVEMENTS	10,000	(C)	--0--	(C)
	LINCOLN TUNNEL	8,625	(D)	--0--	(D)
	WILMON TELECOMMUNICATIONS, INC.	128,000		109,375	

JFK903	RELOCATION OF RUNWAY 13L - 31R EDGE	3,672,499	(A)	3,621,999	(A,O)
	LIGHTS	200,000	(C)	10,887	(C)
	JOHN F. KENNEDY INTERNATIONAL AIRPORT	220,350	(D)	68,528	(D)
	HELLMAN ELECTRIC CORP.	23,431	(E)	23,431	(E)
		--0--	(N)	63,145	(N)
		4,116,280		3,787,990	
EWR731	RUN-UP BLAST PAD ON TAXIWAY "CC"	2,414,567	(A)	2,380,253	(A,R)
	NEWARK AIRPORT	531,693	(B)	531,693	(B)
	CRISDEL GROUP, INC.	200,000	(C)	188,825	(C)
		176,776	(D)	20,925	(D)
		53,169	(G)	53,169	(G)
		--0--	(P)	7,043	(P)
		--0--	(Q)	724	(Q)
		--0--	(S)	9,165	(S)
		3,376,205		3,191,797	
BT360	REHABILITATION OF STAIRWAYS	349,975	(A)	349,975	(A)
	PORT AUTHORITY BUS TERMINAL	8,000	(C)	87,091	(C)
	C & F IRON WORKS, INC.	28,000	(D)	--0--	(D)
		385,975		437,066	

- (A) Lump Sum
- (B) Classified Work
- (C) Net Cost - amount in the "Total Authorized" column represents the estimated net cost amount. However, the amount in the "Total Payments" column is the authorized net cost amount.
- (D) Extra Work
- (E) Premium for furnishing performance and payment bond as provided for in the contract.
- (F) Increase in compensation pursuant to "Emergency Delays" clause, in the amount of \$9,600 as provided for in the contract.
- (G) Increase in classified work.
- (H) Increase in compensation pursuant to an "Environmental Insurance Premium" clause, in the amount of \$84,750 as provided for in the contract.
- (I) Increase in extra work in the amount of \$250,000 authorized on 12/14/2000.
- (J) Supplemental Agreement No. 2 which provided for an increase in the amount of \$250,000 for lump sum work on 2/12/2002.
- (K) Increase in compensation pursuant to "Emergency Delays" clause, in the amount of \$21,518 as provided for in the contract.
- (L) Increase in compensation pursuant to "Concrete Bonus" clause, in the amount of \$98,345 as provided for in the contract.
- (M) The difference between "Total Authorized" and "Total Payments" represents deductions from the contractor's compensation due to deficiencies in asphalt pavement density totalling \$9,015.
- (N) Increase in compensation pursuant to "Emergency Delays" clause, in the amount of \$63,145 as provided for in the contract.
- (O) The difference between "Total Authorized" and "Total Payments" represents a credit change order in the amount of \$50,500 for the deletion of part of the work .
- (P) Increase in classified work.  
be utilized against additional cost in classified work
- (Q) Increase in compensation pursuant to "Emergency Delays" clause, in the amount of \$724, as provided for in the contract.
- (R) The difference between "Total Authorized" and "Total Payments" represents a credit change order in the amount of \$8,300 for the deletion of part of the work and deductions from the contractor's compensation due to deficiencies in asphalt pavement density totaling \$26,014.
- (S) Increase in compensation pursuant to "Concrete Bonus" clause, in the amount of \$9,165 as provided for in the contract.

**INVESTMENTS AND DEPOSITS**

RECOMMENDATION: NONE

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 June 1, 2002 through June 30, 2002.

**REPORT A:**

Purchase of Port Authority Bonds

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

<b><u>Purchase</u></b> <b><u>Date</u></b>	<b><u>Par</u></b> <b><u>Value</u></b>	<b><u>Description</u></b>	<b><u>Coupon</u></b> <b><u>Rate</u></b>	<b><u>Maturity</u></b> <b><u>Date</u></b>	<b><u>Purchase</u></b> <b><u>Price</u></b>	<b><u>Call</u></b> <b><u>Year</u></b>	<b><u>YTC</u></b> <b><u>@ Cost</u></b>	<b><u>BEY</u></b> <b><u>@ Cost</u></b>	<b><u>Total</u></b> <b><u>Principal</u></b>	<b><u>Dealer</u></b>
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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>
06/03/02	\$ 41,000,000	UBSFIN CP	--	06/04/02	99.99	1.830%	1.847%	\$ 40,997,915.83	UBS Warburg
06/03/02	8,200,000	JFK-APO	6.375%	12/01/15	99.90	--	6.386	8,191,800.00	JFKIAT-APO
06/04/02	50,000,000	UBSFIN CP	--	06/05/02	99.99	1.760	1.776	49,997,555.56	UBS Warburg
06/04/02	11,000,000	UBSFIN CP	--	06/05/02	99.99	1.760	1.776	10,999,462.22	UBS Warburg
06/05/02	25,000,000	USTB	--	07/05/02	99.86	1.700	1.716	24,964,583.33	Merrill Lynch
06/05/02	22,000,000	USTB	--	07/11/02	99.83	1.670	1.685	21,963,260.00	Merrill Lynch
06/05/02	50,000,000	USTB	--	06/27/02	99.90	1.685	1.700	49,948,513.89	Mizuho Securities
06/05/02	50,000,000	USTB	--	06/27/02	99.90	1.685	1.700	49,948,513.89	Mizuho Securities
06/05/02	881,000	USTB	--	11/14/02	99.20	1.780	1.803	873,943.19	UBS Warburg
06/05/02	50,000,000	UBSFIN CP	--	06/06/02	99.99	1.730	1.745	49,997,597.22	Lehman Brothers
06/05/02	19,000,000	UBSFIN CP	--	06/06/02	99.99	1.730	1.745	18,999,086.94	Lehman Brothers
06/06/02	50,000,000	USTB	--	07/05/02	99.86	1.710	1.726	49,931,125.00	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>
06/06/02	\$ 50,000,000	USTB	--	07/05/02	99.86	1.710%	1.726%	\$ 49,931,125.00	Lehman Brothers
06/06/02	50,000,000	USTB	--	07/05/02	99.86	1.710	1.726	49,931,125.00	Lehman Brothers
06/06/02	50,000,000	UBSFIN CP	--	06/07/02	99.99	1.730	1.745	49,997,597.22	UBS Warburg
06/06/02	19,000,000	UBSFIN CP	--	06/07/02	99.99	1.730	1.745	18,999,086.94	UBS Warburg
06/07/02	50,000,000	USTB	--	09/05/02	99.58	1.690	1.708	49,788,750.00	Legg Mason
06/07/02	2,395,000	USTB	--	09/05/02	99.58	1.690	1.708	2,384,881.13	Legg Mason
06/07/02	50,000,000	FHDN	--	07/26/02	99.77	1.710	1.727	49,883,625.00	Mizuho Securities
06/07/02	12,000,000	UBSFIN CP	--	06/10/02	99.99	1.700	1.715	11,998,300.00	Merrill Lynch
06/10/02	50,000,000	USTB	--	06/20/02	99.95	1.660	1.674	49,976,944.44	Morgan Stanley
06/10/02	50,000,000	UBSFIN CP	--	06/11/02	99.99	1.760	1.776	49,997,555.55	Lehman Brothers
06/10/02	19,000,000	UBSFIN CP	--	06/11/02	99.99	1.760	1.776	18,999,071.11	Lehman Brothers
06/11/02	20,520,000	USTB	--	07/05/02	99.89	1.700	1.716	20,496,744.00	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>
06/11/02	\$ 10,042,000	USTB	--	07/05/02	99.89	1.700%	1.716%	\$ 10,030,619.07	Lehman Brothers
06/11/02	50,000,000	FNDN	--	07/12/02	99.85	1.700	1.716	49,926,805.56	Merrill Lynch
06/11/02	45,000,000	UBSFIN CP	--	06/12/02	99.99	1.730	1.745	44,997,837.50	Lehman Brothers
06/12/02	50,000,000	USTB	--	06/18/02	99.97	1.710	1.725	49,985,750.00	Mizuho Securities
06/12/02	7,000,000	UBSFIN CP	--	06/13/02	99.99	1.760	1.776	6,999,657.78	UBS Warburg
06/12/02	50,000,000	UBSFIN CP	--	06/13/02	99.99	1.760	1.776	49,997,555.56	UBS Warburg
06/13/02	49,477,000	USTB	--	06/18/02	99.98	1.710	1.725	49,465,249.21	UBS Warburg
06/13/02	6,457,000	USTB	--	07/11/02	99.87	1.700	1.716	6,448,462.41	Mizuho Securities
06/13/02	41,550,000	USTB	--	06/18/02	99.98	1.710	1.725	41,540,131.87	UBS Warburg
06/13/02	50,000,000	USTB	--	06/18/02	99.98	1.705	1.720	49,988,159.72	UBS Warburg
06/13/02	50,000,000	USTB	--	06/18/02	99.98	1.705	1.720	49,988,159.72	UBS Warburg
06/13/02	50,000,000	USTB	--	09/12/02	99.57	1.700	1.718	49,785,138.50	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>
06/13/02	\$ 50,000,000	USTB	--	06/18/02	99.98	1.700%	1.715%	\$ 49,988,194.44	Lehman Brothers
06/13/02	50,000,000	USTB	--	07/11/02	99.87	1.690	1.705	49,934,277.78	Legg Mason
06/13/02	50,000,000	UBSFIN CP	--	06/14/02	99.99	1.770	1.786	49,997,541.67	UBS Warburg
06/13/02	5,000,000	UBSFIN CP	--	06/14/02	99.99	1.770	1.786	4,999,754.17	UBS Warburg
06/14/02	10,000,000	UBSFIN CP	--	06/17/02	99.99	1.710	1.725	9,998,575.00	UBS Warburg
06/14/02	50,000,000	GECC CP	--	06/21/02	99.97	1.750	1.766	49,982,986.11	G.E. Capital
06/18/02	50,000,000	UBSFIN CP	--	06/19/02	99.99	1.730	1.745	49,997,597.22	Lehman Brothers
06/18/02	50,000,000	UBSFIN CP	--	06/19/02	99.99	1.730	1.745	49,997,597.22	Lehman Brothers
06/19/02	50,000,000	FHDN	--	07/17/02	99.87	1.715	1.731	49,933,305.56	Greenwich Capital
06/19/02	25,000,000	FMCDN	--	07/16/02	99.87	1.710	1.726	24,967,937.50	Mizuho Securities
06/19/02	15,000,000	FHDN	--	07/10/02	99.90	1.710	1.726	14,985,037.50	Mizuho Securities
06/19/02	17,000,000	FHDN	--	07/12/02	99.89	1.710	1.726	16,981,427.50	Mizuho Securities

## 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>
06/19/02	\$ 41,600,000	UBSFIN CP	--	06/20/02	99.99	1.700%	1.715%	\$ 41,598,035.56	Merrill Lynch
06/20/02	50,000,000	USTB	--	07/18/02	99.87	1.655	1.670	49,935,638.89	UBS Warburg
06/20/02	50,000,000	USTB	--	07/18/02	99.87	1.655	1.670	49,935,638.89	UBS Warburg
06/20/02	50,000,000	USTB	--	07/18/02	99.87	1.645	1.660	49,936,027.78	Legg Mason
06/20/02	42,000,000	UBSFIN CP	--	06/21/02	99.99	1.700	1.715	41,998,016.67	Lehman Brothers
06/21/02	50,000,000	USTB	--	09/05/02	99.65	1.660	1.677	49,824,777.78	Mizuho Securities
06/21/02	50,000,000	FMCDN	--	07/03/02	99.94	1.700	1.715	49,971,666.67	ABN AMRO
06/21/02	25,000,000	FMCDN	--	07/16/02	99.88	1.700	1.716	24,970,486.11	Mizuho Securities
06/21/02	34,600,000	UBSFIN CP	--	06/24/02	99.99	1.700	1.715	34,595,098.33	UBS Warburg
06/24/02	50,000,000	UBSFIN CP	--	06/25/02	99.99	1.760	1.776	49,997,555.56	UBS Warburg
06/24/02	39,200,000	UBSFIN CP	--	06/25/02	99.99	1.760	1.776	39,198,083.56	UBS Warburg
06/25/02	50,000,000	USTB	--	08/22/02	99.73	1.655	1.671	49,866,680.56	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>
06/25/02	\$ 50,000,000	USTB	--	08/29/02	99.70	1.645%	1.661%	\$ 49,851,493.06	Legg Mason
06/25/02	50,000,000	UBSFIN CP	--	06/26/02	99.99	1.760	1.776	49,997,555.56	UBS Warburg
06/25/02	38,400,000	UBSFIN CP	--	06/26/02	99.99	1.760	1.776	38,398,122.67	UBS Warburg
06/26/02	13,700,000	UBSFIN CP	--	06/27/02	99.99	1.780	1.796	13,699,322.61	UBS Warburg
06/26/02	50,000,000	UBSFIN CP	--	06/27/02	99.99	1.780	1.796	49,997,527.78	UBS Warburg
06/27/02	49,000,000	USTB	--	08/01/02	99.84	1.650	1.665	48,921,395.83	Lehman Brothers
06/27/02	50,000,000	USTB	--	08/01/02	99.84	1.650	1.665	49,919,791.67	Lehman Brothers
06/27/02	50,000,000	USTB	--	07/25/02	99.87	1.700	1.716	49,933,888.89	UBS Warburg
06/27/02	50,000,000	USTB	--	07/25/02	99.87	1.700	1.716	49,933,888.89	UBS Warburg
06/27/02	50,000,000	FNDN	--	07/08/02	99.95	1.700	1.715	49,974,027.78	ABN AMRO
06/27/02	20,000,000	FHLB	--	08/16/02	99.76	1.715	1.732	19,952,361.11	Greenwich Capital
06/27/02	15,000,000	FCDN	--	07/19/02	99.90	1.680	1.695	14,984,600.00	Mizuho Securities

## 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>
06/27/02	\$ 15,000,000	FMCDN	--	07/26/02	99.86	1.700%	1.716%	\$ 14,979,458.33	Mizuho Securities
06/27/02	30,000,000	UBSFIN CP	--	06/28/02	99.99	1.820	1.837	29,998,483.33	Lehman Brothers
06/27/02	25,000,000	UBSFIN CP	--	06/28/02	99.99	1.820	1.837	24,998,736.11	Lehman Brothers
06/28/02	50,000,000	USTB	--	12/26/02	99.15	1.700	1.722	49,572,638.89	Morgan Stanley
06/28/02	3,000,000	USTB	--	12/26/02	99.15	1.700	1.722	2,974,358.33	Morgan Stanley
06/28/02	50,000,000	FMCDN	--	07/01/02	99.98	1.900	1.918	49,992,083.33	Merrill Lynch
06/28/02	<u>16,100,000</u>	FMCDN	--	07/01/02	99.98	1.900	1.918	<u>16,097,450.83</u>	Merrill Lynch
	\$ 2,889,122,000							<u>\$ 2,886,120,812.39</u>	

BEY - Bond Equivalent Yield

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

Sale of Securities

<b><u>Sale</u></b>			<b><u>Coupon</u></b>	<b><u>Maturity</u></b>	<b><u>Sale</u></b>	<b><u>Discount</u></b>		
<b><u>Date</u></b>	<b><u>Par Value</u></b>	<b><u>Description</u></b>	<b><u>Rate</u></b>	<b><u>Date</u></b>	<b><u>Price</u></b>	<b><u>Rate</u></b>	<b><u>Principal</u></b>	<b><u>Dealer</u></b>

No transactions this period.

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

## Repurchase Transactions

<b><u>Dealer</u></b>	<b><u>Purchase Date</u></b>	<b><u>Sale Date</u></b>	<b><u>Par Value</u></b>	<b><u>Interest Rate</u></b>	<b><u>Total Interest Earned</u></b>
Mizuho Securties	06/04/02	06/05/02	\$ 1,256,000	1.720%	\$ 60.01
Mizuho Securties	06/04/02	06/05/02	3,540,000	1.720	169.13
Mizuho Securties	06/04/02	06/05/02	48,744,000	1.720	2,328.88
Mizuho Securties	06/04/02	06/05/02	48,744,000	1.720	2,328.88
Daiwa Securties	06/05/02	06/06/02	1,084,000	1.700	51.19
Greenwich Capital	06/05/02	06/06/02	3,352,000	1.700	158.29
Greenwich Capital	06/05/02	06/06/02	4,538,000	1.700	214.29
Daiwa Securties	06/05/02	06/06/02	10,873,000	1.700	513.45
Daiwa Securties	06/05/02	06/06/02	16,352,000	1.700	772.18
Daiwa Securties	06/05/02	06/06/02	21,691,000	1.700	1,024.30
Daiwa Securties	06/05/02	06/06/02	42,422,000	1.700	2,003.26
Greenwich Capital	06/05/02	06/06/02	48,534,000	1.700	2,291.88

## 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>
Greenwich Capital	06/05/02	06/06/02	\$ 48,534,000	1.700%	\$ 2,291.88
Daiwa Securties	06/05/02	06/06/02	60,845,000	1.700	2,873.24
Mizuho Securties	06/06/02	06/07/02	639,000	1.710	30.35
UBS Warburg	06/06/02	06/10/02	2,010,000	1.710	381.90
BNP Paribas	06/06/02	06/07/02	4,336,000	1.700	204.76
Nomura Securties	06/06/02	06/07/02	8,707,000	1.710	413.58
Mizuho Securties	06/06/02	06/07/02	10,412,000	1.710	494.57
Mizuho Securties	06/06/02	06/07/02	25,251,000	1.710	1,199.42
Mizuho Securties	06/06/02	06/07/02	25,434,000	1.710	1,208.12
Mizuho Securties	06/06/02	06/07/02	41,762,000	1.710	1,983.70
BNP Paribas	06/06/02	06/07/02	44,868,000	1.700	2,118.77
Nomura Securties	06/06/02	06/07/02	48,938,000	1.710	2,324.56

## 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>
UBS Warburg	06/06/02	06/10/02	\$ 48,995,000	1.710%	\$ 9,309.05
UBS Warburg	06/06/02	06/10/02	48,995,000	1.710	9,309.05
BNP Paribas	06/06/02	06/07/02	49,005,000	1.700	2,314.13
Nomura Securties	06/06/02	06/07/02	51,388,000	1.710	2,440.93
Nomura Securties	06/07/02	06/10/02	1,908,000	1.660	263.94
Lehman Brothers	06/07/02	06/10/02	12,514,000	1.660	1,731.10
Lehman Brothers	06/07/02	06/10/02	41,900,000	1.660	5,796.17
Nomura Securties	06/07/02	06/10/02	48,779,000	1.660	6,747.76
Lehman Brothers	06/07/02	06/10/02	52,029,000	1.660	7,197.35
Lehman Brothers	06/07/02	06/10/02	53,343,000	1.660	7,379.12
Mizuho Securties	06/10/02	06/11/02	2,553,000	1.720	121.98
Mizuho Securties	06/10/02	06/11/02	4,545,000	1.720	217.15

## 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 Securities	06/10/02	06/11/02	\$ 7,451,000	1.720%	\$ 355.99
Mizuho Securities	06/10/02	06/11/02	41,906,000	1.720	2,002.18
Mizuho Securities	06/10/02	06/11/02	45,000,000	1.720	2,150.00
Mizuho Securities	06/10/02	06/11/02	48,806,000	1.720	2,331.84
Mizuho Securities	06/10/02	06/11/02	48,806,000	1.720	2,331.84
Daiwa Securities	06/11/02	06/12/02	7,451,000	1.700	351.85
Daiwa Securities	06/11/02	06/12/02	45,000,000	1.700	2,125.00
Daiwa Securities	06/11/02	06/12/02	50,022,000	1.700	2,362.15
BANC ONE	06/12/02	06/13/02	6,448,000	1.700	304.49
BANC ONE	06/12/02	06/13/02	18,657,000	1.700	881.03
BANC ONE	06/12/02	06/13/02	32,938,000	1.700	1,555.41
BANC ONE	06/12/02	06/13/02	49,653,000	1.700	2,344.73

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

## Repurchase Transactions (Cont.)

<b><u>Dealer</u></b>	<b><u>Purchase Date</u></b>	<b><u>Sale Date</u></b>	<b><u>Par Value</u></b>	<b><u>Interest Rate</u></b>	<b><u>Total Interest Earned</u></b>
Daiwa Securties	06/11/02	06/12/02	\$ 53,353,000	1.700%	\$ 2,519.45
Mizuho Securties	06/13/02	06/14/02	10,030,000	1.750	487.57
Mizuho Securties	06/18/02	06/21/02	10,374,000	1.680	1,452.36
Greenwich Capital	06/18/02	06/19/02	33,584,000	1.700	1,585.91
Greenwich Capital	06/18/02	06/19/02	33,923,000	1.700	1,601.92
Greenwich Capital	06/18/02	06/19/02	38,077,000	1.700	1,798.08
Mizuho Securties	06/18/02	06/21/02	40,269,000	1.680	5,637.66
Greenwich Capital	06/18/02	06/19/02	48,195,000	1.700	2,275.88
Mizuho Securties	06/18/02	06/21/02	49,357,000	1.680	6,909.98
Lehman Brothers	06/19/02	06/20/02	2,090,000	1.670	96.95
Lehman Brothers	06/19/02	06/20/02	28,114,000	1.670	1,304.18
Lehman Brothers	06/19/02	06/20/02	47,014,000	1.670	2,180.93

## 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	06/19/02	06/20/02	\$ 48,955,000	1.670%	\$ 2,270.97
Lehman Brothers	06/19/02	06/20/02	48,955,000	1.670	2,270.97
Daiwa Securties	06/20/02	06/21/02	18,858,000	1.690	885.28
Daiwa Securties	06/20/02	06/21/02	27,123,000	1.690	1,273.27
Daiwa Securties	06/20/02	06/21/02	37,909,000	1.690	1,779.62
BANC ONE	06/20/02	06/21/02	46,079,000	1.670	2,137.55
Daiwa Securties	06/20/02	06/21/02	46,853,000	1.690	2,199.49
BANC ONE	06/20/02	06/21/02	53,921,000	1.670	2,501.34
Daiwa Securties	06/20/02	06/21/02	55,943,000	1.690	2,626.21
Lehman Brothers	06/21/02	06/24/02	2,330,000	1.670	324.26
UBS Warburg	06/21/02	06/24/02	9,359,000	1.670	1,302.46
UBS Warburg	06/21/02	06/24/02	27,124,000	1.670	3,774.76

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

## Repurchase Transactions (Cont.)

<b><u>Dealer</u></b>	<b><u>Purchase Date</u></b>	<b><u>Sale Date</u></b>	<b><u>Par Value</u></b>	<b><u>Interest Rate</u></b>	<b><u>Total Interest Earned</u></b>
UBS Warburg	06/21/02	06/24/02	\$ 46,855,000	1.670%	\$ 6,520.65
Lehman Brothers	06/21/02	06/24/02	48,835,000	1.670	6,796.20
Lehman Brothers	06/21/02	06/24/02	48,835,000	1.670	6,796.20
Lehman Brothers	06/21/02	06/24/02	50,342,000	1.670	7,005.93
UBS Warburg	06/21/02	06/24/02	51,164,000	1.670	7,120.32
UBS Warburg	06/21/02	06/24/02	51,899,000	1.670	7,222.61
Mizuho Securities	06/24/02	06/25/02	2,817,000	1.720	134.59
Mizuho Securities	06/24/02	06/25/02	21,650,000	1.720	1,034.39
BANC ONE	06/24/02	06/25/02	24,971,000	1.720	1,193.06
BANC ONE	06/24/02	06/25/02	37,181,000	1.720	1,776.43
Mizuho Securities	06/24/02	06/25/02	45,006,000	1.720	2,150.29
Mizuho Securities	06/24/02	06/25/02	48,561,000	1.720	2,320.14

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

## Repurchase Transactions (Cont.)

<b><u>Dealer</u></b>	<b><u>Purchase Date</u></b>	<b><u>Sale Date</u></b>	<b><u>Par Value</u></b>	<b><u>Interest Rate</u></b>	<b><u>Total Interest Earned</u></b>
Mizuho Securities	06/24/02	06/25/02	\$ 48,622,000	1.720%	\$ 2,323.05
BANC ONE	06/24/02	06/25/02	50,299,000	1.720	2,403.17
Nomura Securities	06/25/02	06/26/02	11,436,000	1.750	555.92
Nomura Securities	06/25/02	06/26/02	21,537,000	1.750	1,046.94
Nomura Securities	06/25/02	06/26/02	44,434,000	1.750	2,159.99
Nomura Securities	06/25/02	06/26/02	50,347,000	1.750	2,447.42
Nomura Securities	06/25/02	06/26/02	50,960,000	1.750	2,477.22
Lehman Brothers	06/26/02	06/27/02	6,258,000	1.770	307.69
UBS Warburg	06/26/02	06/27/02	21,538,000	1.760	1,052.97
UBS Warburg	06/26/02	06/27/02	44,436,000	1.760	2,172.43
UBS Warburg	06/26/02	06/27/02	50,000,000	1.760	2,444.44
Lehman Brothers	06/26/02	06/27/02	50,490,000	1.770	2,482.43

## 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	06/26/02	06/27/02	\$ 56,000,000	1.770%	\$ 2,753.33
Daiwa Securties	06/27/02	06/28/02	2,009,000	1.820	101.57
Nomura Securties	06/27/02	07/01/02	2,250,000	1.810	452.50
Daiwa Securties	06/27/02	06/28/02	2,545,000	1.820	128.66
Daiwa Securties	06/27/02	06/28/02	3,360,000	1.820	169.87
Daiwa Securties	06/27/02	06/28/02	4,294,000	1.820	217.09
Daiwa Securties	06/27/02	06/28/02	9,568,000	1.820	483.72
Nomura Securties	06/27/02	07/01/02	19,906,000	1.810	4,003.32
Daiwa Securties	06/27/02	06/28/02	40,492,000	1.820	2,047.10
Nomura Securties	06/27/02	07/01/02	42,680,000	1.810	8,583.42
UBS Warburg	06/27/02	07/01/02	48,040,000	1.830	9,768.13
Nomura Securties	06/27/02	07/01/02	48,926,000	1.810	9,839.56

## 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 Securities	06/27/02	07/01/02	\$ 48,926,000	1.810%	\$ 9,839.56
Daiwa Securities	06/27/02	06/28/02	51,164,000	1.820	2,586.62
UBS Warburg	06/27/02	07/01/02	51,960,000	1.830	10,565.20
Daiwa Securities	06/27/02	06/28/02	52,022,000	1.820	2,630.00
BANC ONE	06/28/02	07/01/02	16,004,000	1.900	2,533.97
BANC ONE	06/28/02	07/01/02	17,513,000	1.900	2,772.89
BANC ONE	06/28/02	07/01/02	35,616,000	1.900	5,639.20
Lehman Brothers	06/28/02	Open *	36,793,750	Variable **	3,679.38 ***
BANC ONE	06/28/02	07/01/02	43,627,000	1.900	6,907.61

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

\*\* This rate subject to change daily.

\*\*\* Total interest earned is to the last day of the month.

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)

<b><u>Dealer</u></b>	<b><u>Sale Date</u></b>	<b><u>Purchase Date</u></b>	<b><u>Par Value</u></b>	<b><u>Interest Rate</u></b>	<b><u>Total Interest Paid</u></b>
Lehman Brothers	06/28/02	Open	\$ 36,763,750	Variable *	\$ 3,270.56 **

\* This rate subject to change daily.

\*\* Total interest paid is to the last day of the month.

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 June 1, 2002 through June 30, 2002, 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

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

Options Transactions - Sold

<b>Transaction Date</b>	<b>Par Value</b>	<b>Description</b>	<b>Price</b>	<b>Exercise Price</b>	<b>Expirations/ Settlement</b>	<b>Dealer</b>	<b>Option Premium</b>
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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 June 1, 2002 and June 30, 2002 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 June 30, 2002, the Port Authority has interest rate exchange contracts in place on notional amounts totaling \$755 million, including \$380 million pertaining to refundings and \$100 million of reversals.

**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 June 1, 2002 and June 30, 2002 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.

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

**Report E:** In addition to the transactions described in Report A, B, C, and D, the Executive Director also reports the following activity under the Futures Program authorized by the Board of Commissioners on December 10, 1987, during the period April 1, 2002 through June 30, 2002 involving the use of the Municipal Bond Futures Contracts (Muni) and the United States Treasury Bond Futures Contracts (T-Bonds) traded on the Chicago Board of Trade to manage the interest rate exposure on the future issuance of Consolidated Bonds and Notes.

Hedge for Consolidated Bonds:

<u>Date</u>	<u>Action</u>	<u>Number of Contracts</u>	<u>Short Position</u>	<u>Gains/(Losses) on Series Hedge</u>	<u>Amount of Prospective Port Authority Debt Hedged</u>	<u>Estimated (Increase)/Decrease in Borrowing Costs on Portion of Debt Hedged</u>
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No outstanding Hedge during the 2nd Quarter 2002

**INVESTMENTS AND DEPOSITS**

RECOMMENDATION: NONE

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 July 1, 2002 through July 31, 2002.

**REPORT A:**

Purchase of Port Authority Bonds

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

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Call Year</u>	<u>YTC @ Cost</u>	<u>BEY @ Cost</u>	<u>Total 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>
07/01/02	\$ 25,000,000	FCDN	--	07/09/02	99.96	1.740%	1.756%	\$ 24,990,333.33	ABN AMRO
07/01/02	50,000,000	FHDN	--	07/24/02	99.89	1.720	1.736	49,945,055.56	Mizuho Securities
07/01/02	37,000,000	UBSFIN CP	--	07/02/02	99.99	1.880	1.898	36,998,067.78	UBS Warburg
07/01/02	50,000,000	UBSFIN CP	--	07/02/02	99.99	1.880	1.898	49,997,388.89	UBS Warburg
07/01/02	2,900,000	JFK-APO	6.375%	12/01/15	99.90	--	6.386	2,897,100.00	JFKIAT-APO
07/02/02	39,000,000	USTB	--	09/26/02	99.60	1.675	1.693	38,843,945.83	Merrill Lynch
07/02/02	25,000,000	USTB	--	09/19/02	99.63	1.670	1.687	24,908,381.94	Morgan Stanley
07/02/02	50,000,000	USTB	--	09/26/02	99.60	1.665	1.682	49,801,125.00	Legg Mason
07/02/02	28,000,000	UBSFIN CP	--	07/03/02	99.99	1.770	1.786	27,998,623.33	UBS Warburg
07/02/02	50,000,000	UBSFIN CP	--	07/03/02	99.99	1.770	1.786	49,997,541.67	UBS Warburg
07/03/02	50,000,000	FHDN	--	07/24/02	99.90	1.710	1.726	49,950,125.00	Mizuho Securities
07/03/02	25,000,000	FHDN	--	07/31/02	99.87	1.710	1.726	24,966,750.00	Mizuho Securities

## 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>
07/03/02	\$ 33,000,000	UBSFIN CP	--	07/08/02	99.98	1.730%	1.745%	\$ 32,992,070.83	Lehman Brothers
07/05/02	20,500,000	USTB	--	07/11/02	99.97	1.580	1.593	20,494,601.67	Greenwich Capital
07/05/02	50,000,000	USTB	--	07/11/02	99.97	1.580	1.593	49,986,833.33	Greenwich Capital
07/05/02	50,000,000	USTB	--	07/11/02	99.97	1.580	1.593	49,986,833.33	Greenwich Capital
07/05/02	50,000,000	USTB	--	07/11/02	99.97	1.580	1.593	49,986,833.33	Greenwich Capital
07/05/02	10,000,000	USTB	--	07/11/02	99.97	1.580	1.593	9,997,366.67	Greenwich Capital
07/05/02	50,000,000	USTB	--	10/03/02	99.58	1.675	1.693	49,790,625.00	Mizuho Securities
07/05/02	50,000,000	USTB	--	10/03/02	99.58	1.675	1.693	49,790,625.00	Mizuho Securities
07/05/02	25,000,000	FCDN	--	08/01/02	99.87	1.710	1.726	24,967,937.50	Mizuho Securities
07/09/02	25,000,000	FHDN	--	09/06/02	99.72	1.720	1.737	24,929,527.78	Merrill Lynch
07/09/02	50,000,000	FHDN	--	08/02/02	99.89	1.720	1.736	49,942,666.67	Mizuho Securities
07/09/02	18,000,000	UBSFIN CP	--	07/10/02	99.99	1.770	1.786	17,999,115.00	UBS Warburg

## 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>
07/09/02	\$ 50,000,000	UBSFIN CP	--	07/10/02	99.99	1.770%	1.786%	\$ 49,997,541.67	UBS Warburg
07/10/02	50,000,000	USTB	--	08/01/02	99.90	1.690	1.705	49,948,361.11	ABN AMRO
07/10/02	50,000,000	USTB	--	08/01/02	99.90	1.690	1.705	49,948,361.11	Morgan Stanley
07/10/02	1,081,000	USTB	--	12/12/02	99.28	1.670	1.690	1,073,227.31	Morgan Stanley
07/10/02	50,000,000	FNDN	--	07/19/02	99.96	1.730	1.745	49,978,375.00	Greenwich Capital
07/10/02	36,000,000	UBSFIN CP	--	07/11/02	99.99	1.780	1.796	35,998,220.00	UBS Warburg
07/11/02	25,000,000	USTB	--	08/08/02	99.87	1.690	1.705	24,967,138.89	ABN AMRO
07/11/02	25,735,000	USTB	--	08/08/02	99.87	1.690	1.705	25,701,172.77	ABN AMRO
07/11/02	19,661,000	USTB	--	09/05/02	99.74	1.660	1.676	19,610,230.93	Greenwich Capital
07/11/02	29,750,000	USTB	--	08/01/02	99.90	1.685	1.700	29,720,758.23	UBS Warburg
07/11/02	35,000,000	FHDN	--	08/07/02	99.87	1.700	1.716	34,955,375.00	Merrill Lynch
07/11/02	15,000,000	FCDN	--	09/18/02	99.67	1.710	1.728	14,950,837.50	Mizuho Securities

## 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>
07/11/02	\$ 31,000,000	UBSFIN CP	--	07/12/02	99.99	1.770%	1.786%	\$ 30,998,475.83	Lehman Brothers
07/11/02	50,000,000	UBSFIN CP	--	07/15/02	99.98	1.730	1.745	49,990,388.89	UBS Warburg
07/12/02	50,000,000	USTB	--	07/25/02	99.94	1.660	1.674	49,970,027.78	Legg Mason
07/12/02	25,000,000	FHDN	--	08/09/02	99.87	1.710	1.726	24,966,750.00	Mizuho Securities
07/12/02	50,000,000	UBSFIN CP	--	07/15/02	99.99	1.710	1.725	49,992,875.00	UBS Warburg
07/12/02	37,000,000	CITI CP	--	07/15/02	99.99	1.700	1.715	36,994,758.33	Citicorp
07/15/02	20,000,000	UBSFIN CP	--	07/16/02	99.99	1.840	1.857	19,998,977.78	UBS Warburg
07/15/02	50,000,000	UBSFIN CP	--	07/16/02	99.99	1.840	1.857	49,997,444.44	UBS Warburg
07/16/02	23,000,000	FHDN	--	08/09/02	99.89	1.700	1.716	22,973,931.33	Mizuho Securities
07/16/02	50,000,000	UBSFIN CP	--	07/17/02	99.99	1.760	1.776	49,997,555.56	UBS Warburg
07/16/02	50,000,000	CITI CP	--	07/17/02	99.99	1.740	1.755	49,997,583.33	Citicorp
07/17/02	25,000,000	FHDN	--	08/14/02	99.87	1.690	1.705	24,967,138.89	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>
07/17/02	\$ 25,000,000	FCDN	--	08/15/02	99.86	1.690%	1.706%	\$ 24,965,965.28	Merrill Lynch
07/17/02	50,000,000	UBSFIN CP	--	07/18/02	99.99	1.730	1.745	49,997,597.22	UBS Warburg
07/17/02	50,000,000	UBSFIN CP	--	07/18/02	99.99	1.730	1.745	49,997,597.22	UBS Warburg
07/18/02	50,000,000	USTB	--	08/15/02	99.87	1.680	1.695	49,934,666.67	Salomon Smith Barney
07/18/02	50,000,000	USTB	--	08/15/02	99.87	1.680	1.695	49,934,666.67	Salomon Smith Barney
07/18/02	25,000,000	FHDN	--	09/13/02	99.73	1.710	1.727	24,932,312.50	Mizuho Securities
07/18/02	25,000,000	FHDN	--	09/18/02	99.71	1.710	1.727	24,926,375.00	Mizuho Securities
07/18/02	50,000,000	UBSFIN CP	--	07/19/02	99.99	1.720	1.735	49,997,611.22	Lehman Brothers
07/18/02	50,000,000	UBSFIN CP	--	07/19/02	99.99	1.720	1.735	49,997,611.22	Lehman Brothers
07/19/02	50,000,000	USTB	--	01/09/03	99.19	1.685	1.706	49,592,791.67	Legg Mason
07/19/02	25,000,000	UBSFIN CP	--	07/22/02	99.99	1.700	1.715	24,996,458.33	Merrill Lynch
07/19/02	28,000,000	UBSFIN CP	--	07/22/02	99.99	1.700	1.715	27,996,033.33	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>
07/22/02	\$ 50,000,000	USTB	--	08/29/02	99.82	1.670%	1.686%	\$ 49,911,861.11	Lehman Brothers
07/22/02	50,000,000	USTB	--	08/29/02	99.82	1.670	1.686	49,911,861.11	Lehman Brothers
07/22/02	25,000,000	FHDN	--	09/18/02	99.72	1.710	1.727	24,931,125.00	Mizuho Securties
07/22/02	10,000,000	FCDN	--	08/13/02	99.90	1.700	1.715	9,989,611.11	Mizuho Securties
07/22/02	19,000,000	FCDN	--	08/21/02	99.86	1.700	1.716	18,973,083.33	Mizuho Securties
07/22/02	50,000,000	UBSFIN CP	--	07/23/02	99.99	1.760	1.776	49,997,555.56	Merrill Lynch
07/22/02	50,000,000	UBSFIN CP	--	07/23/02	99.99	1.760	1.776	49,997,555.56	Merrill Lynch
07/23/02	36,500,000	USTB	--	10/17/02	99.60	1.660	1.677	36,355,257.22	Morgan Stanley
07/23/02	50,000,000	UBSFIN CP	--	07/24/02	99.99	1.750	1.765	49,997,569.44	Lehman Brothers
07/23/02	37,000,000	UBSFIN CP	--	07/24/02	99.99	1.750	1.765	36,998,201.39	Lehman Brothers
07/23/02	50,000,000	CITI CP	--	07/24/02	99.99	1.740	1.755	49,997,583.33	Citicorp
07/24/02	25,000,000	FCDN	--	09/06/02	99.79	1.680	1.696	24,948,666.67	Mizuho Securties

## 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>
07/24/02	\$ 50,000,000	UBSFIN CP	--	07/25/02	99.99	1.750%	1.765%	\$ 49,997,569.44	UBS Warburg
07/24/02	50,000,000	UBSFIN CP	--	07/25/02	99.99	1.750	1.765	49,997,569.44	UBS Warburg
07/24/02	25,000,000	CITI CP	--	07/25/02	99.99	1.700	1.715	24,998,819.44	Citicorp
07/25/02	5,000,000	FMCDN	--	07/26/02	99.99	1.660	1.674	4,999,769.44	Lehman Brothers
07/25/02	50,000,000	UBSFIN CP	--	07/26/02	99.99	1.730	1.745	49,997,597.22	UBS Warburg
07/25/02	50,000,000	UBSFIN CP	--	07/26/02	99.99	1.730	1.745	49,997,597.22	UBS Warburg
07/26/02	18,700,000	USTB	--	10/24/02	99.59	1.650	1.667	18,622,862.50	Morgan Stanley
07/26/02	28,400,000	USTB	--	10/24/02	99.59	1.650	1.667	28,282,850.00	Morgan Stanley
07/26/02	50,000,000	USTB	--	10/03/02	99.68	1.650	1.666	49,841,875.00	Legg Mason
07/26/02	25,000,000	USTB	--	10/03/02	99.68	1.650	1.666	24,920,937.50	Legg Mason
07/26/02	50,000,000	FHDN	--	08/21/02	99.88	1.695	1.711	49,938,791.67	Greenwich Capital
07/26/02	50,000,000	FHDN	--	08/21/02	99.88	1.695	1.711	49,938,791.67	Greenwich 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>
07/26/02	\$ 50,000,000	FHDN	--	08/23/02	99.87	1.690%	1.705%	\$ 49,934,277.78	Mizuho Securities
07/26/02	50,000,000	UBSFIN CP	--	07/29/02	99.99	1.700	1.715	49,992,916.67	Lehman Brothers
07/26/02	15,000,000	UBSFIN CP	--	07/29/02	99.99	1.700	1.715	14,997,875.00	Lehman Brothers
07/29/02	50,000,000	USTB	--	09/12/02	99.79	1.645	1.660	49,897,187.50	ABN AMRO
07/29/02	50,000,000	USTB	--	08/22/02	99.89	1.675	1.690	49,944,166.67	Merrill Lynch
07/29/02	26,000,000	FMCDN	--	07/30/02	99.99	1.720	1.735	25,998,757.78	Merrill Lynch
07/30/02	50,000,000	USTB	--	10/17/02	99.64	1.660	1.677	49,817,861.11	Legg Mason
07/30/02	30,000,000	FCDN	--	08/22/02	99.89	1.710	1.726	29,967,225.00	Mizuho Securities
07/30/02	50,000,000	UBSFIN CP	--	07/31/02	99.99	1.750	1.765	49,997,569.44	Lehman Brothers
07/30/02	50,000,000	UBSFIN CP	--	07/31/02	99.99	1.750	1.765	49,997,569.44	Lehman Brothers
07/31/02	35,000,000	FHDN	--	08/28/02	99.87	1.710	1.726	34,953,450.00	Mizuho Securities
07/31/02	15,000,000	FHDN	--	09/27/02	99.72	1.710	1.727	14,958,675.00	Mizuho Securities

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>
07/31/02	\$ 50,000,000	UBSFIN CP	--	08/01/02	99.99	1.830%	1.847%	\$ 49,997,458.33	Merrill Lynch
	<u>\$ 3,615,227,000</u>							<u>\$ 3,611,124,618.54</u>	

BEY - Bond Equivalent Yield

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

Sale of Securities

<b>Sale Date</b>	<b>Par Value</b>	<b>Description</b>	<b>Coupon Rate</b>	<b>Maturity Date</b>	<b>Sale Price</b>	<b>Discount Rate</b>	<b>Principal</b>	<b>Dealer</b>
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No transactions this period.

## 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>
BNP Paribas	07/01/02	07/02/02	\$ 4,020,000	1.850%	\$ 206.58
BNP Paribas	07/01/02	07/02/02	17,807,000	1.850	915.08
BNP Paribas	07/01/02	07/02/02	39,802,000	1.850	2,045.38
BNP Paribas	07/01/02	07/02/02	54,634,000	1.850	2,807.58
BNP Paribas	07/01/02	07/02/02	54,634,000	1.850	2,807.58
Mizuho Securities	07/02/02	07/08/02	3,607,000	1.700	1,021.98
Mizuho Securities	07/02/02	07/08/02	12,959,000	1.700	3,671.72
Mizuho Securities	07/02/02	07/08/02	26,121,000	1.700	7,400.95
Mizuho Securities	07/02/02	07/08/02	36,393,000	1.700	10,311.35
Greenwich Capital	07/08/02	07/09/02	8,227,000	1.730	395.35
Lehman Brothers	07/08/02	07/09/02	9,940,000	1.750	483.19
Greenwich Capital	07/08/02	07/09/02	17,973,000	1.730	863.70

## 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>
Greenwich Capital	07/08/02	07/09/02	\$ 25,590,000	1.730%	\$ 1,229.74
Lehman Brothers	07/08/02	07/09/02	51,530,000	1.750	2,504.93
Lehman Brothers	07/08/02	07/09/02	51,530,000	1.750	2,504.93
Daiwa Securties	07/09/02	07/10/02	7,713,000	1.740	372.80
Daiwa Securties	07/09/02	07/10/02	17,974,000	1.740	868.74
Daiwa Securties	07/09/02	07/10/02	23,245,000	1.740	1,123.51
Nomura Securties	07/10/02	07/11/02	6,551,000	1.730	314.81
Nomura Securties	07/10/02	07/11/02	7,257,000	1.730	348.74
Nomura Securties	07/10/02	07/11/02	22,943,000	1.730	1,102.54
Nomura Securties	07/10/02	07/11/02	48,951,000	1.730	2,352.37
Nomura Securties	07/10/02	07/11/02	48,951,000	1.730	2,352.37
BANC ONE	07/10/02	07/11/02	49,584,000	1.730	2,382.79

## 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>
BANC ONE	07/10/02	07/11/02	\$ 50,416,000	1.730%	\$ 2,422.77
Lehman Brothers	07/11/02	07/12/02	6,044,000	1.730	290.45
Lehman Brothers	07/11/02	07/12/02	6,368,000	1.730	306.02
Mizuho Securities	07/11/02	07/12/02	7,336,000	1.730	352.54
Mizuho Securities	07/11/02	07/12/02	18,524,000	1.730	890.18
Lehman Brothers	07/11/02	07/12/02	19,327,000	1.730	928.77
Mizuho Securities	07/11/02	07/12/02	48,561,000	1.730	2,333.63
Mizuho Securities	07/11/02	07/12/02	48,561,000	1.730	2,333.63
Mizuho Securities	07/11/02	07/12/02	48,561,000	1.730	2,333.63
Lehman Brothers	07/11/02	07/12/02	49,741,000	1.730	2,390.33
Lehman Brothers	07/11/02	07/12/02	51,530,000	1.730	2,476.30
Lehman Brothers	07/11/02	07/12/02	51,530,000	1.730	2,476.30

## 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 Securties	07/12/02	07/17/02	\$ 2,848,000	1.710%	\$ 676.40
Daiwa Securties	07/12/02	07/17/02	5,059,000	1.710	1,201.51
Daiwa Securties	07/12/02	07/17/02	12,442,000	1.710	2,954.98
Mizuho Securties	07/12/02	07/17/02	24,878,000	1.700	5,873.97
Mizuho Securties	07/12/02	07/17/02	48,561,000	1.700	11,465.79
Mizuho Securties	07/12/02	07/17/02	48,561,000	1.700	11,465.79
Daiwa Securties	07/12/02	07/17/02	49,693,000	1.710	11,802.09
Daiwa Securties	07/12/02	07/17/02	49,693,000	1.710	11,802.09
Daiwa Securties	07/12/02	07/17/02	49,693,000	1.710	11,802.09
Mizuho Securties	07/17/02	07/18/02	7,342,000	1.700	346.71
BNP Paribas	07/17/02	07/18/02	8,886,000	1.710	422.09
Lehman Brothers	07/17/02	07/18/02	27,837,000	1.710	1,322.26

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

## Repurchase Transactions (Cont.)

<b><u>Dealer</u></b>	<b><u>Purchase Date</u></b>	<b><u>Sale Date</u></b>	<b><u>Par Value</u></b>	<b><u>Interest Rate</u></b>	<b><u>Total Interest Earned</u></b>
Lehman Brothers	07/17/02	07/18/02	\$ 38,555,000	1.710%	\$ 1,831.36
Mizuho Securties	07/17/02	07/18/02	48,561,000	1.700	2,293.16
Mizuho Securties	07/17/02	07/18/02	48,561,000	1.700	2,293.16
BNP Paribas	07/17/02	07/18/02	48,824,000	1.710	2,319.14
Lehman Brothers	07/17/02	07/18/02	55,085,000	1.710	2,616.54
BNP Paribas	07/18/02	07/19/02	1,036,000	1.680	48.35
Mizuho Securties	07/18/02	07/22/02	5,618,000	1.660	1,036.21
Mizuho Securties	07/18/02	07/22/02	8,797,000	1.660	1,622.56
Mizuho Securties	07/18/02	07/22/02	22,632,000	1.660	4,174.35
BNP Paribas	07/18/02	07/19/02	48,436,000	1.680	2,260.35
Mizuho Securties	07/18/02	07/22/02	48,916,000	1.660	9,022.28
Mizuho Securties	07/18/02	07/22/02	48,916,000	1.660	9,022.28

## 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 Securities	07/18/02	07/22/02	\$ 48,916,000	1.660%	\$ 9,022.28
Lehman Brothers	07/18/02	07/19/02	50,000,000	1.700	2,361.11
BNP Paribas	07/18/02	07/19/02	50,291,000	1.680	2,346.91
BNP Paribas	07/18/02	07/19/02	51,564,000	1.680	2,406.32
Nomura Securities	07/19/02	07/22/02	2,441,000	1.670	339.71
UBS Warburg	07/19/02	07/22/02	3,456,000	1.670	480.96
Nomura Securities	07/19/02	07/22/02	48,608,000	1.670	6,764.61
UBS Warburg	07/19/02	07/22/02	48,848,000	1.670	6,798.01
UBS Warburg	07/19/02	07/22/02	48,848,000	1.670	6,798.01
UBS Warburg	07/19/02	07/22/02	48,848,000	1.670	6,798.01
Nomura Securities	07/19/02	07/22/02	48,951,000	1.670	6,812.35
Daiwa Securities	07/22/02	07/23/02	4,510,000	1.730	216.73

## 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>
BNP Paribas	07/22/02	07/23/02	\$ 13,787,000	1.730%	\$ 662.54
BNP Paribas	07/22/02	07/23/02	37,213,000	1.730	1,788.29
Daiwa Securties	07/22/02	07/23/02	50,674,000	1.730	2,435.17
Daiwa Securties	07/22/02	07/23/02	54,543,000	1.730	2,621.09
Daiwa Securties	07/22/02	07/23/02	57,711,000	1.730	2,773.33
Nomura Securties	07/23/02	07/24/02	5,956,000	1.720	284.56
Nomura Securties	07/23/02	07/24/02	5,992,000	1.720	286.28
Nomura Securties	07/23/02	07/24/02	8,772,000	1.720	419.11
Nomura Securties	07/23/02	07/24/02	48,571,000	1.720	2,320.61
Nomura Securties	07/23/02	07/24/02	48,571,000	1.720	2,320.61
Nomura Securties	07/23/02	07/24/02	48,571,000	1.720	2,320.61
BNP Paribas	07/24/02	07/25/02	2,030,000	1.730	97.55

## 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>
BNP Paribas	07/24/02	07/25/02	\$ 48,985,000	1.730%	\$ 2,354.00
BNP Paribas	07/24/02	07/25/02	48,985,000	1.730	2,354.00
UBS Warburg	07/24/02	07/25/02	51,135,000	1.730	2,457.32
UBS Warburg	07/24/02	07/25/02	51,269,000	1.730	2,463.76
UBS Warburg	07/24/02	07/25/02	55,546,000	1.730	2,669.29
Mizuho Securities	07/25/02	07/29/02	992,000	1.680	185.17
Mizuho Securities	07/25/02	07/29/02	2,707,000	1.680	505.31
Nomura Securities	07/25/02	07/26/02	5,784,000	1.720	276.35
Mizuho Securities	07/25/02	07/29/02	6,880,000	1.680	1,284.27
Nomura Securities	07/25/02	07/26/02	18,000,000	1.720	860.00
UBS Warburg	07/25/02	07/26/02	44,731,000	1.720	2,137.15
Mizuho Securities	07/25/02	07/29/02	48,561,000	1.680	9,064.72

## 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>
Mizuho Securities	07/25/02	07/29/02	\$ 48,561,000	1.680%	\$ 9,064.72
Mizuho Securities	07/25/02	07/29/02	48,561,000	1.680	9,064.72
Nomura Securities	07/25/02	07/26/02	48,608,000	1.720	2,322.38
Nomura Securities	07/25/02	07/26/02	48,608,000	1.720	2,322.38
Lehman Brothers	07/25/02	07/26/02	49,450,000	1.720	2,362.61
Lehman Brothers	07/25/02	07/26/02	50,550,000	1.720	2,415.17
UBS Warburg	07/25/02	07/26/02	52,022,000	1.720	2,485.50
UBS Warburg	07/25/02	07/26/02	53,247,000	1.720	2,544.02
BNP Paribas	07/26/02	07/29/02	2,086,000	1.680	292.04
Daiwa Securities	07/26/02	07/29/02	9,560,000	1.680	1,338.40
Daiwa Securities	07/26/02	07/29/02	27,757,000	1.680	3,885.98
BNP Paribas	07/26/02	07/29/02	48,957,000	1.680	6,853.98

## 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>
BNP Paribas	07/26/02	07/29/02	\$ 48,957,000	1.680%	\$ 6,853.98
Daiwa Securties	07/26/02	07/29/02	62,683,000	1.680	8,775.62
Lehman Brothers	07/29/02	07/30/02	20,000	1.730	0.96
Lehman Brothers	07/29/02	07/30/02	173,000	1.730	8.31
Mizuho Securties	07/29/02	07/30/02	4,317,000	1.740	208.66
Lehman Brothers	07/29/02	07/30/02	42,008,000	1.730	2,018.72
Mizuho Securties	07/29/02	07/30/02	48,561,000	1.740	2,347.12
Mizuho Securties	07/29/02	07/30/02	48,561,000	1.740	2,347.12
Mizuho Securties	07/29/02	07/30/02	48,561,000	1.740	2,347.12
Lehman Brothers	07/29/02	07/30/02	50,550,000	1.730	2,429.21
Lehman Brothers	07/29/02	07/30/02	50,550,000	1.730	2,429.21
Nomura Securties	07/30/02	07/31/02	1,890,000	1.730	90.83

## 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	07/30/02	07/31/02	\$ 26,437,500	1.750%	\$ 1,285.16 *
Nomura Securities	07/30/02	07/31/02	37,166,000	1.730	1,786.03
Nomura Securities	07/30/02	07/31/02	46,787,000	1.730	2,248.38
Nomura Securities	07/30/02	07/31/02	48,608,000	1.730	2,335.88
BNP Paribas	07/31/02	08/01/02	1,057,000	1.800	52.85
BNP Paribas	07/31/02	08/01/02	6,968,000	1.800	348.40
BNP Paribas	07/31/02	08/01/02	13,906,000	1.800	695.30
BNP Paribas	07/31/02	08/01/02	16,426,000	1.800	821.30
Mizuho Securities	07/31/02	08/01/02	28,400,000	1.770	1,396.33
BNP Paribas	07/31/02	08/01/02	32,131,000	1.800	1,606.55
BNP Paribas	07/31/02	08/01/02	46,569,000	1.800	2,328.45

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>
BNP Paribas	07/31/02	08/01/02	\$ 48,984,000	1.800%	\$ 2,449.20

\* 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>
Lehman Brothers	07/30/02	07/31/02	\$26,437,500.00	1.450%	\$1,064.84

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 July 1, 2002 through July 31, 2002, 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

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

Options Transactions - Sold

<b>Transaction Date</b>	<b>Par Value</b>	<b>Description</b>	<b>Price</b>	<b>Exercise Price</b>	<b>Expirations/ Settlement</b>	<b>Dealer</b>	<b>Option Premium</b>
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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 July 1, 2002 and July 31, 2002 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 July 31, 2002, the Port Authority has interest rate exchange contracts in place on notional amounts totaling \$755 million, including \$380 million pertaining to refundings and \$100 million of reversals.

**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 July 1, 2002 and July 31, 2002 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.

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Secretary