

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

COMMITTEE ON OPERATIONS

MINUTES

Thursday, March 20, 2003

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COMMITTEE ON OPERATIONS
225 Park Avenue South
New York, NY
Thursday, March 20, 2003**

PRESENT:

Hon. Charles A. Gargano, Chair
Hon. Anthony J. Sartor
Hon. Henry R. Silverman
Hon. Jack G. Sinagra, *ex officio*
Committee Members

Hon. Bruce A. Blakeman
Hon. Michael J. Chasanoff
Hon. David S. Mack
Hon. Raymond M. Pocino
Hon. David S. Steiner
Commissioners

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

Gwendolyn Archie, Staff Administrator, Office of the Secretary
Catherine Bergamini, Senior Administrator, Port Commerce
Kayla M. Bergeron, Director, Public Affairs
A. Paul Blanco, Chief of Regional and Economic Development
Bruce D. Bohlen, Treasurer
John D. Brill, Director, Audit
Gregory G. Burnham, Chief Technology Officer
Ernesto L. Butcher, Chief Operating Officer
Janice Chiantese, Special Advisor to the Chairman
Anthony B. Ciavolella, Public Information Officer, Public Affairs
Arthur J. Cifelli, Assistant Director, Government and Community Affairs
Steven J. Coleman, Public Information Officer, Public Affairs
Anthony G. Cracchiolo, Director, Priority Capital Programs
William R. DeCota, Director, Aviation
John C. Denise, Supervisor, Audio Visual/Photography, Operations Services
Michael P. DePallo, Director, PATH
Charles D. DeRienzo, Superintendent of Police/Director, Public Safety
Pasquale DiFulco, Public Information Officer, Public Affairs
Nancy J. Ertag-Brand, Executive Advisor to the Chief Financial Officer
Michael G. Fabiano, Comptroller
Linda C. Handel, Assistant Secretary
Edward L. Jackson, Director, Financial Services
Howard G. Kadin, Senior Attorney, Law
Kevin Kirchman, Assistant Director, Marketing and Communication, Public Affairs
Joshua Klevans, Executive Assistant to the Deputy Executive Director
Louis J. LaCapra, Chief Administrative Officer
Richard M. Larrabee, Director, Port Commerce
Francis J. Lombardi, Chief Engineer
Stephen Marinko, Attorney, Law
Gloria Martinez, Administrator, Office of the Secretary
Charles F. McClafferty, Chief Financial Officer

James E. McCoy, Manager, Board Management Support, Office of the Secretary
Allen M. Morrison, Supervisor, Public Affairs
Lynn A. Nerney, Staff Administrator, Office of the Secretary
Catherine F. Pavelec, Executive Assistant to the Secretary, Office of the Secretary
Michael A. Petralia, Chief of Public and Government Affairs
Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals
Alan L. Reiss, Deputy Director, Aviation
Edmond F. Schorno, Chief of Staff
Harry Spector, Deputy Director, Public Affairs
Gerald B. Stoughton, Assistant Director, Office of Forecasting and Capital Planning
Antoinette Tahan, Executive Secretary, Office of the Secretary
Tiffany A. Townsend, Public Information Officer, Public Affairs
Gregory J. Trevor, Senior Public Information Officer, Public Affairs
Sean P. Walsh, Director, Government and Community Affairs

Guests:

Noreen Giblin, Authorities Unit, Office of the Governor of New Jersey
Jay Hector, New York Empire State Development Corporation

Action on Minutes

The Secretary reported that the Minutes of the meeting of November 21, 2002 had been signed and distributed to the Commissioners and staff.

Whereupon, the Committee approved the Minutes of the meeting of November 21, 2002.

HUDSON-RARITAN ESTUARY RESOURCES PROGRAM – REIMBURSEMENT OF ACQUISITION COSTS FOR THE BLISSENBACH PROPERTY, STATEN ISLAND, NEW YORK

It was recommended that the Committee on Operations (Committee) approve the substantive terms of an agreement with the Trust for Public Land (TPL) which provides for the Port Authority to reimburse TPL for the cost of TPL's purchase of certain real property known as the Blissenbach Property (Property), at a cost of \$3,525,000, an amount deemed to be fair market value, subject to a perpetual encumbrance for the benefit of the Port Authority created in a manner satisfactory to the Port Authority, either through a conservation easement or through restrictive covenants. The cost figure for the acquisition of the Property excludes costs and expenses, to be borne by TPL, related to the execution of all documents and any environmental studies and investigations, appraisals, surveys, title searches and title insurance necessary or incidental to such acquisition, property improvements and transfers of property interests in connection therewith.

On July 26, 2001, the Board authorized the Executive Director and/or General Counsel, either one acting individually, to acquire, for and on behalf of the Port Authority, one or more sites in New York and New Jersey in the Port District areas of the Hudson-Raritan Estuary which may be identified by Port Authority staff as suitable for conservation, ecological enhancement, public access or environmental mitigation in support of Port Redevelopment, Economic Development and other Port Authority Capital Programs, in each case, with the final details of the acquisition to be presented to the Committee for approval prior to the acquisition. At the November 21, 2002 meeting of the Board, the Hudson-Raritan Estuary Resources Program was certified as a Port Authority facility.

The Property, located in Staten Island, New York, has been identified as suitable for conservation and public access. Acquisition of this site would provide rich estuarine wildlife habitat and community waterfront access in support of Port Redevelopment, Economic Development and other Port Authority Capital Programs by long-term preservation of this site through conservation easements, and/or restrictive covenants with not-for-profit organizations and governmental national resource agencies or municipalities. Additionally, acquisition of this site would advance the Port Authority's pursuit of strategic land acquisitions that may become necessary to assure the timeliness and cost effectiveness of facility expansion and redevelopment in the face of community concerns over loss of public access and natural resource areas and facility operational impact. The acquired Property will be included in the Port Authority's Hudson-Raritan Estuary Resources Program facility.

The agreement with TPL would enable TPL to purchase the Property from its fee owner. As a condition of the reimbursement, TPL has agreed to convey the Property to the New York City Parks & Recreation Department, subject to a perpetual encumbrance for the benefit of the Port Authority in a manner satisfactory to the Port Authority, either through a conservation easement or through restrictive covenants. The Port Authority has no obligation to provide any funds for environmental clean-up. Closing on the purchase of the Property is expected no later than July 2003.

Pursuant to the foregoing report, the following resolution was adopted by the Committee in executive session with Commissioners Gargano, Sartor, Silverman, and Sinagra voting in favor; none against:

RESOLVED, that the substantive terms of the agreement reached with the Trust For Public Lands to reimburse Trust For Public Lands for the cost to purchase certain real property known as the Blissenbach Property, located in Staten Island, New York for inclusion in the Port Authority's Hudson-Raritan Estuary Resources Program facility be and they hereby are approved.

HOWLAND HOOK MARINE TERMINAL – HOWLAND HOOK CONTAINER TERMINAL, INC. – LEASE AMENDMENT – HHT-4

At its meeting held on June 2, 2000, the Board authorized an agreement amending the lease with Howland Hook Container Terminal, Inc. covering the Howland Hook Marine Terminal, subject to the review and approval of the final terms of the agreement by the Committee on Operations.

Pursuant to the foregoing report, the following resolution was adopted by the Committee with Commissioners Gargano, Sartor, Silverman and Sinagra 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 Howland Hook Container Terminal, Inc. (HHCT) amending HHCT's lease covering the Howland Hook Marine Terminal to: (1) eliminate the minimum annual container/non-container cargo throughput rentals; (2) eliminate the existing container throughput rental; (3) provide for a basic rental and throughput rental; (4) provide for rental credits until beneficial use of certain improvements are available to HHCT; and (5) provide for the Port Authority's maintenance obligations with respect to deepened berths at the Howland Hook Marine Terminal, substantially in accordance with the terms and conditions outlined to the Committee; the form of the agreement shall be subject to the approval of General Counsel or his authorized representative.

Whereupon, the meeting was adjourned.

Secretary