THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES
Thursday, January 22, 2009

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MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, January 22, 2009 at 225 Park Avenue South, City, County and State of New York

PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
Hon. Virginia S. Bauer
Hon. Anthony J. Sartor
Hon. David S. Steiner

NEW YORK

Hon. Henry R. Silverman, Vice-Chairman
Hon. Stanley E. Grayson
Hon. Fred P. Hochberg
Hon. H. Sidney Holmes III
Hon. David S. Mack

Christopher O. Ward, Executive Director
Darrell B. Buchbinder, General Counsel
Karen E. Eastman, Secretary

A. Paul Blanco, Chief Financial Officer
Ernesto L. Butcher, Chief Operating Officer
Arthur J. Cifelli, Director, PABT Air Rights Development
Steven J. Coleman, Assistant Director, Media Relations, Public Affairs
Arpan Dasgupta, Executive Assistant to the Deputy Executive Director
William R. DeCota, Director, Aviation
John C. Denise, Audio Visual Supervisor, Public Affairs
Michael P. DePallo, Director, Rail Transit
Pasquale DiFulco, Executive Communications Specialist, Media Relations, Public Affairs
Francis A. DiMola, Deputy Director, Real Estate
Sandra E. Dixon, State Legislative Representative, Government & Community Affairs
John J. Drobny, Director, Security Projects
Michael G. Fabiano, Deputy Chief Financial Officer/Comptroller
Michael B. Francois, Chief, Real Estate & Development
Richard Friedman, Senior Advisor to the Executive Director
Linda C. Handel, Assistant Secretary
Alan H. Hicks, Senior Public Information Officer, Public Affairs
Mark D. Hoffer, Special Advisor to the Executive Director
Howard G. Kadin, Esq., Law
Kevin J. Kirchman, Director, Marketing, Public Affairs
Louis J. LaCapra, Chief Administrative Officer
Cristina M. Lado, Director, Government and Community Affairs
Conor Lanz, Leadership Fellow, Human Resources
Richard M. Larrabee, Director, Port Commerce
Susan Bass Levin, Deputy Executive Director
Andrew Levine, Assistant Director, Audit
Francis J. Lombardi, Chief Engineer
Stephen Marinko, Esq., Law
Michael G. Massiah, Director, Management and Budget
Candace McAdams, Director, Media Relations, Public Affairs
James E. McCoy, Manager, Board Management Support, Office of the Secretary

Christopher J. Mohr, Senior Board Management Support Specialist, Office of the Secretary
Anne Marie C. Mulligan, Treasurer
Lynn A. Nerney, Senior Business Manager, Office of the Secretary
Steven P. Plate, Director, World Trade Center Construction
Alan L. Reiss, Deputy Director, World Trade Center Construction
Risa A. Resnick, Esq., Law
Richard R. Roper, Director, Planning
Spencer Schrage, Public Information Officer, Media Relations
Jessica Schultz, Senior Government Community Affairs Manager, Government and Community Affairs
Stephen H. Sigmund, Chief, Public and Government Affairs
Gerald B. Stoughton, Director, Office of Financial Analysis
Ralph Tragale, Assistant Director, Government and Community Affairs
David B. Tweedy, Chief, Capital Programs
Lillian D. Valenti, Director, Procurement
Sheree R. Van Duyne, Manager, Policies and Protocol, Office of the Secretary
Andrew S. Warshaw, Chief of Staff to the Executive Director
Peter J. Zipf, Deputy Chief Engineer/Director of Engineering

Guests:
Hon. Bruce A. Blakeman, Former Commissioner
Sonia Frontera, Authorities Unit, Office of the Governor of New Jersey

Public Speakers:
Steven Papageorge, Unite Here
LaKeesha Paylor, Unite Here

The public meeting was called to order by Chairman Coscia at 1:02 p.m. and ended at 1:21 p.m. The Board met in executive session prior to the public session.

Action on Minutes

The Secretary submitted for approval Minutes of the meetings of December 17, 2008. She reported that copies of these Minutes were sent to the Governors of New York and New Jersey on December 18, 2008. She reported further that the time for action by the Governors of New York and New Jersey expired at midnight on January 5, 2009.

Whereupon, the Board of Commissioners unanimously approved the Minutes.

Report of Security Committee

The Security Committee reported, for information, on matters discussed in executive session at its meeting on January 22, 2009, which included discussion of matters involving public safety or law enforcement, and the report was received.

Report of Committee on Finance

The Committee on Finance reported, for information, on matters discussed in public session at its meeting on January 22, 2009, which included discussion of an item to amend resolutions adopted by the Board in November 2007 pertaining to the issuance and sale of certain consolidated bonds and consolidated notes, and a review of the Port Authority's investment portfolio results, and the report was received.

Report of Committee on Operations

The Committee on Operations reported, for information, on matters discussed in public session at its meeting on January 22, 2009, which included discussion of an item that authorizes the submission of an application to the Federal Aviation Administration for an extension of authority to impose and use Passenger Facility Charges at the Port Authority's commercial airports, discussion of an intermodal rail incentive program, to encourage the use of the ExpressRail system, and discussion of a lease with FAPS, Inc. at Port Newark, and the report was received.

The Committee also reported on action taken in public session at a special, interim meeting of the Committee held on January 22, 2009, in accordance with the Board's resolution of December 15, 1994, to act for and on behalf of the Board, on a project to provide for the widening and realignment of the intersection of North Avenue East and McLester Street at the Elizabeth-Port Authority Marine Terminal. A copy of the minutes of the special, interim meeting of the Committee on Operations, held on January 22, 2009 is included with these minutes.

Report of Committee on Construction

The Committee on Construction reported, for information, on matters discussed in public session at its meeting on January 22, 2009, which included discussion of an item for increased authorization for the completion of the Seismic Retrofit Program at the Port Authority Bus Terminal and discussion of an item for increased authorization for the completion of the Battery Park City Permanent Ferry Terminal, 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 session at its meeting on January 22, 2009, which included discussion of an item for Phase I of the World Trade Center (WTC) Streets, Utilities and Related Infrastructure Program, review of the Lower Manhattan Construction Command Center's fourth quarter fiscal year budget and discussion of various trade contracts for the advancement of construction activities in connection with the redevelopment of the WTC site, and discussion of matters involving ongoing negotiations or reviews of contracts or proposals, and the report was received.

ELIZABETH-PORT AUTHORITY MARINE TERMINAL -- ACQUISITION, DECLARATION AS SURPLUS AND DISPOSITION OF PROPERTY INTERESTS IN CONNECTION WITH THE NORTH AVENUE EAST / McLESTER STREET CURVE REALIGNMENT PROJECT

It was recommended that the Board: (1) declare approximately 0.69 acres of the McLester Street roadbed (Parcel B) at the Elizabeth-Port Authority Marine Terminal (EPAMT) and approximately one acre at the EPAMT (Parcel C) surplus property no longer needed for Port Authority marine terminal purposes upon completion of the North Avenue East/McLester Street Curve Realignment Project (Project); and (2) authorize the Executive Director to enter into: (a) a contract of sale with North Avenue East, LLC (NAE), a private owner of property abutting the EPAMT and located at 1-71 North Avenue East, Elizabeth, New Jersey, for: (i) the acquisition by the Port Authority from NAE of two parcels of approximately 0.02 aggregate acres (collectively, Parcel A), at a total purchase price to the Port Authority of $8,000, and approximately 0.43 acres of the North Avenue East roadbed, approximately 0.10 acres of the McLester Street roadbed, and Parcel B (collectively, the NAE Roadbed Parcels), all at no cost to the Port Authority; and (ii) the granting of certain easement rights by NAE to the Port Authority for construction and access with respect to the NAE property; (b) a contract of sale with NAE for the conveyance by the Port Authority to NAE of Parcel B, at no cost to NAE, and Parcel C, at a cost to NAE of $400,000; and (c) any other agreements necessary to effectuate these actions, including title company agreements, surveys and subdivisions approvals, and to grant and accept deeds.

In February 1994, the Board authorized, among other items, a project, known as the North Avenue East Improvement Project (NAEIP), for the widening of certain portions of North Avenue East, in order to accommodate increased vehicular traffic in the vicinity of the EPAMT. The work associated with the NAEIP was subsequently divided into three phases, two of which were completed by 2002. The Project to realign the curve at North Avenue East and McLester Street is the final improvement to be constructed as part of the NAEIP. Authorization for the Project itself is being sought separately at a special, interim meeting of the Committee on Operations being held today, at a total cost of $31.5 million, including various agreements with public utility companies that are required to advance the Project.

In order for the Project to advance, certain property transactions are necessary. In regard to the property transactions related to the Project, in November 1998, the Board authorized the Port Authority to acquire a three-acre unimproved parcel from Honeywell International, Inc. (Honeywell), successor-in-interest to Allied Chemical Corporation, in connection with the NAEIP. The Port Authority concluded that transaction in 2005.

In November 2004, the City of Elizabeth passed an ordinance vacating a portion of McLester Street and a portion of North Avenue East, subject to the completion of certain conditions precedent, such conditions to include the Port Authority's acquisition of the abutting owners' interests in the vacated roadbeds, of which NAE is one such owner. The vacation of these roadways must occur prior to the commencement of construction of the Project, so that the Port Authority can designate the acquired, vacated roadbeds as Marine Terminal Highways, thereby permitting Port Authority funding to be used to pay for the Project.

In December 2004, the Board authorized the Port Authority to accept fee title from NAE of the NAE Roadbed Parcels at no cost, prior to commencement of construction of the Project. Subsequent to that authorization, NAE indicated that it would like to purchase Parcels B and C from the Port Authority upon the completion of the Project. Because Parcels B and C no longer will be required for marine terminal purposes once the Project is completed, an agreement was reached to convey these parcels to NAE.

Under the proposed authorization, the NAE Roadbed Parcels still would be conveyed to the Port Authority at no cost and, except for Parcel B, would become part of the Project's realigned roadbed area and remain Port Authority property upon completion of the Project. Parcel B would be used, as necessary, for the staging and performance of the Project, and to meet the conditions of the ordinance for the vacation of the roadbeds. Upon completion of the Project, Parcel B, which no longer would be needed by the Port Authority for the Project or for other marine terminal purposes, would be conveyed back to NAE, at no cost to NAE (because the Port Authority originally acquired it from NAE at no cost). Additionally, Parcel C, which includes the Port Authority's portion of the former roadbed and abuts Parcel B, would be conveyed to NAE for $400,000, which is the per-acre price the Port Authority paid in 2005 to acquire the unimproved three-acre parcel from Honeywell.

Prior to the commencement of construction, NAE would convey to the Port Authority Parcel A, at a purchase price of $8,000, and would grant easement rights to the Port Authority with respect to the NAE property for construction and access.

Implementation of the Project is expected to improve traffic flow and truck safety along McLester Street and North Avenue East. It also will improve the marine terminal roadway system by enhancing safety for vehicles entering and exiting the EPAMT along McLester Street and North Avenue East. Better terminal access/egress, improved traffic flow and reduced vehicle emissions in the EPAMT are among the other benefits anticipated.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Hochberg, Holmes, Mack, Sartor, Silverman and Steiner voting in favor; none against:

RESOLVED, that the Board hereby finds and determines that two parcels of real property consisting of:

1. Parcel B: A portion of the existing McLester Street roadbed located between North Avenue East and Polaris Street and designated as a part of Tax Account 1-1317 (approximately 0.69 acre), and

2. Parcel C: Land adjoining Parcel B consisting of another portion of the existing McLester Street roadbed and vacant land (approximately one acre),

both located in the City of Elizabeth, County of Union, State of New Jersey, are no longer required for the purposes for which they were acquired; and it is further

RESOLVED, that the Chief Engineer of the Port Authority be and he hereby is authorized and directed, for and on behalf of the Port Authority, to execute a certificate to be annexed to the appropriate Port Authority Map stating that Parcel B and Parcel C no longer are required for the purposes for which they were acquired, such map to be filed with the Office of the Secretary of the Port Authority; 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: (1) a contract of sale with North Avenue East, LLC (NAE), a private owner of property abutting the EPAMT and located at 1-71 North Avenue East, Elizabeth, New Jersey, for: (a) the acquisition by the Port Authority from NAE of two parcels of approximately 0.02 aggregate acres (collectively, Parcel A), at a total purchase price to the Port Authority of $8,000, and approximately 0.43 acres of the North Avenue East roadbed, approximately 0.10 acres of the McLester Street roadbed, and Parcel B, all at no cost to the Port Authority; and (b) the granting of certain easement rights by NAE to the Port Authority for construction and access with respect to the NAE property; (2) a contract of sale with NAE for the conveyance by the Port Authority to NAE of Parcel B, at no cost to NAE, and Parcel C, at a cost to NAE of $400,000; and (3) any other agreements necessary to effectuate these actions, including title company agreements, surveys and subdivisions approvals, and to grant and accept deeds; 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.

GEORGE WASHINGTON BRIDGE AND PORT AUTHORITY BUS TERMINAL – SEISMIC RETROFIT PROGRAM – INCREASE IN PROJECT AUTHORIZATION AND INCREASE IN AUTHORIZATION FOR CONTRACT BT-254.220

It was recommended that the Board authorize: (1) an increase in project authorization for the completion of the Seismic Retrofit Program (the Program) at the Port Authority Bus Terminal (PABT), in the amount of $22.8 million, from $75.9 million to $98.7 million; and (2) the Executive Director to: (a) increase by $8.5 million the amount of Contract BT-254.220 with Koch Skanska, Inc. for structural modifications at the PABT in connection with the Program, from $52.5 million to $61 million; and (b) enter into one or more agreements with tenants of the PABT to provide for reimbursement of tenant alteration costs, or for rental credits, as may be necessary to effectuate the Program, at a total amount not to exceed $350,000.

Following review of seismic vulnerability studies and risk assessments by Port Authority-retained consultants, staff decided to implement certain structural strengthening initiatives at the George Washington Bridge (GWB) and the PABT. On March 19, 2003, the Federal Emergency Management Agency (FEMA) provided a $46.3 million grant to support these initiatives.

In June 2004, the Board authorized a project for the GWB and PABT Seismic Retrofit Program, at a total cost of $75.9 million. That authorization included construction cost estimates of $17.9 million for the GWB and $34.9 million for the PABT.

After developing final designs for the work at the GWB, staff realized that the required strengthening would be attained at a lower construction cost than anticipated. In November 2004, Contract GWB-244.221 for the Seismic Retrofit of the New York Approach Structures at the GWB was awarded to Koch Skanska, Inc., at an amount of $8.63 million, and was completed in February 2008. The final construction cost was $7.38 million, and the total GWB project cost was $12.34 million. (To date, FEMA has reimbursed the Port Authority for $5.9 million of that amount.)

In August 2005, Contract BT-254.220 for Structural Modifications at the PABT was awarded to Koch Skanska, Inc. for $50 million, including $4.25 million in net cost work and $3.4 million in extra work allowance. The anticipated project completion date was August 2008. At that time, the funds remaining from the GWB cost underrun were used to offset the PABT contract increase. The total project cost for the PABT work at that time was $67.8 million. The PABT contract is approximately 70 percent complete, and now is expected to be completed in December 2009. (To date, FEMA has reimbursed the Port Authority for $22.1 million for the PABT project.)

In May 2008, an additional $2.5 million was authorized for Contract BT-254.220. This increase brought the authorized contract total to $52.5 million.

The proposed increase is necessary to address conditions that were unknown at the time of the June 2004 Board authorization of the project, including utilities relocation work more extensive than originally anticipated, additional work for engineering design and construction management required to coordinate tenant work, delays in obtaining agreements from the New York City Department of Transportation to erect structural support on the exterior of the PABT, as well as permits for street closures, removal and replanting of trees by the New York City Parks Department, and delays to the contractor caused by coordination with other ongoing contracts.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Hochberg, Holmes, Mack, Sartor, Silverman and Steiner voting in favor; none against:

RESOLVED, that an increase of $22.8 million in the amount of the project authorization for completion of the Seismic Retrofit Program (Program) at the Port Authority Bus Terminal (PABT), from $75.9 million to $98.7 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 increase by $8.5 million the amount of Contract BT-254.220 with Koch Skanska, Inc. for structural modifications at the PABT in connection with the Program, from $52.5 million to $61 million; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into one or more agreements with tenants of the PABT to provide for reimbursement of tenant alteration costs, or for rental credits, as may be necessary to effectuate the Program, at a total amount not to exceed $350,000; 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.

BATTERY PARK CITY PERMANENT FERRY TERMINAL – INCREASE IN PROJECT AUTHORIZATION AND INCREASE IN AUTHORIZATION FOR CONTRACT FR-614.009A

It was recommended that the Board authorize: (1) a $22.4 million increase in the authorization for the Battery Park City Permanent Ferry Terminal (Ferry Terminal) project, from $69.1 million to $91.5 million, for additional engineering, construction, administrative and staff costs, and for a contingency for the settlement of a potential contractor's claim; and (2) an increase of $3.8 million in the amount of Contract FR-614.009A with Spearin, Preston and Burrows, Inc. for construction of the Ferry Terminal, from $44.4 million to $48.2 million.

Pursuant to an agreement with Arcorp/Hartz (now d/b/a NY Waterway) regarding the provision of ferry service between Hoboken, New Jersey and Battery Park City in Lower Manhattan (which subsequently was assigned by NY Waterway to BillyBey Ferry Company), the Port Authority is obligated to construct a permanent ferry terminal at Battery Park City.

In May 2000, the Board authorized a project in the amount of $37.4 million to provide for the construction of the Ferry Terminal. In November 2002, all bids received for Contract FR-614.009 to construct the Ferry Terminal were rejected, because they were substantially higher than the Engineer's Estimate. Following a value engineering exercise, the Board, in April 2004, authorized an $18.2 million increase in the project to construct the Ferry Terminal, from $37.4 million to $55.6 million, and the award of Contract FR-614.009A to Spearin, Preston and Burrows, Inc. for the construction of the Ferry Terminal, at an estimated amount of $35.7 million.

In July 2005, the Board authorized a $13.5 million increase in the Ferry Terminal project, from $55.6 million to $69.1 million, to provide for a change of barge fabricator (the original fabricator was unable to build the 28,000-square-foot barge) and for construction modifications and increased insurance and administrative costs. The completed barge was delivered in September 2006.

The Ferry Terminal is now in place near the New York Mercantile Exchange. Under the proposed increase in authorization (including the proposed increase to the existing construction contract), certain remaining work would be completed. This work would include utility connections between Battery Park City and the Ferry Terminal, installing glass gangway panels and modifying the fendering system. The proposed authorization also includes a contingency for a potential contractor's claim.

The Ferry Terminal has been designed to accommodate additional ferry service, improve rush-hour service and handle increased commuter traffic, including visitors to the World Trade Center Memorial. Ferry transportation also serves as the primary back-up to the Port Authority Trans-Hudson (PATH) rail system and other trans-Hudson crossings, and will continue to be a redundant means of trans-Hudson travel during PATH system closures during the next few years of World Trade Center site reconstruction.

The proposed increase in funding would ensure that the Ferry Terminal is completed and placed into service in the first quarter of 2009 and that all outstanding disputes would be resolved expeditiously, to allow the project to be completed.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Hochberg, Holmes, Mack, Silverman and Steiner voting in favor; none against; Commissioner Sartor recused:

RESOLVED, that an increase of $22.4 million in the amount of the authorization for completion of the Battery Park City Permanent Ferry Terminal (Ferry Terminal) project, from $69.1 million to $91.5 million, to provide for additional engineering, construction, administrative and staff costs, and for a contingency for a potential contractor's claim, 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 $3.8 million the amount of Contract FR-614.009A with Spearin, Preston and Burrows, Inc. for construction of the Ferry Terminal, from $44.4 million to $48.2 million; 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.

PORT AUTHORITY 800 MHz POLICE RADIO PROGRAM – INCREASE IN PROJECT AUTHORIZATION AND INCREASE IN AUTHORIZATION FOR AWARD OF PURCHASE ORDER CONTRACTS

It was recommended that the Board authorize an increase of $35 million in the project authorization to complete the acquisition and installation of the Port Authority 800 MHz Police simulcast trunked radio system equipment at all Port Authority Police Department (PAPD) commands, resulting in a total authorized amount of $110 million. The increased authorization would include an increase of $3.5 million in the amount of purchase order contracts with M/A-COM, Inc., the proprietary radio equipment vendor, for a total authorized amount of $15.5 million, for the purchase of proprietary radio equipment hardware and software and the required system engineering, installation, and management services related thereto.

In April 1992, following the granting of frequencies in the 800 MHz band by the Federal Communications Commission, a program to provide for an 800 MHz simulcast trunked radio system for vehicular mobile radio frequency coverage was authorized, at an estimated cost of $4 million. That authorization included construction of the main radio system site in World Trade Center (WTC) Tower 2, construction of a transmitter site at the New York State Police radio site in Staten Island, the installation of PAPD vehicular mobile radios and other user equipment, and the installation of a mobile data system. At that time, the police command at Newark Liberty International Airport (EWR) began use of the 800 MHz radio system for their radio communications.

In December 1997, the Board authorized a $12 million project to continue the build-out of the 800 MHz system for outdoor radio communications throughout the Port District, which included construction of additional radio system transmitter sites at John F. Kennedy International Airport (JFK) and the George Washington Bridge (GWB), as well as installation of equipment in the tunnel and egress areas of the Holland Tunnel (HT) and Lincoln Tunnel (LT). As a result of the installation of the JFK transmitter site, the JFK police command began using the 800 MHz radio system for their radio communications.

In response to recommendations included in the National Commission on Terrorist Attacks upon the United States (9/11 Commission) report, the Board authorized a $63 million increase to the project in September 2005 for expansion of the Port Authority 800 MHz Police Radio Program to provide for the continued migration of all PAPD two-way radio communications to a single agency-wide intra-operative radio system platform.

At present, Port Authority Police located at JFK, EWR, Port Newark, Teterboro Airport, and the WTC site are utilizing the 800 MHz radio system. It is anticipated that the HT, LT, GWB, Port Authority Bus Terminal, Staten Island Bridges, and LaGuardia Airport commands will transition to the system by the first quarter of 2009, with the Port Authority Trans-Hudson (PATH) rail system command transitioning near the end of 2009.

At the time of the 2005 authorization, the designs for many of the aforementioned program elements were in the conceptual or preliminary design stages, with only rough order-of-magnitude estimates. Because that authorization contained no escalation allowance and a modest contingency budget given the conceptual status of major program elements, additional funding is now required to complete the build-out of the program. More specifically, the majority of the additional funding requested relates to the completion of the system build-out for

the underground tunnel portion of the PATH system, attributable to challenges in design, bidding, and construction access.

In addition to the additional funding required for the PATH portion of the program (roughly estimated at $25 million), this request for increase in authorization includes funding (roughly estimated at $10 million) for the following:

- upgrade of police radio portables from the version purchased under the original authorization to a later version offering greater interoperability with other 800 MHz users, such as the State of New York (completed); and
- a contingency amount to correct potential radio frequency coverage deficiencies, as they become recognized after PAPD users begin utilizing the radio system; and
- general project contingency.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Hochberg, Holmes, Mack, Silverman and Steiner voting in favor; none against; Commissioner Sartor recused:

> **RESOLVED**, that an increase of $35 million, from $75 million to an estimated $110 million, to the project authorization to complete the acquisition and installation of 800 MHz trunked radio system equipment for use by Port Authority Police Department commands at LaGuardia Airport, John F. Kennedy International Airport, Newark Liberty International Airport, Teterboro Airport, the Port Authority Bus Terminal, the Staten Island Bridges, the George Washington Bridge, the Holland Tunnel, the Lincoln Tunnel, the Port Authority's marine terminal facilities and within the Port Authority Trans-Hudson rail system be and it hereby is authorized; and it is further
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> **RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to increase by $3.5 million the authorized limit of total expenditures for purchase order contracts with M/A-COM, Inc., the proprietary radio equipment vendor, from $12 million to $15.5 million, for the purchase of proprietary radio equipment hardware and software and the required system engineering, installation, and management services related thereto; and it is further
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> **RESOLVED,** that the form of any agreements or documents necessary in connection with the foregoing shall be subject to the approval of the General Counsel or his authorized representative.

PORT NEWARK – FAPS, INC. – LEASE L-PN-291 – NEW LEASE

It was recommended that the Board authorize the Executive Director to enter into Lease L-PN-291 with FAPS, Inc. (FAPS) for the letting of approximately seven acres at Port Newark, commencing on or about February 15, 2009 through December 31, 2019.

FAPS, formerly known as Foreign Auto Preparation Service, Inc., has been a vehicle-processing tenant at Port Newark since 1956. FAPS currently leases, through December 31, 2019, approximately 218 acres in Port Newark under Leases L-PN-265 and L-PN-266.

The premises to be leased pursuant to this authorization were vacated in consequence of the bankruptcy of the previous tenant. FAPS was selected as the new tenant through a Request for Expressions of Interest, and will use the premises for the expansion of its operations at Port Newark.

The total aggregate rental for the additional leased premises is expected to be between $6.5 million and $7 million. In addition, minimum throughput and incentive totals (which are combined for Leases L-PN-265 and L-PN-266) would be adjusted to reflect the premises to be leased under Lease L-PN-291 pursuant to this authorization.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Hochberg, Holmes, Mack, Sartor, Silverman and Steiner voting in favor; none against:

> **RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into Lease L-PN-291 with FAPS, Inc. (FAPS) for the letting of approximately seven acres at Port Newark, from approximately February 15, 2009 through December 31, 2019, substantially in accordance with the terms and conditions outlined to the Board; and it is further
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> **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.

CONSOLIDATED BONDS, ONE HUNDRED FIFTY-FOURTH SERIES THROUGH CONSOLIDATED BONDS, ONE HUNDRED SIXTY-FOURTH SERIES; CONSOLIDATED NOTES, SERIES ZZ, SERIES AAA, SERIES BBB, SERIES CCC AND SERIES DDD – AMENDMENT OF CERTAIN RESOLUTIONS

In view of the continuing volatility in the capital markets, the resolutions adopted by the Board in November 2007 authorizing the establishment and issuance of, and the sale of, various series of Consolidated Bonds and Notes do not provide the Port Authority with sufficient flexibility to achieve efficient market access in support of the Port Authority's planned $3.3 billion of capital expenditures in 2009. An increase in the maximum limit in the true interest cost for the Series covered by such authorizations and not as yet issued from eight percent to twelve percent will ensure uninterrupted access to the capital markets during this continued period of interest rate volatility.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Hochberg, Holmes, Mack, Sartor, Silverman and Steiner voting in favor; none against:

RESOLVED, that Section 2 of the resolution of the Port Authority adopted November 15, 2007, entitled "*Consolidated Bonds, One Hundred Fiftieth Series through Consolidated Bonds, One Hundred Sixty-fourth Series–Sale,*" is amended, solely with respect to Consolidated Bonds, One Hundred Fifty-fourth Series through Consolidated Bonds, One Hundred Sixty-fourth Series, to provide that the true interest cost to the Port Authority at which any of such Series may be sold shall not exceed twelve percent (12%); and it is further

RESOLVED, that Section 2 of the resolution of the Port Authority adopted November 15, 2007, entitled "*Consolidated Notes, Series ZZ, Series AAA, Series BBB, Series CCC and Series DDD – Sale,*" is amended to provide that the true interest cost to the Port Authority at which any of such Series may be sold shall not exceed twelve percent (12%).

FUNDING AGREEMENT WITH THE ALLIANCE FOR DOWNTOWN NEW YORK, INC. – RENEWAL

It was recommended that the Board authorize the Executive Director to enter into a one-year extension, from January 1, 2009 through December 31, 2009, of the Port Authority's agreement with the Alliance for Downtown New York, Inc. (Alliance), at a contribution rate of $1.12 million. The Alliance is the operating entity for the Downtown-Lower Manhattan Business Improvement District (BID), which represents the interests of the Downtown real estate and business community. Similar to other business improvement districts in New York City, the Alliance collects assessments from property owners and provides services to the district that benefit property owners and their tenants.

The Port Authority has made annual contributions to the Alliance since its founding in 1995. During that period, the Alliance has been a strong advocate for Lower Manhattan by marketing the area south of Chambers Street, promoting area economic development, enhancing security and sanitation, working to improve streetscape appearance and signage, and fostering cultural and community events.

Since September 11, 2001, the Alliance has played a significant role in Lower Manhattan's recovery by creating a world-class wireless communications network, developing marketing and advertising campaigns to help support Downtown businesses and maintain the area's viability, and supporting programs such as the River-to-River Festival. Within the last year, the Alliance, in partnership with the Lower Manhattan Construction Command Center, has reconstituted its Construction Mitigation Group to discuss and address challenges presented by the ongoing construction and redevelopment in Lower Manhattan. In conjunction with the New York City Police Department, the Alliance has enforced vending regulations within the Downtown area and on the World Trade Center (WTC) site and has opened a new information kiosk at the World Financial Center. The Alliance is currently working with the City of New York on a program sponsored by the Lower Manhattan Development Corporation to provide storefront improvement, façade enhancement and retail retention grants to businesses along Fulton and Nassau Streets. The Alliance continues to refine and improve all of its existing programs, such as public safety, sanitation, and the Downtown Connection, the Alliance's free bus service that serves approximately 750,000 riders annually.

Under the WTC Net Leases, the Net Lessees are responsible for contributing toward the annual BID payment, in an amount proportionate to the square footage of each net lease, including retail space. The Port Authority's wholly owned corporate entities, 1 World Trade Center LLC and WTC Retail LLC, are responsible for approximately 41 percent of the BID payment. The Silverstein Net Lessees are responsible and will reimburse the Port Authority for approximately 59 percent of the payment, based on the proportionate share of all the net lease square footage in Towers 2, 3 and 4. Currently, all Port Authority BID payments, as well as the Silverstein Net Lessees' reimbursement, are being recovered from business interruption insurance.

The WTC Reciprocal Easement and Operating Agreement of the East Bathtub grants the representative of the Net Lessee Association representation on the BID board. The agreement with the Alliance has been modified to provide for that representation, while maintaining the seat for the Port Authority, which carries special rights under the agreement.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Hochberg, Holmes, Mack, Sartor, Silverman and Steiner voting in favor; none against; Commissioner Grayson recused:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into an agreement with the Alliance for Downtown New York, Inc. (Alliance), in the amount of $1.12 million, to renew the Port Authority's existing funding agreement with the Alliance for the calendar year 2009; and it is further

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

WORLD TRADE CENTER RENT REDUCTION PROGRAM – AGREEMENT WITH NEW YORK STATE URBAN DEVELOPMENT CORPORATION d/b/a EMPIRE STATE DEVELOPMENT CORPORATION AND AMENDMENT OF 1 WORLD TRADE CENTER LLC NET LEASE

It was recommended that the Board authorize the Executive Director to: (1) enter into a World Trade Center (WTC) Rent Reduction Program (Program) Agreement with the New York State Urban Development Corporation, d/b/a Empire State Development Corporation (ESDC), to provide rental credits funded by ESDC to qualifying space tenants of prospective WTC buildings, including One World Trade Center, the Freedom Tower and WTC Towers 2, 3, 4 and 5; and (2) enter into: (a) an amendment of the net lease with 1 World Trade Center LLC (1 WTC LLC) pursuant to which the Port Authority would provide 1 WTC LLC with credits against rental payments due from 1 WTC LLC with respect to Towers 1 and 5 in amounts equivalent to payments received by the Port Authority from ESDC under the Program agreement, conditioned on 1 WTC LLC providing corresponding credits to the qualifying space tenants; and (b) amendments, as required, of the existing net lease agreements covering WTC Towers 2, 3 and 4 and any future net leases at the WTC site, in order to create the appropriate mechanisms to implement the Program.

In August 2005, New York Governor George Pataki signed legislation providing incentives to attract new businesses and encourage existing businesses to recommit their operations and employees to Lower Manhattan. This legislation is part of the State of New York's continuing efforts to promote economic growth in Lower Manhattan as the area continues to recover from the effects of September 11, 2001. One feature of the legislation provides for a reduction in the annual effective rent for commercial tenants making early lease commitments at 7 WTC and at the buildings to be constructed at the WTC site itself. The Program effectuates the legislation with respect to the WTC towers (other than 7 WTC) and applies to space tenants who lease the first 750,000 square feet of space in the WTC towers. The Program applicable to 7 WTC was established in 2006 and remains in effect.

Program benefits for qualifying space tenants are calculated at $5 per rentable square foot and are to be provided for the lengths of the terms of the qualifying leases, not to exceed 20 years, or until authorized Program funding has been expended. Total funding for the Program is capped at $3.75 million in the aggregate in a given year and approximately $61 million in total, adjusted, as necessary, for the total amounts used under the 7 WTC rent reduction program out of total funding for both programs of $115 million. Under a 1990 agreement among the Port Authority, the State of New York and the State of New Jersey pertaining to space in 2 WTC vacated by the State of New York, the Port Authority agreed to make a series of semi-annual payments to both New York and New Jersey through March 1, 2021. ESDC would use New York's share of these payments as the source of funding for the payments to the Port Authority under the Program. The Port Authority would provide a monthly credit against a particular net lessee's rental obligations equivalent in amount to the monthly payment the Port Authority receives from ESDC, subject to the particular net lessee furnishing corresponding rental credits to its qualifying space tenants. Neither the Port Authority nor the net lessee in question would have any obligation to provide the rent credits under the Program if the ESDC fails to make the required Program payments.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Hochberg, Holmes, Mack, Sartor, Silverman and Steiner voting in favor; none against:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into a World Trade Center (WTC) Rent Reduction Program Agreement with New York State Urban Development Corporation, d/b/a Empire State Development Corporation, to effectuate New York State legislation authorizing a rent reduction program with respect to qualifying space tenants of towers at the WTC site, 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 an amendment of the net lease with 1 World Trade Center LLC covering WTC Towers 1 and 5, and amendments, as required, of the existing net leases covering WTC Towers 2, 3 and 4, pursuant to which the Port Authority will furnish certain rental credits to be passed on to qualifying space tenants, substantially in accordance with the terms outlined to the Board; and it is further

RESOLVED, that the form of the foregoing agreement and net lease amendments shall be subject to the approval of General Counsel or his authorized representative.

AUTHORIZATION FOR THE PORT AUTHORITY TO PARTICIPATE IN TRANSCOM, INC. FOR A FIVE-YEAR PERIOD

It was recommended that the Board authorize: (1) the Port Authority's continued membership in TRANSCOM, INC. (TRANSCOM), a not-for-profit corporation organized to undertake regional transportation programs, for a five-year period commencing on January 1, 2009; and (2) the Director, Tunnels, Bridges and Terminals, to enter into an agreement with TRANSCOM's other members to continue to participate in TRANSCOM programs and operations during such five-year period, at an estimated cost of $502,000 for 2009, and to serve on TRANSCOM's Board of Trustees during such five-year period.

TRANSCOM originally was created in 1986 as a three-year demonstration program focused on enhancing the region's transportation management capabilities. By 1989, TRANSCOM had become a permanent regional institution and was able to attract increases in support from all its members for the continued expansion of its operating programs. In addition to being a signatory to the prior TRANSCOM multi-year participation agreement and a contributing member, the Port Authority was the administrative host for TRANSCOM until 1998. In 1998, at its Executive Committee's direction, TRANSCOM filed for incorporation as a not-for-profit corporation to which the TRANSCOM members belong. Other TRANSCOM members include the Connecticut Department of Transportation (Connecticut DOT), New York State Metropolitan Transportation Authority (MTA), MTA Bridges and Tunnels (B&T), MTA New York City Transit (NYCT), New Jersey Department of Transportation (NJDOT), New Jersey State Police, New Jersey Transit Corporation (NJT), New Jersey Turnpike Authority (NJTA), New York City Department of Transportation (NYCDOT), New York City Police Department (NYPD), New York State Bridge Authority (NYSBA), New York State Department of Transportation (NYSDOT), New York State Police, New York State Thruway Authority (NYSTA), and Port Authority Trans-Hudson Corporation (PATH).

A companion item is being submitted to PATH's Board of Directors requesting authorization to provide for PATH's continued participation in TRANSCOM. Together, the Port Authority and PATH provide 19.62 percent of TRANSCOM's approved operating budget (15.69 percent for the Port Authority and 3.93 percent for PATH). The percentage share of contributions of the Port Authority and PATH would remain the same as under the prior agreement.

The current list of TRANSCOM members and their percentage share of contributions toward TRANSCOM's budget are as follows:

15.69 percent: Port Authority, NJDOT, NYSDOT
7.84 percent: MTA, B&T, NYCDOT, NJTA
3.93 percent: NJT, PATH, NYCT, Connecticut DOT, NYSTA
1.96 percent: NYSBA

The three police members (New Jersey State Police, New York State Police, and NYPD) do not contribute financially.

Future authorization will be requested from the Board for annual financial contributions toward TRANSCOM's budget during the balance of the five-year membership period beyond 2009, subject to the development of the TRANSCOM business plan. TRANSCOM members have veto rights with respect to the TRANSCOM budget and have the right to terminate their participation.

Authorization for the Port Authority's continued participation in TRANSCOM would enable TRANSCOM to continue its regional transportation coordination and technology development programs, and ensure that the Port Authority's regional transportation leadership role is advanced. TRANSCOM's services to the Port Authority, its other members and the region include:

- Regional Interagency Transportation Monitoring and Incident Management through TRANSCOM's Operations Information Center, which collects and disseminates real-time regional information on highway and transit conditions, incidents, construction and special events 24 hours a day.
- Regional Interagency Construction Coordination, to avoid restricting capacity on parallel or intersecting roadways or transit lines.
- Intelligent Transportation Systems (ITS) Program that enables the members, including the Port Authority and PATH, to benefit from Federal Highway Administration funding to implement transportation management technologies, including regional traveler information systems across modes, jurisdictions and states.
- TRANSCOM System for Managing Incidents and Traffic, to relay real-time travel times and average speeds and to detect incidents.
- TRANSCOM Regional Architecture, to integrate the members' ITS Program systems to enable electronic sharing of information among members' operations centers and with the traveling public.
- Trips 123, to provide real-time roadway and transit conditions, and transit trip planning services to the public via an interactive web site.
- Interagency Remote Video Network, to enable the members to share 400 closed-circuit television feeds.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Hochberg, Holmes, Silverman and Steiner voting in favor; none against; Commissioners Mack and Sartor recused:

RESOLVED, that the Port Authority's continued membership in TRANSCOM, INC. (TRANSCOM) for a five-year period commencing on January 1, 2009 and ending on December 31, 2013, be and it hereby is authorized; and it is further

RESOLVED, that the Director, Tunnels, Bridges and Terminals, be and she hereby is authorized, for and on behalf of the Port Authority, to enter into an agreement with TRANSCOM's other members to: (1) continue to participate in TRANSCOM's programs and operations for a five-year period commencing on January 1, 2009; (2) provide for the Port Authority's estimated financial contribution

toward TRANSCOM's budget of $502,000 for 2009; and (3) serve on TRANSCOM's Board of Trustees during such five-year period; and it is further

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

JOHN F. KENNEDY INTERNATIONAL, NEWARK LIBERTY INTERNATIONAL, LAGUARDIA AND STEWART INTERNATIONAL AIRPORTS – AUTHORIZATION TO SUBMIT AN APPLICATION TO THE FEDERAL AVIATION ADMINISTRATION TO EXTEND COLLECTION AND USE OF PASSENGER FACILITY CHARGES

It was recommended that the Board authorize the Executive Director to submit an application to the Federal Aviation Administration (FAA) for an extension of the authority to impose and use the current $4.50 Passenger Facility Charge (PFC) at John F. Kennedy International (JFK), Newark Liberty International (EWR) and LaGuardia (LGA) Airports, to incorporate Stewart International Airport (SWF) into the PFC collection authority, to fund certain necessary new projects, in a total amount up to $312.8 million, that enhance airside capacity and reduce delays, enhance terminal capacity and increase competition, and improve security at JFK, EWR, LGA and SWF airports, and to thereby extend the collection authority through the third quarter of 2012 and the imposition of PFCs to a total amount of approximately $2.892 billion.

Pursuant to the Aviation Safety and Capacity Expansion Act of 1990 and the Wendell H. Ford Aviation Investment and Reform Action for the 21st Century (AIR-21), the Port Authority has the authority to impose a PFC of $4.50 per departing passenger and to use the proceeds to fund eligible airport-related projects meeting specified criteria, after approval of applications to the FAA. Projects funded through PFCs have included JFK Access/AirTrain, EWR AirTrain Northeast Corridor, EWR Landside Access, and a variety of airside capacity, terminal capacity, and security projects at EWR, JFK, and LGA.

Since 1992, the Port Authority has been granted FAA approval for the collection of PFCs totaling $2.579 billion for projects at JFK, LGA and EWR. The most recent application, authorized by the Board in March 2003, was approved by the FAA in January 2006 for the implementation of PFC-eligible projects with a total value of approximately $820 million and an increase in the collection level from $3.00 to $4.50 per departing passenger.

The projects to be funded under the proposed PFC application include: up to $125 million for security enhancement projects for the physical protection of terminal building frontages at EWR, JFK and LGA; $45 million for the airside delay reduction project at EWR; $75 million to prepare and perform infrastructure work to accommodate the new aircraft de-icing facility at JFK; $62 million for the rehabilitation of Runway 4/22 at LGA; and $5.8 million for the purchase of airfield snow removal equipment for SWF.

With the acquisition of SWF, authority must be obtained for the Port Authority to collect PFCs at that airport.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Hochberg, Holmes, Mack, Sartor, Silverman and Steiner voting in favor; none against:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to submit an application to the Federal Aviation Administration to add Stewart International Airport (SWF) as part of the Port Authority's Passenger Facility Charge (PFC) collection authority; to extend the

imposition of the current $4.50 PFC to fund new projects, in a total amount up to $312.8 million, that enhance airside capacity and reduce delays, enhance terminal capacity and increase competition, and improve security at John F. Kennedy International, Newark Liberty International, LaGuardia and SWF airports; and to thereby extend the collection authority through the third quarter of 2012 and the imposition of PFCs to a total amount of $2.891.8 billion; and it is further

RESOLVED, that the form of the foregoing applications, amendment or other request shall be subject to the approval of General Counsel or his authorized representative.

ENLARGEMENT OF FOREIGN-TRADE ZONE NO. 49 THROUGH THE ESTABLISHMENT OF A SUB-ZONE TO INCLUDE THE SWATCH GROUP (U.S.) INC. FACILITY IN SECAUCUS, NEW JERSEY

It was recommended that the Board authorize the Executive Director to: (1) file an application on behalf of the Port Authority, as Grantee of Foreign-Trade Zone No. 49 (FTZ 49), with the Foreign-Trade Zones (FTZ) Board of the United States Department of Commerce for the establishment of a sub-zone to include The Swatch Group (U.S.) Inc. (Swatch) facility in Secaucus, New Jersey; and (2) pending activation approval from United States Customs and Border Protection (U.S. Customs), execute an operating agreement with Swatch.

Swatch is a part of The Swatch Group Ltd. (Swatch International) of Switzerland, which is a diversified multinational holding company active in the manufacture and sale of watches, jewelry, watch movements and components. Swatch International is the world's largest watchmaking group and supplies nearly all of the components required for watches sold by its 19 internationally known watch brands. Swatch International is a key player in the manufacture and sale of electronic systems used in watchmaking and other industries, and is the leader in the field of sports event timing. Swatch currently employs approximately 160 people at its Secaucus, New Jersey facility.

Sub-zone status would enable Swatch to perform all activities related to the receipt, handling, packaging, and distribution of watches, jewelry products and leather goods. Swatch may also bring in special gift items related to a finished watch, which would be received at the sub-zone as duty-paid merchandise.

The proposed sub-zone would consist of approximately 56,110 square feet of space located on 1.3 acres. The proposed FTZ sub-zone designation would allow Swatch to be more competitive by enhancing its supply chain logistics and lowering its costs. Procedural FTZ benefits, such as direct delivery, would allow imported, non-restricted merchandise to move on an expedited basis from the port of arrival to the Secaucus facilities without prior U.S. Customs approval for each shipment of non-restricted merchandise admitted to the zone. This would indirectly save time and money for Swatch.

Sub-zone approval also would be beneficial to the State of New Jersey, by assisting Swatch in keeping valuable jobs in New Jersey, which would positively impact the economy in the form of taxes, wages, and reinvestment in the local economy. These jobs include those directly held by Swatch employees, as well as ancillary employment created by Swatch's warehousing activities. In addition, sub-zone status would assist in maintaining Swatch's U.S. distribution presence, thereby benefiting the regional economy through the creation or retention of domestic jobs, capital investment, and federal, state and local tax revenues.

Enlargement of the trade zone also would result in increased annual foreign-trade zone operator revenues to the Port Authority. Upon approval by the FTZ Board and activation by U.S. Customs, Swatch would pay the Port Authority, as Grantee, an annual operator fee of $13,000. Swatch would also pay a one-time non-refundable activation fee of $500.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Hochberg, Holmes, Mack, Sartor, Silverman and Steiner voting in favor; none against:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to: (1) file an application on behalf of the Port Authority, as Grantee of Foreign-Trade Zone No. 49, with the Foreign-Trade Zones Board of the United States Department of Commerce for the establishment of a sub-zone at The Swatch Group (U.S.) Inc. (Swatch) facility in Secaucus, New Jersey; and (2) pending activation approval from United States Customs and Border Protection, execute an operating agreement with Swatch; each substantially in accordance with the terms and conditions outlined to the Board; and it is further

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

PORT OF NEW YORK AND NEW JERSEY -- INTERMODAL RAIL INCENTIVE PROGRAM

It was recommended that the Board authorize the Executive Director to: (1) implement an intermodal rail incentive program, from January 1, 2009 through December 31, 2009, that reduces the tariff payable by $25 per eligible container for any ocean carrier that increases in 2009 the number of oceanborne, internationally traded containers it moves through the Port Authority's ExpressRail facilities over the number that the carrier moved through those facilities in 2008; and (2) at his discretion, extend the incentive program for an additional one-year period, from January 1, 2010 through December 31, 2010.

Over the past several years, the Board has authorized the expenditure of approximately $557 million to design and construct the ExpressRail System, a rail network that includes dedicated ExpressRail facilities in Port Newark, the Elizabeth-Port Authority Marine Terminal and the Howland Hook Marine Terminal, as well as the support track (ExpressRail Corbin Street Intermodal Rail Support Facility) necessary to accommodate two-mile-long trains and to integrate the rail traffic to and from the ExpressRail facilities. This system will be capable of serving the projected cargo activity at the Port Authority marine terminals over the next 20 years, and is one of the most comprehensive on and near-dock intermodal rail systems of any port in the United States serving markets in Eastern Canada, New England and the Midwest.

In view of the fact that substantial capacity will be added to the ExpressRail facilities in 2009, concerns regarding the United States and world economies and their impact on the Port of New York and New Jersey's (Port) throughput and increased competition for discretionary cargo with other ports, staff proposed the implementation of a rail incentive program to attract more containers to the Port's rail facilities and container terminals.

Any ocean carrier that books rail transit through the ExpressRail facilities would be eligible to receive the $25-per-container incentive, which represents approximately one-half of the intermodal lift fee contained in the Port Authority Marine Terminal Tariff. The incentive would apply to "new business" only, a term defined as the number of oceanborne, internationally traded containers in excess of an ocean carrier's 2008 throughput at our ExpressRail terminals. The incentive would be paid directly to the qualified ocean carrier at the end of the calendar year. This incentive would be offered in tandem with competitive pricing to be provided by the rail carriers and terminal operators.

The Intermodal Rail Incentive Program is intended to stimulate use of the Port Authority's ExpressRail facilities. Increased movement of containers via rail would mitigate environmental impacts caused by highway congestion and allow more containerized cargo to reach its destination with fewer truck trips. Additionally, the movement of additional cargo through the Port not only would retain present employment levels at the Port, but it could also increase employment opportunities at the Port and in the region.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Hochberg, Holmes, Mack, Sartor, Silverman and Steiner voting in favor; none against:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to implement an intermodal rail incentive program, from January 1, 2009 through December 31, 2009, that would reduce by $25 the tariff payable by an eligible ocean carrier for each oceanborne, internationally traded container shipped on the ExpressRail system in 2009 that is in excess of the number shipped by that carrier on the ExpressRail system in 2008; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, at his discretion, to extend the foregoing incentive program for one additional year, from January 1, 2010 through December 31, 2010; 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 duly authorized representative.

DOWNTOWN RESTORATION PROGRAM – AUTHORIZATION TO ACCEPT ASSIGNMENT OF A TRADE CONTRACT FOR BUILDING MANAGEMENT SYSTEM FOR THE WORLD TRADE CENTER (WTC) MEMORIAL, MEMORIAL MUSEUM AND WTC INFRASTRUCTURE PROJECTS, INCLUDING ASSOCIATED PAYMENTS INTO AN ESCROW ACCOUNT

It was recommended that the Board authorize the Executive Director to: (1) accept assignment of a construction trade contract awarded by the National September 11 Memorial and Museum at the World Trade Center Foundation, Inc. (NS11MM) to Johnson Controls Inc. for the furnishing and installation of a building management system for the World Trade Center (WTC) Memorial, Memorial Museum and WTC Infrastructure Projects in the West Bathtub, at an estimated amount of $4,482,540, including an eight-percent contingency; (2) accept a partial assignment of the contract with Bovis Lend Lease LMB, Inc. (Bovis) for performance of construction management (CM) services associated with this trade contract work, at an estimated cost of $615,669; and (3) on behalf of the Port Authority and its wholly owned entities (WTC Retail LLC and 1 World Trade Center LLC), make payments into an escrow account, in an amount of $815,713, for the Port Authority's portion of the building management system trade contract and Bovis contract costs associated with the Port Authority's commitment to the NS11MM for common WTC infrastructure projects and Port Authority projects, including the Central Chiller Plant, the West Bathtub Vehicular Parking Facility, and WTC Facility Offices.

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 a full assignment of the Bovis CM contract and manage all construction work for the NS11MM projects. In anticipation of the full assignment of the Bovis CM contract, the NS11MM has proceeded with procurement of the building management system, as an essential component of the critical path schedule for the WTC Memorial, Memorial Museum and WTC Infrastructure Projects.

The NS11MM will award the building management system trade contract to Johnson Controls Inc., the lowest qualified bidder, selected from among multiple competitive bids based on a list of select bidders established in the Bovis CM contract. The scope of work for the trade contract includes the furnishing, installation, and testing of all elements of a complete and operational building management system for the WTC Memorial, Memorial Museum and WTC Infrastructure Projects. The building management system meets all New York City building code requirements.

Approximately $0.61 million of the proposed Port Authority payment is included in the $150 million commitment authorized by the Board in July 2006 for common and exclusive site infrastructure work associated with the WTC Memorial and Memorial Museum Projects, bringing the total authorized payments under this commitment to $112.5 million (including payments pursuant to one companion item being advanced at this meeting).

An escrow account was jointly established and initially funded by NS11MM to provide for payments to contractors and Bovis. The Port Authority previously has agreed to make payments into the escrow account of $183.1 million, and the proposed authorization would bring the total anticipated Port Authority payments to approximately $200 million (including payments pursuant to the companion item), of which approximately $112.5 million has been allocated against the Port Authority's commitment to the WTC Memorial and Memorial Museum Projects. The balance of $87.4 million is the responsibility of the Port Authority.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Hochberg, Holmes, Mack, Silverman and Steiner voting in favor; none against; Commissioner Sartor recused:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to: (1) accept assignment of a construction trade contract awarded by the National September 11 Memorial and Museum at the World Trade Center Foundation, Inc. (NS11MM) to Johnson Controls Inc. for the furnishing and installation of a building management system for the World Trade Center (WTC) Memorial, Memorial Museum and WTC Infrastructure Projects in the West Bathtub, at an estimated amount of $4,482,540, including an eight-percent contingency; and (2) accept a partial assignment of NS11MM's contract with Bovis Lend Lease LMB, Inc. (Bovis) for performance of construction management services associated with this trade contract work, at an estimated cost of $615,669; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority and its wholly owned corporate entities, WTC Retail LLC and 1 World Trade Center LLC, to make payments into an escrow account, in an amount of $815,713, for the Port Authority's portion of the building management system trade contract and Bovis contract costs associated with the Port Authority's commitment to NS11MM for common WTC infrastructure projects and Port Authority projects, including the Central Chiller Plant, the West Bathtub Vehicular Parking Facility, and WTC Facility Offices; and it is further

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

DOWNTOWN RESTORATION PROGRAM – AUTHORIZATION TO ACCEPT ASSIGNMENT OF TRADE CONTRACTS FOR PLUMBING AND FOUNTAIN PLUMBING FOR THE WORLD TRADE CENTER (WTC) MEMORIAL, MEMORIAL MUSEUM AND WTC INFRASTRUCTURE PROJECTS, INCLUDING ASSOCIATED PAYMENTS INTO AN ESCROW ACCOUNT

It was recommended that the Board authorize the Executive Director to: (1) accept assignment of two construction trade contracts awarded by the National September 11 Memorial and Museum at the World Trade Center Foundation, Inc. (NS11MM) to 4J's Associates LLC, (the members of which are 4J's Plumbing & Heating Corp. and Fresh Meadows Mechanical Corporation) – one trade contract for the furnishing and installation of a plumbing system and the other trade contract for the furnishing and installation of a fountain plumbing system for the World Trade Center (WTC) Memorial, Memorial Museum and WTC Infrastructure Projects in the WTC West Bathtub, at a total estimated amount of $77,322,891, inclusive of an eight-percent authorization for extra work; (2) accept a partial assignment of the NS11MM's contract with Bovis Lend Lease LMB, Inc. (Bovis) for construction management (CM) services associated with the plumbing and fountain plumbing trade contracts, at an estimated cost of $10,620,156; and (3) on behalf of the Port Authority and its wholly owned entities (WTC Retail LLC and 1 World Trade Center LLC), make payments into an escrow account, in an amount not to exceed $16,000,139, for the Port Authority's portion of the costs associated with the plumbing trade contract and CM services contract. The cost-sharing agreement for this work has been finalized and has been agreed to by both parties.

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 a full assignment of the Bovis CM contract and manage all construction work for the WTC Memorial and the Memorial Museum Projects. In anticipation of the full assignment of the Bovis CM contract, the NS11MM proceeded with procurement of the plumbing and fountain plumbing trade contracts, which are considered two of the essential components of the critical path schedule for the Memorial, Memorial Museum and WTC Infrastructure Projects.

The NS11MM will award the trade contracts for the plumbing system and the fountain plumbing system to 4J's Associates LLC, the lowest qualified bidder, selected from among competitive bids based on a list of select bidders established in accordance with the Bovis CM contract.

The scope of work for the plumbing trade contract includes, but is not limited to, the furnishing and installation of a complete plumbing system in back of house, memorial and service areas for the WTC Memorial, Memorial Museum and WTC Infrastructure Projects.

The scope of work for the fountain plumbing trade contract includes, but is not limited to, the furnishing and installation of a complete fountain plumbing system, consisting of all fountain equipment, piping, and specialties for the two waterfall fountains and reflecting pools for the WTC Memorial and Memorial Museum. A minimum of a one-year warranty is included for all equipment, with longer warranties (up to 20 years) for specific types of equipment, including pumps, motors, fountain mechanical equipment, valves, and plumbing fixtures. Two-year maintenance agreements are included for pumps and fountain mechanical equipment. Maintenance outside of the scope of the contracts is the responsibility of the NS11MM.

Approximately $7.36 million of the proposed Port Authority payments is included in the $150 million commitment authorized by the Board in July 2006 for common and exclusive site infrastructure work associated with the WTC Memorial and Memorial Museum Projects, bringing the total authorized payments under this commitment to $112.5 million (including one companion item being advanced at this meeting). Approximately $8.64 million is for work within the West Bathtub that is the Port Authority's sole responsibility, and is not recoverable from external funding sources.

An escrow account was jointly established and initially funded by the NS11MM to provide for payments to contractors and Bovis. The Port Authority previously has agreed to make payments into the escrow account of $183.1 million, and the proposed authorization would bring total Port Authority anticipated payments to approximately $200 million (including payments pursuant to the companion item), of which approximately $112.5 million has been allocated against the Port Authority's commitment to the Memorial and Memorial Museum Projects. The balance of $87.4 million is the responsibility of the Port Authority.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Hochberg, Holmes, Mack, Silverman and Steiner voting in favor; none against; Commissioner Sartor recused:

> **RESOLVED,** that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to: (1) accept assignment of two construction trade contracts awarded by the National September 11 Memorial and Museum at the World Trade Center Foundation, Inc. (NS11MM) to 4J's Associates, LLC, (the members of which are 4J's Plumbing & Heating Corp. and Fresh Meadows Mechanical Corporation), in connection with the furnishing, installation and testing of a plumbing system and a fountain plumbing system for the World Trade Center Memorial, Memorial Museum, and the World Trade Center (WTC) Infrastructure Projects, in an estimated total amount of $77,322,891, which includes an eight-percent authorization for extra work; and (2) accept a partial assignment of NS11MM's contract with Bovis Lend Lease LMB, Inc. (Bovis) for construction management services associated with these trade contracts, at an estimated cost of $10,620,156; and it is further
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> **RESOLVED,** that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority and its wholly owned corporate entities, WTC Retail LLC and 1 World Trade Center LLC, to make payments into an escrow account, in an amount not to exceed $16,000,139, for the Port Authority's portion of the costs associated with the plumbing and fountain plumbing trade contracts and the Bovis contract for the aforementioned projects; and it is further

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

WORLD TRADE CENTER SITE - REIMBURSEMENT TO SILVERSTEIN PROPERTIES, INC. FOR WORK PERFORMED ON BEHALF OF THE PORT AUTHORITY UNDER CONSTRUCTION TRADE CONTRACT FOR SUPERSTRUCTURE CONCRETE AT WORLD TRADE CENTER TOWER 4 AND PORTION OF SUBGRADE STRUCTURE AT WORLD TRADE CENTER TOWER 3 UNDER CORTLANDT WAY

It was recommended that the Board authorize the Executive Director to provide reimbursement to Silverstein Properties, Inc. (SPI) for work performed on behalf of the Port Authority under a construction trade contract with Rogers & Sons Concrete covering the installation of superstructure concrete at World Trade Center (WTC) Tower 4 and a portion of the subgrade structure at WTC Tower 3 under Cortlandt Way, in the estimated amount of $113,018,108, inclusive of the 1.75 build/construct multiplier in the Master Development Agreement (MDA) with SPI.

The current WTC Site Master Plan includes several projects that are located in the East Bathtub, including the World Trade Center Transportation Hub (WTC Hub), retail development, vehicular parking project, and Towers 2, 3 and 4. These facilities are being designed and constructed by either the Port Authority or SPI, depending on their location. In addition, the MDA with SPI provides for the Port Authority to reimburse SPI for its pro rata share of the costs of constructing areas in the East Bathtub of the WTC site that are Port Authority space, including the WTC Hub.

In December 2007, the Board authorized the Port Authority and WTC Retail LLC to enter into a reimbursement agreement with SPI, or an affiliate of SPI, for structural, enclosure and associated work for the WTC Hub project, several common infrastructure projects, the vehicular parking project, and retail portions of the WTC site in the East Bathtub, at a total estimated amount of $723 million.

In accordance with the MDA, SPI will contribute $140 million for its share of certain common infrastructure costs, via a tally sheet process arranged by Federal Transit Administration.

Port Authority staff has broad oversight responsibility of SPI's activities under the MDA, which includes granting approval of the bid packages prior to issuance, allocation of project costs, and ensuring quality assurance for construction projects. In addition, staff would be present at all bid openings and de-scoping sessions. Staff would make periodic reimbursement payments to SPI, based on requests from SPI, with supporting documentation and verification by the Port Authority that the work has been completed satisfactorily and within agreed upon costs.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Hochberg, Holmes, Mack, Silverman and Steiner voting in favor; none against; Commissioner Sartor recused:

> **RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to provide reimbursement to Silverstein Properties, Inc. (SPI) for work performed on behalf of the Port Authority under a construction trade contract with Rogers & Sons Concrete covering the installation of superstructure concrete at World Trade Center (WTC) Tower 4 and a portion of the

subgrade structure at WTC Tower 3 under Cortlandt Way, in the estimated amount of $113,018,108, inclusive of the 1.75 build/construct multiplier in the Master Development Agreement with SPI; and it is further

RESOLVED, that the form of any agreements required in connection with the foregoing shall be subject to the approval of General Counsel or his authorized representative.

DOWNTOWN RESTORATION PROGRAM – WORLD TRADE CENTER STREETS, UTILITIES AND RELATED INFRASTRUCTURE – PHASE I – UTILITIES AND INTERIM STREET AND SIDEWALK SURFACES – PROJECT AUTHORIZATION

It was recommended that the Board authorize: (1) a project to advance final design and construction of Phase 1 of the World Trade Center (WTC) Streets, Utilities and Related Infrastructure Program (Streets Program), at an estimated amount of $55 million; and (2) the Executive Director to exercise an option in an existing contract with Downtown Streetscape Partners (DSP) to provide expert professional architectural and engineering services for associated portions of the final design and construction of Phase 1 of the Streets Program, in an estimated amount of $2.7 million.

Overall Streets Program

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

All sidewalk areas will have appropriate street furnishings, landscaping, lighting, signage, and perimeter security protective measures for vehicle interdiction. The design of each street provides for essential utilities, such as lighting, fire protection, storm water drainage and sanitation, to support the operation of streets. Also included are temporary traffic measures, such as delineation devices, signals, signs and traffic barriers.

In addition, the Streets Program work would include the design and installation of utility connections for common electric, gas, steam and communications under the streets/sidewalks; these connections would run between the utility points of entry at the site perimeter to the common distribution facilities located within the site.

Preliminary engineering work for the overall Streets Program has advanced and is expected to be completed by the end of 2009. However, as other projects at the WTC site have developed and schedule demands for the stakeholders have been established, it is required to separate the Streets Program into distinct phases, so that certain work can be performed in conjunction with the implementation of other adjacent projects, the WTC Assessment schedule milestones, and the Master Development Agreement (MDA) with Silverstein Properties, Inc.

Project Phases

Phase I of the Streets Program consists of utilities, below-grade structures, and interim sidewalks and roadway surfaces at the WTC site. DSP will prepare the Final Design and Construction Documents (Stage III) and Construction Services (Stage IV), consisting of utilities, below-grade structures, interim sidewalks and roadway surfaces at the WTC site.

Phase II of the Streets Program will include all final street and sidewalk surface finishes, trees, paving, and streetscape furniture, as well as elements of work to implement portions of the WTC security plan being developed by the New York City Police Department. This work also will include completion of the Wedge of Light and Washington Place.

Phase III of the Streets Program will include a new Liberty Park, to be located on the southern 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 Streets Program component includes pathways, benches, landscaped areas, lighting, and other furnishings and hardscape elements across approximately 60,000 square feet. This area will enhance pedestrian access at this location, complementing other construction at or near the site, including Route 9A, the Vehicular Security Center, St. Nicholas Greek Orthodox Church, and the (south) pedestrian bridge to the World Financial Center.

Work under the proposed authorization would advance the final design and construction of Phase I of the Streets Program. The Phase 1 Program work for utilities and interim surfaces is needed at this time in order to meet the target dates set forth in the WTC Assessment, as well as the dates in the MDA for services to Towers 2, 3 and 4. The utilities, both public and private, would serve all facilities within the WTC site. The interim sidewalks and roadways would allow for the movement and continued access to all facilities, including those under construction and those completed.

Under prior authorizations through May 2008, the Board authorized the award of an agreement with DSP for expert professional architectural and engineering services associated with the overall Streets Program, in an estimated amount of $8 million, through completion of preliminary engineering (Stage 2).

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Hochberg, Holmes, Mack, Sartor, Silverman and Steiner voting in favor; none against:

> **RESOLVED**, that a project to advance final design and construction of Phase 1 of the World Trade Center Streets, Utilities and Related Infrastructure Program (Streets Program), in an estimated amount of $55 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 exercise an option in the existing contract with Downtown Streetscape Partners to provide expert professional architectural and engineering services for associated portions of the final design and construction of Phase 1 of the Streets Program, in an estimated amount of $2.7 million; and it is further

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

NEWARK LIBERTY INTERNATIONAL AIRPORT – CONTRACT EWR-344.065 – AIRCRAFT PARKING AND TAXIWAY MODIFICATIONS – ADDITIONAL FUNDING FOR CLAIM SETTLEMENT

It was recommended that the Board authorize the Executive Director to enter into an agreement with Tilcon New York, Inc. (Tilcon), the general contractor under Contract EWR-344.065 (Contract), to settle Tilcon's claim for impact costs in connection with the Contract, for a settlement amount of $2.3 million.

In December 2003, the Executive Director authorized the award of the Contract to the lowest bidder, Tilcon, at an estimated total cost of $36,818,505, inclusive of allowances for extra work and net cost work. Work performed under the Contract included expanding the aeronautical operation area at Newark Liberty International Airport to provide additional aircraft parking and relocating taxiways "A" and "B" to accommodate simultaneous larger aircraft operations.

In February 2008, Tilcon submitted a claim in the amount of $8,045,271 for additional compensation for impact costs, which Tilcon alleged it had incurred while performing the Contract work. Tilcon claimed that these costs resulted from delays caused by the Port Authority, for which the contractor was not compensated under the terms of the Contract. A review of the claim included consideration of (a) the extensive Contract duration, from the start of work in December 2003 to substantial completion in May 2007, and (b) the highly phased nature of the work, which was performed in 35 stages to minimize impacts to the surrounding aeronautical taxiways, adjacent aircraft parking and seasonal de-icing operations. The review disclosed that stages were modified for the Port Authority's benefit, to accommodate airport operations and changed conditions, resulting in altered durations of work. The work, which originally was scheduled for a 27-month period, actually was completed in 41 months. Staff determined, through analysis of the as-built schedule of work, that additional compensation to Tilcon for impact costs in the amount of $2.3 million would be a fair and equitable settlement. The Port Authority would receive a general release from the contractor prior to paying any of the claim settlement amount.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Hochberg, Holmes, Mack, Sartor, Silverman and Steiner voting in favor; none against:

> **RESOLVED,** that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into an agreement with Tilcon New York, Inc. (Tilcon), the general contractor under Contract EWR-344.065 (Contract), to settle Tilcon's claim for impact costs in connection with the Contract, for a settlement amount of $2.3 million; and it is further
>
> **RESOLVED,** that the form of the foregoing settlement agreement shall be subject to the approval of General Counsel or his authorized representative.

CONFIDENTIAL ITEM

The Board authorized a claim settlement relating to the 1993 World Trade Center bombing that shall remain confidential pursuant to the terms of the settlement agreement.

CONFIDENTIAL ITEM

The Board authorized a claim settlement relating to the 1993 World Trade Center bombing that shall remain confidential pursuant to the terms of the settlement agreement.

TRIBUTE TO BRUCE A. BLAKEMAN

The following resolution was unanimously adopted to express the appreciation of the members of the Board of Commissioners of The Port Authority of New York and New Jersey to Commissioner Bruce A. Blakeman as he retires from the Board.

WHEREAS, since his appointment to the Board in June 2001 by former New York Governor George E. Pataki, Hon. Bruce A. Blakeman has given tirelessly of his time, ability and experience in the furtherance of the Port Authority's mission and the region it serves; and

WHEREAS, following the events of September 11, 2001 Bruce A. Blakeman served the agency during one of the most difficult and challenging times in its history and has since been instrumental in the advancement of numerous projects concerning the redevelopment of the World Trade Center site and Lower Manhattan; and

WHEREAS, Bruce A. Blakeman has been an advocate and influential voice for the advancement of numerous initiatives to ensure the safety and security of the agency's facilities, so that the public and commerce may be ensured dependable, trustworthy passage throughout the region, and has participated on the Port Security Task Force; and

WHEREAS, as a Commissioner, Bruce A. Blakeman has served with great distinction as a member of the World Trade Center Redevelopment Subcommittee, Security Committee, and Committee on Construction, where he helped to shape a myriad of important initiatives in furtherance of the agency's mission, and also as a member of the Committee on Finance and Audit Committee, where he demonstrated a strong commitment to ensuring the agency's fiscal and corporate governance responsibilities to the people of this region;

NOW, therefore, be it

RESOLVED, that the Commissioners of The Port Authority of New York and New Jersey wish to express their most heartfelt appreciation and that of the entire staff to Bruce A. Blakeman for his dedicated service on the Board of Commissioners; and it is further

RESOLVED, that the Board of Commissioners hereby directs that this resolution be suitably engraved and presented to Hon. Bruce A. Blakeman as a token of its gratitude and esteem.

Whereupon, the meeting was adjourned.

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Secretary