

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

**COMMITTEE ON OPERATIONS
MINUTES OF SPECIAL MEETING**

Thursday, December 8, 2011

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**COMMITTEE ON OPERATIONS
MINUTES OF SPECIAL MEETING**

225 Park Avenue South

New York, NY

Thursday, December 8, 2011

PRESENT:

Hon. David Samson, Chair
 Hon. Scott H. Rechler, Vice-Chair
 Hon. Virginia S. Bauer
 Hon. Jeffrey H. Lynford
 Hon. Jeffrey A. Moerdler
 Hon. Anthony J. Sartor
 Hon. William P. Schuber
 Committee Members

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
 Rosemary Chiricolo, Deputy Director, Management and Budget
 Steven J. Coleman, Deputy Director, Media Relations
 Harry Czinn, Senior Project Manager, Management and Budget
 Gerard A. Del Tufo, Assistant Director of Development and Operations, Real Estate and
 Development
 John C. Denise, Audio Visual Supervisor, Marketing
 Michael P. DePallo, Director, Rail Transit
 Pasquale DiFulco, Manager, Industry Forecasting, Aviation
 John J. Drobny, Director, Security Projects, Chief Operating Office
 Diannae C. Ehler, Deputy Director, Tunnels Bridges and Terminals
 Michael G. Fabiano, Chief Financial Officer
 Michael A. Fedorko, Director, Public Safety/Superintendent of Police
 Michael B. Francois, Chief, Real Estate and Development
 Lash L. Green, Director, Office of Business Diversity and Civil Rights
 Glenn P. Guzi, Senior External Affairs Representative, Government and Community Affairs
 Linda C. Handel, Deputy Secretary
 Andrew T. Hawthorne, Director, Marketing
 Mark D. Hoffer, Director, New Port Initiatives, Port Commerce
 Howard G. Kadin, Esq., Law
 James A. Keane, General Manager, Inspection and Safety-Risk Management, Operations
 Services
 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
John Ma, Chief of Staff to the Executive Director
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
Paul A. Pietropaolo, Corporate Information Security Officer, Office of the Secretary
Steven P. Plate, Deputy Chief, Capital Planning/Director, World Trade Center Construction
Monika A. Radkowska, Principal Board Management and Support Specialist, Office of the Secretary
Alan L. Reiss, Deputy Director, World Trade Center Construction
Timothy G. Stickelman, Assistant General Counsel
Gerald B. Stoughton, Director, Financial Analysis
Robert A. Sudman, Director, Audit
Ralph Tragale, Assistant Director, Public Affairs, Aviation
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
Peter J. Zipf, Chief Engineer

Guest:

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

Speakers:

Margaret Donovan, Twin Towers Alliance
Richard Hughes, Twin Towers Alliance
Yvonne Garrett Moore, Member of the Public

In view of the fact that there would be an insufficient number of affirmative votes cast to constitute a quorum with respect to certain matters to be considered at today's Board meeting, the Secretary reported that, pursuant to the By-Laws, a special meeting of the Committee on Operations was called to permit the Committee to act on these items for and on behalf of the Board.

The meeting was called to order in public session by Chairman Samson at 2:09 p.m. and ended at 2:30 p.m.

WORLD TRADE CENTER TRANSPORTATION HUB PROJECT – AUTHORIZATION TO AWARD A CONSTRUCTION TRADE CONTRACT FOR SIGNAGE 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 Bunting Graphics, Inc./Architectural Sign Group, Inc., a Joint Venture, to furnish and install signage throughout the World Trade Center Transportation Hub (WTC Hub), at an estimated total cost of \$3,506,823, inclusive of clause work and an eight-percent allowance for extra work; (2) increase, by an estimated amount of \$250,000, 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 \$300,000, 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 the furnishing and installation of informational graphics and signage, including all required bracketing, lighting and electrical components, throughout the WTC Hub.

The recommended award is to the lowest price proposer, Bunting Graphics, Inc./Architectural Sign Group, Inc., a Joint Venture, which was selected by Tishman/Turner following a publicly advertised request for proposals process. 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 November 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 \$250,000, a total of \$406.65 million will have been authorized. Approximately \$344.7 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 \$300,000, a total of \$133.9 million will have been authorized. Approximately \$45 million of that amount has been expended to date.

Pursuant to the foregoing report, the Committee on Operations, acting for and on behalf of the Board pursuant to delegated authority, adopted the following resolution, with Commissioners Bauer, Lynford, Rechler and Schuber 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 Committee 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 Bunting Graphics, Inc./Architectural Sign Group, Inc., a Joint Venture, to furnish and install signage throughout the World Trade Center Transportation Hub (WTC Hub), at an estimated total cost of \$3,506,823, 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 \$250,000, 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 \$300,000, 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 SECURITY SCREENING EQUIPMENT 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 to Rapiscan Systems, Inc., for security screening equipment 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 \$15,516,500, inclusive of an eight-percent allowance for extra work; and (2) increase, by an estimated amount of \$460,000, 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 (WTC) 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, installing, integrating, testing, commissioning and maintaining equipment for Gantry-Mounted Vehicle Scanner and Inspection Systems and associated equipment for the inspection of all vehicles and pedestrians requiring access to the subgrade areas of the WTC site via the VSC. The contract includes a one-year warranty and a five-year maintenance agreement, effective upon the date of owner acceptance.

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 \$65.7 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 \$67.5 million will have been authorized. Approximately \$54.2 million of that amount has been expended to date.

Pursuant to the foregoing report, the Committee on Operations, acting for and on behalf of the Board pursuant to delegated authority, adopted the following resolution, with Commissioners Bauer, Lynford, Rechler, Samson and Schuber 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 Committee 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 to Rapiscan Systems, Inc., for security screening equipment 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 \$15,516,500, 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 \$460,000, 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 ARCHITECTURAL FINISHES 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 Padilla Construction Services, Inc., for architectural finishes 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 \$31,941,000, inclusive of an eight-percent allowance for extra work; and (2) increase, by an estimated amount of \$1,340,000, 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 carpentry, drywall, acoustical materials, insulation, hollow metal frames and doors, finish hardware, architectural millwork, overhead doors, painting, architectural metals, glazing, ceramic and stone, flooring, toilet accessories and compartments, signage, parking specialties and equipment, monorail hoisting equipment and wire mesh security enclosure partitions.

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 \$65.7 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 \$67.5 million will have been authorized. Approximately \$54.2 million of that amount has been expended to date.

Pursuant to the foregoing report, the Committee on Operations, acting for and on behalf of the Board pursuant to delegated authority, adopted the following resolution, with Commissioners Bauer, Lynford, Rechler, Samson and Schuber 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 Committee 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 Padilla Construction Services, Inc., for architectural finishes 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 \$31,941,000, 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 \$1,340,000, 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 (WTC) MEMORIAL, MEMORIAL MUSEUM AND WTC INFRASTRUCTURE PROJECTS – INCREASE IN AUTHORIZATION TO EXISTING CONSTRUCTION TRADE CONTRACT FOR BRONZE NAME PARAPET HEATING AND COOLING SYSTEM

It was recommended that the Board authorize the Executive Director to increase, by an estimated amount of \$168,000, the compensation under the existing construction trade contract awarded by the National September 11 Memorial and Museum at the World Trade Center Foundation, Inc. (NS11MM) to KSW Mechanical Services, Inc. (KSW) for work associated with the bronze name parapets heating and cooling system for the World Trade Center (WTC) Memorial Project. These costs are the sole responsibility of the NS11MM, as this work supports the WTC Memorial Project exclusively.

Pursuant to a July 2006 Project Agreement with the Lower Manhattan Development Corporation, the NS11MM, the City of New York and the State of New York, the Port Authority is to assume responsibility for construction of the WTC Memorial and the Memorial Museum Projects.

In December 2006, the Board authorized the Executive Director to finalize agreements with the NS11MM providing for the Port Authority to accept an assignment of the Bovis Lend Lease LMB, Inc. (Bovis) construction management services contract and manage all construction work for the WTC Memorial and Memorial Museum Projects. In anticipation of the full assignment of the Bovis contract, the NS11MM proceeded with procurement of the heating and cooling system trade contract for the bronze name parapets, as an essential component of the critical path schedule for the WTC Memorial, Memorial Museum and WTC Infrastructure Projects.

On November 18, 2010, the Board authorized the award of a construction trade contract for the furnishing and installation of a complete bronze name parapets heating and cooling system for the WTC Memorial Project to KSW, at an estimated total cost of \$3,510,000, including an eight-percent contingency. The contract also authorized a payment of \$323,180 to Bovis for construction management services. The scope of work under this contract initially included the fabrication, furnishing and installation of all parts for the bronze name parapets heating and cooling system, such as pipes, pumps, heat exchangers, automatic valves, surface temperature sensors and wiring.

In March 2011, the Executive Director authorized an increase to the amount of extra work for the existing bronze name parapets heating and cooling system contract with KSW, in the amount of \$812,500. That increase provided for additional scope of work, including relocation of manifold pipe fittings, reduction in size of flex hoses, design changes unforeseen at the time the contract was awarded and existing/revised field conditions.

The currently proposed increase to the trade contract with KSW would provide for the installation of revised fittings to accommodate changes to piping connections, as well as retrofit work performed on site to conceal the visible heating and cooling system components, as requested by the architect of the Memorial. These items were requested by the NS11MM due to modifications subsequent to the award of the contract.

Pursuant to the foregoing report, the Committee on Operations, acting for and on behalf of the Board pursuant to delegated authority, adopted the following resolution, with Commissioners Lynford, Moerdler, Rechler, Samson and Schuber voting in favor; Commissioners Bauer 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 Committee being present.

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 \$168,000, the compensation under the existing construction trade contract awarded by the National September 11 Memorial and Museum at the World Trade Center Foundation, Inc. to KSW Mechanical Services, Inc. for work associated with the bronze name parapets heating and cooling system for the World Trade Center Memorial Project; and it is further

RESOLVED, that the form of all contracts and documents necessary to effectuate the foregoing shall be subject to the approval of General Counsel or his authorized representative.

Whereupon, the meeting was adjourned.

Secretary