

# THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

## MINUTES

Wednesday, September 18, 2013

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**MINUTES of the Meeting of The Port Authority of New York and New Jersey held Wednesday, September 18, 2013 at 225 Park Avenue South, City, County and State of New York**

**PRESENT:**

**NEW JERSEY**

Hon. David Samson, Chairman  
 Hon. Richard H. Bagger  
 Hon. Anthony J. Sartor  
 Hon. William P. Schuber  
 Hon. David S. Steiner

**NEW YORK**

Hon. Scott H. Rechler, Vice-Chairman  
 Hon. Kenneth Lipper  
 Hon. Jeffrey H. Lynford  
 Hon. Jeffrey A. Moerdler  
 Hon. Rossana Rosado

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

Thomas L. Bosco, Interim Director, Aviation  
 Steven J. Coleman, Deputy Director, Media Relations  
 Philippe Danielides, Senior Advisor to the Chairman  
 Stephanie E. Dawson, Acting Chief Operating Officer  
 John C. Denise, Audio Visual Supervisor, Marketing  
 Joseph P. Dunne, Chief Security Officer  
 Michael A. Fedorko, Director, Public Safety/Superintendent of Police  
 Michael B. Francois, Chief, Real Estate and Development  
 Cedrick T. Fulton, Director, Tunnels, Bridges and Terminals  
 David Garten, Senior Advisor to the Vice Chairman  
 Linda C. Handel, Deputy Secretary  
 Mary Lee Hannell, Chief, Human Capital  
 Anthony Hayes, Manager, Media Planning, Media Relations  
 Howard G. Kadin, Esq., Law  
 Stephen Kingsberry, Director, Rail Transit  
 Cristina M. Lado, Director, Government and Community Affairs, New Jersey  
 Patrick Lanza, Acting Chief Technology Officer  
 Richard M. Larrabee, Director, Port Commerce  
 John H. Ma, Chief of Staff to the Executive Director  
 Lisa MacSpadden, Director, Media Relations  
 Stephen Marinko, Esq., Law  
 Ronald Marsico, Assistant Director, Media Relations  
 Daniel G. McCarron, Comptroller  
 Elizabeth M. McCarthy, Chief Financial Officer  
 James E. McCoy, Manager, Board Management Support, Office of the Secretary  
 Jared Pilosio, Staff External Relations Representative, Government and Community Affairs  
 Alan L. Reiss, Deputy Director, World Trade Center Construction  
 Brian W. Simon, Director, Government and Community Affairs, New York  
 Timothy G. Stickelman, Assistant General Counsel  
 Gerald B. Stoughton, Director, Financial Analysis  
 David B. Tweedy, Chief, Capital Programs  
 Christopher M. Valens, Senior Public Information Officer, Media Relations  
 Lillian D. Valenti, Director, Procurement

Sheree R. Van Duyne, Manager, Policies and Protocol, Office of the Secretary  
Ian R. Van Praagh, Senior Advisor, Government and Community Affairs  
David M. Wildstein, Director, Interagency Capital Projects, Office of the Deputy Executive  
Director  
Peter J. Zipf, Chief Engineer

Guests:

Nicole Crifo, Senior Counsel, Authorities Unit, Office of the Governor of New Jersey  
Regina Egea, Director, Authorities Unit, Office of the Governor of New Jersey  
Jeanine M. Thompson, Assistant Secretary for Transportation, State of New York  
Trey Wadsworth, Empire State Fellow, Governor's Executive Chamber, Transportation, State  
of New York

Speakers:

Jonathan Bien, Member of the Public  
Murray Bodin, Member of the Public  
Margaret Donovan, Twin Towers Alliance  
Richard Hughes, Twin Towers Alliance  
Neile Weissman, New York Cycle Club

The public meeting was called to order by Chairman Samson at 1:35 p.m. and ended at 2:01 p.m. The Board met in executive session prior to the public session.

### **Action on Minutes**

The Secretary submitted for approval Minutes of the meeting of July 24, 2013. She reported that copies of these Minutes were delivered to the Governors of New York (in electronic form) and New Jersey (in paper form) on July 25, 2013. The Secretary reported further that the time for action by the Governors of New York and New Jersey expired at midnight on August 8, 2013.

Whereupon, the Board unanimously approved the Minutes of the meeting of July 24, 2013.

### **Report of Committee on Finance**

The Committee on Finance reported, for information, on matters discussed in executive session at its meeting on September 17, 2013, which included discussion of matters involving ongoing negotiations or reviews of contracts or proposals, and matters related to the purchase, sale, or lease of real property, or securities where disclosure would affect the value thereof or the public interest, and the report was received.

The Committee on Finance also reported, for information, on matters discussed and action taken in public and executive sessions at its meeting on September 18, 2013, which included discussion of financial portfolio performance results for the second quarter of 2013, discussion of matters in which the release of information could impair a right to receive funds from the United States or other grantor, and matters involving ongoing negotiations or reviews of contracts or proposals, and the report was received.

### **Report of Committee on Finance's Insurance Working Group**

The Committee on Finance's Insurance Working Group reported, for information, on matters discussed in executive session at its meeting on September 17, 2013, which included discussion of matters involving ongoing negotiations or reviews of contracts or proposals, and the report was received.

### **Report of Audit Committee**

The Audit Committee reported, for information, on matters discussed in executive session at its meeting on September 17, 2013, which included discussion of matters involving external or internal investigations or audits, matters involving ongoing negotiations or reviews of contracts or proposals, and matters involving public safety or law enforcement, and the report was received.

### **Report of Committee on Operations**

The Committee on Operations reported, for information, on matters discussed in executive session at its meeting on September 17, 2013, which included discussion of matters related to personnel and personnel procedures, matters related to the purchase, sale, or lease of real property, or securities where disclosure would affect the value thereof or the public interest, matters involving external or internal investigations or audits, and matters involving ongoing negotiations or reviews of contracts or proposals, and the report was received.

The Committee on Operations also reported, for information, on matters discussed in public and executive sessions at its meeting on September 18, 2013, which included discussion of an agreement to provide for the completion of certain berth rehabilitation work at the Port Jersey-Port Authority Marine Terminal, and discussion of matters related to proposed, pending, or current litigation or judicial or administrative proceedings, and the report was received.

### **Report of World Trade Center Redevelopment Subcommittee**

The World Trade Center Redevelopment Subcommittee reported, for information, on matters discussed in public and executive sessions at its meeting on September 18, 2013, which included discussion of certain contracts and agreements in connection with the continued development and operation of the World Trade Center site, and discussion of matters involving ongoing negotiations or reviews of contracts or proposals, and the report was received.

### **Report of Committee on Capital Planning, Execution and Asset Management**

The Committee on Capital Planning, Execution and Asset Management reported, for information, on matters discussed in public and executive sessions at its meeting on September 18, 2013, which included discussion of a project for the demolition of Hangars 2 and 4 and associated support structures at LaGuardia Airport, and matters related to the purchase, sale, or lease of real property, or securities where disclosure would affect the value thereof or the public interest, and the report was received.

## **LAGUARDIA AIRPORT – DEMOLITION OF HANGAR 2 AND HANGAR 4 AND ASSOCIATED SUPPORT STRUCTURES – PROJECT AUTHORIZATION**

It was recommended that the Board authorize: (1) a project for the demolition of Hangar 2, Hangar 4 and associated support structures at LaGuardia Airport (LGA), at an estimated total project cost of \$22.9 million; and (2) the Executive Director to: (a) award a contract for the demolition work in connection with the project, at an estimated total cost of \$14.1 million, which amount is included in the estimated total project cost; (b) enter into a Memorandum of Agreement (MOA) with the New York State Historic Preservation Office (SHPO) that would specify any associated conditions to facilitate the demolition work, and for the Port Authority to incur all associated costs in connection therewith; (c) terminate portions of the existing leaseholds with American Airlines, Inc. (American) and United Air Lines (United) related to the occupancy of Hangar 2, Hangar 4 and associated support structures at LGA, effective December 31, 2013; and (d) submit an application to the Federal Aviation Administration (FAA) for the collection and use of up to \$22.9 million in Passenger Facility Charges (PFCs) for project expenditures.

The LGA Redevelopment Program consists of two major elements: the LGA Capital Infrastructure Renewal Program (LGACI Program) and the LGA Central Terminal Building (CTB) Replacement Program. The LGACI Program is a collection of projects that address short and long-term infrastructure needs, including projects that are required to maintain a state of good repair and certain system-enhancing projects, such as utility and electrical infrastructure, parking, roadways, bridges, and select building demolitions.

Through prior actions from March 2003 through December 2012, the Board authorized the expenditure of an aggregate amount of \$118 million to support planning and design services for the LGACI and LGA CTB Replacement Programs, which included \$1.2 million to support preliminary planning and design work relating to the currently proposed project.

Hangars 2 and 4 and associated support structures (Buildings 17 and 18) were constructed in the 1940s and are located within the easternmost footprint of the planned LGA CTB Replacement Program. The hangars are functionally obsolete and no longer meet the airlines' current and future needs. In addition to the demolition work, the proposed project also would include removal of underground structural elements and utilities, as well as certain abatement work. Construction activity for the LGA CTB Replacement Program is planned to begin in the area where Hangars 2 and 4 currently are located. Therefore, it is critical to advance the proposed demolition project now so that the site is cleared in order to make way for construction of the LGA CTB Replacement Program.

There are two existing leases with American and United related to the occupancy of Hangars 2 and 4 and associated support structures, which expire on December 31, 2015. These leases would be terminated prior to the proposed demolition work, which is expected to take place on or about December 31, 2013, and tenants would relocate their staff and operations to other buildings on the airport.

Due to the historic value of Hangars 2 and 4, a MOA with the SHPO would be required. It is anticipated that the MOA would address such matters as photographic documentation of the structures, the creation of a publicly accessible exhibit or display case commemorating the structures, and the recovery of items of historical significance. The total costs associated with the MOA are included in the estimated total project cost.

Staff plans to submit an application to the FAA for the collection and use of up to \$22.9 million in PFCs for project expenditures.

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

**RESOLVED**, that a project for the demolition of Hangar 2, Hangar 4 and associated support structures at LaGuardia Airport (LGA), at an estimated total project cost of \$22.9 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: (1) award a contract for the demolition work in connection with the foregoing project, at an estimated total cost of \$14.1 million, which amount is included in the estimated total project cost; (2) enter into a Memorandum of Agreement with the New York State Historic Preservation Office that would specify any associated conditions to facilitate the demolition work, and for the Port Authority to incur all associated costs in connection therewith; (3) terminate portions of the existing leaseholds with American Airlines, Inc. and United Air Lines, related to the occupancy of Hangar 2, Hangar 4 and associated support structures at LGA, effective December 31, 2013; and (4) submit an application to the Federal Aviation Administration for the collection and use of up to \$22.9 million in Passenger Facility Charges for project expenditures; and it is further

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

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

**PORT JERSEY–PORT AUTHORITY MARINE TERMINAL – AGREEMENT WITH THE CITY OF BAYONNE TO PROVIDE FOR THE COMPLETION OF BERTH REHABILITATION WORK**

It was recommended that the Board authorize the Executive Director to enter into an agreement with the City of Bayonne, New Jersey (City), as successor to the Bayonne Local Redevelopment Authority (BLRA), for: (1) the City to complete a berth rehabilitation project at Berths S-1, E-1 and E-2 at the Port Jersey-Port Authority Marine Terminal (Port Jersey), with the work being performed by the current contractor, Flanagan’s Contracting Group, Inc. (Flanagan), at a total estimated cost of \$8,444,445, of which amount 90 percent, or up to \$7.6 million, is being funded through a U.S. Department of Commerce Economic Development Administration (EDA) grant, and the remaining ten percent, in an amount up to \$844,445, is being provided by the City; and (2) the Port Authority to reimburse the City, upon completion of the project, for its ten-percent contribution share, in an amount up to \$844,445.

At its Special Meeting of June 22, 2010, the Committee on Operations, acting for and on behalf of the Board pursuant to delegated authority, authorized the Executive Director to enter into an agreement with the BLRA for the purchase of an approximately 131-acre portion of the former Military Ocean Terminal at Bayonne (MOTBY) site for marine terminal purposes. Prior to the purchase, the BLRA had approved a redevelopment plan for the entire MOTBY peninsula, which encompassed 652 acres of upland and riparian lands and included a 437-acre man-made peninsula, and began a bulkhead stabilization program along the peninsula’s perimeter. From 2004 through 2007, the BLRA completed over \$16 million in bulkhead stabilization improvements, of which 90 percent of the costs associated with that work was funded through a series of EDA grants.

In September 2008, the EDA awarded the BLRA a grant for the construction of a new steel bulkhead along Berths S-1, E-1 and E-2 at the portion of the former MOTBY site subsequently acquired by the Port Authority, in addition to work necessary to provide access connecting Berth S-1 and the upland area of the MOTBY peninsula. The total project cost was \$8,444,445, with 90 percent of the cost of the work, or up to \$7.6 million, to be funded through the EDA grant and the remaining ten-percent share of \$844,445 to be provided by the BLRA. The BLRA, as grantee, awarded a contract to Flanagan, and work on the project began in December 2009. In July 2010, the contractor had completed approximately 70 percent of the project when work was suspended by the BLRA, due to the Port Authority’s purchase of the property. Because the work being performed under the grant is partially complete, the EDA will not permit an outright transfer of the grant from the BLRA to the Port Authority until the work has been completed.

The BLRA recently was dissolved, and the City will assume all of the BLRA’s obligations and liabilities. Failure of the City to complete the work would result in the deterioration of the partially completed work. Because the City and Flanagan are willing to commit to complete the work under the existing contract prior to the extended grant expiration date of May 17, 2014, and the Port Authority would be the ultimate beneficiary of the completed berth rehabilitation work, authorization was requested for the Executive Director to enter into an agreement with the City to provide for the completion of the berth rehabilitation work by the City through the current contractor, Flanagan, and for the Port Authority to reimburse the City for its ten-percent contribution share of the project costs, in an amount up to \$844,445, upon completion of the project. Under the proposed agreement with the City, the Port Authority’s expenditures would be capped at \$844,445.

Pursuant to the foregoing report, the Board adopted the following resolution, with Commissioners Bagger, Lipper, Lynford, Moerdler, Rechler, Rosado, Samson, Sartor, Schuber and Steiner voting in favor. General Counsel confirmed that sufficient affirmative votes were cast for the action to be taken, a quorum of the Board being present.

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into an agreement with the City of Bayonne, New Jersey (City), as successor to the Bayonne Local Redevelopment Authority, for: (1) the City to complete a berth rehabilitation project at Berths S-1, E-1 and E-2 at the Port Jersey-Port Authority Marine Terminal, with the work being performed by the current contractor, Flanagan’s Contracting Group, Inc., at a total estimated cost of \$8,444,445, of which amount 90 percent, or up to \$7.6 million, is being funded through a U.S. Department of Commerce Economic Development Administration grant and the remaining ten-percent, in an amount up to \$844,445, is being provided by the City; and (2) the Port Authority to reimburse the City, upon completion of the project, for its ten-percent contribution share, in an amount up to \$844,445; and it is further

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to execute any other agreements and documents necessary or appropriate in connection with the foregoing; and it is further

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

**DOWNTOWN RESTORATION PROGRAM – AUTHORIZATION OF ADDITIONAL WORLD TRADE CENTER CONTRACT ACTIONS AND EXPENDITURES TO SUPPORT ONGOING POST-HURRICANE SANDY RECOVERY WORK**

It was recommended that the Board authorize: (1) the expenditure of an additional estimated amount of approximately \$20.5 million for certain contract actions and expenses expected to be required through October 31, 2013 to effectuate ongoing repair and replacement of facilities and equipment at the World Trade Center (WTC) site that were damaged or destroyed as a result of Hurricane Sandy and its associated storm surge, resulting in a cumulative total authorization of approximately \$417.5 million for the response, recovery and restoration efforts at the WTC site; and (2) the Executive Director to take all actions necessary to effectuate the foregoing, consistent with the terms outlined to the Board.

During the week of October 28, 2012, Hurricane Sandy and its associated storm surge caused significant flooding and devastating damage in Lower Manhattan and throughout the New York-New Jersey region. The storm resulted in severe flooding throughout the WTC site, particularly affecting the WTC Transportation Hub, Vehicular Security Center, WTC Memorial Museum, and One WTC, among other WTC projects in construction. Although the de-watering of the WTC site was substantially completed in early November, and pre-storm levels of construction activity resumed throughout the WTC site by the end of November 2012, Hurricane Sandy recovery activities are ongoing, to assess and evaluate damaged areas and equipment for future repair or replacement, including efforts to mitigate the impacts of future storms. Through separate actions at its meetings from February 6, 2013 through July 24, 2013, the Board, and the Committee on Operations, acting for and on behalf of the Board pursuant to the By-Laws, ratified and authorized certain actions required for Hurricane Sandy response, recovery and restoration work at the WTC site and mitigation efforts through September 30, 2013, in a total estimated amount of \$397 million.

Although comprehensive damage assessments and project impact evaluations related to Hurricane Sandy will be ongoing throughout 2013, staff is ordering various contractors to repair or replace damaged and destroyed equipment and infrastructure, including the purchase or repurchase of major long-lead items, such as: electrical switchgear and substation equipment; vertical circulation equipment; and mechanical fans, air handling units and controls. Increases in contract amounts also are needed to provide for construction management, program management, design support, and other professional services to support the repair/replacement, re-installation work and mitigation efforts.

Consistent with previous discussions with the Board throughout 2013, as additional information is made available by contractors, further project evaluations and implementation decisions regarding Hurricane Sandy's impact and the potential for including additional mitigation efforts to deliver a more resilient site are being made. It is anticipated that there will be further requests for increases to contract amounts for actions that will be attributable to Hurricane Sandy recovery, including further equipment replacement and installation costs, construction general conditions costs and potential mitigation costs, on an ongoing basis.

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

**RESOLVED**, that the expenditure of an additional estimated amount of approximately \$20.5 million for certain additional actions and expenses expected to be required through October 31, 2013, to effectuate the repair and replacement of facilities and equipment at the World Trade Center site that were damaged or destroyed by Hurricane Sandy and its associated storm surge, be and it hereby is authorized, consistent with the terms outlined to the Board; and it is further

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to take all actions necessary to facilitate the foregoing, consistent with the terms outlined to the Board; 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 SITE – ABATEMENT OF ASBESTOS, LEAD AND UNIVERSAL WASTE VIA WORK ORDER – AWARD OF CONTRACT**

It was recommended that the Board authorize the Executive Director to award a contract to SCE Environmental Group, Inc. for asbestos, lead and universal waste abatement services on a work-order basis at the World Trade Center (WTC) site for a two-year term, with an option to extend for up to one additional year, at a total estimated amount of \$2 million, including the option period (if exercised).

Although the majority of the work for the abatement of asbestos, lead and universal waste at the WTC site has been completed, it is expected that abatement services will continue to be required for certain areas of the site. The proposed work-order contract would provide an efficient and effective means to provide for future abatement services, in accordance with applicable state and local requirements, on an as-needed basis, in support of the timely implementation of the Port Authority-managed construction at the WTC site. The values of individual work orders under the proposed contract are expected to be in the range of \$25,000 to \$500,000. SCE Environmental Group, Inc. was selected to perform these services via a publicly advertised Request for Proposals process.

These services were provided previously under Contract WTC-614.050, which expired on May 31, 2013.

Pursuant to the foregoing report, the Board adopted the following resolution, with Commissioners Bagger, Lipper, Lynford, Moerdler, Rechler, Rosado, Samson, Sartor, Schuber and Steiner voting in favor. General Counsel confirmed that sufficient affirmative votes were cast for the action to be taken, a quorum of the Board being present.

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to award a contract to SCE Environmental Group, Inc. for asbestos, lead and universal waste abatement services on a work-order basis at the World Trade Center site for a two-year term, with an option to extend for up to one additional year, at a total estimated amount of \$2 million, including the option period (if exercised); and it is further

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

## **WORLD TRADE CENTER RETAIL PROJECT – AUTHORIZATION TO AWARD A CONSTRUCTION TRADE CONTRACT FOR EARLY PEDESTRIAN ACCESS**

It was recommended that the Board authorize the Executive Director to enter into a construction trade contract, through construction manager Tishman Turner Joint Venture III (Tishman/Turner III), a joint venture of Tishman Construction Corporation and Turner Construction Company, with T.B. Penick & Sons, Inc., for the construction and fit-out of the Early Access Pedestrian Corridors (Early Access Corridors) and associated mechanical, electrical and plumbing (MEP) and fire protection support systems at the World Trade Center (WTC) site, at an estimated total cost of \$5 million, inclusive of an eight-percent allowance for extra work and clause work. This work is the responsibility of the Port Authority and its wholly owned entity, WTC Retail LLC, and is associated with the pre-tenant fit-out phase of the WTC retail development project.

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

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

The Early Access Corridors and associated MEP systems would enable pedestrian access to certain underground corridors and the World Trade Center Transportation Hub (WTC Hub) Oculus area in 2014, allowing the public below-grade access through the WTC site, in order to improve pedestrian flow and enhance commuter access to mass transit connections in lower Manhattan. It also would allow for the removal of the existing North Temporary Access to the Port Authority Trans-Hudson rail system station, thereby enabling the permanent construction of the West Bathtub Vehicular Access to grade and the subsequent completion of the below-grade WTC Vehicular Roadway Network.

The work to be performed under the proposed construction trade contract would be located at the B2, B1, B1 Mezzanine and grade levels in Tower 2, the WTC Transportation Hub (WTC Hub) Oculus, Tower 3 and Tower 4. The scope of work includes the furnishing and installation of all Early Access Corridors and associated MEP and fire protection support system fit-out work, involving metal stud framing, drywall, door frames, doors, lighting, fire alarm devices, electrical wiring and devices, ductwork, dampers, mechanical piping, fan coil units, plumbing piping and devices, sprinklers, and temporary signage and wayfinding necessary to satisfy requirements for the WTC Retail and WTC Hub Project areas where the scope of work is located.

Tishman/Turner III, on behalf of the Port Authority, solicited bids through a publicly advertised, competitive two-step pre-qualification bid process, and T.B. Penick & Sons, Inc. was the lowest price qualified bidder. The proposed trade contract with T.B. Penick & Sons, Inc. would be

awarded pursuant to the Tishman/Turner III construction management agreement, dated March 31, 2011.

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

**RESOLVED**, that the Executive Director be and hereby is authorized, for and on behalf of the Port Authority and its wholly owned entity, World Trade Center Retail LLC, to enter into a construction trade contract, through construction manager Tishman Turner Joint Venture III, a joint venture of Tishman Construction Corporation and Turner Construction Company, to T.B. Penick & Sons, Inc., for the construction and fit-out of the Early Access Pedestrian Corridors and associated mechanical, electrical and plumbing, and fire protection support systems at the World Trade Center site, at an estimated total cost of \$5 million, inclusive of an eight-percent allowance for extra work and clause work; and it is further

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

**WORLD TRADE CENTER (WTC) VEHICLE ROADWAY NETWORK AND EASTSIDE TOUR BUS PARKING FACILITY – PROJECT AUTHORIZATION – AND WTC VEHICULAR SECURITY CENTER AND TOUR BUS PARKING FACILITY – AWARD OF CONTRACT AND INCREASE IN EXISTING CONTRACT**

It was recommended that the Board authorize: (1) a project for the design and construction of the World Trade Center (WTC) Vehicle Roadway Network and Eastside Tour Bus Facility (WTC Roadway Network), at a total estimated project cost of \$260.6 million; and (2) the Executive Director to: (a) enter into a contract with Jacobs Engineering New York, Inc. for sustainability commissioning services for multiple WTC Vehicular Security Center and Tour Bus Parking Facility (WTC VSC) systems for a two-year term, with two additional one-year extension periods, at an estimated total cost of \$1,268,743, inclusive of a contingency and a contract option to provide commissioning services for the WTC Roadway Network; and (b) increase the compensation under the 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), including certification services, to support the design and construction of the WTC VSC and WTC Roadway Network Projects, consistent with the terms outlined to the Board.

The WTC Roadway Network is a sub-grade roadway network that will span the length of the East Bathtub and connect to the loading docks of Towers 2, 3 and 4, as well as to the WTC Transportation Hub. Once completed, the WTC Roadway Network will: alleviate the need for tour buses to park or idle on local streets; accommodate delivery trucks; improve the operation and efficiency of the WTC complex; and enhance accessibility and circulation within Lower Manhattan. The WTC Roadway Network is critical for the redevelopment of the WTC site and will play an important role in the safe and efficient delivery of goods and services to the WTC site facilities, as well as provide for new tour bus parking areas that will accommodate approximately 46 buses.

Under prior actions through February 2010, the Board authorized the expenditure of \$14.3 million for work in connection with the WTC Roadway Network, including preliminary and final engineering services. From June 2012 through September 2012, the Board authorized the award of several early-action construction contracts, through construction manager, Tishman Construction Corporation, for fire protection, electrical, heating, ventilation and air conditioning, and architectural fit-out work associated with the construction of the WTC Roadway Network.

The WTC VSC Project, which was authorized by the Board at its meeting of August 5, 2010, at a total estimated project amount of \$667 million, is critical for the redevelopment of the 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.

In accordance with the Building Commissioning component of the WTC Sustainable Design Guidelines, the WTC VSC Project is required to retain the services of an independent Sustainability Commissioning Agent to: (1) prepare a commissioning plan for heating, ventilation and air conditioning, mechanical, electrical and plumbing, vertical transportation, building automation and temperature control, and architectural systems; (2) conduct audits of the commissioning of these systems, in accordance with sustainable design guidelines; and (3) prepare a comprehensive final commissioning report.

The proposed contract also would also include an option for sustainability commissioning services for the WTC Roadway Network Project.

Authorization also was requested to increase the compensation under the existing agreement with LSP, which initially was authorized by the Board on September 21, 2006, for architectural and engineering services for Stage IV design of the WTC VSC and WTC Roadway Network Projects. These services relate to construction, including certification services, preparation of 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.

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

**RESOLVED**, that a project for the design and construction of the World Trade Center (WTC) Vehicle Roadway Network and Eastside Tour Bus Parking Facility (WTC Roadway Network), at a total estimated project cost of \$260.6 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 enter into a contract with Jacobs Engineering New York, Inc. for sustainability commissioning services for multiple WTC Vehicular Security Center and Tour Bus Parking Facility (WTC VSC) systems for a two-year term, with two additional one-year extension periods, at an estimated total cost of \$1,268,743, inclusive of a contingency and a contract option to provide commissioning services for the WTC Roadway Network; 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 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 (Stage IV services), including certification services, to support the design and construction of the WTC VSC and WTC Roadway Network Projects, consistent with the terms outlined to the Board; 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 – SITE-WIDE WAYFINDING, SIGNAGE, AND OPERATIONAL COMMUNICATIONS PROGRAM – AWARD OF CONTRACT**

It was recommended that the Board authorize the Executive Director to enter into an agreement with Landor Associates (Landor) for the performance of professional services for the development and implementation of the World Trade Center (WTC) site-wide wayfinding, signage, and operational communications program through December 31, 2015, at an estimated amount not to exceed \$3,570,000, inclusive of a contingency.

As the redevelopment of the WTC site achieves critical schedule milestones, the need to develop and implement an integrated site-wide wayfinding, signage, and communications program is clear. The proposed program would support the commencement of critical on-site operational activities and prepare for the needs of millions of visitors, through the development of a comprehensive and integrated wayfinding and signage system, which would include an internet presence, mobile device applications, and an operational service protocols program.

In October 2011, via a competitive procurement process, the Port Authority selected Landor to provide professional services for a six-month term, at an estimated amount of \$980,927. Via subsequent actions through February 2013, the Executive Director authorized the extension of the existing contract with Landor through April 15, 2013, at an additional estimated amount of \$222,938.

The scope of work to be performed by Landor under the currently proposed agreement would include the development and implementation of the following WTC site-wide wayfinding, signage, and communications program initiatives: (1) integrated site-wide wayfinding and signage system that incorporates retail directories, tenant identification, and mobile device applications; (2) site-wide digital strategy and public website; (3) fence graphics/wayfinding during construction transition; (4) operational service protocols and uniforms; and (5) information kiosks and concierge program.

Pursuant to the foregoing report, the Board adopted the following resolution, with Commissioners Bagger, Lipper, Lynford, Moerdler, Rechler, Rosado, Samson, Sartor, Schuber and Steiner voting in favor. General Counsel confirmed that sufficient affirmative votes were cast for the action to be taken, a quorum of the Board being present.

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into an agreement with Landor Associates for the performance of professional services for the development and implementation of the World Trade Center site-wide wayfinding, signage, and operational communications program through December 31, 2015, at an estimated amount not to exceed \$3,570,000, inclusive of a contingency; and it is further

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

**MINOR BOUNDARY MODIFICATION OF FOREIGN-TRADE ZONE NO. 49 GENERAL-PURPOSE ZONE TO INCLUDE THE WESTERN CARRIERS, INC. FACILITY IN NORTH BERGEN, 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 (FTZ) No. 49, with the Foreign-Trade Zones Board of the United States Department of Commerce for a minor boundary modification of the FTZ No. 49 General-Purpose Zone that would provide for the removal of foreign-trade zone designation of the approximately 16-acre NorthPort Industrial Center in Elizabeth, New Jersey, and the designation of the approximately 16-acre parcel on which the Western Carriers, Inc. facility is located in North Bergen, New Jersey, as FTZ No. 49 space; and (2) execute the appropriate agreements with HG Property, Inc. and 2400 83<sup>rd</sup> St., LLC, the property owners, and with Western Carriers, Inc., as Operator of the General-Purpose Zone, to activate foreign-trade zone status, pending approval from United States Customs and Border Protection (Customs).

Western Carriers, Inc. is a leading provider of transportation and warehousing services to the wine and spirits industry. The company has requested that its approximately 16-acre facility in North Bergen, which is composed of two warehouses and associated open area, be designated as a General-Purpose Zone site within FTZ No. 49 for warehousing, storage, repacking and co-packaging operations.

Under the traditional FTZ site framework in which FTZ No. 49 operates, establishing new sites through a minor boundary modification requires “swapping” the requested acres from existing sites that either have not been activated or have limited foreign-trade zone activity. As Grantee of FTZ No. 49, the Port Authority would request the removal of foreign-trade zone designation of approximately 16 acres currently designated as FTZ No. 49 space at the NorthPort Industrial Center in Elizabeth. To date, after a period of nearly five years, no tenant at the NorthPort Industrial Center has requested FTZ activation with Customs. The proposed new general-purpose zone would consist of the approximately 16-acre parcel on which the Western Carriers, Inc. facility is located in North Bergen.

Foreign-trade zone status and its benefits at the site would allow Western Carriers, Inc. to better serve existing and future users of the facility that are engaged in the importation and packaging of alcohol products, and help them remain financially competitive by reducing transactional expenses. Modifying the existing boundaries of FTZ No. 49 to include the proposed site also could help attract additional large warehousing and distribution operations to utilize Port Authority facilities for direct import and export cargo activity, and enable companies in the region to remain competitive in the global and domestic marketplace.

Western Carriers, Inc. would pay the Port Authority, as Grantee, a one-time application fee of \$500 and a one-time minor boundary modification fee of \$1,000 to cover administrative expenses associated with this action. Additional expenses incurred to administer this foreign-trade zone site would be recovered through an annual fee of \$4,000, as set forth in the FTZ No. 49 Zone Schedule, which the Port Authority would collect under an operating agreement with Western Carriers, Inc. In connection with requesting approval from Customs to activate foreign-trade zone status, Western Carriers, Inc. would undertake any required alterations to the facility, in compliance with Customs regulations and security requirements.

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

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, as Grantee of Foreign-Trade Zone No. 49 (FTZ No. 49), to: (1) file an application with the Foreign-Trade Zones Board of the United States Department of Commerce for a minor boundary modification of FTZ No. 49 General-Purpose Zone that would provide for the removal of foreign-trade zone designation of the approximately 16-acre NorthPort Industrial Center in Elizabeth, New Jersey, and the designation of the approximately 16-acre parcel on which the Western Carriers, Inc. facility is located in North Bergen, New Jersey, as FTZ No. 49 space; and (2) execute the appropriate agreements with HG Property, Inc. and 2400 83<sup>rd</sup> St., LLC, the property owners, and with Western Carriers, Inc., as Operator of the General-Purpose Zone, to activate foreign-trade zone status, pending approval from United States Customs and Border Protection; and it is further

**RESOLVED**, that the forms of the foregoing application and agreements shall be subject to the approval of General Counsel or his authorized representative.

**CONFIDENTIAL ITEM**

The Board also authorized a transaction in executive session, which shall not be made available for public inspection.

**DOWNTOWN RESTORATION PROGRAM – REMOVAL OF THE VESEY STREET PEDESTRIAN BRIDGE – INCREASES IN AUTHORIZATION UNDER EXISTING AGREEMENTS**

It was recommended that the Board authorize the Executive Director to: (1) enter into a supplement to Contract WTC-324.359.04 with Oliveira Contracting, Inc. (Oliveira) to provide for the dismantling and removal of the eastern approach of the Vesey Street Pedestrian Bridge (Bridge) at the World Trade Center (WTC) site; and (2) enter into a supplement to an existing agreement with the New York State Department of Transportation (NYSDOT), to provide for the dismantling and removal of the main span and western approach of the Bridge, consistent with the terms outlined to the Board.

Following the destruction of the WTC on September 11, 2001, it was necessary to restore and modify the Bridge, in order to provide pedestrians with a safe and efficient means to traverse West Street/Route 9A (Route 9A), which is located immediately west of the WTC site.

As WTC site redevelopment plans moved forward, it was determined that the temporary Bridge ultimately would be replaced with a below-grade connection (the WTC Transportation Hub's East/West Pedestrian Connector) for pedestrians traveling from as far west as the World Financial Center (now Brookfield Place) and the adjacent ferry terminal through the WTC site, including the WTC Transportation Hub.

At its meeting of August 13, 2009, the Board authorized a project, at an estimated total project cost of \$7.1 million, to extend the Bridge across Washington Street up to Greenwich Street (Bridge Extension Project), to accommodate the increase in construction vehicles accessing the site from north and west of the WTC site while enhancing pedestrian safety for those navigating the perimeter of the site. This project ultimately was not required, because the Port Authority pursued a less costly alternative through certain at-grade interim improvements.

With the planned opening of the East/West Pedestrian Connector in the third quarter of 2013, the Bridge no longer will be required. The Bridge needs to be removed, so as not to impede current WTC construction efforts in the area. Furthermore, the eastern portion of the Bridge area is required as a construction staging/lay-down area to support the completion of One WTC, to meet lease commitments, and the build-out of space for One WTC tenancies while enhancing truck vehicle access to the WTC site. As such, it was recommended that the Bridge removal generally coincide with the planned opening of the new East/West Pedestrian Connector, and that the work be done through existing agreements with entities currently engaged in active construction in the immediate area of the Bridge.

To expedite the work in an efficient manner, staff recommended that Oliveira, which currently is performing work associated with the infrastructure of the WTC streets and related improvements in the area impacted by the Bridge's eastern approach, undertake the portion of the work at the eastern side of the Bridge. Oliveira's scope of work includes removal and disposal of the Bridge's eastern approach to grade, and removal of the elevator, escalator, ramp and associated equipment.

It also was recommended that NYSDOT perform the remaining work, including dismantling of the main Bridge span over Route 9A and the western approach, as well as related structural

footings. NYSDOT has been performing work in the immediate area of the Bridge. Having NYSDOT perform this Bridge dismantling work would be efficient, due to the logistical constraints of working over Route 9A, and limited work area access.

The requested authorization for \$3 million to perform the proposed work is available within the budgets previously authorized at the WTC site, and would not require any incremental costs, because the amount required for the removal of the Bridge would be offset fully by avoided work associated with the Bridge Extension Project. The Bridge removal work would be closely coordinated with the opening of the East-West Pedestrian Connector, to ensure continued pedestrian access to the Bridge until the new connector is opened to the public.

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

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into a supplement to Contract WTC-324.359.04 with Oliveira Contracting, Inc. (Oliveira), to provide for the dismantling and removal of the eastern approach of the Vesey Street Pedestrian Bridge (Bridge) at the World Trade Center (WTC) site, consistent with the terms outlined to the Board; and it is further

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into a supplement to an existing agreement with the New York State Department of Transportation, to provide for the dismantling and removal of the main span and western approach of the Bridge, consistent with the terms outlined to the Board; 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.

**CONFIDENTIAL ITEM**

The Board also authorized a transaction in executive session, which shall not be made available for public inspection.

## **MEMORIAL TRIBUTE TO THE HONORABLE JACK G. SINAGRA**

It is with profound sadness that we mark the passing of The Honorable Jack G. Sinagra on August 26, 2013.

**WHEREAS**, from his appointment to the Board of Commissioners in October 2001 by former Acting New Jersey Governor Donald DiFrancesco, Jack G. Sinagra served with great pride and distinction and gave the full measure of his devotion, intellect, skill, and ability to the furtherance of the mission and goals of the Port Authority and the region it serves; and

**WHEREAS**, Jack G. Sinagra served as Chairman of the Port Authority from December 2001 until April 2003, which was one of the most difficult and challenging times in the agency's history following the tragic events of September 11, 2001, and led the agency through a period of mourning, remembrance and rebuilding; and

**WHEREAS**, under Jack G. Sinagra's leadership, the Port Authority proudly renamed Newark International Airport, Newark Liberty International Airport, to honor the heroes who fight to protect our freedom and the heroes of September 11, and to underscore Newark's strength and leadership in this region; and

**WHEREAS**, Jack G. Sinagra led the Port Authority in the implementation of an unprecedented number of security initiatives, providing for the public to have the benefit of dependable, trustworthy passage throughout the region; and

**WHEREAS**, Jack G. Sinagra served with great distinction as Chairman of the Audit Committee providing a consistent focus on the implementation of best practices for the Audit Committee; and as Vice-Chairman of the Committee on Operations, where he was instrumental in leading the agency to advance numerous projects that have benefited the lives of citizens throughout the region, including the restoration of the World Trade Center site, the historic redevelopment of John F. Kennedy International Airport; and, most notably, the restoration and reopening of PATH's Exchange Place Station within 21 months of the tragic events of September 11, 2001 -- a vital link in the region's transportation network; as well as numerous projects concerning the modernization of PATH, including planning for new rail cars and a new signal system; and

**WHEREAS**, as a former Mayor of East Brunswick, New Jersey, former New Jersey State Senator, distinguished businessman and public servant, the Honorable Jack G. Sinagra gave freely of his time and talent and never lost sight of the impact his decisions had on the lives of the citizens of the region; and

**WHEREAS**, Jack G. Sinagra's light-hearted, kind spirit and friendly disposition was a testament to his character, and a genuine reflection of his respect toward staff and to all who had the pleasure of knowing and working with him;

**NOW, therefore, be it**

**RESOLVED**, that the Commissioners of The Port Authority of New York and New Jersey express their deepest sorrow at the passing of the Honorable Jack G. Sinagra; and it is further

**RESOLVED**, that the Board of Commissioners hereby directs that this resolution be suitably engraved and presented to the family of the Honorable Jack G. Sinagra as a token of the high esteem in which he was held by his colleagues on the Board and by the staff of The Port Authority of New York and New Jersey.

Whereupon, the meeting was adjourned.

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Secretary