

**THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY**

**COMMITTEE ON OPERATIONS  
MINUTES OF SPECIAL, INTERIM MEETING  
Thursday, September 10, 2009**

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**COMMITTEE ON OPERATIONS  
MINUTES OF SPECIAL, INTERIM MEETING**

**225 Park Avenue South**

**New York, NY**

**Thursday, September 10, 2009**

**PRESENT:**

Hon. Anthony R. Coscia, Chair  
Hon. Henry R. Silverman, Vice-Chair  
Hon. Virginia S. Bauer  
Hon. Stanley E. Grayson  
Hon. H. Sidney Holmes III  
Hon. David S. Mack  
Hon. Raymond M. Pocino  
Hon. Anthony J. Sartor  
Committee Members

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

A. Paul Blanco, Chief Financial Officer  
Ernesto L. Butcher, Chief Operating Officer  
Steven J. Coleman, Assistant Director, Media Relations, Public Affairs  
John C. Denise, Audio Visual Supervisor, Public Affairs  
Michael G. Fabiano, Deputy Chief Financial Officer/Comptroller  
Michael B. Francois, Chief, Real Estate and Development  
Richard Gladstone, Director, World Trade Center Redevelopment  
Linda C. Handel, Deputy Secretary  
Alan H. Hicks, Senior Public Information Officer, Public Affairs  
Howard G. Kadin, Esq., Law  
Kevin J. Kirchman, Director, Marketing, Public Affairs  
Louis J. LaCapra, Chief Administrative Officer  
Conor Lanz, Special Assistant to the Executive Director  
Francis J. Lombardi, Chief Engineer  
Stephen Marinko, Esq., Law  
Ronald Marsico, Assistant Director, Media Relations, Public Affairs  
Candace McAdams, Acting Chief, Public and Government Affairs  
James E. McCoy, Manager, Board Management Support, Office of the Secretary  
Sanjay S. Mody, Advisor to the Chairman  
Lynn A. Nerney, Senior Business Manager, Office of the Secretary  
Summer Oesch, Special Assistant to the Deputy Executive Director  
Steven P. Plate, Director, World Trade Center Construction  
Alan L. Reiss, Deputy Director, World Trade Center Construction

David B. Tweedy, Chief, Capital Programs  
Lillian D. Valenti, Director, Procurement  
Andrew S. Warshaw, Chief of Staff to the Executive Director

In view of the fact that there was an insufficient number of affirmative votes cast to constitute a quorum with respect to matters to be considered at today's Board meeting, the Secretary reported that, pursuant to the Board's resolution of December 15, 1994, a special, interim meeting of the Committee on Operations was called to permit the Committee to act on these items for and on behalf of the Board.

The meeting was called to order in public session by the Chair at 12:43 p.m. and ended at 12:53 p.m.

**DOWNTOWN RESTORATION PROGRAM – AUTHORIZATION TO ACCEPT ASSIGNMENT OF A TRADE CONTRACT FOR CARPENTRY AND DRYWALL 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 Component Assembly Systems, Inc. for carpentry and drywall work for the World Trade Center (WTC) Memorial, Memorial Museum and WTC Infrastructure Projects, at an estimated amount of \$6,010,200, 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 the carpentry and drywall trade contract, at an estimated cost of \$553,384; and (3) on behalf of the Port Authority and its wholly owned entities, make payments into an escrow account, in an amount of \$200,000, for the Port Authority's portion of the costs associated with the carpentry and drywall trade contract and the Bovis CM contract.

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 Memorial Museum Projects. In anticipation of the full assignment of the Bovis CM contract, the NS11MM has proceeded with procurement of the carpentry and drywall trade contract, as an essential component of the critical path schedule for the WTC Memorial, Memorial Museum and WTC Infrastructure Projects.

The NS11MM will award the carpentry and drywall trade contract to Component Assembly Systems, 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 contract includes all the carpentry and drywall work for the WTC Memorial, Memorial Museum and WTC Infrastructure Projects. The carpentry and drywall contract meets all New York City building code requirements.

None 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.

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 \$214.5 million, and the proposed authorization would bring total anticipated Port Authority payments to approximately \$216.7 million (including payments pursuant to two companion items), of which approximately \$113.1 million

has been allocated against the Port Authority's commitment to the WTC Memorial and Memorial Museum Projects.

Pursuant to the foregoing report, the Committee on Operations, acting for and on behalf of the Board pursuant to delegated authority, adopted the following resolution with Commissioners Coscia, Grayson, Holmes, Mack, Pocino and Silverman voting in favor; none against; Commissioners Bauer and 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. to Component Assembly Systems, Inc. for carpentry and drywall work for the World Trade Center (WTC) Memorial, Memorial Museum and the WTC Infrastructure Projects, in an estimated amount of \$6,010,200, including an eight-percent contingency; and (2) accept a partial assignment of the contract with Bovis Lend Lease LMB, Inc. (Bovis) for performance of construction management services associated with the carpentry and drywall trade contract, at an estimated cost of \$553,384; 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 entities, to pay \$200,000 into an escrow account for the Port Authority's portion of the costs associated with the carpentry and drywall trade contract and the Bovis construction management 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.

**DOWNTOWN RESTORATION PROGRAM – AUTHORIZATION TO ACCEPT ASSIGNMENT OF A TRADE CONTRACT FOR GLASS CURTAIN WALL FOR THE WORLD TRADE CENTER (WTC) MUSEUM PAVILION SERVICING THE 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 W&W Glass LLC for the fabrication and installation of a glass curtain wall enclosure at the World Trade Center (WTC) Museum Pavilion, serving the WTC Memorial and Memorial Museum, in an estimated amount of \$21,488,760, 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 the glass curtain wall trade contract, at an estimated cost of \$1,978,558; and (3) on behalf of the Port Authority and its wholly owned entities, make payments into an escrow account, in an amount of \$1,500,000, for the Port Authority's portion of the costs associated with the glass curtain wall trade contract and the Bovis CM contract.

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 Memorial Museum Projects. In anticipation of the full assignment of the Bovis CM contract, the NS11MM has proceeded with procurement of the glass curtain wall trade contract for the WTC Museum Pavilion, as an essential component of the critical path schedule for the WTC Memorial, Memorial Museum and WTC Infrastructure Projects.

The NS11MM will award the glass curtain wall trade contract to W&W Glass LLC, 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 contract includes design, fabrication, installation, and testing of the entire glass curtain wall enclosure for the WTC Memorial Museum Pavilion. The glass curtain wall contract meets all New York City building code criteria and extensive project testing requirements, including air and water infiltration testing.

None 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.

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 \$214.5 million, and the proposed authorization would bring total anticipated Port Authority payments to approximately \$216.7 million (including payments pursuant to two companion items), of which approximately \$113.1 million

has been allocated against the Port Authority's commitment to the WTC Memorial and Memorial Museum Projects.

Pursuant to the foregoing report, the Committee on Operations, acting for and on behalf of the Board pursuant to delegated authority, adopted the following resolution with Commissioners Coscia, Grayson, Holmes, Mack, Pocino and Silverman voting in favor; none against; Commissioners Bauer and 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. to W&W Glass LLC for the fabrication and installation of a glass curtain wall enclosure at the World Trade Center (WTC) Museum Pavilion for the WTC Memorial and Memorial Museum Projects, in an estimated amount of \$21,488,760, including an eight-percent contingency; and (2) accept a partial assignment of the contract with Bovis Lend Lease LMB, Inc. (Bovis) for performance of construction management services associated with the glass curtain wall trade contract, at an estimated cost of \$1,978,558; 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 entities, to pay \$1,500,000 into an escrow account for the Port Authority's portion of the costs associated with the glass curtain wall trade contract and the Bovis construction management 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.

**DOWNTOWN RESTORATION PROGRAM – AUTHORIZATION TO ACCEPT ASSIGNMENT OF A TRADE CONTRACT FOR STRUCTURAL STEEL FOR THE WORLD TRADE CENTER (WTC) MUSEUM PAVILION SERVICING THE 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 W&W/Afco Steel LLC for the fabrication and installation of structural steel for the World Trade Center (WTC) Memorial Museum Pavilion, in an estimated amount of \$7,885,339, 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 the structural steel trade contract, at an estimated cost of \$726,035; and (3) on behalf of the Port Authority and its wholly owned entities, make payments into an escrow account, in an amount of \$550,000, for the Port Authority's portion of the costs associated with the structural steel trade contract and the Bovis CM contract.

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 Memorial Museum Projects. In anticipation of the full assignment of the Bovis CM contract, the NS11MM has proceeded with procurement of the structural steel trade contract, which is an essential component of the critical path schedule for the WTC Memorial, Memorial Museum and WTC Infrastructure Projects.

The NS11MM will award the structural steel trade contract to W&W/Afco Steel LLC, 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 contract includes the fabrication and installation of structural steel for the WTC Memorial Museum Pavilion. The structural steel contract meets all New York City building code requirements.

None 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.

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 \$214.5 million, and the proposed authorization would bring total anticipated Port Authority payments to approximately \$216.7 million (including payments pursuant to two companion items), of which approximately \$113.1 million has been allocated against the Port Authority's commitment to the WTC Memorial and Memorial Museum Projects.

Pursuant to the foregoing report, the Committee on Operations, acting for and on behalf of the Board pursuant to delegated authority, adopted the following resolution with Commissioners Coscia, Grayson, Holmes, Mack, Pocino and Silverman voting in favor; none against; Commissioners Bauer and 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. to W&W/Afco Steel LLC for the fabrication and installation of structural steel for the World Trade Center (WTC) Museum Pavilion for the WTC Memorial Museum Project, in an estimated amount of \$7,885,339, including an eight-percent contingency; and (2) accept a partial assignment of the contract with Bovis Lend Lease LMB, Inc. (Bovis) for performance of construction management services associated with the structural steel trade contract, at an estimated cost of \$726,035; 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 entities, to pay \$550,000 into an escrow account for the Port Authority's portion of the costs associated with the structural steel trade contract and the Bovis construction management contract for the aforementioned project; 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.

**DOWNTOWN RESTORATION PROGRAM – AUTHORIZATION TO ACCEPT ASSIGNMENT OF A TRADE CONTRACT FOR FOUNTAIN STONE FOR THE WORLD TRADE CENTER MEMORIAL**

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 Port Morris Tile and Marble Corp. for the furnishing and installation of fountain stone for the World Trade Center (WTC) Memorial, at an estimated amount of \$5,130,000, including an eight-percent contingency; and (2) accept a partial assignment of the contract with Bovis Lend Lease LMB, Inc. (Bovis) for performance of construction management (CM) services associated with the fountain stone trade contract, at an estimated cost of \$472,340. The Port Authority is not responsible for any of these costs, because the fountain stone contract pertains solely to the WTC Memorial Project.

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 Memorial Museum Projects. In anticipation of the full assignment of the Bovis CM contract, the NS11MM has proceeded with procurement of the fountain stone trade contract, as an essential component of the critical path schedule for the WTC Memorial Project.

The NS11MM will award the fountain stone trade contract to Port Morris Tile and Marble Corp., 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 contract includes the furnishing and installation of all fountain stone for the WTC Memorial. The fountain stone contract meets all New York City building code requirements.

Pursuant to the foregoing report, the Committee on Operations, acting for and on behalf of the Board pursuant to delegated authority, adopted the following resolution with Commissioners Coscia, Grayson, Holmes, Mack, Pocino and Silverman voting in favor; none against; Commissioners Bauer and 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. to Port Morris Tile and Marble Corp. for the furnishing and installation of fountain stone for the World Trade Center Memorial, at an estimated amount of \$5,130,000, including an eight-percent contingency; and (2) accept a partial assignment of the contract with Bovis Lend Lease LMB, Inc. for performance of construction management services associated with the fountain stone trade contract, at an estimated cost of \$472,340; 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.

**DOWNTOWN RESTORATION PROGRAM – AUTHORIZATION TO ENTER INTO AN AGREEMENT FOR ROUTE 9A PEDESTRIAN UNDERPASS ACCELERATION**

It was recommended that the Board authorize the Executive Director to enter into an agreement with Brookfield Financial Properties, L.P. (Brookfield) that would provide for construction and construction management services required for a project to construct the western portion of the World Trade Center (WTC) Transportation Hub Route 9A Pedestrian Underpass (Pedestrian Underpass), at an amount not to exceed \$100 million, to be used solely for costs incurred in connection with the project work.

The current distance between the Route 9A pedestrian crossings at Liberty Street and Vesey Street represents a hardship to the businesses and residents of Battery Park City, and a significant hardship to the riders of the Port Authority Trans-Hudson (PATH) and New York State Metropolitan Transportation Authority (MTA) transit systems. Since the attacks of September 11, 2001, PATH passengers and pedestrians accessing the World Financial Center (WFC) have been required to circumnavigate the WTC site in order to cross West Street at either Liberty or Vesey Streets.

The planned Pedestrian Underpass will provide a seamless transition for the anticipated 100,000 people per day traveling between the WFC and the WTC Transportation Hub and Fulton Street Transit Center by 2025.

Brookfield, the master leaseholder of the WFC, the Hugh L. Carey Battery Park City Authority, and certain WFC tenants are planning to apply a portion of their insurance proceeds received on account of the destruction of the North Bridge connecting the WTC site to the WFC on September 11, 2001 for the construction of a Pavilion structure at the western terminus of the Pedestrian Underpass that will provide a climate-controlled transition from the underpass to the WFC and Battery Park City. The Pavilion would be designed and constructed by Brookfield. Under the current schedule, the Pavilion construction would occur sequentially with the Pedestrian Underpass construction, because limitations to staging areas and site access preclude multiple contractors from working in the area.

Brookfield and the Port Authority have examined opportunities to restage construction of adjacent work in order to accelerate the work schedule, and have determined that, for reasons of site control and site access, a significant schedule improvement of up to one year can be obtained if construction of a portion of the work is performed by Brookfield. This work includes the installation of secant piles, utility work and jet grouting to effectuate a water-tight environment for construction of the Pedestrian Underpass, and all work required to excavate and construct the Pedestrian Underpass from the center demising wall westward.

The parties considered having the Port Authority perform this work, but it was agreed that the work could be progressed most efficiently by Brookfield, because Brookfield will construct the Pavilion above the Pedestrian Underpass. The limited staging area available in front of the WFC Winter Garden and logistical impacts for simultaneous construction of the Pavilion above the western terminus of the Pedestrian Underpass necessitate transferring this work to Brookfield.

Pursuant to the foregoing report, the Committee on Operations, acting for and on behalf of the Board pursuant to delegated authority, adopted the following resolution with Commissioners Bauer, Grayson, Holmes, Mack, Pocino and Silverman voting in favor; none against; Commissioners Coscia and Sartor 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 Brookfield Financial Properties, L.P. for construction and construction management services required for a project to construct the western portion of the World Trade Center Transportation Hub Route 9A Pedestrian Underpass, at an amount not to exceed \$100 million, to be used solely for costs incurred in connection with the project work; and it is further

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

Whereupon, the meeting was adjourned.

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Secretary