

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Tuesday, November 15, 2011

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MINUTES of the Meeting of The Port Authority of New York and New Jersey held Tuesday, November 15, 2011 at 225 Park Avenue South, City, County and State of New York

PRESENT:

NEW JERSEY

Hon. David Samson, Chairman
 Hon. Virginia S. Bauer
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor
 Hon. William P. Schuber
 Hon. David S. Steiner

NEW YORK

Hon. Scott H. Rechler, Vice-Chairman
 Hon. H. Sidney Holmes III
 Hon. Jeffrey H. Lynford
 Hon. Jeffrey A. Moerdler
 Hon. Henry R. Silverman

Patrick J. Foye, Executive Director
 William Baroni, Jr., Deputy Executive Director
 Darrell B. Buchbinder, General Counsel
 Karen E. Eastman, Secretary

Susan M. Baer, Director, Aviation
 Ernesto L. Butcher, Chief Operating Officer
 Steven J. Coleman, Deputy Director, Media Relations
 John C. Denise, Audio Visual Supervisor, Marketing
 Michael P. DePallo, Director, Rail Transit
 Gretchen P. DiMarco, Special Assistant to the Deputy Executive Director
 John J. Drobny, Director, Security Projects, Chief Operating Office
 Michael G. Fabiano, Chief Financial Officer
 Michael A. Fedorko, Director, Public Safety/Superintendent of Police
 Michael B. Francois, Chief, Real Estate and Development
 Cedrick T. Fulton, Director, Tunnels, Bridges and Terminals
 Glenn P. Guzi, Senior External Affairs Representative, Government and Community Affairs
 Linda C. Handel, Deputy Secretary
 Mary Lee Hannell, Director, Human Resources
 Andrew T. Hawthorne, Director, Marketing
 Howard G. Kadin, Esq., Law
 Kirby King, Director, Technology Services
 Louis J. LaCapra, Chief Administrative Officer
 Cristina M. Lado, Director, Government and Community Affairs, New Jersey
 Richard M. Larrabee, Director, Port Commerce
 Jamie E. Loftus, Chief, Public and Government Affairs
 Stephen Marinko, Esq., Law
 Ronald Marsico, Assistant Director, Media Relations
 Michael G. Massiah, Director, Management and Budget
 Daniel G. McCarron, Comptroller
 James E. McCoy, Manager, Board Management Support, Office of the Secretary
 Anne Marie C. Mulligan, Treasurer
 Patrick O'Reilly, Senior Advisor to the Chairman
 Ann O'Rourke, Assistant Director, Government and Community Affairs
 Paul A. Pietropaolo, Corporate Information Security Officer, Office of the Secretary
 Monika A. Radkowska, Principal Board Management and Support Specialist, Office of the Secretary

Desiree Ramos, External Relations Client Manager, Government and Community Affairs
Beth E. Siegel, Assistant Director, Financial Analysis
Brian W. Simon, Director, Government and Community Affairs, New York
Timothy G. Stickelman, Assistant General Counsel
Gerald B. Stoughton, Director, Financial Analysis
Robert A. Sudman, Director, Audit
David B. Tweedy, Chief, Capital Programs
Lillian D. Valenti, Director, Procurement
Sheree Van Duyne, Manager, Policies and Protocol, Office of the Secretary
David M. Wildstein, Director, Interagency Capital Projects, Office of the Deputy Executive
Director
William J. Young, Client Manager, Government and Community Affairs
Peter J. Zipf, Chief Engineer

Guest:

Johanna Jones, Assistant Counsel, Authorities Unit, Office of the Governor of New Jersey

Speakers:

Murray Bodin, Member of the Public
Michael Brendzel, Founder and CEO, BZL Associates
Chrissy Buteas, Girl Scouts of Northern New Jersey
Margaret Donovan, Twin Towers Alliance
Richard Hughes, Twin Towers Alliance
Peter Levenson, Kibel Company

The public meeting was called to order by Chairman Samson at 12:59 p.m. and ended at 1:24 p.m. The Board met in executive session prior to the public session.

Report of Security Committee

The Security Committee reported, for information on matters discussed in executive session at its meeting on November 15, 2011, which included discussion of matters involving public safety or law enforcement, and the report was received.

Report of Committee on Operations

The Committee on Operations reported, for information, on matters discussed in executive session at its meeting on November 15, 2011, which included discussion of matters related to the purchase, sale, or lease of real property, or securities where disclosure would affect the value thereof or the public interest, and the report was received.

Report of Committee on Construction

The Committee on Construction reported, for information, on matters discussed in public session at its meeting on November 15, 2011, which included discussion of a project for the rehabilitation and widening of Taxiway C at John F. Kennedy International Airport, and a project for structural rehabilitation and repaving of the Lincoln Tunnel helix, and the report was received.

Report of World Trade Center Redevelopment Subcommittee

The World Trade Center Redevelopment Subcommittee reported, for information, on matters discussed in public and executive sessions at its meeting on November 15, 2011, which included discussion of several contracts and agreements in connection with the continued development of the World Trade Center site, and discussion of matters involving ongoing negotiations or reviews of contracts or proposals, and the report was received.

JOHN F. KENNEDY INTERNATIONAL AIRPORT – REHABILITATION OF TAXIWAY C – PROJECT AUTHORIZATION

It was recommended that the Board authorize a project for the rehabilitation of Taxiway C at John F. Kennedy International Airport (JFK), to maintain a state of good repair, and to improve critical geometry of the taxiway to enable Group V aircraft to make full use of the taxiway, at an estimated total project cost of \$20 million.

Taxiway C is the main route for cargo carriers requiring access to Cargo Areas C and D at JFK, which support 45 percent of the airport's annual cargo operations. The bulk of Taxiway C last was rehabilitated in 1997. The taxiway pavement shows normal age-related wear and weathering, and requires rehabilitation in order to maintain a state of good repair.

The surface of Taxiway C would be rehabilitated with asphalt, the most cost-effective solution, based on expected aircraft usage. In addition, modifications to the configuration of Taxiway C would be constructed, in order to optimize the use of the taxiway by Group V aircraft. The project also would include the rehabilitation of the taxiway shoulder, erosion control measures, improvements to drainage and electrical infrastructure, and rehabilitation of the portion of the Restricted Vehicle Service Road that is adjacent to Taxiway C. Electrical equipment and taxiway guidance sign foundations also would be replaced or adjusted, to comply with Federal Aviation Administration requirements, and a leaking high-pressure fire protection water line and associated valves would be replaced.

The project costs are fully recoverable through the JFK Flight Fee Agreement, and it is anticipated that recovery of a portion of these costs would be sought via Federal Airport Improvement Program grants.

Pursuant to the foregoing report, the Board adopted the following resolution, with Commissioners Bauer, Holmes, Lynford, Moerdler, Pocino, Rechler, Samson, Schuber, Silverman and Steiner voting in favor; Commissioner Sartor recused and did not participate in the consideration of, or vote on, this item. 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 project for the rehabilitation of Taxiway C at John F. Kennedy International Airport, to maintain a state of good repair, and to improve critical geometry of the taxiway to enable Group V aircraft to make full use of the taxiway, at an estimated total project cost of \$20 million, be and it hereby is authorized; and it is further

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

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

GOETHALS BRIDGE MODERNIZATION PROGRAM – PHASE I – INCREASE IN PROJECT AUTHORIZATION FOR PROPERTY ACQUISITION IN NEW YORK AND NEW JERSEY

It was recommended that the Board authorize an increase of \$53 million in the amount of the project authorization for Phase I of the Goethals Bridge Modernization Program (GBMP or Program), to be used for property acquisition in New York and New Jersey to advance the replacement of the Goethals Bridge, bringing the total Phase I project amount to \$179 million, including \$126 million previously authorized.

Constructed in 1928 to then-current criteria and standards, the Goethals Bridge is now approaching functional obsolescence. Compared to today's standard 12-foot-wide lanes, the Goethals Bridge's ten-foot-wide lanes present a safety issue for trucks and wider vehicles, and cause congestion. The roadway traversing the bridge contains only two lanes in each direction and lacks shoulders, which impedes access to the bridge during emergencies. Additionally, the increasing growth of traffic on the Goethals Bridge has resulted in traffic conditions at or near capacity during peak periods. Due to these factors, there is a need to replace the Goethals Bridge with a modern structure.

In 1997, engineering evaluations indicated that the Goethals Bridge deck would require rehabilitation to keep the bridge usable until a new structure was placed into service. The bridge deck rehabilitation work was completed in 2006, and was designed to ensure that the deck would function adequately for a period of approximately ten years, while planning and subsequent replacement of the bridge occurred. Property acquisition for the replacement Goethals Bridge is required to meet a 2017 construction completion schedule. If a new bridge is not constructed by 2017, the existing deck will have to be replaced. The Port Authority's bi-state bridges and tunnels legislation authorizes the acquisition of real property, whether for immediate or future use. Given the multi-year period necessary to acquire title and possession of the real property needed for a replacement Goethals Bridge, and to secure necessary permits and other approvals, staff recommended that the Board authorize actual property acquisition at this time.

On March 29, 2011, the Board authorized Phase I work for the GBMP, which included: seeking options for the purchase of property, executing right-of-entry agreements, and commencing pre-vesting condemnation processes; continuation of existing contracts and/or award of new contracts for professional and legal services, program management, environmental, technical, financial support, a relocation specialist and other work, including, but not limited to, preparation of applications for permits and other documents; program management support; and work associated with the preparation and application for a federal Transportation Infrastructure Finance and Innovation Act loan, as well as an application to support the allocation of Private Activity Bonds towards the project.

The currently proposed authorization would authorize an increase in the estimated total project amount of Phase I of the program, and two companion items being advanced at this meeting would authorize acquisition of property interests for the proposed replacement Goethals Bridge, with the acquisitions in New Jersey by agreement or condemnation, and those in New York, at this time, by agreement. A companion item also would provide for the discretionary holding of a public hearing, as required by the New York State Eminent Domain Procedure Law (EDPL). Under the EDPL, the hearing is a precondition to the Board's possible future adoption of a resolution making the determinations and findings required by the EDPL, which are a

prerequisite to further steps under the EDPL to acquire property in New York by condemnation.

Acquisition efforts would be progressed in a manner that would enable the Port Authority to apply for federal financial assistance, and would be in accordance with federal and state requirements.

The initial March 2011 project authorization was limited to seeking options to purchase property for the GBMP. Staff subsequently has obtained certain rights-of-entry for surveyors and geotechnical examinations, and is presently in the process of attempting to obtain rights-of-entry for appraisers and geotechnical and non-invasive (Phase I) environmental examinations. Without further authorization beyond negotiating options, staff anticipates the possibility of protracted efforts to obtain all required rights-of-entry from property owners for real estate appraisals, geotechnical and environmental investigations.

Additionally, discussions have progressed satisfactorily with agencies of the City of New York (City), resulting in conceptual agreement on City actions – *e.g.*, the relocation of Gulf Avenue and associated street map changes and the disposition of City property or consent to the acquisition of property by the Port Authority, possibly by eminent domain, for the Program. These actions require approval under the City's Uniform Land Use Review Procedure (ULURP). ULURP actions entail extensive advance preparation of application materials, followed by a timetable of approvals at several levels, including the City Planning Department, local Community Boards, the Borough President, the City Planning Commission and the New York City Council. Staff advised that, in order for the Port Authority to request that the City initiate this formal process, it would be appropriate to have Board authorization to acquire property. Staff advised further that the City reasonably cannot be expected to move forward with the ULURP process on the Port Authority's behalf in the absence of authorization for the acquisition of real estate.

In view of the proposed schedule for the Program, staff recommended authorization of an increase in the estimated total project cost of Phase I of the Program and, in two companion items being advanced at this meeting, authorization of property acquisition in New York by negotiation and agreement and the discretionary holding of a public hearing, as required by the EDPL, and the acquisition of property in New Jersey by negotiation and agreement or condemnation.

Pursuant to the foregoing report, the Board adopted the following resolution, with Commissioners Bauer, Holmes, Lynford, Moerdler, Pocino, Rechler, Samson, Schuber, Silverman and Steiner voting in favor; Commissioner Sartor recused and did not participate in the consideration of, or vote on, this item. 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 of \$53 million to the project authorization for Phase I of the Goethals Bridge Modernization Program, to provide for property acquisition in New York and New Jersey to advance the replacement of the Goethals Bridge, bringing the total amount of the Phase I project authorization to \$179 million, be and it hereby is authorized; and it is further

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

**GOETHALS BRIDGE MODERNIZATION PROGRAM – PHASE I –
AUTHORIZATION OF PROPERTY ACQUISITION IN NEW YORK**

It was recommended that, in connection with Phase I of a project for the Goethals Bridge Modernization Program (GBMP or Program) to advance the replacement of the Goethals Bridge (Project), the Board authorize: (1) the Executive Director or General Counsel, either one acting individually, to acquire real property interests located in Staten Island, New York for the Project, by agreement, the holding of a public hearing under the New York State Eminent Domain Procedure Law (EDPL), and the taking of associated actions, including actions associated with relocation assistance and real property acquisition as may be mandated for federal and federally assisted programs; and (2) the Executive Director to execute documents and agreements which, among other matters, may contain indemnification provisions, and may be associated with property acquisition and right-of-way planning.

The Goethals Bridge is a crucial asset to the region's productivity, and with its strategic location in the heart of a complex surface transportation network, it provides truck and automobile connections between the New Jersey Turnpike, U.S. Routes 1&9 and other New Jersey highways, the Staten Island Expressway (Interstate 278), and the Verrazano-Narrows Bridge. The Goethals Bridge sustains the robust commercial activity of the Howland Hook Marine Terminal, and its proximity to Newark Liberty International Airport positions it at the center of one of the largest air cargo gateways in the nation. Despite increasing shares of railroad activity in moving goods to and from these gateway areas, the major portion of such goods is transported by truck, making the Goethals Bridge essential to moving cargo to and from airports and seaports to regional hinterland markets.

Constructed in 1928 to then-current criteria and standards, the Goethals Bridge is now approaching functional obsolescence. Compared to today's standard 12-foot-wide lanes, the Goethals Bridge's ten-foot-wide lanes present a safety issue for trucks and wider vehicles, and cause congestion. The roadway traversing the bridge contains only two lanes in each direction and lacks shoulders, which impedes access to the bridge during emergencies. Additionally, the increasing growth of traffic on the Goethals Bridge has resulted in traffic conditions at or near capacity during peak periods. Due to these factors, there is a need to replace the Goethals Bridge with a modern structure.

The United States Coast Guard (USCG) issued a Final Environmental Impact Statement and, on January 31, 2011, a Record of Decision (ROD) for the proposed Goethals Bridge replacement. The ROD notes that the New Alignment South has been selected as the preferred alternative for the proposed Project and also has been determined to be the environmentally preferable alternative. The Port Authority has filed an application for a USCG Bridge Permit. Additionally, it is anticipated that entities of the State of New York and the City of New York will issue environmental findings in connection with their respective authorizations in support of the Program.

In view of the proposed schedule for the Program, staff requested authorization of the acquisition of real property in New York, by negotiation and agreement and the discretionary holding of a public hearing, as required by the New York State Eminent Domain Procedure Law (EDPL). Subsequent to such a hearing, staff may request the Board to make the determination and findings required by the EDPL, which are a prerequisite to further steps under the EDPL to acquire property in New York by condemnation. The Port Authority, with municipal consent,

would acquire any municipally owned property necessary in connection with the Program. In addition, to be in a position to have the Program qualify for federal aid, staff plans to implement federal requirements relating to Uniform Relocation Assistance and Real Property Acquisition Policies for Federal and Federally Assisted Programs.

It is anticipated that the City of New York (City) will have to comply with the provisions of the City Charter involving the Uniform Land Use Review Procedure (ULURP) before it can authorize certain actions, including the disposition of City-owned lands to the Port Authority for the Program and consent to Port Authority acquisition of City property, possibly by eminent domain, and changes to the City Map. The time-consuming ULURP review, recommendation and approval process entails hearings before Community Boards, the Borough Board, the City Planning Commission and possibly, the City Council, after submission of a complete ULURP application to the Department of City Planning.

Pursuant to the foregoing report, the Board adopted the following resolution, with Commissioners Bauer, Holmes, Lynford, Moerdler, Pocino, Rechler, Samson, Schuber, Silverman and Steiner voting in favor; Commissioner Sartor recused and did not participate in the consideration of, or vote on, this item. 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 and/or General Counsel, either one acting individually, be and they each hereby are authorized, for and on behalf of the Port Authority, for bridge or tunnel purposes, to: (1) acquire on behalf of the Port Authority, by negotiation and agreement, fee simple absolute title to, or lesser property interests in, all or a part of the real property located in the County of Richmond, Borough of Staten Island, City and State of New York, within or adjacent to the “Proposed Right-of-way (ROW)” as shown on a map, entitled, “Goethals Bridge Replacement New Alignment South,” a copy of which map was before the Board and a reduced copy of which is attached hereto, including, but not limited to, lands generally identified by block and lot numbers, and road, highway, utility and railroad rights-of-way and in other real property in the vicinity thereof as may be required for the Goethals Bridge Modernization Program (Program), including, but not limited to, property for contractor access, construction easements, administration, parking, material lay-down, etc., the property corner coordinates, the areas and bearings and distances of which are subject to verification and correction by a survey at least meeting American Land Title Association/American Congress on Surveying and Mapping Land Title Survey requirements, prepared by a licensed New York Land Surveyor; and (2) incur all related costs and expenses and execute all related documents, including, without limitation, conveyances relating to the transfer of property interests to or from the Port Authority, and to conduct a public hearing under the New York State Eminent Domain Procedure Law, in his discretion, and take associated actions, including, without limitation, actions associated with relocation assistance and real property acquisition/disposition as may be mandated for federal and federally assisted programs; 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 such actions, and execute documents and agreements, including, without limitation, with the City of New York and the State of New York and other public and private entities, which may contain

indemnification provisions and may be associated with property acquisition and right-of-way planning, involving, among other matters, environmental examinations and mitigation measures, maintenance and jurisdiction, utilities and utility relocation, environmental studies, appraisals, surveys, relocation assistance, title searches and title insurance, applying for and obtaining permits and approvals, and municipal and other governmental and private processes, authorizations and consents, including agreements with consultants, as may be necessary to effectuate Phase I of the Program; and it is further

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



NEW JERSEY



NEW YORK

LEGEND:

- - - - Proposed Right-of-way (ROW)
- - - - Proposed Realigned Gulf Avenue and Its Right-of-Way (ROW) Subject to Final Design

1885 Block
35 Lot

**Goethals Bridge Replacement
New Alignment South**

**GOETHALS BRIDGE MODERNIZATION PROGRAM – PHASE I –
AUTHORIZATION OF PROPERTY ACQUISITION IN NEW JERSEY**

It was recommended that, in connection with a project for Phase I of the Goethals Bridge Modernization Program (GBMP or Program) to advance the replacement of the Goethals Bridge (Project), the Board authorize: (1) the Executive Director or General Counsel, either one acting individually, to acquire real property interests located in Elizabeth, New Jersey for the Project, by agreement or condemnation, and take associated actions, including actions associated with relocation assistance and real property acquisition, as may be mandated for federal and federally assisted programs; and (2) the Executive Director to execute documents and agreements which, among other matters, may contain indemnification provisions, and may be associated with property acquisition and right-of-way planning.

The Goethals Bridge is a crucial asset to the region's productivity, and with its strategic location in the heart of a complex surface transportation network, it provides truck and automobile connections between the New Jersey Turnpike, U.S. Routes 1&9 and other New Jersey highways, the Staten Island Expressway (Interstate 278), and the Verrazano-Narrows Bridge. The Goethals Bridge sustains the robust commercial activity of the Howland Hook Marine Terminal, and its proximity to Newark Liberty International Airport positions it at the center of one of the largest air cargo gateways in the nation. Despite increasing shares of railroad activity in moving goods to and from these gateway areas, the major portion of such goods is transported by truck, making the Goethals Bridge essential to moving cargo to and from airports and seaports to regional hinterland markets.

Constructed in 1928 to then-current criteria and standards, the Goethals Bridge is now approaching functional obsolescence. Compared to today's standard 12-foot-wide lanes, the Goethals Bridge's ten-foot-wide lanes present a safety issue for trucks and wider vehicles, and cause congestion. The roadway traversing the bridge contains only two lanes in each direction and lacks shoulders, which impedes access to the bridge during emergencies. Additionally, the increasing growth of traffic on the Goethals Bridge has resulted in traffic conditions at or near capacity during peak periods. Due to these factors, there is a need to replace the Goethals Bridge with a modern structure.

The United States Coast Guard (USCG) issued a Final Environmental Impact Statement and, on January 31, 2011, a Record of Decision (ROD) for the proposed Goethals Bridge replacement. The ROD notes that the New Alignment South has been selected as the preferred alternative for the proposed Project and also has been determined to be the environmentally preferable alternative. The Port Authority has filed an application for a USCG Bridge Permit.

In view of the proposed schedule for the Program, staff requested authorization of the acquisition of real property in New Jersey, by negotiation and agreement or condemnation. The Port Authority, with municipal consent, would acquire any municipally owned property necessary in connection with the Program. In addition, to be in a position to have the Project qualify for federal aid, staff plans to implement federal requirements relating to Uniform Relocation Assistance and Real Property Acquisition Policies for Federal and Federally Assisted Programs.

Pursuant to the foregoing report, the Board adopted the following resolution, with Commissioners Bauer, Holmes, Lynford, Moerdler, Pocino, Rechler, Samson, Schuber, Silverman and Steiner voting in favor; Commissioner Sartor recused and did not participate in the consideration of, or vote on, this item. General Counsel confirmed that sufficient affirmative votes were cast for the action to be taken, a quorum of the Board being present.

RESOLVED, that it is hereby found and determined that it is necessary for public use for bridge or tunnel purposes and purposes incidental thereto for the Port Authority to acquire fee simple absolute title to, or lesser property interests in, all or a part of the real property located in the City of Elizabeth, County of Union, State of New Jersey, within or adjacent to the “Proposed Right-of-way (ROW)” as shown on a map, entitled, “Goethals Bridge Replacement New Alignment South,” a copy of which map was before the Board and a reduced copy of which is attached hereto, including, but not limited to, lands generally identified by block and lot numbers, and road, highway, utility and railroad rights-of-way and in other real property in the vicinity thereof as may be required for the Goethals Bridge Modernization Program (Program), including, but not limited to, property for contractor access, construction easements, administration, parking, material lay-down, etc., the property corner coordinates, the areas and bearings and distances of which are subject to verification and correction by a survey at least meeting American Land Title Association/American Congress on Surveying and Mapping Land Title Survey requirements, prepared by a licensed New Jersey Professional Land Surveyor, and as shown on acquisition maps as may be statutorily required; and it is further

RESOLVED, that the Executive Director and/or General Counsel, either one acting individually, be and they each hereby are authorized, for and on behalf of the Port Authority, for bridge or tunnel purposes, to: (1) acquire, to the extent of the Port Authority’s statutory authority, by negotiation and agreement, or by condemnation pursuant to applicable law, fee simple absolute title to, or lesser property interests in, such real property which the Port Authority has hereby determined that it is necessary to acquire for the Program, by negotiation and agreement or by condemnation pursuant to applicable law; and (2) incur all related costs and expenses and execute all related documents, including, without limitation, conveyances relating to the transfer of property interests to or from the Port Authority, and take associated actions, including actions associated with relocation assistance and real property acquisition as may be mandated for federal and federally assisted programs; 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 such actions, and execute documents and agreements, including, without limitation, with the City of Elizabeth and other public and private entities, which may contain indemnification provisions and may be associated with property acquisition/disposition and right-of-way planning, involving, among other matters, environmental examinations and mitigation measures, maintenance and jurisdiction, utilities and utility relocation, environmental studies, appraisals, surveys, relocation assistance, title searches and title insurance, municipal and other governmental and private processes, authorizations and consents, applying for and obtaining permits and approvals, including agreements with consultants, as may be necessary to effectuate Phase I of the Program; and it is further

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



NEW JERSEY



NEW YORK

LEGEND:

- - - Proposed Right-of-way (ROW)
- - - Proposed Realigned Gulf Avenue and Its Right-of-Way (ROW) Subject to Final Design

1885 Block
35 Lot

**Goethals Bridge Replacement
New Alignment South**

NEWARK LIBERTY INTERNATIONAL AIRPORT – DEUTSCHE LUFTHANSA AKTIENGESELLSCHAFT – NEW LEASE ANC-310

It was recommended that the Board authorize the Executive Director to enter into a new lease agreement with Deutsche Lufthansa Aktiengesellschaft (Lufthansa) for the letting of approximately 5,000 square feet of space in Terminal B at Newark Liberty International Airport (EWR) for a term of ten years and six months, with the space to be used as a passenger lounge.

Under the proposed lease, Lufthansa would invest approximately \$3.7 million to build and fit out its state-of-the-art lounge in the B3 connector of Terminal B, to better accommodate its first-class, business and frequent-flyer patrons, as well as those of other airlines. The rent commencement date under the new lease would be the earlier of the date of beneficial occupancy of the leased premises or six months from the lease commencement date, which is on or about March 1, 2012. Lufthansa would pay a total aggregate rental of approximately \$4.5 million over the term of the lease.

Lufthansa would be responsible for all operational, maintenance and repair costs associated with the space. The Port Authority and Lufthansa each would have the right to terminate the lease without cause, on 30 days' notice. In the event the Port Authority terminated the lease, without cause, the Port Authority would reimburse Lufthansa for its unamortized investment in the premises, in an amount not to exceed \$3.7 million.

Pursuant to the foregoing report, the Board adopted the following resolution, with Commissioners Bauer, Holmes, Lynford, Moerdler, Pocino, Rechler, Samson, Sartor, Schuber, Silverman and Steiner 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 lease agreement, for a term of ten years and six months, with Deutsche Lufthansa Aktiengesellschaft for the letting of approximately 5,000 square feet of space in Terminal B at Newark Liberty International Airport for the construction, operation and maintenance of a passenger lounge, 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.

ALL AIRPORTS – AUTHORIZATION TO ENTER INTO OTHER TRANSACTION AGREEMENTS WITH THE FEDERAL AVIATION ADMINISTRATION

It was recommended that the Board authorize the Executive Director to enter into Other Transaction Agreements with the Federal Aviation Administration (FAA), on an as-needed basis, to provide for reimbursement by the FAA to the Port Authority for costs and expenses associated with work performed by the Port Authority on the FAA's behalf in connection with aeronautical infrastructure improvement projects at John F. Kennedy International, LaGuardia, Newark Liberty International, Stewart International and Teterboro Airports.

FAA projects to install new or upgrade existing aeronautical infrastructure at Port Authority airports may involve the utilization of Port Authority infrastructure, such as duct banks, electrical substations, manholes and handholds. Given the Port Authority's familiarity with this infrastructure, the FAA, at times, requests that the Port Authority perform work on its behalf. The proposed authorization would enable the Port Authority to obtain timely reimbursement from the FAA on projects where the Port Authority provides assistance.

The FAA would reimburse the Port Authority fully for all contractor and staff costs associated with the various aeronautical infrastructure improvement projects completed on the FAA's behalf. Under the terms of the Other Transaction Agreements, the FAA would have 30 days to review and approve drawings related to the work. At the completion of a project (or at such other time that the FAA deems appropriate), the FAA also would have the right to conduct a final inspection of the work.

Pursuant to the foregoing report, the Board adopted the following resolution, with Commissioners Bauer, Holmes, Lynford, Moerdler, Pocino, Rechler, Samson, Sartor, Schuber, Silverman and Steiner 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 Other Transaction Agreements with the Federal Aviation Administration (FAA), on an as-needed basis, to provide for reimbursement by the FAA to the Port Authority for costs and expenses associated with work performed by the Port Authority on the FAA's behalf in connection with aeronautical infrastructure improvement projects at John F. Kennedy International, LaGuardia, Newark Liberty International, Stewart International and Teterboro Airports; 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.

WORLD TRADE CENTER TRANSPORTATION HUB PROJECT – AUTHORIZATION TO AWARD A CONSTRUCTION TRADE CONTRACT FOR NORTH AND SOUTH CONCOURSE ARCHITECTURAL STEEL AND INCREASES IN EXPERT PROFESSIONAL ARCHITECTURAL AND ENGINEERING SERVICES AND CONSTRUCTION MANAGEMENT SERVICES

It was recommended that the Board authorize the Executive Director to: (1) award a construction trade contract, through construction manager Tishman Construction Corporation and Turner Construction Company, a Joint Venture (Tishman/Turner), to Skanska Koch, Inc., to fabricate and install architectural steel to be located in the Transit Hall's North and South Concourses of the World Trade Center Transportation Hub (WTC Hub) Project, at an estimated total cost of \$11,067,400, inclusive of clause work and an eight-percent allowance for extra work; (2) increase, by an estimated amount of \$700,000, the compensation under the Port Authority's existing agreement with Downtown Design Partnership (DDP), a joint venture of AECOM and STV, Inc., for expert professional architectural and engineering services to support the continued construction of the WTC Hub Project; and (3) increase, by an estimated amount of \$800,000, the compensation under the Port Authority's existing agreement with Tishman/Turner for construction management services.

The WTC Hub Project is necessary to re-establish and enhance transportation facilities and infrastructure that existed at the World Trade Center complex prior to September 11, 2001, and ensure the long-term accessibility and economic vitality of Lower Manhattan. The scope of work under the proposed construction trade contract includes fabricating and installing approximately 160 architectural steel ribs, including all horizontal steel elements and fascia that will span the ceilings and walls in the Transit Hall's North and South Concourses in the East Bath tub area of the WTC Hub.

The recommended award is to the lowest-price proposer, Skanska Koch, Inc., which was selected by Tishman/Turner from a pre-qualified list of proposers. The proposed WTC Hub Project trade contract was procured pursuant to the procedures established in the Tishman/Turner Construction Management Agreement, dated August 10, 2009, and the Federal Transit Administration Lower Manhattan Recovery Office Third Party Contracting Requirements, dated August 21, 2003.

In September 2003, the Executive Director authorized an agreement with DDP to provide architectural and engineering services for the development of the WTC Hub Project for a five-year term, at an estimated amount of \$60 million. Through October 2011, the Board authorized increases to the existing DDP contract for additional architectural and engineering and construction support services through Stage IV of the WTC Hub Project, to implement various components of the project. To continue the implementation of the project, it is necessary to increase compensation to DDP at this time. Including the requested increase of \$700,000, a total of \$406.4 million will have been authorized. Approximately \$341.8 million of that amount has been expended to date.

On July 23, 2009, the Board authorized the retention of Tishman/Turner to provide construction management services to support the implementation of the WTC Hub Project. At the time of award, it was anticipated that the project would be implemented through the issuance of two major contracts to procure all trades needed to construct the Transit Hall in the East

Bathtub. Through subsequent discussions with Tishman/Turner, the procurement strategy was modified to procure the construction trade packages individually, in order to best position the agency in attaining competition, flexibility and overall savings in contract value. The proposed increase in compensation to Tishman/Turner would provide for the development, management and supervision of this construction trade package. Including the requested increase of \$800,000, a total of \$133.6 million will have been authorized. Approximately \$43 million of that amount has been expended to date.

Pursuant to the foregoing report, the Board adopted the following resolution, with Commissioners Bauer, Holmes, Lynford, Pocino, Rechler, Schuber, Silverman and Steiner voting in favor; Commissioners Moerdler, Samson, and Sartor recused and did not participate in the consideration of, or vote on, this item. 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 award a construction trade contract, through construction manager Tishman Construction Corporation and Turner Construction Company, a Joint Venture (Tishman/Turner), to Skanska Koch, Inc., to fabricate and install architectural steel to be located in the Transit Hall's North and South Concourses of the World Trade Center Transportation Hub (WTC Hub) Project, at an estimated total cost of \$11,067,400, inclusive of clause work and an eight-percent allowance for 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 increase, by an estimated amount of \$700,000, the compensation under the Port Authority's existing agreement with Downtown Design Partnership, a joint venture of AECOM and STV, Inc., for expert professional architectural and engineering services to support the continued construction of the WTC Hub Project; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to increase, by an estimated amount of \$800,000, the compensation under the Port Authority's existing agreement with Tishman/Turner for construction management services to support the continued construction of the WTC Hub Project; 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.

WORLD TRADE CENTER VEHICULAR SECURITY CENTER AND TOUR BUS PARKING FACILITY – AUTHORIZATION TO AWARD A CONSTRUCTION TRADE CONTRACT FOR ROOFING AND WATERPROOFING AND INCREASE IN EXPERT PROFESSIONAL ARCHITECTURAL AND ENGINEERING SERVICES

It was recommended that the Board authorize the Executive Director to: (1) award a construction trade contract, through construction manager Tishman Construction Corporation (Tishman), to Eagle One Roofing Contractors, Inc., for roofing and waterproofing work associated with the construction of the World Trade Center Vehicular Security Center and Tour Bus Parking Facility (WTC VSC), at an estimated total cost of \$3,023,946, inclusive of an eight-percent allowance for extra work; and (2) increase, by an estimated amount of \$200,000, the compensation under the Port Authority's existing agreement with Liberty Security Partners (LSP), a joint venture of STV, Inc., AECOM and URS Corporation, for expert professional architectural and engineering services (Stage IV services) to support the construction of the WTC VSC Project.

The WTC VSC Project is critical for the redevelopment of the World Trade Center site, because it will improve vehicular circulation and access within Lower Manhattan. Once completed, the WTC VSC will accommodate off-street screening of vehicles that enter the sub-grade roadway and loading docks, as well as a new below-grade support for site-wide operations. The scope of work under the proposed construction trade contract includes furnishing and installing fluid-applied waterproofing, drainage composite, a protection board roofing system, flexible flashings and metallic terminations and flashings. Work also would include installing standing seam roofs, sheet-metal gutters (interior and exterior), scuppers, copings and resin-matrix flooring, as well as related testing and warranties.

It is also necessary to increase the compensation under the existing agreement with LSP for architectural and engineering services for Stage IV design of the WTC VSC Project. These services relate to construction, including preparing documents needed for post-award contract changes, responding to requests for information submitted by contractors, reviewing contractor submittals and preparing as-built drawings upon completion of construction. Since the retention of LSP's services in connection with the WTC VSC Project was authorized initially on September 21, 2006, a total of \$65.2 million has been authorized for architectural and engineering design services to implement various components of the WTC VSC Project. Including the proposed increase, and an increase pursuant to a companion item being advanced at this Board meeting, a total of \$65.7 million will have been authorized. Approximately \$53.4 million of that amount has been expended to date.

Pursuant to the foregoing report, the Board adopted the following resolution, with Commissioners Bauer, Holmes, Lynford, Pocino, Rechler, Samson, Schuber, Silverman and Steiner voting in favor; Commissioners Moerdler and Sartor recused and did not participate in the consideration of, or vote on, this item. 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 award a construction trade contract, through construction manager Tishman Construction Corporation, to Eagle One Roofing Contractors, Inc., for roofing and waterproofing work associated with the construction of the World Trade Center Vehicular Security Center and Tour Bus Parking Facility (WTC VSC), at an estimated total cost of \$3,023,946, inclusive of an eight-percent allowance for 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 increase, by an estimated amount of \$200,000, the compensation under the existing agreement with Liberty Security Partners, a joint venture of STV, Inc., AECOM and URS Corporation, for expert professional architectural and engineering services to support the construction of the WTC VSC Project; 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.

WORLD TRADE CENTER VEHICULAR SECURITY CENTER AND TOUR BUS PARKING FACILITY – AUTHORIZATION TO AWARD A CONSTRUCTION TRADE CONTRACT FOR MASONRY AND INCREASE IN EXPERT PROFESSIONAL ARCHITECTURAL AND ENGINEERING SERVICES

It was recommended that the Board authorize the Executive Director to: (1) award a construction trade contract, through construction manager Tishman Construction Corporation (Tishman), to Holt Construction Corp., for masonry work associated with the construction of the World Trade Center Vehicular Security Center and Tour Bus Parking Facility (WTC VSC), at an estimated total cost of \$4,050,000, inclusive of an eight-percent allowance for extra work; and (2) increase, by an estimated amount of \$300,000, the compensation under the Port Authority's existing agreement with Liberty Security Partners (LSP), a joint venture of STV, Inc., AECOM and URS Corporation, for expert professional architectural and engineering services (Stage IV services) to support the construction of the WTC VSC Project.

The WTC VSC Project is critical for the redevelopment of the World Trade Center site, because it will improve vehicular circulation and access within Lower Manhattan. Once completed, the WTC VSC will accommodate off-street screening of vehicles that enter the sub-grade roadway and loading docks, as well as a new below-grade support for site-wide operations. The scope of work under the proposed construction trade contract includes furnishing and installing concrete masonry unit partitions, reinforcing, blast strengthening, grouting, setting of embedded items furnished under previously authorized VSC trade contracts (i.e., door frames, lintels, louvers, dampers and access doors), fire-safing of partitions at adjacent work and caulking of partition joints.

It is also necessary to increase the compensation under the existing agreement with LSP for architectural and engineering services for Stage IV design of the WTC VSC Project. These services relate to construction, including preparing documents needed for post-award contract changes, responding to requests for information submitted by contractors, reviewing contractor submittals and preparing as-built drawings upon completion of construction. Since the retention of LSP's services in connection with the WTC VSC Project was authorized initially on September 21, 2006, a total of \$65.2 million has been authorized for architectural and engineering design services to implement various components of the WTC VSC Project. Including the proposed increase, and an increase pursuant to a companion item being advanced at this Board meeting, a total of \$65.7 million will have been authorized. Approximately \$53.4 million of that amount has been expended to date.

Pursuant to the foregoing report, the Board adopted the following resolution, with Commissioners Bauer, Holmes, Lynford, Pocino, Rechler, Samson, Schuber, Silverman and Steiner voting in favor; Commissioners Moerdler and Sartor recused and did not participate in the consideration of, or vote on, this item. 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 award a construction trade contract, through construction manager Tishman Construction Corporation, to Holt Construction Corp., for masonry work associated with the construction of the World Trade Center Vehicular Security Center and Tour Bus Parking Facility (WTC VSC), at an estimated total cost of \$4,050,000, inclusive of an eight-percent allowance for 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 increase, by an estimated amount of \$300,000, the compensation under the existing agreement with Liberty Security Partners, a joint venture of STV, Inc., AECOM and URS Corporation, for expert professional architectural and engineering services to support the construction of the WTC VSC Project; 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.

WORLD TRADE CENTER STREETS, UTILITIES AND RELATED INFRASTRUCTURE PROGRAM – PHASE III – PLANNING AUTHORIZATION AND INCREASE IN AUTHORIZATION FOR ADDITIONAL EXPERT PROFESSIONAL ARCHITECTURAL AND ENGINEERING SERVICES FOR LIBERTY PARK

It was recommended that the Board authorize: (1) an increase of \$5 million, from \$1.5 million to \$6.5 million, in the amount of planning work for Phase III of the World Trade Center Streets, Utilities and Related Infrastructure Program (WTC Streets Program), to support the final design of Liberty Park; and (2) the Executive Director to increase, by \$3.9 million, the compensation under the existing contract with Downtown Streetscape Partners (DSP), a joint venture of AECOM and STV, Inc., for expert professional architectural and engineering services to provide the final design for Phase III of the WTC Streets Program.

Under prior authorizations through December 14, 2006, the Board authorized up to \$10 million in planning work for the preliminary design of the WTC Streets Program. Of this amount, approximately \$1.5 million was allocated for Phase III planning work. The overall WTC Streets Program would support the future development and restoration of streets and sidewalks within, and at the perimeter of, the World Trade Center (WTC) site, and would create several public open spaces, including the Wedge of Light, Liberty Park, and Washington Place. Fulton Street and Greenwich Street would be constructed as new streets through the WTC site. Liberty Street and Cedar Street would be rebuilt and reconfigured to accommodate the below-grade Vehicle Security Center. Vesey Street would receive new paving and markings from the existing northern curb to the new southern curb, including the sidewalk adjacent to the façade of One World Trade Center. Church Street would receive a new western curb edge and an adjacent sidewalk, with partial repaving of the existing lanes.

The WTC Streets Program includes utilities, street furnishings, landscaping, lighting, signage, implementation of traffic measures and perimeter security protective measures for vehicle interdiction.

Preliminary engineering work for the overall Streets Program was completed at the end of 2010. However, as other projects at the WTC site have progressed and schedule demands for the site stakeholders have been established, the WTC Streets Program was separated into distinct phases, so that work could be better coordinated with the implementation of other adjacent projects.

Phase III of the WTC Streets Program would include the development of a new 60,000-square-foot Liberty Park, to be located on the southern portion of the WTC site, above the roof of the Vehicular Security Center, and would serve as a public gathering place for workers and the growing number of residents in the surrounding areas. This phase also would provide for pathways, benches, landscaped areas, lighting, and other furnishings and hardscape elements.

The increase in compensation to DSP pursuant to the proposed authorization would allow DSP to prepare the final design and construction documents (Stage III) for Phase III of the WTC Streets Program. Under prior authorizations through October 22, 2009, the Board authorized the award of an agreement with DSP for architectural and engineering services associated with

the overall WTC Streets Program, at an estimated amount of \$16.57 million through completion of preliminary engineering (Stage II) and final design and construction services (Stage III & IV) of Phases I and II. Including the requested increase in compensation of \$3.9 million to DSP for additional architectural and engineering services through Phase III, a total of \$20.47 million will have been authorized. Approximately \$15.3 million of that amount has been expended to date.

Pursuant to the foregoing report, the Board adopted the following resolution, with Commissioners Bauer, Holmes, Lynford, Pocino, Rechler, Samson, Schubert, Silverman and Steiner voting in favor; Commissioners Moerdler and Sartor recused and did not participate in the consideration of, or vote on, this item. 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 of \$5 million in the amount of planning work for Phase III of the World Trade Center Streets, Utilities and Related Infrastructure Program (WTC Streets Program), to support the final design of Liberty Park, 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 increase, by \$3.9 million, the compensation under the existing contract with Downtown Streetscape Partners, a joint venture of AECOM and STV, Inc., for expert professional architectural and engineering services to provide the final design for Phase III of the WTC Streets Program; 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.

WORLD TRADE CENTER RETAIL AND PARKING PRE-TENANT FIT-OUT PROJECTS – AUTHORIZATION TO AWARD A CONSTRUCTION TRADE CONTRACT FOR CONCRETE AND WATERPROOFING

It was recommended that the Board authorize the Executive Director to enter into a construction trade contract, through construction manager Tishman Turner Joint Venture III (Tishman/Turner), a joint venture of Tishman Construction Corporation and Turner Construction Company, with Eurotech Construction Corp., for concrete and waterproofing work associated with the World Trade Center (WTC) site retail and parking areas, at an estimated total cost of \$6,372,000, inclusive of an eight-percent allowance for extra work. This work is the responsibility of the Port Authority and its wholly owned entity, WTC Retail LLC, and is associated with the pre-tenant fit-out phase of the WTC retail development and parking projects.

Via several actions through June 22, 2010, the Board, and the Committee on Operations, acting for and on behalf of the Board pursuant to delegated authority, authorized the phased implementation of core and shell and pre-tenant fit-out work to support the implementation of the WTC retail development throughout the WTC site, at a total amount of \$1.426 billion.

On August 5, 2010, the Board authorized a project for the implementation of core and shell and base-building fit-out for subgrade infrastructure and parking-related improvements at the WTC site, to be located in the East and West Bathtubs, at an estimated total project cost of \$252 million.

At its meeting of February 24, 2011, the Board authorized an agreement with Tishman/Turner to provide construction management services as agent for the Port Authority, to implement a portion of the pre-tenant fit-out work associated with the WTC retail and parking projects, at an estimated amount of \$27.4 million. The total value of the construction work being procured and/or coordinated by Tishman/Turner under that agreement is estimated at \$220.5 million, which amount includes the proposed concrete and waterproofing trade contract.

The scope of work under this proposed contract includes waterproofing, concrete fill, topping slabs, curbs and miscellaneous patching as necessary to satisfy requirements for the WTC retail and parking projects. This work would be installed in the WTC retail and parking areas located within the WTC Transportation Hub, One World Trade Center, Towers 2, 3, and 4, and under the New York City Transit No. 1 Subway Line. The proposed contract includes a warranty for a period of one year, commencing on the date of formal acceptance, or through December 31, 2016, whichever time period is later.

Tishman/Turner, on behalf of the Port Authority, solicited bids through a publicly advertised, competitive two-step pre-qualification bid process, and Eurotech Construction Corp. was the lowest qualified bidder. The proposed trade contract with Eurotech Construction Corp. would be awarded pursuant to the Tishman/Turner construction management agreement, dated March 31, 2011.

Pursuant to the foregoing report, the Board adopted the following resolution, with Commissioners Bauer, Holmes, Lynford, Moerdler, Pocino, Rechler, Samson, Schuber, Silverman and Steiner voting in favor; Commissioner Sartor recused and did not participate in the consideration of, or vote on, this item. 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 and its wholly owned entity, World Trade Center Retail LLC, to enter into a construction trade contract, through construction manager Tishman Turner Joint Venture III, a joint venture of Tishman Construction Corporation and Turner Construction Company, with Eurotech Construction Corp., for concrete and waterproofing work associated with World Trade Center site retail and parking areas, at an estimated total cost of \$6,372,000, inclusive of an eight-percent allowance for extra work; and it is further

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

ONE WORLD TRADE CENTER – AUTHORIZATION TO AWARD A CONSTRUCTION TRADE CONTRACT FOR EXTERIOR CLADDING AT THE PODIUM WALL AND INCREASES TO VARIOUS CONTRACTS

It was recommended that the Board authorize 1 World Trade Center LLC (1 WTC LLC) to: (1) enter into a construction trade contract, through its construction manager, Tishman Construction Corporation (Tishman), with Permasteelisa North America Corporation, for the redesigned exterior cladding at the podium wall associated with the construction of One World Trade Center (1WTC), at an estimated total cost of \$37,260,000, inclusive of an eight-percent allowance for extra work; (2) increase compensation to 16 construction trade contracts set forth below, in the aggregate amount of \$13,723,500, for modifications associated with the podium wall redesign at 1WTC; (3) increase compensation to six design consultant contracts set forth below, in the aggregate amount of \$1,653,650, for the performance of redesign work associated with the podium wall at 1WTC; and 4) provide an allowance for extra work/contingency, in the amount of \$1,230,172, to be allocated as required among the 22 impacted 1WTC construction and design contracts, on an as-needed basis, for the sole purpose of accommodating the podium wall, with any expenditure of funds under the extra work/contingency allowance subject to the approval of the Executive Director.

At its meeting of August 14, 2008, the Board authorized the award of a construction trade contract for a glazed enclosure at the podium wall at 1WTC to Solera Construction, Inc./DCM Erectors, Inc., J.V., at an estimated amount of approximately \$82.1 million, inclusive of an eight-percent allowance for extra work. The original podium wall design featured innovative grooved prismatic glass panels. Subsequent to the award, it became apparent that production of the glass as designed was not feasible. In an effort to maintain the construction schedule, a decision was made in the spring of 2011 to redesign the glazed enclosure. The new podium wall design features glass fins and stainless steel panels. The contract for the new podium wall was let in the summer of 2011.

The proposed construction trade contract was negotiated pursuant to the procurement procedures established in the Third Freedom Tower Amendment, as approved by the Board on January 25, 2007. The scope of work includes detailing, engineering, fabricating, furnishing and installing the exterior cladding at the podium wall, including all glass fins, stainless steel panels, and all support elements required to anchor the system to the structure, as well as changes and additions to adjacent trade work that was modified or increased to accommodate the new podium wall design.

Additionally, the proposed authorization would provide for increases in compensation under several construction trade contracts and design consultant contracts for construction and design modifications associated with the podium wall redesign at 1WTC, as noted below:

Contractor	Scope of Work	Estimated Amount*
4 Star Contracting	Plaza Waterproofing	\$270,000
American Architectural Incorporated	Cable Net Wall	\$1,750,000
APG International, Inc.	Lobby Glass	\$650,000
Atlantic Hoisting & Scaffolding, LLC	Scaffolding/Sidewalk Sheds	\$2,750,000
Belt Painting of New York	Steel Painting	\$520,000
Benson Industries, LLC	Curtain Wall	\$150,000
Collavino Construction	Concrete	\$51,000
DCM Erectors Inc.	Structural Steel	\$2,500,000
Five Star Electric AG	AG Electric	\$1,400,000
FW Sims Incorporated AG	AG Heating/Air Cond.	\$200,000
Hillside Ironworks, Inc.	Miscellaneous Iron	\$80,000
Island International Industries	Spray-on Fireproofing	\$852,500
The Jobin Organization, Inc.	Tower Waterproofing	\$650,000
Rad and D'Aprile, Inc. AG	AG Masonry	\$300,000
Rael Automatic Sprinkler AG	AG Fire Protection	\$100,000
Tractel, Ltd.	Façade Maintenance	\$1,500,000
Total		\$13,723,500

Consultant	Scope of Work	Estimated Amount*
Israel Berger & Associates	Exterior Wall Monitoring	\$87,650
Jaros, Baum & Bolles	Mechan. Electric. Plumb.	\$110,000
Rowan Williams Davies & Irwin	Wind Tunnel Testing	\$107,000
Schlaich Bergerman & Partner	Specialty Structural	\$10,000
Skidmore, Owings & Merrill	Architecture	\$1,250,000
WSP Cantor Seinuk	Structural	\$89,000
Total		\$1,653,650

*Estimated amounts are exclusive of an allowance for extra work/contingency in the amount of \$1,230,172, to be allocated as required among the 22 impacted 1WTC construction and design contracts, on an as-needed basis, for the sole purpose of accommodating the podium wall.

This authorization would support the current construction schedule at 1WTC, in conjunction with the overall development of the World Trade Center site.

Pursuant to the foregoing report, the Board adopted the following resolution, with Commissioners Bauer, Holmes, Lynford, Moerdler, Pocino, Rechler, Samson, Schuber, Silverman and Steiner voting in favor; Commissioner Sartor recused and did not participate in the consideration of, or vote on, this item. General Counsel confirmed that sufficient affirmative votes were cast for the action to be taken, a quorum of the Board being present.

RESOLVED, that 1 World Trade Center LLC be and it hereby is authorized to enter into a construction trade contract, through its construction manager, Tishman Construction Corporation, with Permasteelisa North America Corporation for the redesigned exterior cladding at the podium wall associated with the construction of One World Trade Center (1WTC), at an estimated total cost of \$37,260,000, inclusive of an eight-percent allowance for extra work; and it is further

RESOLVED, that increases in compensation to 16 construction trade contracts set forth above, in the aggregate amount of \$13,723,500, for modifications associated with the podium wall redesign at 1WTC, be and they hereby are authorized; and it is further

RESOLVED, that increases in compensation to six design consultant contracts set forth above, in the aggregate amount of \$1,653,650, for the performance of redesign work associated with the podium wall at 1WTC, be and they hereby are authorized; and it is further

RESOLVED, that an extra work/contingency allowance, in the amount of \$1,230,172, to be allocated as required among the 22 impacted 1WTC construction and design contracts on an as-needed basis for the sole purpose of accommodating the podium wall, and subject to approval of the Executive Director, be and it hereby is authorized; 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.

COMPREHENSIVE AGENCY-WIDE REVIEW – RETENTION OF PROFESSIONAL ADVISORY SERVICES

It was recalled to the Board that in a letter dated August 18, 2011, the Governors of New York and New Jersey directed the Commissioners to commence a comprehensive audit of the Port Authority, focusing on both a financial audit of the Port Authority's 10-year Capital Plan, to reduce its size and cost, and a review of the Port Authority's management and operations to find ways to lower costs and increase efficiencies, as conditions of not opposing toll and fare increases at the Port Authority's bridges and tunnels and on the Port Authority Trans-Hudson (PATH) rail system.

It was further recalled that in a letter to both Governors dated September 19, 2011, the Chairman of the Port Authority outlined a four-point plan to comply with their direction that would include: 1) a comprehensive analysis of the Authority's 10-year Capital Plan, in an effort to reduce the size and cost of non-revenue producing projects, reprioritizing existing projects and establishing new priorities, and the most cost effective way to finance the same; 2) a thorough review of the Authority's capital projects and spending over the past 10 years to determine the causes and full extent of, as well as potential remedies to address, cost escalation on the Authority's projects, with a focus on the World Trade Center site; 3) an evaluation of potential alternative revenue and capital sources for the Authority to minimize the impact on New York and New Jersey residents and businesses; and 4) a top-to-bottom management review of the Authority's organizational structure and effectiveness, staffing levels, compensation and benefits and financial management, including accounting, audit, financing, consulting and other contractual practices and agreements, all done to further lower costs and increase efficiencies within the Authority.

Subsequently, on September 30, 2011 the Chairman announced the establishment of a Special Committee of the Board of Commissioners to conduct this comprehensive review of the agency. In furtherance of this effort, it was recommended that the Board arrange for the retention of a consultant(s) to participate in the Special Committee's review.

Pursuant to the foregoing report, the Board adopted the following resolution, with Commissioners Bauer, Holmes, Lynford, Moerdler, Pocino, Rechler, Samson, Sartor, Schuber, Silverman and Steiner 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 Chairman and Vice Chairman are each authorized to arrange for the retention of a consultant(s) by General Counsel to participate in the comprehensive review of the agency being conducted by the Special Committee of the Board of Commissioners, which was established by the Chairman for this purpose; and it is further

RESOLVED, that General Counsel be and he hereby is authorized, for and on behalf of the Port Authority, to take any and all action in connection with the retention of such consultant(s), including negotiation and execution of an agreement(s) pertaining to such consultant(s) services.

Whereupon, the meeting was adjourned.

Secretary