

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Thursday, December 7, 2017

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**MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday,
December 7, 2017 at 2 Montgomery Street, City of Jersey City, County of Hudson, State of New Jersey**

PRESENT:

NEW JERSEY

Hon. Kevin J. O'Toole, Chairman
Hon. Richard H. Bagger
Hon. Raymond M. Pocino
Hon. Caren Z. Turner

NEW YORK

Hon. Jeffrey H. Lynford, Vice Chairman
Hon. Leecia R. Eve
Hon. Daniel J. Horwitz
Hon. Gary LaBarbera
Hon. George T. McDonald
Hon. Rossana Rosado

Richard Cotton, Executive Director
Michael E. Farbiarz, General Counsel
Karen E. Eastman, Secretary

Arnaz Ali, Manager, Corporate Transparency, Office of the Secretary
Carol Bennett, Assistant Director, Capital Planning, Chief of Capital Planning, Execution
and Asset Management
Justin E. Bernbach, Director, Government and Community Affairs, New York
John Bilich, Chief Security Officer
Frantz Bricourt, Supervising Budget Analyst, Management and Budget
Molly C. Campbell, Director, Port
Steven Cohen, Senior Property Representative, Real Estate Services
Steven J. Coleman, Deputy Director, Media Relations
Janet Cox, Director, Management and Budget
Natasha Jean Philipp-Cumberbatch, Executive Secretary, Office of the Secretary
Gerard Del Tufo, Assistant Director, Development and Operations, Real Estate Services
John C. Denise, Audio Visual Supervisor, Marketing
Michael Dombrowski, Audio Visual Specialist, Marketing
Diannae C. Ehler, Director, Tunnels, Bridges and Terminals
Michael A. Fedorko, Director, Public Safety/Superintendent of Police
Amy Fisher, First Deputy General Counsel
Robert E. Galvin, Chief Technology Officer
Linda C. Handel, Deputy Secretary, Office of the Secretary
Mary Lee Hannell, Chief, Human Capital
Cristina M. Lado, Director, Government and Community Affairs, New Jersey
Huntley A. Lawrence, Director, Aviation
Annesa Lau, General Manager, Budget Performance and Analysis, Management and Budget
Andrea Leconte, Senior Business Manager, Office of the Secretary
John H. Ma, Chief of Staff to the Executive Director
Michael P. Marino, Director, Rail Transit
Ronald Marsico, Director, Media Relations

Michael G. Massiah, Chief Diversity and Inclusion Officer
 Hugh G. McCann, Director, World Trade Center Operations
 Daniel G. McCarron, Comptroller
 Elizabeth M. McCarthy, Chief Financial Officer
 James E. McCoy, General Manager, Board Unit, Office of the Secretary
 David McGrath, Manager, Marketing and Communications, Marketing
 Maria Oliveri, Associate Board Management and Support Specialist, Office of the Secretary
 Annie O. Persaud, Deputy Director, Management and Budget
 Steven P. Plate, Chief, Major Capital Projects
 Suchetha Premchan, Principal Board Management and Support Specialist, Office of the Secretary
 Alan L. Reiss, Director, World Trade Center Construction
 Peter D. Simon, Chief of Staff to the Chairman
 K. Ocean Stokes, Senior Business Manager, Engineering
 James A. Starace, Chief Engineer/Director of Engineering
 Derek Utter, Chief Development Officer
 Lillian D. Valenti, Chief Procurement and Contracting Officer
 Sheree R. Van Duyne, Manager, Policies and Protocol, Office of the Secretary

Guest:

Mary Maples, Associate Counsel, Authorities Unit, Office of the Governor of New Jersey

Speakers:

Selwyn Baptiste, SEIU 32BJ
 Johnathan Bryan, SEIU 32BJ
 Michael DeFrietas, SEIU 32BJ
 Dennis Diaz, Unite Here Local 100
 Margaret Donovan, The Twin Towers Alliance
 Yvonne Garrett Moore, MVP Public Relations
 Reverend Timothy Graff, Archdiocese of Newark
 Bruce Hain, Rail NYC Access
 Louis Heimbach, Chairman Stewart Airport Commission
 Patrick Jean, Unite Here Local 100
 Demetrius Lucky, SEIU 32BJ
 Deborah Sinico
 Scott Spencer, Empire State Gateway
 Charlene Talarico, Port Authority
 Beverly Thompson, Unite Here Local 100
 Christina Watson, SEIU 32BJ
 Neile Weissman, Complete George

Topic:

Airport Wages
 Airport Wages
 Airport Wages
 Airport Wages
 Transparency
 Newark Economic Development
 Airport Wages
 2018 Budget
 SWF FIS Facility Funding
 Airport Wages
 Airport Wages
 PATH Service
 Hudson Tunnel Project
 HR Policies
 Airport Wages
 Airport Wages
 Widening GWB Bike Path

The public meeting was called to order by Chairman O'Toole at 12:39 p.m. and ended at 2:18 p.m. The Board also met in executive session prior to the public session.

Report on Prior Meeting's Minutes

Copies of the Minutes of the meeting of November 16, 2017 were delivered to the Governors of New York (in electronic form) and New Jersey (in paper form) on November 17, 2017. The time for action by the Governors of New York and New Jersey had expired at midnight on December 4, 2017.

2018 BUDGET

Consistent with longstanding Port Authority policy and in keeping with governance best practices, the proposed 2018 Budget is being presented to the Board for its consideration. The proposed 2018 Budget provides for capital and operating expenditures during calendar year 2018 necessary to achieve the Port Authority's goals and objectives.

The proposed 2018 Budget would allocate approximately \$3.2 billion for ongoing operations, maintenance and security at all agency facilities. It represents a fiscally disciplined approach that ensures the agency's continuous safe and secure operation and proper maintenance of an extensive network of transportation assets. The proposed Budget represents an increase of approximately \$61 million, or 1.9 percent, in operating expenses over the prior year's budget, in line with the rate of inflation.

The Budget projects that these expenses would be more than offset by increased revenues of approximately \$127 million, representing an increase of 2.5 percent in comparison to the 2017 Budget. This projected revenue increase is driven primarily by anticipated higher revenues from aviation facilities, as well as higher rental income at the World Trade Center (WTC) site and our port facilities. The revenue projection assumes that the tolls at vehicular crossings and Port Authority Trans-Hudson rail system (PATH) fares in place on December 7, 2017 will be unchanged in 2018.

Highlights of the operating expenses allocations in the proposed 2018 Budget are:

- \$726 million to ensure safety and security at Port Authority facilities, a \$20 million increase over the 2017 budgeted amount -- the largest single increase in the proposed budget. The budget includes the addition of new counterterrorism police posts at the airports, the addition of new Port Authority Police Department (PAPD) supervisory officer positions, and the commencement of two PAPD police classes in 2018, totaling an estimated 270 new police officers.
- \$1.59 billion to operate and maintain the agency's infrastructure operations, reflecting a \$17 million increase in operating costs across all facilities over the 2017 Budget, and an \$11 million increase in maintenance costs driven by additional facilities coming into operation in 2018 at the WTC site.
- \$392 million for ongoing management services, a decrease of 2.1 percent from 2017, as an offset to increases elsewhere.
- \$396 million for payments to local municipalities and other landlords in return for the use of facilities or property, a \$12 million increase over 2017 levels, resulting primarily from the increased occupancy and construction completion at the WTC site, leading to higher payments-in-lieu-of-taxes to New York City (offset by increased revenues in 2018 and future years from these facilities.)

The operating expenses component of the proposed 2018 Budget also includes funding for a number of initiatives and projects that align with key priorities across the Port Authority's businesses, including: (1) continued enhancement of security (covering both security at Port Authority facilities and cyber-security) and preparedness; (2) maintaining a focus on customer service in the operation of all Port Authority facilities; (3) increasing investment in sustainability and environmental protection initiatives; and (4) improving the Port Authority's use of technology across the board – both to enhance customer service and improve efficiency of operations.

In addition to providing for operating expenses in the amount of approximately \$3.2 billion, the proposed 2018 Budget includes approximately \$1.3 billion for debt service charged to operations and \$0.2 million for deferred expenses and other programs. The Port Authority is projecting a surplus of revenues after operating expenses and debt service of \$1.5 billion, an increase of \$12 million, or 0.8 percent, in comparison to the 2017 Budget, that, together with bond proceeds and other sources, will be available to support the \$3.4 billion capital program proposed in the 2018 Budget.

The proposed capital program represents an investment plan to develop and operate transportation facilities and services that contribute to regional economic growth and prosperity, through significant state-of-good-repair work at our tunnels, bridges, airports and PATH system, while undertaking major projects to replace aging facilities with modern, state-of-the-art infrastructure. The 2018 Budget capital program is in accord with the 2017-2026 Capital Plan adopted by the Board of Commissioners in February 2017.

Highlights of 2018 Budget allocations in support of the proposed capital program include:

- \$1.1 billion to redevelop the region's airports and ensure that they are prepared for the future. At LaGuardia Airport (LGA), construction continues on the entirely new, redeveloped airport. Planning and design for the LGA AirTrain continues. At Newark Liberty International Airport, investment continues for the redevelopment of Terminal A into the new state-of-the-art Terminal One. Planning and design for the extension of PATH to the AirTrain Newark Station continues. At John F. Kennedy International Airport, planning continues to advance the Vision Plan of Governor Cuomo's Airport Advisory Panel for the redevelopment of the airport, encompassing new and interconnected terminals, relocated state-of-the-art cargo facilities and a new roadway configuration for reduced congestion.
- \$55 million for further planning and design activities for a new Port Authority Bus Terminal. Procurement is currently under way to select an environmental and architectural and engineering consultant, so that environmental review activities can begin in 2018.
- \$432 million for upgrades to Trans-Hudson vehicular crossings, including: continued advancement of the Bayonne Bridge Navigational Clearance Program construction and the commencement of components of the George Washington Bridge suspender rope replacement program.

- \$71 million for PATH's Signal System Replacement Program, and the continuation of PATH station and equipment modernization programs. It is expected that, by the end of 2018, Positive Train Control (PTC) will be fully operational, in compliance with a federal mandate requiring PTC by the end of next year.
- \$55 million for the Express-Rail intermodal container transfer facilities at the Port Jersey-Port Authority Marine Terminal.
- \$17 million to support continued planning activities for the Gateway Program, consistent with the Port Authority's commitment to pay debt service on \$2.7 billion under its ten-year capital plan, as part of the bi-state region's commitment to this critical project.

The proposed 2018 Budget continues to assume uninterrupted payments from tenants at all facilities, as specified in their lease agreements. The proposed 2018 Budget also provides for direct assistance to the two States for transportation and economic development projects, consistent with statutory, contractual and other commitments of the Port Authority, including agreements with the holders of its obligations.

A provision also is included to reimburse the States of New York and New Jersey for up to \$295,000 of expenses incurred by each of the two States, including staff costs, in reviewing the 2018 Budget.

The Executive Director would implement the 2018 Budget in conjunction with his authority under the By-Laws and other applicable authorizations, and take action with respect to professional, technical, or advisory services, contracts for maintenance and services, construction, commodities (materials, equipment and supplies) and utilities purchases, leasing of equipment, the purchase of insurance, and other actions, including staffing, personnel benefit, classification, range and procedural adjustments.

The Executive Director would effectuate capital plan spending in conjunction with his authority under the By-Laws, and other applicable authorizations, consistent with the proposed 2018 Budget and capital program projections, primarily through the use of Port Authority debt obligations and the Consolidated Bond Reserve Fund. As such, it would be desirable to establish the maximum limit on Consolidated Bond Reserve Fund applications to be used for such purposes, in an amount not to exceed \$2.6 billion (after reimbursement for temporary applications).

The Port Authority's facilities enhance the region's competitiveness and prosperity by providing transportation services that efficiently move people and goods within the region and facilitate access to the nation and the world. The Port Authority strives to better coordinate terminal, transportation and other facilities of commerce in the New York-New Jersey metropolitan region surrounding the Port of New York and New Jersey, and does so by identifying and meeting the critical transportation infrastructure needs that support bi-state commerce, as well as trade in both goods and services between the region and the rest of the nation and world.

The agency meets its responsibility primarily through planning, constructing, financing, and operating trade and transportation infrastructure. It does so within the context of objectives

that include enhancing safety and security, implementing new technologies, maintaining and enhancing infrastructure, advancing the delivery of capital programs, increasing agency cost effectiveness, pursuing improvements in regional mobility, and advancing regional economic competitiveness.

The Executive Director's authority, pending final adoption and approval of the annual Budget each year, to make expenditures and undertake contractual commitments, also would be confirmed.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bagger, Eve, Horwitz, LaBarbera, Lynford, McDonald, O'Toole, Pocino, Rosado and Turner voting in favor. General Counsel confirmed that sufficient affirmative votes were cast for the action to be taken, a quorum of the Board being present.

RESOLVED, that the 2018 Budget of The Port Authority of New York and New Jersey, as set forth below, be and the same hereby is approved and adopted, including authority for the Executive Director, pending final adoption of the annual Budget each year, to make expenditures and undertake contractual commitments:

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
Including Its Component Units
2018 BUDGET

<i>(in thousands)</i>	Operating	Capital	Debt Service, Deferrals & Other	Total
Chief, Capital Planning, Execution & Asset Management	\$938	\$ -	\$ -	\$938
Business Diversity and Civil Rights	5,201	-	-	5,201
Environmental & Energy Programs	5,088	-	-	5,088
Ferry Transportation	632	-	-	632
Planning & Regional Development	4,814	-	-	4,814
Project Management	387	8,712	-	9,099
World Trade Center Operations	178,149	151,469	-	329,618
Chief, Human Capital				
Human Resources	27,038	-	-	27,038
Labor Relations	2,461	-	-	2,461
Chief, Major Capital Projects / WTC Construction	10,888	253,838	1,244	265,970
Chief, Procurement & Contracting Officer	14,479	1,252	-	15,731
Chief, Public & Government Affairs	272	-	-	272
Government & Community Affairs	4,376	-	-	4,376
Media Relations	2,830	-	-	2,830
Marketing	9,160	-	-	9,160
Chief, Real Estate & Development	1,943	-	-	1,943
Real Estate & Development	25,843	6,131	4,456	36,430 (1)
Chief Technology Officer	86,643	-	34,046	120,689
Chief Engineer	88,635	272,619	-	361,254
Capital Construction Contracts	-	542,052	-	542,052
Chief Financial Officer	3,864	-	-	3,864
Comptroller	14,066	-	-	14,066
Management & Budget	6,620	-	-	6,620
Financial Planning	2,571	1,200	-	3,771
Treasury	13,416	212,267	-	225,683
Chief Operating Officer	8,631	-	6,500	15,131
Aviation	782,693	681,541	7,551	1,471,785
Port	81,208	21,296	-	102,504
Rail Transit	236,479	168,044	-	404,523
Tunnels, Bridges & Terminals	244,090	654,648	14,506	913,244
Operations Services	52,708	9,216	106,256	168,180 (1)
Executive Director	1,559	-	-	1,559
Deputy Executive Director	1,255	-	-	1,255
General Counsel / Law	31,132	2,785	976	34,893
Chief Compliance Officer	1,118	-	-	1,118
Inspector General / Office of Investigations	15,767	9,472	-	25,239
Audit	9,878	4,269	-	14,147
Office of Continuous Improvement	1,052	-	-	1,052
Secretary	6,880	-	-	6,880
Chief Security Officer	15,015	3,697	-	18,712
Emergency Management	10,950	-	-	10,950
Security Operations & Program	92,250	11,255	4,138	107,643
World Trade Center Security	35,410	3,697	810	39,917
Port Authority Police / Public Safety	494,861	-	6,023	500,884
Corporate Expenditures:				
Amounts in Connection with Operating Asset Obligations	12,921	-	-	12,921
Debt Service Allocated to Operations & Capitalized Interest	-	218,909	1,250,527	1,469,436
Insurance Premiums & Self Insured	121,522	33,058	-	154,580
Municipal Rents and Payments in Lieu of Taxes (PILOT)	362,144	-	-	362,144
Port Authority Insurance Captive Entity, LLC (PAICE)	451	-	-	451
Corporate Allocations	(19,219)	48,264	2,161	31,206
Regional Programs	3,097	60,200	-	63,297
Special Project Bonds	79,080	-	-	79,080
Total Port Authority Budget	\$3,193,246	\$3,379,891	\$1,439,194	\$8,012,331

(1) Net after interdepartmental chargebacks to other departments.

; and it is further

RESOLVED, that, based upon a requisition of the Governor of the State of New York or the Governor of the State of New Jersey, or the duly authorized designee of each, the Port Authority shall pay to the State of New York or the State of New Jersey, or both, upon receipt of an appropriate expenditure plan from said State, an amount not in excess of \$295,000 to each said State to reimburse said State or States for expenses incurred by said State or States, including staff costs, in reviewing the annual Budget of the Port Authority and any amendments thereto; and it is further

RESOLVED, that the provision by the Executive Director of portions of the Port Authority's capital program from time to time, consistent with the 2018 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 2018 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 \$2.6 billion (after reimbursement for temporary applications).

NEWARK LIBERTY INTERNATIONAL AIRPORT – TERMINAL A REDEVELOPMENT – AUTHORIZATION OF FUNDING FOR LANDSIDE AND AIRSIDE ELEMENTS, AUTHORIZATION TO ENTER INTO AGREEMENT(S) TO FUND A CONSOLIDATED RENTAL CAR FACILITY FEASIBILITY ANALYSIS, AND AUTHORIZATION OF ADDITIONAL AIRSIDE AND LANDSIDE PROJECTS

It was recommended that the Board authorize: (1) the expenditure of approximately \$496 million to implement certain landside and airside elements of the Newark Liberty International Airport (EWR) Terminal A Redevelopment Program (Program), which amount is within the estimated total Program cost of \$2.3 billion; (2) the Executive Director to award Contract EWR 154.383 to Tilcon New York, Inc. for the construction of airside utilities and paving of the airfield pavement as part of the Program, at a total estimated construction cost of \$27.8 million; (3) the Executive Director to enter into agreement(s) with the car rental companies operating at EWR (EWR RACs), including: Avis Rent A Car System, Inc.; Budget Rent A Car System, Inc.; Payless Rental Car, Inc.; The Hertz Corporation; DTG Operations, Inc. d/b/a Dollar Car Rental; DTG Operations, Inc. d/b/a Thrifty Car Rental; Elrac, LLC d/b/a Enterprise Rent-A-Car; Elrac, LLC d/b/a National Car Rental; Elrac, LLC d/b/a Alamo Rent A Car; and Advantage Opco LLC d/b/a Advantage Rent A Car, or a contractor selected by the EWR RACs, to jointly fund a study to assess the feasibility of a consolidated rental car facility (ConRAC) and an integrated facility composed of a ConRAC and a Port Authority-owned and operated public parking garage (Integrated Facility) at EWR, which agreement(s) would specify the elements of the feasibility study required by the Port Authority and the EWR RACs, commit the Port Authority to pay a portion of the costs of the feasibility study (not to exceed \$8 million), and commit the EWR RACs to pay for the remaining costs of the feasibility study; (4) two additional projects that are outside the scope of the Program, but would be implemented through contractors retained to implement airside and landside components of the Program, specifically: (a) a project for the design and construction of a 40-acre airfield (South Airfield Paving Project), at a total estimated project cost of \$175 million; and (b) a project for the design and construction of 42 footings for a future AirTrain Newark alignment (AirTrain Footings Project), at a total estimated project cost of \$75 million; and (5) the Executive Director to: (a) increase, by an estimated \$5 million, the amount of Contract EWR 154.392 with D'Annunzio & Sons, Inc. for the construction of new bridges to connect to the new Terminal A, in order to incorporate three of the necessary AirTrain footings and utility infrastructure, which would result in a total authorized contract amount of approximately \$73.5 million; (b) submit an application to the Federal Aviation Administration (FAA) for permission to collect and use up to \$350 million in Passenger Facility Charges to recover expenditures associated with the Program; and (c) take action with respect to the airside and landside elements, the South Airfield Paving Project, and the AirTrain Footings Project, for the award and modification of all agreements (including, but not limited to: construction contracts; professional, technical and advisory services agreements, and other such contracts and agreements) required to execute the work in support of the implementation of the Program and those projects.

Terminal A opened for air passenger traffic in 1973. It no longer meets the standards of a modern airport, is at the end of its useful life, and is in need of significant investment to maintain a state of good repair. In addition, Terminal A is at its capacity to meet today's demands for frontage, building and airside space.

On March 24, 2016, the Board authorized the Program, which consisted of four overarching program elements – landside, airside, parking complex, and passenger terminal – at an estimated total Program cost of \$2.3 billion. As part of this action, the Board authorized the expenditure of \$196.3 million (exclusive of \$25 million previously authorized for design services to support the Program) to implement certain elements of the Program, with the expenditure of additional funds to implement other Program elements subject to future Board authorization. Authorization of the currently proposed expenditure of an additional \$496 million would bring the total Program expenditures authorized to date to approximately \$717 million and allow for the implementation of certain airside and landside elements of the Program. The terminal and parking garage elements of the Program would remain subject to future Board authorization.

The airside and landside components of the Program would provide for the completion of the following work: hazardous material abatement and the demolition of Building 331 and paving of the site; construction of the N64 Bridge and retaining wall and the widening of the Hotel Roadway and connecting roadway work; construction of three new bridge structures (N61, N62 and N63), which would connect the new Terminal with the Central Terminal Area; completion of 33 acres of airfield work on the southern portion of the site and approximately 65 acres of airfield work, including milling of existing pavement, re-grading, installation of drainage, repaving, striping, airfield signage, taxi lane lighting and installation of a glycol collection system.

In April 2016, the FAA revised its rules concerning the allocation of takeoff and landing slots and reclassified EWR as a “Level 2” airport, which allowed for the scheduling of additional flights. As a result, EWR has experienced domestic air traffic growth that far exceeded what was forecast during the development of the Program’s scope. This unprecedented growth increases the complexities of the construction staging and phasing for the Program. The provision of additional aircraft parking would help accommodate this unprecedented growth while mitigating the impacts of construction on airport operations.

On April 30, 2015, the Board authorized planning for the future replacement of AirTrain Newark. Conceptual designs have indicated that future footings for a new AirTrain alignment would be located within the right-of-way of bridges and roadways being constructed as part of the Program. Due to the peripheral ditch and protected riparian zone in the vicinity, relocating the footings is not possible. The design and construction of the AirTrain Footings Project would avoid future shutdowns of the frontage roadway of the new terminal and mitigate negative impacts on stakeholders and the travelling public, beginning with the proposed increase to Contract EWR 154.392, in order to incorporate three of the necessary footings and associated utility infrastructure.

Although the South Airfield Paving Project and AirTrain Footings Project are independent of the Program, both would be implemented concurrently with the Program, in order to leverage cohesive design, minimize potential conflicts between contractors and ensure uninterrupted airport operations.

Under the Program, it is anticipated that contracts associated with the construction of Bridge N64 and hotel roadway widening, and the construction of Bridges N61, N62, and N63 would be awarded in 2018; a contract for the construction of airside paving would be awarded in 2019; and a contract for the demolition of concourses of the existing Terminal A and the construction of additional airside paving elements would be awarded in 2020. Additional

agreements for professional, technical and advisory services, including architectural and engineering services, in support of the projects would be requested as needed.

The EWR RACs are located on the west side of the airport and are accessible via AirTrain Newark. Although existing rental car facilities are located adjacent to one another at EWR, each rental car company maintains and operates a separate facility. In 2016, the EWR RACs approached the Port Authority to explore the construction and operation of a ConRAC that would have the potential to significantly improve the rental car experience for customers, provide for increased future rental car capacity, improve operating and maintenance functions, and simplify travel between rental car facilities and passenger terminals at EWR.

If, following the feasibility study, the creation of a ConRAC is determined to be feasible, such facility would provide customers with the ability to conveniently compare the competitive service offerings of the EWR RACs at one location, with improved service levels due to increased facility capacity and availability of vehicles. Additionally, to the extent the Integrated Facility is feasible, the public parking garage would be an efficient, cost-effective manner for the Port Authority to provide public parking. A ConRAC facility at EWR also would benefit future airport development, because existing on-airport rental car properties would become available for other uses upon the expiration of the existing leases in 2026, and would reduce rental car traffic on roadways.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bagger, Eve, Horwitz, LaBarbera, Lynford, McDonald, O'Toole, Pocino, Rosado and Turner voting in favor. General Counsel confirmed that sufficient affirmative votes were cast for the action to be taken, a quorum of the Board being present.

RESOLVED, that the expenditure of approximately \$496 million to implement certain landside and airside elements of the Newark Liberty International Airport (EWR) Terminal A Redevelopment Program (Program), which amount is within the estimated total Program cost of \$2.3 billion, be and it hereby is authorized; and it is further

RESOLVED, that a project for the design and construction of a 40-acre airfield at EWR (South Airfield Paving Project), at a total estimated project cost of \$175 million, and a project for the design and construction of 42 footings for a future AirTrain Newark alignment (AirTrain Footings Project), at a total estimated project cost of \$75 million, be and they hereby are authorized; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and behalf of the Port Authority, to enter into agreement(s) with the rental car companies operating at EWR (EWR RACs), or a contractor selected by the EWR RACs, to jointly fund a study to assess the feasibility of a consolidated rental car facility (ConRAC) and an integrated facility composed of a ConRAC and a Port Authority-owned and operated public parking garage at EWR, which agreement(s) shall specify the elements of the feasibility study required by the Port Authority and the EWR RACs, commit the Port Authority to pay a portion of the costs of the feasibility study (not to exceed \$8 million), and commit the EWR RACs to pay for the remaining costs of the feasibility study; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to: (1) award Contract EWR 154.383 to Tilcon New York, Inc. for the construction of airside utilities and paving of the airfield pavement, at a total estimated construction cost of \$27.8 million, as part of the Program; (2) increase, by an estimated \$5 million, the amount of Contract EWR 154.392 with D'Annunzio & Sons, Inc. for the construction of new bridges to connect to the new Terminal A, in order to incorporate three of the necessary AirTrain footings and utility infrastructure, which would result in a total authorized contract amount of approximately \$73.5 million; (3) submit an application to the Federal Aviation Administration for the collection and use of up to \$350 million in Passenger Facility Charges to recover expenditures associated with the Program; and (4) take action with respect to the airside and landside elements, the South Airfield Paving Project, and the AirTrain Footings Project, for the award and modification of all agreements (including, but not limited to: construction contracts, professional, technical and advisory services agreements, and other such contracts and agreements) required to execute the work in support of the implementation of the Program and those projects; and it is further

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

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

CROSS HARBOR FREIGHT MOVEMENT PROGRAM – PERFORMANCE OF TIER II ENVIRONMENTAL REVIEW AND AWARD OF AGREEMENTS

It was recommended that the Board authorize: (1) the Port Authority to undertake a Tier II Environmental Review of the two Preferred Alternatives identified in the Cross Harbor Freight Movement Program (CHFMP) Tier I Environmental Impact Statement (EIS) for reducing truck traffic on the regional roadway network, at an estimated total cost of approximately \$35 million; and (2) the Executive Director to award: (a) an agreement for the performance of planning, environmental, and engineering services in support of the development of a CHFMP Tier II Environmental Review, on an “as-needed” basis through December 2020, through a publicly advertised competitive procurement process, at an estimated cost of \$25.1 million, inclusive of extra work; and (b) an agreement for the performance of program and project support services in support of the development of a CHFMP Tier II Environmental Review, on an “as-needed” basis through December 2020, through a publicly advertised competitive procurement process, at an estimated cost of \$1.9 million, inclusive of extra work.

At its meeting of October 18, 2007, the Board authorized the Executive Director to undertake a multi-modal Regional Goods Movement Improvement Program. That authorization included assuming sponsorship of the EIS for the CHFMP, with expenditures to conduct the EIS not to exceed \$10 million, to be funded through: (a) acceptance of unspent federal funds made available to the prior sponsor of the EIS; and (b) acceptance of additional federal funds made available from the Safe, Accountable, Flexible, Efficient Transportation Equity Act: Legacy for Users (SAFETEA-LU) earmark, with the Port Authority to fund the 20-percent local match of the total project cost. At its meeting of June 24, 2015, the Board, among other things, increased the amount of expenditures authorized for the EIS by approximately \$500,000.

The Port Authority, together with its federal partners, is preparing an EIS to determine how to make the movement of freight across the New York/New Jersey Harbor more efficient. This work is part of the Port Authority’s long-term initiative to examine ways to reduce truck traffic, thereby increasing the region’s economic competitiveness, decreasing traffic congestion, and reducing pollution and greenhouse gas emissions. The EIS is being prepared in two stages, or “tiers,” under the National Environmental Policy Act (NEPA).

Tier I of the EIS examined various alternatives for improving the movement of freight, concentrating on regional benefits and a high-level review of potential environmental effects. Twenty-seven alternatives were identified initially. The purpose of the Tier I effort was to narrow down the list of alternatives considered to a smaller set of “Preferred Alternatives,” which would then be taken into Tier II for a more detailed analysis of environmental effects on local communities, including an assessment of potential mitigation measures, where appropriate.

In November 2014, the Port Authority and the federal lead agency for Tier I, the Federal Highway Administration (FHWA), released the Tier I Draft EIS, which examined 10 build alternatives, as well as a “No Build” Alternative, as required by law. Following extensive public outreach and public comment processes, the Port Authority and FHWA released a Tier I Final EIS in September 2015, which recommended two Preferred Alternatives – the Enhanced Railcar Float Alternative and the Rail Tunnel Alternative – for advancement to Tier II. In January 2016, FHWA issued a Tier I Record of Decision, concluding that the Enhanced Railcar Float Alternative and Rail Tunnel Alternative should be advanced to Tier II for further study, including a detailed assessment of potential environmental effects on local communities along the study corridor.

Work to be undertaken as part of the CHFMP Tier II Environmental Review would provide the Port Authority and other regional agencies with information regarding the financial, economic, environmental, and social costs and benefits of the two Preferred Alternatives. The Enhanced Railcar Float Alternative includes investments in the current carfloat operation, such as new transfer bridges, carfloats, locomotives, and track, to accommodate additional volume beyond the “No Build” Alternative. The Rail Tunnel Alternative is a tunnel under the New York/New Jersey Harbor that would run approximately four miles from Jersey City, New Jersey, to Brooklyn, New York. The tunnel would significantly increase rail capacity across the harbor, beyond the “No Build” and Enhanced Railcar Float Alternatives.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bagger, Eve, Horwitz, LaBarbera, Lynford, McDonald, O’Toole, Pocino, Rosado and Turner voting in favor. General Counsel confirmed that sufficient affirmative votes were cast for the action to be taken, a quorum of the Board being present.

RESOLVED, that a Tier II Environmental Review of the two Preferred Alternatives identified in the Cross Harbor Freight Movement Program (CHFMP) Tier I Environmental Impact Statement for reducing truck traffic on the regional roadway network, at an estimated total cost of \$35 million, be and it hereby is authorized; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to award an agreement for the performance of planning, environmental, and engineering services in support of the development of a CHFMP Tier II Environmental Review, on an “as-needed” basis through December 2020, through a publicly advertised competitive procurement process, at an estimated cost of \$25.1 million, inclusive of extra work; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to award an agreement for the performance of program and project support services in support of the development of a CHFMP Tier II Environmental Review, on an “as-needed” basis through December 2020, through a publicly advertised competitive procurement process, at an estimated cost of \$1.9 million, inclusive of extra work; and it is further

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

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

**PORT AUTHORITY BUS TERMINAL – ABP CORPORATION D/B/A AU BON PAIN –
LEASE LBT-525 – SUPPLEMENT NO. 10**

It was recommended that the Board authorize the Executive Director to enter into an agreement with ABP Corporation d/b/a Au Bon Pain (ABP) to supplement Lease LBT-525, to provide for an adjustment to ABP's existing leasehold located in the South Wing of the Port Authority Bus Terminal (PABT), as well as a five-year extension to the term of the lease, through February 28, 2028.

ABP currently occupies approximately 3,828 square feet of space in the South Wing of the PABT, which includes 2,997 square feet of retail space on the Concourse Level, 654 square feet of retail space on the Subway Level and 177 square feet of storage on the Subway Level. At the request of the Port Authority, ABP would surrender approximately 202 square feet of its Subway Level retail premises, in connection with the Port Authority's project to improve the condition of the Subway Level South Wing lobby and perform certain renovation work related to the Americans with Disabilities Act. As an accommodation, ABP would be given an additional approximately 281 square feet of non-contiguous retail space at the Subway Level, to be used as a remote food prep area, and approximately 109 square feet of Subway Level storage space. ABP would then lease a net of approximately 733 square feet of retail space at the Subway Level.

ABP would be entitled to a rent abatement for space at the Subway Level during the period when the Port Authority would conduct its renovation work. ABP would complete its renovations on the Concourse and Subway Levels, for which it would be entitled to a reimbursement for unamortized capital expenses of up to \$1.5 million, in the event that the Port Authority terminated the lease, without cause, on or before February 28, 2023.

The term of the lease would be extended through February 2028. Over the lease term, as extended, the Port Authority would receive a total aggregate rental of approximately \$13.7 million. ABP would be responsible for all operational, maintenance and repair costs associated with the leased premises. The Port Authority would retain the right to terminate the lease, without cause, upon 30 days' notice.

The proposed lease supplement was brokered by Cushman & Wakefield (C&W), in accordance with the terms of the Retail Management Agreement with C&W, and a brokerage commission would be paid to C&W.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bagger, Eve, Horwitz, LaBarbera, Lynford, McDonald, O'Toole, Pocino, Rosado and Turner voting in favor. General Counsel confirmed that sufficient affirmative votes were cast for the action to be taken, a quorum of the Board being present.

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into a supplemental agreement to Lease LBT-525 with ABP Corporation d/b/a Au Bon Pain (ABP), to provide for an adjustment to ABP's existing leasehold located in the South Wing of the Port Authority Bus Terminal, as well as a five-year extension to the term of the lease, through February 28, 2028, substantially in accordance with the terms outlined to the Board; 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 any other contracts and agreements necessary or appropriate in connection with the foregoing; and it is further

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

WORLD TRADE CENTER SITE – SITE-WIDE PROPERTY MANAGEMENT SERVICES CONTRACT – AUTHORIZATION OF FUNDING

It was recommended that the Board authorize the Executive Director to expend an amount of up to \$52.3 million for the period from January 1, 2018 through December 31, 2018, for the continued management, operation and maintenance of certain World Trade Center (WTC) site properties, including public spaces at the WTC site and centralized infrastructure, through the authorized site-wide property management contractor, Cushman & Wakefield, Inc. (C&W), to provide for payments to C&W as follows: (1) an amount of up to \$13.2 million for management and oversight staff, operations and maintenance staff, and reimbursable expenses; and (2) an amount of up to \$39.1 million for necessary service contracts, repairs, maintenance and materials.

The Port Authority is responsible for the operation, maintenance and management of certain major components of the WTC site, including the Vehicular Security Center (VSC); the Vehicle Roadway Network (VRN); the WTC Transportation Hub (Hub), excluding the Westfield Group-managed retail space; the Central Chiller Plant and Hudson River Pump Station; the Primary Electrical Distribution Center; the East/West Concourse to Brookfield Place; the East and West Bathtub slurry walls; Liberty Street Park; the WTC Hub Plaza and the Port Authority Trans-Hudson (PATH) fare zone, with the exception of the track level, which is the responsibility of PATH. Property management services are necessary to commission, operate and maintain these assets, particularly as these assets have transitioned, and continue to transition, from construction to operations at different intervals.

At its meeting of May 29, 2013, the Board authorized the Executive Director to: (1) award a contract to C&W to provide long-term management, operation and maintenance of WTC site-wide properties, including public spaces at the site, and centralized infrastructure, for a seven-year term ending in May 2020, with three one-year renewal options; (2) pay to C&W a management fee, in a total amount of up to \$5.5 million (for an average cost of \$785,000 per year), for the seven-year base term of the agreement, with up to 20 percent of such amount to be subject to a performance review process; (3) pay an amount of up to \$4,752,000, inclusive of an allowance of up to eight percent for extra work, if necessary, for C&W's management and oversight staff, operations and maintenance staff, and reimbursable expenses in connection with the initial year of the contract, with payments for future years to be subject to further authorization by the Board; and (4) pay to C&W an amount of up to \$5,076,000, inclusive of an allowance of up to eight percent for extra work, if necessary, for service contracts in connection with the initial year of the contract, with payments for future years to be subject to further authorization by the Board.

At its meeting of May 28, 2014, the Board authorized the Executive Director to expend an amount of up to \$11.1 million for the period from July 1, 2014 through December 31, 2014, for the continued management, operation and maintenance of the WTC site through C&W, to provide for payments to C&W as follows: (1) an amount of up to \$3.7 million for management and oversight staff, operations and maintenance staff, and reimbursable expenses for a six-month period; and (2) an amount of up to \$7.4 million, inclusive of an allowance of up to six percent for extra work, if necessary, for service contracts for the six-month period, in each case, with payments for future periods to be subject to further authorization by the Board.

At its meeting of December 10, 2014, the Board authorized the Executive Director to expend an amount of up to \$28.8 million for the period from January 1, 2015 through December

31, 2015, for the continued management, operation and maintenance of the WTC site through C&W, to provide for payments to C&W as follows: (1) an amount of up to \$7.4 million for management and oversight staff, operations and maintenance staff, and reimbursable expenses; and (2) an amount of up to \$21.4 million for service contracts, repairs, maintenance, and materials, in each case, with payments for future periods to be subject to further authorization by the Board.

At its meeting of December 10, 2015, the Board authorized the expenditure of \$36.5 million for the period from January 1, 2016 through December 31, 2016, for the continued management, operation and maintenance of the WTC site through C&W, providing for payments to C&W as follows: (1) an amount of up to \$8 million for management and oversight staff, operations and maintenance staff, and reimbursable expenses; and (2) an amount of up to \$28.5 million for necessary service contracts, repairs, maintenance and materials, in each case, with payments for future years subject to further authorization by the Board.

At its meeting of December 8, 2016, the Board authorized the Executive Director to expend an amount of up to \$51.3 million for the period from January 1, 2017 through December 31, 2017, for the continued management, operation and maintenance of the WTC site through C&W, providing for payments to C&W as follows: (1) an amount of up to \$12.9 million for management and oversight staff, operations and maintenance staff, and reimbursable expenses; (2) an amount of up to \$33.7 million for necessary service contracts, repairs, maintenance and materials; and (3) an amount of up to \$4.7 million for capital asset upgrades and replacement costs, in each case, with payments for future periods to be subject to further authorization by the Board.

It is anticipated that key assets will be turned over to the Port Authority at the end of 2017 and during 2018, including the Oculus South Plaza, Dey Street to the corner of Cortlandt Street, Church Street to the corner of Greenwich Street, the VRN through Tower 2, bus and car parking, the VSC, remaining Hub facilities (Central Fan Plant), the Metropolitan Transportation Authority connections to its “1” and “R” trains, the Tower 3 transit lobbies to and from the Hub, and New York Police Department-installed operations at eight locations along the perimeter of the WTC site. In mid-2018, the fire alarm system maintenance for the VSC will commence. As a result of these assets becoming operational, engineering and janitorial staff will be added. Service contracts for fire/life safety and security systems will be awarded to ensure optimal operations of the facility.

WTC site-wide property management services are grouped into several major categories, including: cleaning, repairs and maintenance, security systems and equipment, utility infrastructure, grounds maintenance and administration.

Many of the required services would be provided by sub-contractors retained by C&W, the Property Manager. Generally, in such cases the Property Manager would solicit sealed bids and/or proposals from at least three pre-qualified subcontractors for subcontract packages, and award work to the lowest responsible bidder or the most technically qualified bidder, subject to a procurement process approved by the Port Authority.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bagger, Eve, Horwitz, LaBarbera, Lynford, McDonald, O’Toole, Pocino, Rosado and Turner voting in favor. General Counsel confirmed that sufficient affirmative votes were cast for the action to be taken, a quorum of the Board being present.

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to expend an amount of up to \$52.3 million for the period from January 1, 2018 through December 31, 2018, for the continued management, operation and maintenance of certain World Trade Center (WTC) site properties, including public spaces at the WTC site and centralized infrastructure, through the authorized site-wide property management contractor, Cushman & Wakefield, Inc. (C&W), to provide for payments to C&W as follows: (1) an amount of up to \$13.2 million for management and oversight staff, operations and maintenance staff, and reimbursable expenses; and (2) an amount of up to \$39.1 million for necessary service contracts, repairs, maintenance and materials, in each case, with payments for future periods to be subject to further authorization by the Board; and it is further

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

WORLD TRADE CENTER (WTC) SITE FLOOD MITIGATION AND RESILIENCY IMPROVEMENTS PROGRAM – BELOW-GRADE WATER INTRUSION PROTECTION SYSTEMS AT THE WEST BASEMENT LEVELS OF THE WTC SITE – AWARD OF CONTRACT

It was recommended that the Board authorize the Executive Director to enter into a construction contract with Railroad Construction Company, Inc. for the fabrication and installation of below-grade Water Intrusion Protection Systems (WIPS) at the west basement levels of the World Trade Center (WTC) site (also known as the West Bathtub), including the WTC Transportation Hub (WTC Hub), back-of-house rooms and equipment, at an estimated total cost of \$8.8 million, inclusive of clause work and an eight-percent allowance for extra work. The recommended awardee is the lowest priced, technically qualified bidder pursuant to a publicly advertised competitive process.

As Superstorm Sandy and its associated storm surge demonstrated, business and transportation assets in low-lying areas of Lower Manhattan are at great risk for storm surge flooding. The high value and critical nature of the Port Authority facilities, particularly the Port Authority Trans-Hudson (PATH) rail system and other transportation facilities at the WTC site, require a comprehensive flood protection plan, including multiple levels of protection to minimize the impact of future storms.

In the fall of 2013, a comprehensive flood hazard mitigation plan was developed for the WTC site. This plan included evaluations of site-wide and project-specific flooding vulnerabilities, flood mitigation strategies and improvement alternatives, and made recommendations to install an above-ground perimeter bollard protection system and various flood barriers, roll-down doors, louvers, hatches, structural hardening, waterproofing and similar measures.

The scope of work under this proposed construction contract furthers completion of the recommended work and provides for the fabrication and installation of WIPS equipment at the west basement levels of the WTC site, particularly at rooms containing critical transportation infrastructure, such as mechanical and electrical equipment rooms, in the WTC Hub and PATH facilities. All construction activities in this contract would be coordinated with WTC site operating facilities, including the WTC Hub and other facilities servicing the commercial office and retail spaces, as well as PATH, to minimize impacts on operations.

On April 27, 2017, the Board authorized a project for the design and construction of WTC site Below-Grade Flood Mitigation and Resiliency Improvements, at an estimated total project cost of \$37.1 million. The proposed contract would be the second to be awarded in connection with that project.

In August 2017, the Port Authority and the Federal Transit Administration executed a grant agreement for WTC below-grade flood mitigation and resiliency projects that provides for federal reimbursement of 90 percent of eligible project expenditures, up to a maximum of approximately \$33.4 million.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bagger, Eve, Horwitz, LaBarbera, Lynford, McDonald, O'Toole, Pocino, Rosado and Turner voting in favor. General Counsel confirmed that sufficient affirmative votes were cast for the action to be taken, a quorum of the Board being present.

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into a construction contract with Railroad Construction Company, Inc. for the fabrication and installation of below-grade Water Intrusion Protection Systems at the west basement levels of the World Trade Center (WTC) site (also known as the West Bathtub), including the WTC Transportation Hub, back-of-house rooms and equipment, at an estimated total cost of \$8.8 million, inclusive of clause work and an eight-percent allowance for extra work; and it is further

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

WORLD TRADE CENTER TRANSPORTATION HUB PROJECT – AUTHORIZATION TO AMEND THE EXTRA WORK ALLOWANCES OF CERTAIN EXISTING CONSTRUCTION TRADE CONTRACTS

As construction work for the redevelopment of the World Trade Center (WTC) site, including the WTC Transportation Hub (WTC Hub) Project, was performed, in order to maintain project schedules and proceed in an efficient manner without exceeding authorized project budgets, it was necessary to reallocate certain work among contractors. In order to compensate contractors for actual work performed, it was recommended that the Board authorize: (1) amendments to the extra work allowances under 29 existing construction trade contracts for work in connection with construction under existing WTC Hub Project construction trade contracts; and (2) the Executive Director to take all actions necessary to effectuate the foregoing, consistent with the terms outlined to the Board.

In light of numerous work phase changes associated with the WTC Hub Project, the need for intricate coordination among the project teams, and time constraints of the various stakeholders, Skanska USA Civil Northeast, Inc./Granite Construction Northeast, Inc./Skanska USA Building, Inc., a Joint Venture (Skanska/Granite), the contractor awarded the construction contract for the Port Authority Trans-Hudson system (PATH) Hall, has been directed to perform additional work, including construction dewatering and temporary construction to maintain emergency egress, due to logistical constraints and limited work area access. Additionally, the presence of additional contractors to perform such work would interfere with Skanska/Granite site-wide operations, resulting in inefficiencies and delays, and potentially would disrupt PATH operations and service with requests for additional track outages.

The scope of work under the proposed amendment to the PATH Hall construction contract would allow for certain additional work associated with the WTC Hub Project to be performed by Skanska/Granite, including the following:

Construction Dewatering Services to Maintain a Suitable Construction Site

As the overall WTC site was substantially built out by 2014, a consolidation of contractors occurred. From 2014 to 2017, Skanska/Granite, which was responsible for providing dewatering services for its own work area, was charged with the responsibility of performing overall WTC site dewatering services. The WTC Hub is the lowest point on the WTC site and collected the most water, because the North Temporary Access (NTA) was continually open to the elements. Skanska/Granite holds the largest worksite area contract and is best suited to mitigate and prevent any negative impact on PATH service and ridership.

Protection of the Traveling Public

In order to facilitate the phased opening of the East-West Connector from PATH Hall to One WTC, Skanska/Granite was directed to provide temporary construction work to maintain a proper means of emergency egress (inclusive of temporary partitions, temporary stairs, sidewalk sheds (shields), etc.). This also required temporary fit-out of spaces and additional phasing, due to closure of the Temporary PATH Station, which the Skanska/Granite contract did not anticipate. This extra work was necessary to maintain a connection to One WTC when the NTA was taken out of service.

In addition to the Skanska/Granite work, the proposed authorization would amend extra work allowances for certain other existing WTC Hub Project construction trade contracts, to

accommodate the following: modifications to heating, ventilation and air conditioning grilles and diffusers; fuel oil system cleaning; steel modifications; metal and glass work to ensure consistency across the site; wider corridors and doors to accommodate special stakeholder requests; security and communication system modifications; monitoring of the status of uninterruptible power supply systems; installation of empty conduits to handle the future Property Management Facility, extended support of the data communications network beyond contract terms; and guardrail improvements and other architectural work.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bagger, Eve, Horwitz, LaBarbera, Lynford, McDonald, O'Toole, Pocino, Rosado and Turner voting in favor. General Counsel confirmed that sufficient affirmative votes were cast for the action to be taken, a quorum of the Board being present.

RESOLVED, that amendments to the extra work allowances under 29 existing construction trade contracts for work in connection with construction work for the redevelopment of the World Trade Center (WTC) site, under existing WTC Transportation Hub Project construction trade contracts, be and they hereby are authorized, consistent with the terms outlined to the Board; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to take all actions necessary to effectuate the foregoing; and it is further

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

WORLD TRADE CENTER SITE – PROPERTY MANAGEMENT AND PORT AUTHORITY POLICE DEPARTMENT COMMAND FACILITIES PROJECT – PROFESSIONAL ARCHITECTURAL AND ENGINEERING SERVICES – INCREASE IN AUTHORIZATION AND CONTRACT TERM EXTENSION – PERKINS EASTMAN ARCHITECTS, P.C.

It was recommended that the Board authorize the Executive Director to: (1) increase, by an estimated amount of \$500,000, the compensation under the existing agreement with Perkins Eastman Architects, P.C. (Perkins Eastman) for architectural and engineering services to develop revised construction design bid documents for the project to construct the World Trade Center (WTC) Project Management Facility (PMF) and Port Authority Police Department (PAPD) Command Facility (PMF and PAPD Project), which consultant costs are within the previously authorized project budget; and (2) amend the existing agreement with Perkins Eastman to provide for a six-month contract term extension through the second quarter of 2018, for continued architectural and engineering services in support of the project redesign and packaging of a “design-build” contract for the PMF and PAPD Project.

Construction of the PMF and PAPD Project will provide permanent operations and support space to allow for the efficient operation and maintenance of the WTC site on a 24-hours-per-day, seven-days-per-week basis. The project comprises critical infrastructure to be installed to support the PMF and the PAPD Command, followed by the interior build-out of the facility, including connection to the WTC site’s utility infrastructure. The PMF and PAPD Command Facilities will be used by a workforce providing cleaning, maintenance and security for the entire WTC site, and will support cleaners, electricians, carpenters, mechanics, and a guard force. Project build-out will consist of the most cost-effective finishes, fixtures, and equipment to minimize cost.

In prior actions on August 5, 2010 and September 17, 2014, the Board authorized a project for the design, construction, fit-out and building of infrastructure connections for the PMF and PAPD Command Facilities, and allocated infrastructure costs for the WTC PMF necessary to bring the southeast portion of the West Bathtub to grade, at a total aggregate project cost of \$200 million. Perkins Eastman, the architect of record for the project, was retained to provide architectural and engineering services to support the project through 2017, at a total estimated cost of \$5 million.

To date, significant re-design and modifications of project space locations have been required to address life safety, security and constructability issues. In addition, scope changes were required to PAPD Command and 800 MHz radio systems (including relocation of PAPD Command satellite communication system equipment from the Tower 4 roof and relocation of the 800 MHz antenna equipment to the National September 11 Memorial and Museum Pavilion), and to support the connection of WTC site utilities to the PMF and PAPD Command Facilities.

In 2017, a program space reconfiguration evaluation related to the PMF and PAPD Project commenced, to optimize utilization of program space and reduce costs by relocating approximately 5,000 square feet of space. Simultaneously, a decision was made to undertake the PMF and PAPD Project through a design-build contract.

The proposed services to be performed by Perkins Eastman include design development, system design and integration, contract document preparation, and additional coordination with all design consultants to deliver a set of construction documents to be issued in support of bids for a design-build contract for the interior fit-out of the PMF and PAPD Command Facility. The extended contract term is necessary to provide for architect-of-record services through the second quarter of 2018, including support services to accommodate re-design work and construction through the completion of the project. There is no net budget impact from this action, because there are existing project contingency funds available within the PMF and PAPD Project.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bagger, Eve, Horwitz, LaBarbera, Lynford, McDonald, O'Toole, Pocino, Rosado and Turner voting in favor. General Counsel confirmed that sufficient affirmative votes were cast for the action to be taken, a quorum of the Board being present.

RESOLVED, that an increase, in an estimated amount of \$500,000, in the compensation under the existing agreement with Perkins Eastman Architects, P.C. (Perkins Eastman), for architectural and engineering services to develop revised construction design bid documents to support design and implementation of the World Trade Center Project Management Facility and Port Authority Police Department Command Facility Project (PMF and PAPD Project), be and it hereby is authorized; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to amend the existing agreement with Perkins Eastman to provide for a six-month contract term extension through the second quarter of 2018, for continued architectural and engineering services in support of the project redesign and packaging of a “design-build” contract for the PMF and PAPD Project; and it is further

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

BAYONNE BRIDGE NAVIGATIONAL CLEARANCE PROGRAM – PROJECT RE-AUTHORIZATION AND AUTHORIZATION OF RELATED CONTRACT ACTIONS

In October 2015, the Port Authority announced, in a press release dated October 1, 2015, a revised timeline that increased the construction period and cost for the Bayonne Bridge Navigational Clearance Program (BBNCP) project from the then authorized budget of \$1.3 billion, due to multiple complexities and construction challenges associated with implementing the project, which would result in the “Raise the Roadway” portion of the project to be completed in late 2017, with full project completion in 2019. Consistent with that announcement, it was recommended that the Board: (1) re-authorize the BBNCP to replace the main span roadway and approach structures at the Bayonne Bridge, at an estimated project cost range of \$1.654 billion to \$1.692 billion; and (2) authorize the Executive Director to take certain actions necessary to complete the BBNCP, consistent with the terms outlined to the Board, including: (a) increase the compensation under Contract AKB-264.039 with the joint venture of Skanska Koch, Inc./Kiewit Infrastructure Co. (Contractor) in connection with its replacement of the main span roadway and approach structures at the Bayonne Bridge; (b) increase the compensation under an existing agreement with HDR Engineering Inc./PB Americas Inc. (HDR/PB), and extend the duration of the contract term through the end of 2019, to provide for additional architectural and engineering services to support the implementation of the project; (c) increase the compensation under an existing agreement with Greenman Pedersen Inc. (GPI), and extend the duration of the contract term through 2019, to provide for additional construction management and related technical services to support the implementation of the project; and (d) increase the funds provided for insurance, support services and financial expense in support of project completion.

On April 24, 2013, the Board authorized a project (Project) to replace the main span roadway and approach structures at the Bayonne Bridge, as part of the BBNCP, to address the navigational air draft clearance limitations and enhance roadway safety, at an estimated total project cost of \$1.29 billion. At that time, the Project was forecast for completion in 2017, with the Bayonne Bridge Navigational Clearance obstruction (i.e., the existing roadway deck) scheduled for removal in late 2015. The Board also authorized the Executive Director to award Contract AKB-264.039 for the construction of the Project to the Contractor, at an estimated amount of \$845,548,360, inclusive of allowances for extra work, project contingency and certain incentives. The Board also authorized the Executive Director to increase, by an estimated amount of \$15.7 million, the compensation under the agreement with HDR/PB for architectural and engineering services, and the expenditure of \$34 million in remaining funds from the agreement with GPI for construction management and related technical services.

The Project includes the replacement of the main span deck and approach structures of the bridge, including necessary associated architectural structural reinforcement work, local approach ramp reconstruction work, installation of new mechanical/electrical maintenance buildings to house supporting systems and equipment, installation of a maintenance storage building, toll gantry installation, bridge roadway storm water drainage system work, security work, site work, and permanent traffic and maintenance of traffic work.

The October 2015 announcement of the revised Project schedule was based on several factors, including: the harsh winter of 2014-2015; changes to the substructure and superstructure pre-cast concrete at the onset of the Project; changes in project staging to address community concerns and reduce construction impacts overnight; and additional strengthening to the existing

steel arch, to ensure safety and allow traffic to continue during construction. An increase in compensation to the Contractor would be provided for additional construction work in connection with, among other things, the replacement of the roadway and approach structures, including foundation, pier and precast segmental changes that were required to successfully implement the Project.

Currently, the construction on the "Raise the Roadway" project is approaching 80-percent completion. The northbound roadway was opened to the public on February 20, 2017, along with the cashless toll plaza. This milestone opened the elevated roadway through the existing arch bridge and over the original roadway. On June 8, 2017 the U.S. Coast Guard certified the bridge's new navigational clearance at 215 feet (in comparison to the previous clearance of 151 feet), which is equal to the clearance height of the New York Verrazano-Narrows Bridge. The "Raise the Roadway" project allows the world's ultra-large, environmentally friendly container vessels of up to 18,000 TEUs (20-foot equivalent units) to pass beneath the span, gaining access to Port Newark, the Elizabeth-Port Authority Marine Terminal, and Port Ivory/Howland Hook on Staten Island.

Demolition of the existing southbound approaches and foundations for the southbound roadway has begun in both New York and New Jersey. The Bridge is expected to be built to its full width by 2019, at which point motorists will benefit from a fully modern, safer and wider roadway, with four, 12-foot-wide travel lanes in each direction (which is in accord with current highway standards, as opposed to the existing four, 10-foot-wide lanes), full outside and inside shoulders, a widened shared-use path for pedestrians, cyclists, and emergency equipment, enhanced safety fencing, a median barrier and the Port Authority's first cashless tolling system (which has been in place since February 2017).

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bagger, Eve, Horwitz, LaBarbera, Lynford, McDonald, O'Toole, Pocino, Rosado and Turner voting in favor. General Counsel confirmed that sufficient affirmative votes were cast for the action to be taken, a quorum of the Board being present.

RESOLVED, that the Bayonne Bridge Navigational Clearance Program (BBNCP) to replace the main span roadway and approach structures at the Bayonne Bridge, at a total estimated project cost range of \$1.654 billion to \$1.692 billion, be and it hereby is re-authorized; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to take certain actions necessary to complete the BBNCP project, consistent with the terms outlined to the Board, including: (1) increase the compensation under Contract AKB-264.039 with the joint venture of Skanska Koch, Inc./Kiewit Infrastructure Co in connection with its replacement of main span roadway and approach structures at the Bayonne Bridge; (2) increase the compensation under an existing agreement with HDR Engineering Inc./PB Americas Inc., and extend the duration of the contract term through the end of 2019, to provide for additional architectural and engineering services to support the implementation of the project; (3) increase the compensation under an existing agreement with Greenman Pedersen Inc., and extend the duration of the contract term through 2019, to provide for additional construction management and related technical services to support the implementation of the project; and (4) increase the funds provided for insurance, support services and financial expense in support of project completion; and it is further

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

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

PORT AUTHORITY PUBLIC RECORDS ACCESS

Openness and transparency are fundamental building blocks of public accountability, and these values have long been important to the Port Authority. The Port Authority voluntarily promulgated an information access policy in 1977. That policy, and its successors, paved the way for the public to obtain Port Authority records. The report of the Special Panel on the Future of the Port Authority endorsed the Board's adoption in October 2014 of a freedom of information policy providing for disclosure of any record that would be available under the laws applicable in New Jersey or New York, and creating a two-tiered appeals process available to any person denied access to a Port Authority record. In 2015, the States of New York and New Jersey took legislative steps to subject the Port Authority to the freedom of information laws of the two states. In response to the enactment of those laws, on April 28, 2016 the Board adopted a new Public Records Access Policy, as well as an Access to Personal Information Policy (collectively, the "Policies"). The Policies were designed to harmonize the New York and New Jersey freedom of information laws for the Port Authority and to enhance transparency. Under the Policies, a "record" of the Port Authority must be disclosed unless it is exempt from disclosure under *both* New York law and New Jersey law.

In view of the 2015 enactment of Port Authority-focused freedom of information statutes, and the adoption of the Policies, it was recommended that responsibility for administering the Policies be transferred to the General Counsel. All references in the Policies to the Secretary of the Port Authority would be amended to refer to the General Counsel, with the exception of the designation of the Secretary of the Port Authority as the Records Access Officer and the Custodian of Government Records in the Port Authority Public Records Access Policy. It was recommended that the Executive Director be authorized to delegate the power to assign responsibility for serving in such capacity. The Executive Director also would be authorized to amend the Policies or rescind the Policies and promulgate a new policy providing for access by the public to records of the Port Authority and its component units, as appropriate.

In connection with this transition, General Counsel would be directed to review the agency's current process for responding to requests for records under the Policies, and to ensure that the agency continues to meet its obligation to provide the public with timely access to the records of the Port Authority and its component units.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Bagger, Eve, Horwitz, LaBarbera, Lynford, McDonald, O'Toole, Pocino, Rosado and Turner voting in favor. General Counsel confirmed that sufficient affirmative votes were cast for the action to be taken, a quorum of the Board being present.

RESOLVED, that, in furtherance of the Board's continuing commitment to enhance the openness and transparency of the agency through the provision of timely access to the public records of the Port Authority and its component units, the April 28, 2016 Resolutions of the Board of Commissioners establishing the Port Authority Public Records Access Policy and the Port Authority Access Personal Information Policy (collectively, "Policies") be and they hereby are amended, to provide that General Counsel shall have responsibility for administering the Policies; and it is further

RESOLVED, that all references in the Policies to the Secretary of the Port Authority, with the exception of the designation of the Secretary of the Port Authority as the Records Access Officer and the Custodian of Government Records in the Port Authority Public Records Access Policy, be and they hereby are amended to refer instead to General Counsel; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to delegate to an appropriate staff member or members, within a reasonable period of time, the power to assign responsibility for serving as the Records Access Officer and the Custodian of Government Records in the Port Authority Public Records Access Policy; and it is further

RESOLVED, that General Counsel be and he hereby is directed to conduct a review of the Port Authority's current process for responding to requests for records under the Policies, and to ensure that the agency continues to meet its obligation to provide the public with timely access to the records of the Port Authority and its component units; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to amend the Policies, or to rescind the Policies and promulgate a new policy or policies providing for access by the public to records of the Port Authority and its component units, as appropriate, provided that any proposed alteration to the Policies shall be provided by the Executive Director to the Board and that such alteration to the Policies will go into effect 30 days later, absent objection from the Board.

CONFIDENTIAL ITEM

The Board took action in executive session on a security matter that shall remain confidential until such time as its publication is determined not to affect public safety.

Whereupon, the meeting was adjourned.

Secretary