

**Torres Rojas, Genara**

*FOIA 13099*

**From:** lbs4@columbia.edu  
**Sent:** Wednesday, April 04, 2012 3:45 PM  
**To:** Duffy, Daniel  
**Cc:** Torres Rojas, Genara; Van Duyne, Sheree  
**Subject:** Freedom of Information Online Request Form

Information:

First Name: Lynne  
Last Name: Sagalyn  
Company: academic  
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Required copies of the records: Yes

List of specific record(s):  
copies of the minutes of the following board meetings: December 2003 April 2003 July 2003 August 2002 June  
2002 April 2002

Daniel D. Duffy  
*FOI Administrator*

May 21, 2012

Ms. Lynne Sagalyn  
3022 Broadway Uris 816  
New York, NY 10027

Re: Freedom of Information Reference No. 13094

Dear Ms. Sagalyn:

This is a response to your April 4, 2012 request, which has been processed under the Port Authority's Freedom of Information Code (the "Code") for copies of the minutes for the following Board Meetings: December 2003, April 2003, July 2003, August 2002, June 2002 and April 2002.

Material responsive to your request and available under the Code can be found on the Port Authority's website at <http://www.panynj.gov/corporate-information/foi/13094-O.pdf>. Paper copies of the available records are available upon request.

Please refer to the above FOI reference number in any future correspondence relating to your request.

Very truly yours,



Daniel D. Duffy  
FOI Administrator

# THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

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**THE WORLD TRADE CENTER - REBUILDING OF CON EDISON SUBSTATION  
AND 7 WORLD TRADE CENTER REDEVELOPMENT PROJECT**

It was recommended that the Board authorize the Executive Director to enter into an agreement with Lower Manhattan Development Corporation (LMDC) and/or Empire State Development Corporation (ESDC) and/or any other government entity to reimburse LMDC and/or ESDC and/or any other government entity for any and all costs incurred with respect to the retention of one or more consultants hired in connection with the acquisition of an approximately 22-foot strip of land located within the bed of Vesey Street, in Manhattan (the Property). Acquisition of the Property is necessary in connection with the rebuilding of the Consolidated Edison (Con Edison) substation and the 7 World Trade Center redevelopment project. Accordingly, it was also recommended that the Board authorize the Executive Director to: (i) enter into any and all agreements to pay and/or provide any other consideration required to satisfy any and all condemnation awards on behalf of LMDC and/or ESDC and/or any other government entity in connection with the Property; and (ii) enter into any and all agreements with LMDC and/or ESDC and/or any other government entity or any other party in connection with the Property as may be necessary to facilitate, effectuate and complete the rebuilding of the Con Edison substation and the 7 World Trade Center redevelopment project.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Mack, Martini, Sartor, Sinagra and Song 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: (i) enter into an agreement with Lower Manhattan Development Corporation (LMDC) and/or Empire State Development Corporation (ESDC) and/or any other government entity to reimburse LMDC and/or ESDC and/or any other government entity for any and all costs incurred with respect to the retention of one or more consultants hired in connection with the acquisition of an approximately 22-foot strip of land located within the bed of Vesey Street, in Manhattan (the Property); (ii) enter into any and all agreements to pay and/or provide any other consideration required to satisfy any and all condemnation awards on behalf of LMDC and/or ESDC and/or any other government entity in connection with the Property; and (iii) enter into any and all agreements with LMDC and/or ESDC and/or any other government entity or any other party in connection with the Property as may be necessary to facilitate, effectuate and complete the rebuilding of the Consolidated Edison substation and the 7 World Trade Center redevelopment project; and it is further

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

**DOWNTOWN RESTORATION PROGRAM - COOPERATION AGREEMENT  
BETWEEN THE LOWER MANHATTAN DEVELOPMENT CORPORATION  
AND THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY**

It was recommended that the Board authorize the Executive Director to enter into a Cooperation Agreement with the Lower Manhattan Development Corporation (LMDC) to jointly develop conceptual plans for World Trade Center (WTC) site redevelopment and Lower Manhattan transportation improvements. Under the proposed Cooperation Agreement, LMDC and the Port Authority would develop a conceptual plan within LMDC's geographic area (south of Houston Street), with a particular focus on the WTC site and immediately adjacent areas. The plan would include identification and analysis of Lower Manhattan urban planning issues, including the size, scope and location of a permanent memorial, the location of commercial and cultural development, and the potential reopening of a street grid pattern at the WTC site, as well as transportation systems and interconnections, including projected pedestrian and vehicular flows and traffic volumes.

The proposed Cooperation Agreement is consistent with LMDC's mission to call upon the resources of and work closely with the Port Authority, among others, to identify the appropriate redevelopment of the WTC site. In December 2001, the Board authorized planning, at a total estimated cost of \$10.5 million, for WTC site remediation and Lower Manhattan transportation and other improvements. Pursuant to this authorization, the Port Authority is also able to retain consultants on its own behalf, in conjunction with LMDC or at the request of LMDC, to assist in the development of conceptual plans, at an estimated cost of approximately \$3 million.

LMDC (a subsidiary of New York's Empire State Development Corporation (ESDC) whose members have been appointed by the Governor of New York and the Mayor of New York City) has overall responsibility to coordinate and plan the restoration and redevelopment of Lower Manhattan, including developing a consensus for establishing a permanent memorial at the WTC site. As the owner of the 16-acre site of the former World Trade Center and Port Authority Trans-Hudson (PATH) rail terminal, the Port Authority has primary responsibility for a portion of this area, for which it has significant statutory and fiduciary obligations and financial interests. The Port Authority, along with others, also has the resources and the responsibility to participate in planning and improving the regional interstate transportation infrastructure. Therefore, it is in the interest of the region for the LMDC and the Port Authority to work collaboratively to produce and support feasible development plans for Lower Manhattan that address numerous overlapping interests.

LMDC would coordinate a variety of outreach and communication efforts to assure the maximum amount of broad-based input from community boards and advisory boards, civic groups, and the media. LMDC would make specific recommendations on a number of issues, including the design process and guidelines for the permanent memorial, such as recommended size and location. The Port Authority would coordinate the WTC site redevelopment planning with its World Trade Center net lessees. Other transportation and government agencies would be consulted and invited to participate as appropriate in the study. Key participants would include the New York State and City Departments of Transportation, the New York City Planning

Commission, New York State's Metropolitan Transportation Authority, the New York City Economic Development Corporation, and ESDC.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Mack, Martini, Sartor, Sinagra and Song 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 Cooperation Agreement with the Lower Manhattan Development Corporation (LMDC) to jointly develop conceptual plans (Plans) for World Trade Center site redevelopment and Lower Manhattan transportation improvements; 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 agreement or agreements with respect to the retention of consultants on behalf of the Port Authority, in conjunction with LMDC or at the request of LMDC, chosen after a publicly advertised Request for Proposals process, who, in the Executive Director's opinion, are qualified by reason of responsibility, experience and capacity to assist in the development of the Plans, at an estimated cost of approximately \$3 million; 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.

**115 BROADWAY - SUBLEASE - FINANCIAL GUARANTEE INSURANCE COMPANY**

It was recommended that the Board authorize the Executive Director to commence negotiations and enter into a sublease with Financial Guarantee Insurance Company for approximately 57,336 rentable square feet of space at 115 Broadway in Manhattan, substantially in accordance with the terms outlined to the Board.

The space is required in order to house the Engineering Department, the Office of Priority Capital Programs and contractor staff in connection with the Port Authority Trans-Hudson reconstruction project to re-establish rail service between New Jersey and downtown New York. As the Port Authority had an immediate need to occupy the subject space, an Occupancy Agreement with Financial Guarantee Insurance Company was entered into by the Port Authority which provides for the occupancy of the premises by the Port Authority on the terms set forth in the sublease, pending approval of the sublease by the Board, with the Port Authority having the right to terminate upon 30 days' notice in the event that Board approval of the sublease is not received.

The term of the sublease will be approximately 4 years, 8 ½ months. The Port Authority will pay its proportionate share of direct operating expense increases over a 2002 base year, its proportionate share of increases in real estate taxes over a 2002 calendar year, and will pay for electricity in addition to rent. The Port Authority will take the space in its "as-is" built condition, including all existing furniture, and shall have the right to sublease portions of the premises, subject to provisions to be negotiated.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Mack, Martini, Sartor, Sinagra and Song 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 negotiate and enter into a sublease with Financial Guarantee Insurance Company which provides for the occupancy of approximately 57,336 rentable square feet of space at 115 Broadway in Manhattan, substantially in accordance with the terms outlined to the Board; and it is further

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

**AUTHORIZATION FOR THE PORT AUTHORITY TO PROVIDE FUNDING TO THE SOUTH STREET SEAPORT MUSEUM, THE NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY AND THE NEW JERSEY REDEVELOPMENT AUTHORITY**

It was recommended that the Board authorize the Executive Director to enter into agreements with: (i) the South Street Seaport Museum (Museum), under which the Port Authority would provide \$5 million of the Museum's estimated total project cost of \$19 million to renovate historic Schermerhorn Row and establish a *World Port New York* exhibit; (ii) the New Jersey Economic Development Authority (EDA), under which the Port Authority would provide \$5 million, subject to the identification of eligible projects, to assist the EDA's support of new development and the growth of businesses and not-for-profit entities in the New York-New Jersey Port District (Port District); and (iii) the New Jersey Redevelopment Authority, (Redevelopment Authority), under which the Port Authority would provide \$10 million, subject to the identification of eligible projects, to assist the Redevelopment Authority's program in the Port District of serving as a comprehensive urban resource center focusing on improving the quality of life by creating value in New Jersey's urban communities, including investing financial and technical resources in redevelopment projects and plans that will create a positive economic impact in eligible communities.

The Museum plans a \$19 million renovation to create a new twenty-four-room gallery with a 30,000-square-foot core permanent exhibit entitled *World Port New York*. The proposed agreement with the Museum will also strengthen the economy of Lower Manhattan by making the South Street Seaport even more of a magnet for visitors from throughout the New York-New Jersey region (Region) and around the world. The funding will support a dramatic expansion of the Museum, drawing visitors to the Museum itself and also creating an economic ripple effect that will be felt in restaurants, retail stores and other businesses throughout the downtown area. The exhibit will illustrate the history of the port in the Region, exploring its early history and the lives of the people who worked at the port in the 19<sup>th</sup> and 20<sup>th</sup> centuries. The result will be increased awareness of the importance of the shipping industry and the maritime ports in the history of the Region, and the Port Authority's role in developing the maritime ports, creating jobs and enhancing economic activity. This exhibit will showcase the importance of the Port Authority and the maritime industry for millions of the Region's residents. The funds are an effective and efficient means for strengthening the economy of Lower Manhattan and creating public support for the Port Authority, its goals and its capital program to modernize and expand its maritime ports, airports, bridges and tunnels and other facilities.

The \$5 million to be provided to the EDA will be utilized to assist the EDA's support of new development and the growth of businesses and not-for-profit entities in the Port District.

The \$10 million to be provided to the Redevelopment Authority would assist the Redevelopment Authority's program in the Port District of serving as a comprehensive urban resource center focusing on improving the quality of life by creating value in New Jersey's urban communities, including investing financial and technical resources in redevelopment projects and plans that will create a positive economic impact in eligible communities.

Pursuant to the foregoing report, the following resolution was adopted with

Commissioners Blakeman, Chasanoff, Mack, Martini, Sartor, Sinagra and Song 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 agreements with the South Street Seaport Museum, the New Jersey Economic Development Authority and the New Jersey Redevelopment Authority, to provide \$5 million to the South Street Seaport Museum, \$5 million to the New Jersey Economic Development Authority, and \$10 million to the New Jersey Redevelopment Authority, to be utilized as set forth in the foregoing report; the form of the agreements shall be subject to the approval of General Counsel or his authorized representative.

**SETTLEMENT OF CLAIM - THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY V. AMERICAN AIRLINES**

It was recommended that the board authorize General Counsel to settle the action entitled The Port Authority of New York and New Jersey v. American Airlines, by accepting the sum of \$1,040,000 to settle the claim by the Port Authority. In return, the Port Authority will issue a General Release.

The Port Authority brought this claim against American Airlines (American) seeking to recover the cost of repairing an arrestor bed that was damaged on May 8, 1999, when an aircraft operated by American Eagle and owned by American overshot the end of Runway 22L while landing at John F. Kennedy International Airport. The total cost of repairing the arrestor bed was \$1,194,492.42. The amount sought from American was \$1,124,492.42. Prior to the damage caused by American, Korean Air Lines (Korean) had damaged the arrestor bed on January 1, 1999. The cost at the time for repairs was \$70,000. This amount was previously recovered through settlement negotiations with Korean's insurers, although the damage done by Korean had not been repaired before the arrestor bed was totally destroyed by the American Eagle aircraft.

After extensive negotiations with American's insurers, a final offer in the amount of \$1,040,000 was made. As certain Port Authority costs are either open to interpretation or are not able to be completely substantiated, it is the view of staff that entering into a settlement for this amount is in the best interest of the Port Authority.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Mack, Martini, Sartor, Sinagra and Song voting in favor; none against:

**RESOLVED**, that General Counsel be and he hereby is authorized, for and on behalf of the Port Authority, to settle the action entitled The Port Authority of New York and New Jersey v. American Airlines by accepting the sum of \$1,040,000 from American Airlines, in return for issuing a General Release

**CONFIDENTIAL ITEM**

This item shall not be available for public inspection until otherwise agreed to by the parties involved.

### CONTRACT AND PURCHASE ORDER AUTHORIZATIONS AND AMENDMENTS- QUARTERLY REPORT

**REPORT:** In accordance with the By-Laws, the Executive Director reported, for information only, actions taken on matters described in Article XII, sections (g)(1) and (g)(2) for the period July 1, 2001 to September 30, 2001:

AWARDEE	DESCRIPTION	AUTHORIZATION	PROCUREMENT METHOD
Knoll c/o Donaton P.O. #4500021763	Workstations for Journal Square Facility for the 9 <sup>th</sup> & 10 <sup>th</sup> Floors	458,419	Government Contract
Knoll c/o Donaton P.O. #4500022171	Workstations for Building One at Newark Facility	455,226	Government Contract
C & A Floor Covering P.O. #4500022267	Carpeting for John F. Kennedy Facility	91,496	Government Contract
Knoll c/o Donaton Contract P.O. #4500022386	Workstations for World Trade Center – 63 <sup>rd</sup> Floor	178,396	Government Contract
Ingersoll Rand Equipment P.O. #4500022453	Compressors – Material Management – Central Stockroom	93,779	Publicly Advertised/ Low Bid
Gunlocke Company P.O. #4500022571	Contura Model Chairs- World Trade Center	100,110	Government Contract
Castlereagh Inc. Contract #4600003078	Airport Information Guides – LaGuardia, John F. Kennedy and Newark – Two-Year Contract	320,000	Publicly Advertised/ Low Bid
American Building Maintenance Co. Contract #4600003085	Plumbing and Mechanical Services – World Trade Center – Two-Year Contract	249,963	Publicly Advertised/ Low Bid
Metro Fuel Oil Corp Contract #4600003086	Diesel Oil for John F. Kennedy CTA Buses	500,000	Government Contract

AWARDEE	DESCRIPTION	AUTHORIZATION	PROCUREMENT METHOD
Milea Truck Sales Corp. Contract #4600003088	Stockroom Transfer Trucking Service - World Trade Center - 2 Year Contract	300,000	Government Contract
Hertz Equipment Rental Contract #4600003091	Forklift Rental	343,800	Publicly Advertised/ Low Bid
Hertz Equipment Rental Contract #4600003092	Rack Truck Rental	159,900	Publicly Advertised/ Low Bid
A Royal Flush Inc Contract #4600003103	Portable Toilets at LaGuardia Airport	203,632	Publicly Advertised/ Low Bid
SAP Public Services, Inc Contract #4600003104	Tutorial Software for SAP	104,117	Government Contract
AFA Protective Systems, Inc Contract #4600003123	Inspection & Testing of Alarm System 3 Year Contract	405,224	Publicly Advertised/ Low Bid
Mack Markowitz Contract #4600003128	Aftermarket Auto Parts	141,900	Publicly Advertised/ Low Bid
Safetec, LLC Contract #4600003130	Coveralls - Materials Management - Stockrooms	109,194	Publicly Advertised/ Low Bid
Fitco Carting Corporation Contract #4600003135	Trash Removal and Recycling Services at John F. Kennedy Airport	450,661	Publicly Advertised/ Low Bid
KPMG Consulting LLC Contract #4600003140	Vendor Registration System with Maintenance Support	301,513	Government Contract
Beyer Bros. GMC Corp Contract #4600003144	Aftermarket Auto Parts Repair	180,000	Government Contract

AWARDEE	DESCRIPTION	AUTHORIZATION	PROCUREMENT METHOD
UNISYS Corporation Contract #4600003166	Load Runner Software	80,000	Government Contract
Gartner Group Inc Contract #4600003171	Gartner Research and Advisory Services – One Year Contract	112,500	Government Contract
Gabielli Truck Sales Contract #4600003184	Aftermarket Auto Parts – New Jersey Facilities	162,000	Publicly Advertised/ Low Bid
Professional Commercial Furnishings Contract #4600003188	Furniture Requirements – One Year Contract – Stockroom	175,774	Publicly Advertised/ Low Bid
Arch Wireless Contract #4600003192	Paging Services Contract – All Port Authority Facilities – One Year Contract	500,000	Government Contract
New Jersey Fire Equipment Co. Contract #UC29000001	Globe Firefighting Uniforms	186,088	Publicly Advertised/ Low Bid
Paraco Gas Co.	Requirements contract to provide liquid propane gas for the Aircraft Fire Trainer at John F. Kennedy International Airport – Six-month term	177,000	Sole Source/ Negotiated
Siemens Building Technologies, Inc. Contract DMH-107A	Building control system upgrade for mechanical equipment at the Downtown Manhattan Heliport	215,600	Negotiated
Mainco Elevator & Electrical Corp	Rehabilitation of Escalator No. 30 at the George Washington Bridge Bus Station	222,405	Negotiated



**CONTRACT AND PURCHASE ORDER AUTHORIZATIONS AND AMENDMENTS-  
QUARTERLY REPORT**

**REPORT:** In accordance with the By-Laws, the Executive Director reported, for information only, actions taken on matters described in Article XII, sections (g)(1) and (g)(2) of for the period October 1, 2001 to December 31, 2001:

<b>AWARDEE</b>	<b>DESCRIPTION</b>	<b>AUTHORIZATION</b>	<b>PROCUREMENT METHOD</b>
Winner Ford P.O. #UJ008000074	Purchase of Police Automobiles	\$ 76,735	Government Contract
DLT Solutions, Inc P.O. #UP01700015	Computer Software, Autocad with Subscript	81,119	Government Contract
Garden State Office System P.O. #UP25000025	Kardex Lektrievers	190,590	Government Contract
Winner Ford P.O. # W011000001	Purchase of Police Sedans	436,050	Government Contract
Knoll c/o Donaton Contract P.O. #W025000084	Workstations for 9 <sup>th</sup> and 10 <sup>th</sup> Floors at the Journal Square Transportation Center	169,726	Government Contract
GTSI P.O. #W029000003	Mobile Data Terminals	245,300	Publicly Advertised/ Low Bid
Unified Technologies, Inc P.O. #WP01700023	Various Items for Computer Firewall	154,701	Government Contract
IBM Corporation P.O. #WP01700032	Computer Hardware and Software	146,300	Government Contract
Knoll International P.O. #WP25000006	Furniture for Port Authority Bus Terminal	239,506	Government Contract

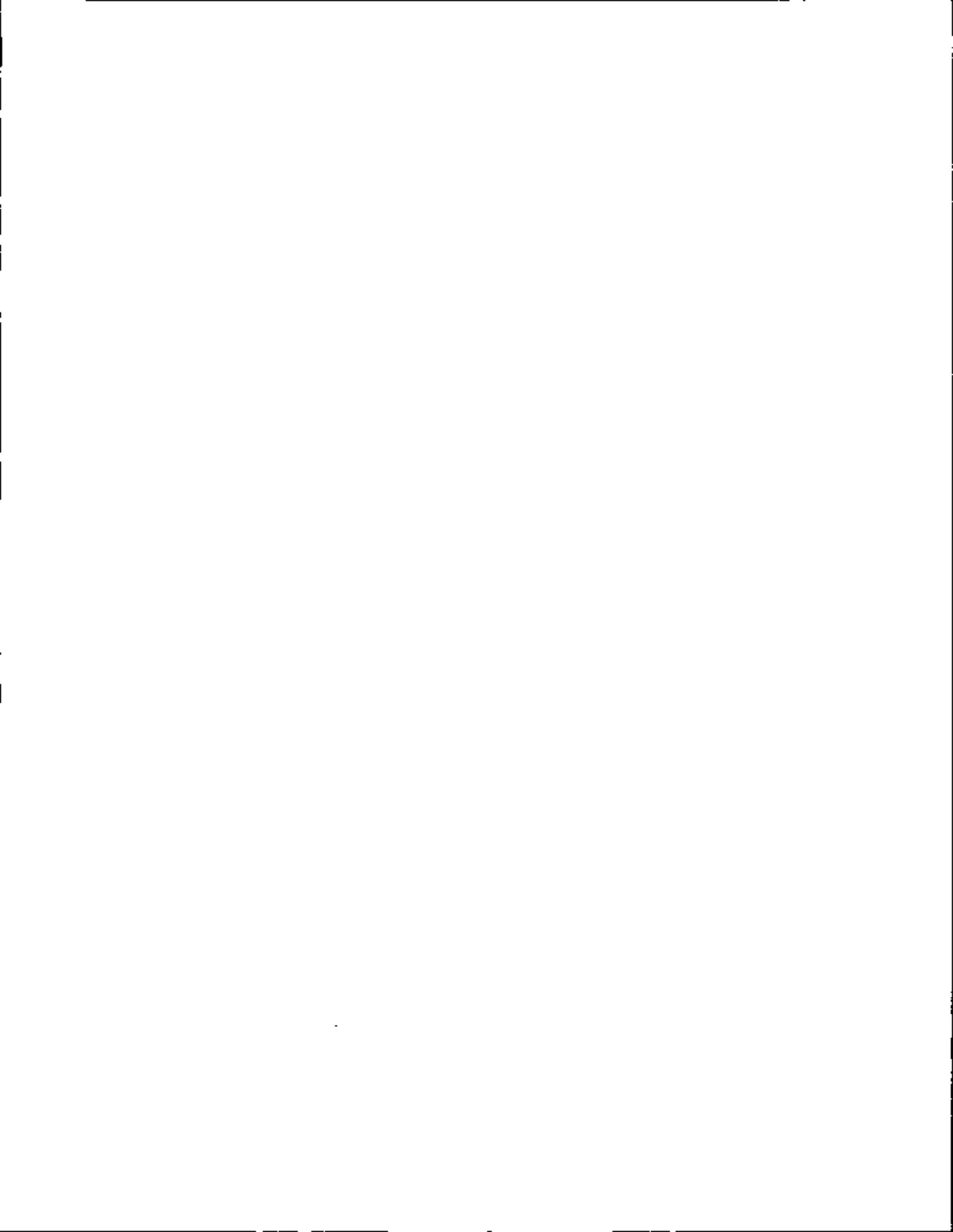
AWARDEE	DESCRIPTION	AUTHORIZATION	PROCUREMENT METHOD
Davis Furniture Industries, Inc P.O. #WP2500014	Emergency Office Furniture	382,184	Government Contract
C&A Floor Coverings, Inc. P.O. #WP2500015	Flooring for Building One at John F. Kennedy International Airport	88,262	Government Contract
C&A Floor Coverings, Inc. P.O. #WP2500028	Carpet Tiles for John F. Kennedy International Airport	88,262	Government Contract
Knoll International P.O. #WP2500031	Desks	78,176	Government Contract
Evenson Rest L.L.C. Contract #4600003189	Tower Files - Materials Management	439,556	Publicly Advertised/ Low Bid
Xerox Corporation Contract # UC01700004	Service Contract for Copiers, Xerox	320,000	Government Contract
Henry Schein, Inc. Contract #UC02200001	Medical Supplies- Three-Year Contract	80,000	Publicly Advertised/ Low Bid
Edwards Medical Supplies Contract #UC02200002	Medical Supplies - Three-Year Contract	80,000	Publicly Advertised/ Low Bid
Myslik, Inc Contract #UC08000002	Sweeper Parts	192,902	Publicly Advertised/ Low Bid
Woodbridge Dodge Inc Contract #UC08000003	Requirement Contract, Chrysler Parts	161,000	Publicly Advertised/ Low Bid
Elrac D/B/A Enterprise Rent-A-Car Contract #UC08000004	Auto Rental	500,000	Government Contract

<b>AWARDEE</b>	<b>DESCRIPTION</b>	<b>AUTHORIZATION</b>	<b>PROCUREMENT METHOD</b>
Gabrielli Truck Sales, Inc. Contract #UC08000006	Truck Aftermarket Parts	102,200	Government Contract
Empire Equipment Sales Company, Inc Contract #UC08000010	Sweeper Parts	144,569	Publicly Advertised/ Low Bid
Trius Inc Contract #UC08000016	Filters	147,000	Government Contract
Steinway Auto Parts Contract #UC08000017	Aftermarket Automotive Parts	190,000	Government Contract
National Water Main Cleaning Co. Contract #UC10000002	Catch Basin and Scupper Cleaning at Staten Island Bridges	190,403	Publicly Advertised/ Low Bid
All City Coffee & Water Contract #UC10000003	Bottled Water for New Jersey Facilities	411,724	Publicly Advertised/ Low Bid
Great Bear Contract #UC10000004	Bottled Water for New York Facilities	422,940	Publicly Advertised/ Low Bid
OCE - U.S.A., Inc Contract #UC19000007	Printer Rental - Five-Year Contract	436,920	Government Contract
DLT Solutions, Inc Contract #UC21000001	Central Automotive Division Software Upgrade	100,516	Government Contract
West Group Contract #UC21000003	Legal Database Service & Publication	190,000	Government Contract
Sun Microsystems, Inc. Contract #UC21000013	PeopleSoft Servers	320,217	Government Contract
Frank Liquori Plumbing & Heating Contract #UC24000004	Septic Waste Removal at the Goethals Bridge	128,472	Publicly Advertised/ Low Bid

<b>AWARDEE</b>	<b>DESCRIPTION</b>	<b>AUTHORIZATION</b>	<b>PROCUREMENT METHOD</b>
Boro-Wide Recycling Corp. Contract #UC24000014	Trash removal services at LaGuardia Airport	\$ 375,414	Publicly Advertised/ Low Bid
Bisset Nursery Corp. Contract #UC24000019	Lawn Supplies - Materials Management	97,292	Publicly Advertised/ Low Bid
Tool Crib Supply Corp. Contract #UC24000027	Pumps - Materials Management	83,912	Publicly Advertised/ Low Bid
Waste Services of New York Inc Contract #UC24000034	Trash Removal at LaGuardia Airport	124,974	Publicly Advertised/ Low Bid
Davis Furniture Industries, Inc. Contract #UC25000007	Chairs- Materials Management	278,900	Government Contract
Cashmore Furniture Corporation Contract #UC25000011	Office Furniture - Materials Management	177,100	Publicly Advertised/ Low Bid
A.I. Friedman Contract #UC25000076	Art and Drafting Supplies - Materials Management	300,000	Government Contract
Fremont Industrial Corp Contract #UC28000001	Various Gloves	184,779	Publicly Advertised/ Low Bid
The Cherokee 8A Group, Inc Contract #UC29000002	Requirements Supply of Glass Contract for Newark International Airport	449,377	Publicly Advertised/ Low Bid
Clearway, LLC Contract #UC29000003	Liquid Deicing Chemicals	457,600	Publicly Advertised/ Low Bid
Octagon Process, Inc. Contract #UC29000005	Liquid Deicing Chemicals	345,000	Publicly Advertised/ Low Bid

<b>AWARDEE</b>	<b>DESCRIPTION</b>	<b>AUTHORIZATION</b>	<b>PROCUREMENT METHOD</b>
Empire State Fuel Corp Contract #UC29000011	#2 Fuel Oil Heating	189,000	Publicly Advertised/ Low Bid
Janus Petroleum & Janus Ind. Contract #UC29000014	#2 Fuel Oil Heating	108,750	Publicly Advertised/ Low Bid
International Salt Co., LLC Contract #UC29000015	Rock, Salt Sodium Chloride	282,540	Government Contract
Atlantic Salt, Inc Contract #UC29000016	Rock, Salt Sodium Chloride	100,000	Government Contract
Atlantic Salt, Inc Contract #UC29000019	Rock, Salt Sodium Chloride	150,000	Government Contract
Katzin's Uniforms, Inc. Contract #UC29000020	Dress Uniforms (Blazers & Skirts)	197,386	Publicly Advertised/ Low Bid
Atlantic Salt, Inc. Contract #UC29000022	Rock Salt, Sodium Chloride	100,000	Government Contract
Atlantic Salt, Inc. Contract #UC29000026	Rock Salt, Sodium Chloride Bulk	100,000	Government Contract
Fit-Rite Uniform Co., Inc Contract #UC29000030	Winter Parkas	193,720	Publicly Advertised/ Low Bid
Atlantic Salt, Inc. Contract #UC29000031	Rock Salt, Sodium Chloride Bulk	100,000	Government Contract
Louis Shiffman Electric Contract #UC0000039	Electrical Conduit – Various Facilities	104,788	Publicly Advertised/ Low Bid
Hertz Equipment Rental Contract #UC0800013	Compressor Rental	432,720	Publicly Advertised/ Low Bid

AWARDEE	DESCRIPTION	AUTHORIZATION	PROCUREMENT METHOD
T. Moriarty & Son, Inc JFK-134 174	Increase in extra work for revisions to architectural finishes and acceleration of certain work associated with improvements in the East Parking Garage at John F. Kennedy International Airport.	\$ 250,000	Existing Contract
Mystique Autobody Services, Inc.	Interim contract to provide towing services at John F. Kennedy International Airport. Nine-month term.	108,000	Negotiated
Mr. John Portable Sanitation Units Contract LG-01/09	Provide two portable sanitation units and three waste holding tanks at LaGuardia Airport. Three-year term.	153,698	Sole Source
United States Pipe and Foundry Company, Inc	Requirements contract to provide fire hydrant parts at various facilities	\$ 162,000	Sole Source/ Negotiated



**Tort Claim Settlements - Report**

The Executive Director reports, for information only, that in accordance with the authority granted under Article XII, section (g)(4) of the By-Laws, the following claims were previously settled, and reported closed during the period July 1, 2001 to December 31, 2001.

**TORT CLAIMS OF THE PORT AUTHORITY, CLOSED**

<b>NAME</b>	<b>FACILITY</b>	<b>AMOUNT COLLECTED</b>
ACADEMY EXPRESS	Newark International Airport	\$ 2,537.86
DELTA AIRLINES	John F. Kennedy International Airport	1,277.65
ENG ERIC T	John F. Kennedy International Airport	557.00
GRACE INDUSTRIES	John F. Kennedy International Airport	4,029.46
INGUI ROBBIE	John F. Kennedy International Airport	871.89
LA ROSA LOUIS	Holland Tunnel	10,273.40
OGDEN AVIATION	Newark International Airport	3,290.88
RIVERA NORMA	Newark International Airport	11,209.50
TRAC LEASE INC	Port Newark	1,646.28
	<b>TOTAL COLLECTED</b>	<b>\$35,693.92</b>

**TORT CLAIMS AGAINST THE PORT AUTHORITY, CLOSED**

<b>NAME</b>	<b>FACILITY</b>	<b>AMOUNT PAID</b>
BURNS LAWRENCE M	George Washington Bridge	483.89
MONTOYA FERNANDO	George Washington Bridge	738.87
GOLDSTEIN RONALD	World Trade Center	3,357.73
NORIH PETER	George Washington Bridge	1,317.74
COOK GEORGE	Port Authority Technical Center	190.80
STROMBERG FRANKLIN	Newark International Airport	242.48
TAYLOR WILLIAM	George Washington Bridge	1,910.00
KEILEY BRUCE	LaGuardia Airport	301.04
NEW CONCEPTS	George Washington Bridge	3,047.50
DOLAN SYBLEE	Newark International Airport	220.39
BUNDRIDGE MINNIE	Holland Tunnel	1,265.49
THOMAS RALPH	LaGuardia Airport	633.86
LARKIN JOSEPH	Off Property	1,796.50
WEISS AYELET ANN	George Washington Bridge	1,339.20
MANSSON HANS	LaGuardia Airport	603.14
MCGARITY JOHN	John F. Kennedy International Airport	1,339.95
TONG MAI-TAK	LaGuardia Airport	135.31
BUZBY TIM	Newark International Airport	500.00
TRAGER ROBERT	LaGuardia Airport	670.00
ABABIO ROLAND	Port Authority Bus Terminal	6,250.00
CRAIG TEST BORING CO	John F. Kennedy International Airport	10,695.67
	<b>TOTAL</b>	<b>\$37,034.56</b>

**FINAL CONTRACT PAYMENTS**

The Comptroller's Department reported, for information only, that the contracts set forth hereafter have been completed satisfactorily by the contractors. Final payments have been made in the period of February 1, 2002 to February 28, 2002.

<b>CONTRACT NUMBER</b>	<b>CONTRACT TITLE FACILITY AND CONTRACTOR</b>	<b>TOTAL AUTHORIZED</b>	<b>TOTAL PAYMENTS</b>
WTC810072	ELECTRICAL CAPACITY UPGRADE	943,668.00 (A)	932,093.00 (A,G)
	WORLD TRADE CENTER	100,000.00 (C)	99,500.00 (C)
	CASE CONTRACTING LTD	56,620.00 (D)	56,620.00 (D)
		12,937.00 (E)	12,937.00 (E)
		60,000.00 (F)	45,018.00 (F)
		1,173,225.00	1,146,168.00
GWB448	CLEANING DRAINAGE SYSTEM	114,300.00 (B)	47,301.00 (B)
	GEORGE WASHINGTON BRIDGE	29,000.00 (C)	10,626.00 (C)
	E&B INDUSTRIAL CLEANING CORP	6,900.00 (D)	--0-- (D)
		--0-- (H)	1,966.00 (H)
		150,200.00	59,893.00
WTC861175	FIRE ALARM SYSTEM DEVICE UPGRADE	745,000.00 (A)	745,000.00 (A)
	PHASE III FOR 1 WTC-CONTRACT #2	75,000.00 (C)	--0-- (C)
	WORLD TRADE CENTER	59,600.00 (D)	20,555.00 (D)
	CASE CONTRACTING LTD	10,950.00 (E)	10,950.00 (E)
		890,550.00	776,505.00
WTC861272	FIRE ALARM SYSTEM DEVICE UPGRADE	995,000.00 (A)	995,000.00 (A)
	PHASE III FOR 2 WTC-CONTRACT #3	75,000.00 (C)	--0-- (C)
	WORLD TRADE CENTER	79,600.00 (D)	70,350.00 (D)
	CASE CONTRACTING LTD	13,450.00 (E)	13,450.00 (E)
		1,163,050.00	1,078,800.00
WTC861571	FIRE ALARM SYSTEM DEVICE UPGRADE	569,170.00 (A)	569,170.00 (A)
	PHASE III FOR 5 WTC MER'S, EMR'S & SUBSTATIONS	35,000.00 (C)	--0-- (C)
	WORLD TRADE CENTER	45,540.00 (D)	45,540.00 (D)
		40,000.00 (I)	40,000.00 (I)
	BARBARO ELECTRIC COMPANY, INC	25,000.00 (J)	16,598.00 (J)
		714,710.00	671,308.00

WTC861176	FIRE ALARM SYSTEM DEVICE UPGRADE PHASE III FOR 1 WTC-CONTRACT #3 WORLD TRADE CENTER CASE CONTRACTING LTD	1,050,000.00 (A) 75,000.00 (C) 84,000.00 (D) 14,000.00 (E) 210,000.00 (K) 20,000.00 (L) 17,000.00 (M) 1,470,000.00	(A) (C) (D) (E) (K) (L) (M)	1,050,000.00 (A) 41,860.00 (C) --0-- (D) 14,000.00 (E) 210,000.00 (K) --0-- (L) --0-- (M) 1,315,860.00	(A) (C) (D) (E) (K) (L) (M)
WTC945079	TENANT STANDBY POWER SYSTEM SUBSTATION AT 2WTC-75TH FLOOR WORLD TRADE CENTER MASS ELECTRIC CONSTRUCTION COMPANY	458,800.00 (A) 50,000.00 (C) 36,704.00 (D) 545,504.00	(A) (C) (D)	458,800.00 (A) 49,609.00 (C) 36,704.00 (D) 545,113.00	(A) (C) (D)
WTC861273	FIRE ALARM SYSTEM DEVICE UPGRADE PHASE III FOR 2 WTC-CONTRACT #4 WORLD TRADE CENTER CASE CONTRACTING LTD	786,000.00 (A) 100,000.00 (C) 62,880.00 (D) 948,880.00	(A) (C) (D)	786,000.00 (A) 34,445.00 (C) --0-- (D) 820,445.00	(A) (C) (D)
WTC861573	FIRE ALARM SYSTEM DEVICE UPGRADE PHASE III FOR 5 WTC 3RD-6TH FLOORS WORLD TRADE CENTER HATZEL & BUEHLER, INC	590,370.00 (A) 75,000.00 (C) 47,230.00 (D) 712,600.00	(A) (C) (D)	579,923.00 (A,N) 42,314.00 (C) --0-- (D) 622,237.00	(A,N) (C) (D)
IFK842	REPAVING OF COMMISSARY ROAD & WEST HANGAR ROAD JOHN F. KENNEDY INTERNATIONAL AIRPORT NEWBORN CONSTRUCTION INC	268,865.00 (A) 147,370.00 (B) 35,000.00 (C) 24,974.00 (D) 23,026.00 (O) 499,235.00	(A) (B) (C) (D) (O)	264,465.00 (A,P) 122,754.00 (B) --0-- (C) 24,974.00 (D) 22,878.00 (O) 435,071.00	(A,P) (B) (C) (D) (O)
WTC861575	FIRE ALARM SYSTEM DEVICE UPGRADE PHASE III FOR 4&5 WTC-B1 & B2 LEVELS & GLOBAL LOCAL WORLD TRADE CENTER KATCO ELECTRIC CO, INC	698,950.00 (A) 60,000.00 (C) 41,950.00 (D) 800,900.00	(A) (C) (D)	698,950.00 (A) 39,664.00 (C) 38,730.00 (D) 777,344.00	(A) (C) (D)

LGA657	PARKING LOT #1 LIGHTING POLE REPLACEMENT LAGUARDIA AIRPORT NAGORI CONTRACTING CORP	375,000.00 (A) 30,000.00 (C) 22,500.00 (D) 427,500.00	375,000.00 (A) 10,544.00 (C) --0-- (D) 385,544.00
EWR694	REHABILITATION OF EXPRESS EXIT ROADWAYS NEWARK INTERNATIONAL AIRPORT CRISDEL GROUP, INC	621,070.00 (A) 90,958.00 (B) 10,000.00 (C) 42,722.00 (D) 764,750.00	621,070.00 (A) 81,597.93 (B) 8,308.00 (C) 37,201.00 (D) 748,176.93
WTC913071	4 & 5 WTC PERIMETER LIGHTING IMPROVEMENT WORLD TRADE CENTER ARC ELECTRICAL & MECHANICAL CONTRACTORS, CORP	979,000.00 (A) 50,000.00 (C) 78,320.00 (D) 1,107,320.00	979,000.00 (A) --0-- (C) 73,015.00 (D) 1,052,015.00
EWR174046	PILE FOUNDATIONS & SERVICE ROAD NEWARK INTERNATIONAL AIRPORT STAR INDUSTRIES, INC	1,082,675.00 (A) 1,205,325.00 (B) 45,000.00 (C) 229,000.00 (D) 171,000.00 (Q) --0-- (R) 2,733,000.00	1,082,575.00 (A) 1,198,784.00 (B) 3,400.00 (C) 229,000.00 (D) 82,761.00 (Q) 198,500.00 (R) 2,795,020.00
DM11105A	EXTERIOR WALL REPAIRS DOWNTOWN MANHATTAN HELIPORT ALCOR CONTRACTING, INC	394,200.00 (A) 20,000.00 (C) 40,000.00 (D) 6,913.00 (E) 461,113.00	394,200.00 (A) --0-- (C) 33,955.00 (D) 6,913.00 (E) 435,068.00
WTC890042	SECURITY CAPITAL IMPROVEMENT PROGRAM WORLD TRADE CENTER E-J ELECTRIC INSTALLATION COMPANY & ELECTRONIC SYSTEMS ASSOCIATES, PC, A JV	22,073,944.00 (A) 500,000.00 (C) 1,750,000.00 (D) 1,046,000.00 (S) 80,000.00 (T) 212,000.00 (U) 12,720.00 (V) 2,600,000.00 (W) --0-- (X) 28,274,664.00	22,073,944.00 (A) 419,868.00 (C) 1,750,000.00 (D) 1,046,000.00 (S) 80,000.00 (T) 212,000.00 (U) 12,720.00 (V) 2,445,477.00 (W) 139,338.00 (X) 28,179,347.00

- (A) Lump Sum
- (B) Classified Work
- (C) Net Cost - amount in the "Total Authorized" column represents the estimated net cost amount. However, the amount in the "Total Payments" column is the authorized net cost amount.
- (D) Extra Work.
- (E) Premium for furnishing performance and payment bond as provided for in the contract.
- (F) Increase in extra work in the amount of \$60,000 authorized on 4/11/2001.
- (G) The difference between "Total Authorized" and "Total Payments" represents a credit change order in the amount of \$7,975 for the deletion of part of the work and a deduction from the contractor's compensation of \$3,600 for hoisting charges.
- (H) Increase in compensation pursuant to "Emergency Delays" clause, in the amount of \$1,965, as provided for in the contract
- (I) Increase in extra work in the amount of \$40,000 authorized on 1/17/2001.
- (J) Increase in extra work in the amount of \$25,000 authorized on 6/18/2001.
- (K) Supplemental Agreement No.1 which included an increase in the amount of \$210,000 for lump sum work on 6/28/2000.
- (L) Supplemental Agreement No.1 which included an increase in the amount of \$20,000 for net cost work on 6/28/2000.
- (M) Supplemental Agreement No.1 which included an increase in the amount of \$17,000 for extra work on 6/28/2000.
- (N) The difference between "Total Authorized" and "Total Payments" represents a credit change order in the amount of \$10,447 for the deletion of part of the work .
- (O) Increase in extra work in the amount of \$23,026 authorized on 11/15/2000.
- (P) The difference between "Total Authorized" and "Total Payments" represents credit change orders in the total amount of \$4,400 for changes in the scope of the work.
- (Q) Increase in extra work in the amount of \$171,000 authorized on 2/3/94.
- (R) Payments totalling \$198,500 authorized by the contractor to be made directly to subcontractors and materialmen
- (S) Supplemental Agreement No.1 which included an increase in the amount of \$1,046,000 for lump sum work on 3/14/97.
- (T) Supplemental Agreement No.1 which included an increase in the amount of \$80,000 for extra work on 3/14/97.
- (U) Supplemental Agreement No.2 which included an increase in the amount of \$212,000 for lump sum work on 10/6/97
- (V) Supplemental Agreement No.2 which included an increase in the amount of \$12,720 for extra work on 10/6/97.
- (W) Increase in extra work in the amount of \$2,600,000 authorized on 12/17/98
- (X) Reimbursement for insurance premiums paid by the contractor, as provided for in the contract.

**MINUTES of the Annual Meeting of The Port Authority of New York and New Jersey held Tuesday, April 23, 2002, at 2 Broadway, City, County and State of New York.**

**PRESENT:**

**NEW JERSEY**

Hon. Jack G. Snagra, Chairman  
 Hon. William J. Martin  
 Hon. Anthony J. Sartor

Joseph J. Seymour, Executive Director  
 Jeffrey S. Green, General Counsel  
 Karen E. Eastman, Acting Secretary

Gwendolyn Archie, Administrator, Office of the Secretary  
 A. Paul Blanco, Acting Chief, Planning and Development  
 Bruce D. Bohlen, Treasurer  
 John D. Brill, Director, Audit  
 Gregory G. Burnham, Chief Technology Officer  
 Ernesto L. Butcher, Chief Operating Officer  
 Wilfred Chabrier, General Manager, Office of Business and Job Opportunity  
 Janice Chiantese, Special Advisor to the Chairman  
 Anthony G. Cracchiolo, Director, Priority Capital Programs  
 William R. DeCota, Director, Aviation  
 John C. Demise, Supervisor, Audio Visual/Photography, Operations Services  
 Michael P. DePallo, Director, PATH  
 Michael Dombrowski, Cinematographer, Operations Services  
 Linda C. Handel, Assistant Secretary  
 Edward L. Jackson, Director, Financial Services  
 Louis J. LaCapra, Chief Administrative Officer  
 Francis J. Lombardi, Chief Engineer  
 Stephen Marinko, Attorney, Law  
 Charles F. McClafferty, Chief Financial Officer  
 James E. McCoy, Senior Administrator, Office of the Secretary  
 Joseph M. Morris, Chief of Department, Public Safety  
 Catherine F. Pavelec, Executive Assistant to the Secretary  
 Michael A. Petralia, Chief of Public and Government Relations  
 Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals  
 Samuel J. Plumeri, Jr., Assistant Director, Government and Community Relations  
 Myron D. Ronis, Deputy Director, Port Commerce  
 Edmond F. Schorno, Chief of Staff  
 Douglas L. Smith, Director, Office of Forecasting & Capital Planning  
 Gregory J. Trevor, Senior Public Information Officer, Public Affairs  
 Margaret R. Zoch, Comptroller

**NEW YORK**

Hon. Charles A. Gargano, Vice-Chairman  
 Hon. Bruce A. Blakeman  
 Hon. Michael J. Chasanoff  
 Hon. David S. Mack  
 Hon. Anastasia M. Song

**INVESTMENTS AND DEPOSITS**

The Committee on Finance reported, for information only, that in accordance with authority granted by the Committee, the Executive Director had authorized the following security transactions, time accounts, interest rate exchange contracts and variable rate master note agreements during the period February 1, 2002 through February 28, 2002.

**REPORT A:**

Purchase of Port Authority Bonds

(Unless otherwise noted, all Port Authority Bonds are callable at par).

<u>Purchase</u> <u>Date</u>	<u>Par</u> <u>Value</u>	<u>Description</u>	<u>Coupon</u> <u>Rate</u>	<u>Maturity</u> <u>Date</u>	<u>Purchase</u> <u>Price</u>	<u>Call</u> <u>Year</u>	<u>YTC</u> <u>@ Cost</u>	<u>BEY</u> <u>@ Cost</u>	<u>Total</u> <u>Principal</u>	<u>Dealer</u>
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No new transactions this period.

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
02/01/02	\$ 4,600,000	APO-JFK	6.375%	12/01/15	99.90	--	6.387%	\$ 4,595,400.00	JFKIAT-APO
02/01/02	25,000,000	FCDN	--	02/25/02	99.89	1.710%	1.736	24,971,500.00	Fuji Securities
02/01/02	28,000,000	CITICORP CP	--	02/04/02	99.98	1.810	1.835	27,995,776.68	Citicorp
02/01/02	50,000,000	FHDN	--	03/01/02	99.87	1.710	1.736	49,933,500.00	Fuji Securities
02/01/02	50,000,000	US T-BILL	--	07/05/02	99.25	1.760	1.798	49,623,555.55	S.G Cowen
02/01/02	50,000,000	US T-BILL	--	03/21/02	99.78	1.660	1.687	49,889,333.35	S.G Cowen
02/01/02	50,000,000	US T-BILL	--	05/02/02	99.58	1.695	1.726	49,788,125.00	Legg Mason
02/01/02	50,000,000	CITICORP CP	--	02/04/02	99.98	1.810	1.835	49,992,458.35	Citicorp
02/04/02	45,000,000	CITICORP CP	--	02/05/02	99.99	1.800	1.825	44,997,750.00	Citicorp
02/05/02	44,000,000	UBSFIN CP	--	02/06/02	99.99	1.710	1.734	43,997,910.00	UBS Warburg
02/05/02	46,175,000	CITICORP CP	--	02/07/02	99.99	1.730	1.754	46,170,562.07	Citicorp
02/05/02	49,000,000	US T-BILL	--	04/18/02	99.67	1.670	1.699	48,836,340.00	S.G Cowen

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
02/05/02	\$ 50,000,000	US T-BILL	--	03/21/02	99.80	1.650%	1.676%	\$ 49,899,166.65	S.G. Cowen
02/05/02	50,000,000	CITICORP CP	--	02/07/02	99.99	1.730	1.754	49,995,194.45	Citicorp
02/07/02	11,400,000	FMCDN	--	04/02/02	99.74	1.720	1.748	11,370,588.00	Merrill Lynch
02/07/02	15,000,000	CITICORP CP	--	02/08/02	99.99	1.650	1.673	14,999,312.51	Citicorp
02/07/02	50,000,000	US T-BILL	--	04/18/02	99.68	1.650	1.678	49,839,583.35	Legg Mason
02/07/02	50,000,000	FMCDN	--	03/05/02	99.88	1.720	1.746	49,937,888.90	Merrill Lynch
02/07/02	50,000,000	FMCDN	--	04/02/02	99.74	1.720	1.748	49,871,000.00	Merrill Lynch
02/07/02	50,000,000	UBSFIN CP	--	02/08/02	99.99	1.750	1.774	49,997,569.45	UBS Warburg
02/07/02	50,000,000	UBSFIN CP	--	02/08/02	99.99	1.750	1.774	49,997,569.45	UBS Warburg
02/08/02	50,000,000	UBSFIN CP	--	02/11/02	99.99	1.680	1.704	49,993,000.00	UBS Warburg
02/08/02	50,000,000	UBSFIN CP	--	02/11/02	99.99	1.680	1.704	49,993,000.00	UBS Warburg
02/11/02	2,900,000	US T-BILL	--	05/09/02	99.59	1.695	1.726	2,888,120.88	S.G. Cowen

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
02/11/02	\$ 25,000,000	FNDN	--	03/08/02	99.88	1.710%	1.736%	\$ 24,970,312.50	Merrill Lynch
02/11/02	31,000,000	CITICORP CP	--	02/12/02	99.99	1.710	1.734	30,998,527.50	Citicorp
02/11/02	50,000,000	US T-BILL	--	03/07/02	99.89	1.655	1.680	49,944,833.35	Legg Mason
02/11/02	50,000,000	UBSFIN CP	--	02/12/02	99.99	1.750	1.774	49,997,569.45	UBS Warburg
02/11/02	50,000,000	UBSFIN CP	--	02/12/02	99.99	1.750	1.774	49,997,569.45	UBS Warburg
02/11/02	50,000,000	US T-BILL	--	05/09/02	99.59	1.695	1.726	49,795,187.50	S.G. Cowen
02/12/02	31,000,000	GECC CP	--	02/13/02	99.99	1.650	1.673	30,998,579.18	General Electric Capital
02/12/02	50,000,000	UBSFIN CP	--	02/13/02	99.99	1.740	1.764	49,997,583.35	UBS Warburg
02/12/02	50,000,000	UBSFIN CP	--	02/13/02	99.99	1.740	1.764	49,997,583.35	UBS Warburg
02/13/02	37,000,000	CITICORP CP	--	02/14/02	99.99	1.710	1.734	36,998,242.50	Citicorp
02/13/02	50,000,000	FNDN	--	03/13/02	99.87	1.720	1.746	49,933,111.10	Fuji Securities
02/13/02	50,000,000	UBSFIN CP	--	02/14/02	99.99	1.710	1.734	49,997,625.00	UBS Warburg

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
02/13/02	\$ 50,000,000	UBSFIN CP	--	02/14/02	99.99	1.710%	1.734%	\$ 49,997,625.00	UBS Warburg
02/14/02	25,000,000	CITICORP CP	--	02/20/02	99.97	1.760	1.785	24,992,666.67	Citicorp
02/14/02	39,000,000	UBSFIN CP	--	02/15/02	99.99	1.770	1.795	38,998,082.49	UBS Warburg
02/14/02	50,000,000	CITICORP CP	--	02/20/02	99.97	1.760	1.785	49,985,333.35	Citicorp
02/14/02	50,000,000	UBSFIN CP	--	02/15/02	99.99	1.770	1.795	49,997,541.65	UBS Warburg
02/15/02	2,700,000	US T-BILL	--	06/27/02	99.37	1.715	1.750	2,683,021.50	Fuji Securities
02/15/02	25,000,000	FHDN	--	02/19/02	99.98	1.780	1.805	24,995,055.55	UBS Warburg
02/15/02	50,000,000	US T-BILL	--	07/05/02	99.32	1.740	1.776	49,661,666.65	S.G. Cowen
02/15/02	50,000,000	FHDN	--	04/12/02	99.73	1.720	1.749	49,866,222.20	Fuji Securities
02/15/02	50,000,000	US T-BILL	--	06/27/02	99.37	1.715	1.750	49,685,583.35	Fuji Securities
02/15/02	50,000,000	UBSFIN CP	--	02/19/02	99.98	1.870	1.896	49,989,611.10	UBS Warburg
02/15/02	50,000,000	UBSFIN CP	--	02/19/02	99.98	1.870	1.896	49,989,611.10	UBS Warburg

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
02/19/02	\$ 5,000,000	GECC CP	--	02/20/02	99.99	1.750%	1.774%	\$ 4,999,756.95	General Electric Capital
02/19/02	11,000,000	GECC CP	--	02/20/02	99.99	1.750	1.774	10,999,465.28	General Electric Capital
02/19/02	25,000,000	UBSFIN CP	--	02/20/02	99.99	1.800	1.825	24,998,750.00	UBS Warburg
02/19/02	25,000,000	UBSFIN CP	--	02/20/02	99.99	1.800	1.825	24,998,750.00	UBS Warburg
02/19/02	50,000,000	UBSFIN CP	--	02/20/02	99.99	1.800	1.825	49,997,500.00	UBS Warburg
02/20/02	25,000,000	FHDN	--	03/15/02	99.89	1.730	1.756	24,972,368.05	Merrill Lynch
02/20/02	26,000,000	GECC CP	--	02/21/02	99.99	1.700	1.724	25,998,772.23	General Electric Capital
02/20/02	50,000,000	UBSFIN CP	--	02/21/02	99.99	1.770	1.795	49,997,541.65	UBS Warburg
02/20/02	50,000,000	UBSFIN CP	--	02/21/02	99.99	1.770	1.795	49,997,541.65	UBS Warburg
02/20/02	50,000,000	GECC CP	--	02/21/02	99.99	1.700	1.724	49,997,638.90	General Electric Capital
02/21/02	25,000,000	UBSFIN CP	--	02/22/02	99.99	1.770	1.795	24,998,770.83	UBS Warburg
02/21/02	43,655,000	US T-BILL	--	03/21/02	99.87	1.725	1.751	43,596,429.53	S.G. Cowen

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont )

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
02/21/02	\$ 50,000,000	US T-BILL	--	08/08/02	99.17	1.775%	1.815%	\$ 49,585,833.35	S.G. Cowen
02/21/02	50,000,000	US T-BILL	--	08/08/02	99.17	1.775	1.815	49,585,833.35	S.G. Cowen
02/21/02	50,000,000	US T-BILL	--	07/18/02	99.29	1.740	1.777	49,644,750.00	Fuji Securities
02/21/02	50,000,000	US T-BILL	--	07/18/02	99.29	1.740	1.777	49,644,750.00	Fuji Securities
02/21/02	50,000,000	US T-BILL	--	05/23/02	99.57	1.715	1.746	49,783,243.05	Fuji Securities
02/21/02	50,000,000	CITICORP CP	--	02/27/02	99.97	1.700	1.724	49,985,833.35	Citicorp
02/21/02	50,000,000	UBSFIN CP	--	02/22/02	99.99	1.770	1.795	49,997,541.65	UBS Warburg
02/22/02	47,500,000	CITICORP CP	--	02/25/02	99.99	1.670	1.693	47,493,389.57	Citicorp
02/22/02	50,000,000	UBSFIN CP	--	02/25/02	99.99	1.730	1.754	49,992,791.65	UBS Warburg
02/22/02	50,000,000	UBSFIN CP	--	02/25/02	99.99	1.730	1.754	49,992,791.65	UBS Warburg
02/25/02	44,000,000	UBSFIN CP	--	02/26/02	99.99	1.770	1.795	43,997,836.65	UBS Warburg
02/25/02	50,000,000	UBSFIN CP	--	02/26/02	99.99	1.770	1.795	49,997,541.65	UBS Warburg

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
02/26/02	\$ 37,000,000	CITICORP CP	--	02/27/02	99.99	1.750%	1.774%	\$ 36,998,201.39	Citicorp
02/26/02	50,000,000	UBSFIN CP	--	02/27/02	99.99	1.770	1.795	49,997,541.65	UBS Warburg
02/26/02	50,000,000	UBSFIN CP	--	02/27/02	99.99	1.770	1.795	49,997,541.65	UBS Warburg
02/27/02	48,000,000	CITICORP CP	--	02/28/02	99.99	1.780	1.805	47,997,626.69	Citicorp
02/27/02	50,000,000	UBSFIN CP	--	02/28/02	99.99	1.830	1.855	49,997,458.35	UBS Warburg
02/27/02	50,000,000	UBSFIN CP	--	02/28/02	99.99	1.830	1.855	49,997,458.35	UBS Warburg
02/28/02	46,500,000	CITICORP CP	--	03/01/02	99.99	1.850	1.876	46,497,610.41	Citicorp
02/28/02	50,000,000	UBSFIN CP	--	03/01/02	99.99	1.900	1.926	49,997,361.10	UBS Warburg
02/28/02	50,000,000	UBSFIN CP	--	03/01/02	99.99	1.900	1.926	49,997,361.10	UBS Warburg
02/28/02	<u>50,000,000</u>	CITICORP CP	--	03/01/02	99.99	1.850	1.876	<u>49,997,430.55</u>	Citicorp
	<u>\$3,445,430,000</u>							<u>\$3,440,773,961.71</u>	

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Sale of Securities

<u>Sale</u> <u>Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon</u> <u>Rate</u>	<u>Maturity</u> <u>Date</u>	<u>Sale</u> <u>Price</u>	<u>Discount</u> <u>Rate</u>	<u>Principal</u>	<u>Dealer</u>
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No transactions this period.

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Banc One Capital Markets	02/01/02	02/04/02	\$ 2,602,000	1.770%	\$ 383.80
Fuji Securities	02/01/02	02/05/02	10,546,000	1.780	2,085.76
Banc One Capital Markets	02/01/02	02/04/02	11,158,000	1.770	1,645.81
Banc One Capital Markets	02/01/02	02/04/02	15,548,000	1.770	2,293.33
Fuji Securities	02/01/02	02/05/02	39,422,000	1.780	7,796.80
Nomura Securities	02/01/02	02/05/02	40,769,000	1.780	8,063.20
Fuji Securities	02/01/02	02/05/02	46,166,000	1.780	9,130.61
Fuji Securities	02/01/02	02/05/02	48,744,000	1.780	9,640.48
Banc One Capital Markets	02/01/02	02/04/02	48,838,000	1.770	7,203.61
Nomura Securities	02/01/02	02/05/02	51,756,000	1.780	10,236.19
Paribas Corporation	02/04/02	02/05/02	2,587,000	1.770	127.19
Paribas Corporation	02/04/02	02/05/02	9,662,000	1.770	475.05

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Paribas Corporation	02/04/02	02/05/02	\$ 10,862,000	1.770%	\$ 534.05
Paribas Corporation	02/04/02	02/05/02	53,034,000	1.770	2,607.51
Nomura Securities	02/05/02	02/07/02	2,561,000	1.730	246.14
Nomura Securities	02/05/02	02/07/02	10,771,000	1.730	1,035.21
Lehman Brothers	02/05/02	02/07/02	12,133,000	1.750	1,179.60
Nomura Securities	02/05/02	02/07/02	13,545,000	1.730	1,301.83
Lehman Brothers	02/05/02	02/07/02	15,890,000	1.750	1,544.86
Nomura Securities	02/05/02	02/07/02	48,853,000	1.730	4,695.32
Lehman Brothers	02/05/02	02/07/02	64,520,000	1.750	6,272.78
Fuji Securities	02/06/02	02/07/02	29,480,000	1.660	1,359.36
Fuji Securities	02/06/02	02/07/02	50,520,000	1.660	2,329.53
Paribas Corporation	02/07/02	02/08/02	2,399,000	1.710	113.95

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Paribas Corporation	02/07/02	02/08/02	\$ 2,562,000	1.710%	\$ 121.70
Paribas Corporation	02/07/02	02/08/02	10,732,000	1.710	509.77
Paribas Corporation	02/07/02	02/08/02	11,554,000	1.710	548.82
Zions First National Bank	02/07/02	02/08/02	43,573,000	1.690	2,045.51
Zions First National Bank	02/07/02	02/08/02	48,979,000	1.690	2,299.29
Paribas Corporation	02/07/02	02/08/02	50,258,000	1.710	2,387.26
Paribas Corporation	02/07/02	02/08/02	50,520,000	1.710	2,399.70
Fuji Securities	02/08/02	02/11/02	2,403,000	1.670	334.42
Nomura Securities	02/08/02	02/11/02	9,565,000	1.670	1,331.13
Fuji Securities	02/08/02	02/11/02	10,201,000	1.670	1,419.64
Fuji Securities	02/08/02	02/11/02	10,294,000	1.670	1,432.58
Fuji Securities	02/08/02	02/11/02	12,734,000	1.670	1,772.15

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Nomura Securities	02/08/02	02/11/02	\$ 25,000,000	1.670%	\$ 3,479.17
Greenwich Capital Mkts	02/08/02	02/11/02	26,000,000	1.650	3,575.00
Nomura Securities	02/08/02	02/11/02	34,138,000	1.670	4,750.87
Fuji Securities	02/08/02	02/11/02	39,926,000	1.670	5,556.37
Fuji Securities	02/08/02	02/11/02	48,622,000	1.670	6,766.56
Nomura Securities	02/08/02	02/11/02	48,853,000	1.670	6,798.71
UBS Warburg	02/11/02	02/12/02	1,020,000	1.710	48.45
UBS Warburg	02/11/02	02/12/02	2,403,000	1.710	114.14
UBS Warburg	02/11/02	02/12/02	10,202,000	1.710	484.60
UBS Warburg	02/11/02	02/12/02	42,624,000	1.710	2,024.64
UBS Warburg	02/11/02	02/12/02	57,904,000	1.710	2,750.44
Lehman Brothers	02/12/02	02/13/02	2,403,000	1.700	113.48

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Lehman Brothers	02/12/02	02/13/02	\$ 3,462,000	1.700%	\$ 163.48
Lehman Brothers	02/12/02	02/13/02	9,659,000	1.700	456.12
Lehman Brothers	02/12/02	02/13/02	42,626,000	1.700	2,012.89
Lehman Brothers	02/12/02	02/13/02	50,440,000	1.700	2,381.89
Fuji Securities	02/13/02	02/14/02	2,319,000	1.680	108.22
Fuji Securities	02/13/02	02/14/02	9,580,000	1.680	447.07
Fuji Securities	02/13/02	02/14/02	24,179,000	1.680	1,128.35
Fuji Securities	02/13/02	02/14/02	29,136,000	1.680	1,359.68
Fuji Securities	02/13/02	02/14/02	42,628,000	1.680	1,989.31
Banc One Capital Markets	02/14/02	02/15/02	2,319,000	1.720	110.80
Banc One Capital Markets	02/14/02	02/15/02	4,040,000	1.720	193.02
Banc One Capital Markets	02/14/02	02/15/02	4,351,000	1.720	207.88

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Banc One Capital Markets	02/14/02	02/15/02	\$ 5,505,000	1.720%	\$ 263.02
Fuji Securities	02/14/02	02/15/02	5,524,000	1.740	266.99
Fuji Securities	02/14/02	02/15/02	12,110,000	1.740	585.32
Fuji Securities	02/14/02	02/15/02	16,350,000	1.740	790.25
Fuji Securities	02/14/02	02/15/02	24,311,000	1.740	1,175.03
Banc One Capital Markets	02/14/02	02/15/02	42,630,000	1.720	2,036.77
Fuji Securities	02/14/02	02/15/02	43,705,000	1.740	2,112.41
Banc One Capital Markets	02/14/02	02/15/02	48,218,000	1.720	2,303.75
Nomura Securities	02/15/02	02/19/02	2,319,000	1.830	471.53
Nomura Securities	02/15/02	02/19/02	3,621,000	1.830	736.27
Nomura Securities	02/15/02	02/19/02	9,546,000	1.830	1,941.02
Nomura Securities	02/15/02	02/19/02	43,582,000	1.830	8,861.67

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Nomura Securities	02/15/02	02/19/02	\$ 48,951,000	1.830%	\$ 9,953.37
Daiwa Securities America	02/19/02	02/20/02	2,320,000	1.730	111.49
Daiwa Securities America	02/19/02	02/20/02	9,170,000	1.730	440.67
Daiwa Securities America	02/19/02	02/20/02	9,979,000	1.730	479.55
Daiwa Securities America	02/19/02	02/20/02	11,589,000	1.730	556.92
Daiwa Securities America	02/19/02	02/20/02	20,450,000	1.730	982.74
Daiwa Securities America	02/19/02	02/20/02	23,141,000	1.730	1,112.05
Daiwa Securities America	02/19/02	02/20/02	30,902,000	1.730	1,485.01
Lehman Brothers	02/20/02	02/21/02	2,320,000	1.740	112.13
Lehman Brothers	02/20/02	02/21/02	9,170,000	1.740	443.22
Lehman Brothers	02/20/02	02/21/02	43,593,000	1.740	2,107.00
Lehman Brothers	02/20/02	02/21/02	52,472,000	1.740	2,536.15

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Banc One Capital Markets	02/21/02	02/22/02	\$ 2,320,000	1.730%	\$ 111.49
Banc One Capital Markets	02/21/02	02/22/02	8,886,000	1.730	427.02
Fuji Securities	02/21/02	02/22/02	11,675,000	1.750	567.53
Banc One Capital Markets	02/21/02	02/22/02	16,566,000	1.730	796.09
Banc One Capital Markets	02/21/02	02/22/02	21,017,000	1.730	1,009.98
Banc One Capital Markets	02/21/02	02/22/02	23,434,000	1.730	1,126.13
Banc One Capital Markets	02/21/02	02/22/02	27,566,000	1.730	1,324.70
Fuji Securities	02/21/02	02/22/02	28,325,000	1.750	1,376.91
Zions First National Bank	02/22/02	02/25/02	7,796,000	1.690	1,097.94
Zions First National Bank	02/22/02	02/25/02	48,539,000	1.690	6,835.91
Nomura Securities	02/25/02	02/26/02	6,753,000	1.720	322.64
Nomura Securities	02/25/02	02/26/02	26,262,000	1.720	1,254.74

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Nomura Securities	02/25/02	02/26/02	\$ 45,000,000	1.720%	\$ 2,150.00
Nomura Securities	02/25/02	02/26/02	45,016,000	1.720	2,150.76
Fuji Securities	02/26/02	02/27/02	6,753,000	1.750	328.27
Fuji Securities	02/26/02	02/27/02	26,263,000	1.750	1,276.67
Fuji Securities	02/26/02	02/27/02	43,531,000	1.750	2,116.09
Lehman Brothers	02/27/02	02/28/02	6,754,000	1.800	337.70
Lehman Brothers	02/27/02	02/28/02	26,264,000	1.800	1,313.20
Lehman Brothers	02/27/02	02/28/02	41,748,000	1.800	2,087.40
Lehman Brothers	02/27/02	02/28/02	45,000,000	1.800	2,250.00
Fuji Securities	02/28/02	03/01/02	3,980,000	1.880	207.84
Nomura Securities	02/28/02	03/01/02	6,250,000	1.850	321.18
Nomura Securities	02/28/02	03/01/02	9,322,000	1.850	479.05

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
UBS Warburg	02/28/02	03/01/02	\$ 21,548,000	1.870%	\$ 1,119.30
Nomura Securities	02/28/02	03/01/02	39,559,000	1.850	2,032.89
Fuji Securities	02/28/02	03/01/02	48,499,000	1.880	2,532.73
Fuji Securities	02/28/02	03/01/02	48,561,000	1.880	2,535.96
Nomura Securities	02/28/02	03/01/02	48,730,000	1.850	2,504.18
UBS Warburg	02/28/02	03/01/02	51,286,000	1.870	2,664.02
UBS Warburg	02/28/02	03/01/02	53,431,000	1.870	2,775.44

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Reverse Repurchase Transactions (All transactions are executed simultaneously with a like repurchase agreement)

<u>Dealer</u>	<u>Sale Date</u>	<u>Purchase Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Paid</u>
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No Transactions this period.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

**REPORT B:** In addition to the transactions described in Report A of this report, the Executive Director also reports the following transactions during the period February 1, 2002 through February 28, 2002, pertaining to investments in United States Treasury securities and interest rate options contracts with respect to United States Treasury securities pursuant to the guidelines established by the Board of Commissioners on August 25, 1988.

Options Transactions - Purchased

<u>Transaction Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Price</u>	<u>Exercise Price</u>	<u>Expirations/ Settlement</u>	<u>Dealer</u>	<u>Option Premium</u>
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No new transactions this period.

Options Transactions - Sold

<u>Transaction Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Price</u>	<u>Exercise Price</u>	<u>Expirations/ Settlement</u>	<u>Dealer</u>	<u>Option Premium</u>
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No new transactions this period.

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

**REPORT C:** In addition to the transactions described in Report A and B, the Executive Director also reports the following transactions during the period February 1, 2002 and February 28, 2002 pertaining to the execution or cancellation of Interest Rate Exchange Contracts pursuant to the guidelines established by the Board of Commissioners on December 10, 1992.

Interest Rate Exchange Contracts

<u>Date</u>	<u>Counterparty</u>	<u>Notional Amount</u>	<u>Start Date</u>	<u>Termination Date</u>	<u>Fixed Interest Rate Paid</u>	<u>Variable Interest Rate Received</u>
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No new transactions this period.

As of February 28, 2002, the Port Authority has interest rate exchange contracts in place on notional amounts totaling \$755 million, including \$380 million pertaining to refundings and \$100 million of reversals.

**REPORT D:** In addition to the transactions described in Report A, B and C, the Executive Director also reports the following transactions during the period February 1, 2002 and February 28, 2002 under the Variable Rate Master Note Program as amended and supplemented through October 13, 1994

Variable Rate Master Note Placements

<u>Date of Issuance</u>	<u>Amount</u>	<u>Purchaser</u>	<u>Term</u>	<u>Variable Rate Index</u>
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No new transactions this period.

Whereupon, the meeting was adjourned.

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Acting Secretary

The public meeting was called to order by Chairman Sinagra at 4.00 p.m. and ended at 4.15 p.m. The Board met in executive session prior to the public meeting. Vice-Chairman Gargano was present during executive session.

#### **Action on Minutes**

The Acting Secretary submitted for approval Minutes of the meetings of February 28, 2002 and March 14, 2002. She reported that copies of these Minutes were sent to all of the Commissioners and to the Governors of New York and New Jersey. She reported further that the time for action by the Governors of New York and New Jersey has expired. Whereupon, the Board of Commissioners unanimously approved the Minutes.

#### **Report of Audit Committee**

The Audit Committee reported, for information, on matters discussed in executive session at its meeting on April 23, 2002, which included discussion of internal audit matters, in addition to the Annual Report of the Committee, which was received and is included with these minutes..

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

The report of the Committee on Finance, for information, was received and is included with these minutes

#### **Report of Committee on Construction**

The Committee on Construction reported, for information, on matters discussed in executive session at its meeting on April 23, 2002, which included discussion of contract matters, in addition to matters filed with the Committee pursuant to Board action or separately reported to the Board of Commissioners at this meeting of the Board, and the report was received and is included with these minutes.

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

The Committee on Operations reported, for information, on matters discussed in executive session at its meeting on April 23, 2002, which included discussion of contract matters and matters which could affect the competitive economic position of the Port Authority, the Port District or businesses with which we deal, in addition to matters filed with the Committee pursuant to Board action or separately reported to the Board of Commissioners at this meeting of the Board, and the report was received and is included with these minutes.

#### **Report of Nominating Committee**

During the course of the meeting, the Nominating Committee submitted its report, and the report was received and is included with these minutes.

#### **Staff Report**

A presentation was made by staff on 2001 Year-End results of the Minority/Women-Owned/Small Business Enterprise program.

## **ELECTION OF OFFICERS**

Chairman Sinagra announced that, in accordance with the provisions of the By-Laws, the election of officers was in order.

Commissioner Mack, as Chair of the Nominating Committee, submitted the following report:

"On behalf of the Nominating Committee, I desire to report that at its meeting held earlier today, in accordance with the provisions of Article XIa. of the By-Laws, the Committee, by unanimous action, submits the nomination for election to the offices of Chairman and Vice-Chairman of The Port Authority of New York and New Jersey of Commissioners Jack G. Sinagra and Charles A. Gargano, respectively. By unanimous action, the Committee also submits the nomination of Joseph J. Seymour as Executive Director of the Port Authority and of Jeffrey S. Green as General Counsel of the Port Authority. By unanimous action, the Committee also submits the nominations of Karen E. Eastman as Secretary, Charles F. McClafferty as Director of Finance, Margaret R. Zoch as Comptroller, Bruce D. Bohlen as Treasurer and John D. Brill as Director of the Audit Department."

Pursuant to the foregoing report, Commissioners Blakeman, Chasanoff, Mack, Martini, Sartor, Sinagra and Song voting in favor, the following were unanimously elected as officers of the Port Authority: Commissioner Jack G. Sinagra as Chairman, Commissioner Charles A. Gargano as Vice-Chairman, Joseph J. Seymour as Executive Director, Jeffrey S. Green as General Counsel, Karen E. Eastman as Secretary, Charles F. McClafferty as Director of Finance, Margaret R. Zoch as Comptroller, Bruce D. Bohlen as Treasurer and John D. Brill as Director of the Audit Department.

## AUDIT COMMITTEE ANNUAL REPORT

Commissioner Martini submitted the following report.

In accordance with the Port Authority By-Laws, the Chair of the Audit Committee reports periodically on the activities of the Audit Committee.

Since the last report, the Audit Committee has met eight times. Our Committee meetings are regularly attended by the Chief Financial Officer, General Counsel, the Director of Audit, the Treasurer, the Comptroller, the Chief Technology Officer and the Inspector General.

Representatives of Deloitte & Touche LLP, the Port Authority's independent accountants, have attended three of our meetings. At certain of these meetings, executive sessions were held with only the outside accountants and General Counsel present. This is consistent with our policy that the outside accountants and members of the Audit Committee have direct and unrestricted access to each other.

The Audit Committee keeps informed of relevant matters through quarterly reports prepared by the Director of Audit, the Inspector General and the Treasurer.

Each quarter, the Committee discusses the detailed reports of audit results prepared by the Audit Department with John D. Brill, Director of Audit. The Audit Department conducts audits in accordance with an Annual Plan, which is reviewed with the Audit Committee. The Annual Audit Plan is based on a schedule of specific audits established after performing a risk assessment, which takes into consideration such factors as the potential for financial loss, major changes in systems or operations, and the dates and results of previous audits.

The Committee also discusses with Robert E. Van Eppen the quarterly report of the Inspector General with respect to investigations undertaken by that office. The major function of the Office of Inspector General is to investigate situations or allegations of improper, unethical or illegal activities by individuals within the Port Authority or persons with whom the Port Authority has a business relationship.

On a quarterly basis, the Audit Committee reviews the status of the Port Authority's accounts receivable and discusses the quarterly reports with the Treasurer, Bruce Bohlen. The Committee monitors staff efforts to collect revenues due the Port Authority, discusses problem accounts and reviews the trends in receivable collections.

Our Committee continued its practice of reviewing, in detail, the Authority's audited financial statements prior to their release. As you can well imagine, this year's review process for the financial statements involved an increased level of focus and scrutiny not only because of the magnitude of the events of September 11<sup>th</sup>, but also because of the complexities surrounding the net leasing of the World Trade Center and the Newark Legal and Communications Center. We are concerned not only with the control systems which assure the accuracy and completeness of the statements, but also with the presentation, the format, and, in the context of full and fair disclosure, the substance and

language of the footnotes. We also made such other inquiries in connection with the audited financial statements as we considered appropriate.

In the opinion of our independent accountants, the 2001 financial statements present fairly, in all material respects, the combined financial position of the Port Authority and the combined results of its operations in conformity with accounting principles generally accepted in the United States of America. Our independent accountants have advised us that they encountered no difficulties during the course of their audit (including restrictions on the scope of work or access to required information) and that there were no disagreements with staff in connection with the preparation of the financial statements. We were pleased to learn that the Government Finance Officers Association recognized the Port Authority's 2000 Comprehensive Annual Financial Report with its Certificate of Achievement for Excellence in Financial Reporting, an award that the Port Authority has received for each of the past 17 years. This is a noteworthy achievement for staff of the Comptroller's Department, which is headed by Margaret R. Zoch, Comptroller

In light of the Enron bankruptcy and the continuing focus by federal and state legislative bodies and regulatory agencies, including the Securities and Exchange Commission (SEC), on the role of corporate audit committees in the financial reporting process, our Committee has continued to stress the importance of its role in proactively exploring the accounting principles and methods used by staff and our outside auditors in the financial reporting process. We have also continued the annual review of our operating procedures to ensure that those procedures continue to be consistent with SEC/industry proposals for improving the functioning of corporate audit committees.

The Audit Committee has also continued its practice of requesting staff presentations on key areas of business risk. For example, shortly after the September 11th terrorist attacks on The World Trade Center, we requested and received from key financial staff an assessment of the organization's control environment and the status of recovery efforts, particularly in the area of critical financial and revenue control systems.

Finally, as the Chair of the Audit Committee, I review the expense reports of the Executive Director and members of the Board.

This annual report to the Board provides the Audit Committee with the opportunity to acknowledge the dedication and professionalism of staff, which was never more evident than in the days, weeks and months following the September 11<sup>th</sup> attacks. The Committee recognizes the strengths, talent and commitment of our financial professionals, all of whom make an important contribution to the Port Authority and also to the Region.

The Committee believes that reasonable processes and controls are in place to mitigate business risk, and there is a reasonable basis for the Board to have a high level of confidence in the professional and ethical conduct of Port Authority personnel.

## **RETENTION OF INDEPENDENT AUDITORS**

It was recommended that the Board designate Deloitte & Touche LLP as independent auditors to audit the accounts and financial statements of the Port Authority and its wholly owned subsidiaries for the year ending December 31, 2002; to participate as requested in the disclosure process in connection with the issuance from time to time of Port Authority obligations; to perform a review of the Passenger Facility Charge Program; to perform an evaluation of the system of internal accounting controls; and to provide other audit services, including a review of revenue and cost computations relating to and under the terms of the various lease agreements, such as those with the cities of New York and Newark, financial and statistical data reports submitted to the Federal Transit Administration, field work and financial disclosure requirements of the Single Audit Act of 1984 for recipients of federal financial assistance

Under the By-Laws, the Audit Committee has the responsibility for recommending retention of independent auditors for designation by the Board to audit the accounts and financial statements of the Port Authority and its subsidiaries. The Audit Committee monitors the independent auditing function and decides annually which firm to recommend to the Board for retention by the Port Authority and for what period of time in light of then-current circumstances.

Consistent with long-standing policy, and after a full review and discussion of Deloitte & Touche LLP's performance of the audit of the accounts and financial statements of the Port Authority and its wholly owned subsidiaries for the years ended December 31, 2001 and 2000, the Audit Committee recommended that the Board designate Deloitte & Touche LLP as independent auditors to audit the accounts and financial statements of the Port Authority and its wholly owned subsidiaries for the year ending December 31, 2002, to perform an evaluation of the system of internal accounting controls, to perform a review of the Passenger Facility Charge Program and federal award programs, to provide other audit services, and to provide services requested in the disclosure process in connection with the issuance from time to time of Port Authority obligations.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Mack, Martini, Sartor, Sinagra and Song voting in favor; none against:

**RESOLVED**, that Deloitte & Touche LLP be and it hereby is designated as independent auditors to audit the accounts and financial statements of The Port Authority of New York and New Jersey and its wholly owned subsidiaries for the year ending December 31, 2002, and it is further

**RESOLVED**, that, for the year ending December 31, 2002, Deloitte & Touche LLP be and it hereby is designated to perform an evaluation of the system of internal accounting controls, and to provide other audit services, including a review of revenue and cost computations relating to and under the terms of the various lease agreements, such as those with the cities of New York and Newark, financial and statistical data reports submitted to the Federal Transit Administration, field work and financial disclosure requirements of the Single Audit Act of 1984 for recipients of federal financial assistance, and to participate as requested in the disclosure process in

connection with the issuance from time to time of Port Authority obligations; and it is further

**RESOLVED**, that, for the year ending December 31, 2002, Deloitte & Touche LLP be and it hereby is designated to perform a review of the Passenger Facility Charge Program pursuant to the Aviation Safety and Capacity Expansion Act of 1990; and it is further

**RESOLVED**, that, in accordance with the By-Laws of the Port Authority, the matters of arranging for such services by the above-designated auditors and for monitoring the auditors' performance be and each hereby is referred to the Audit Committee.

**LAGUARDIA AIRPORT – AMERICAN AIRLINES, INC. AND TWA AIRLINES  
LLC – LETTING AND SURRENDER OF SPACE IN THE CENTRAL  
TERMINAL BUILDING**

It was recommended that the Board authorize the Executive Director to enter into appropriate supplements to the existing Basic Airport Leases for American Airlines, Inc. (AA), Lease AG-416, and TWA Airlines I.L.C (TWA), Lease AG-418, at LaGuardia Airport (LGA) to provide for: (i) the surrender of certain terminal space to the Port Authority in the Central Terminal Building (CTB) and the letting of certain terminal space by AA and TWA in the CTB; (ii) the modification of certain lease obligations associated with Hangar 4 and Building 17; and (iii) the investment by AA of \$1.2 million in Concourse C at LGA.

AA acquired the assets of Trans World Airlines, Inc. in the course of the latter's recent bankruptcy proceedings, with the assets then being transferred to TWA, a wholly owned subsidiary of AA. AA desires to increase its level of customer service by exchanging TWA's passenger facilities with existing Port Authority common-use facilities and thereby consolidate its operations.

Under Lease AG-418, TWA would surrender its CTB ticket counter and baggage belt space and four gates on Concourse B and transfer to the Port Authority ownership of three loading bridges at Concourse B passenger facilities. To accommodate AA, the Port Authority would lease to AA under Lease AG-416 the existing CTB common-use ticket counter and baggage belt space, as well as the four existing Concourse C common-use narrow-body gates, and transfer to AA ownership of four loading bridges at Concourse C. AA would pay the costs associated with relocating the current common-gate users and, despite a reduction in the amount of space leased by AA in the CTB that would reduce its rental payments to the Port Authority by approximately \$40,000 per month, AA would continue to make such rental payments to the Port Authority through December 31, 2003. Up to this amount, however, would be credited to AA through December 31, 2003, to the extent AA is charged rent for any future expansion of the premises AA would acquire under this arrangement. AA would also continue to pay the unamortized balance of Port Authority construction funds of approximately \$1.3 million (as of December 31, 2001) that the predecessor of TWA had previously committed to modernize its existing CTB facilities. AA would also pay to bring the existing four TWA Concourse B loading bridges up to Port Authority standards. Additionally, AA would make a \$1.2 million investment in Concourse C and associated facilities.

Under Lease AG-418, TWA would surrender Hangar 4 and its associated Building 17, and AA would lease these premises under Lease AG-416, with responsibility for the maintenance of these facilities and remediation of underground environmental conditions, such maintenance being limited to life safety, structural integrity and building code requirements.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Mack, Martini, Sartor, Sinagra and Song 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 agreements supplemental to Lease AG-416 with American Airlines, Inc. (AA) and to Lease AG-418 with TWA Airlines LLC (TWA) at LaGuardia Airport (LGA), to provide for: (i) the surrender of certain terminal space to the Port Authority in the Central Terminal Building (CTB) and the letting of certain terminal space by AA and TWA in the CTB; (ii) the modification of certain lease obligations associated with Hangar 4 and Building 17; and (iii) the investment by AA of \$1.2 million in Concourse C at LGA, substantially in accordance with the terms and conditions outlined to the Board; the form of the agreements shall be subject to the approval of General Counsel or his authorized representative

**ALL AIRPORTS - AUTHORIZATION TO ENTER INTO NECESSARY AGREEMENTS WITH STATE AND FEDERAL GOVERNMENTAL AGENCIES TO PROVIDE LAW ENFORCEMENT OFFICERS AT AIRPORT PASSENGER SCREENING LOCATIONS**

It was recommended that the Board authorize the Executive Director to: 1) enter into an agreement with the United States Government to provide reimbursement to the Port Authority for the costs of supplying uniformed law enforcement officers at passenger screening points at John F. Kennedy International (JFK), Newark International (EWR) and LaGuardia (LGA) Airports through December 31, 2003, as mandated by the Transportation Security Administration (TSA), effective no later than May 10, 2002; and 2) enter into other appropriate agreements as may be required to meet the federal passenger screening point requirements

The TSA was mandated by Congress to initiate and implement a full airport security program no later than November 1, 2002, including the assignment of federal law enforcement officers to each airport screening location. The TSA has indicated it is unable to provide federal law enforcement officers at this time, and had requested airport operators to assist in meeting this requirement. The TSA has indicated that all major airport operators must provide uniformed law enforcement officers at all airport-screening locations as soon as possible, with a planned implementation date of May 10, 2002. These officers would replace the National Guard that the President of the United States has requested be kept in place until approximately May 31, 2002.

The Port Authority Police have been operating at a heightened state of alert since September 11, 2001, which has placed heavy demands on current police staffing levels. Sufficient police resources are expected to be available to cover screening locations at JFK and EWR. However, alternative law enforcement personnel would be required to staff screening locations at LGA through September 30, 2002, when additional police recruits would become available from current and planned training classes. In the interim, the National Guard would be the preferred alternative provider at LGA. If necessary, appropriate agreements with the State of New York and/or New Jersey would be executed to provide State Police Officers to serve as Law Enforcement Officers at screening locations at JFK, EWR, and LGA, on a temporary basis.

In return for providing law enforcement services, the TSA would provide reasonable reimbursement based on locality and within the allocated federal budget. Recent guidance issued by the TSA indicates that it has not finalized the formula for reimbursement to the airport operator. However, TSA has stated reimbursement would be considered for salary, necessary overtime and benefits required by law. Other direct and indirect overhead costs may not be reimbursable. The total estimated reimbursement through December 31, 2003 is approximately \$55 million.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Mack, Martini, Sartor, Sinagra and Song 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 the United States of America to provide reimbursement to the Port Authority of the costs of supplying uniformed law enforcement officers at passenger screening points at John F. Kennedy International (JFK), Newark International (EWR), and LaGuardia (LGA),

Airports through December 31, 2003, as mandated by the Transportation Security Administration no later than May 10, 2002; 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 appropriate agreement with the State of New York to extend the current deployment of the National Guard at LGA Airport through September 30, 2002; 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 appropriate agreement(s) with the State(s) of New York and/or New Jersey to provide State Police Officers to serve as uniformed law enforcement officers at each screening location at JFK, EWR, and LGA on a temporary basis, if necessary, to fulfill federal requirements, and it is further

**RESOLVED**, that the Executive Director be and hereby is authorized, for and on behalf of the Port Authority, to enter into such agreements with the Port Authority Police Associations as may be required in connection with the foregoing agreements; and it is further

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

## **THE WORLD TRADE CENTER - SPECIAL MEDAL AWARDS PROGRAM**

It was recommended that the Board authorize the Executive Director to present World Trade Center Special Medal Awards to recipients identified by The World Trade Center Special Awards Subcommittee (the Subcommittee).

The Subcommittee, which consists of Commissioners David S. Mack and Alan G. Philibosian, Chief Operating Officer Ernesto L. Butcher and General Counsel Jeffrey S. Green, was created to develop a suitable way to recognize the extraordinary efforts of staff and to honor staff lost on September 11, 2001. It reported on March 14, 2002, that it concurred in staff recommendations that medals should be struck to honor those lost during the attacks, individuals and/or teams who exhibited extraordinary valor, heroism or physical courage by putting their lives or safety at risk to help others, and to those individuals and/or teams that displayed an extraordinary level of service, effort or accomplishment, during or in the aftermath of the September 11, 2001, terrorist attacks on The World Trade Center. The Medal Awards ceremony would be scheduled for later in the Spring. A nomination and review process has commenced, and a list of recipients is to be provided to the Commissioners.

To honor individuals and/or teams, the following special medal awards are to be granted:

### Medal of Honor (for Police and Civilians)

The Medal of Honor is to be presented to staff members who performed a specific act clearly involving extreme danger and exemplified extraordinary bravery in the face of circumstances which could surely have led to grave personal injury or death.

The Medal of Honor (Posthumous) is to be presented to staff members or contract staff members who performed a specific act clearly involving extreme danger and exemplified extraordinary bravery, leading to their death.

### September 11<sup>th</sup> Police Commendation Award

This award is to be presented to members of the Public Safety Department who, on September 11, 2001, the day of the terrorist attacks on The World Trade Center, responded to the emergency and performed a specific act involving either personal risk (beyond the normal requirements of the job) or exceptionally good judgment (clearly outstanding to the degree that highly undesirable consequences would otherwise have resulted unless the corrective action was taken).

### September 11<sup>th</sup> Commendation Award

This award is to be presented to an individual or a group of individuals who, on September 11, 2001, the day of the terrorist attacks on The World Trade Center, performed a specific act involving either personal risk (beyond the normal requirement of the job) or exceptionally good judgment (clearly outstanding to the degree that highly undesirable consequences would otherwise have resulted unless the corrective action was taken).

Award for Exceptional Service (Individual)

This award is to be presented to individuals distinguished by an extraordinary level of service, effort or accomplishment, during or in the aftermath of the terrorist attacks on The World Trade Center on September 11, 2001.

Award for Exceptional Service (Team)

This award is to be presented to a team distinguished by an extraordinary level of service, effort or accomplishment, during or in the aftermath of the terrorist attacks on The World Trade Center on September 11, 2001. These teams may be interdepartmental groups and may include job shoppers, contractors and, in some cases, other outsiders.

Special Citation

This award is to be presented to individuals who demonstrated courage and perseverance on September 11, 2001, under historically challenging circumstances.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Mack, Martini, Sartor, Sinagra and Song voting in favor; none against:

**RESOLVED**, that The Port Authority of New York and New Jersey hereby establishes a series of medals and awards honoring those lost during the September 11, 2001, terrorist attacks on The World Trade Center (Attacks), individuals and/or teams who exhibited extraordinary valor, heroism, or physical courage, or an extraordinary level of service, effort or accomplishment, during or in the aftermath of the Attacks, including the Medal of Honor (for police and civilians), the Medal of Honor Posthumous (for police and civilians), the September 11<sup>th</sup> Police Commendation Award, the September 11<sup>th</sup> Commendation Award, the Award for Exceptional Service (individual or team), and the Special Citation; and it is further

**RESOLVED**, that the Executive Director be and he hereby is authorized and directed to take all necessary and appropriate steps for the establishment of these medals and awards and, based upon the report of The World Trade Center Special Awards Subcommittee, for the selection of individuals who are to receive such medals and awards.

**PORT AUTHORITY TRANS-HUDSON CORPORATION**

**MINUTES  
Tuesday, April 23, 2002**

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**MINUTES of the Annual Meeting of Port Authority Trans-Hudson Corporation held Tuesday, April 23, 2002, at 2 Broadway, City, County and State of New York.**

**PRESENT:**

**NEW JERSEY**

Hon. Jack G. Sinagra, Chairman  
 Hon. William J. Martini  
 Hon. Anthony J. Sartor

Joseph J. Seymour, President  
 Ernesto L. Butcher, Vice-President  
 Jeffrey S. Green, Counsel

Gwendolyn Archie  
 A. Paul Blanco  
 Bruce D. Bohlen  
 John D. Brill  
 Gregory G. Burnham  
 Wilfred Chabrier  
 Janice Chiantese  
 Anthony G. Cracchiolo  
 William R. DeCota  
 John C. Denise  
 Michael P. DePallo  
 Michael Dombrowski  
 Karen E. Eastman  
 Linda C. Handel  
 Edward L. Jackson  
 Louis J. LaCapra  
 Francis J. Lombardi  
 Stephen Marinko  
 Charles F. McClafferty  
 James E. McCoy  
 Joseph M. Morris  
 Catherine F. Pavelec  
 Michael A. Petralia  
 Kenneth P. Philmus  
 Samuel J. Plumeri, Jr  
 Myron D. Ronis  
 Edmond F. Schorno  
 Douglas L. Smith  
 Gregory J. Trevor  
 Margaret R. Zoch

**NEW YORK**

Hon. Charles A. Gargano, Vice-Chairman  
 Hon. Bruce A. Blakeman  
 Hon. Michael J. Chasanoff  
 Hon. David S. Mack  
 Hon. Anastasia M. Song

The public meeting was called to order by Chairman Sinagra at 4:00 p.m. and ended at 4:15 p.m. The Board met in executive session prior to the public meeting. Vice-Chairman Gargano was present during executive session.

#### **Action on Minutes**

The Vice-President submitted for approval Minutes of the meetings of February 28, 2002 and March 14, 2002. He reported that copies of these Minutes were sent to all of the Directors and to the Governors of New York and New Jersey. He reported further that the time for action by the Governors of New York and New Jersey has expired

Whereupon, the Board of Directors unanimously approved the Minutes.

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

The report of the Committee on Finance, for information, was received and is included with these minutes.

#### **Report of Committee on Construction**

The Committee on Construction reported, for information, on matters discussed in executive session at its meeting on April 23, 2002, which included discussion of contract matters, in addition to matters filed with the Committee pursuant to Board action or separately reported to the Board of Directors at this meeting of the Board, and the report was received and is included with these minutes

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

The Committee on Operations reported, for information, on matters filed with the Committee pursuant to Board action or separately reported to the Board of Directors at this meeting of the Board, and the report was received and is included with these minutes.

#### **Report of Nominating Committee**

During the course of the meeting, the Nominating Committee submitted its report, and the report was received and is included with these minutes.

## **ELECTION OF OFFICERS**

Chairman Sinagra announced that in accordance with the provisions of the By-Laws, the election of officers was in order.

Director Mack, as Chair of the Nominating Committee, submitted the following report.

"On behalf of the Nominating Committee, I desire to report that at its meeting held earlier today, in accordance with the provisions of Article XIa. of the By-Laws, the Committee, by unanimous action, submits the nominations for election to the offices of Chairman and Vice-Chairman of Port Authority Trans-Hudson Corporation of Directors Jack G. Sinagra and Charles A. Gargano, respectively. By unanimous action, the Committee also submits the nomination of Joseph J. Seymour as President and Ernesto L. Butcher as Vice-President and General Manager."

Pursuant to the foregoing report, Directors Blakeman, Chasanoff, Mack, Martini, Sartor, Sinagra and Song voting in favor, the following were unanimously elected as officers of the Corporation: Director Jack G. Sinagra as Chairman, Director Charles A. Gargano as Vice-Chairman, Joseph J. Seymour as President and Ernesto L. Butcher as Vice-President and General Manager.

**CONTRACT AND PURCHASE ORDER AUTHORIZATIONS AND AMENDMENTS-  
QUARTERLY REPORT**

**REPORT B:** In accordance with the By-Laws, the President reported, for information only, actions taken on matters described in Article XII, sections (f)(1) and (f)(2) for the period July 1, 2001 to September 30, 2001:

<b>AWARDEE</b>	<b>DESCRIPTION</b>	<b>AUTHORIZATION</b>	<b>PROCUREMENT METHOD</b>
Ellecon National Inc P O #4500021777	Window Frame and Side Door Assembly – Harrison Yard	185,208	Publicly Advertised/ Low Bid
T. Glennon Inc. Contract #4600003125	Railroad Tie Removal	84,270	Publicly Advertised/ Low Bid
Traffic Lines, Inc Contract #4600003145	Reflectorized Thermoplastic – Sign Shop	276,000	Publicly Advertised/ Low Bid
Nissho Iwai American Corporation	Purchase of four bolsters for the PA4 railcar fleet	130,746	Sole Source/ Negotiated

**CONTRACT AND PURCHASE ORDER AUTHORIZATIONS AND AMENDMENTS-  
QUARTERLY REPORT**

**REPORT:** In accordance with the By-Laws, the President reported, for information only, actions taken on matters described in Article XII, sections (f)(1) and (f)(2) for the period October 1, 2001 to December 31, 2001:

<b>AWARDEE</b>	<b>DESCRIPTION</b>	<b>AUTHORIZATION</b>	<b>PROCUREMENT METHOD</b>
Universal Uniform Sales Company Contract #UC12000015	Engineer/Conductor Uniforms for PATH	\$ 250,000	Government Contract
Brookaire Company Contract #UC25000014	Various Filters – 2 Year Contract for PATH	78,906	Publicly Advertised/ Low Bid
RTR Technologies, Inc.	Purchase of contact rail heaters and controllers for PATH system	996,406	Publicly Advertised/ Low Bid
Classic Sanitation Co., Inc.	Refuse removal and recycling services at New Jersey PATH facilities – Two-year term	597,463	Publicly Advertised/ Low Bid
Westinghouse Air Brake Corporation	Supply of cam shaft assemblies for PATH railcars	210,000	Sole Source
Knox Kershaw, Inc.	Purchase of broom/snow cleaner attachment for PATH's ballast regulator	\$ 100,500	Sole Source

**Tort Claim Settlements - Report**

The President reports, for information only, that in accordance with the authority granted under Article XII, section (f)(4) of the By-Laws, the following claims were previously settled, and reported closed during the period July 1, 2001 to December 31, 2001.

**TORT CLAIMS AGAINST PORT AUTHORITY, TRANS-HUDSON CORPORATION,  
CLOSED**

**Employee Claims**

<b>NAME</b>	<b>AMOUNT PAID</b>
TREANOR JOHN	\$ 15,000.00
LOVEC CHIO FRANK	21,750.00
<b>TOTAL</b>	<b>\$36,750.00</b>

**Patron Claims**

<b>NAME</b>	<b>AMOUNT PAID</b>
BLACKMAN ANDRE	\$ 100.00
<b>TOTAL</b>	<b>\$ 100.00</b>

**FINAL CONTRACT PAYMENTS**

The Comptroller's Department reported, for information only, that the contracts set forth hereafter have been completed satisfactorily by the contractors. Final payments have been made in the period of February 1, 2002 to February 28, 2002.

<b>CONTRACT NUMBER</b>	<b>CONTRACT TITLE FACILITY AND CONTRACTOR</b>	<b>TOTAL AUTHORIZED</b>	<b>TOTAL PAYMENTS</b>
PAT624118	NORTH AND SOUTH SUBSTATIONS	844,000.00 (A)	138,100.00 (A,E)
	REPLACEMENT OF 480V SWITCHGEAR	400,000.00 (B)	--0-- (B)
	WORLD TRADE CENTER STATION	68,000.00 (C)	7,603.00 (C)
	PORT AUTHORITY TRANS-HUDSON CORPORATION	11,940.00 (D)	11,940.00 (D)
	CASE CONTRACTING, LTD	1,323,940.00	157,643.00

(A) Lump Sum

(B) Net Cost - amount in the "Total Authorized" column represents the estimated net cost amount. However, the amount in the "Total Payments" column is the authorized net cost amount.

(C) Extra Work

(D) Premium for furnishing performance and payment bond as provided for in the contract.

(E) The difference between "Total Authorized" and "Total Payments" represents the fact that the contract was terminated prior to the completion of the work and the Port Authority paid the contractor the amount of \$138,100 for all work performed prior to termination.

Whereupon, the meeting was adjourned

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Vice-President

**NEWARK LEGAL AND COMMUNICATIONS CENTER  
URBAN RENEWAL CORPORATION**

**MINUTES  
Tuesday, April 23, 2002**

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**MINUTES of the Annual Meeting of the Newark Legal and Communications Center Urban Renewal Corporation held Tuesday, April 23, 2002, at 2 Broadway, City, County and State of New York.**

**PRESENT:**

**NEW JERSEY**

Hon. Jack G. Sinagra, Chairman  
 Hon. William J. Martini  
 Hon. Anthony J. Sartor

Joseph J. Seymour, President  
 Jeffrey S. Green, Counsel

Gwendolyn Archie  
 A. Paul Blanco  
 Bruce D. Bohlen  
 John D. Brill  
 Gregory G. Burnham  
 Ernesto L. Butcher  
 Wilfred Chabrier  
 Janice Chiantese  
 Anthony G. Cracchiolo  
 William R. DeCota  
 John C. Denise  
 Michael P. DePallo  
 Michael Dombrowski  
 Karen E. Eastman  
 Linda C. Handel  
 Edward L. Jackson  
 Louis J. LaCapra  
 Francis J. Lombardi  
 Stephen Marinko  
 Charles F. McClafferty  
 James E. McCoy  
 Joseph M. Morris  
 Catherine F. Pavelec  
 Michael A. Petralia  
 Kenneth P. Phalmus  
 Samuel J. Plumeri, Jr.  
 Myron D. Ronis  
 Edmond F. Schorno  
 Douglas L. Smith  
 Gregory J. Trevor  
 Margaret R. Zoch

**NEW YORK**

Hon. Charles A. Gargano, Vice-Chairman  
 Hon. Bruce A. Blakeman  
 Hon. Michael J. Chasanoff  
 Hon. David S. Mack  
 Hon. Anastasia M. Song

The public meeting was called to order by Chairman Sinagra at 4:00 p.m. and ended at 4:15 p.m. The Board met in executive session prior to the public meeting. Vice-Chairman Gargano was present during executive session.

**Action on Minutes**

The Assistant Secretary submitted for approval Minutes of the meeting of February 28, 2002. She reported that copies of these Minutes were sent to all of the Directors and to the Governors of New York and New Jersey. She reported further that the time for action by the Governors of New York and New Jersey has expired.

Whereupon, the Board of Directors unanimously approved the Minutes.

**Report of Nominating Committee**

During the course of the meeting, the Nominating Committee submitted its report, and the report was received and is included with these minutes.

## **ELECTION OF OFFICERS**

Chairman Sinagra announced that in accordance with the provisions of the By-Laws, the election of officers was in order.

Director Mack, as Chair of the Nominating Committee, submitted the following report:

"On behalf of the Nominating Committee, I desire to report that at its meeting held earlier today, in accordance with the provisions of Article XIa. of the By-Laws, the Committee, by unanimous action, submits the nominations for election to the offices of Chairman and Vice-Chairman of the Newark Legal and Communications Center Urban Renewal Corporation of Directors Jack G. Sinagra and Charles A. Gargano, respectively. By unanimous action, the Committee also submits the nominations of Joseph J. Seymour as President and Cherrie Nanninga as Vice-President and Secretary."

Pursuant to the foregoing report, Directors Blakeman, Chasanoff, Mack, Martini, Sartor, Sinagra and Song voting in favor, the following were unanimously elected as officers of the Corporation: Director Jack G. Sinagra as Chairman, Director Charles A. Gargano as Vice-Chairman, Joseph J. Seymour as President and Cherrie Nanninga as Vice-President and Secretary.

Whereupon, the meeting was adjourned.

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Assistant Secretary

**NEW YORK AND NEW JERSEY RAILROAD CORPORATION**

**MINUTES**

**Tuesday, April 23, 2002**

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Report of Nominating Committee	2
Election of Officers	3

**MINUTES of the Annual Meeting of the New York and New Jersey Railroad Corporation held Tuesday, April 23, 2002. at 2 Broadway, City, County and State of New York.**

**PRESENT:**

**NEW JERSEY**

Hon. Jack G. Sinagra, Chairman  
 Hon. William J. Martini  
 Hon. Anthony J. Sartor

**NEW YORK**

Hon. Charles A. Gargano, Vice-Chairman  
 Hon. Bruce A. Blakeman  
 Hon. Michael J. Chasanoff  
 Hon. David S. Mack  
 Hon. Anastasia M. Song

Joseph J. Seymour, President  
 Jeffrey S. Green, Vice-President and Secretary

Gwendolyn Archie  
 A. Paul Blanco  
 Bruce D. Bohlen  
 John D. Brill  
 Gregory G. Burnham  
 Ernesto L. Butcher  
 Wilfred Chabrier  
 James Chiantese  
 Anthony G. Cracchiolo  
 William R. DeCota  
 John C. Denise  
 Michael P. DePallo  
 Michael Dombrowski  
 Karen E. Eastman  
 Linda C. Handel  
 Edward L. Jackson  
 Louis J. LaCapra  
 Francis J. Lombardi  
 Stephen Marinko  
 Charles F. McClafferty  
 James E. McCoy  
 Joseph M. Morris  
 Catherine F. Pavelec  
 Michael A. Petralia  
 Kenneth P. Philmus  
 Samuel J. Plumeri, Jr.  
 Myron D. Ronis  
 Edmond F. Schorno  
 Douglas L. Smith  
 Gregory J. Trevor  
 Margaret R. Zoch

The public meeting was called to order by Chairman Sinagra at 4:00 p.m. and ended at 4:15 p.m. The Board met in executive session prior to the public meeting. Vice-Chairman Gargano was present during executive session.

**Action on Minutes**

The Assistant Secretary submitted for approval Minutes of the meeting of December 13, 2001. She reported that copies of these Minutes were sent to all of the Directors and to the Governors of New York and New Jersey. She reported further that the time for action by the Governors of New York and New Jersey has expired.

Whereupon, the Board of Directors unanimously approved the Minutes.

**Report of Nominating Committee**

During the course of the meeting, the Nominating Committee submitted its report, and the report was received and is included with these minutes.

## **ELECTION OF OFFICERS**

Chairman Sinagra announced that in accordance with the provisions of the By-Laws, the election of officers was in order.

Director Mack, as Chair of the Nominating Committee, submitted the following report:

"On behalf of the Nominating Committee, I desire to report that at its meeting held earlier today, in accordance with the provisions of Article XIa. of the By-Laws, the Committee, by unanimous action, submits the nominations for election to the offices of Chairman and Vice-Chairman of the New York and New Jersey Railroad Corporation of Directors Jack G. Sinagra and Charles A. Gargano, respectively. By unanimous action, the Committee also submits the nominations of Joseph J. Seymour as President and Jeffrey S. Green as Vice-President and Secretary."

Pursuant to the foregoing report, Directors Blakeman, Chasanoff, Mack, Martini, Sartor, Sinagra and Song voting in favor, the following were unanimously elected as officers of the Corporation: Director Jack G. Sinagra as Chairman, Director Charles A. Gargano as Vice-Chairman, Joseph J. Seymour as President and Jeffrey S. Green as Vice-President and Secretary.

Whereupon, the meeting was adjourned.

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Assistant Secretary

# THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

## MINUTES

Thursday, June 27, 2002

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**MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, June 27, 2002, at 2 Broadway, City, County and State of New York.**

**PRESENT:**

**NEW JERSEY**

Hon. Jack G. Sinaglia, Chairman  
 Hon. Charles A. Kushner  
 Hon. William J. Martini  
 Hon. Alan G. Philibosian  
 Hon. Raymond M. Pocono  
 Hon. Anthony J. Sartor

Joseph J. Seymour, Executive Director  
 Jeffrey S. Green, General Counsel  
 Karen E. Eastman, Secretary

Gwendolyn Archie, Administrator, Office of the Secretary  
 Kayla M. Bergeron, Director, Public Affairs  
 A. Paul Blanco, Acting Chief of Planning and Development  
 Bruce D. Bohlen, Treasurer  
 Gregory G. Burnham, Chief Technology Officer  
 Ernesto L. Butcher, Chief Operating Officer  
 Janice Chiantese, Special Advisor to the Chairman  
 Anthony G. Cracchiolo, Director, Priority Capital Programs  
 William R. DeCota, Director, Aviation  
 Michael R. DeCotiis, Deputy Executive Director  
 John C. Demise, Supervisor, Audio Visual/Photography, Operations Services  
 Michael P. DePallo, Director, PATH  
 Pasquale DiFulco, Public Information Officer, Public Affairs  
 Michael Dombrowski, Cinematographer, Operations Services  
 Linda C. Handel, Assistant Secretary  
 Edward L. Jackson, Director, Financial Services  
 Alan H. Hicks, Principal Special Events Representative, Public Affairs  
 Joseph Kucich, Professional Assistant, Chief Administrative Office  
 Howard G. Kadin, Senior Attorney, Law  
 Louis J. LaCapra, Chief Administrative Officer  
 Richard M. Larrabee, Director, Port Commerce  
 Francis J. Lombardi, Chief Engineer  
 Angel E. Martinez, Executive Assistant to the Chief Engineer  
 Charles F. McClafferty, Chief Financial Officer  
 James E. McCoy, Senior Administrator, Office of the Secretary  
 Catherine F. Pavelec, Executive Assistant to the Secretary  
 Michael A. Petralia, Chief of Public and Government Affairs  
 Samuel Plunjeri, Jr., Assistant Director, Public and Government Affairs  
 Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals  
 John F. Spencer, Deputy Chief Engineer  
 Edmond F. Schorno, Chief of Staff  
 Gregory Trevor, Senior Public Information Officer, Public Affairs  
 Jaime Vazquez, Supervising Office Assistant, Office of the Secretary  
 Richard Wright, State Legislative Representative, Government and Community Affairs  
 Peter Yerkes, Press Secretary

**NEW YORK**

Hon. Charles A. Gargano, Vice-Chairman  
 Hon. Bruce A. Blakeman  
 Hon. Michael J. Chasanoff  
 Hon. Henry R. Silverman  
 Hon. Anastasia M. Song

Guests:

Noreen Giblin, Authorities Unit, Office of the Governor of New Jersey

Paul Josephson, Authorities Unit, Office of the Governor of New Jersey

Miki Krakauer, New Jersey Department of Transportation

The public meeting was called to order by Chairman Sinagra at 4:20 p.m. and ended at 4:27 p.m. The Board met in executive session prior to the public meeting. Commissioner Blakeman was present during executive session.

#### **Action on Minutes**

The Secretary submitted for approval Minutes of the meeting of May 30, 2002. She reported that copies of these Minutes were sent to all of the Commissioners and to the Governors of New York and New Jersey. She reported further that the time for action by the Governors of New York and New Jersey has expired.

Whereupon, the Board of Commissioners unanimously approved the Minutes.

#### **Report of Audit Committee**

The Audit Committee reported, for information, on matters discussed in executive session at its meeting on June 27, 2002, which included discussion of internal audit matters, and the report was received.

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

The Committee on Finance reported, for information, on matters discussed in executive session at its meeting on June 27, 2002, which included discussion of matters related to, or which could impact upon, the issuance, sale, resale, or redemption of Port Authority bonds, notes or other obligations and matters which could affect the competitive economic position of the Port Authority, the Port District or businesses with which we deal, in addition to matters filed with the Committee pursuant to Board action or separately reported to the Board of Commissioners at this meeting of the Board, and the report was received and is included with these minutes.

#### **Report of Committee on Capital Programs/Port Planning**

The Committee on Capital Programs/Port Planning reported, for information, on matters discussed in executive session at its meeting on June 27, 2002, which included discussion of contract matters and matters which could affect the competitive economic position of the Port Authority, the Port District or businesses with which we deal, and the report was received.

#### **Report of Committee on Construction**

The Committee on Construction reported, for information, on matters discussed at its meeting on June 27, 2002, which included an update on the status of the 2002 construction program, as well as matters discussed in executive session, which included discussion of contract matters, in addition to matters filed with the Committee pursuant to Board action or separately reported to the Board of Commissioners at this meeting of the Board, and the report was received and is included with these minutes.

**Report of Committee on Operations**

The Committee on Operations reported, for information, on matters discussed in executive session at its meeting on June 27, 2002, which included discussion of lease matters and matters which could affect the competitive economic position of the Port Authority, the Port district or businesses with which we deal, and the report was received.

**Staff Report**

A presentation was made by staff on the status of the 2002 construction program including new construction awards, as well as construction in-place

**JOHN F. KENNEDY INTERNATIONAL AIRPORT – GENERAL AVIATION  
TERMINAL OPERATIONS CONTROL CENTER RENOVATION AND  
EXPANSION – PROJECT AUTHORIZATION AND AWARD OF  
CONTRACT JFK-700.824**

It was recommended that the Board authorize: a) a project for the design and construction of the expansion and renovation of the General Aviation Terminal (GAT) Building at John F. Kennedy International Airport (JFK), including the design and construction of a new Operations Control Center (OCC) for the integration and centralization of all planned operational and security systems at JFK at a total estimated project cost of \$11.2 million, including payments to contractors, consultants and planners, engineering administrative and financial expense and a project contingency (if necessary); and b) the Executive Director, without further authorization, to award a construction contract to a contractor solicited from a Request for Qualifications and chosen through a low-bid process for Contract JFK-700.824 – JFK General Aviation Terminal Operations Control Center at an estimated cost of 7.4 million.

The GAT building expansion and upgraded OCC will provide needed capacity for the incorporation of planned airport operational system improvements, including E-Z Pass, AirTrain, an Intelligent Transportation System and future security systems. The expanded building will also allow the consolidation and centralization of Landside and Airside Operations staff that will improve efficiency of operations through the cross-utilization and deployment of staff. The upgrade of technology at the OCC is critical to the effective management of the day-to-day and emergency operation of JFK in areas related to airfield operations, civilian security and safety of the traveling public.

In addition to the new fully equipped and integrated OCC, the building expansion and renovation will include the furnishing and installation of new office and technology support space, which will facilitate training and communication, and enable effective use of staff resources on a 24-hour basis.

Construction is anticipated to begin in July 2002, with completion two years later. The total estimated project cost of \$11.2 million is approximately 20 percent recoverable through the Flight Fee Formula.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Gargano, Kushner, Martini, Philibosian, Pucino, Sartor, Silverman, Sinagra and Song voting in favor, none against:

**RESOLVED**, that a project for the design and construction of the expansion and renovation of the General Aviation Terminal (GAT) Building at John F. Kennedy International Airport (JFK), including the design and construction of a new operations control center at an estimated total project cost of \$11.2 million, including payments to contractors, allowances for extra work (if necessary) and net cost work, payments to consultants, planning, engineering,

administrative and financial expenses, and a project contingency (if necessary), be and it hereby is authorized; and it is further

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to take action with respect to purchase and construction contracts and contracts for professional and advisory services related to the foregoing project as he deems in the best interest of the Port Authority, including, without limitation, award to the lowest bidder(s) qualified by reason of responsibility, experience and capacity to perform the work and whose bid prices the Executive Director deems reasonable, and to award Contract JFK-700.824, JFK General Aviation Terminal Operations Control Center, at an estimated cost of \$7.4 million; or to reject all proposals, solicit new proposals on revised or the same requirements or negotiate with one or more proposers or other contractors as he deems in the best interest of the Port Authority, and to order extra work (if necessary) and net cost work in connection with each contract, including supplemental agreements thereto, and enter into such other agreements as may be necessary to effectuate the project; and it is further

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

## **LINCOLN TUNNEL AND HOLLAND TUNNEL INTELLIGENT TRANSPORTATION SYSTEMS - PROJECT AUTHORIZATION AND AWARD OF CONTRACTS**

It was recommended that the Board, a) authorize a project for the Lincoln Tunnel and Holland Tunnel Intelligent Transportation Systems (ITS); b) authorize the Executive Director to award Contracts MFB-204.008A and MFB-204.008AM for Phase I of project implementation and four years of maintenance for the Phase I installation, respectively; and c) authorize the Executive Director to exercise the Port Authority's option under Contracts MFB-204.008A and MFB-204.008AM for Phase II implementation and maintenance for the Phase II installation, respectively, upon the prior approval of the Committee on Construction.

The recommended project, which is a continuation of the Port Authority's program to equip all of its river-crossing facilities with the latest technologies, addresses several critical elements of the agency's business plan, including:

- enhancing facility security and motorist safety,
- improving traffic flow and network efficiency through more effective operations management and emergency response;
- renewing and replacing infrastructure to maintain the Holland and Lincoln Tunnels (Tunnels) in a state of good repair,
- meeting customer expectations through improved communication of traffic information; and
- balancing transportation operations by enabling system redundancy and flexibility.

The Federal Highway Administration (FHWA) of the U.S. Department of Transportation has consistently championed ITS as a primary method of accomplishing a national goal of improving highway transportation through maximizing and measuring operations productivity. Since September 11, 2001 FHWA has added the deployment of ITS technologies to improve transportation security as a matching goal. ITS accomplishes both of these goals by monitoring critical infrastructure and transportation operations, determining the status of critical physical elements, better locating of incidents, and improved response to terrorist events, including area evacuations through traffic management and traveler information. The subject project addresses these objectives directly. Specifically, the ITS will improve camera coverage and monitoring capability, provide a means of automatically detecting stopped vehicles within the Tunnels and on approach roadways, expedite emergency response, and provide a means to quickly disseminate information and emergency instructions to motorists at or approaching the Tunnel facilities. Similar technologies installed under the George Washington Bridge (GWB) ITS program proved their value during the events of September 11<sup>th</sup> and the subsequent months.

Since expansion of the Tunnels' facilities is not feasible at this time, the utilization of technology to maximize capacity has become a basic Port Authority strategy to maximize operational productivity. Building on the recent success of the GWB ITS project, this project will improve customer service through significantly improved traffic management capability with quantifiable benefits in addressing congestion and delays. Mobility through the midtown and downtown Manhattan corridors will be improved as incidents are detected, confirmed, and cleared more quickly and motorists are empowered to make informed travel decisions through

the receipt of real-time information. The technology will allow more sophisticated roadway management techniques to be established to encourage mass transit and higher vehicle occupancy in our most congested corridors. The subject project, when fully implemented, will deploy integrated ITS technologies such as closed-circuit television cameras, vehicle detectors, signage, weather detectors, and a central computer system, and will include an interface to TRANSCOM communications, which will allow for interagency (regional) coordination during incidents, construction and special events.

The project will also enhance and upgrade various elements of the Tunnels' facility infrastructure. Roughly 70 percent of the total expense of this project is related to improving the existing facility infrastructure and restoring it to a state of good repair for ITS and other operational uses. This work includes installation or replacement of conduit, duct bank, wire, sign structures, and sign foundations, as well as upgrades to the power distribution and communications systems at the Tunnels. Many obsolete and non-functional electronic signs on both the New York and New Jersey sides will also be replaced. Most of this repair and upgrade work would eventually have been performed in the absence of an ITS project.

In April 2001, the Executive Director advised the Commissioners that the original authorization for the project received in May 1999 would not be acted upon because of higher than anticipated bid proposals, and that a new authorization would be sought based on re-evaluation of the project. The project was reviewed and revised and a new Request for Proposals (RFP) was released to prospective vendors in July 2001. One proposal was received, from the Joint Venture of Transdyn Controls, Inc. and Parsons Transportation Group (Joint Venture).

Due primarily to agency financial capacity constraints, Contract MFB-204.008A will be performed in two distinct phases. Phase I will include the implementation of the security elements of the overall project as well as design and planning for both phases; Phase II will implement the remaining traffic management elements of the project. The project implementation and maintenance contracts will provide the Port Authority with an option price for Phase II implementation and maintenance. At this time, authorization for the entire project is being sought; however, authority is requested to award only the Phase I portion of the implementation contract (estimated contract cost of \$41.9 million) and the four-year Phase I maintenance contract (estimated contract cost of \$4.8 million) to the Joint Venture. The Phase II cost for implementation is estimated at \$41.3 million; and the Phase II additional cost for maintenance is roughly estimated at \$2.3 million but is dependent upon the actual completion date of Phase II implementation. Approval to award the Phase II portion of the contracts will be sought from the Committee on Construction at a time when the financial capacity of the agency allows. The Phase II cost is valid through June 30, 2003.

The security portion of the total implementation project cost (\$50 million) has been submitted for potential reimbursement (up to 75 percent or \$38.5 million) under the Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant Program, due to elements of the project serving the dual purpose of aiding in traffic management while simultaneously enhancing the security of surface transportation.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Gargano, Kushner, Martini, Philibosian, Pocino, Sartor, Silverman, Sinagra and Song voting in favor, none against:

**RESOLVED**, that a project for the design, furnishing and installation of Intelligent Transportation Systems (ITS) for the Holland and Lincoln Tunnels at a total estimated project cost of \$119 million, including payments to contractors, allowances for extra work (if necessary) and net cost work, payments to consultants, planning, engineering, administrative and financial expenses, and a project contingency (if necessary), be and it hereby is authorized; and it is further

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to take action with respect to purchase and construction contracts and contracts for professional and advisory services related to the foregoing project as he deems in the best interest of the Port Authority including, without limitation, award to the lowest bidder(s) qualified by reason of responsibility, experience and capacity to perform the work and whose bid price(s) the Executive Director deems reasonable, and award of Contract MFB-204.008A for Phase I systems implementation and Contract MFB-204.008AM for Phase I systems maintenance to the sole proposer, A Joint Venture of Transdyn Controls, Inc and Parsons Transportation Group, in response to a Request for Proposals at negotiated prices deemed reasonable by the Executive Director, presently estimated in the amount of \$41.9 million for Phase I of Contract MFB-204.008A and \$4.8 million for Phase I of Contract MFB-204.008AM; and, after obtaining the approval of the Committee on Construction, to exercise the Port Authority's option, valid at the stated price through June 30, 2003, under Contracts MFB-204.008A and MFB-204.008AM for Phase II implementation and maintenance for the Phase II installation, respectively, presently estimated in the amount of \$41.3 million for Phase II of Contract MFB-204.008A and estimated at an additional cost of \$2.3 million for Phase II maintenance; or to reject all proposals, solicit new proposals on revised or the same requirements or negotiate with one or more proposers or other contractors as he deems in the best interest of the Port Authority, and to order extra work (if necessary) and net cost work in connection with each contract, including supplemental agreements thereto, and enter into such other agreements as may be necessary to effectuate the project; and it is further

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into agreements with other public agencies and to acquire property interests, as needed, to effectuate the work of the project; and it is further

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

**JOHN F. KENNEDY INTERNATIONAL AIRPORT - JETBLUE AIRWAYS CORPORATION LEASE AGREEMENT - TERMINAL 6**

It was recommended that the Board amend its resolution of July 26, 2001, entitled "John F. Kennedy International Airport - United Air Lines, Inc. - Space Permit for Terminal 6 and JetBlue Airways Corporation - Lease Agreement for Terminal 6," with respect to the authorization of the Executive Director to enter into a lease agreement with JetBlue Airways Corporation (JetBlue).

At its meeting of July 26, 2001, the Board authorized a five-year lease with JetBlue, commencing on or about December 1, 2001, covering JetBlue's use and occupancy of Terminal 6 at John F. Kennedy International Airport (JFK). This lease would have obligated JetBlue to assume all operations and maintenance (O&M) responsibility for the terminal and provided the Port Authority with a building and ground rent for the first year of the term of approximately \$12.1 million, subject to annual escalations. JetBlue would have been further obligated to make a minimum \$6 million investment in Terminal 6.

At the time of that Board authorization, United Air Lines, Inc. (United) intended to enter into a five-year sublease agreement with JetBlue for three of the thirteen building gates in Terminal 6 and pay JetBlue the equivalent of approximately one-third of the total rent and O&M costs for the terminal. In the wake of September 11<sup>th</sup>, United vacated Terminal 6 in September 2001 and consolidated its JFK passenger operations in Terminal 7. Subsequently, JetBlue advised the Port Authority that it could not assume the unexpected financial obligations resulting from United's decision to vacate Terminal 6. Negotiations on a revised arrangement for JetBlue's leasing of Terminal 6, reflective of the post September-11th environment, have recently been concluded.

In order to accommodate JetBlue's operations on an interim basis, JetBlue and the Port Authority entered into a one-year Space Permit expiring on December 31, 2002 for ten building gates in Terminal 6. This Space Permit would terminate immediately prior to the effective date of the proposed lease with JetBlue. The proposed lease with JetBlue would assure JetBlue continuing use of passenger facilities at JFK while discussions continue on the development of a new passenger terminal for JetBlue at JFK.

Commencing on the effective date of the proposed lease, JetBlue would pay an annual building and ground rent of approximately \$9.8 million, subject to an escalation of the greater of 4 percent or one-half the Consumer Price Index increase on December 1, 2002 and each December 1<sup>st</sup> thereafter for the remainder of the lease term. JetBlue would initially lease the entire ramp area and ten of the thirteen building gates at Terminal 6, and would be responsible for the maintenance and repair of the entire terminal. The Port Authority would have the right to use or grant the use of the three remaining building gates on a temporary basis to other airlines. If JetBlue uses additional gates, JetBlue's building rental would increase on a pro-rata basis, reflecting the number of gates used by JetBlue to the total number of gates in the terminal.

The term of the proposed lease with JetBlue would commence on or about August 1, 2002 and expire on November 30, 2006. JetBlue would be required to invest a minimum of

\$4 million in Terminal 6 during the period from December 1, 2001 through November 30, 2004. If such investment is not made by November 30, 2004, JetBlue would pay the Port Authority an additional rental equal to the difference between the required \$4 million capital investment and the actual amount of its investment. The Port Authority would have the right to terminate the proposed lease without cause on 90 days' written notice at any time after December 31, 2005.

Under the terms of the proposed lease, JetBlue would submit a Comprehensive Retail Plan (the Retail Plan) for Port Authority approval for the development and operation of the Terminal 6 retail concession program. The Retail Plan would include, among other things, proposed types of concessions and related business terms and fees, opportunities for disadvantaged business enterprises; quality and service standards; and the monitoring and enforcing of street pricing.

A baseline subsurface investigation has been completed for the Terminal 6 ramp area. JetBlue would not be responsible for any contamination discovered by that assessment, as described in the proposed lease, except to the extent that the contamination resulted from JetBlue's use or occupancy of the premises prior to the effective date of the proposed lease, or from its acts or omissions, or if JetBlue prevents the Port Authority access for remediation.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Gargano, Kushner, Martini, Philibosian, Pocino, Sartor, Silverman, Sinagra and Song voting in favor, none against:

**RESOLVED**, that the resolution adopted by the Board at its meeting on July 26, 2001 authorizing a five-year lease for Terminal 6 at John F. Kennedy International Airport (JFK) with JetBlue Airways Corporation (JetBlue) be and it hereby is amended to provide that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into a lease agreement with JetBlue for Terminal 6 at JFK for a term commencing on or about August 1, 2002, substantially in accordance with the terms and conditions outlined to the Board; the form of the lease shall be subject to the approval of General Counsel or his authorized representative.

**TETERBORO AIRPORT – SIGNATURE FLIGHT SUPPORT-NEW JERSEY, INC. –  
USE AND OCCUPANCY AGREEMENT TA-304 – SUPPLEMENTAL  
AGREEMENT AND NON-DISTURBANCE AGREEMENT WITH DASSAULT  
FALCON JET**

It was recommended that the Board authorize the Executive Director to enter into a supplemental agreement with Signature Flight Support-New Jersey, Inc. (Signature), providing for a change in the phasing of construction work at Teterboro Airport (TEB) required under Use and Occupancy Agreement TA-304 (TA-304) and consent to a sub-use agreement between Signature and Dassault Falcon Jet (DFJ), granting DFJ non-disturbance protection in the event of an early termination for cause of TA-304.

The Board, at its meeting of December 17, 1998, approved the Port Authority's consent to a 20-year use and occupancy agreement between Johnson Controls World Services Inc., the operator of TEB at the time, and Signature, providing for the demolition and construction of four hangars and a terminal building, as well as providing Signature with approximately 4.55 acres of additional land immediately in front of its space, created by the relocation of Taxiway P, to be used for aircraft parking. To date, Taxiway P has not been relocated, due to the unanticipated need to improve the drainage facilities at TEB.

The proposed supplemental agreement would modify the phasing schedule to complete the construction required under TA-304.

In addition, Signature has negotiated a sub-use agreement with DFJ providing for the construction of an approximately 22,500-square-foot hangar with approximately 10,000 square feet of adjoining office/shop space to be built at DFJ's expense, at a cost of approximately \$6.25 million. As a condition to making the investment and entering into the sub-use agreement, DFJ is seeking non-disturbance protection from the Port Authority in the event of an early termination of TA-304.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Gargano, Kushner, Martini, Philibosian, Pocino, Sartor, Silverman, Sinagra and Song 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 supplemental agreement with Signature Flight Support-New Jersey, Inc. (Signature) to provide for a change in the phasing of construction work at Teterboro Airport required under Use and Occupancy Agreement TA-304, and consent to a sub-use agreement between Signature and Dassault Falcon Jet (DFJ), granting non-disturbance protection to DFJ, substantially in accordance with the terms and conditions outlined to the Board, the form of the agreements shall be subject to the approval of General Counsel or his authorized representative.

**AGREEMENT WITH UNITED STATES ARMY CORPS OF ENGINEERS - NEWARK BAY CHANNEL - MAINTENANCE DREDGING - FUNDING FOR UPLAND DISPOSAL**

On May 30, 1986, a Local Cooperation Agreement (1986 Agreement) to deepen the Kill Van Kull and Newark Bay Channels to 40 feet was executed by the Port Authority and the U.S. Army Corps of Engineers (Corps). This agreement will remain in effect until the construction of the 45-foot channel is completed or it is superseded. The 1986 Agreement anticipated that ocean disposal of dredged material would be available at the former Mud Dump Site, now known as the Historic Area Remediation Site (HARS), and provides that if ocean disposal is not possible, the Port Authority will be responsible for providing an alternative disposal site.

Recent condition surveys conducted by the Corps of the federally authorized Newark Bay Channel (Channel) bottom indicate that approximately 800,000 cubic yards of material need to be dredged from certain areas of the Channel to restore it to its authorized depth of 40 feet. Since sufficient funds were not budgeted by the Port Authority nor appropriated by the federal government to the Corps for this work, the affected areas in the Channel were reviewed and prioritized by both agencies. As a result of those investigations, the Corps has advised the Port Authority that it intends to dredge approximately 55,000 cubic yards of material from the Channel in 2002, and will request additional federal appropriations for work to continue in 2003. Sufficient funding will be included in the 2003 Budget of the Port Authority to allow for its share of the cost of the project, and additional Board authorization will be requested at a future meeting.

Since the 55,000 cubic yards of material to be dredged under this authorization will not meet federal standards for disposal at the HARS, staff has concluded that the material is unsuitable for ocean disposal. The State of New Jersey's policy specifies that the Newark Bay Confined Disposal Facility (NBCDF) can be used only for material unsuitable for placement at the HARS. Since the NBCDF is currently fully committed to other projects, it is anticipated that this material will be disposed at an upland site in New Jersey. Based on the Corps' interpretation of the terms of the 1986 Agreement, the Port Authority is responsible for all dredging and disposal costs above those associated with ocean disposal. The Corps' current estimated cost for dredging with disposal at the HARS is \$13.84 per cubic yard. It is anticipated that dredged sediment will be disposed at a permitted upland disposal site within the State of New Jersey at an approximate cost of \$64.00 per cubic yard. Accordingly, the total cost of the project, including fixed costs for mobilization and demobilization, is approximately \$4.2 million, with the Port Authority's share currently at a cost not to exceed \$3.5 million. It is anticipated that work will commence during the third quarter of 2002, and funds for this expenditure are included in the Port Authority's 2002 Budget. All environmental and regulatory requirements, including applicable testing, will be complied with and all required federal and state permits will be obtained.

Consequently, to ensure the safe navigation of vessels calling on the Port of New York and New Jersey, it is important for this work to proceed to restore this critical segment of the Newark Bay Channel to its authorized depth of 40 feet.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Gargano, Kushner, Martini, Philibosian, Pocino, Sartor, Silverman, Sinagra and Song 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 the United States Government Department of the Army (Army), in the form required by the Army pursuant to federal law or the U.S. Army Corps of Engineers' policy in connection with the Army's maintenance dredging in the Newark Bay federal channel, to remove approximately 55,000 cubic yards of material, such Agreement among other matters to provide for the Port Authority's funding the cost differential between ocean disposal of the dredged material and disposal at an upland facility, at a cost to the Port Authority currently not to exceed \$3.5 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.

**ELIZABETH-PORT AUTHORITY MARINE TERMINAL – MAERSK CONTAINER SERVICE COMPANY, INC. – LEASE EP-248, SUPPLEMENT NO. 1 – BERTH DEEPENING AND DREDGING**

It was recommended that the Board authorize the Executive Director to enter into an amendment to the terminal lease with APM Terminals North America, Inc. (APM), formerly known as Maersk Container Service Company, Inc., at the Elizabeth-Port Authority Marine Terminal to provide APM with the option to have the Port Authority act as APM's contractor with respect to berth deepening to be performed under its terminal lease.

APM is obligated under its terminal lease to deepen 4,800 linear feet of berthing area to 45 feet and then to 50 feet below mean low water. At APM's option, the Port Authority will act as contractor as to all or part of the aforesaid deepening work. APM will reimburse the Port Authority for the cost of the work to the extent that the cost exceeds any Port Authority investment in the work required under the terminal lease. APM will make any such reimbursement through payment upon completion of the work and/or through an additional rental payable by APM over the remaining term of the terminal lease at financially self-sustaining rates.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Gargano, Kushner, Martini, Philibosian, Pocino, Sartor, Silverman, Sinagra and Song 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 amendment to the terminal lease with APM Terminals North America, Inc. (APM), formerly known as Maersk Container Service Company, Inc., at the Elizabeth-Port Authority Marine Terminal to provide APM with the option to have the Port Authority act as APM's contractor with respect to berth deepening to be performed under its terminal lease, substantially in accordance with the terms and conditions outlined to the Board; the form of the agreement shall be subject to the approval of General Counsel or his authorized representative

**RESCISSION AND CANCELLATION OF RESOLUTIONS AUTHORIZING CONSOLIDATED BONDS, ONE HUNDRED TWENTY-EIGHTH SERIES THROUGH CONSOLIDATED BONDS, ONE HUNDRED THIRTY-FOURTH SERIES AND CONSOLIDATED NOTES, SERIES UU, SERIES VV, SERIES WW AND SERIES XX**

The Board at its meeting on November 18, 1999, among other matters, established and authorized the issuance of, and authorized the sale of, Consolidated Bonds, One Hundred Twenty-eighth Series through Consolidated Bonds, One Hundred Thirty-fourth Series and Consolidated Notes, Series UU, Series VV, Series WW and Series XX. In place of these series, action with respect to the Authority's continuing plan of financing, consisting in part of Consolidated Bonds and Consolidated Notes is to be considered today by the Board in connection with the anticipated requirements associated with the Authority's capital program projections.

Therefore, it was recommended that prior to the actions to be taken at today's meeting in connection with the Authority's plan of financing, that the Board rescind and cancel certain resolutions solely with respect to the establishment and authorization of the issuance of, and the authorization of the sale of, Consolidated Bonds, One Hundred Twenty-eighth Series through Consolidated Bonds, One Hundred Thirty-fourth Series and Consolidated Notes, Series UU, Series VV, Series WW and Series XX, since these previously authorized series have not as yet been issued.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Gargano, Kushner, Martini, Philiposian, Pocino, Sartor, Silverman, Sinagra and Song voting in favor, none against:

**RESOLVED**, that the resolutions of the Authority adopted November 18, 1999, entitled "*Consolidated Bonds, One Hundred Twentieth Series through Consolidated Bonds, One Hundred Thirty-fourth Series-Establishment and Issuance*" and "*Consolidated Bonds, One Hundred Twentieth Series through Consolidated Bonds, One Hundred Thirty-fourth Series-Sale*" (appearing, respectively, at pages 392 *et seq* and pages 401-402 of the Official Minutes of that date), solely with respect to Consolidated Bonds, One Hundred Twenty-eighth Series through Consolidated Bonds, One Hundred Thirty-fourth Series, are rescinded and cancelled in their entirety; and it is further

**RESOLVED**, that the resolutions of the Authority adopted November 18, 1999, entitled "*Consolidated Notes, Series TT, Series UU, Series VV, Series WW and Series XX-Establishment and Issuance*" and "*Consolidated Notes, Series TT, Series UU, Series VV, Series WW and Series XX-Sale*" (appearing, respectively, at pages 403 *et seq.* and pages 409-410 of the Official Minutes of that date), solely with respect to Consolidated Notes, Series UU, Series VV, Series WW and Series XX, are rescinded and cancelled in their entirety.

## PORT AUTHORITY PLAN OF FINANCING – REPORT

It was recommended that the Board of Commissioners take the actions summarized below in connection with the Port Authority's bonds and notes. As in the past, the recommended actions, which would continue to provide the Port Authority with flexible access to the financial markets, are part of an approval process required by Federal tax law for certain municipal obligations. The plan of financing adopted by the Board as part of this process generally has a three year life; the last such plan was adopted in November 1999.

The public approval process was added by Congress in 1982 to the Federal tax law to ensure that affected members of the general public would be notified of a pending "private activity" bond issue and made aware of the intended use of proceeds in order to elicit comments that would ensure a substantial public benefit from the issuance of the bonds. The process includes the issuance of a notice for a public hearing, holding the hearing (at which members of the general public may comment, but at which the issuer is not required to engage in dialogue) and approval of the bonds by an applicable elected representative. As these requirements pertain to the Port Authority, they generally apply only to bonds and notes issued for airport and marine terminal purposes, with the requisite approval accomplished through the gubernatorial review process for Board minutes.

Today's actions would add fifteen series of Consolidated Bonds and five series of Consolidated Notes, to the existing Versatile Structure Obligations, Variable Rate Master Notes, Equipment Notes and Commercial Paper Obligations, which may be issued to effectuate this plan of financing. However, the total aggregate principal amount of these obligations to be issued for authorized purposes in connection with the Authority's facilities in any year under this plan of financing would not exceed the amount required to effectuate the applicable budget.

### Public Hearings

On June 24, 2002, public hearings in connection with this plan of financing, consistent with, and to the extent provided under, the public approval provisions of Section 147(f) of the Internal Revenue Code of 1986, were conducted by staff of the Authority's Treasury Department at the offices of the Authority located at 225 Park Avenue South, New York, New York and at the Journal Square Transportation Center, Jersey City, New Jersey, pursuant to notices published on June 7, 2002, in *The New York Times*, a newspaper of general circulation in the New York portion of the Port District, and in *The Star-Ledger*, a newspaper of general circulation in the New Jersey portion of the Port District.

In pertinent part, the notices contained the following description of the Authority's proposed plan of financing: "Consolidated Bonds to be denominated as the One Hundred Twenty-eighth Series through the One Hundred Forty-second Series, inclusive; Consolidated Notes to be denominated as Series UU, Series VV, Series WW, Series XX, and Series YY; Versatile Structure Obligations; Variable Rate Master Notes, Commercial Paper Obligations; and Equipment Notes, all to be issued and sold in connection with this plan of financing for authorized purposes, including in connection with certain of the facilities of the Port Authority located in the Port of New York District, to wit: the Holland Tunnel; Lincoln Tunnel; George

Washington Bridge; Bayonne Bridge; Goethals Bridge; Outerbridge Crossing; Port Authority Bus Terminal; Hudson Tubes (PATII); Trans-Hudson Ferry Service, a facility for the provision of trans-Hudson commuter ferry transportation services between terminal facilities in the vicinity of New Jersey Transit Corporation's rail and bus terminals in Hoboken, N.J., and in the vicinity of Battery Park City in lower Manhattan, N.Y.; LaGuardia Airport; John F. Kennedy International Airport; Newark International Airport; Teterboro Airport; Port Authority-Downtown Manhattan Heliport; Port Newark; Brooklyn-Port Authority Marine Terminal; Elizabeth-Port Authority Marine Terminal; Greenville Yard-Port Authority Marine Terminal; Howland Hook Marine Terminal; Port Authority Auto Marine Terminal, a marine terminal facility for imported automobiles located in Bayonne and Jersey City, N.J.; Hoboken South Waterfront Development Facility located in Hoboken, N.J.; Queens West Waterfront Development Facility located in Hunters Point, Queens, N.Y.; Oak Point Rail Freight Link, a rail freight improvement project in The Bronx, N.Y.; World Trade Center, located in Manhattan, N.Y. (the components of which were destroyed in the September 11, 2001 terrorist attacks); Newark Legal and Communications Center, a legal and communications center in Newark, N.J.; Teleport, a satellite communications center at the Staten Island Industrial Park, Staten Island, N.Y.; Bathgate Industrial Park, an industrial park in The Bronx, N.Y.; Port Authority Industrial Park at Elizabeth, an industrial park in Elizabeth, N.J.; Newark South Ward Industrial Park, an industrial park in Newark, N.J.; Essex County Resource Recovery Facility, a mass-burn resource recovery facility in Newark, N.J.; Pre-development Site Acquisition Program, a facility for acquisition of real property in the New Jersey and New York portions of the Port of New York District; Regional Development Facility, a facility for certain of the economic development and infrastructure renewal projects to be undertaken at the request of the States of New Jersey and New York in the New Jersey and New York portions of the Port of New York District; New Jersey Marine Development Program, a facility for certain fishery, marine or port development projects to be undertaken at the request of the State of New Jersey in the New Jersey portion of the Port of New York District, and Regional Economic Development Program, a facility for certain of the transportation and economic development and infrastructure renewal projects to be undertaken at the request of the States of New Jersey and New York in the New Jersey and New York portions of the Port of New York District. The initial owner, operator or manager of these facilities is or will be the Port Authority or one of its subsidiaries (presently, Port Authority Trans-Hudson Corporation, Newark Legal and Communications Center Urban Renewal Corporation and New York and New Jersey Railroad Corporation). The major projects presently authorized or which may be authorized by the Port Authority while this plan of financing remains in effect include: LaGuardia Airport, central terminal building improvements, general runway, taxiway and roadway modification, paving and utility improvements; John F. Kennedy International Airport, general runway, taxiway and roadway modification, paving, construction of additional parking facilities, ancillary airport buildings, central terminal area roadway construction, construction of additional terminal facilities and related infrastructure and utility improvements, light rail transit system linking the terminals in the central terminal area of the airport with each other and with existing transit lines in Jamaica, Queens and Howard Beach, Queens, to provide exclusive airport access for passengers and others using the airport, Newark International Airport, general runway, taxiway and roadway modification, paving, construction of terminal improvements, construction of additional parking facilities; Howland Hook Marine Terminal, rail freight projects providing rail freight services between this facility and the national rail system, including the construction of a new connection to the national rail freight system,

construction of an intermodal rail freight terminal and rehabilitation of existing rail freight yards; Port Newark, berth deepening, building construction, terminal improvements; Elizabeth-Port Authority Marine Terminal, berth deepening, building construction, intermodal improvements; Brooklyn-Port Authority Marine Terminal, wharf and pier rehabilitation; World Trade Center, site restoration activities, including the construction of a temporary PATH terminal at the site; PATH, rehabilitation of Tunnels E and F beneath the Hudson River, installation of new crossover tracks at the Exchange Place Station, and other capital improvements related to safety, security, maintenance and rehabilitation of the PATH system, including projects for the restoration and enhancement of services suspended following the September 11, 2001 terrorist attacks; capital improvements related to safety, security, maintenance, rehabilitation and expansion of service at the Port Authority Bus Terminal, George Washington Bridge, Lincoln Tunnel, Holland Tunnel, Goethals Bridge, Bayonne Bridge, Outerbridge Crossing and Trans-Hudson Ferry Service; Queens West Waterfront Development Facility, participation in mixed use waterfront development project; Hoboken South Waterfront Development Facility, participation in mixed use waterfront development project; other miscellaneous capital improvements and replacements and acquisitions of equipment in connection with the facilities of the Port Authority; a comprehensive general port improvement project in the Port of New York and New Jersey, including channel deepening, dredging and disposal of dredged materials, which is also expected to be of benefit to the Port Authority's marine terminal facilities; a program for the acquisition of real property in the New Jersey and New York portions of the Port of New York District for certain environmental purposes; a program of transportation, economic development and infrastructure renewal projects to be undertaken at the request of the State of New York in the New York portion of the Port of New York District; and a program of regional transportation projects to be undertaken at the request of the States of New Jersey and New York in the New Jersey and New York portions of the Port of New York District. The obligations of the Port Authority to be issued in connection with this plan of financing and to which the provisions of Section 147(f) of the Internal Revenue Code of 1986 would be applicable, would be in the maximum aggregate principal amounts noted below. each of Consolidated Bonds, One Hundred Twenty-eighth Series through One Hundred Forty-second Series, inclusive, would be in the principal amount of up to \$500,000,000; each of Consolidated Notes, Series UU, Series VV, Series WW, Series XX, and Series YY, would be in the principal amount of up to \$300,000,000; Versatile Structure Obligations would be in a total aggregate principal amount of up to \$500,000,000 outstanding at any one time, Variable Rate Master Notes would be in a total aggregate principal amount of up to \$400,000,000 outstanding at any one time; Equipment Notes would be in a total aggregate principal amount of up to \$250,000,000 outstanding at any one time; and Commercial Paper Obligations would be in a total aggregate principal amount of up to \$500,000,000 outstanding at any one time."

#### **Today's Actions Pertaining to this Plan of Financing**

The Board would establish Consolidated Bonds, One Hundred Twenty-eighth Series through Consolidated Bonds, One Hundred Forty-second Series, and would authorize the issuance and sale of each series in aggregate principal amount of up to \$500 million at a true interest cost to the Authority not in excess of 8 percent for a term not in excess of 35 years. The Board would also establish Consolidated Notes, Series UU, Series VV, Series WW, Series XX and Series YY, and would authorize the issuance and sale of each series in aggregate principal

amount of up to \$300 million at a true interest cost to the Authority not in excess of 8 percent for a term not in excess of 3 years. The Committee on Finance would be authorized to sell and to deliver all or any part of each of such series with such terms and at such time or times as it deems appropriate, at public or private sale, and would also be authorized to take, and to delegate authority for, certain actions with respect to each of such series. An Authorized Officer of the Authority would be authorized to take any and all action that could be taken by the Committee on Finance in connection with each of such series, but only if such series is issued and sold on a competitive basis. The issuance and sale on a competitive basis would include submission by underwriters of sealed bids to be opened publicly; submission by underwriters of bids or other offers to purchase by electronic means through generally accepted procedures in the financial markets; and submission by underwriters of bids or other offers to purchase in response to written or telephonic requests for proposals directed to selected underwriters. Prior to the scheduling by an Authorized Officer of any competitive sale of Consolidated Bonds or Notes, such Authorized Officer would consult with the Chairman of the Committee on Finance and, to the extent practicable, the other members of the Committee.

**CONSOLIDATED BONDS, ONE HUNDRED TWENTY-EIGHTH SERIES THROUGH  
CONSOLIDATED BONDS, ONE HUNDRED FORTY-SECOND SERIES -  
ESTABLISHMENT AND ISSUANCE**

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Gargano, Kushner, Martini, Philibosian, Pocino, Sartor, Silverman, Sinagra and Song voting in favor, none against.

WHEREAS, heretofore and on the 9th day of October, 1952, The Port Authority of New York and New Jersey (formerly known as The Port of New York Authority and hereinafter called the "Authority") adopted a resolution (hereinafter called the "Consolidated Bond Resolution"), constituting a contract with the holders of the obligations issued thereunder, providing for the issuance of certain direct and general obligations of the Authority (hereinafter called "Consolidated Bonds"), from time to time, in conformity with the Consolidated Bond Resolution for the purposes therein set forth; and

WHEREAS, the Consolidated Bond Resolution provides that Consolidated Bonds shall be issued in such series as the Authority may determine, and that the characteristics of each such series shall be determined by the Authority by and in the resolution establishing such series, and that the resolution establishing such series may contain other terms and provisions not inconsistent with the Consolidated Bond Resolution; and

WHEREAS, the Authority has heretofore established various series of Consolidated Bonds and has now determined that it is appropriate to establish certain additional series of Consolidated Bonds, without prejudice to its right hereafter to establish further series of Consolidated Bonds,

NOW, THEREFORE, be it resolved by the Authority:

**SECTION 1.** As used in this resolution, any words or phrases specifically defined in the Consolidated Bond Resolution shall be read and construed in accordance with such specific definitions. As used in this resolution, the term "Authorized Officer" shall mean any of the officers or employees of the Authority designated as such from time to time by the Chairman; Vice-Chairman; Chairman of the Committee on Finance; Executive Director; Deputy Executive Director; Chief Financial Officer; Treasurer; or Assistant Treasurer of the Authority.

**SECTION 2.** Each of Consolidated Bonds, One Hundred Twenty-eighth Series through Consolidated Bonds, One Hundred Forty-second Series, inclusive, is established as a separate series of Consolidated Bonds and the issuance of up to Five Hundred Million Dollars (\$500,000,000) of each such series with a term to maturity not in excess of thirty-five (35) years is authorized. Each of such series shall be issued in conformity with the Consolidated Bond Resolution for the purposes specified in this resolution. This resolution shall apply with equal force and effect to each of such series on an individual basis (each of such series hereinafter called the "Bonds"). This resolution shall constitute a contract with the registered holders of the Bonds and with each such registered holder.

SECTION 3. The Committee on Finance of the Authority (hereinafter called the "Committee on Finance") is authorized to establish, fix and determine the terms of the Bonds and, in connection therewith, to make such changes and adjustments to the provisions set forth in the third paragraph of this Section 3 and in Sections 4, 5, 6, 9 and 10 of this resolution as in the opinion of the Committee on Finance will effectuate the issuance of the Bonds, and to take such other action as in the opinion of the Committee on Finance will best serve the public interest

The proceeds of the Bonds may be used for any purpose for which at the time of issuance of the Bonds the Authority is authorized by law to issue its obligations. The Committee on Finance may allocate the proceeds of the Bonds, from time to time, to certain of the authorized purposes, including the specific designation of any obligations to be refunded with the proceeds of the Bonds.

Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America; principal of the Bonds shall be payable upon presentation and surrender thereof by the registered holders, at the office or offices, designated by the Authority, of the Paying Agent (or Paying Agents) appointed for the purpose by the Authority, in a county which is in whole or in part in the Port of New York District; and interest on the Bonds shall be payable when due to the registered holders thereof by check or draft drawn on the Paying Agent (or Paying Agents) appointed for the purpose by the Authority and mailed to said registered holders at their last known addresses as appearing upon the Authority's Registry Books for the Bonds.

SECTION 4. The Bonds shall be issued only in registered form, registered as to both principal and interest and not as to either alone, in authorized denominations.

The Authority will keep or cause to be kept at the offices, designated by the Authority, of a Registrar appointed for that purpose, in a county which is in whole or in part in the Port of New York District, proper and sufficient Registry Books for the registration of the Bonds. The Bonds shall be transferable only upon such Registry Books by the registered holder thereof or by such registered holder's attorney duly authorized in accordance with the provisions of this resolution. Upon the written request of the registered holder or registered holders thereof and upon surrender thereof, a bond or bonds may be exchanged for a bond or bonds of like tenor, registered as designated in such request, of any other authorized denominations. All requests for registration, transfer, exchange and delivery pertaining to the Bonds as above provided shall be filed with the Registrar of the Authority; all bonds to be surrendered pursuant to such requests shall be surrendered to the Registrar; and all bonds delivered in exchange as aforesaid shall be delivered by the Registrar. All bonds surrendered to the Registrar in exchange for other bonds or for transfer as above provided shall be cancelled by the Registrar upon such surrender. The Authority shall bear the cost incurred by the Authority in connection with the registration, authentication (if any), transfer, cancellation, exchange and delivery of bonds, including such fees as may be imposed by the Registrar for such services performed by the Registrar as provided in this resolution.

SECTION 5. The Bonds shall be redeemable at the option of the Authority, on prior notice, in whole, or, from time to time, in part, at such redemption price and on such date set forth in the applicable notice of intention to redeem the Bonds.

If less than all of the Bonds then outstanding are to be called for redemption at the option of the Authority, and if the Bonds then outstanding include bonds of any serial maturities, the bonds so to be called shall be in inverse order of maturity, and if bonds constituting a particular maturity are to be called for redemption, but not all bonds constituting such maturity are to be called for redemption, the bonds so to be called shall be determined by lot by the Registrar.

If bonds are to be called for redemption to meet the schedule of mandatory periodic retirement for the Bonds, the bonds so to be called shall be determined by lot by the Registrar.

Notice of intention to redeem any of the Bonds shall be given by the Registrar not less than thirty (30) nor more than forty-five (45) days prior to the date fixed for redemption, to the registered holders of the bonds to be called for redemption, by deposit of a copy of such notice, postage prepaid by certified or registered mail, in a United States Post Office, addressed to such registered holders at their last known addresses as appearing upon the Authority's Registry Books for the Bonds. Notice of the mailing of such notice of intention to redeem bonds shall also be published by the Authority in a daily newspaper of general circulation in the Port of New York District not less than thirty (30) nor more than forty-five (45) days prior to the date fixed for redemption; *provided, however*, that failure to give such notice by publication, or any defect therein, shall not affect the validity of any action with respect to the redemption of such bonds.

On or before the date fixed for redemption specified in the notice of intention to redeem any of the Bonds, the Authority will pay or cause to be paid to the Paying Agent (or Paying Agents) an amount in cash in the aggregate sufficient to redeem all of the bonds which are to be redeemed, at the respective redemption price thereof, which, in each case, shall include the accrued interest until the date fixed for redemption and the premium (if any), such principal amount and premium (if any), to be held by the Paying Agent (or Paying Agents) in trust for the account of the registered holders of the bonds so called for redemption and to be paid to them respectively upon presentation and surrender of such bonds with accrued interest included in such redemption price to be paid to the registered holders in accordance with the provisions of this resolution. On and after the date fixed for redemption, the notice of intention to redeem having been completed as above provided, the bonds so called shall become due and payable at the office of the Paying Agent (or Paying Agents) designated by the Authority, and if funds sufficient for payment of the redemption price shall have been deposited with the Paying Agent (or Paying Agents) in trust as aforesaid and if such funds shall be available for redemption of such bonds on the date fixed for redemption, then and in any such event, interest shall cease to accrue on the bonds so called on and after the date fixed for their redemption, and such bonds shall not be entitled to the benefit or security of this resolution or the Consolidated Bond Resolution, but shall rely solely upon the funds so deposited.

In the case of bonds of denominations greater than the minimum authorized denomination, for all purposes in connection with redemption, each unit of face value representing the minimum authorized denomination shall be treated as though it were a separate

bond of the minimum authorized denomination, and the word "bond" as used in the foregoing provisions of this Section 5 shall be deemed to refer to such unit of face value representing the minimum authorized denomination. If it is determined as above provided that one or more but not all of the units of face value representing the minimum authorized denomination of any bond are to be called for redemption, then upon notice of intention to redeem such unit or units, the registered holder of such bond shall forthwith present such bond to the Registrar who shall issue a new bond or bonds of like tenor of smaller authorized denominations but of the same aggregate principal amount in exchange therefor, pursuant to Section 4 of this resolution, including a new bond or bonds with the aggregate principal amount of the unit or units of face value called for redemption; and such new bond or bonds shall be deemed to be duly called for redemption without further notice to the registered holder thereof. If the registered holder of such bond of a denomination greater than the minimum authorized denomination shall fail to present such bond to the Registrar for the issuance of new bonds of smaller denominations in exchange therefor, as aforesaid, such bond shall nevertheless become due and payable on the date fixed for redemption to the extent of the unit or units of face value called for redemption (and to that extent only); and (funds sufficient for the payment of the redemption price having been deposited with the Paying Agent (or Paying Agents), as aforesaid, and being available as aforesaid on the date fixed for redemption) interest shall cease to accrue on the portion of the principal amount of such bond represented by such unit or units of face value on and after the date fixed for redemption, and such bond shall not be entitled to the benefit or security of this resolution or the Consolidated Bond Resolution to the extent of the portion of its principal amount (and accrued interest thereon until the date fixed for redemption and premium, if any) represented by such unit or units of face value, but to that extent shall rely solely upon the funds so deposited.

SECTION 6 The Bonds shall be retired at or prior to maturity, by purchase, call or payment, by the dates and in at least the cumulative principal amounts set forth on the schedule of mandatory periodic retirement for the Bonds.

If, at least forty-five (45) days prior to the mandatory periodic retirement date in each year (except the year of maturity) set forth in the schedule of mandatory periodic retirement for the Bonds, the Authority shall not have purchased or redeemed (at any prior time or times during such year or at any time or times during any prior years) a principal amount of the Bonds at least equal to the principal amount of the Bonds to be retired on such mandatory periodic retirement date, then the Authority shall call a principal amount of the Bonds equal to such deficiency, at the respective redemption price thereof, in the manner and upon the notice set forth in Section 5 of this resolution. Any of the Bonds purchased by the Authority as aforesaid may be purchased at such prices as the Authority may deem reasonable and proper and, in the discretion of the Authority, at public or private sale, with or without advertisement and with or without notice to any person other than the seller, and such of the Bonds as are theretofore issued and negotiated and then held by the Authority may be purchased for such purpose as well as bonds held by others.

Nothing herein contained shall be construed in any way to prevent the Authority from retiring the Bonds more rapidly than is set forth in the schedule of mandatory periodic retirement for the Bonds.

SECTION 7. The Authority shall not apply any moneys in the Consolidated Bond Reserve Fund except for the payment of bonds secured by a pledge of the General Reserve Fund in whole or in part, the payment of debt service upon bonds so secured, the purchase for retirement of bonds so secured or the redemption of bonds so secured, or for the payment of expenses incurred for the establishment, acquisition, construction or effectuation, or for the operation, maintenance, repair or administration of any facility financed or refinanced in whole or in part by bonds secured by a pledge of the General Reserve Fund in whole or in part, or otherwise for the fulfillment of any undertakings which the Authority has assumed or may or shall hereafter assume to or for the benefit of the holders of bonds secured by a pledge of the General Reserve Fund in whole or in part; *provided, however*, that nothing herein contained shall be construed to permit the application by the Authority of moneys in the Consolidated Bond Reserve Fund except for purposes and upon conditions which are authorized by the Consolidated Bond Resolution.

Consolidated Bonds proposed to be issued for purposes in connection with an additional facility or a group of additional facilities in connection with which the Authority has not theretofore issued bonds which have been secured by a pledge of the General Reserve Fund in whole or in part, may be issued, and bonds other than Consolidated Bonds proposed to be issued for purposes in connection with such an additional facility or group of additional facilities may be secured by a pledge of the General Reserve Fund in whole or in part, in each case if and only if the Authority shall certify at the time of issuance (as defined in Section 3 of the Consolidated Bond Resolution) its opinion that the issuance of such Consolidated Bonds or that such pledge of the General Reserve Fund as security for such bonds other than Consolidated Bonds will not, during the ensuing ten (10) years or during the longest term of any of such bonds proposed to be issued (whether or not Consolidated Bonds), whichever shall be longer, in the light of its estimated expenditures in connection with such additional facility or such group of additional facilities, materially impair the sound credit standing of the Authority or the investment status of Consolidated Bonds or the ability of the Authority to fulfill its commitments, whether statutory or contractual or reasonably incidental thereto, including its undertakings to the holders of Consolidated Bonds; and the Authority may apply moneys in the General Reserve Fund for purposes in connection with those of its bonds and only those of its bonds which it has theretofore secured by a pledge of the General Reserve Fund in whole or in part. Expenditures in connection with an additional facility or group of additional facilities shall mean the amount of the excess, if any, of the sum of all items of expense to be considered in determining the net revenues of the additional facility or group of additional facilities plus the debt service upon the bonds proposed to be issued and upon any additional bonds which in the Authority's opinion would be required to be issued to place and maintain such facility or group of facilities upon a sound operating basis, over and above the sum of all items of revenue and income to be considered in determining such net revenues.

SECTION 8 The Authority shall appoint a bank or trust company as trustee for and in connection with the Bonds (hereinafter called the "Trustee"). The Trustee is authorized to (i) institute any action or proceeding on behalf of the registered holders of the Bonds against the Authority or others, or (ii) intervene in any pending action or proceeding, or (iii) take any other action which it shall in its sole discretion determine to be necessary or advisable in order to protect the rights of the registered holders of the Bonds. The rights of the Trustee in this respect

and in all other respects shall be in addition to and not in substitution of any and all rights which would otherwise inure to the registered holder or registered holders of the Bonds. It is understood that the Trustee in its sole discretion may, but shall be under no obligation to, review the activities or operations of the Authority or any of the contracts or agreements of the Authority or exercise any of the rights or powers vested in it by this Section 8 whether on the Trustee's initiative or at the request or direction of any of the registered holders of the Bonds.

The Trustee (which shall include any successor Trustee) appointed under the provisions of this Section 8 shall be a bank or trust company organized under the laws of the State of New York or the State of New Jersey or a national banking association doing business and having its principal office in the Port of New York District and having a total capital (including capital stock, surplus, undivided profits and capital notes, if any) aggregating at least \$25,000,000, which is willing and able to accept the office on reasonable and customary terms and is authorized by law to perform all the duties imposed upon it by this resolution.

The Trustee shall not be liable for any action taken or suffered upon any notice, resolution, request, consent, order, certificate, report, opinion, bond or other paper or document believed by it to be genuine, and to have been signed or presented by the proper party or parties. The Trustee may consult with counsel, who may or may not be counsel to the Authority, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under this resolution in good faith and in accordance therewith. The Trustee shall not be liable in connection with the performance or nonperformance of its duties except for its own wilful misconduct, negligence or bad faith.

If the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this resolution, such matter (unless other evidence in respect thereof be specifically prescribed) may be deemed to be conclusively proved and established by a certificate of an Authorized Officer, and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of this resolution upon the faith thereof; but in its discretion the Trustee may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as to it may seem reasonable.

The Authority shall annually, within one hundred twenty (120) days after the close of each calendar year, file with the Trustee a statement of an Authorized Officer showing for the preceding calendar year (i) net revenues, (ii) the aggregate interest paid on bonds of the Authority, and (iii) the payments of principal on bonds of the Authority.

The Authority shall annually, within one hundred twenty (120) days after the close of each calendar year, file with the Trustee a copy of its annual report for such year and its financial statement for such year accompanied by an opinion signed by an independent public accountant or firm of public accountants of recognized standing selected by the Authority and satisfactory to the Trustee.

The Authority shall file with the Trustee a copy of any Official Statement hereafter issued by the Authority in connection with the issuance of bonds by the Authority.

The Authority shall file with the Trustee a copy of the minutes of every meeting of the Authority and of its subsidiary corporations at the time said minutes are transmitted to the Governor of New York and the Governor of New Jersey.

The Authority shall not be required to file with the Trustee (except when requested to do so by the Trustee) and the Trustee shall not be required to review any document, instrument, report or paper other than those which the Authority is expressly required hereunder to file with the Trustee. The Trustee shall not be bound to make any investigation into the facts or matters stated in any document, instrument, report or paper supplied to it, but the Trustee in its sole discretion may make such further inquiry or investigation into such facts or matters as the Trustee may deem advisable, and, if the Trustee shall determine to make such further inquiry or investigation, the Trustee is authorized to examine such books and records of and properties owned or operated by the Authority as the Trustee may deem advisable, personally or by agent or attorney

The Authority agrees (i) to pay to the Trustee from time to time reasonable compensation for all services rendered by it hereunder, (ii) to reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in connection with the exercise or performance of any of its powers or duties hereunder (including the reasonable compensation and the expenses and disbursements of its agents and counsel), and (iii) to indemnify the Trustee for, and hold it harmless against, any loss, liability or expense incurred without wilful misconduct, negligence or bad faith on its part, arising out of or in connection with the exercise or performance of the Trustee's powers and duties hereunder, including the costs and expenses of defending itself against any claim or liability in connection with such exercise or performance.

The Trustee may become the owner or holder of any bonds of the Authority with the same rights as it would have were it not a Trustee. To the extent permitted by law, the Trustee may act as depositary for the Authority, act as Paying Agent and Registrar of bonds of the Authority and act itself and permit any of its officers or directors to act in any other capacity with respect to the Authority, the bonds of the Authority and the holders of bonds of the Authority as it or its officers or directors would be able to act were it not a Trustee

The Trustee may at any time resign and be discharged of the duties and obligations created by this resolution by giving not less than sixty (60) days' written notice to the Authority and publishing notice thereof, specifying the date when such resignation shall take effect, once in each week for two (2) successive calendar weeks in a newspaper of general circulation in the City of New York, State of New York, and such resignation shall take effect upon the date specified in such notice unless previously a successor shall have been appointed by the Authority in which event such resignation shall take effect immediately on the appointment of such successor.

The Trustee may be removed at any time by an instrument or concurrent instruments in writing, filed with the Trustee, and signed and acknowledged by the registered holders of a majority in principal amount of the Bonds then outstanding or by their attorneys duly authorized, excluding the principal amount of any of the Bonds held by or for the account of the Authority.

In case at any time the Trustee shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee, or of its property, shall be appointed, or if any public officer shall take charge or control of the Trustee, or of its property or affairs, a successor may be appointed by the holders of a majority in principal amount of the Bonds then outstanding, excluding the principal amount of any of the Bonds held by or for the account of the Authority, by an instrument or concurrent instruments in writing signed and acknowledged by such registered holders of the Bonds or by their attorneys duly authorized and delivered to such successor Trustee, notification thereof being given to the Authority and the predecessor Trustee; *provided, however*, nevertheless, the Authority shall forthwith appoint a Trustee to fill such vacancy until a successor Trustee shall be appointed by the registered holders of the Bonds as authorized in this Section 8. The Authority shall publish notice of any such appointment made by it once in each week for two (2) consecutive calendar weeks, in a newspaper of general circulation in the City of New York, State of New York, the first publication to be made within twenty (20) days after such appointment. Any successor Trustee appointed by the Authority shall, immediately and without further act, be superseded by a Trustee appointed by the registered holders of the Bonds

Any company into which any Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which any Trustee may sell or transfer all or substantially all of its corporate trust business (*provided, however*, such company shall be a bank or trust company located in the Port of New York District and shall be authorized by law to perform all the duties imposed upon it by this resolution), shall be the successor to such Trustee without the execution or filing of any paper or the performance of any further act.

The failure of the Authority to take any action required by this Section 8 shall not invalidate any bond or bonds issued pursuant to this resolution or hereafter issued by the Authority, or affect any other actions of the Authority. The Authority shall in no way be restricted by this Section 8 from entering any defense to an action or proceeding instituted by the Trustee or by the registered holder or registered holders of the Bonds.

SECTION 9. The form of the bond, including provisions with respect to assignment, for the Bonds shall be determined by the Committee on Finance or by an Authorized Officer. The bonds shall have the official seal of the Authority, or a facsimile thereof, affixed thereto or printed or impressed thereon, and shall be manually signed by an Authorized Officer. In case any Authorized Officer who shall have signed any of the bonds shall cease to be an Authorized Officer before such bonds shall have been actually issued, such bonds may nevertheless be issued as though such Authorized Officer who signed such bonds had not ceased to be an Authorized Officer.

SECTION 10. In case any bond shall at any time become mutilated or be lost or destroyed, the Authority, in its discretion, may execute and deliver a new bond of like tenor in exchange or substitution for and upon cancellation of such mutilated bond or in lieu of or in substitution for such destroyed or lost bond, or if such bond shall have matured, instead of issuing a substitute bond the Authority may pay the same without surrender thereof. In case of destruction or loss, the applicant for a substitute bond shall furnish to the Authority evidence

satisfactory to the Authority of the destruction or loss of such bond and of the ownership thereof and also such security and indemnity as may be required by the Authority. The Authority may execute and deliver any such substitute bond or make any such payment; or any Paying Agent may make any such payment upon the written request or authorization of the Authority. Upon the issuance of any substitute bond, the Authority, at its option, may require the payment of a sum sufficient to reimburse it for any stamp tax or other governmental charge or other reasonable expense connected therewith and also a further sum not exceeding the cost of preparation of each new bond so issued in substitution. Any bond issued under the provisions of this Section 10 in lieu of any bond alleged to have been destroyed or lost shall constitute an original contractual obligation on the part of the Authority, whether or not the bond so alleged to have been destroyed or lost be at any time enforceable by anyone, and shall be equally and proportionately entitled to the security of this resolution and of the Consolidated Bond Resolution with all other bonds, notes and coupons (if any) issued hereunder or thereunder

SECTION 11. An Authorized Officer is authorized to take any and all action that the Committee on Finance is authorized to take under this resolution (without further action by the Committee on Finance); *provided, however*, that any such action may only be taken by an Authorized Officer if the Bonds are issued and sold on a competitive basis.

**CONSOLIDATED BONDS, ONE HUNDRED TWENTY-EIGHTH SERIES THROUGH  
CONSOLIDATED BONDS, ONE HUNDRED FORTY-SECOND SERIES – SALE**

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Gargano, Kushner, Martini, Philibosian, Pocino, Sartor, Silverman, Sinagra and Song voting in favor, none against:

**SECTION 1.** This resolution shall apply with equal force and effect to each of Consolidated Bonds, One Hundred Twenty-eighth Series through Consolidated Bonds, One Hundred Forty-second Series, inclusive, on an individual basis (each such series hereinafter called the "Bonds").

**SECTION 2.** The Committee on Finance of the Authority (hereinafter called the "Committee on Finance") is authorized in the name of and on behalf of the Authority to sell all or any part of Five Hundred Million Dollars (\$500,000,000) in principal amount of the Bonds at a true interest cost to the Authority not in excess of eight percent (8%) with a term to maturity not in excess of thirty-five (35) years, at public or private sale, with or without advertisement, at one or more times, and to apply the proceeds of such sale or sales as provided in the resolution authorizing the establishment and issuance of the Bonds.

**SECTION 3** The Committee on Finance is authorized in the name of and on behalf of the Authority, in connection with the Bonds, to fix the time or times of sale of the Bonds, to determine the terms and conditions upon which such sales shall be made and to accept or reject offers in connection with such sales.

**SECTION 4.** The Committee on Finance is authorized in the name of and on behalf of the Authority, in connection with the Bonds, to enter into any contracts or agreements pertaining to the Bonds; to fix the time or times and determine the terms and conditions of delivery of the Bonds; to appoint one or more Paying Agents and a Registrar and a Trustee, and to designate the office or offices of any such Paying Agent (or Paying Agents) at which payments shall be made and the office or offices of any such Registrar at which the Authority's Registry Books for the Bonds shall be kept; to make any selection, designation, determination or estimate and to take or withhold any action and to formulate and express any opinions and to exercise any discretion or judgment which may be or is required to be made, taken, withheld, formulated, expressed or exercised in connection with the Bonds, the Authority adopting all such selections, designations, determinations, estimates, actions, withholdings of action, formulations and expressions of opinions and exercises of discretion or judgment, including those pursuant to Section 3 of the Consolidated Bond Resolution, or otherwise, as its own; and to authorize any of the foregoing and generally to take such other action as in the opinion of the Committee on Finance will best serve the public interest.

**SECTION 5.** The Committee on Finance is authorized to arrange, from time to time (i) for the preparation and distribution of disclosure documents, including official statements, offering statements or other offering materials in connection with the Bonds and (ii) for the preparation and distribution of such other documents giving pertinent data with respect to the

Authority and its finances as it deems appropriate, in each case, in the name of and on behalf of the Authority.

SECTION 6. An Authorized Officer is authorized to take any and all action that the Committee on Finance is authorized to take under this resolution (without further action by the Committee on Finance); *provided, however*, that any such action may only be taken by an Authorized Officer if the Bonds are issued and sold on a competitive basis.

SECTION 7. The Committee on Finance or any Authorized Officer is authorized, in connection with the issuance of the Bonds on the basis that the Bonds are to be in conformity with, and that the interest on the Bonds is not to be includible for Federal income tax purposes in the gross income of the recipients thereof under, Section 103(a) of the Internal Revenue Code of 1986, or successor provisions of law, and the regulations thereunder, to take any action which may be appropriate to assure that the Bonds are issued, and during their term are outstanding, on such basis, and any such actions taken in connection therewith are ratified. Any Authorized Officer is authorized to certify on behalf of the Authority as to the need for the issuance of the Bonds, as to the status of the projects for which the proceeds of the Bonds are to be used, as to the Authority's intentions with respect to the application and investment of the proceeds of the Bonds, and as to such other matters as such Authorized Officer deems appropriate.

SECTION 8. As used in this resolution, the term "Authorized Officer" shall mean any of the officers or employees of the Authority designated as such from time to time by the Chairman; Vice-Chairman; Chairman of the Committee on Finance; Executive Director; Deputy Executive Director; Chief Financial Officer; Treasurer; or Assistant Treasurer of the Authority.

**CONSOLIDATED NOTES, SERIES UU, SERIES VV, SERIES WW, SERIES XX AND  
SERIES YY - ESTABLISHMENT AND ISSUANCE**

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Gargano, Kushner, Martini, Philbosian, Pocino, Sartor, Silverman, Sinagra and Song voting in favor, none against:

WHEREAS, heretofore and on the 9th day of October, 1952, The Port Authority of New York and New Jersey (formerly known as The Port of New York Authority and hereinafter called the "Authority") adopted a resolution (hereinafter called the "Consolidated Bond Resolution"), constituting a contract with the holders of the obligations issued thereunder, providing for the issuance of certain direct and general obligations of the Authority (hereinafter called "Consolidated Bonds"), from time to time, in conformity with the Consolidated Bond Resolution for the purposes therein set forth, and

WHEREAS, the Consolidated Bond Resolution provides that Consolidated Bonds shall be issued in such series as the Authority may determine, and that the characteristics of each such series shall be determined by the Authority by and in the resolution establishing such series, and that the resolution establishing such series may contain other terms and provisions not inconsistent with the Consolidated Bond Resolution; and

WHEREAS, the Authority has heretofore established various series of short-term bonds (hereinafter called "Consolidated Notes"), from time to time, in conformity with the Consolidated Bond Resolution and has now determined that it is appropriate to establish certain additional series of Consolidated Notes, without prejudice to its right hereafter to establish further series of Consolidated Bonds or Consolidated Notes,

NOW, THEREFORE, be it resolved by the Authority:

SECTION 1. As used in this resolution, any words or phrases specifically defined in the Consolidated Bond Resolution shall be read and construed in accordance with such specific definitions. As used in this resolution, the term "Authorized Officer" shall mean any of the officers or employees of the Authority designated as such from time to time by the Chairman; Vice-Chairman; Chairman of the Committee on Finance; Executive Director; Deputy Executive Director; Chief Financial Officer; Treasurer; or Assistant Treasurer of the Authority

SECTION 2. Each of Consolidated Notes, Series UU, Consolidated Notes, Series VV, Consolidated Notes, Series WW, Consolidated Notes, Series XX and Consolidated Notes, Series YY, is established as a separate series of Consolidated Notes and the issuance of up to Three Hundred Million Dollars (\$300,000,000) of each such series with a term to maturity not in excess of three (3) years is authorized. Each of such series shall be issued in conformity with the Consolidated Bond Resolution for the purposes specified in this resolution. This resolution shall apply with equal force and effect to each of such series on an individual basis (each of such series hereinafter called the "Notes"). This resolution shall constitute a contract with the registered holders of the Notes and with each such registered holder.

SECTION 3. The Committee on Finance of the Authority (hereinafter called the "Committee on Finance") is authorized to establish, fix and determine the terms of the Notes and, in connection therewith, to make such changes and adjustments to the provisions set forth in the third paragraph of this Section 3 and in Sections 4, 5, 6, 8 and 9 of this resolution as in the opinion of the Committee on Finance will effectuate the issuance of the Notes, and to take such other action as in the opinion of the Committee on Finance will best serve the public interest.

The proceeds of the Notes may be used for any purpose for which at the time of issuance of the Notes the Authority is authorized by law to issue its obligations. The Committee on Finance may allocate the proceeds of the Notes, from time to time, to certain of the authorized purposes, including the specific designation of any obligations to be refunded with the proceeds of the Notes.

Both principal of and interest on the Notes shall be payable in lawful money of the United States of America; principal of the Notes shall be payable upon presentation and surrender thereof by the registered holders, at the office or offices, designated by the Authority, of the Paying Agent (or Paying Agents) appointed for the purpose by the Authority, in a county which is in whole or in part in the Port of New York District; and interest on the Notes shall be payable when due to the registered holders thereof by check or draft drawn on the Paying Agent (or Paying Agents) appointed for the purpose by the Authority and mailed to said registered holders at their last known addresses as appearing upon the Authority's Registry Books for the Notes.

SECTION 4. The Notes shall be issued only in registered form, registered as to both principal and interest and not as to either alone, in authorized denominations.

SECTION 5. The Authority will keep or cause to be kept at the offices, designated by the Authority, of a Registrar appointed for that purpose, in a county which is in whole or in part in the Port of New York District, proper and sufficient Registry Books for the registration of the Notes. The Notes shall be transferable only upon such Registry Books by the registered holder thereof or by such registered holder's attorney duly authorized in accordance with the provisions of this resolution. Upon the written request of the registered holder or registered holders thereof and upon surrender thereof, a note or notes may be exchanged for a note or notes of like tenor, registered as designated in such request, of any other authorized denominations. All requests for registration, transfer, exchange and delivery pertaining to the Notes as above provided shall be filed with the Registrar of the Authority; all notes to be surrendered pursuant to such requests shall be surrendered to the Registrar; and all notes delivered in exchange as aforesaid shall be delivered by the Registrar. All notes surrendered to the Registrar in exchange for other notes or for transfer as above provided shall be cancelled by the Registrar upon such surrender. The Authority shall bear the cost incurred by the Authority in connection with the registration, authentication (if any), transfer, cancellation, exchange and delivery of notes, including such fees as may be imposed by the Registrar for such services performed by the Registrar as provided in this resolution.

SECTION 6. The Notes shall be redeemable at the option of the Authority, on prior notice, in whole, or, from time to time, in part, at such redemption price and on such date set forth in the applicable notice of intention to redeem the Notes.

If less than all of the Notes then outstanding are to be called for redemption at the option of the Authority, and if the Notes then outstanding include notes of any serial maturities, the notes so to be called shall be in inverse order of maturity, and if notes constituting a particular maturity are to be called for redemption, but not all notes constituting such maturity are to be called for redemption, the notes so to be called shall be determined by lot by the Registrar.

Notice of intention to redeem any of the Notes shall be given by the Registrar not less than thirty (30) nor more than forty-five (45) days prior to the date fixed for redemption, to the registered holders of the notes to be called for redemption, by deposit of a copy of such notice, postage prepaid by certified or registered mail, in a United States Post Office, addressed to such registered holders at their last known addresses as appearing upon the Authority's Registry Books for the Notes. Notice of the mailing of such notice of intention to redeem notes shall also be published by the Authority in a daily newspaper of general circulation in the Port of New York District not less than thirty (30) nor more than forty-five (45) days prior to the date fixed for redemption; *provided, however*, that failure to give such notice by publication, or any defect therein, shall not affect the validity of any action with respect to the redemption of such notes

On or before the date fixed for redemption specified in the notice of intention to redeem any of the Notes, the Authority will pay or cause to be paid to the Paying Agent (or Paying Agents) an amount in cash in the aggregate sufficient to redeem all of the notes which are to be redeemed, at the respective redemption price thereof, which, in each case, shall include the accrued interest until the date fixed for redemption and the premium (if any), such principal amount and premium (if any) to be held by the Paying Agent (or Paying Agents) in trust for the account of the registered holders of the notes so called for redemption and to be paid to them respectively upon presentation and surrender of such notes with accrued interest included in such redemption price to be paid to the registered holders in accordance with the provisions of this resolution. On and after the date fixed for redemption, the notice of intention to redeem having been completed as above provided, the notes so called shall become due and payable at the office of the Paying Agent (or Paying Agents) designated by the Authority, and if funds sufficient for payment of the redemption price shall have been deposited with the Paying Agent (or Paying Agents) in trust as aforesaid and if such funds shall be available for redemption of such notes on the date fixed for redemption, then and in any such event, interest shall cease to accrue on the notes so called on and after the date fixed for their redemption, and such notes shall not be entitled to the benefit or security of this resolution or the Consolidated Bond Resolution, but shall rely solely upon the funds so deposited.

In the case of notes of denominations greater than the minimum authorized denomination, for all purposes in connection with redemption, each unit of face value representing the minimum authorized denomination shall be treated as though it were a separate note of the minimum authorized denomination, and the word "note" as used in the foregoing provisions of this Section 6 shall be deemed to refer to such unit of face value representing the minimum authorized denomination. If it is determined as above provided that one or more but not all of the units of face value representing the minimum authorized denomination of any note are to be called for redemption, then upon notice of intention to redeem such unit or units, the registered holder of such note shall forthwith present such note to the Registrar who shall issue a

new note or notes of like tenor of smaller authorized denominations but of the same aggregate principal amount in exchange therefor, pursuant to Section 5 of this resolution, including a new note or notes with the aggregate principal amount of the unit or units of face value called for redemption; and such new note or notes shall be deemed to be duly called for redemption without further notice to the registered holder thereof. If the registered holder of such note of a denomination greater than the minimum authorized denomination shall fail to present such note to the Registrar for the issuance of new notes of smaller denominations in exchange therefor, as aforesaid, such note shall nevertheless become due and payable on the date fixed for redemption to the extent of the unit or units of face value called for redemption (and to that extent only); and (funds sufficient for the payment of the redemption price having been deposited with the Paying Agent (or Paying Agents), as aforesaid, and being available as aforesaid on the date fixed for redemption) interest shall cease to accrue on the portion of the principal amount of such note represented by such unit or units of face value on and after the date fixed for redemption, and such note shall not be entitled to the benefit or security of this resolution or the Consolidated Bond Resolution to the extent of the portion of its principal amount (and accrued interest thereon until the date fixed for redemption) represented by such unit or units of face value, but to that extent shall rely solely upon the funds so deposited.

**SECTION 7** The Authority shall not apply any moneys in the Consolidated Bond Reserve Fund except for the payment of bonds secured by a pledge of the General Reserve Fund in whole or in part, the payment of debt service upon bonds so secured, the purchase for retirement of bonds so secured or the redemption of bonds so secured, or for the payment of expenses incurred for the establishment, acquisition, construction or effectuation, or for the operation, maintenance, repair or administration of any facility financed or refinanced in whole or in part by bonds secured by a pledge of the General Reserve Fund in whole or in part, or otherwise for the fulfillment of any undertakings which the Authority has assumed or may or shall hereafter assume to or for the benefit of the holders of bonds secured by a pledge of the General Reserve Fund in whole or in part; *provided, however*, that nothing herein contained shall be construed to permit the application by the Authority of moneys in the Consolidated Bond Reserve Fund except for purposes and upon conditions which are authorized by the Consolidated Bond Resolution

Consolidated Bonds proposed to be issued for purposes in connection with an additional facility or a group of additional facilities in connection with which the Authority has not theretofore issued bonds which have been secured by a pledge of the General Reserve Fund in whole or in part, may be issued, and bonds other than Consolidated Bonds proposed to be issued for purposes in connection with such an additional facility or group of additional facilities may be secured by a pledge of the General Reserve Fund in whole or in part, in each case if and only if the Authority shall certify at the time of issuance (as defined in Section 3 of the Consolidated Bond Resolution) its opinion that the issuance of such Consolidated Bonds or that such pledge of the General Reserve Fund as security for such bonds other than Consolidated Bonds will not, during the ensuing ten (10) years or during the longest term of any of such bonds proposed to be issued (whether or not Consolidated Bonds), whichever shall be longer, in the light of its estimated expenditures in connection with such additional facility or such group of additional facilities, materially impair the sound credit standing of the Authority or the investment status of Consolidated Bonds or the ability of the Authority to fulfill its commitments, whether statutory

or contractual or reasonably incidental thereto, including its undertakings to the holders of Consolidated Bonds; and the Authority may apply moneys in the General Reserve Fund for purposes in connection with those of its bonds and only those of its bonds which it has theretofore secured by a pledge of the General Reserve Fund in whole or in part. Expenditures in connection with an additional facility or group of additional facilities shall mean the amount of the excess, if any, of the sum of all items of expense to be considered in determining the net revenues of the additional facility or group of additional facilities plus the debt service upon the bonds proposed to be issued and upon any additional bonds which in the Authority's opinion would be required to be issued to place and maintain such facility or group of facilities upon a sound operating basis, over and above the sum of all items of revenue and income to be considered in determining such net revenues.

SECTION 8. The form of the note, including provisions with respect to assignment, for the Notes shall be determined by the Committee on Finance or by an Authorized Officer. The notes shall have the official seal of the Authority, or a facsimile thereof, affixed thereto or printed or impressed thereon, and shall be signed manually by an Authorized Officer. In case any Authorized Officer who shall have signed any of the notes shall cease to be an Authorized Officer before such notes shall have been actually issued, such notes may nevertheless be issued as though such Authorized Officer who signed such notes had not ceased to be an Authorized Officer.

SECTION 9. In case any note shall at any time become mutilated or be lost or destroyed, the Authority, in its discretion, may execute and deliver a new note of like tenor in exchange or substitution for and upon cancellation of such mutilated note or in lieu of or in substitution for such destroyed or lost note; or if such note shall have matured, instead of issuing a substitute note the Authority may pay the same without surrender thereof. In case of destruction or loss, the applicant for a substitute note shall furnish to the Authority evidence satisfactory to the Authority of the destruction or loss of such note and of the ownership thereof and also such security and indemnity as may be required by the Authority. The Authority may execute and deliver any such substitute note or make any such payment, or any Paying Agent may make any such payment upon the written request or authorization of the Authority. Upon the issuance of any substitute note, the Authority, at its option, may require the payment of a sum sufficient to reimburse it for any stamp tax or other governmental charge or other reasonable expense connected therewith and also a further sum not exceeding the cost of preparation of each new note so issued in substitution. Any note issued under the provisions of this Section 9 in lieu of any note alleged to have been destroyed or lost shall constitute an original contractual obligation on the part of the Authority, whether or not the note so alleged to have been destroyed or lost be at any time enforceable by anyone, and shall be equally and proportionately entitled to the security of this resolution and of the Consolidated Bond Resolution with all other bonds, notes and coupons (if any) issued hereunder or thereunder.

SECTION 10. An Authorized Officer is authorized to take any and all action that the Committee on Finance is authorized to take under this resolution (without further action by the Committee on Finance); *provided, however*, that any such action may only be taken by an Authorized Officer if the Notes are issued and sold on a competitive basis.

**CONSOLIDATED NOTES, SERIES UU, SERIES VV, SERIES WW, SERIES XX AND SERIES YY - SALE**

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Gargano, Kushner, Martini, Philibosian, Pocino, Sartor, Silverman, Sinagra and Song voting in favor, none against:

**SECTION 1** This resolution shall apply with equal force and effect to each of Consolidated Notes, Series UU, Consolidated Notes, Series VV, Consolidated Notes, Series WW, Consolidated Notes, Series XX and Consolidated Notes, Series YY, on an individual basis (each such series hereinafter called the "Notes").

**SECTION 2.** The Committee on Finance of the Authority (hereinafter called the "Committee on Finance") is authorized in the name of and on behalf of the Authority, to sell all or any part of Three Hundred Million Dollars (\$300,000,000) in principal amount of the Notes at a true interest cost to the Authority not in excess of eight percent (8%) with a term to maturity not in excess of three (3) years, at public or private sale, with or without advertisement, in one or more installments, at one or more times, and to apply the proceeds of such sale or sales as provided in the resolution authorizing the establishment and issuance of the Notes.

**SECTION 3.** The Committee on Finance is authorized in the name of and on behalf of the Authority, in connection with the Notes, to fix the time or times of sale of the Notes, to determine the terms and conditions upon which such sales shall be made and to accept or reject offers in connection with such sales.

**SECTION 4.** The Committee on Finance is authorized in the name of and on behalf of the Authority, in connection with the Notes, to enter into any contracts or agreements pertaining to the Notes; to fix the time or times and determine the terms and conditions of delivery of the Notes; to appoint one or more Paying Agents and a Registrar, and to designate the office or offices of any such Paying Agent (or Paying Agents) at which payments shall be made and the office or offices of any such Registrar at which the Authority's Registry Books for the Notes shall be kept; to make any selection, designation, determination or estimate and to take or withhold any action and to formulate and express any opinions and to exercise any discretion or judgment which may be or is required to be made, taken, withheld, formulated, expressed or exercised in connection with the Notes, the Authority adopting all such selections, designations, determinations, estimates, actions, withholdings of action, formulations and expressions of opinions and exercises of discretion or judgment, including those pursuant to Section 3 of the Consolidated Bond Resolution, or otherwise, as its own; and to authorize any of the foregoing and generally to take such other action as in the opinion of the Committee on Finance will best serve the public interest.

**SECTION 5.** The Committee on Finance is authorized to arrange, from time to time (i) for the preparation and distribution of disclosure documents, including official statements, offering statements or other offering materials in connection with the Notes and (ii) for the preparation and distribution of such other documents giving pertinent data with respect to the

Authority and its finances as it deems appropriate, in each case, in the name of and on behalf of the Authority.

SECTION 6. An Authorized Officer is authorized to take any and all action that the Committee on Finance is authorized to take under this resolution (without further action by the Committee on Finance); *provided, however*, that any such action may only be taken by an Authorized Officer if the Notes are issued and sold on a competitive basis.

SECTION 7. The Committee on Finance or any Authorized Officer is authorized, in connection with the issuance of the Notes on the basis that the Notes are to be in conformity with, and that the interest on the Notes is not to be includible for Federal income tax purposes in the gross income of the recipients thereof under, Section 103(a) of the Internal Revenue Code of 1986, or successor provisions of law, and the regulations thereunder, to take any action which may be appropriate to assure that the Notes are issued, and during their term are outstanding, on such basis, and any such actions taken in connection therewith are ratified. Any Authorized Officer is authorized to certify on behalf of the Authority as to the need for the issuance of the Notes, as to the status of the projects for which the proceeds of the Notes are to be used, as to the Authority's intentions with respect to the application and investment of the proceeds of the Notes, and as to such other matters as such Authorized Officer deems appropriate.

SECTION 8. As used in this resolution, the term "Authorized Officer" shall mean any of the officers or employees of the Authority designated as such from time to time by the Chairman; Vice-Chairman; Chairman of the Committee on Finance; Executive Director; Deputy Executive Director; Chief Financial Officer; Treasurer; or Assistant Treasurer of the Authority.

**VERSATILE STRUCTURE OBLIGATIONS, VARIABLE RATE MASTER NOTES,  
EQUIPMENT NOTES AND COMMERCIAL PAPER OBLIGATIONS-  
CONTINUED ISSUANCE TO EFFECTUATE PLAN OF FINANCING**

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Gargano, Kushner, Martini, Philibosian, Pocino, Sartor, Silverman, Sinagra and Song voting in favor, none against:

**RESOLVED**, that, the following obligations of the Authority may continue to be issued, within the scope of existing authorizations to effectuate the current plan of financing: Versatile Structure Obligations under the resolution of the Authority adopted November 18, 1999, entitled "*Port Authority Versatile Structure Obligations Resolution-Modification*"; Variable Rate Master Notes under the resolution of the Authority adopted November 18, 1999, entitled "*Port Authority Variable Rate Master Notes Resolution-Modification*"; Equipment Notes under the resolution of the Authority adopted November 18, 1999, entitled "*Port Authority Equipment Notes Resolution-Modification*"; and Commercial Paper Obligations under the resolution of the Authority adopted June 29, 2000, entitled "*Port Authority Commercial Paper Obligations-Resolution*".

**PROFESSIONAL, TECHNICAL AND ADVISORY SERVICES CONTRACT  
AUTHORIZATIONS AND AMENDMENTS - REPORT**

In accordance with Article XII, paragraph (g)(2) of the By-Laws, the Executive Director reported the following Professional, Technical and Advisory Services Contracts were authorized during the period March 1, 2002 to April 30, 2002.

AUTHORIZATION	SERVICE	RETAINER FEE AND EXPENSES
For the Director, Operations Services to retain the services of:  O'Toole-Ewald Art Associates Inc., New York, New York	Professional services to perform an evaluation of the Port Authority photographic archive recovered from the World Trade Center site.	\$9,900
For the Director, Port Commerce to retain the services of:  DSI Technology Escrow Services San Diego, California	Professional services to establish an escrow arrangement for the retention and administration of the Freight Information Real-time System for Transport (FIRST) database software and related technology. Five-year term.	\$8,250

**FINAL CONTRACT PAYMENTS**

The Comptroller's Department reported, for information only, that the contracts set forth hereafter have been completed satisfactorily by the contractors. Final payments have been made in the period of April 1, 2002 to April 30, 2002.

CONTRACT NUMBER	CONTRACT TITLE FACILITY AND CONTRACTOR	TOTAL AUTHORIZED		TOTAL PAYMENTS	
GWB244029	SUSPENDER ROPE REPLACEMENT AND MAIN CABLE INSPECTION GEORGE WASHINGTON BRIDGE AMERICAN BRIDGE COMPANY	1,065,000.00	(A)	1,065,000.00	(A)
		24,900.00	(B)	18,130.00	(B)
		700,000.00	(C)	994,900.00	(C)
		65,394.00	(D)	65,394.00	(D)
		250,000.00	(F)	184,606.00	(F)
		2,105,294.00		2,328,030.00	
LGA990511	PRIORITY SITEWORK CONSTRUCTION LAGUARDIA AIRPORT JMA CONCRETE CONSTRUCTION CO, INC	4,000,000.00	(C)	4,000,000.00	(C)
		11,500.00	(E)	11,500.00	(E)
		250,000.00	(G)	108,922.00	(G)
		4,261,500.00		4,120,422.00	
EWR726	REALIGNMENT OF TAXIWAYS "N" & "P" INTERSECTION NEWARK INTERNATIONAL AIRPORT C.H. WINANS COMPANY	1,890,971.00	(A)	1,890,971.00	(A)
		200,000.00	(C)	148,342.00	(C)
		113,458.00	(D)	113,458.00	(D)
		150,000.00	(H)	89,517.00	(H)
		--0--	(I)	12,490.00	(I)
		--0--	(J)	8,057.00	(J)
		2,354,429.00		2,262,835.00	
EWR577	REHABILITATION OF SERVICE ROADS AND MISCELLANEOUS PAVEMENTS NEWARK INTERNATIONAL AIRPORT RAILROAD CONSTRUCTION CORP	485,300.00	(A)	468,690.00	(A,Q)
		728,767.00	(B)	728,767.00	(B)
		5,000.00	(C)	--0--	(C)
		122,000.00	(D)	122,000.00	(D)
		1,000,000.00	(K)	978,199.00	(K)
		850,000.00	(L)	850,000.00	(L)
		20,250.00	(M)	13,600.00	(M)
		50,000.00	(N)	19,593.57	(N)
		69,620.00	(O)	41,274.00	(O)
		72,876.00	(P)	64,789.00	(P)
3,403,813.00		3,286,912.57			

LGA124066	GENERAL TAXIWAY MODIFICATIONS	1,352,975.00	(A)	1,321,408.00	(A S)
	LAGUARDIA AIRPORT	989,165.00	(B)	989,165.00	(B)
	COLUMBUS CONSTRUCTION CORP	300,000.00	(C)	112,065.00	(C)
		140,529.00	(D)	61,808.00	(D)
		9,977.00	(E)	9,977.00	(E)
		98,901.00	(F)	98,901.00	(F)
		--0--	(R)	50,273.00	(R)
		2,891,547.00		2,643,597.00	
MFPI00525	IMMEDIATE REPAIRS	2,000,000.00	(C)	1,876,164.00	(C)
	MULTI-FACILITY	2,000,000.00		1,876,164.00	
	HALLEN CONSTRUCTION CO, INC				
HWDS44008	PIER 'A' OPEN SPACE AND BLOCK 'A' UPLAND	10,980,000.00	(A)	10,967,346.00	(A,W)
	INFRASTRUCTURE IMPROVEMENTS	2,465,030.00	(B)	2,465,030.00	(B)
	HOBOKEN WATERFRONT DEVELOPMENT	650,000.00	(C)	858,117.00	(C)
	J. FLETCHER CREAMER & SON, INC	806,700.00	(D)	627,536.00	(D)
		778,208.00	(T)	778,208.00	(T)
		46,692.00	(U)	--0--	(U)
		246,503.00	(P)	246,503.00	(P)
		25,053.00	(V)	25,053.00	(V)
		15,998,186.00		15,967,793.00	

- (A) Lump Sum
- (B) Classified Work
- (C) Net Cost - amount in the "Total Authorized" column represents the estimated net cost amount. However, the amount in the "Total Payments" column is the authorized net cost amount
- (D) Extra Work
  - (b) Premium for furnishing performance and payment bond as provided for in the contract
  - (F) Increase in extra work in the amount of \$250,000 authorized on 7/11/2000
  - (G) Increase in net cost work in the amount of \$250,000 authorized on 2/13/2001
  - (H) Increase in extra work in the amount of \$150,000 authorized on 4/6/2001.
  - (I) Increase in compensation pursuant to "Concrete Bonus" clause, as provided for in the contract
  - (J) Increase in compensation pursuant to "Asphalt Bonus" clause, as provided for in the contract
- (K) Supplemental Agreement No. 1 which provided for an increase in the amount of \$1,000,000 for net cost work on 5/18/94.
- (L) Supplemental Agreement No. 2 which provided for an increase in the amount of \$850,000 for lump sum work on 6/25/96
- (M) Supplemental Agreement No. 2 which included an increase in the amount of \$20,250 for classified work on 6/25/96
- (N) Supplemental Agreement No. 2 which included an increase in the amount of \$50,000 for net cost work on 6/25/96.
- (O) Supplemental Agreement No. 2 which included an increase in the amount of \$69,620 for extra work on 6/25/96.
- (P) Classified work may exceed authorization amount limited to 10% or \$250,000 (whichever is less) without further authorization as per the "Management of Engineering Design and Construction Service Manual"
- (Q) The difference between "Total Authorized" and "Total Payments" represents a credit change order in the amount of \$2,810 for the deletion of part of the work and a deduction from the contractor's compensation in the amount of \$13,800 for deficiencies in asphalt pavement density
- (R) Increase in compensation pursuant to "Emergency Delays" clause, in the amount of \$50,273 as provided for in the contract
- (S) The difference between "Total Authorized" and "Total Payments" represents a credit change order in the amount of \$16,200 for the deletion of part of the work and a deduction from the contractor's compensation in the amount of \$15,367 for deficiencies in asphalt pavement density
- (T) Supplemental Agreement No. 1 which included an increase in the amount of \$778,208 for lump sum work on 12/2/97.
- (U) Supplemental Agreement No. 1 which included an increase in the amount of \$46,692 for extra work on 12/2/97.
- (V) Uncommitted funds in extra work are permitted to be utilized against additional cost in classified work not covered under (P) as per the "Management of Engineering Design and Construction Service Manual"
- (W) The difference between "Total Authorized" and "Total Payments" represents a deduction from the contractor's compensation for deficiencies in asphalt pavement density in the amount of \$12,654

### INVESTMENTS AND DEPOSITS

The Committee on Finance reported, for information only, that in accordance with authority granted by the Committee, the Executive Director had authorized the following security transactions, time accounts, interest rate exchange contracts and variable rate master note agreements during the period April 1, 2002 through April 30, 2002.

#### REPORT A:

Purchase of Port Authority Bonds

(Unless otherwise noted, all Port Authority Bonds are callable at par).

<u>Purchase</u> <u>Date</u>	<u>Par</u> <u>Value</u>	<u>Description</u>	<u>Coupon</u> <u>Rate</u>	<u>Maturity</u> <u>Date</u>	<u>Purchase</u> <u>Price</u>	<u>Call</u> <u>Year</u>	<u>YTC</u> <u>@ Cost</u>	<u>BEY</u> <u>@ Cost</u>	<u>Total</u> <u>Principal</u>	<u>Dealer</u>
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No new transactions this period.

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/02/02	\$ 7,860,000	US T-BILL	--	05/23/02	99.76	1.710%	1.738%	\$ 7,840,959.15	Legg Mason
04/02/02	14,000,000	FHDN	--	04/03/02	99.99	1.710	1.734	13,999,335.00	UBS Warburg
04/02/02	50,000,000	US T-BILL	--	05/09/02	99.82	1.710	1.737	49,912,125.00	Merrill Lynch
04/02/02	50,000,000	US T-BILL	--	05/23/02	99.76	1.710	1.738	49,878,875.00	Legg Mason
04/02/02	50,000,000	UBSFIN CP	--	04/03/02	99.99	1.800	1.825	49,997,500.00	UBS Warburg
04/02/02	50,000,000	UBSFIN CP	--	04/03/02	99.99	1.800	1.825	49,997,500.00	UBS Warburg
04/02/02	50,000,000	CITICORP CP	--	04/03/02	99.99	1.780	1.805	49,997,527.80	Citicorp
04/02/02	50,000,000	CITICORP CP	--	04/03/02	99.99	1.780	1.805	49,997,527.80	Citicorp
04/03/02	50,000,000	UBSFIN CP	--	04/04/02	99.99	1.780	1.805	49,997,527.80	UBS Warburg
04/03/02	50,000,000	UBSFIN CP	--	04/04/02	99.99	1.780	1.805	49,997,527.80	UBS Warburg
04/04/02	11,000,000	UBSFIN CP	--	04/05/02	99.99	1.800	1.825	10,999,450.00	UBS Warburg
04/04/02	50,000,000	US T-BILL	--	05/02/02	99.86	1.745	1.772	49,932,138.90	Mizuho Securities

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/04/02	\$ 50,000,000	US T-BILL	--	04/16/02	99.94	1.772%	1.798%	\$ 49,970,458.35	Greenwich Capital Mkts
04/04/02	50,000,000	US T-BILL	--	04/16/02	99.94	1.780	1.806	49,970,333.35	S.G. Cowen
04/04/02	50,000,000	US T-BILL	--	04/16/02	99.94	1.772	1.798	49,970,458.35	Greenwich Capital Mkts
04/04/02	50,000,000	UBSFIN CP	--	04/05/02	99.99	1.800	1.825	49,997,500.00	UBS Warburg
04/05/02	2,000,000	UBSFIN CP	--	04/08/02	99.99	1.710	1.734	1,999,715.00	UBS Warburg
04/05/02	50,000,000	UBSFIN CP	--	04/08/02	99.99	1.710	1.734	49,992,875.00	UBS Warburg
04/08/02	13,000,000	UBSFIN CP	--	04/09/02	99.99	1.750	1.774	12,999,368.06	UBS Warburg
04/08/02	50,000,000	UBSFIN CP	--	04/09/02	99.99	1.750	1.774	49,997,569.45	UBS Warburg
04/09/02	16,000,000	UBSFIN CP	--	04/10/02	99.99	1.710	1.734	15,999,240.00	UBS Warburg
04/09/02	50,000,000	UBSFIN CP	--	04/10/02	99.99	1.710	1.734	49,997,625.00	UBS Warburg
04/10/02	50,000,000	UBSFIN CP	--	04/11/02	99.99	1.690	1.714	49,997,652.80	UBS Warburg
04/10/02	50,000,000	UBSFIN CP	--	04/11/02	99.99	1.690	1.714	49,997,652.80	UBS Warburg

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/11/02	\$ 20,000,000	UBSFIN CP	--	04/12/02	99.99	1.770%	1.795%	\$ 19,999,016.66	UBS Warburg
04/11/02	25,000,000	US T-BILL	--	05/09/02	99.87	1.680	1.706	24,967,333.33	Mizuho Securites
04/11/02	26,800,000	US T-BILL	--	05/09/02	99.87	1.680	1.706	26,764,981.32	Mizuho Securites
04/11/02	50,000,000	US T-BILL	--	07/11/02	99.58	1.680	1.711	49,787,666.65	Legg Mason
04/11/02	50,000,000	UBSFIN CP	--	04/12/02	100.00	1.770	1.795	49,997,541.65	UBS Warburg
04/12/02	50,000,000	US T-BILL	--	05/16/02	99.85	1.630	1.655	49,923,027.80	S.G. Cowen
04/12/02	50,000,000	UBSFIN CP	--	04/15/02	99.98	1.840	1.866	49,992,333.35	UBS Warburg
04/12/02	50,000,000	UBSFIN CP	--	04/15/02	99.98	1.840	1.866	49,992,333.35	UBS Warburg
04/15/02	25,000,000	UBSFIN CP	--	04/16/02	99.99	1.950	1.977	24,998,645.83	UBS Warburg
04/15/02	50,000,000	UBSFIN CP	--	04/16/02	99.99	1.950	1.977	49,997,291.65	UBS Warburg
04/16/02	39,000,000	CITICORP CP	--	04/17/02	99.99	1.720	1.744	38,998,136.66	Citicorp
04/16/02	50,000,000	US T-BILL	--	05/23/02	99.83	1.615	1.640	49,917,006.95	Morgan Stanley & Co

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @ Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/16/02	\$ 50,000,000	US T-BILL	--	06/13/02	99.73	1.650%	1.677%	\$ 49,867,083.35	Legg Mason
04/16/02	50,000,000	US T-BILL	--	06/20/02	99.70	1.640	1.668	49,851,944.45	Mizuho Securites
04/16/02	50,000,000	UBSFIN CP	--	04/17/02	99.99	1.750	1.774	49,997,569.45	UBS Warburg
04/16/02	50,000,000	UBSFIN CP	--	04/17/02	99.99	1.750	1.774	49,997,569.45	UBS Warburg
04/17/02	50,000,000	UBSFIN CP	--	04/18/02	99.99	1.720	1.744	49,997,611.10	UBS Warburg
04/17/02	50,000,000	UBSFIN CP	--	04/18/02	99.99	1.720	1.744	49,997,611.10	UBS Warburg
04/18/02	25,000,000	CITICORP CP	--	04/25/02	99.97	1.730	1.755	24,991,590.28	Citicorp
04/18/02	29,000,000	GECC CP	--	04/25/02	99.97	1.730	1.755	28,990,244.72	General Electric Capital
04/18/02	50,000,000	US T-BILL	--	08/29/02	99.36	1.730	1.765	49,680,430.55	Legg Mason
04/18/02	50,000,000	US T-BILL	--	08/22/02	99.39	1.730	1.765	49,697,250.00	Mizuho Securites
04/18/02	50,000,000	UBSFIN CP	--	04/19/02	99.99	1.760	1.785	49,997,555.55	UBS Warburg
04/18/02	50,000,000	UBSFIN CP	--	04/19/02	99.99	1.760	1.785	49,997,555.55	UBS Warburg

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/22/02	\$ 31,000,000	CITICORP CP	--	04/23/02	99.99	1.650%	1.673%	\$ 30,998,579.18	Citicorp
04/22/02	50,000,000	UBSFIN CP	--	04/23/02	99.99	1.690	1.714	49,997,652.80	UBS Warburg
04/22/02	50,000,000	UBSFIN CP	--	04/23/02	99.99	1.690	1.714	49,997,652.80	UBS Warburg
04/23/02	30,000,000	UBSFIN CP	--	04/24/02	99.99	1.670	1.693	29,998,608.33	UBS Warburg
04/23/02	50,000,000	UBSFIN CP	--	04/24/02	99.99	1.670	1.693	49,997,680.55	UBS Warburg
04/24/02	42,000,000	UBSFIN CP	--	04/25/02	99.99	1.670	1.693	41,998,051.66	UBS Warburg
04/24/02	50,000,000	UBSFIN CP	--	04/25/02	99.99	1.670	1.693	49,997,680.55	UBS Warburg
04/25/02	32,400,000	UBSFIN CP	--	04/26/02	99.99	1.740	1.764	32,398,434.01	UBS Warburg
04/25/02	50,000,000	UBSFIN CP	--	04/26/02	99.99	1.740	1.764	49,997,583.35	UBS Warburg
04/26/02	47,700,000	UBSFIN CP	--	04/29/02	99.99	1.770	1.795	47,692,964.25	UBS Warburg
04/26/02	50,000,000	UBSFIN CP	--	04/29/02	99.99	1.770	1.795	49,992,625.00	UBS Warburg
04/29/02	30,000,000	UBSFIN CP	--	04/30/02	99.99	1.820	1.845	29,998,483.32	UBS Warburg

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/29/02	\$ 50,000,000	UBSFIN CP	--	04/30/02	99.99	1.820%	1.845%	\$ 49,997,472.20	UBS Warburg
04/30/02	304,000	US T-BILL	--	10/24/02	99.10	1.840	1.883	301,249.81	S.G. Cowen
04/30/02	304,000	US T-BILL	--	10/10/02	99.18	1.820	1.861	301,494.87	Greenwich Capital Mkts
04/30/02	630,000	US T-BILL	--	10/24/02	99.10	1.840	1.883	624,300.60	S.G. Cowen
04/30/02	630,000	US T-BILL	--	10/10/02	99.18	1.820	1.861	624,808.45	Greenwich Capital Mkts
04/30/02	16,500,000	US T-BILL	--	07/25/02	99.59	1.720	1.751	16,432,203.33	Mizuho Securites
04/30/02	37,000,000	US T-BILL	--	06/20/02	99.76	1.690	1.718	36,911,415.82	Morgan Stanley
04/30/02	50,000,000	US T-BILL	--	05/09/02	99.96	1.680	1.704	49,979,000.00	Merrill Lynch
04/30/02	50,000,000	US T-BILL	--	05/09/02	99.96	1.680	1.704	49,979,000.00	UBS Warburg
04/30/02	50,000,000	US T-BILL	--	05/09/02	99.96	1.680	1.704	49,979,000.00	UBS Warburg
04/30/02	50,000,000	US T-BILL	--	05/30/02	99.86	1.640	1.665	49,931,666.65	Legg Mason
04/30/02	50,000,000	US T-BILL	--	05/16/02	99.93	1.670	1.694	49,962,888.90	Lehman Brothers

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
04/30/02	\$ 50,000,000	US T-BILL	--	06/13/02	99.79	1.695%	1.722%	\$ 49,896,416.65	Mizuho Securities
04/30/02	<u>50,000,000</u>	US T-BILL	--	07/11/02	99.66	1.710	1.740	<u>49,829,000.00</u>	S.G. Cowen
	<u>\$ 2,972,128,000</u>							<u>\$ 2,969,653,686.24</u>	

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Sale of Securities

<u>Sale</u> <u>Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon</u> <u>Rate</u>	<u>Maturity</u> <u>Date</u>	<u>Sale</u> <u>Price</u>	<u>Discount</u> <u>Rate</u>	<u>Principal</u>	<u>Dealer</u>
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No transactions this period.

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
UBS Warburg	04/01/02	04/02/02	\$ 7,300,000	1.950%	\$ 395.42
UBS Warburg	04/01/02	04/02/02	30,000,000	1.950	1,625.00
Daiwa Securities America	04/01/02	04/02/02	34,560,000	1.890	1,814.40
Lehman Brothers	04/01/02	04/15/02	35,525,000	1.830	24,334.63 *
Lehman Brothers	04/01/02	04/15/02	40,600,000	1.830	27,811.00 *
UBS Warburg	04/01/02	04/02/02	51,102,000	1.950	2,768.03
Daiwa Securities America	04/01/02	04/02/02	57,720,000	1.890	3,030.30
Daiwa Securities America	04/01/02	04/02/02	57,720,000	1.890	3,030.30
Mizuho Securities	04/03/02	04/04/02	1,501,000	1.750	72.97
Nomura Securities	04/03/02	04/04/02	16,368,000	1.770	804.76
Mizuho Securities	04/03/02	04/04/02	48,499,000	1.750	2,357.59
Nomura Securities	04/03/02	04/04/02	48,632,000	1.770	2,391.07

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Lehman Brothers	04/03/02	04/05/02	\$ 50,937,500	1.820%	\$ 5,051.30 *
Mizuho Securities	04/04/02	04/09/02	15,478,000	1.750	3,762.01
Mizuho Securities	04/04/02	04/09/02	59,522,000	1.750	14,467.15
Greenwich Capital Mkts	04/09/02	04/10/02	24,408,000	1.700	1,152.60
Greenwich Capital Mkts	04/09/02	04/10/02	50,592,000	1.700	2,389.07
Paribas Corporation	04/10/02	04/11/02	41,000,000	1.680	1,913.33
Banc One Capital Markets	04/11/02	04/12/02	23,677,000	1.730	1,137.81
Lehman Brothers	04/11/02	04/15/02	36,968,750	1.830	7,445.10 *
Banc One Capital Markets	04/11/02	04/12/02	51,323,000	1.730	2,466.36
Paribas Corporation	04/12/02	04/15/02	15,209,000	1.850	2,344.72
Nomura Securities	04/12/02	04/15/02	26,276,000	1.850	4,050.88
Mizuho Securities	04/12/02	04/15/02	27,515,000	1.800	4,127.25

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
UBS Warburg	04/12/02	04/15/02	\$ 30,600,000	1.800%	\$ 4,590.00
Mizuho Securities	04/12/02	04/15/02	48,806,000	1.800	7,320.90
Paribas Corporation	04/12/02	04/15/02	50,791,000	1.850	7,830.28
Greenwich Capital Mkts	04/15/02	04/16/02	9,266,000	1.950	501.91
UBS Warburg	04/15/02	04/16/02	44,402,000	1.920	2,368.11
UBS Warburg	04/15/02	04/16/02	48,970,000	1.920	2,611.73
UBS Warburg	04/15/02	04/16/02	48,970,000	1.920	2,611.73
Greenwich Capital Mkts	04/15/02	04/16/02	49,734,000	1.950	2,693.93
Daiwa Securities America	04/16/02	04/17/02	2,092,000	1.720	99.95
Daiwa Securities America	04/16/02	04/17/02	6,382,000	1.720	304.92
Daiwa Securities America	04/16/02	04/17/02	21,397,000	1.720	1,022.30
Lehman Brothers	04/16/02	04/22/02	41,350,000	1.670	11,669.89 *

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Daiwa Securities America	04/16/02	04/17/02	\$ 55,453,000	1.720%	\$ 2,649.42
Daiwa Securities America	04/16/02	04/17/02	58,026,000	1.720	2,772.35
Nomura Securities	04/17/02	04/18/02	45,725,000	1.690	2,146.53
Lehman Brothers	04/17/02	04/18/02	48,000,000	1.690	2,253.33
Nomura Securities	04/17/02	04/18/02	48,816,000	1.690	2,291.64
Nomura Securities	04/17/02	04/18/02	48,816,000	1.690	2,291.64
Mizuho Securities	04/18/02	04/22/02	4,976,000	1.660	917.80
Mizuho Securities	04/18/02	04/22/02	30,317,000	1.660	5,591.80
Lehman Brothers	04/18/02	04/19/02	37,056,250	1.700	1,749.88 *
Mizuho Securities	04/18/02	04/22/02	43,705,000	1.660	8,061.14
Mizuho Securities	04/18/02	04/22/02	46,140,000	1.660	8,510.27
Mizuho Securities	04/18/02	04/22/02	48,561,000	1.660	8,956.81

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Lehman Brothers	04/19/02	04/22/02	\$ 10,285,000	1.670%	\$ 1,431.33
Lehman Brothers	04/19/02	04/22/02	19,715,000	1.670	2,743.67
UBS Warburg	04/19/02	04/22/02	46,081,000	1.660	6,374.54
UBS Warburg	04/19/02	04/22/02	50,919,000	1.660	7,043.80
Nomura Securities	04/22/02	04/23/02	21,892,000	1.650	1,003.38
Lehman Brothers	04/22/02	04/23/02	27,000,000	1.700	1,275.00
Nomura Securities	04/22/02	04/23/02	30,323,000	1.650	1,389.80
Nomura Securities	04/22/02	04/23/02	37,933,000	1.650	1,738.60
Lehman Brothers	04/22/02	04/23/02	46,575,000	1.660	2,147.63 *
Nomura Securities	04/22/02	04/23/02	48,632,000	1.650	2,228.97
Nomura Securities	04/22/02	04/23/02	48,632,000	1.650	2,228.97
Nomura Securities	04/23/02	04/25/02	11,440,000	1.680	1,067.73

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Nomura Securities	04/23/02	04/25/02	\$ 29,194,000	1.680%	\$ 2,724.77
Paribas Corporation	04/23/02	04/25/02	30,324,000	1.670	2,813.39
Paribas Corporation	04/23/02	04/25/02	45,000,000	1.670	4,175.00
Nomura Securities	04/23/02	04/25/02	45,806,000	1.680	4,275.23
Nomura Securities	04/23/02	04/25/02	48,828,500	1.680	4,557.33
Nomura Securities	04/23/02	04/25/02	48,828,500	1.680	4,557.33
Lehman Brothers	04/25/02	04/26/02	2,580,000	1.730	123.98
Nomura Securities	04/25/02	04/26/02	2,980,000	1.720	142.38
Mizuho Securities	04/25/02	04/26/02	7,252,000	1.720	346.48
Nomura Securities	04/25/02	04/26/02	23,108,500	1.720	1,104.07
Mizuho Securities	04/25/02	04/26/02	38,995,000	1.720	1,863.09
Mizuho Securities	04/25/02	04/26/02	48,499,000	1.720	2,317.17

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Mizuho Securities	04/25/02	04/26/02	\$ 48,499,000	1.720%	\$ 2,317.17
Nomura Securities	04/25/02	04/26/02	48,510,000	1.720	2,317.70
Nomura Securities	04/25/02	04/26/02	48,510,000	1.720	2,317.70
Nomura Securities	04/25/02	04/26/02	48,534,000	1.720	2,318.85
Lehman Brothers	04/25/02	04/26/02	48,710,000	1.730	2,340.79
Lehman Brothers	04/25/02	04/26/02	48,710,000	1.730	2,340.79
Mizuho Securities	04/25/02	04/26/02	48,744,000	1.720	2,328.88
Nomura Securities	04/26/02	04/29/02	1,273,363	1.750	185.70
Nomura Securities	04/26/02	04/29/02	1,566,000	1.750	228.38
Nomura Securities	04/26/02	04/29/02	16,232,137	1.750	2,367.19
Paribas Corporation	04/26/02	04/29/02	20,840,000	1.740	3,021.80
Nomura Securities	04/26/02	04/29/02	29,194,000	1.750	4,257.46

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
UBS Warburg	04/26/02	04/29/02	\$ 39,523,000	1.740%	\$ 5,730.84
Nomura Securities	04/26/02	04/29/02	45,806,000	1.750	6,680.04
Nomura Securities	04/26/02	04/29/02	48,951,000	1.750	7,138.69
Nomura Securities	04/26/02	04/29/02	48,975,500	1.750	7,142.26
Paribas Corporation	04/26/02	04/29/02	50,806,000	1.740	7,366.87
UBS Warburg	04/26/02	04/29/02	51,409,000	1.740	7,454.31
UBS Warburg	04/26/02	04/29/02	53,370,000	1.740	7,738.65
UBS Warburg	04/26/02	04/29/02	55,698,000	1.740	8,076.21
Nomura Securities	04/29/02	04/30/02	25,827,000	1.810	1,298.52
Daiwa Securities America	04/29/02	04/30/02	38,168,000	1.830	1,940.21
Nomura Securities	04/29/02	04/30/02	45,829,000	1.810	2,304.18
Greenwich Capital Mkts	04/29/02	04/30/02	48,041,000	1.810	2,415.39

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Greenwich Capital Mkts	04/29/02	04/30/02	\$ 50,653,000	1.810%	\$ 2,546.72
Greenwich Capital Mkts	04/29/02	04/30/02	50,653,000	1.810	2,546.72
Greenwich Capital Mkts	04/29/02	04/30/02	50,653,000	1.810	2,546.72
Daiwa Securities America	04/29/02	04/30/02	51,286,000	1.830	2,607.04
Daiwa Securities America	04/29/02	04/30/02	51,286,000	1.830	2,607.04
Daiwa Securities America	04/29/02	04/30/02	51,286,000	1.830	2,607.04
Daiwa Securities America	04/30/02	05/01/02	8,409,000	1.820	425.12
Banc One Capital Markets	04/30/02	05/01/02	12,415,000	1.850	637.99
Daiwa Securities America	04/30/02	05/01/02	16,873,000	1.820	853.02
Greenwich Capital Mkts	04/30/02	05/01/02	18,068,000	1.870	938.53
Banc One Capital Markets	04/30/02	05/01/02	37,606,000	1.850	1,932.53
Banc One Capital Markets	04/30/02	05/01/02	41,027,000	1.850	2,108.33

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
UBS Warburg	04/30/02	05/01/02	\$ 44,242,000	1.860%	\$ 2,285.84
Daiwa Securities America	04/30/02	05/01/02	48,419,000	1.820	2,447.85
Banc One Capital Markets	04/30/02	05/01/02	49,529,000	1.850	2,545.24
UBS Warburg	04/30/02	05/01/02	49,877,000	1.860	2,576.98
UBS Warburg	04/30/02	05/01/02	51,470,000	1.860	2,659.28
Daiwa Securities America	04/30/02	05/01/02	53,799,000	1.820	2,719.84
UBS Warburg	04/30/02	05/01/02	54,411,000	1.860	2,811.24
Greenwich Capital Mkts	04/30/02	05/01/02	58,738,000	1.870	3,051.11
Greenwich Capital Mkts	04/30/02	05/01/02	58,945,000	1.870	3,061.87
Greenwich Capital Mkts	04/30/02	05/01/02	60,147,000	1.870	3,124.30

\* This transaction was executed simultaneously with a like reverse repurchase agreement transaction.

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Reverse Repurchase Transactions (All transactions are executed simultaneously with a like repurchase agreement)

<u>Dealer</u>	<u>Sale Date</u>	<u>Purchase Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Paid</u>
Lehman Brothers	04/01/02	04/15/02	\$40,600,000	1.680%	\$22,048.06
Lehman Brothers	04/01/02	04/15/02	35,525,000	1.680	19,292.05
Lehman Brothers	04/03/02	04/05/02	50,937,500	1.620	4,202.34
Lehman Brothers	04/11/02	04/15/02	36,968,750	1.680	6,777.60
Lehman Brothers	04/16/02	04/22/02	41,350,000	1.520	10,061.83
Lehman Brothers	04/18/02	04/19/02	37,056,250	1.450	1,492.54
Lehman Brothers	04/22/02	04/23/02	46,575,000	1.410	1,824.19

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

**REPORT B:** In addition to the transactions described in Report A of this report, the Executive Director also reports the following transactions during the period April 1, 2002 through April 30, 2002, pertaining to investments in United States Treasury securities and interest rate options contracts with respect to United States Treasury securities pursuant to the guidelines established by the Board of Commissioners on August 25, 1988.

Options Transactions - Purchased

<u>Transaction Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Price</u>	<u>Exercise Price</u>	<u>Expirations/ Settlement</u>	<u>Dealer</u>	<u>Option Premium</u>
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No new transactions this period

Options Transactions - Sold

<u>Transaction Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Price</u>	<u>Exercise Price</u>	<u>Expirations/ Settlement</u>	<u>Dealer</u>	<u>Option Premium</u>
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No new transactions this period

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

**REPORT C:** In addition to the transactions described in Report A and B, the Executive Director also reports the following transactions during the period April 1, 2002 and April 30, 2002 pertaining to the execution or cancellation of Interest Rate Exchange Contracts pursuant to the guidelines established by the Board of Commissioners on December 10, 1992.

Interest Rate Exchange Contracts

<u>Date</u>	<u>Counterparty</u>	<u>Notional Amount</u>	<u>Start Date</u>	<u>Termination Date</u>	<u>Fixed Interest Rate Paid</u>	<u>Variable Interest Rate Received</u>
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No new transactions this period.

As of April 30, 2002, the Port Authority has interest rate exchange contracts in place on notional amounts totaling \$755 million, including \$380 million pertaining to refundings and \$100 million of reversals.

**REPORT D:** In addition to the transactions described in Report A, B and C, the Executive Director also reports the following transactions during the period April 1, 2002 and April 30, 2002 under the Variable Rate Master Note Program as amended and supplemented through October 13, 1994.

Variable Rate Master Note Placements

<u>Date of Issuance</u>	<u>Amount</u>	<u>Purchaser</u>	<u>Term</u>	<u>Variable Rate Index</u>
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No new transactions this period.

Whereupon, the meeting was adjourned.

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Secretary

**PORT AUTHORITY TRANS-HUDSON CORPORATION**

**MINUTES**  
**Thursday, June 27, 2002**

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Report of Committee on Construction	26
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**MINUTES of the Meeting of Port Authority Trans-Hudson Corporation held Thursday, June 27, 2002, at 2 Broadway, City, County and State of New York.**

**PRESENT:**

**NEW JERSEY**

Hon. Jack G. Sinagra, Chairman  
 Hon. Charles A. Kushner  
 Hon. William J. Martini  
 Hon. Alan G. Philibosian  
 Hon. Raymond M. Pocino  
 Hon. Anthony J. Sartor

Joseph J. Seymour, President  
 Ernesto L. Butcher, Vice-President  
 Jeffrey S. Green, Counsel

Gwendolyn Archie  
 Kayla M. Bergeron  
 A. Paul Blanco  
 Bruce D. Bohlen  
 Gregory G. Burnham  
 Ernesto L. Butcher  
 Janice Chiantese  
 Anthony G. Cracchiolo  
 William R. DeCota  
 Michael R. DeCotiis  
 John C. Denise  
 Michael P. DePallo  
 Pasquale DiFulco  
 Michael Dombrowski  
 Karen E. Eastman  
 Linda C. Handel  
 Edward L. Jackson  
 Alan H. Hicks  
 Joseph Kucich  
 Howard G. Kadin  
 Louis J. LaCapra  
 Richard M. Larrabee  
 Francis J. Lombardi  
 Angel E. Martínez  
 Charles F. McClafferty  
 James E. McCoy  
 Catherine F. Pavelec  
 Michael A. Petralia  
 Samuel Plumeri, Jr.  
 Kenneth P. Philmus

**NEW YORK**

Hon. Charles A. Gargano, Vice Chairman  
 Hon. Bruce A. Blakeman  
 Hon. Michael J. Chasanoff  
 Hon. Henry R. Silverman  
 Hon. Anastasia M. Song

John F. Spencer  
Edmond F. Schorno  
Gregory Trevor  
Jaime Vazquez  
Richard Wright  
Peter Yerkes

Guests:

Noreen Giblin  
Paul Josephson  
Miki Krakauer

The public meeting was called to order by Chairman Sinagra at 4:20 p.m. and ended at 4:27 p.m. The Board met in executive session prior to the public meeting. Director Blakeman was present for executive session

**Action on Minutes**

The Vice-President submitted for approval Minutes of the meeting of May 30, 2002. He reported that copies of these Minutes were sent to all of the Directors and to the Governors of New York and New Jersey. He reported further that the time for action by the Governors of New York and New Jersey has expired.

Whereupon, the Board of Directors unanimously approved the Minutes.

**Report of Committee on Construction**

The report of the Committee on Construction, for information, was received and is included with these minutes.

**FINAL CONTRACT PAYMENTS**

The Comptroller's Department reported, for information only, that the contracts set forth hereafter have been completed satisfactorily by the contractors. Final payments have been made in the period of April 1, 2002 to April 30, 2002.

CONTRACT NUMBER	CONTRACT TITLE FACILITY AND CONTRACTOR	TOTAL AUTHORIZED	(A)	TOTAL PAYMENTS	(A,C)
PAT547	PAVONIA VENT SWITCHGEAR MODIFICATIONS PORT AUTHORITY TRANS-HUDSON CORP GILSTON ELECTRICAL CONTRACTING CORP	426,000.00 426,000.00	(A)	411,000.00 411,000.00	(A,C)
PAT577	ADMINISTRATION BUILDING RENOVATIONS JOURNAL SQUARE TRANSPORTATION CENTER PLAZA CONSTRUCTION CORP	2,000,000.00 2,000,000.00	(B)	1,888,301.00 1,888,301.00	(B)

(A) Lump Sum

(B) Net Cost - amount in the "Total Authorized" column represents the estimated net cost amount. However, the amount in the "Total Payments" column is the authorized net cost amount.

(C) The difference between "Total Authorized" and "Total Payments" represents a credit change order in the amount of \$15,000 for the deletion of part of the work

Whereupon, the meeting was adjourned.

\_\_\_\_\_  
Vice-President

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

**MINUTES OF SPECIAL BOARD MEETING**

**Thursday, August 29, 2002**

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**MINUTES of a Special Meeting of The Port Authority of New York and New Jersey held Thursday, August 29, 2002, at 2 Broadway, City, County and State of New York.**

**PRESENT:**

**NEW JERSEY**

Hon. Jack G. Sinagra, Chairman  
 Hon. Charles Kushner  
 Hon. William J. Martini  
 Hon. Alan G. Philibosian  
 Hon. Raymond M. Pocino  
 Hon. Anthony J. Sartor

Joseph J. Seymour, Executive Director  
 Jeffrey S. Green, General Counsel  
 Karen E. Eastman, Secretary

Gwendolyn Archie, Administrator, Office of the Secretary  
 Kayla M. Bergeron, Director, Public Affairs  
 Gregory G. Burnham, Chief Technology Officer  
 Janice Chiantese, Special Advisor to the Chairman  
 William R. DeCota, Director, Aviation  
 Michael R. DeCotis, Deputy Executive Director  
 John C. Denise, Supervisor, Audio Visual/Photography, Operations Services  
 Charles D. DeRienzo, Superintendent of Police/Director, Public Safety  
 Linda C. Handel, Assistant Secretary  
 Howard G. Kadin, Senior Attorney, Law  
 Joshua Klevans, Executive Assistant to the Deputy Executive Director  
 Joseph Kucich, Professional Assistant, Office of the Secretary  
 Louis J. LaCapra, Chief Administrative Officer  
 Richard M. Larrabee, Director, Port Commerce  
 Stephen Marinko, Attorney, Law  
 Charles F. McClafferty, Chief Financial Officer  
 Allen M. Morrison, Supervisor, Public Affairs  
 Catherine F. Pavelec, Executive Assistant to the Secretary  
 Michael A. Petralia, Chief of Public and Government Affairs  
 Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals  
 Ronald T. Pisapia, Program Director, World Trade Center Site Development, Priority Capital Programs  
 John F. Spencer, Deputy Chief Engineer  
 Gregory Trevor, Senior Public Information Officer, Public Affairs  
 Sean P. Walsh, Deputy Director, Public Affairs

Guests:

Jay Hector, Empire State Development Corporation, New York State

The Secretary reported that the meeting was duly called in accordance with the By-Laws.

The public session was called to order by Chairman Sinagra at 12:02 p.m. and ended at 12:07 p.m. The Board met in executive session prior to the public session.

**NEW YORK**

Hon. Charles A. Gargano, Vice-Chairman  
 Hon. Bruce A. Blakeman  
 Hon. Michael J. Chasanoff  
 Hon. David S. Mack

**NEWARK MARINE AND AIR TERMINALS - LEASE AGREEMENT BETWEEN THE CITY OF NEWARK AND THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY - LETTER OF INTENT AND LEASE AGREEMENTS**

It was recommended that the Board authorize the Executive Director to enter into a letter of intent and, pursuant thereto, appropriate agreements (the Agreements) with the City of Newark (the City) with respect to the existing Lease Agreement between the City and the Port Authority covering the Newark Marine and Air Terminals, which encompasses Newark International Airport and Port Newark (the City Lease), whereby effective January 1, 2002: the existing City Lease would be amended and supplemented and/or amended and restated to apply separately to the Air Terminal only and to the Marine Terminal only; the term of the letting, in each case, would expire on December 31, 2065; the rental provisions of the City Lease would be amended; the name of the Air Terminal would be changed to Newark Liberty International Airport; the City would be given the benefit of a "most favored nation" clause; the annual payments by the Port Authority for the community development fund would end and the existing balance released to the City; and the City and the Port Authority would specify resolution of certain issues involving the pending litigation and arbitration between the City and the Port Authority involving the City Lease.

The arrangement would be effective as of January 1, 2002.

The term, which presently expires on December 31, 2031, would be extended to expire on December 31, 2065. The Agreements would cover the period from January 1, 2002 through December 31, 2065 (the Term).

The Agreements would provide for the name of the Air Terminal to be changed to Newark Liberty International Airport.

Under the Agreements, the Port Authority would pay rent as follows:

Base Rent: In the first year of the Term (2002), the combined base rent for the Air Terminal and the Marine Terminal will be \$100 million. For each of the remaining four years of the first five-year period, the annual combined base rent (the Base Rent) would be the greater of \$65 million or 8 percent of the annual gross revenue of said year.

Escalator and Extraordinary Rent: Beginning in the sixth year of the Term (2007), and upon each five-year anniversary thereafter, the Base Rent for each of the next five years would become 10 percent of the average annual gross revenue for the preceding five-year period, but in any given year not less than the greater of 8 percent of the annual gross revenue for such year or the base rent for the prior period.

Annual gross revenue would be defined as all revenues arising out of the operation of the Air Terminal and Marine Terminal, excluding federal grants and any monies received as a result of any federal statute, regulation or policy, such as

passenger facility charges (PFCs) and amounts received for airport and seaport security and dredging where such statute, regulation or policy restricts the use of such monies to purposes benefiting the Air Terminal or the Marine Terminal, and excluding any payments received reflecting repayment of principal and interest on Port Authority Special Project Bonds but not excluding any other amounts collected by the Port Authority in connection with such Special Project Bonds, such as fees and charges

Additional Rent: In connection with the Marine Terminal, the Port Authority will make an annual payment, in addition to the Base Rent, of \$12.5 million for the first 35 years of the Term or, alternatively, the present value of such payments, which would be paid to a governmental agency agreed to by the Port Authority and the City which is authorized to issue bonds to capitalize such payments for projects in Newark.

The Agreements would contain a "most favored nation" clause, which would provide that in the event the Port Authority enters into any new, or amends any existing, agreement with the City of New York relating to LaGuardia and John F. Kennedy International Airports (collectively, the New York Airports), the City would have the right to have the lease provisions relating to the Air Terminal revised to conform to the terms of any such new or amended agreement. In addition, in the event the Port Authority enters into any agreement resolving the arbitration or other dispute between the City of New York and the Port Authority relating to the New York Airports, or the City of New York receives a final binding award in connection with such arbitration, the City would have the right to a proportionate amount as a result thereof, provided that such settlement or award would not result in a double recovery for the City.

With respect to the current, ongoing lawsuit (the Lawsuit) and arbitration (the Arbitration) between the City and the Port Authority involving the City Lease, the Agreements would provide that the City would withdraw, with prejudice, from both the Lawsuit and the Arbitration any claims made for PFCs, except that if in any rental calculation imputed debt service charges were deducted from gross revenue for any portion of capital improvements paid from PFCs which were not included in gross revenues, such rent would be promptly recalculated to exclude such imputed debt service charges, and the difference would be promptly paid to the City. The City would further agree not to amend the existing complaint in the Lawsuit, or raise any additional issues in the Arbitration other than the five accounting issues (the Identified Issues) which were specified, in addition to the issue relating to PFCs, in a letter to the Chairman of the Arbitration Panel jointly submitted on behalf of both the Port Authority and the City on February 13, 2002. The Port Authority would be released from all claims arising out of or relating in any way to the City Lease from the inception of the City Lease to the effective date of the Agreements, except: (i) existing claims specifically identified in the Lawsuit based on the allegations set forth in the Lawsuit, (ii) the five remaining Identified Issues in the Arbitration, and (iii) a claim based upon a final binding determination in the Lawsuit or Arbitration that the Port Authority committed fraud or material misrepresentation. The Port Authority would not be required to pay any amount to the City determined in the Lawsuit or Arbitration to be owed by the Port Authority to the City unless and until the amount(s) so determined exceeded the sum of the Base Rent for the first two years of the Term. In the event that an amount in excess of the

Base Rent for the first two years of the Term is determined to be owed to the City as the result of final and binding determination(s) in the Lawsuit and Arbitration, the Port Authority would only be required to pay the amount of such excess. If a final binding determination is made in the Lawsuit or Arbitration that the Port Authority has committed fraud or material misrepresentation, the City and the Port Authority would, at the request of the City, enter into negotiations in good faith regarding such changes, as the City may request, to the lease provisions relating to the Air Terminal. The City may continue discovery for information respecting the remaining issues in the Arbitration or Lawsuit, and may increase the amount claimed to be owed in connection with such remaining issues.

The Agreements would also provide that the PFCs received by the Port Authority to date from the three major airports operated by the Port Authority, as well as any increased PFCs authorized and imposed in the future, would be invested in the Air Terminal in an amount equal to the proportion which the PFCs originating at the Air Terminal bore to all such PFC's collected by the Port Authority, although it is understood that such proportion may be reached over a period of years and not necessarily in each year. Such proportion would be reached within five years. The Port Authority would submit to the City an initial list of projects eligible for PFC funding approval by the federal government on or about January 1, 2003. The City would submit to the Port Authority any projects it wished the Port Authority to consider for submission to the federal government for PFC funding approval.

The Agreements would provide for the discontinuation of the annual payments made by the Port Authority under the existing City Lease with respect to the community development fund provisions of the City Lease relating to community development projects in the City, the Port Authority would pay the City the sum of \$3 million annually as supplemental rent, and the existing balance in the community development fund in 2002 (approximately \$4.6 million) would be paid to the City as supplemental rent upon execution of the Agreements.

The City would designate an employee of the City as Airport Administrator, who would meet with the Manager of the Air Terminal at least quarterly to be advised of progress in implementing the Capital Plan for Newark Airport and overall operational and financial issues at the Air Terminal.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Gargano, Kushner, Mack, Philibosian, Pocino, Sartor and Sinagra voting in favor; Commissioner Martini abstaining; 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 letter of intent and, pursuant thereto, appropriate agreements with the City of Newark with respect to the Newark Marine and Air Terminals Lease between the City of Newark and the Port Authority covering Newark International Airport and Port Newark, substantially in accordance with the terms and conditions outlined to the Board; the form of the agreements shall be subject to the approval of General Counsel or his authorized representative

Whereupon, the meeting was adjourned.

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Secretary

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

**MINUTES  
Thursday, April 10, 2003**

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**MINUTES of the Annual Meeting of The Port Authority of New York and New Jersey held Thursday, April 10, 2003, at 225 Park Avenue South, City, County and State of New York.**

**PRESENT:**

**NEW JERSEY**

Hon. Jack G. Snagra, Chairman  
 Hon. Anthony R. Coscia  
 Hon. Anthony J. Sartor  
 Hon. David S. Steiner

**NEW YORK**

Hon. Charles A. Gaigano, Vice-Chairman  
 Hon. Bruce A. Blakeman  
 Hon. Michael J. Chasanoff  
 Hon. David S. Mack  
 Hon. Anastasia M. Song

Joseph J. Scymour, Executive Director  
 Jeffrey S. Green, General Counsel  
 Karen E. Eastman, Secretary

Gwendolyn Archic, Staff Administrator, Office of the Secretary  
 Kayla M. Bergeron, Director, Public Affairs  
 Bruce D. Bohlen, Treasurer  
 John D. Brill, Director, Audit  
 Ernesto L. Butcher, Chief Operating Officer  
 Janice Chianese, Special Advisor to the Chairman  
 Arthur J. Cifelli, Assistant Director, Government and Community Affairs  
 Steven J. Coleman, Public Information Officer, Public Affairs  
 William R. DeCota, Director, Aviation  
 John C. Demse, Supervisor, Audio Visual/Photography, Operations Services  
 Michael P. DePallo, Director, PATH  
 Charles D. DeRienzo, Superintendent of Police/Director, Public Safety  
 Pasquale DiFulco, Public Information Officer, Public Affairs  
 Nancy J. Ertag-Brand, Executive Advisor to the Chief Financial Officer  
 Michael G. Fabiano, Comptroller  
 Linda C. Handel, Assistant Secretary  
 Allen H. Hicks, Principal Special Events Representative, Public Affairs  
 Howard G. Kadin, Senior Attorney, Law  
 Victoria C. Kelly, Deputy Director, Tunnels, Bridges and Terminals  
 Joshua Klevans, Executive Assistant to the Deputy Executive Director  
 Louis J. LaCapra, Chief Administrative Officer  
 Richard M. Larrabee, Director, Port Commerce  
 Francis J. Lombardi, Chief Engineer  
 Norma L. Mangan, Program Director, External Affairs, Public Affairs  
 Stephen Marinko, Attorney, Law  
 Gloria Martinez, Administrator, Office of the Secretary  
 Charles F. McClafferty, Chief Financial Officer  
 James E. McCoy, Manager, Board Management Support, Office of the Secretary  
 Lynn A. Nerney, Staff Administrator, Office of the Secretary  
 Catherine F. Pavelec, Executive Assistant to the Secretary, Office of the Secretary  
 Michael A. Petralia, Chief of Public and Government Affairs  
 Edmond F. Schorno, Chief of Staff

Douglas L. Smith, Director, Office of Forecasting & Capital Planning  
Harry Spector, Deputy Director, Public Affairs  
Tiffany A. Townsend, Public Information Officer, Public Affairs  
Gregory J. Trevor, Senior Public Information Officer, Public Affairs  
Robert E. Van Etten, Inspector General  
Sean P. Walsh, Director, Government and Community Affairs

Guests:

Timothy Castano, Office of the Governor of New Jersey  
Michael R. DeCotiis, Office of the Governor of New Jersey  
Noreen Giblin, Authorities Unit, Office of the Governor of New Jersey  
Lynn Kessler, New York Empire State Development Corporation  
Adam Shanner, New York Empire State Development Corporation  
Barry Weisblat, New York Empire State Development Corporation

The public meeting was called to order by Chairman Sinagra at 4:15 p.m. and ended at 4:20 p.m.

#### **Report of Nominating Committee**

During the course of the meeting, the Nominating Committee submitted its report, and the report was received and is included with these minutes.

#### **Chairman's Report**

On behalf of the Board, Chairman Sinagra welcomed Commissioner Coscia to the Board and congratulated him on his election as Chairman. He thanked the Board for its support and stated that it has been a privilege to serve as Chairman during this critical time in the Port Authority's history. He noted the professionalism of staff and his fellow Board members and stated that, in his continuing capacity as a Port Authority Commissioner, he looked forward to working with staff, his fellow Commissioners, and the new Chairman.

Vice-Chairman Gargano thanked Chairman Sinagra for his leadership and dedication to the Port Authority and the New York/New Jersey region during his tenure and stated that he was pleased the Chairman would continue to serve as a Commissioner. The Vice-Chairman also congratulated Commissioner Coscia on his election as Chairman and stated that he looked forward to working with him in achieving the agency's goals and objectives.

Commissioner Coscia expressed appreciation on his appointment to the Board and election as Chairman. He thanked Chairman Sinagra and Vice-Chairman Gargano for their kind words, acknowledged their service to the bi-state region and stated that he looked forward to working with the Board and staff in continuing to advance critical projects within the Port District to benefit the States of New Jersey and New York.

**ELECTION OF OFFICERS**

Chairman Sinagra announced that, in accordance with the provisions of the By-Laws, the election of officers was in order.

Commissioner Mack, as Chair of the Nominating Committee, submitted the following report:

"On behalf of the Nominating Committee, I desire to report that at its meeting held earlier today, in accordance with the provisions of Article XIa of the By-Laws, the Committee, by unanimous action, submits the nomination for election to the offices of Chairman and Vice-Chairman of The Port Authority of New York and New Jersey of Commissioners Anthony R. Coscia and Charles A. Gargano, respectively. By unanimous action, the Committee also submits the nomination of Joseph J. Seymour as Executive Director of the Port Authority."

Pursuant to the foregoing report, Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Sartor, Sinagra, Song and Steiner voting in favor, the following were unanimously elected as officers of the Port Authority: Commissioner Anthony R. Coscia as Chairman, Commissioner Charles A. Gargano as Vice-Chairman and Joseph J. Seymour as Executive Director.

Whereupon, the meeting was adjourned.

\_\_\_\_\_  
Secretary

**NEWARK LEGAL AND COMMUNICATIONS CENTER  
URBAN RENEWAL CORPORATION**

**MINUTES  
Thursday, April 10, 2003**

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The public meeting was called to order by Chairman Sinagra at 4:15 p.m. and ended at 4:20 p.m.

**Action on Minutes**

The Assistant Secretary submitted for approval Minutes of the meeting of December 12, 2002. She reported that copies of these Minutes were sent to all of the Directors and to the Governors of New York and New Jersey. She reported further that the time for action by the Governors of New York and New Jersey has expired.

Whereupon, the Board of Directors unanimously approved the Minutes.

**Report of Nominating Committee**

During the course of the meeting, the Nominating Committee submitted its report, and the report was received and is included with these minutes.

**MINUTES of the Annual Meeting of the Newark Legal and Communications Center Urban Renewal Corporation held Thursday, April 10, 2003, at 225 Park Avenue South, City, County and State of New York.**

**PRESENT:**

**NEW JERSEY**

- Hon. Jack G. Sinagra, Chairman
- Hon. Anthony R. Coscia
- Hon. Anthony J. Sartor
- Hon. David S. Steiner

**NEW YORK**

- Hon. Charles A. Gargano, Vice-Chairman
- Hon. Bruce A. Blakeman
- Hon. Michael J. Chasanoff
- Hon. David S. Mack
- Hon. Anastasia M. Song

- Joseph J. Seymour, President
- Jeffrey S. Green, Counsel

- Gwendolyn Archie
- Kayla M. Bergeron
- Bruce D. Bohlen
- John D. Brill
- Ernesto L. Butcher
- Janice Chantese
- Arthur J. Cifelli
- Steven J. Coleman
- William R. DeCota
- John C. Denise
- Michael P. DePallo
- Charles D. DeRienzo
- Pasquale DiFulco
- Karen E. Eastman
- Nancy J. Ertag-Brand
- Michael G. Fabiano
- Linda C. Handel
- Allen H. Hicks
- Howard G. Kadin
- Victoria C. Kelly
- Joshua Klevans
- Louis J. LaCapra
- Richard M. Larrabee
- Francis J. Lombardi
- Norma L. Manigan
- Stephen Marinko
- Gloria Martinez
- Charles F. McClafferty
- James E. McCoy
- Lynn A. Nerney
- Catherine F. Pavelec
- Michael A. Petralia
- Edmond F. Schorno
- Douglas L. Smith
- Harry Spector
- Tiffany A. Townsend
- Gregory J. Trevor
- Robert E. Van Eften

Sean P. Walsh

Guests:

Timothy Castano

Michael R. DeCotiis

Noreen Giblin

Lynn Kessler

Adam Shanner

Barry Weisblat

## **ELECTION OF OFFICERS**

Chairman Sinagra announced that in accordance with the provisions of the By-Laws, the election of officers was in order.

Director Mack, as Chair of the Nominating Committee, submitted the following report:

"On behalf of the Nominating Committee, I desire to report that at its meeting held earlier today, in accordance with the provisions of Article XIa of the By-Laws, the Committee, by unanimous action, submits the nominations for election to the offices of Chairman and Vice-Chairman of the Newark Legal and Communications Center Urban Renewal Corporation of Directors Anthony R. Coscia and Charles A. Gargano, respectively. By unanimous action, the Committee also submits the nomination of Joseph J. Seymour as President."

Pursuant to the foregoing report, Directors Blakeman, Chasanoff, Coscia, Gargano, Mack, Sartor, Sinagra, Song and Steiner voting in favor, the following were unanimously elected as officers of the Corporation: Director Anthony R. Coscia as Chairman, Director Charles A. Gargano as Vice-Chairman and Joseph J. Seymour as President.

Whereupon, the meeting was adjourned.

---

Assistant Secretary

**PORT AUTHORITY TRANS-HUDSON CORPORATION**

**MINUTES**

**Thursday, April 10, 2003**

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**MINUTES of the Annual Meeting of Port Authority Trans-Hudson Corporation held Thursday, April 10, 2003, at 225 Park Avenue South, City, County and State of New York.**

**PRESENT:**

**NEW JERSEY**

Hon. Jack G. Sinagra, Chairman  
 Hon. Anthony R. Coscia  
 Hon. Anthony J. Sartor  
 Hon. David S. Steiner

Joseph J. Seymour, President  
 Ernesto L. Butcher, Vice-President  
 Jeffrey S. Green, Counsel

Gwendolyn Archie  
 Kayla M. Bergeron  
 Bruce D. Bohlen  
 John D. Brill  
 Janice Chiantese  
 Arthur J. Cifelli  
 Steven J. Coleman  
 William R. DeCota  
 John C. Denise  
 Michael P. DePallo  
 Charles D. DeRienzo  
 Pasquale DiFulco  
 Karen E. Eastman  
 Nancy J. Ertag-Brand  
 Michael G. Fabiano  
 Linda C. Handel  
 Allen H. Hicks  
 Howard G. Kadin  
 Victoria C. Kelly  
 Joshua Klevans  
 Louis J. LaCapra  
 Richard M. Larrabee  
 Francis J. Lombardi  
 Norma L. Mangan  
 Stephen Marinko  
 Gloria Martinez  
 Charles F. McClafferty  
 James E. McCoy  
 Lynn A. Nerney  
 Catherine F. Pavelec  
 Michael A. Petralia  
 Edmond F. Schorno  
 Douglas L. Smith  
 Harry Spector  
 Tiffany A. Townsend  
 Gregory J. Trevor  
 Robert E. Van Etten  
 Sean P. Walsh

Guests:

**NEW YORK**

Hon. Charles A. Gargano, Vice-Chairman  
 Hon. Bruce A. Blakeman  
 Hon. Michael J. Chasanoff  
 Hon. David S. Mack  
 Hon. Anastasia M. Song

Timothy Castano  
Michael R. DeColliis  
Noreen Giblin  
Lynn Kessler  
Adam Shanner  
Barry Weisblat

The public meeting was called to order by Chairman Sinagra at 4:15 p.m. and ended at 4:20 p.m.

**Report of Nominating Committee**

During the course of the meeting, the Nominating Committee submitted its report, and the report was received and is included with these minutes.

## **ELECTION OF OFFICERS**

Chairman Sinagra announced that in accordance with the provisions of the By-Laws, the election of officers was in order.

Director Mack, as Chair of the Nominating Committee, submitted the following report:

"On behalf of the Nominating Committee, I desire to report that at its meeting held earlier today, in accordance with the provisions of Article XIa of the By-Laws, the Committee, by unanimous action, submits the nominations for election to the offices of Chairman and Vice-Chairman of Port Authority Trans-Hudson Corporation of Directors Anthony R. Coscia and Charles A. Gargano, respectively. By unanimous action, the Committee also submits the nomination of Joseph J. Seymour as President."

Pursuant to the foregoing report, Directors Blakeman, Chasanoff, Coscia, Gargano, Mack, Sartor, Sinagra, Song and Steiner voting in favor, the following were unanimously elected as officers of the Corporation: Director Anthony R. Coscia as Chairman, Director Charles A. Gargano as Vice-Chairman and Joseph J. Seymour as President.

Whereupon, the meeting was adjourned.

---

Vice-President

**NEW YORK AND NEW JERSEY RAILROAD CORPORATION**

**MINUTES  
Thursday, April 10, 2003**

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**MINUTES of the Annual Meeting of the New York and New Jersey Railroad Corporation held Thursday, April 10, 2003, at 225 Park Avenue South, City, County and State of New York.**

**PRESENT:**

**NEW JERSEY**

Hon. Jack G. Sinagra, Chairman  
 Hon. Anthony R. Coscia  
 Hon. Anthony J. Sartor  
 Hon. David S. Steiner

**NEW YORK**

Hon. Charles A. Gargano, Vice-Chairman  
 Hon. Bruce A. Blakeman  
 Hon. Michael J. Chasanoff  
 Hon. David S. Mack  
 Hon. Anastasia M. Song

Joseph J. Seymour, President  
 Jeffrey S. Green, Vice-President and Secretary

Gwendolyn Archie  
 Kayla M. Bergeron  
 Bruce D. Bohlen  
 John D. Brill  
 Ernesto L. Butcher  
 Janice Chiantese  
 Arthur J. Cifelli  
 Steven J. Coleman  
 William R. DeCota  
 John C. Denise  
 Michael P. DePallo  
 Charles D. DeRienzo  
 Pasquale DiFulco  
 Karen E. Eastman  
 Nancy J. Ertag-Brand  
 Michael G. Fabiano  
 Linda C. Handel  
 Allen H. Hicks  
 Howard G. Kadin  
 Victoria C. Kelly  
 Joshua Klevans  
 Louis J. LaCapra  
 Richard M. Larrabee  
 Francis J. Lombardi  
 Norma L. Mantigan  
 Stephen Marinko  
 Gloria Martinez  
 Charles F. McClafferty  
 James E. McCoy  
 Lynn A. Nerney  
 Catherine F. Pavelec  
 Michael A. Petralia  
 Edmond F. Schorno  
 Douglas L. Smith  
 Harry Spector  
 Tiffany A. Townsend  
 Gregory J. Trevor  
 Robert E. Van Etten  
 Sean P. Walsh

Guests:

Timothy Castano  
Michael R. DeCotis  
Noreen Giblin  
Lynn Kessler  
Adam Shanner  
Barry Weisblat

The public meeting was called to order by Chairman Sinagra at 4:15 p.m. and ended at 4:20 p.m.

**Action on Minutes**

The Assistant Secretary submitted for approval Minutes of the meeting of February 20, 2003. She reported that copies of these Minutes were sent to all of the Directors and to the Governors of New York and New Jersey. She reported further that the time for action by the Governors of New York and New Jersey has expired

Whereupon, the Board of Directors unanimously approved the Minutes

**Report of Nominating Committee**

During the course of the meeting, the Nominating Committee submitted its report, and the report was received and is included with these minutes.

## ELECTION OF OFFICERS

Chairman Sinagra announced that in accordance with the provisions of the By-Laws, the election of officers was in order.

Director Mack, as Chair of the Nominating Committee, submitted the following report:

"On behalf of the Nominating Committee, I desire to report that at its meeting held earlier today, in accordance with the provisions of Article XIa of the By-Laws, the Committee, by unanimous action, submits the nominations for election to the offices of Chairman and Vice-Chairman of the New York and New Jersey Railroad Corporation of Directors Anthony R. Coscia and Charles A. Gargano, respectively. By unanimous action, the Committee also submits the nomination of Joseph J. Seymour as President."

Pursuant to the foregoing report, Directors Blakeman, Chasanoff, Coscia, Gargano, Mack, Sartor, Sinagra, Song and Steiner voting in favor, the following were unanimously elected as officers of the Corporation: Director Anthony R. Coscia as Chairman, Director Charles A. Gargano as Vice-Chairman and Joseph J. Seymour as President.

Whereupon, the meeting was adjourned.

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Assistant Secretary

# THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

## MINUTES Thursday, July 31, 2003

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**MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, July 31, 2003, at 225 Park Avenue South, City, County and State of New York.**

**PRESENT:**

**NEW JERSEY**

Hon. Anthony R. Coscia, Chairman  
 Hon. Raymond M. Pocino  
 Hon. Anthony J. Sartor  
 Hon. David S. Steiner

**NEW YORK**

Hon. Charles A. Gargano, Vice-Chairman  
 Hon. Bruce A. Blakeman  
 Hon. Michael J. Chasanoff  
 Hon. David S. Mack  
 Hon. Henry R. Silverman  
 Hon. Anastasia M. Song

Joseph J. Seymour, Executive Director  
 Jeffrey S. Green, General Counsel  
 Karen E. Eastman, Secretary

Gwendolyn Archue, Staff Administrator, Office of the Secretary  
 Catherine M. Bergamini, Senior Administrator, Port Commerce  
 Kayla M. Bergeron, Director, Public Affairs  
 Bruce D. Bohlen, Treasurer  
 John D. Brill, Director, Audit  
 Gregory G. Burnham, Chief Technology Officer  
 Ernesto L. Butcher, Chief Operating Officer  
 Timothy Castano, Senior Business Consultant, Office of the Chairman  
 Anthony B. Ciavolella, Public Information Officer, Public Affairs  
 Arthur J. Cifelli, Assistant Director, Government and Community Affairs  
 Anthony G. Cracchiolo, Director, Priority Capital Programs  
 William R. DeCota, Director, Aviation  
 John C. Denise, Supervisor, Audio Visual/Photography, Operations Services  
 Michael P. DePallo, Director, PA/H  
 Charles D. DeRienzo, Superintendent of Police/Director, Public Safety  
 Pasquale DiFulco, Public Information Officer, Public Affairs  
 John J. Drobny, Assistant Director, Tunnels, Bridges and Terminals  
 Nancy J. Ertag-Brand, Executive Advisor to the Chief Financial Officer  
 Michael B. Francois, Director, Real Estate  
 Linda C. Handel, Assistant Secretary  
 Edward L. Jackson, Director, Financial Services  
 Louis J. LaCapra, Chief Administrative Officer  
 Richard M. Larrabee, Director, Port Commerce  
 Francis J. Lombardi, Chief Engineer  
 Robert R. Lurie, Senior Policy Advisor, Office of the Chairman  
 Stephen Marinko, Attorney, Law  
 Calixto Martin, Senior Engineer, Tunnels, Bridges and Terminals  
 Daniel S. Maynard, Client Manager, Public Affairs  
 Charles F. McClafferty, Chief Financial Officer  
 James E. McCoy, Manager, Board Management Support, Office of the Secretary  
 Catherine F. Pavelec, Manager, Administration, Protocol and Executive Correspondence,  
 Office of the Secretary  
 Michael A. Petralia, Chief of Public and Government Affairs  
 Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals  
 Alan L. Reiss, Deputy Director, Aviation

Edmond F. Schorno, Chief of Staff  
Douglas L. Smith, Director, Office of Forecasting and Capital Planning  
Harry Spector, Deputy Director, Public Affairs  
Joseph A. Tobia, Assistant Comptroller  
Tiffany A. Townsend, Public Information Officer, Public Affairs  
Ralph Tragale, Client Manager, Government and Community Affairs  
Gregory J. Trevor, Senior Public Information Officer, Public Affairs  
Emery J. Ungrady, Deputy Chief of Staff

The public session was called to order by Chairman Coscia at 2:15 p.m. and ended at 2:29 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 June 26, 2003. She reported that copies of these Minutes were sent to all of the Commissioners and to the Governors of New York and New Jersey. She reported further that the time for action by the Governors of New York and New Jersey has expired.

Whereupon, the Board of Commissioners unanimously approved the Minutes.

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

The Committee on Finance reported, for information, on matters discussed in executive session at its meeting on July 31, 2003, which included discussion of lease matters, and matters which could affect the competitive economic position of the Port Authority, the Port District or businesses with which we deal, in addition to matters filed with the Committee pursuant to Board action or separately reported to the Board of Commissioners at this meeting of the Board, and the report was received and is included with these minutes.

#### **Report of Committee on Capital Programs/Port Planning**

The Committee on Capital Programs/Port Planning reported, for information, on matters discussed at its meeting on July 31, 2003, which included a discussion on extending an agreement, on behalf of the States of New York and New Jersey, for the operation and maintenance of the Physical Oceanographic Real-Time System, as well as matters discussed in executive session, which included discussion of contract and property matters, and the report was received.

#### **Report of Committee on Construction**

The Committee on Construction reported, for information, on matters discussed at its meeting on July 31, 2003, which included a discussion on upgrading the sign and signal systems for the ramps connecting the Port Authority Bus Terminal to the Lincoln Tunnel, as well as matters discussed in executive session, which included discussion of contract matters, in addition to matters filed with the Board pursuant to Board action or separately reported to the Board of Commissioners at this meeting of the Board, and the report was received and is included with these minutes.

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

The Committee on Operations reported, for information, on matters discussed in executive session at its meeting on July 31, 2003, which included a discussion of contract and lease matters, and matters which could affect the competitive economic position of the Port Authority, the Port District or businesses with which we deal, and the report was received.

**Chairman's Report**

The Chairman provided a statement on behalf of the Board of Commissioners strongly opposing the Federal Aviation Administration's proposed policy which would require larger aircraft to be accommodated at Teterboro Airport, and supporting the Port Authority's long-standing restriction on aircraft over 100,000 pounds.

**Staff Report**

Staff provided an update on a program to install higher-speed E-ZPass<sup>sm</sup> equipment at Port Authority bridge toll plazas.

**JOHN F. KENNEDY INTERNATIONAL AIRPORT – BUILDING 67 – LEASE SUPPLEMENT TO AGREEMENT AYC-424 – DELTA AIR LINES, INC.**

It was recommended that the Board authorize the Executive Director to enter into a supplemental agreement (the Supplement) to Lease AYC-424 (the Lease) that covers the Building 67 premises at John F. Kennedy International Airport (the Airport) with Delta Air Lines, Inc. (Delta) whereby the term of the letting under the Lease would be extended for a two-year term commencing on June 1, 2003 and expiring on May 31, 2005, and covering the surrender by Delta of a portion of Building 67, effective as of May 31, 2003, and the continued occupancy by Delta of the balance of the premises through the extended term.

The Lease, which commenced November 1, 1992, covers land and building premises at the Building 67 site at the Airport. Under the Supplement, Delta's surrender of portions of the interior building premises would be effective as of May 31, 2003, and Delta would continue to lease and occupy reduced interior space in Building 67 consisting of approximately 35,000 square feet of the total of approximately 65,900 square feet of office space, and approximately 140,000 square feet of the approximately 233,100 square feet of warehouse space, and Delta would continue to lease and occupy the entire approximately 20.812-acre site.

Under the Supplement, the ground and building rental under the Lease would be changed from a combined annual basic rental to a separate annual building rental and a separate annual ground rental. Ground rental would be at the annual rate of \$1,710,746, increased annually at one-half of the annual percentage increase in the Consumer Price Index or 4 percent, whichever is greater, and building rental would be at the annual rate of \$1,192,008. In addition, the Supplement will continue the subletting consent percentage rental at the rate of 10 percent of Delta's gross sublease rentals and the handling percentage rental of 5 percent of Delta's gross receipts derived from its existing agreements for provision of cargo services to other aircraft operators, and will increase the handling percentage rental from 5 percent to 7.5 percent of Delta's gross receipts derived from all new third-party cargo handling.

In addition to the building and ground rentals and the percentage rentals, under the Supplement Delta would also be obligated to pay a new activity rental based on the levels of cargo throughput at the premises. This new activity rental would be calculated at the monthly rate of \$0.02 per pound for the first two million pounds of air cargo (excluding mail) in excess of 13,125,000 pounds per month, plus \$0.01 per pound for air cargo (excluding mail) in excess of 15,125,000 pounds per month.

While Delta would continue to lease only a portion of the interior portions of Building 67, under the Supplement Delta would continue to be responsible for operating and maintaining the entire premises, including operating, maintaining and securing the entire building. In the event that in each annual period during the extension Delta's operation and maintenance expenses are less than a base budget annual amount of \$4,152,167, Delta would be obligated under the Supplement to pay to the Port Authority as additional rent the amount of such budget "savings" up to \$800,000, and if such budget "savings" exceed \$800,000, then Delta would be obligated under the Supplement to pay to the Port Authority as additional rent the amount of 50 percent of such excess.

All subleasing and third-party ground handling will continue to require the prior consent of the Port Authority. The Supplement will provide that the Lease would be further supplemented to add back to the premises such interior areas of Building 67 as might be needed to accommodate future subtenants of Delta, subject to the requirement for Port Authority prior consent

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Song 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 supplemental agreement to Lease AYC-424 with Delta Air Lines, Inc. at John F. Kennedy International Airport, substantially in accordance with the terms and conditions outlined to the Board; the form of the agreement shall be subject to the approval of General Counsel or his authorized representative.

## **TETERBORO AIRPORT - EXPRESSION OF SUPPORT FOR THE 100,000 POUND RULE**

The Board of Commissioners of The Port Authority of New York and New Jersey unanimously adopted the following resolution:

The Department of Transportation, Federal Aviation Administration (FAA) has issued a Notice of Proposed Policy (Docket No. FAA 2003-15495) concerning Weight-Based Restrictions at Airports. The proposed policy seeks justification to require airports to accept aircraft that exceed the pavement weight limits of the airports' runways. For more than 30 years, the Port Authority has had a restriction on aircraft over the runway design weight of 100,000 pounds conducting operations at Teterboro Airport (Teterboro).

Under the Port Authority restriction, commonly referred to as "the 100,000 pound rule," the only overweight operations permitted at Teterboro are emergency operations, flights associated with emergency response and national defense, and diplomatic flights.

Other larger, heavier aircraft may freely use the three larger Port Authority airports, which are in close proximity to Teterboro, including Newark Liberty International Airport, John F. Kennedy International Airport and LaGuardia Airport. The Port Authority operates these facilities as a coordinated system, a fact recognized by the federal government.

This rule has worked well, and as an airport system operator, the Port Authority is opposed to federal requirements which would necessitate changes in the way the system is operated, require major upgrades to Teterboro infrastructure, and thereby dramatically change the manner in which Teterboro is operated.

In February 2002, the FAA's Eastern Region, Airports Division, upheld the weight restriction at Teterboro Airport, stating "we do not conclude that there is a public interest at stake warranting FAA action to require PANYNJ to permit aircraft exceeding the design pavement strength to use those areas." That decision was prompted by the Boeing Company's request for an FAA determination seeking to allow aircraft which exceed 100,000 pounds, such as 737 jets, to utilize Teterboro.

The proposed policy change, set forth in the Federal Register on July 1, 2003, seeks to justify a nationwide policy requiring airports to accept any aircraft that exceed the pavement weight limits of their runways, contrary to the February 2002 decision.

The Port Authority is strongly opposed to accommodating such aircraft on Teterboro's runways, which are not designed to handle larger aircraft, based on serious concerns about the adequacy of the runway facilities over the long term.

Over the last three decades, the Port Authority's 100,000 pound rule has been a valuable tool in the operation of Teterboro to help protect Teterboro's infrastructure and support Teterboro's obligations as a reliever airport as designated by the FAA in the National Airspace System. In addition, over this period of time, the Port Authority has been able to accomplish the airport system's goals and objectives, and service general aviation customers in an exceptional manner.

Now, therefore, it is

**RESOLVED**, that The Port Authority of New York and New Jersey opposes the Federal Aviation Administration's (FAA) proposed policy concerning Weight Based Restrictions at Airports, published in the Federal Register on July 1, 2003, since that policy, if put into place, would hamper the way in which the Port Authority, as proprietor of Teterboro Airport, maintains the airport in the public interest; and it is further

**RESOLVED**, that the Port Authority will aggressively work with elected officials to present unified opposition to the FAA's proposed policy change; and it is further

**RESOLVED**, that the Port Authority will continue Teterboro Airport's more than 30-year-old restriction on the operation of aircraft that exceed 100,000 pounds; and it is further

**RESOLVED**, that the Port Authority opposes the FAA's efforts to seek justification to require the airport to accept aircraft in excess of the aforementioned weight restriction, and it is further

**RESOLVED**, that the Port Authority will seek the support and input of all communities around Teterboro to help defeat any federal policy that would seek to invalidate the 100,000 pound rule; and it is further

**RESOLVED**, that in addition to comments for the record on the proposed policy to be submitted by the Port Authority to the FAA during the notice and comment period set forth in the Federal Register on July 1, 2003, this resolution is to be sent immediately to the FAA, the Congressional delegations, United States Senators and state legislators of the States of New York and New Jersey, and local legislators and mayors or other executive magistrates of all communities in the vicinity of Teterboro Airport.

**AGREEMENT WITH THE NATIONAL OCEANIC AND ATMOSPHERIC  
ADMINISTRATION FOR THE OPERATION AND MAINTENANCE OF THE  
PHYSICAL OCEANOGRAPHIC REAL-TIME SYSTEM**

It was recommended that the Board authorize the Executive Director, on behalf of the States of New York and New Jersey (the States), to enter into an agreement with the National Oceanic and Atmospheric Administration (NOAA), an agency of the United States Department of Commerce, to extend a contract for the operation and maintenance of the Physical Oceanographic Real-Time System (PORTS) for a one-year period, at an estimated cost of \$190,000.

PORTS is a hydrological data collection and dissemination system consisting of sensors, communication lines and computer software developed by NOAA. The program allows ships, berthed or underway, to access real-time data on currents, winds, waves, water levels (tides), depths, temperatures and salinity. The program provides continuous and consistent information to the harbor pilots, who are responsible for maneuvering large vessels through the channels, especially during logistically complex dredging operations.

Start-up costs for PORTS were absorbed by NOAA as the system was being developed. However, under the terms of the PORTS program, a local sponsor of the system must pay for its ongoing operation and maintenance. In 1998, PORTS funding was assumed by the States on a temporary basis, applying monies from the Bi-State Dredging Fund established by the Board at its meeting of May 9, 1996. Utilizing those funds, the Port Authority entered into a contract with the Maritime Association of the Port of New York and New Jersey, which in turn contracted with NOAA for PORTS operation and maintenance for a one-year period, through September 2001, at a cost of \$262,000. In October 2001, the Board authorized the Executive Director to enter directly into an agreement, on behalf of the Port Authority, with NOAA for the operation and maintenance of PORTS for a one-year period at a cost of \$262,000.

The States have again agreed to fund PORTS operation and maintenance utilizing Bi-State Dredging Fund monies, but have requested that the Port Authority extend its agreement with NOAA for a one-year period and administer the contract on their behalf. This action would bring the total funding requested by the State of New York to \$39,442,382 and the total funding requested by the State of New Jersey to \$55,885,800 from the \$130 million commitment authorized in May 1996. Payment for this program will be made in accordance with the terms of the Master Agreement with the States of New York and New Jersey dated November 1, 1997, pursuant to which the Port Authority agreed to spend up to \$65 million on projects to be agreed upon with each State from the \$130 million commitment.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Song 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 the National Oceanic and Atmospheric Administration (NOAA) to extend the contract between the

Port Authority and NOAA for the operation and maintenance of the Physical Oceanographic Real-Time System for an additional one-year period at an estimated cost of \$190,000; and it is further

**RESOLVED**, that at the request of the States of New York and New Jersey, the funds required to pay NOAA under the foregoing contract shall be drawn from the Bi-State Dredging Fund established by the Board at its meeting of May 9, 1996; 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.

### **HARBOR DEEPENING (50-FOOT) PROJECT – COST-SHARING AGREEMENTS – UTILITY RELOCATIONS**

It was recommended that the Board authorize the Executive Director to: (1) negotiate and enter into cost-sharing agreements with utility owners for the relocation of utilities that could be impacted by the 50-Foot Harbor Deepening Project (HDP) in the federal channels of the Upper New York Bay, the Lower New York Bay and the Ambrose Channel; and (2) pay, on behalf of the Port Authority, an estimated amount of \$21 million, which represents one-half of the estimated costs to relocate the utilities to a depth greater than 50 feet.

Pursuant to several actions, the Board has authorized the Port Authority to be the local sponsor of federal channel improvement projects in the Port of New York and New Jersey (Port). Among other things, local sponsorship requires that the Port Authority assure the relocation of utilities that may be impacted by the deepening projects. At its meeting of November 30, 2000, the Board authorized the Executive Director to negotiate and enter into cost-sharing agreements with utility owners for the relocation of utilities impacted by federal navigation improvement projects in the Kill Van Kull, Arthur Kill and Newark Bay federal channels and to pay one-half of the estimated costs to relocate utilities to a depth greater than 45 feet, such portion being estimated at \$32.5 million. In July 2001, the Board authorized the HDP to deepen various federal channels in the Port to depths of 50 feet and 53 feet.

A consultant has identified all potentially impacted utilities in the federal channels in the Upper New York Bay, the Lower New York Bay and the Ambrose Channel. Because the Water Resources Development Act of 1986 (WRDA) established utility relocation cost contribution requirements for the non-federal sponsor, the U.S. Army Corps of Engineers (the Corps) has been reluctant to enforce any rights it may have under the permits that it has issued to the utility owners to have them remove the utilities at their sole cost.

WRDA provides, with respect to harbors that will be dredged to depths greater than 45 feet, that "one-half of the cost of each such relocation shall be borne by the owner of the facility being relocated and one-half of the cost of each such relocation shall be borne by the non-federal interest." This provision has been interpreted to require the Port Authority to pay 50 percent of the incremental costs for relocating the utilities below the depth of 45 feet.

Staff currently estimates that the relocations will be performed at a total incremental cost of \$42 million. Therefore, as the local sponsor, the Port Authority would contribute an estimated amount of \$21 million. Based on recent experience, construction may be accomplished either by directional drilling (tunneling) or trenching. The estimates are based on the use of directional drilling. Use of trenching methods may result in lower costs. The chosen method will be based on field conditions, scheduling, and existing environmental constraints. Environmental permits for utility relocation by directional drilling can be secured within six months. Obtaining similar permits for trenching could require additional time because of the potential for greater environmental impacts.

Planning to relocate the utilities – which include water lines owned by the City of New York - must commence in 2003 to ensure that the relocations do not delay the Corps' construction schedule. Therefore, staff currently plans to negotiate cost-sharing arrangements with affected utility owners at the earliest possible date, so that current channel deepening schedules will not be adversely impacted.

Utility owners will be responsible for all elements of the design and construction of the relocation and removal work. The Port Authority will seek the right to review and comment on design, construction and related documents.

WRDA provides that the amount contributed by the Port Authority for relocation costs can be offset against a payment equal to 10 percent of total channel construction costs, which will be payable by the Port Authority to the Corps in accordance with WRDA requirements after construction.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Silverman, Song and Steiner voting in favor; Commissioner Sartor abstaining, none against:

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to: 1) negotiate and enter into cost-sharing agreements with utility owners for the relocation of utilities impacted by federal navigation improvement projects in the Upper New York Bay, the Lower New York Bay and the Ambrose Channel; and 2) pay, on behalf of the Port Authority, one-half of the costs to relocate such utilities to depths greater than fifty feet, such payments being estimated at \$21 million; and it is further

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

**WEST MIDTOWN MANHATTAN BUS PARKING AND STAGING ALTERNATIVE ANALYSIS AND CONCEPTUAL DESIGN – MULTI-AGENCY AGREEMENT**

It was recommended that the Board authorize the Executive Director to: a) enter into an agreement with the New York City Economic Development Corporation (EDC), the New York City Department of Transportation (NYCDOT) and the New York City Department of City Planning (DCP) to evaluate current and future requirements for bus parking and staging in Far West Midtown Manhattan; and b) contribute a 75 percent share of the study funding, not to exceed \$825,000.

The City of New York (City) is advancing plans to rezone a 59-block area in West Midtown, referred to as the Hudson Yards, for potential redevelopment. The assessment of the impacts of this effort will also include plans to extend the New York City Transit #7 Subway line west of Times Square. The Hudson Yards area is generally located west of Eighth Avenue between West 42nd and West 24th Streets, and encompasses some of the region's vital transportation infrastructure, including the Port Authority Bus Terminal (PABT) and the Lincoln Tunnel, as well as the New York City Transit Eighth Avenue Subway lines, Pennsylvania Station, and the Metropolitan Transportation Authority rail yards. As the City progresses these efforts, there may be interest in alternative uses for many Port Authority properties currently used for bus parking and staging. EDC, NYCDOT, DCP and the Port Authority agree that an assessment of the requirements and options for bus parking and staging in Midtown Manhattan is an essential first step.

The proposed study will address two areas of interest. The first is to assess the needs and alternatives for bus storage and staging for the interstate bus activity that serves the PABT. The second element of the study would evaluate options to address a long-standing City concern regarding charter buses and transit express buses that park along the curbside of many streets in Midtown Manhattan. The involved agencies recognize the importance of locating bus parking and staging for the PABT in close proximity to the terminal, while accommodating charter bus requirements both within and outside the Hudson Yards area. The study will address data collection, transportation and operational analyses, demand projections, bus parking facility requirements, site identifications and assessments, and an evaluation of proposed alternatives, sites and security issues.

The multi-agency agreement calls for EDC to issue a Request For Proposals (RFP) and enter into the consultant agreement for the study. Both the RFP and consultant agreement would be subject to Port Authority approval. The study's oversight committee will consist of a representative from each of the four participating agencies and be responsible for the consultant selection, overall policy guidance for the effort, and reviews of work products throughout the study. Port Authority staff will be responsible for day-to-day management of the consultant effort.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Song 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: a) enter into an agreement with the New York City Economic Development Corporation, the New York City Department of Transportation and the New York City Department of City Planning, to evaluate current and future requirements for bus parking and staging in Far West Midtown Manhattan; and b) provide 75 percent of the cost of the study, not to exceed \$825,000; the form of the agreement shall be subject to the approval of General Counsel or his authorized representative.

**DOWNTOWN RESTORATION PROGRAM - WORLD TRADE CENTER SITE INFRASTRUCTURE - INCREASE IN PROJECT AUTHORIZATION AND AUTHORIZATION TO ENTER INTO AGREEMENTS AND CONTRACTS FOR PERIMETER WALKWAY IMPROVEMENTS**

It was recommended that the Board authorize: 1) an increase in the project authorization for World Trade Center (WTC) site infrastructure of \$28 million, resulting in a total authorization of \$46 million for WTC site perimeter access improvements and structural improvements, 2) the Executive Director to enter into: a) an agreement with the Lower Manhattan Development Corporation (LMDC) providing for reimbursement to the Port Authority of up to \$10 million for Vesey Street and Liberty Street walkway construction; and b) agreements with other interested entities to provide for Port Authority participation in operations and maintenance responsibilities and expenditures associated with the perimeter walkways, and 3) the Chief Engineer to award Contract WTC-404.161 to the lowest qualified bidder for construction of the Vesey Street and Liberty Street walkway improvements.

At its meeting of December 13, 2001, the Board authorized. 1) continued planning for WTC site redevelopment and comprehensive Lower Manhattan transportation improvements; 2) limited temporary WTC site remediation measures at an estimated total cost of \$10.5 million, and 3) the Executive Director to. a) take action with respect to contracts for professional services and construction contracts related to WTC site planning and site remediation, and b) enter into such other agreements as may be necessary to effectuate the Downtown Restoration Program.

At its meeting of December 12, 2002, the Board authorized continued planning for the WTC site redevelopment and comprehensive Lower Manhattan transportation improvements, and a project for ongoing WTC site infrastructure restoration and planning work, in the total amount of \$17.5 million, resulting in a total authorization of \$28 million, including \$10 million for the WTC site planning and \$18 million for WTC site infrastructure. At that time, the Board was advised that for administrative purposes, the planning and project work associated with the authorization would be handled as two separate, distinct endeavors from that point forward.

On April 24, 2003, New York Governor George E. Pataki announced both short and longer-term initiatives to improve the quality of life in Lower Manhattan. Among these short-term initiatives was improved access across West Street and the WTC site, to better link the World Financial Center (WFC) and Battery Park City with the rest of Lower Manhattan. Pedestrian access across West Street is currently available via a temporary pedestrian bridge connection and a pedestrian path on Liberty Street. In early 2003, a narrow pedestrian path was also configured on Vesey Street between Church Street and West Street.

The temporary WTC Port Authority Trans-Hudson system (PATH) Station, which is currently under construction, is anticipated to open in November 2003. At that time, the number of pedestrians requiring access to the WFC, particularly at Vesey Street, is expected to more than double. The existing temporary Liberty Street pedestrian bridge would be inadequate to handle the increased traffic, and its location would also be inconvenient for a large number of WFC workers.

The New York State Department of Transportation (NYSDOT) is to install a second temporary pedestrian bridge connection over West Street at Vesey Street. In conjunction with that project, the Port Authority would enhance the Vesey Street walkway at grade, and provide an escalator from the NYSDOT bridge to street level. The Vesey Street walkway must also incorporate flexibility to adapt to the major construction ongoing on either side of (7 World Trade Center/Con Ed/Verizon and the WTC site), and beneath (slurry wall, utilities) Vesey Street. Both the Vesey Street pedestrian bridge and walkway are targeted to be completed in November 2003, in connection with restoration of PATH service to Lower Manhattan.

At Liberty Street, a new escalator (on the east side of West Street) would be installed from street level to connect with the existing temporary bridge connection. Other potential pedestrian walkway improvements are also being explored for Liberty Street. The Liberty Street improvements would be completed in early 2004. LMDC has agreed to provide funding to NYSDOT and the Port Authority for the construction costs of the Vesey Street and Liberty Street improvements.

Under a proposed agreement with LMDC, up to \$10 million in costs associated with the Vesey Street and Liberty Street walkways would be reimbursed to the Port Authority, as a subrecipient (to LMDC) of U.S. Department of Housing and Urban Development funds. Staff is also seeking recovery of certain costs related to the WTC site that may be eligible for recovery through Federal Emergency Management Agency and/or insurance reimbursements.

In addition, an agreement between the Port Authority, Battery Park City Authority, Brookfield Properties, and other public and private entities is being negotiated to share in the operating and maintenance responsibilities of the Vesey Street and Liberty Street perimeter walkways and pedestrian bridges. Under the agreement, the Port Authority is expected to contribute \$160,000 to the estimated \$600,000 total annual maintenance cost for security, cleaning, and lighting of the walkways.

Another \$18 million in increased project funding is also required to complete ongoing structural stabilization work at the WTC site under existing Contract WTC-404 160, including slurry wall repairs and structural rehabilitation work to be completed prior to restoration of PATH service.

All work is expected to be completed in early 2004.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Song and Steiner voting in favor; none against.

**RESOLVED**, that an increase in the project authorization for World Trade Center site infrastructure of \$28 million, resulting in a total authorization of \$46 million for World Trade Center site perimeter access improvements and World Trade Center site structural improvements, 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) an agreement with the Lower

Manhattan Development Corporation providing for reimbursement to the Port Authority of up to \$10 million for Vesey Street and Liberty Street walkway construction; and b) agreements with other interested entities to provide for Port Authority participation in operations and maintenance responsibilities and expenditures associated with the perimeter walkways; and it is further

**RESOLVED**, that the Chief Engineer be and he hereby is authorized, for and on behalf of the Port Authority, to award Contract WTC-404.161 to the lowest qualified bidder, following a competitive/low bid process for construction of the Vesey Street and Liberty Street walkway improvements at a total estimated construction cost of \$10 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.

**DOWNTOWN RESTORATION PROGRAM – WORLD TRADE CENTER (WTC) SITE PLANNING – AWARD OF CONTRACT TO STUDIO DANIEL LIBESKIND FOR WTC SITE MASTER PLAN DESIGN REVIEWS AND DEVELOPMENT OF ARCHITECTURAL DESIGN GUIDELINES FOR THE PERMANENT WTC PATH TERMINAL**

It was recommended that the Board authorize the Executive Director to enter into a contract with Studio Daniel Libeskind (SDL) to provide ongoing design review and professional advisory services to the Port Authority associated with the World Trade Center (WTC) site redevelopment, at the estimated cost of \$3.0 million for an initial term of two years, with the Port Authority having two options to extend the agreement for an additional two years each.

On February 27, 2003, the "Memory Foundations" site plan concept by SDL was selected by the Lower Manhattan Development Corporation (LMDC) and the Port Authority as the basis for redevelopment of the WTC site. In May 2003, the LMDC and the Port Authority jointly retained SDL to finalize the WTC Site Master Plan and draft commercial development design guidelines, as well as assist in associated public outreach. The total estimated amount of the joint Port Authority-LMDC contract with SDL for WTC Site Master Plan development is \$3.3 million including contingencies, with a cost to the Port Authority not to exceed \$2.0 million. The contract work is expected to be substantially completed by the end of 2003.

Each of the public and private entities responsible for individual site redevelopment components (transportation facilities, commercial development, memorial and cultural facilities, streets and public spaces) will be expected to implement their projects in a manner consistent with the overall WTC Site Master Plan framework. As the owner of the WTC site, the Port Authority has significant financial and legal interests that would benefit from planned redevelopment of the WTC site and adherence to a Site Master Plan and specific guidelines. SDL, as the Site Master Plan Architect, would provide essential design input and advice, particularly as the schematic designs of each of the immediate site redevelopment projects (Freedom Tower, WTC Port Authority Trans-Hudson (PATH) system Terminal, and WTC memorial) are developed.

Under this contract, SDL would review and evaluate plans and designs for various WTC site development components prepared by other architecture and engineering firms pursuant to the WTC Site Master Plan and any specific architectural guidelines. Subsequent to completion of the WTC Site Master Plan in 2003, SDL would also prepare and incorporate any appropriate and necessary revisions to the Site Master Plan. SDL would also provide Architectural Design Guidelines for the WTC PATH Terminal. These guidelines will provide a framework for other architectural and engineering consultants (to be retained separately) and in-house design staff to perform a complete schematic design for the WTC PATH Terminal. These WTC PATH Terminal Architectural Design Guidelines are expected to be completed by October 2003.

The proposed agreement would have an initial term of two years, with the Port Authority having two options to extend for an additional two years each. Failure to enter into this contract would jeopardize the design consistency and implementation of the WTC Site Master Plan as developed by SDL, and would also delay the completion of preliminary engineering for the permanent WTC PATH Terminal.

A further increase in the planning authorization for WTC site planning will be necessary to cover the future costs of this contract beyond 2003. Staff anticipates seeking such additional authorization in late 2003, in conjunction with other WTC site planning, design, and other redevelopment activities, as they become more defined.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Poemo, Sartor, Silverman, Song 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 contract with Studio Daniel Libeskind (SDL) for SDL to provide ongoing design, review and professional advisory services to the Port Authority associated with the World Trade Center site redevelopment, at the estimated cost of \$3.0 million for an initial term of two years, with the contract to include two options for the Port Authority to extend the contract for an additional two years each; the form of the contract shall be subject to the approval of General Counsel or his authorized representative.

**DOWNTOWN RESTORATION PROGRAM – PERMANENT WORLD TRADE CENTER PATH TERMINAL – INCREASE IN PLANNING AUTHORIZATION – PROJECT DEVELOPMENT AND GRANT AGREEMENTS WITH THE FEDERAL TRANSIT ADMINISTRATION**

It was recommended that the Board authorize: 1) an increase of \$50 million in the planning authorization for a project to rebuild the World Trade Center (WTC) Port Authority Trans-Hudson system (PATH) Terminal, resulting in a total authorization of \$60 million, to provide for design development work (Stage II) and a public environmental review of the proposed project consistent with the National Environmental Policy Act (NEPA); and 2) the Executive Director to: a) enter into agreements with the Federal Transit Administration (FTA) for a permanent WTC PATH Terminal project (Terminal Project) to establish the overall project scope, schedule, budget, and grant management and oversight responsibilities; and b) take such action with respect to contracts for professional and advisory services related to the proposed Terminal Project as he deems in the best interest of the Port Authority.

At its meeting of December 13, 2001, the Board authorized conceptual design and engineering analysis work for the Terminal Project to fully restore and enhance the transportation functions at the WTC site that existed prior to September 11, 2001, at a total estimated cost of \$10 million. To facilitate the immediate recovery of Lower Manhattan, a temporary WTC PATH Station has been designed and is now being constructed. The temporary WTC PATH Station is a stand-alone transit facility that was designed only to provide the most basic services. The permanent WTC PATH Terminal is proposed to be a fully developed regional transportation hub that will be coordinated with existing and future transportation infrastructure, WTC site redevelopment, and the development of the surrounding area.

The permanent WTC PATH Terminal's tracks, platforms, and mezzanine levels would all be located in the WTC "bathtub," as they were prior to September 11, 2001. The terminal would include subgrade pedestrian connections to connect the PATH lines with the New York City Transit (NYCT) subway system and with Hudson River ferry services. Pedestrian connections would extend in all directions to connect the WTC site and PATH Terminal with surrounding neighborhoods, including the World Financial Center on the west and the planned NYCT Fulton Street Transit Center on the east.

The functional plans developed to date for the permanent WTC PATH Terminal have been well received publicly, and the project has the support of key constituents, including Lower Manhattan commuters, office workers, and businesses, as well as the local community and elected officials, including New York Governor George E. Pataki and New York City Mayor Michael R. Bloomberg.

In August 2002, the federal government announced the availability of up to \$4.55 billion in federal aid for Lower Manhattan transportation improvements, including combined Federal Emergency Management Agency and FTA funds, to be administered by the FTA. In February 2003, Governor Pataki identified priority projects for this funding, including the permanent WTC PATH Terminal. Staff has been working to establish a project partnership with the FTA, and to facilitate and adopt necessary organizational and administrative changes within the Port Authority to manage, monitor, and report on the project and expenditures, in accordance with federal requirements. In addition, the FTA is to be the lead agency for the environmental review process that will be performed, consistent with NEPA, for the Terminal Project.

Preliminary Engineering (equivalent to Port Authority Stage II Design Development) for the Terminal Project would be performed under an overall WTC Site Master Plan framework and specific Architectural Design Guidelines for the permanent WTC PATH Terminal (currently being established by Studio Daniel Libeskind). In order to advance this design work as expeditiously as possible for completion by mid-2004, internal Port Authority staff, as well as external architectural and engineering consultants, will perform the design work for different components of the overall project. The proposed Terminal Project also will advance through a public NEPA environmental review process, and will require significant coordination with other public agencies and the WTC net lessces to resolve numerous design, development, and property issues needed to finalize the project scope, schedule, and cost prior to the start of Final Design.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Song and Steiner voting in favor; none against:

**RESOLVED**, that an increase in the planning authorization for the permanent World Trade Center (WTC) Port Authority Trans-Hudson system (PATH) Terminal of \$50 million, resulting in a total authorization of \$60 million, to provide for design development work (Stage II) and a public environmental review of the proposed project consistent with the National Environmental Policy Act, 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: a) enter into agreements with the Federal Transit Administration for a permanent WTC PATH Terminal project (Terminal Project) to establish the overall project scope, schedule, budget, and grant management and oversight responsibilities; and b) take such action with respect to contracts for professional and advisory services related to the proposed Terminal Project as he deems in the best interest of the Port Authority; and it is further

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

**WORLD TRADE CENTER SITE – AGREEMENT WITH THE U.S. GENERAL SERVICES ADMINISTRATION – CUSTOMS HOUSE**

It was recommended that the Board authorize the Executive Director to enter into an agreement with the U.S. General Services Administration (GSA) whereby the GSA would agree to waive any right it may have under its lease of the space comprising the entire building known as 6 World Trade Center (the Lease) for use by the U.S. Customs Service to have the building rebuilt at the specific location where it formerly stood prior to the events of September 11, 2001, and all rights, licenses, privileges and options of the lessee granted by the Lease with respect to the specific location of that building.

The GSA would retain all its other rights, rights of renewal, licenses, privileges and options under the Lease, including but not limited to, the right to have the building rebuilt on the World Trade Center (WTC) site and the right to occupy the building at the rental rates established in the Lease, as amended. In lieu of having the building rebuilt at its exact former location, the proposed agreement gives the GSA the option to occupy an equivalent amount of space in another building within the WTC site at the rental rates established in the Lease.

This agreement allows for the continued planning and redevelopment of not only the 1776-foot-high tower which has been planned for the location of the former Customs House building, but for the entire WTC site, including the memorial, Port Authority Trans-Hudson system Terminal and associated transit connections, and the commercial elements of the redevelopment, and provides the Port Authority and the WTC net lessees the ability to plan for the demands of the expedited reconstruction schedule that has been called for, without compromising the Port Authority's responsibility to the GSA.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Song 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 Memorandum of Agreement with the U.S. General Services Administration (GSA) to relinquish the GSA's rights to redevelop their former building known as 6 World Trade Center in the location where it formerly stood, substantially in accordance with the terms and conditions outlined to the Board; the form of the agreement shall be subject to the approval of General Counsel or his authorized representative.

## NEW JERSEY PARK-AND-RIDE FACILITIES - PORT AUTHORITY PARTICIPATION

It was recommended that the Board authorize the Executive Director to provide \$30 million towards the development of "Park-and-Ride" parking facilities at five locations in New Jersey, to serve commuters who use Port Authority facilities.

The provision of adequate parking facilities is critical to encouraging the use of mass transportation by trans-Hudson commuters, thereby reducing congestion on the Port Authority's bridges and tunnels. Many users of the Port Authority Trans-Hudson (PATH) system use or are likely to use New Jersey Transit Corporation (NJ Transit) facilities as part of their commuting trips. Ridership levels on NJ Transit trains and buses have outpaced the availability of parking spaces for NJ Transit's customers. The demand for commuter parking in New Jersey is expected to increase substantially with the opening of NJ Transit's Secaucus Transfer Station, which will link 11 of NJ Transit's 12 rail lines and is anticipated to open by late 2003.

The proposed funding would assist in the development of Park-and-Ride facilities at the following locations:

- Clifton, New Jersey - parking lot to be developed at an estimated cost of \$1,740,000 to serve commuters using NJ Transit's Main Line, which, in addition to serving the Secaucus Transfer Station, continues on into Hoboken Terminal, where passengers can transfer to PATH. Construction of this lot is expected to be completed in August 2004.
- Garfield, New Jersey - parking lot to be developed at an estimated cost of \$2,260,000 to serve users of NJ Transit's Bergen Line, which also serves the Secaucus Transfer Station, the Hoboken Terminal and PATH. It is anticipated that construction of this lot will conclude in October 2004.
- Wayne, New Jersey - parking deck near Route 23 to be developed and built at an estimated cost of \$20,000,000. Peak-hour express bus service is to be provided from this parking deck to the Port Authority Bus Terminal (PABT). It is expected that construction of this parking deck will be completed by July 2005.
- Essex County - three-story parking facilities to be developed at South Mountain Arena in West Orange and Riverfront Stadium in Newark, respectively, at a total estimated cost of \$12,000,000, of which the Port Authority would provide \$6,000,000, with additional funds to be provided by NJ Transit, the County of Essex, and the New Jersey Casino Redevelopment Fund. Commuters using these facilities will be able to connect to PATH and buses traveling to the PABT.

Agreements would be negotiated with an appropriate public agency or agencies (including NJ Transit), which would be responsible for the design, engineering, environmental analysis and construction of the parking facilities, the operation and maintenance of the facilities, and negotiations with affected municipalities as required.

The public agency or agencies will also be responsible for ensuring that any agreement it enters into with any affected municipality is consistent and compatible with the funding agreement to be entered into with the Port Authority. Payments are to be made as costs for the work involved are incurred.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Silverman, Song and Steiner voting in favor; Commissioner Sartor abstaining; none against:

**RESOLVED**, that the Executive Director be and he hereby is authorized to provide \$30 million in funding for the development of "Park-and-Ride" parking facilities at five locations in the New Jersey municipalities of Clifton, Garfield, Wayne, South Orange and Newark; and it is further

**RESOLVED**, that, in connection with the foregoing, the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into an agreement or agreements with New Jersey Transit Corporation, or other public or private entities as he deems necessary or appropriate to govern the foregoing provision of funds by the Port Authority; and it is further

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

### **CONTRACT SETTLEMENT WITH THE PORT AUTHORITY MARITIME REPRESENTATIVE IN ANTWERP, BELGIUM**

It was recommended that the Board authorize the Executive Director to enter into a severance agreement with Ummo Bruns, the Port Authority's former maritime representative for Europe, the Middle East and Africa working out of an office in Antwerp, Belgium, pursuant to which the Port Authority would pay an additional amount of approximately 70,400 Euros (a portion of which would be paid to Mr. Bruns, with the remaining portion to cover Belgian tax liabilities resulting from the payment to Mr. Bruns) as part of a negotiated final severance package. Based on present exchange rates, the value of 70,400 Euros is approximately \$79,900. The additional payment to Mr. Bruns would result in a total severance package cost to the Port Authority of approximately 152,000 Euros, because of a previous payment made to Mr. Bruns as partial settlement.

Mr. Bruns was hired by the Port Authority on September 1, 1992 as a contract representative to promote the maritime business of the Port Authority in Europe, the Middle East and Africa. Since 1992, the maritime business market has changed, and the need for the Port Authority to retain a maritime business representative in the Antwerp, Belgium location has diminished greatly. In order to increase efficiency, reduce costs and obtain more effective representation in a market more critical to the Port Authority's maritime business, staff decided to close the office in Antwerp effective December 31, 2002, and, for the immediate future, to consolidate the activities with those of the Port Authority's existing Business Development Office in London. The costs of maintaining a representative office in Antwerp exceeded the office's business benefits to the Port Authority.

In April 2003, a payment in the amount of approximately 81,600 Euros was made as partial settlement of the Port Authority's severance obligations under Belgian law with respect to Mr. Bruns (part of this amount was paid directly to Mr. Bruns, and part was paid to the Belgian government to cover tax obligations), until the final terms could be negotiated. This payment represented the minimum amount of salary to which Mr. Bruns would be entitled as severance under Belgian law, and the payment was made to preclude Mr. Bruns from filing a proceeding in a Belgian court claiming that the Port Authority was avoiding its minimum severance obligations.

The additional severance payment to Mr. Bruns would include, in addition to a salary component, compensation for his agreeing to a "non-competition" clause, which would bar Mr. Bruns for a specified time from engaging in any activities in behalf of another person or entity that is in competition with the business of the Port Authority.

Belgium has strict severance laws protecting the rights of employees whose services are terminated. The proposed settlement with Mr. Bruns would avoid a potentially higher payment by the Port Authority that might be imposed by a Belgian court, as well as additional legal fees, if Mr. Bruns were to file a legal proceeding seeking greater severance benefits.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Song 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 Umno Bruns, the Port Authority's former maritime representative in Antwerp, Belgium, pursuant to which the Port Authority would pay an additional amount of approximately 70,400 Euros as part of a negotiated final severance package, 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.

**SETTLEMENT OF CLAIM – THE PORT AUTHORITY v. SYNDICATE 53 AND THACHER PROFFITT & WOOD**

It was recommended that the Board authorize General Counsel, for and on behalf of the Port Authority, to enter into an agreement with defendants Syndicate 53 and Thacher Proffitt & Wood to provide for settlement of the Port Authority's claims sounding in breach of contract and negligent interference with contract by payment to the Port Authority of the total sum of \$107,500. In return, the Port Authority would provide the defendants with a General Release and a Stipulation of Discontinuance, with prejudice.

This claim arises out of a settlement of a personal injury action entitled Noel Curran-Morris v. The Port Authority of New York and New Jersey, et al., wherein the Port Authority agreed to pay the amount of \$5,500,000 in full settlement of that claim.

The amount of that settlement was to be paid out as follows: the Port Authority to pay \$3,000,000 and the balance of the settlement (\$2,500,000) to be paid pursuant to an excess liability policy placed with a group of twelve underwriting members of Lloyds of London also known as Underwriters at Interest. Each underwriting member subscribed to a percentage share of excess liability above the self-insured retention pursuant to the aforementioned policy.

On March 2, 2001, the Port Authority became liable to pay the settlement, and on May 8, 2001, underwriting member Syndicate 53 disclaimed coverage and refused to pay its *pro rata* share under the policy, pursuant to the advice of their counsel, the law firm of Thacher Proffitt & Wood

The Port Authority commenced suit in December 2002, alleging breach of contract as to Syndicate 53 and intentional interference with contract as to Thacher Proffitt & Wood, and seeking damages in the amount of Syndicate 53's *pro rata* share, to wit, \$100,000. Negotiations among the parties took place. The Port Authority took the position that because the monies were due in March 2001, two years of statutory interest was also due, bringing the total claim of the Port Authority to approximately \$118,000. Said negotiations resulted in the defendants offering \$107,500 in full settlement of the claim

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Song and Steiner voting in favor; none against:

**RESOLVED**, that General Counsel be and he hereby is authorized, for and on behalf of the Port Authority, to enter into a settlement of a lawsuit entitled The Port Authority of New York and New Jersey v. Syndicate 53 and Thacher Proffitt & Wood by accepting the sum of \$107,500 from defendants Syndicate 53 and Thacher Proffitt & Wood

**SETTLEMENT OF CLAIM – LORRAINE LORENZO v. THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY, et al.**

It was recommended that the Board authorize General Counsel, for and on behalf of the Port Authority, to enter into a settlement of a personal injury claim in the action entitled Lorraine Lorenzo v. The Port Authority of New York and New Jersey, et al. by payment of \$150,000, inclusive of attorneys' fees. In return, plaintiff will provide the Port Authority with a General Release and Stipulation of Discontinuance, with prejudice.

Plaintiff Lorraine Lorenzo (Plaintiff) was an underwriting employee of AIG Insurance Companies, with more than twenty-two years of service, assigned to an office in Lower Manhattan. On November 11, 1999, at about 1 p.m., she was crossing Liberty Street, at Church Street, in order to enter the World Trade Center (WTC) Concourse to shop. Plaintiff claims that in doing so she stepped onto a raised concrete island, which was wholly within the Port Authority's property line. (The island helped to form the parking area which ran on the east side of the WTC.) As she was crossing the concrete island, Plaintiff stepped into a depression in the concrete, adjacent to the curved metal curb of the island. The defect appeared to have been of longstanding duration and to have been the result of erosion over a long period of time. The existence of the defect was confirmed by photographs and by deposition of Port Authority maintenance personnel.

Plaintiff sustained a comminuted fracture of her patella. It has required three surgical procedures, and some hardware remains at the site of her injuries. Plaintiff has lost nine months from work and incurred medical expenses in excess of \$13,000

In view of the potential of a substantially higher jury verdict should this matter proceed to trial, staff recommended that it would be in the best interest of the Port Authority for the proposed settlement to be authorized.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Song and Steiner voting in favor; none against:

**RESOLVED**, that General Counsel be and he hereby is authorized, for and on behalf of the Port Authority, to enter into an agreement with plaintiff Lorraine Lorenzo and her attorneys to provide for the settlement of a lawsuit for personal injuries entitled Lorraine Lorenzo v. The Port Authority of New York and New Jersey, et al., by paying plaintiff and her attorneys the sum of \$150,000, inclusive of attorneys' fees, costs and disbursements.

**SETTLEMENT OF CLAIM – THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY v. M/V GENOA SENATOR, et al.**

It was recommended that the Board authorize General Counsel, for and on behalf of the Port Authority, to enter into an agreement with defendants M/V Genoa Senator, DSR Senator Lines, Santa Monica Beteiligung mbH & Co., Moran Towing Company, Tow Vessel Miriam Moran, Peter Donath, David Wood, Lynn P. Vanderwater, Jr., and Rodin J. Schlossberg to provide for the settlement of a claim for damages to a Port Authority pier caused by defendants, by accepting the sum of \$265,000, plus interest in an amount to be determined by a neutral arbitrator. In exchange, the Port Authority will tender a General Release and Stipulation of Dismissal of the action with prejudice.

On March 7, 1995, the M/V Genoa Senator struck the Port Authority pier at the Auto Marine Terminal in Bayonne, New Jersey, causing extensive damage to the pier. The ship was under the command of Captain Peter Donath. The Docking Master was Rodin Schlossberg. The ship was being assisted in the docking operation by the Tug Miriam Moran, which was being captained by David Wood. The Miriam Moran is owned by Moran Towing Corporation.

After pretrial motions were decided, the defendants offered to pay the Port Authority \$265,000 plus unspecified interest. The amount of the proposed settlement represents the quantum of the Port Authority's provable damages resulting from the incident. The parties have agreed to submit the remaining issue regarding the amount of interest due, if any, to a neutral arbitrator.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Song and Steiner voting in favor; none against:

**RESOLVED**, that General Counsel be and he hereby is authorized, for and on behalf of the Port Authority, to enter into an agreement with defendants M/V Genoa Senator, DSR Senator Lines, Santa Monica Beteiligung mbH & Co., Moran Towing Company, Tow Vessel Miriam Moran, Peter Donath, David Wood, Lynn P. Vanderwater, Jr., and Rodin J. Schlossberg, to provide for the settlement of a lawsuit entitled The Port Authority of New York and New Jersey v. M/V Genoa Senator, et al., for property damages by payment to the Port Authority of the amount of \$265,000, plus unspecified interest in an amount to be determined by a neutral arbitrator.

**FINAL CONTRACT PAYMENTS**

The Comptroller's Department reported, for information only, that the contracts set forth hereafter have been completed satisfactorily by the contractors. Final payments have been made in the period of May 1, 2003 to May 31, 2003.

<b>CONTRACT NUMBER</b>	<b>CONTRACT TITLE FACILITY AND CONTRACTOR</b>	<b>TOTAL AUTHORIZED</b>	<b>TOTAL PAYMENTS</b>
BP394013	PIERS 9A & 9B PILES & BULKHEAD	462,000 (A)	462,000 (A)
	REHABILITATION	2,022,541 (B)	2,022,541 (B)
	BROOKLYN PORT AUTHORITY	100,000 (C)	96,640 (C)
	MARINE TERMINAL	149,072 (D)	54,401 (D)
	PHOENIX MARINE COMPANY	202,254 (E)	78,785 (E)
		2,935,867	2,714,367
EWR154165	FACILITY PRIORITY IMPROVEMENTS	5,000,000 (C)	4,666,977 (C)
	PHASE I NEWARK LIBERTY INTERNATIONAL AIRPORT D'ANNUNZIO & SONS, INC.	5,000,000	4,666,977
EWR244017	EWR MONORAIL - NEC CONNECTION	6,000,000 (C)	6,000,000 (C)
	STATION CONNECTOR BRIDGE FINISHES & REMOTE BAGGAGE CHECK-IN NEWARK LIBERTY INTERNATIONAL AIRPORT GRANITE HALMAR CONSTRUCTION COMPANY	6,000,000	6,000,000
GWB244005	REHABILITATION OF PIP/UPPER	4,280,000 (A)	4,280,000 (A)
	LEVEL INTERCHANGE	868,300 (B)	613,268 (B)
	GEORGE WASHINGTON BRIDGE	250,000 (C)	28,183 (C)
	GARDNER M. BISHOP, INC. & JOSEPH M.	309,000 (D)	109,727 (D)
	SANZARI, INC., A JV	--0-- (F)	69,268 (F)
		5,707,300	5,100,446

JFK110266	COMPUTERIZED SECURITY SYSTEM FOR BUILDING #14 & GUARD POSTS	458,000 (A)	458,000 (A)
		50,000 (C)	--0-- (C)
	JOHN F. KENNEDY INTERNATIONAL AIRPORT	46,000 (D)	45,673 (D)
		554,000	503,673
	GILSTON ELECTRICAL CONTRACTING CORP.		
MFP208	REPLACEMENT OF BOOSTER FIRE PUMP IN BUILDINGS #30-32	120,000 (A)	120,000 (A)
		10,000 (C)	--0-- (C)
	BROOKLYN PORT AUTHORITY MARINE TERMINAL	10,000 (D)	9,903 (D)
		140,000	129,903
	CIPRIETTI - TOLISANO ASSOCIATES, INC.		

(A) Lump Sum.

(B) Classified Work.

(C) Net Cost - amount in the "Total Authorized" column represents the authorized estimated net cost amount. However, the amount in the "Total Payments" column is the actual net cost amount paid.

(D) Extra Work.

(E) Increase in Classified work.

(F) Increase in compensation pursuant to "Emergency Delays" clause, in the amount of \$69,268 as provided for in the contract.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

The Committee on Finance reported, for information only, that in accordance with authority granted by the Committee, the Executive Director had authorized the following security transactions, time accounts, interest rate exchange contracts and variable rate master note agreements during the period May 1, 2003 through May 31, 2003.

**REPORT A:**

Purchase of Port Authority Bonds

(Unless otherwise noted, all Port Authority Bonds are callable at par).

<b><u>Purchase Date</u></b>	<b><u>Par Value</u></b>	<b><u>Description</u></b>	<b><u>Coupon Rate</u></b>	<b><u>Maturity Date</u></b>	<b><u>Purchase Price</u></b>	<b><u>Call Year</u></b>	<b><u>YTC @ Cost</u></b>	<b><u>BEY @ Cost</u></b>	<b><u>Total Principal</u></b>	<b><u>Dealer</u></b>
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No new transactions this period.

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
05/01/03	\$50,000,000	USTB	--	07/03/03	99.81	1.105%	1.112%	\$49,903,312.50	Legg Mason
05/01/03	50,000,000	USTB	--	07/03/03	99.81	1.105	1.112	49,903,312.50	Legg Mason
05/01/03	39,000,000	USTB	--	08/14/03	99.67	1.115	1.123	38,873,168.75	Mizuho
05/01/03	50,000,000	USTB	--	07/03/03	99.81	1.105	1.112	49,903,312.50	Legg Mason
05/01/03	50,000,000	USTB	--	06/26/03	99.83	1.090	1.097	49,915,222.22	Mizuho
05/01/03	25,000,000	FHDN	--	05/28/03	99.91	1.180	1.188	24,977,875.00	Mizuho
05/01/03	50,000,000	GECC CP	--	05/05/03	99.99	1.200	1.207	49,993,333.33	G.E. Capital
05/01/03	50,000,000	GECC CP	--	05/05/03	99.99	1.200	1.207	49,993,333.33	G.E. Capital
05/01/03	50,000,000	UBSFIN CP	--	05/05/03	99.99	1.240	1.248	49,993,111.11	Lehman Brothers
05/01/03	50,000,000	UBSFIN CP	--	05/05/03	99.99	1.240	1.248	49,993,111.11	Lehman Brothers
05/01/03	47,230,000	CITIGROUP CP	--	05/05/03	99.99	1.250	1.258	47,223,440.28	Citigroup
05/01/03	300,000	JFK-APO	6.375%	12/01/15	99.90		6.387	299,700.00	JFKIAT-APO

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
05/01/03	\$50,000,000	USTB	--	05/29/03	99.91	1.100%	1.107%	\$49,957,222.22	Greenwich Capital
05/02/03	29,620,000	FNDN	--	05/05/03	99.99	1.140	1.147	29,617,186.10	Lehman Brothers
05/02/03	25,000,000	FNDN	--	05/05/03	99.99	1.140	1.147	24,997,625.00	Lehman Brothers
05/02/03	50,000,000	CITIGLOBAL	--	05/07/03	99.98	1.220	1.228	49,991,527.78	Citiglobal
05/05/03	23,000,000	FCDN	--	05/20/03	99.95	1.160	1.167	22,988,883.33	Mizuho
05/05/03	50,000,000	FHDN	--	05/30/03	99.92	1.160	1.167	49,959,722.22	Bank of America
05/05/03	50,000,000	GE CORP CP	--	05/06/03	99.99	1.220	1.227	49,998,305.56	G.E. Capital
05/05/03	50,000,000	GE CORP CP	--	05/06/03	99.99	1.220	1.227	49,998,305.56	G.E. Capital
05/05/03	50,000,000	UBSFIN CP	--	05/06/03	99.99	1.240	1.248	49,998,277.78	Lehman Brothers
05/05/03	25,225,000	CITIGROUP CP	--	05/06/03	99.99	1.230	1.238	25,224,138.15	Citigroup
05/05/03	50,000,000	UBSFIN CP	--	05/06/03	99.99	1.240	1.248	49,998,277.78	Bank of America
05/06/03	50,000,000	GECC CP	--	05/07/03	99.99	1.180	1.187	49,998,361.11	G.E. Capital

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @ Cost</u>	<u>Principal</u>	<u>Dealer</u>
05/06/03	\$50,000,000	GECC CP	--	05/07/03	99.99	1.150%	1.157%	\$49,998,402.78	G.E. Capital
05/06/03	50,000,000	UBSFIN CP	--	05/07/03	99.99	1.200	1.207	49,998,333.33	Lehman Brothers
05/06/03	50,000,000	CITIGLOBAL CP	--	05/07/03	99.99	1.170	1.177	49,998,375.00	Citiglobal
05/06/03	50,000,000	UBSFIN CP	--	05/07/03	99.99	1.200	1.207	49,998,333.33	Bank of America
05/07/03	50,000,000	FHDN	--	06/04/03	99.91	1.150	1.157	49,955,277.78	Bank of America
05/07/03	35,000,000	FHDN	--	06/04/03	99.91	1.150	1.157	34,968,694.44	Bank of America
05/07/03	50,000,000	GE CORP CP	--	05/12/03	99.98	1.220	1.228	49,991,527.78	G.E. Capital
05/07/03	50,000,000	GE CORP CP	--	05/12/03	99.98	1.220	1.228	49,991,527.78	G.E. Capital
05/07/03	50,000,000	UBSFIN CP	--	05/12/03	99.98	1.230	1.238	49,991,458.33	Lehman Brothers
05/07/03	50,000,000	UBSFIN CP	--	05/12/03	99.98	1.230	1.238	49,991,458.33	Lehman Brothers
05/08/03	22,000,000	USTB	--	08/07/03	99.73	1.085	1.092	21,939,661.94	Bank of America
05/08/03	50,000,000	USTB	--	08/07/03	99.73	1.085	1.092	49,862,868.06	Bank of America

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @ Cost</u>	<u>Principal</u>	<u>Dealer</u>
05/08/03	\$5,000,000	USTB	--	08/07/03	99.73	1.085%	1.092%	\$4,986,286.81	Bank of America
05/08/03	50,000,000	USTB	--	05/22/03	99.96	1.065	1.071	49,979,291.67	Bank of America
05/08/03	25,000,000	CITIGLOBAL	--	05/09/03	99.99	1.250	1.258	24,999,131.94	Citiglobal
05/08/03	50,000,000	CITIGLOBAL	--	05/09/03	99.99	1.250	1.258	49,998,263.89	Citiglobal
05/09/03	50,000,000	FHDN	--	07/11/03	99.80	1.150	1.158	49,899,375.00	Mizuho
05/09/03	50,000,000	FHDN	--	06/06/03	99.91	1.170	1.177	49,954,500.00	Bank of America
05/09/03	11,500,000	CITICORP CP	--	05/12/03	99.99	1.190	1.197	11,498,859.58	Citicorp
05/09/03	50,000,000	CITIGLOBAL	--	05/12/03	99.99	1.230	1.238	49,994,875.00	Citiglobal
05/09/03	25,000,000	CITIGLOBAL	--	05/12/03	99.99	1.230	1.238	24,997,437.50	Citiglobal
05/12/03	50,000,000	USTB	--	08/07/03	99.74	1.070	1.077	49,870,708.33	Merrill Lynch
05/12/03	50,000,000	USTB	--	08/07/03	99.74	1.070	1.077	49,870,708.33	Merrill Lynch
05/12/03	50,000,000	USTB	--	09/11/03	99.63	1.090	1.098	49,815,305.56	Legg Mason

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
05/12/03	\$50,000,000	USTB	--	09/11/03	99.63	1.090%	1.098%	\$49,815,305.56	Legg Mason
05/12/03	50,000,000	GECC CP	--	05/13/03	99.99	1.250	1.258	49,998,263.89	G.E. Capital
05/12/03	50,000,000	UBSFIN CP	--	05/13/03	99.99	1.260	1.268	49,998,250.00	Bank of America
05/12/03	50,000,000	UBSFIN CP	--	05/13/03	99.99	1.260	1.268	49,998,250.00	Bank of America
05/13/03	40,000,000	GECC CP	--	05/14/03	99.99	1.230	1.238	39,998,633.33	G.E. Capital
05/13/03	50,000,000	CITIGLOBAL CP	--	05/15/03	99.99	1.250	1.258	49,996,527.78	Citiglobal
05/13/03	50,000,000	UBSFIN CP	--	05/14/03	99.99	1.240	1.248	49,998,277.78	Bank of America
05/13/03	40,000,000	UBSFIN CP	--	05/14/03	99.99	1.240	1.248	39,998,622.22	Bank of America
05/14/03	32,393,000	USTB	--	07/10/03	99.84	1.005	1.012	32,341,454.64	Greenwich Capital
05/14/03	50,000,000	USTB	--	07/10/03	99.84	1.005	1.012	49,920,437.50	Greenwich Capital
05/14/03	190,000	USTB	--	10/09/03	99.56	1.080	1.088	189,156.40	Merrill Lynch
05/14/03	232,000	USTB	--	08/21/03	99.71	1.070	1.077	231,317.34	Bank of America

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
05/14/03	\$29,000,000	FHDN	--	06/11/03	99.91	1.175%	1.182%	\$28,973,497.22	Merrill Lynch
05/14/03	50,000,000	FHDN	--	06/11/03	99.91	1.175	1.182	49,954,305.56	Merrill Lynch
05/14/03	50,000,000	CITIGLOBAL	--	05/15/03	99.99	1.250	1.258	49,998,263.89	Citiglobal
05/14/03	30,950,000	UBSFIN CP	--	05/15/03	99.99	1.250	1.258	30,948,925.35	Bank of America
05/14/03	50,000,000	UBSFIN CP	--	05/15/03	99.99	1.250	1.258	49,998,263.89	Bank of America
05/15/03	50,000,000	GECC CP	--	05/16/03	99.99	1.360	1.369	49,998,111.11	G.E. Capital
05/15/03	50,000,000	GECC CP	--	05/16/03	99.99	1.360	1.369	49,998,111.11	G.E. Capital
05/15/03	46,100,000	UBSFIN CP	--	05/16/03	99.99	1.330	1.339	46,098,296.86	Bank of America
05/16/03	25,000,000	FHDN	--	06/13/03	99.91	1.180	1.188	24,977,055.50	Greenwich Capital
05/16/03	50,000,000	GECC CP	--	05/19/03	99.99	1.250	1.258	49,994,791.67	G.E. Capital
05/16/03	50,000,000	GECC CP	--	05/19/03	99.99	1.250	1.258	49,994,791.67	G.E. Capital
05/16/03	50,000,000	UBSFIN CP	--	05/19/03	99.99	1.230	1.238	49,994,875.00	Bank of America

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
05/19/03	\$50,000,000	GECC CP	--	05/20/03	99.99	1.250%	1.258%	\$49,998,263.89	G.E. Capital
05/19/03	50,000,000	UBSFIN CP	--	05/20/03	99.99	1.250	1.258	49,998,263.89	Lehman Brothers
05/19/03	50,000,000	UBSFIN CP	--	05/20/03	99.99	1.250	1.258	49,998,263.89	Lehman Brothers
05/19/03	8,625,000	CITIGLOBAL	--	05/20/03	99.99	1.240	1.248	8,624,702.92	Citiglobal
05/20/03	21,000,000	FCDN	--	06/13/03	99.92	1.170	1.177	20,983,620.00	Merrill Lynch
05/20/03	27,000,000	FNDN	--	08/13/03	99.73	1.135	1.143	26,927,643.75	Bank of America
05/20/03	50,000,000	GE CORP	--	05/21/03	99.99	1.230	1.238	49,998,291.67	G.E. Capital
05/20/03	33,000,000	GE CORP	--	05/21/03	99.99	1.230	1.238	32,998,872.50	G.E. Capital
05/20/03	50,000,000	UBSFIN CP	--	05/21/03	99.99	1.220	1.227	49,998,305.56	Lehman Brothers
05/20/03	50,000,000	UBSFIN CP	--	05/21/03	99.99	1.220	1.227	49,998,305.56	Bank of America
05/21/03	40,366,000	USTB	--	05/27/03	99.98	1.160	1.167	40,358,195.91	Greenwich Capital
05/21/03	16,690,000	USTB	--	05/27/03	99.98	1.160	1.167	16,686,773.27	Greenwich Capital

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
05/21/03	\$50,000,000	FNDN	--	07/23/03	99.80	1.160%	1.168%	\$49,898,500.00	Greenwich Capital
05/21/03	50,000,000	GE CORP CP	--	05/22/03	99.99	1.230	1.238	49,998,291.67	G.E. Capital
05/21/03	25,000,000	GE CORP CP	--	05/22/03	99.99	1.230	1.238	24,999,145.83	G.E. Capital
05/21/03	50,000,000	UBSFIN CP	--	05/27/03	99.98	1.220	1.228	49,989,833.33	Bank of America
05/21/03	50,000,000	UBSFIN CP	--	05/27/03	99.98	1.220	1.228	49,989,833.33	Bank of America
05/21/03	19,818,000	USTB	--	05/27/03	99.98	1.160	1.167	19,814,168.52	Greenwich Capital
05/21/03	16,465,000	USTB	--	05/27/03	99.98	1.160	1.167	16,461,816.77	Bank of America
05/21/03	50,000,000	USTB	--	05/27/03	99.98	1.160	1.167	49,990,333.33	Bank of America
05/21/03	50,000,000	US1B	--	05/27/03	99.98	1.160	1.167	49,990,333.33	Bank of America
05/21/03	50,000,000	USTB	--	05/27/03	99.98	1.160	1.167	49,990,333.33	Mizuho
05/21/03	48,966,000	USTB	--	05/27/03	99.98	1.160	1.167	48,956,533.24	Mizuho
05/22/03	50,000,000	USTB	--	08/21/03	99.74	1.020	1.027	49,871,083.33	Legg Mason

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
05/22/03	\$50,000,000	USTB	--	11/20/03	99.48	1.020%	1.028%	\$49,742,166.67	Legg Mason
05/22/03	50,000,000	USTB	--	06/19/03	99.92	1.090	1.096	49,957,611.11	Mizuho
05/22/03	12,000,000	USTB	--	08/21/03	99.74	1.025	1.032	11,968,908.33	Mizuho
05/22/03	37,150,000	USTB	--	08/21/03	99.74	1.030	1.037	37,053,275.85	Mizuho
05/22/03	50,000,000	USTB	--	08/21/03	99.74	1.030	1.037	49,869,819.44	Mizuho
05/22/03	38,000,000	FHDN	--	06/18/03	99.91	1.170	1.177	37,966,655.00	Mizuho
05/22/03	30,000,000	GE CORP CP	--	05/23/03	99.99	1.230	1.238	29,998,975.00	G.E. Capital
05/22/03	50,000,000	CITIGLOBAL	--	05/23/03	99.99	1.220	1.227	49,998,305.56	Citiglobal
05/22/03	50,000,000	CITIGLOBAL	--	05/27/03	99.98	1.210	1.217	49,991,597.22	Citiglobal
05/23/03	50,000,000	FHDN	--	07/25/03	99.80	1.150	1.158	49,899,375.00	Mizuho
05/27/03	50,000,000	GE CORP	--	05/28/03	99.99	1.250	1.258	49,998,263.89	G.E. Capital
05/27/03	40,500,000	GECC CP	--	05/28/03	99.99	1.270	1.278	40,498,571.25	G.E. Capital

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont )

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
05/27/03	\$50,000,000	UBSFIN CP	--	05/28/03	99.99	1.260%	1.268%	\$49,998,250.00	Bank of America
05/27/03	50,000,000	UBSFIN CP	--	05/28/03	99.99	1.260	1.268	49,998,250.00	Bank of America
05/28/03	50,000,000	USTB	--	06/19/03	99.93	1.145	1.152	49,965,013.89	Bank of America
05/28/03	25,000,000	FNDN	--	06/30/03	99.89	1.180	1.188	24,972,958.33	Merrill Lynch
05/28/03	50,000,000	FNDN	--	06/20/03	99.92	1.190	1.198	49,961,986.11	Bank of America
05/28/03	50,000,000	GE CORP CP	--	05/29/03	99.99	1.290	1.298	49,998,208.33	G.E. Capital
05/28/03	50,000,000	GE CORP CP	--	05/29/03	99.99	1.290	1.298	49,998,208.33	G.E. Capital
05/28/03	50,000,000	UBSFIN CP	--	05/29/03	99.99	1.270	1.278	49,998,236.11	Bank of America
05/28/03	14,000,000	UBSFIN CP	--	05/29/03	99.99	1.270	1.278	13,999,506.11	Bank of America
05/28/03	45,260,000	USTB	--	06/19/03	99.93	1.145	1.152	45,228,330.57	ABN AMRO
05/28/03	50,000,000	USTB	--	06/19/03	99.93	1.145	1.152	49,965,013.99	Mizuho
05/29/03	50,000,000	GE CORP CP	--	05/30/03	99.99	1.300	1.309	49,998,194.44	G.E. Capital

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
05/29/03	\$50,000,000	GE CORP CP	--	05/30/03	99.99	1.300%	1.309%	\$49,998,194.44	G.E. Capital
05/29/03	25,000,000	UBSFIN CP	--	05/30/03	99.99	1.300	1.309	24,999,097.22	Lehman Brothers
05/29/03	50,000,000	UBSFIN CP	--	05/30/03	99.99	1.300	1.309	49,998,194.44	Lehman Brothers
05/29/03	25,000,000	UBSFIN CP	--	05/30/03	99.99	1.300	1.309	24,999,097.22	Bank of America
05/30/03	50,000,000	FHDN	--	07/30/03	99.80	1.180	1.188	49,900,027.78	Greenwich Capital
05/30/03	50,000,000	GECC CP	--	06/02/03	99.99	1.350	1.359	49,994,375.00	G.E. Capital
05/30/03	50,000,000	GECC CP	--	06/02/03	99.99	1.350	1.359	49,994,375.00	G.E. Capital
05/30/03	50,000,000	UBSFIN CP	--	06/02/03	99.99	1.350	1.359	49,994,375.00	Bank of America
05/30/03	43,100,000	UBSFIN CP	--	06/02/03	99.99	1.350	1.359	43,095,151.25	Bank of America
	<u>\$5,423,680,000</u>							<u>\$5,420,182,789.68</u>	

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Sale of Securities

<u>Sale Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Sale Price</u>	<u>Discount Rate</u>	<u>Principal</u>	<u>Dealer</u>
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No transactions this period.

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Nomura	05/01/03	05/05/03	\$ 1,184,000	1.190%	\$ 156.55
Nomura	05/01/03	05/05/03	3,327,000	1.190	439.90
Nomura	05/01/03	05/05/03	20,213,000	1.190	2,672.61
Nomura	05/01/03	05/05/03	43,930,000	1.190	5,808.52
Nomura	05/01/03	05/05/03	48,816,000	1.190	6,454.56
Nomura	05/01/03	05/05/03	48,816,000	1.190	6,454.56
Mizuho	05/02/03	05/06/03	24,370,000	1.150	3,147.79 *
Mizuho	05/02/03	05/06/03	25,580,000	1.150	3,304.09 *
Daiwa	05/05/03	05/06/03	1,104,000	1.200	36.80
Daiwa	05/05/03	05/06/03	3,136,000	1.200	104.53
Daiwa	05/05/03	05/06/03	16,089,000	1.200	536.30
Daiwa	05/05/03	05/06/03	17,657,000	1.200	588.57

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Daiwa	05/05/03	05/06/03	\$ 25,486,000	1.200%	\$ 849.53
Daiwa	05/05/03	05/06/03	50,000,000	1.200	1,666.67
Daiwa	05/05/03	05/06/03	50,735,000	1.200	1,691.17
Greenwich Capital	05/06/03	05/07/03	3,037,000	1.120	94.48
Greenwich Capital	05/06/03	05/07/03	19,226,000	1.120	598.14
Nomura	05/06/03	05/07/03	29,926,000	1.150	955.97
Greenwich Capital	05/06/03	05/07/03	43,144,000	1.120	1,342.26
Greenwich Capital	05/06/03	05/07/03	48,803,000	1.120	1,518.32
Lehman Brothers	05/07/03	05/08/03	380,000	1.200	12.67 *
BANC ONE	05/07/03	05/08/03	6,372,000	1.180	208.86
Nomura	05/07/03	05/12/03	18,471,000	1.180	3,027.19
Nomura	05/07/03	05/12/03	27,753,750	1.180	4,548.53

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Nomura	05/07/03	05/12/03	\$ 42,770,000	1.180%	\$ 7,009.53
Lehman Brothers	05/07/03	05/08/03	49,445,000	1.200	1,648.17 *
BANC ONE	05/07/03	05/08/03	49,754,000	1.180	1,630.83
Nomura	05/07/03	05/12/03	51,760,000	1.180	8,482.89
Nomura	05/07/03	05/12/03	52,246,250	1.180	8,562.58
Mizuho	05/08/03	05/15/03	24,968,750	1.200	5,826.04 *
Lehman Brothers	05/08/03	05/12/03	39,900,000	1.200	5,320.00 *
Lehman Brothers	05/08/03	05/09/03	45,942,500	1.200	1,531.42 *
Lehman Brothers	05/08/03	05/09/03	46,441,875	1.200	1,548.06 *
Lehman Brothers	05/09/03	05/12/03	1,105,000	1.200	110.50 *
Lehman Brothers	05/09/03	05/12/03	48,770,000	1.200	4,877.00 *
BNP Paribas	05/12/03	05/13/03	17,932,000	1.210	602.71

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
BNP Paribas	05/12/03	05/13/03	\$ 19,250,000	1.210%	\$ 647.01
BNP Paribas	05/12/03	05/13/03	42,065,000	1.210	1,413.85
BNP Paribas	05/12/03	05/13/03	42,753,000	1.210	1,436.98
Nomura	05/13/03	05/14/03	18,892,000	1.190	624.49
Lehman Brothers	05/13/03	05/15/03	27,625,000	1.200	1,841.67 *
Mizuho	05/13/03	05/15/03	29,910,000	1.200	1,994.00 *
Mizuho	05/13/03	05/15/03	34,895,000	1.200	2,326.33 *
Nomura	05/13/03	05/14/03	42,728,000	1.190	1,412.40
Nomura	05/13/03	05/14/03	42,774,000	1.190	1,413.92
Mizuho	05/14/03	05/16/03	1,145,000	1.200	79.52 *
Mizuho	05/14/03	05/16/03	1,145,000	1.200	79.52 *
Nomura	05/14/03	05/19/03	2,403,000	1.220	407.18

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont )

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Daiwa	05/14/03	05/19/03	\$ 9,280,000	1.200%	\$ 1,546.67
Nomura	05/14/03	05/16/03	10,000,000	1.250	694.44
Daiwa	05/14/03	05/19/03	15,637,000	1.200	2,606.17
Daiwa	05/14/03	05/19/03	17,562,000	1.200	2,927.00
Nomura	05/14/03	05/19/03	17,770,000	1.220	3,011.03
Lehman Brothers	05/14/03	05/16/03	28,167,500	1.200	1,956.08 *
Daiwa	05/14/03	05/19/03	33,810,000	1.200	5,635.00
Nomura	05/14/03	05/19/03	43,310,000	1.220	7,338.64
Nomura	05/14/03	05/19/03	48,816,000	1.220	8,271.60
Nomura	05/14/03	05/19/03	48,816,000	1.220	8,271.60
Mizuho	05/14/03	05/16/03	48,830,000	1.200	3,390.98 *
Mizuho	05/14/03	05/16/03	48,830,000	1.200	3,390.98 *

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Lehman Brothers	05/14/03	05/16/03	\$ 48,835,000	1.200%	\$ 3,391.32 *
Lehman Brothers	05/14/03	05/16/03	48,955,000	1.200	3,399.65 *
Lehman Brothers	05/14/03	05/16/03	48,955,000	1.200	3,399.65 *
Daiwa	05/14/03	05/19/03	50,245,000	1.200	8,374.17
Daiwa	05/14/03	05/19/03	56,556,000	1.200	9,426.00
Mizuho	05/15/03	05/29/03	1,117,500	1.300	524.60 *
Mizuho	05/15/03	05/29/03	1,117,500	1.300	524.60 *
Lehman Brothers	05/15/03	05/21/03	24,937,500	1.300	5,042.92 *
Mizuho	05/15/03	05/29/03	48,820,000	1.300	22,918.27 *
Mizuho	05/15/03	05/29/03	48,820,000	1.300	22,918.27 *
Lehman Brothers	05/16/03	05/21/03	395,000	1.200	65.62 *
Mizuho	05/16/03	05/20/03	1,062,500	1.200	141.67 *

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Mizuho	05/16/03	05/22/03	\$ 1,187,500	1.200%	\$ 237.50 *
Lehman Brothers	05/16/03	05/19/03	1,215,000	1.200	121.50 *
Lehman Brothers	05/16/03	05/19/03	1,215,000	1.200	121.50 *
Lehman Brothers	05/16/03	05/21/03	24,950,000	1.200	4,144.48 *
Mizuho	05/16/03	05/20/03	48,750,000	1.200	6,500.00 *
Mizuho	05/16/03	05/22/03	48,750,000	1.200	9,750.00 *
Lehman Brothers	05/16/03	05/19/03	48,770,000	1.200	4,877.00 *
Lehman Brothers	05/16/03	05/19/03	48,770,000	1.200	4,877.00 *
Lehman Brothers	05/16/03	05/21/03	49,505,000	1.200	8,223.33 *
BNP Paribas	05/19/03	05/20/03	16,697,000	1.200	556.57
Lehman Brothers	05/19/03	05/21/03	34,982,500	1.200	2,312.73 *
BANC ONE	05/19/03	05/20/03	39,020,000	1.180	1,278.99

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Lehman Brothers	05/19/03	05/21/03	\$ 39,980,000	1.200%	\$ 2,643.13 *
BNP Paribas	05/19/03	05/20/03	41,234,000	1.200	1,374.47
BNP Paribas	05/19/03	05/20/03	41,499,000	1.200	1,383.30
BNP Paribas	05/19/03	05/20/03	49,994,000	1.200	1,666.47
BNP Paribas	05/19/03	05/20/03	50,057,000	1.200	1,668.57
BANC ONE	05/19/03	05/20/03	50,502,000	1.180	1,655.34
BANC ONE	05/19/03	05/20/03	50,502,000	1.180	1,655.34
Nomura	05/20/03	05/21/03	527,000	1.180	17.27
Mizuho	05/20/03	05/22/03	1,040,000	1.200	69.33 *
Nomura	05/20/03	05/21/03	16,695,000	1.180	547.23
Nomura	05/20/03	05/21/03	20,590,000	1.180	674.89
Daiwa	05/20/03	05/21/03	36,516,000	1.180	1,196.91

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Nomura	05/20/03	05/21/03	\$ 41,360,000	1.180%	\$ 1,355.69
Mizuho	05/20/03	05/22/03	48,910,000	1.200	3,260.67 *
Nomura	05/20/03	05/21/03	49,612,000	1.180	1,626.17
Nomura	05/20/03	05/21/03	49,612,000	1.180	1,626.17
Daiwa	05/20/03	05/21/03	50,857,000	1.180	1,666.98
Daiwa	05/20/03	05/21/03	52,655,000	1.180	1,725.91
Lehman Brothers	05/21/03	05/22/03	40,300,000	1.180	1,320.94
Mizuho	05/22/03	05/29/03	962,500	1.200	224.58 *
Mizuho	05/22/03	05/28/03	1,100,000	1.200	220.00 *
Lehman Brothers	05/22/03	05/23/03	29,925,000	1.200	997.50 *
Lehman Brothers	05/22/03	05/23/03	34,912,500	1.200	1,163.75 *
Mizuho	05/22/03	05/28/03	48,885,000	1.200	9,777.00 *

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Mizuho	05/22/03	05/29/03	\$ 48,975,000	1.200%	\$ 11,427.50 *
Nomura	05/23/03	05/27/03	6,585,000	1.190	870.68
Lehman Brothers	05/23/03	05/27/03	38,980,500	1.180	5,110.78 *
Lehman Brothers	05/23/03	05/27/03	39,980,000	1.180	5,241.82 *
Nomura	05/23/03	05/27/03	48,938,000	1.190	6,470.69
BNP Paribas	05/27/03	05/28/03	1,858,000	1.210	62.45
BNP Paribas	05/27/03	05/28/03	16,665,000	1.210	560.13
Nomura	05/27/03	05/28/03	18,589,000	1.210	624.80
BNP Paribas	05/27/03	05/28/03	19,791,000	1.210	665.20
BNP Paribas	05/27/03	05/28/03	40,310,000	1.210	1,354.86
BNP Paribas	05/27/03	05/28/03	43,724,000	1.210	1,469.61
Nomura	05/27/03	05/28/03	48,938,000	1.210	1,644.86

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Nomura	05/27/03	05/28/03	\$ 48,938,000	1.210%	\$ 1,644.86
BNP Paribas	05/27/03	05/28/03	50,120,000	1.210	1,684.59
Lehman Brothers	05/28/03	05/29/03	16,666,000	1.220	564.79
UBS Warburg	05/28/03	05/29/03	17,749,000	1.220	601.49
Lehman Brothers	05/28/03	05/29/03	19,792,000	1.220	670.73
Lehman Brothers	05/28/03	05/29/03	40,312,000	1.220	1,366.13
Lehman Brothers	05/28/03	05/29/03	45,740,000	1.220	1,550.08
UBS Warburg	05/28/03	05/29/03	53,492,000	1.220	1,812.78
Lehman Brothers	05/29/03	Open	1,105,000 *	Variable **	110.50 ***
Lehman Brothers	05/29/03	Open	1,105,000 *	Variable **	110.50 ***
UBS Warburg	05/29/03	06/02/03	1,476,000	1.260	206.54
UBS Warburg	05/29/03	06/02/03	16,593,000	1.260	2,323.60

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
BNP Paribas	05/29/03	06/02/03	\$ 22,360,000	1.240%	\$ 3,080.71
Lehman Brothers	05/29/03	05/30/03	27,250,000	1.250	946.18 *
UBS Warburg	05/29/03	06/02/03	37,873,000	1.250	5,260.14
UBS Warburg	05/29/03	06/02/03	41,019,000	1.260	5,742.66
Lehman Brothers	05/29/03	Open	48,770,000 *	Variable **	4,877.00 ***
Lehman Brothers	05/29/03	Open	48,770,000 *	Variable **	4,877.00 ***
BNP Paribas	05/29/03	06/02/03	48,883,000	1.240	6,734.94
UBS Warburg	05/29/03	06/02/03	49,877,000	1.260	6,982.78
Mizuho	05/30/03	Open	1,187,500 *	Variable **	79.17 ***
Mizuho	05/30/03	Open	1,187,500 *	Variable **	79.17 ***
Mizuho	05/30/03	Open	1,187,500 *	Variable **	79.17 ***
Lehman Brothers	05/30/03	Open	27,250,000 *	Variable **	1,892.36 ***

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Lehman Brothers	05/30/03	Open	\$ 34,912,500 *	Variable **	\$ 2,424.48 ***
Lehman Brothers	05/30/03	Open	39,900,000 *	Variable **	2,770.83 ***
Mizuho	05/30/03	Open	48,750,000 *	Variable **	3,250.00 ***
Mizuho	05/30/03	Open	48,750,000 *	Variable **	3,250.00 ***
Mizuho	05/30/03	Open	48,750,000 *	Variable **	3,250.00 ***

\* This transaction was executed simultaneously with a like reverse/repurchase agreement

\*\* This rate subject to change daily.

\*\*\* Total interest earned is to the last day of the month.

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Reverse Repurchase Transactions (All transactions are executed simultaneously with a like repurchase agreement)

<u>Dealer</u>	<u>Sale Date</u>	<u>Purchase Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Paid</u>
Mizuho	05/02/03	05/06/03	\$49,950,000	1.000%	\$5,619.38
Lehman Brothers	05/07/03	05/08/03	49,825,000	1.050	1,453.23
Lehman Brothers	05/08/03	05/09/03	46,441,875	1.050	1,354.55
Lehman Brothers	05/08/03	05/09/03	45,942,500	1.050	1,339.99
Lehman Brothers	05/08/03	05/12/03	39,900,000	1.100	4,876.67
Mizuho	05/08/03	05/15/03	24,968,750	1.050	4,577.61
Lehman Brothers	05/09/03	05/12/03	49,875,000	1.100	4,571.88
Mizuho	05/13/03	05/15/03	34,895,000	1.050	2,035.54
Mizuho	05/13/03	05/15/03	29,910,000	1.050	1,744.75
Lehman Brothers	05/13/03	05/15/03	27,625,000	0.800	1,381.25
Mizuho	05/14/03	05/16/03	49,975,000	0.900	2,637.57
Mizuho	05/14/03	05/16/03	49,975,000	0.900	2,637.57

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Reverse Repurchase Transactions (All transactions are executed simultaneously with a like repurchase agreement) (Cont.)

<u>Dealer</u>	<u>Sale Date</u>	<u>Purchase Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Paid</u>
Lehman Brothers	05/14/03	05/16/03	\$49,975,000	0.800%	\$2,359.94
Lehman Brothers	05/14/03	05/16/03	49,975,000	0.800	2,359.94
Lehman Brothers	05/14/03	05/16/03	49,975,000	0.800	2,359.94
Lehman Brothers	05/14/03	05/16/03	24,987,500	0.800	1,179.97
Mizuho	05/15/03	05/29/03	49,937,500	1.150	20,321.80
Mizuho	05/15/03	05/29/03	49,937,500	1.150	20,321.80
Lehman Brothers	05/15/03	05/21/03	24,937,500	1.080	4,488.75
Lehman Brothers	05/16/03	05/19/03	49,985,000	1.050	4,373.69
Lehman Brothers	05/16/03	05/19/03	49,985,000	1.050	4,373.69
Mizuho	05/16/03	05/22/03	49,937,500	1.050	8,739.06
Lehman Brothers	05/16/03	05/21/03	49,900,000	1.050	7,387.97
Mizuho	05/16/03	05/20/03	49,812,500	1.000	5,603.90

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Reverse Repurchase Transactions (All transactions are executed simultaneously with a like repurchase agreement) (Cont.)

<u>Dealer</u>	<u>Sale Date</u>	<u>Purchase Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Paid</u>
Lehman Brothers	05/16/03	05/21/03	\$24,950,000	1.050%	\$3,693.99
Lehman Brothers	05/19/03	05/21/03	39,980,000	0.950	2,087.85
Lehman Brothers	05/19/03	05/21/03	34,982,500	0.950	1,826.86
Mizuho	05/20/03	05/22/03	49,950,000	1.050	2,913.75
Mizuho	05/22/03	05/28/03	49,985,000	1.050	8,747.38
Mizuho	05/22/03	05/29/03	49,937,500	1.050	9,987.50
Lehman Brothers	05/22/03	05/23/03	34,912,500	1.100	1,066.77
Lehman Brothers	05/22/03	05/23/03	29,925,000	1.100	914.38
Lehman Brothers	05/23/03	05/27/03	39,980,000	1.080	4,797.60
Lehman Brothers	05/23/03	05/27/03	38,980,500	1.080	4,677.66
Lehman Brothers	05/29/03	Open	49,875,000	Variable *	4,571.88 **
Lehman Brothers	05/29/03	Open	49,875,000	Variable *	4,571.88 **

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

• Reverse Repurchase Transactions (All transactions are executed simultaneously with a like repurchase agreement) (Cont.)

<u>Dealer</u>	<u>Sale Date</u>	<u>Purchase Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Paid</u>
Lehman Brothers	05/29/03	05/30/03	\$27,250,000	1.050%	\$794.79
Mizuho	05/30/03	Open	49,937,500	Variable *	2,913.02 **
Mizuho	05/30/03	Open	49,937,500	Variable *	2,913.02 **
Mizuho	05/30/03	Open	49,937,500	Variable *	2,913.02 **
Lehman Brothers	05/30/03	Open	39,900,000	Variable *	2,438.33 **
Lehman Brothers	05/30/03	Open	34,912,500	Variable *	2,133.54 **
Lehman Brothers	05/30/03	Open	27,250,000	Variable *	1,513.89 **

\* This rate subject to change daily.

\*\* Total interest paid is to the last day of the month.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

**REPORT B:** In addition to the transactions described in Report A of this report, the Executive Director also reports the following transactions during the period May 1, 2003 through May 31, 2003, pertaining to investments in United States Treasury securities and interest rate options contracts with respect to United States Treasury securities pursuant to the guidelines established by the Board of Commissioners on August 25, 1988.

Options Transactions - Purchased

<u>Transaction Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Price</u>	<u>Exercise Price</u>	<u>Expirations/ Settlement</u>	<u>Dealer</u>	<u>Option Premium</u>
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No new transactions this period.

Options Transactions - Sold

<u>Transaction Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Price</u>	<u>Exercise Price</u>	<u>Expirations/ Settlement</u>	<u>Dealer</u>	<u>Option Premium</u>
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No new transactions this period.

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

**REPORT C:** In addition to the transactions described in Report A and B, the Executive Director also reports the following transactions during the period May 1, 2003 and May 31, 2003 pertaining to the execution or cancellation of Interest Rate Exchange Contracts pursuant to the guidelines established by the Board of Commissioners on December 10, 1992.

## Interest Rate Exchange Contracts

<u>Date</u>	<u>Counterparty</u>	<u>Notional Amount</u>	<u>Start Date</u>	<u>Termination Date</u>	<u>Fixed Interest Rate Paid</u>	<u>Variable Interest Rate Received</u>
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No new transactions this period.

As of May 31, 2003, the Port Authority has interest rate exchange contracts in place on notional amounts totaling \$379 million, all of which pertain to refundings.

**REPORT D:** In addition to the transactions described in Report A, B and C, the Executive Director also reports the following transactions during the period May 1, 2003 and May 31, 2003 under the Variable Rate Master Note Program as amended and supplemented through October 13, 1994.

## Variable Rate Master Note Placements

<u>Date of Issuance</u>	<u>Amount</u>	<u>Purchaser</u>	<u>Term</u>	<u>Variable Rate Index</u>
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No new transactions this period.

Whereupon, the meeting was adjourned.

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Assistant Secretary

**PORT AUTHORITY TRANS-HUDSON CORPORATION**

**MINUTES**

**Thursday, July 31, 2003**

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**MINUTES of the Meeting of Port Authority Trans-Hudson Corporation held Thursday, July 31, 2003, at 225 Park Avenue South, City, County and State of New York.**

**PRESENT:**

**NEW JERSEY**

Hon. Anthony R. Coscia, Chairman  
 Hon. Raymond M. Pocino  
 Hon. Anthony J. Sartor  
 Hon. David S. Steiner

Joseph J. Seymour, President  
 Ernesto L. Butcher, Vice-President  
 Jeffrey S. Green, Counsel

Gwendolyn Archie  
 Catherine M. Bergamini  
 Kayla M. Bergeron  
 Bruce D. Bohlen  
 John D. Brill  
 Gregory G. Burnham  
 Timothy Castano  
 Anthony B. Ciavolella  
 Arthur J. Cifelli  
 Anthony G. Cracchiolo  
 William R. DeCota  
 John C. Denise  
 Michael P. DePallo  
 Charles D. DeRienzo  
 Pasquale DiPalco  
 John J. Drobny  
 Karen E. Eastman  
 Nancy J. Ertag-Brand  
 Michael B. Francois  
 Linda C. Handel  
 Edward L. Jackson  
 Louis J. LaCapra  
 Richard M. Larrabee  
 Francis J. Lombardi  
 Robert R. Lurie  
 Stephen Marinko  
 Calixto Martin  
 Daniel S. Maynard  
 Charles F. McClafferty  
 James E. McCoy  
 Catherine F. Pavelec  
 Michael A. Petralia  
 Kenneth P. Philmus  
 Alan L. Reiss  
 Edmond F. Schorno  
 Douglas L. Smith  
 Harry Spector

**NEW YORK**

Hon. Charles A. Gargano, Vice-Chairman  
 Hon. Bruce A. Blakeman  
 Hon. Michael J. Chasanoff  
 Hon. David S. Mack  
 Hon. Henry R. Silverman  
 Hon. Anastasia M. Song

Joseph A. Tobia  
Tiffany A. Townsend  
Ralph Tragale  
Gregory J. Trevor  
Emery J. Ungrady

The public session was called to order by Chairman Coscia at 2.15 p.m. and ended at 2:29 p m. The Board met in executive session prior to the public session.

**Action on Minutes**

The Vice-President submitted for approval Minutes of the meeting of June 26, 2003. He reported that copies of these Minutes were sent to all of the Directors and to the Governors of New York and New Jersey. He reported further that the time for action by the Governors of New York and New Jersey has expired.

Whereupon, the Board of Directors unanimously approved the Minutes.

**SETTLEMENT OF CLAIM – ESTATE OF WILLIAM RUDDELL V. PORT AUTHORITY TRANS-HUDSON CORPORATION, ET AL.**

It was recommended that the Board authorize Counsel, for and on behalf of Port Authority Trans-Hudson Corporation (PATH), to enter into an agreement with plaintiff Estate of William Ruddell (Plaintiff) to provide for the settlement of a claim for wrongful death and occupational disease by paying Plaintiff and its attorneys the sum of \$150,000. In exchange, PATH and the Port Authority will receive a general release from liability and a stipulation of dismissal of the action, with prejudice.

Plaintiff's decedent, William Ruddell, was a retired 37-year PATH employee who worked as a motorman/yard supervisor, flagman, collector, conductor and switchman. Plaintiff claims that Mr. Ruddell was exposed to several hazardous substances during the course of his employment with PATH, causing damage to his pulmonary system.

Mr. Ruddell died on August 28, 2002 at the age of 68. The cause of his death was chronic obstructive pulmonary disease and coronary artery disease. PATH's medical experts concluded that he suffered from severe obstructive lung disease, and there was further evidence of work-related exposure to hazardous substances of the type which cause obstructive lung disease

Pursuant to the foregoing report, the following resolution was adopted in executive session with Directors Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Song and Steiner voting in favor; none against:

**RESOLVED**, that Counsel be and he hereby is authorized, for and on behalf of Port Authority Trans-Hudson Corporation, to enter into an agreement with plaintiff Estate of William Ruddell to provide for the settlement of a lawsuit entitled The Estate of William Ruddell v. Port Authority Trans-Hudson Corporation, et al. by paying plaintiff the sum of \$150,000.

**SETTLEMENT OF CLAIM – RONALD J. CASSARO v. PORT AUTHORITY TRANS-HUDSON CORPORATION**

It was recommended that the Board authorize Counsel, for and on behalf of Port Authority Trans-Hudson Corporation (PATH), to enter into an agreement with plaintiff Ronald Cassaro (Plaintiff) to provide for the settlement of his Federal Employers Liability Act claim for personal injuries for the total amount of \$226,335.95. The settlement amount represents a payment of \$168,383.19 to Plaintiff and his attorneys, a waiver of a PATH medical lien of \$37,356.59, a waiver of a PATH wage lien of \$13,979.36 and a separate payment of a lien in the amount of \$6,616.81 to the Railroad Retirement Board. In return, Plaintiff will provide PATH with a General Release and a Stipulation of Discontinuance, with prejudice.

On October 30, 2000, Mr. Cassaro, a PATH Trackman I, slipped and fell on accumulated hydraulic fluid and grease on the floor of the PATH Consolidated Shop in New Jersey. As a result, Mr. Cassaro sustained a disc herniation, two bulging discs and a partial rotator cup tear. He underwent two surgeries—a repair of the rotator cup and a distal cervical excision. Pain from the disc bulges necessitated a course of epidural steroid injections. Additionally, a cervical block procedure to enervate cervical facets was performed. Plaintiff was out of work for seven months and returned to a position that necessitates less physical activity than his prior position as Trackman I.

In view of the potential for an unfavorable jury verdict and a higher damage award should this matter proceed to trial, staff recommended that this proposed settlement be authorized.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Directors Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Song and Steiner voting in favor; none against:

**RESOLVED**, that Counsel be and he hereby is authorized, for and on behalf of Port Authority Trans-Hudson Corporation, to enter into an agreement with Ronald J. Cassaro (Plaintiff) to provide for the settlement of a lawsuit entitled Ronald Cassaro v. Port Authority Trans-Hudson Corporation by paying to Plaintiff and his attorneys the sum of \$168,383.19, waiving a medical lien of \$37,356.59 and a wage lien of \$13,979.36, and paying a Railroad Retirement Board lien of \$6,616.81.

Whereupon, the meeting was adjourned.

\_\_\_\_\_  
Vice-President

# THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

## MINUTES

Thursday, December 11, 2003

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**MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday,  
December 11, 2003, at 225 Park Avenue South, City, County and State of New York.**

**PRESENT:**

**NEW JERSEY**

Hon. Anthony R. Coscia, Chairman  
Hon. Raymond M. Pociino  
Hon. Anthony J. Sartor  
Hon. David S. Steiner

**NEW YORK**

Hon. Charles A. Gargano, Vice-Chairman  
Hon. Bruce A. Blakeman  
Hon. Michael J. Chasanoff  
Hon. David S. Mack  
Hon. Henry R. Silverman  
Hon. Anastasia M. Song

Joseph J. Seymour, Executive Director  
Jeffrey S. Green, General Counsel  
Karen E. Eastman, Secretary

Gwendolyn Archie, Staff Administrator, Office of the Secretary  
Catherine M. Bergamini, Senior Administrator, Port Commerce  
A. Paul Blanco, Chief of Regional and Economic Development  
Bruce D. Bohlen, Treasurer  
John D. Brill, Director, Audit  
Ernesto L. Butcher, Chief Operating Officer  
Rosemary Chiricolo, Assistant Director, Financial Services  
Steven J. Coleman, Public Information Officer, Public Affairs  
Anthony G. Ciacchiolo, Director, Priority Capital Programs  
William R. DeCota, Director, Aviation  
John C. Denise, Supervisor, Audio Visual/Photography, Operations Services  
Charles D. DeRienzo, Superintendent of Police/Director, Public Safety  
Pasquale DiFulco, Public Information Officer, Public Affairs  
Nancy J. Eitag-Brand, Executive Advisor to the Chief Financial Officer  
Michael G. Fabiano, Comptroller  
Michael B. Francois, Director, Real Estate  
Linda C. Handel, Assistant Secretary  
Jay Hector, Senior Policy Advisor to the Vice-Chairman  
Edward L. Jackson, Director, Financial Services  
Howard G. Kadu, Senior Attorney, Law  
Kirby King, Deputy Director, PATII  
Louis J. LaCapra, Chief Administrative Officer  
Richard M. Larrabee, Director, Port Commerce  
Francis J. Lombardi, Chief Engineer  
Robert R. Lurie, Senior Policy Advisor, Office of the Chairman  
Daniel S. Maynard, Information Officer, Public Affairs  
Stephen Marinko, Attorney, Law  
Charles F. McClafferty, Chief Financial Officer  
James E. McCoy, Manager, Board Management Support, Office of the Secretary  
Lynn A. Nerney, Senior Administrator, Office of the Secretary  
Michael A. Petralia, Chief of Public and Government Affairs  
Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals  
Alan L. Reiss, Deputy Director, Aviation  
Edmond F. Schorno, Chief of Staff  
Douglas L. Smith, Director, Office of Forecasting and Capital Planning  
Ralph Triagale, Client Manager, Government and Community Affairs  
Gregory J. Trevor, Senior Public Information Officer, Public Affairs  
Emery J. Ungrady, Deputy Chief of Staff  
Sean P. Walsh, Director, Government and Community Affairs

The public session was called to order by Chairman Coscia at 2:30 p.m. and ended at 2:50 p.m. The Board met in executive session prior to the public session.

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

The Committee on Finance reported, for information, on matters discussed in executive session at its meeting on December 11, 2003, which included discussion of matters related to, or which could impact upon, the issuance, sale, resale, or redemption of Port Authority bonds, notes or other obligations and matters which could affect the competitive economic position of the Port Authority, the Port District or businesses with which we deal, in addition to matters filed with the Committee pursuant to Board action or separately reported to the Board of Commissioners at this meeting of the Board, and the report was received and is included with these minutes.

#### **Report of Committee on Capital Programs/Port Planning**

The Committee on Capital Programs/Port Planning reported, for information, on matters discussed in executive session at its meeting on December 11, 2003, which included discussion on lease matters, contract matters and matters which could affect the competitive economic position of the Port Authority, the Port District or businesses with which we deal, and the report was received

#### **Report of Committee on Construction**

The Committee on Construction reported, for information, on matters discussed at its meeting on December 11, 2003, which included discussion of a project for the rehabilitation of Runway 4R- 22L at Newark Liberty International Airport, in addition to matters filed with the Committee pursuant to Board action or separately reported to the Board of Commissioners at this meeting of the Board, and the report was received and is included with these minutes.

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

The Committee on Operations reported, for information, on matters discussed in executive session at its meeting on December 11, 2003, which included discussion of contract matters, and matters which could affect the competitive economic position of the Port Authority, the Port District or businesses with which we deal, in addition to matters filed with the Committee pursuant to Board action or separately reported to the Board of Commissioners at this meeting of the Board, and the report was received and is included with these minutes.

#### **Staff Report**

A presentation was made by staff on the anticipated commencement of AirTrain JFK service on December 17, 2003.

## **2004 BUDGET**

The 2004 Budget for The Port Authority of New York and New Jersey, including the anticipated expenditures of subsidiary corporations, provides for capital and operating expenditures during calendar year 2004 necessary to achieve the Port Authority's goals and objectives.

The Commissioners have established that the Port Authority's mission is to identify and meet the critical transportation infrastructure needs of the bi-state region's businesses, residents and visitors by providing the highest quality, most efficient transportation and port commerce facilities and services that move people and goods within the region, provide access to the rest of the nation and to the world, and strengthen the economic competitiveness of the New York-New Jersey metropolitan region.

This mission is supported by goals and objectives that include: enhancing safety and security, implementing new technologies, maintaining and enhancing infrastructure, advancing the delivery of capital programs, increasing agency cost effectiveness, pursuing improvements in regional mobility, and advancing regional economic competitiveness.

The Budget serves as a financial planning tool which outlines estimated expenditures for fulfilling these objectives through programs already authorized or to be considered.

The 2004 Budget totals \$4,529 million. It consists of \$2,103 million for operating expenses, \$1,799 million for gross capital expenditures, \$568 million for debt service charged to operations, and \$59 million for other expenditures.

The proposed 2004 Budget provides for, among other things, higher annual costs in connection with the extension of the lease with the City of New York for Port Authority operation of John F. Kennedy International and LaGuardia Airports; assumes continued Port Authority management of the World Trade Center site to provide a safe, secure and clean environment to facilitate construction and for visitors; maintains security measures consistent with a heightened security threat level at all Port Authority facilities; and incorporates higher pension costs in accordance with legislative changes governing employer contributions to the New York State Retirement Systems. The 2004 Budget also continues to assume uninterrupted payments from the net lessees of The World Trade Center as specified in their lease agreements; and continued revenue erosion at our tunnels, bridges, and Port Authority Trans-Hudson system facilities as the region's economic recovery lags behind the nationwide trends. Furthermore, in order to accommodate these higher costs and lower revenues, the 2004 Budget provides for certain reductions in service levels at our facilities.

Despite lower projected net operating revenues for 2004, we have strived to sustain the 2004 capital plan at current spending levels of more than \$1.8 billion. Our most critical capital project continues to be the restoration of Downtown Manhattan, and we will continue to work closely with the Lower Manhattan Development Corporation, the Metropolitan Transportation Authority, and the New York State Department of Transportation. The 2004 Budget also provides for direct assistance to the two States for transportation and economic development projects; spending to maintain existing Port Authority's facilities in a state of good repair; and study and development of projects ready to be advanced if additional funding resources become

available, another project is deferred or halted, or required by an operational or critical business need.

The Executive Director would be authorized to take action in accordance with appropriate procedures with respect to professional, technical, or advisory services as appropriate; contracts for maintenance and services, construction, and commodity purchases; the purchase of insurance; settlement of employee and patron claims; and other actions, including personnel benefit, classification, range and procedural adjustments, as provided in the 2003 Budget.

A provision of \$550,000 is also included to reimburse the States of New York and New Jersey for expenses incurred by the two States, including staff costs, in reviewing the Port Authority's annual Budget and any amendments thereto.

Circumstances arose during the year 2003 that were not foreseeable or determinable when the 2003 Budget was prepared, which are estimated to cause total expenditures to amount to \$93 million more than the amounts set forth in the 2003 Budget.

The Executive Director would be authorized to permit applications from the Consolidated Bond Reserve Fund during 2004. In connection with the effectuation of the Port Authority's capital program from time to time and consistent with the 2004 Budget and capital program projections, it is desirable to establish a maximum amount for 2004 in connection with the Executive Director's authority to apply moneys in the Consolidated Bond Reserve Fund to the Capital Fund, subject to statutory, contractual, and other commitments and financial policies of the Port Authority, not to exceed \$700 million (after reimbursement for temporary applications), in addition to other capital funds carried into 2004 and the proceeds of Port Authority obligations to be issued.

The Executive Director's authority, pending final adoption and approval of the annual Budget, to make operating expenditures and undertake contractual commitments for continuing operations and professional services as contained in the financial plan presented to the Commissioners, would also be confirmed.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Song and Steiner voting in favor; none against:

**RESOLVED**, that the 2004 Budget of The Port Authority of New York and New Jersey as set forth below, be and the same hereby is approved and adopted, including authority for the Executive Director to: (a) take action in accordance with appropriate procedures with respect to professional, technical, or advisory services as appropriate; contracts for maintenance and services, construction, and commodity purchases; purchase of insurance; settlement of claims; and other actions, including personnel benefit, classification, range, and procedural adjustments; and (b) pending final adoption of the annual Budget, make operating expenditures and undertake contractual commitments for continuing operations and services:

; and it is further

**RESOLVED**, that the revisions to the Budget for the year 2003 be and the same hereby are approved:

**THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY**  
**Including Subsidiary Corporations**  
**2003 ESTIMATE VS 2003 BUDGET**  
(In Thousands)

	<u>2003 ESTIMATE</u>	<u>2003 BUDGET</u>	<u>CHANGE</u>
Operating Expenses	\$1,972,268	\$1,996,042	(\$23,774)
Debt Service Charged to Operations	1,189,620	1,107,800	81,820
Deferred Expenses, Expenses Related to 9/11/01 and Other	<u>90,776</u>	<u>66,344</u>	<u>24,432</u>
Total Operating	3,252,664	3,170,186	82,478
Capital Expenditures	<u>1,848,908</u>	<u>1,838,464</u>	<u>10,444</u>
Total Port Authority Expenditure	<u>\$5,101,572</u>	<u>\$5,008,650</u>	<u>\$ 92,922</u>

: and it is further

**RESOLVED**, that, based upon a requisition of the Governor of the State of New York or the Governor of the State of New Jersey, or the duly authorized designee of each, the Port Authority shall pay to the State of New York or the State of New Jersey, or both, upon receipt of an appropriate expenditure plan from said State, an amount not in excess of \$275,000 to each said State to reimburse said State or States for expenses incurred by said State or States, including staff costs, in reviewing the annual Budget of the Port Authority and any amendments thereto; and it is further

**RESOLVED**, that the provision by the Executive Director of portions of the Port Authority's capital program from time to time, consistent with the 2004 Budget and capital program projections (including the continuing application of the Capital Fund on a temporary basis, subject to reimbursement), by application of moneys in the Consolidated Bond Reserve Fund to the Capital Fund for capital expenditures for the year 2004 in connection with the Port Authority's facilities, shall not, subject to statutory, contractual, and other commitments and financial policies of the Port Authority, exceed \$700 million (after any such reimbursements and in addition to other capital funds carried into 2004 and the proceeds of obligations to be issued).

(Board – 12/11/03)

**THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY**  
**Including Subsidiary Corporations**  
**2004 BUDGET**  
(In Thousands)

Item	Total Expenditures	Personal Services	Materials & Services
Audit Department	\$10,785	58,653	\$2,132
Aviation Department	575,256	132,723	442,533
Business and Job Opportunity	3,279	1,988	1,291
Chief Administrative Officer	2,237	1,786	451
Chief Financial Officer	2,532	650	1,882
Chief Operating Officer	8,372	1,649	6,723
Office of Operations & Emergency Management	6,649	2,944	3,705
Priority Capital	27,960	5,566	22,394
Chief of Regional and Economic Development	442	278	164
Waterfront Development	38,900	621	38,279
Chief of Public and Government Affairs	590	472	118
Chief of Public Safety & Emergency Management	697	497	200
Chief Technology Officer	976	688	288
Comptroller's Department	20,001	11,629	8,372
Corporate Policy and Planning	5,711	3,680	2,031
Engineering Department	293,034	92,234	200,800
Construction Contracts	737,191		737,191
Executive Offices	2,684	2,045	639
Ferry Transportation Services	16,649	755	15,894
Financial Services Department	12,173	8,245	3,928
Government and Community Relations	5,670	2,955	2,715
Human Resources Department	16,560	8,102	8,458
Medical Services	4,817	2,481	2,336
Inspector General	5,096	3,695	1,401
Labor Relations Department	3,037	1,926	1,111
Law Department	23,947	18,649	5,298 <sup>(1)</sup>
Office of Economic Development	70,515	2,493	68,022
Office of Forecasting and Capital Planning	1,987	1,397	590
Office of the Secretary	4,211	2,269	1,942
Operations Services Department	43,673	36,108	7,565
Facility Construction Support	30,861	25,009	5,852 <sup>(1)</sup>
Port Commerce Department	197,418	23,400	174,018
Procurement Department	17,305	10,451	6,854 <sup>(1)</sup>
Public Affairs Department	12,945	4,676	8,269 <sup>(1)</sup>
Public Safety Department	299,970	247,031	52,939
Rail Transportation Department	206,233	122,859	83,374
Real Estate Department	15,901	5,217	10,684
Technology Services Department	17,465	20,417	(2,952) <sup>(1)</sup>
Treasury Department	23,444	5,794	17,650
Tunnels, Bridges and Terminals Department	211,316	111,821	99,495
World Trade Department (includes expenses related to 9-11)	3,528	288	3,240
<b>Other</b>			
Airport Access Program	93,776	7,076	86,700 <sup>(2)</sup>
Amounts in Connection with Operating Asset Obligations	39,070		39,070
Bi-state Dredging Program	6,000		6,000
Debt Service - Operating	567,500		567,500
Debt Service - Capital	100,878		100,878
Insurance	133,541		133,541
Municipal Rents and Amounts in Lieu of Taxes	209,192		209,192
Provision for Study and Development	25,000		25,000
Regional - Capital	235,881		235,881
Regional - Operating	42,600		42,600
Special Project Bond Debt Service	93,326		93,326
<b>Total Port Authority Budget</b>	<b>\$4,528,781</b>	<b>\$141,217</b>	<b>\$3,587,564</b>

(1) Net after charges to other departments

(2) Does not include overhead allocations

(Board - 12/11/03)

**NEWARK LIBERTY INTERNATIONAL AIRPORT – REHABILITATION OF  
RUNWAY 4R-22L – PROJECT AUTHORIZATION AND AUTHORITY TO  
AWARD CONTRACT EWR-154.337**

It was recommended that the Board authorize: a) a project to rehabilitate Runway (R/W) 4R-22L at Newark Liberty International Airport (EWR) at an estimated total project cost of \$24.4 million, and b) the Executive Director to award Contract EWR-154.337 in furtherance of the project.

Runway 4R-22L was last paved in 1997. Over the past few years, significant repairs to the runway pavement have been required and relatively large areas have to be removed and replaced. Pavement distress has been increasingly noticeable, as evidenced by more areas of cracking and shoving and longitudinal movement of the runway grooves. There are also several areas where water ponds after rain events at the edge of the runway due to poor grades. It was recommended that this project be accomplished in 2004 in order to maintain the runway in a state of good repair.

As part of the rehabilitation, the runway edge, centerline, and lead-off lighting systems must be supplemented to meet Federal Aviation Administration (FAA)-mandated spacing requirements which decrease the light spacing. Those existing runway lighting systems that remain must be adjusted to the new pavement elevations.

Contract EWR-154.337 is for the rehabilitation of R/W 4R-22L, which includes milling and repaving of the runway, replacement of aeronautical lighting, and installation of associated electrical ducts and cables. The work would be staged to facilitate construction and minimize the impact on airport operations. A portion of the work would be performed during nighttime hours and on weekends in order to minimize inconvenience to the public and interference with essential facility operations. A portion of the work would also be performed during several extended weekend runway closures, eight days of shortened runway operation, and one 19-day extended runway closure in the fall of 2004. This staging has been coordinated with the FAA and the airlines.

Customers and airport neighbors also will be impacted by this project, which is expected to generate both delays to the air traffic system and aircraft overflights in communities that are not traditionally exposed to such activity. Appropriate outreach will be conducted to local community groups, elected officials and the media.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Song and Steiner voting in favor; none against:

**RESOLVED**, that a project for the rehabilitation of Runway (R/W) 4R - 22L at Newark Liberty International Airport (EWR) at an estimated total project cost of \$24.4 million (the Project), including payments to contractors, allowances for extra work (if necessary) and net cost work, engineering, administrative and financial expenses and a contingency (if necessary) be and it hereby is authorized; and it is further

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to take action with respect to purchase and construction contracts and contracts for professional and advisory services and such other agreements as may be necessary to effectuate the Project, subject to advising the Commissioners of individual contracts or agreements to be acted on pursuant to this authorization prior to taking or authorizing such action; and it is further

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to award Contract EWR-154,337 for the rehabilitation of R/W 4R-22L at an estimated total construction cost of \$18.9 million to the lowest qualified bidder following the solicitation of bids from a select list of contractors known to have the necessary qualifications to perform the work; 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.

**NEWARK LIBERTY INTERNATIONAL AIRPORT — TWA AIRLINES, LLC — LEASE AN-538 — SURRENDER OF SPACE**

It was recommended that the Board authorize the Executive Director to enter into a supplemental agreement to Lease No. AN-538 with TWA Airlines, LLC (the Airline, and successor to Trans World Airlines, Inc.) pursuant to which Terminal A, Gate 23 and associated space including office, operations, and ticket counters (collectively, the Space) at Newark Liberty International Airport (the Airport) would be surrendered by the Airline. Such space would thus be converted from exclusive leasehold space under Lease No. AN-538 to space which is available on a common-use basis.

The supplemental agreement with the Airline would provide for the surrender of the Space under Lease No. AN-538 effective on or about January 1, 2004, with a concomitant reduction in the Airline's basic annual rental in the amount of \$973,320 as of the effective date of the surrender. After the surrender, a common-gate charge would be assessed per use (aircraft turn), which is expected to generate increased rental revenue to the Port Authority. In addition, after conversion to common use, the Port Authority would have to pay the operation and maintenance costs associated with Gate 23 to the custodial airline in Terminal A, United Air Lines, Inc. These costs are estimated to be approximately \$557,000 annually, but would be offset by any increase in rentals resulting from use of Gate 23 on a common-use basis.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Song 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 supplemental agreement with TWA Airlines, LLC providing for the surrender of the Terminal A, Gate 23 and associated space at Newark Liberty International Airport under Port Authority Lease No. AN-538, substantially in accordance with the terms and conditions outlined to the Board; 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.

**BROOKLYN-PORT AUTHORITY MARINE TERMINAL – PIERS 1 THROUGH 5 –  
BROOKLYN BRIDGE PARK DEVELOPMENT CORPORATION –  
MEMORANDUM OF UNDERSTANDING AND FUNDING FOR  
DEVELOPMENT OF A PARK**

It was recommended that the Board authorize the Executive Director to enter into a Memorandum of Understanding with the Brooklyn Bridge Park Development Corporation (BBPDC) to transfer title of Piers 1 through 5 at the Brooklyn-Port Authority Marine Terminal to the BBPDC and to allocate a sum not to exceed \$85 million for the planning, design, development and construction costs of a Brooklyn Bridge Park on the property.

In the early 1980s, the Port Authority determined that Piers 1 through 5 were no longer needed for maritime purposes. During the past ten years, the Port Authority has worked with the State of New York (State) and City of New York (City) and the Brooklyn Borough President's Office to bring a proposed plan for the development of a park at this property, to be known as Brooklyn Bridge Park (Park), to fruition and remove Piers 1 through 5 from Port Authority responsibility. In 1994, the Port Authority and the State reached agreement to transfer Piers 1 through 5 to the New York State Urban Development Corporation, now known as the Empire State Development Corporation (ESDC). The Board declared the piers surplus and authorized disposition of the property at its meeting of September 8, 1994. The Port Authority undertook a program of capital investments to halt the deterioration of the piers and maintain their structural integrity. Between 1995 and June 2003 the Port Authority invested nearly \$34 million in piling, bulkhead and pier rehabilitation at the site. An additional \$8 million is included in the 2003-2007 Capital Plan and will be spent to complete this work. In addition, the Port Authority has carried \$85 million in the Capital Plan and Long Range Forecast since 1998 in anticipation that funding would be necessary for the creation of the Park.

The State and City have signed a memorandum of understanding to cooperate in the creation, development and operation of the Park at the site. The City has committed \$65 million to its construction, and the ESDC has created a subsidiary, BBPDC, to take title to the property, develop plans and manage construction. After all reviews and determinations required under the New York State Environmental Quality Review Act and its implementing regulations (SEQRA) have been made, and SEQRA findings that allow for the use or uses contemplated for the property as part of the Park and/or dedicated public parkland have been adopted by the ESDC, the BBPDC will take title to Piers 1 through 5. The Port Authority will maintain the property in accordance with its normal operating procedures until the date of conveyance to BBPDC.

The property will be conveyed in "as is, where is" condition, and the Port Authority will have no liability, either express or implied, as to the condition, title, design, operation, or fitness of the property. In the event that the Port Authority has not completed the capital projects that are budgeted for the property prior to transfer of title, said capital project work shall continue to completion after the transfer of the property to BBPDC. In the event that the Port Authority is required to pay for additional repairs or demolitions at the site beyond the \$8 million included in the Capital Plan or any environmental remediation work performed by BBPDC, the amounts paid by the Port Authority will be deducted from the \$85 million being provided by the Port Authority. Upon execution of the Memorandum of Understanding, the Port Authority will

provide \$2 million to the BBPDC to complete the planning for the Park. An additional \$4 million will be transferred to the BBPDC after the property transfer. The balance of the \$85 million will be paid to the BBPDC in quarterly payments not to exceed \$10 million aggregate in any calendar year, as long as the BBPDC can demonstrate that spending for Park construction is progressing. It is estimated that the total \$85 million will be expended over a period of 8 to 10 years, depending upon how quickly the Park is built. The City will also provide \$65 million, either in direct funding by quarterly payments or by equivalent investments in Park construction. No quarterly payments will be made by the Port Authority unless the City has also demonstrated ongoing funding, either through direct payments to the BBPDC or equivalent investment in Park construction.

In addition to the \$8 million in capital projects yet to be completed, the piers, as of June 30, 2003, have a value on the Port Authority accounting records of over \$47 million (\$8 million in land and \$39 million in depreciable assets).

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Song 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; a) enter into a Memorandum of Understanding with the Brooklyn Bridge Park Development Corporation (BBPDC) to transfer title of Piers 1 through 5 at the Brooklyn-Port Authority Marine Terminal to the BBPDC; and b) allocate a sum not to exceed \$85 million for the planning, design, development and construction costs of a Brooklyn Bridge Park on the property, substantially in accordance with the terms and conditions outlined to the Board; the form of the agreement shall be subject to the approval of General Counsel or his authorized representative.

## **DOWNTOWN RESTORATION PROGRAM – WORLD TRADE CENTER SITE PLANNING AND REDEVELOPMENT – INCREASE IN PLANNING AUTHORIZATION**

It was recommended that the Board authorize an increase of \$8 million in the planning authorization for World Trade Center (WTC) site planning and redevelopment, resulting in a total authorization of \$22 million, for ongoing planning and preliminary design coordination work in connection with the first phase of WTC site redevelopment, expected to occur through early 2005.

Various components of the WTC site redevelopment will now be advancing beyond the conceptual planning stages into preliminary design. In September 2003, the Lower Manhattan Development Corporation (LMDC) and Port Authority announced the refined WTC Site Master Plan based on the "Memory Foundations" concept developed by Studio Daniel Libeskind (SDL). In November 2003, the LMDC announced the eight finalists for the WTC Memorial, with a final selection expected by early 2004. In December 2003, the design concept for the Freedom Tower will be finalized, and preliminary design will commence.

The Port Authority is directly responsible for implementation of the Permanent WTC Port Authority Trans-Hudson system (PATH) Terminal and the WTC site infrastructure components of the restoration. However, as the owner of the WTC site, the Port Authority has significant financial, legal, and other interests in projects to be implemented by others at the WTC site, such as the Freedom Tower and the WTC Memorial. Active Port Authority involvement and support of these projects is necessary to ensure implementation of the WTC Site Master Plan and successful redevelopment of the WTC site.

WTC site planning work to date by the Port Authority has included analysis of Lower Manhattan transportation needs, preparation of planning studies and initial site plans, development of the WTC Site Master Plan, and formulation of commercial development and other related design guidelines.

At its meetings of December 13, 2001, December 10, 2002 and May 29, 2003, the Board authorized a total amount of \$14 million for WTC site planning and redevelopment.

In 2004, it is anticipated that ongoing planning efforts would include design reviews and development coordination activities related to the Freedom Tower, the WTC Memorial, and common subgrade infrastructure and systems. There is also potentially significant planning and engineering work related to WTC retail redevelopment, buildout of the site owned by Deutsche Bank / Milstein Properties, and planning coordination with other commercial and cultural facilities.

Specific work is expected to include formulation and analysis of site development scenarios and phasing options, technical analysis, and engineering feasibility studies. There will also be continued development and review of overall security, sustainability ("green design"), and architectural design standards for the WTC site. Finally, the WTC Site Master Plan may also need to be updated by SDL during 2004.

There is also expected to be technical and engineering support and analysis required for upcoming real estate negotiations related to the various components of the WTC site. The technical work would also support various property modifications anticipated to implement the WTC site redevelopment, including potential discussions with Deutsche Bank, LMDC, the City of New York, and other parties.

Redevelopment of the WTC site and the revitalization of Lower Manhattan in the wake of the events of September 11, 2001 are of critical importance to the economy and overall quality of life of the New York / New Jersey region. The proposed project will facilitate the achievement of these critical tasks.

Staff will seek recovery of any eligible costs in connection with this project that are available under transportation project grants for the Permanent WTC PATH Terminal and WTC Site Public Infrastructure, to be provided by the Federal Transit Administration (FTA). However, most such costs are being charged directly or allocated to those projects; therefore FTA recoveries for WTC site planning are expected to be less than 10 percent of the requested future planning expenditures. Port Authority costs related to planning for commercial office, retail, memorial, and cultural, or other development would not be eligible for reimbursement from the FTA.

Staff expects to seek additional Board authorization as appropriate for ongoing work beyond 2004.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Song and Steiner voting in favor; none against:

**RESOLVED**, that an increase of \$8 million in the planning authorization for World Trade Center (WTC) site planning and redevelopment, resulting in a total authorization of \$22 million, for ongoing planning and preliminary design coordination work in connection with the first phase of WTC site redevelopment, expected to occur through early 2005, be and it hereby is approved.

**CONFIDENTIAL ITEM (pages 601-602)**

This item shall not be available for public inspection until otherwise agreed to by the parties involved.

**AGREEMENT WITH THE ALLIANCE FOR DOWNTOWN NEW YORK, INC. -  
RENEWAL**

It was recommended that the Board authorize the Executive Director to enter into an agreement with the Alliance for Downtown New York, Inc. (the Alliance) pursuant to which the Port Authority would provide a total amount not to exceed \$3.36 million for continuing financial support of the Alliance's programs for a three-year period. Although the Port Authority would commit to funding for the first year of the agreement, commitments for each of the following two years would be contingent on the availability of budgetary resources and the continuation of partial reimbursement from the World Trade Center (WTC) net lessee

The Port Authority has been supporting the Alliance for the last eight years. During this period, the Alliance has been a strong supporter of commercial development in Lower Manhattan by promoting economic development, enhancing security and sanitation, working to strengthen streetscape appearances, and marketing the area south of Chambers Street. The Alliance is responsible for many significant accomplishments, including implementation of environmental enhancements such as improved sidewalk lighting and seasonal plantings, and notably passage of the Lower Manhattan Revitalization Plan (LMRP). The LMRP, implemented in 1995 and still in place, provides tax incentives to attract tenants to Lower Manhattan, upgrade existing buildings, and convert obsolete office buildings to residential use. The program has been widely cited as a major success.

The Alliance continues to advocate the commercial and retail redevelopment of the WTC site as well as the development of a WTC transportation hub. The Alliance also has worked with the Port Authority in the past on many other matters, including the provision of visitor services, the improvement of transportation services, and the arranging of first-class entertainment.

The Alliance has been instrumental in the post-9/11 recovery effort by creating a world-class wireless communications network, coordinating the Downtown NYC River-to-River Festival in 2002 and 2003, and developing marketing and advertising campaigns to help support downtown businesses and maintain the area's viability. During the fall of 2003, the Alliance began a free circulator bus service around Lower Manhattan for the benefit of workers, residents and visitors

Based on the current reimbursement schedule, the WTC net lessee would reimburse the Port Authority for approximately 72 percent of these costs. Funding for each of the last two years of the agreement would be subject to the continuation of this reimbursement.

A three-year agreement would be entered into to ensure greater influence over Alliance policies, and to strengthen the partnership to improve the Lower Manhattan economy.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Song 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 the Alliance for Downtown New York, Inc. (the Alliance) pursuant to which the Port Authority will provide a total amount not to exceed \$3.36 million for continuing financial support of the Alliance's programs for a three-year period; provided, however, that while the Port Authority will commit to funding \$1.12 million for the first year of the agreement, commitments for each of the following two years will be contingent on the availability of budgetary resources and the continuation of partial reimbursement from the World Trade Center net lessee, and that the agreement may be cancelled by the Port Authority on six months' notice after the first year, based on funding availability and continuing net lessee reimbursement; and it is further

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

## **REGIONAL ALLIANCE FOR SMALL CONTRACTORS, INC. – RENEWAL OF PARTICIPATION**

It was recommended that the Board authorize the Executive Director to enter into an agreement with the Regional Alliance for Small Contractors, Inc. (Regional Alliance) to renew Port Authority participation in the Regional Alliance for a period of one year at a cost not to exceed \$185,000. The Port Authority would also provide a rental credit of \$20,000 to offset the cost of office space rental by the Regional Alliance at the Port Authority Bus Terminal

The Regional Alliance is a not-for-profit corporation formed to carry out a cooperative effort initiated by the Port Authority, with participation by other public agencies and private firms, to increase the capacity of minority, women-owned and small businesses (M/W/SBEs) to bid and perform on public contracts. Through its array of training programs and other financial, management and marketing services, the Regional Alliance has been effective in increasing the growth and capacity of M/W/SBEs to compete for larger contracts in both the public and private sectors of New York and New Jersey. The 28-member Board of Directors includes representation from the Port Authority as well as from major regional public and private organizations.

Port Authority participation in the Regional Alliance was initially authorized by the Board in 1990 and has been renewed continually thereafter. The Port Authority's 2001-2003 contract provided the Regional Alliance with \$275,000 annually plus an annual rental credit of \$20,000. Funds provided by the proposed agreement will be used for specific Regional Alliance services, such as classroom training and professional management assistance, on a pay-per-performance basis, rather than the monthly lump-sum payments provided in prior years. In addition, as a result of departmental re-engineering and ongoing efforts to reduce costs, existing Port Authority staff will now perform certain work specified under the previous contract, resulting in savings of \$90,000 per year. This one-year contract also will allow staff to revise or refine the scope of work even further in order to respond to changing needs.

Staff utilizes the Regional Alliance to provide firms certified by the Port Authority with classroom training in such areas as estimating, project and financial management, business applications and contract law and to provide individualized expert assistance to mitigate management problems that could hurt the firms' performance. The Regional Alliance also publicizes upcoming contract opportunities through announcements in its newsletter and through organized events held in conjunction with other regional public and private sector entities.

In addition to the Port Authority, the following organizations have entered into service contracts totaling an estimated \$1.3 million with the Regional Alliance over the past year: Capital City Economic Development Department (Connecticut), Continental Airlines, Inc., New York State Department of Transportation, New York City School Construction Authority, Columbia University, New Jersey Transit Corporation and the Metropolitan Transportation Authority.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Song 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 the Regional Alliance for Small Contractors, Inc. for a one-year period, under which the Port Authority may:

(1) obtain professional services at a cost not to exceed \$185,000 for a 12-month period from January 2004 through December 2004; and

(2) provide in-kind services of a value not to exceed \$20,000 in the form of office space at the Port Authority Bus Terminal; 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

## **MEMORANDUM OF UNDERSTANDING WITH NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY**

It was recommended that the Board authorize the Executive Director to enter into a Memorandum of Understanding (MOU) with the New Jersey Economic Development Authority (NJEDA) for a three-year period, pursuant to which each party would contribute \$300,000 during 2004 to fund development feasibility and planning studies for projects that will benefit Port Authority facilities in New Jersey and continue such funding levels for each of the two following years, subject to the availability of budgetary funds.

It is anticipated that, in connection with the MOU, the Port Authority would retain the services of real estate development and environmental/planning consultants to evaluate the redevelopment potential for high-value distribution facilities at a number of industrial sites in close proximity to Port Authority port facilities in New Jersey. Areas to be addressed in the feasibility analyses would include: market analysis, infrastructure capacity and requirements, environmental assessment, conceptual development plans and costs, and potential real estate financing structures. The cost of this development feasibility work would not exceed \$500,000 in the first year, with 50 percent of the cost to be funded by the NJEDA.

The NJEDA is a self-supporting independent state agency whose mission is to stimulate business development and job creation throughout New Jersey. It offers a wide array of financing programs, real estate development assistance and technical support to help strengthen New Jersey's economy, especially in targeted urban municipalities. The execution of an MOU between the Port Authority and the NJEDA would formalize a cooperative approach in developing a comprehensive strategy to promote the construction of high-value distribution centers near Port Authority port facilities.

While the Port Authority was completing its Regional Port Warehousing Functions and Business Plan (Plan), various New Jersey state agencies and the New Jersey Institute of Technology were considering strategies for the redevelopment of underutilized and contaminated sites near the Port Newark/Elizabeth Port Authority Marine Terminal complex (the Ports) for productive industrial uses. In addition, the New Jersey Department of Transportation was pursuing the design and development of critical transportation and infrastructure improvements near the Ports to create a dedicated truck route to service distribution and port-related industrial businesses in Middlesex, Union, Essex and Hudson Counties. Combining the information and resources of these various groups through a Portfields Task Force (Task Force), which would be formed in connection with the MOU, is necessary to ensure proper coordination and communication. This approach also mirrors the process and strategy suggested by the federal government in its Portfields Program, to which the Port Authority applied earlier this year.

In addition to sharing information and communicating activities between the agencies, it is anticipated that the Plan will be expanded upon and additional actions be pursued, such as: a) in-depth analysis of potential development sites and costs; b) more extensive market research, c) an outreach program to investigate and create public/private partners; and d) detailed analysis of planning options and alternative development strategies. The activities of the Task Force, as outlined in the MOU, and the consulting services, which the Port Authority will contract for, will address these areas.

The process of sharing expertise and funding resources to address regional development issues as reflected in the federal Portfields Program initiative has been expanded within the MOU to address other Port Authority facilities. A portion of the funds to be provided by the Port Authority and matched by the NJEDA pursuant to the MOU up to the total of \$300,000 per year from each agency, would be available to continue this cooperative initiative and fund activities and plans that will benefit Port Authority facilities in New Jersey. The Port Authority and the NJEDA will mutually agree upon these projects and/or activities.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Song 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) enter into a Memorandum of Understanding (MOU) for a three-year term with the New Jersey Economic Development Authority (NJEDA) concerning development feasibility and planning studies for projects that will benefit Port Authority facilities in New Jersey; and 2) contribute \$300,000 toward the funding of this initiative during 2004, with this contribution to be matched by the NJEDA, and contribute \$300,000 for each of the following two years, contingent on the availability of budgetary resources; and it is further

**RESOLVED**, that the form of the MOU and any other documents in connection with the foregoing 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 to remain a member of TRANSCOM Inc. (TRANSCOM), a non-profit membership corporation organized to undertake regional transportation programs, for a five-year period beginning on January 1, 2004; and (2) the Director, Tunnels, Bridges and Terminals, to: a) serve on the Board of TRANSCOM, and b) enter into an agreement with TRANSCOM's other member agencies for said five-year period to provide for the Port Authority's total financial contribution to TRANSCOM, estimated at \$2.6 million for the five-year period, with member contributions to be established each year in accordance with the agreement and the By-Laws of TRANSCOM by unanimous vote of the TRANSCOM Board of Trustees.

TRANSCOM originally was created in 1986 as a three-year demonstration program of regional transportation agencies focused on enhancing the region's transportation management capabilities. By 1989, TRANSCOM had become a permanent regional institution and was able to attract increased support from all its members for the continued expansion of its operating programs. In addition to being a signatory to the TRANSCOM Multi-Year Agreement and a contributing member agency, the Port Authority was the administrative host for TRANSCOM since its creation in 1986.

In 1998, at its Executive Committee's direction, TRANSCOM filed for incorporation as a non-profit membership corporation to which the TRANSCOM member agencies belong, and whose Board consists of the current TRANSCOM Executive Committee members. TRANSCOM's present membership consists of the Connecticut Department of Transportation, New York State's Metropolitan Transportation Authority (MTA), MTA Bridges and Tunnels, MTA New York City Transit, New Jersey Department of Transportation (NJDOT), New Jersey State Police, New Jersey Transit Corporation (NJ Transit), New Jersey Turnpike Authority, New York City Department of Transportation (NYCDOT), New York City Police Department (NYPD), New York State Bridge Authority, New York State Department of Transportation (NYSDOT), New York State Police, New York State Thruway Authority, Palisades Interstate Park Commission, the Port Authority, and Port Authority Trans-Hudson Corporation (PATH). A companion item has been submitted to the PATH Board of Directors to provide for PATH's continued participation in TRANSCOM.

Together, the Port Authority and PATH provide for 19.54 percent (15.63 percent for the Port Authority, 3.91 percent for PATH) of TRANSCOM's membership contributions. Because TRANSCOM's operating budget is partially funded by other revenue sources, such as revenues from sale-of-service projects, total member contributions are less than the total operating budget. For example, the Port Authority's 15.63 percent share of member contributions is 11.5 percent of the total operating budget.

The current list of contributing agencies and their percentage shares is as follows:

- 15.63 percent: Port Authority, NJDOT, NYSDOT
- 7.81 percent: MTA Bridges and Tunnels, MTA, NYCDOT, New Jersey Turnpike Authority
- 3.91 percent: NJ Transit, PATH, MTA New York City Transit, Connecticut DOT, New York State Thruway Authority
- 1.95 percent: New York State Bridge Authority
- 0.4 percent: Palisades Interstate Park Commission

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

TRANSCOM'S operating budget for 2004 is to be submitted to the TRANSCOM Board of Trustees for approval on December 15, 2003. The proposed operating budget for 2004 is \$3,681,080. After other revenues are applied, the proposed total member contributions figure for 2004 is slightly less than the total for 2003: \$2,704,026.

Authorization for the Port Authority's participation in TRANSCOM would enable TRANSCOM to continue its regional transportation coordination and technology development programs.

TRANSCOM's activities: (1) promote the mobility and safety of the traveling public by mitigating congestion; (2) maximize the member agencies' resources by taking advantage of economies of scale for transportation projects; and (3) provide a forum for drawing additional federal funding to the region for transportation management programs. TRANSCOM's services to its member agencies include:

- Regional Interagency Incident Notification through TRANSCOM's Operations Information Center, which collects and disseminates real-time regional incident and construction information, 24 hours a day.
- Regional Interagency Construction Coordination to avoid restricting capacity on parallel or intersecting roadways or transit lines.
- Intelligent Transportation Systems Program that enables the member agencies, including the Port Authority and PATH, to benefit from Federal Highway Administration funding to implement transportation management technologies, including traveler information.

TRANSCOM's other benefits to the Port Authority and the region include:

- TRANSMIT system to report real-time travel times and average speeds for over 200 miles of roadway to detect incidents and provide customer information.
- TRANSCOM Regional Architecture to integrate the member agencies' intelligent transportation systems to enable electronic sharing of information among agency operations centers.

- Trips 123 to provide real-time information and transit trip planning services to the public via an interactive web site and by phone.
- Interagency Remote Video Network to enable the member agencies to share over 400 closed-circuit television feeds.
- Service Area Travelers Interactive Network (SATIN): SATIN provides traveler information via interactive kiosks at transit and roadway hubs.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Pocino, Sartor, Silverman, Song and Steiner voting in favor; Commissioner Mack abstaining; none against:

**RESOLVED**, that the Port Authority's membership in TRANSCOM Inc. (TRANSCOM), a non-profit membership corporation organized to undertake regional transportation programs, for a five-year period beginning on January 1, 2004, be and it hereby is authorized; and it is further

**RESOLVED**, that the Director, Tunnels, Bridges and Terminals, be and he hereby is authorized, for and on behalf of the Port Authority, to: a) serve on the Board of Trustees of TRANSCOM; and b) enter into an agreement with TRANSCOM's other member agencies for said five-year period to provide for the Port Authority's total financial contribution estimated at \$2.6 million for the five-year period, with member contributions to be established each year in accordance with the agreement and the By-Laws of TRANSCOM by unanimous vote of the TRANSCOM Board of Trustees; the form of the agreement shall be subject to the approval of General Counsel or his authorized representative.

### CONTRACT AND PURCHASE ORDER AUTHORIZATIONS AND AMENDMENTS – QUARTERLY REPORT

**REPORT:** In accordance with Article XII, sections (g)(1) and (g) (2) of the By-Laws, the Executive Director reports, for information only, the following contracts were awarded or amended for the period of April 1, 2003 through June 30, 2003.

AWARDEE	DESCRIPTION	AUTHORIZATION AMOUNT	AUTHORIZATION METHOD
Aramsco – A. Herbert Abrams Co, Inc	Respirators	\$182,868	Government Contract
York International	HVAC, EWR	\$771,474	Publicly Bid
Urban Office Products, Inc.	Computer Supplies	\$798,303	Publicly Bid
Winner Ford	Automobiles, Ford CNG Club Wagons	\$419,917	Publicly Bid
Muratec America, Inc	Fax Machines	\$149,250	Government Contract
Bruel & Kjaer North America, Inc.	Noise Monitoring Equipment / Maintenance	\$211,379	Negotiated/Sole Source
Work Area Protection Corporation	Traffic Cones	\$288,390	Government Contract
Ozzie's Ford	Autos, Police	\$499,756	Publicly Bid
Nadler Mobile, LLC	Police Trailers	\$211,700	Publicly Bid
Boundary Fence & Railing Systems	Fencing, Component Parts	\$312,238	Government Contract
Wamock Fleet	Automobiles, Chevy Impalas	\$184,713	Government Contract
Winner Ford	Automobiles, Police	\$373,875	Government Contract
Facet International	Filter / Separator Vessels – EWR	\$280,550	Publicly Bid
M/A – Com Private Radio Systems, Inc.	M/A Com Portable Radios	\$389,676	Government Contract
M/A – Com Private Radio Systems, Inc.	M/A Com Orion Radios	\$401,944	Government Contract
Motorola Communications	Motorola Portable MT-2000 Radios & Equipment	\$286,463	Government Contract
Motorola Communications	Motorola Mobile MCS-2000 Tranceivers & Equipment	\$493,135	Government Contract

**CONTRACT AND PURCHASE ORDER AUTHORIZATIONS AND AMENDMENTS – QUARTERLY REPORT**

<b>AWARDEE</b>	<b>DESCRIPTION</b>	<b>AUTHORIZATION AMOUNT</b>	<b>AUTHORIZATION METHOD</b>
Martin's Uniforms – A Division of Superior Uniform Group, Inc.	Aviation Dress Uniform	\$112,181	Publicly Bid
Dell	Microsoft Software	\$500,000	Government Contract
Motorola Communications	Radio Equipment	\$92,342	Government Contract
Herman Miller, Inc.	Chairs	\$100,344	Government Contract
Spectra Contract Flooring	Carpet	\$91,852	Government Contract
Tri State Employment Service, Inc.	Clerical / Messenger Service	\$498,285	Publicly Bid
Xerox Corporation	Printer	\$191,750	Government Contract
Genserve, Inc.	Maintenance, Generators	\$112,000	Publicly Bid
Ili-Way Safety Systems, Inc.	Thermoplastic ReflectORIZED Pavement Markings – Sign Shop	\$302,000	Publicly Bid
Sherwin Williams Company	Traffic Paint	\$378,400	Government Contract
Xerox Corporation	Copier Maintenance	\$90,160	Government Contract
Lockheed Martin Mission Systems	Level Badging Workstation System	\$498,459	Government Contract
Shoham Consulting	Software Maintenance	\$86,820	Publicly Bid
Alliance General Mechanical	General Construction – Non Structural / OSSID	\$889,750	Publicly Bid
Robert's and Son, Inc.	Parts, Alternators	\$130,000	Government Contract
Flag Container Services, Inc.	Refuse Removal – SIB	\$230,713	Publicly Bid
P.C. Richard Builders Division	Air Conditioners	\$113,060	Publicly Bid
ICOM America, Inc.	Mobile ICOM Radios	\$94,988	Government Contract
StorageTek Storage Technology Corp	Computer Hardware	\$461,677	Government Contract
Panasonic Document Imaging Co.	Fax Machines	\$237,800	Government Contract

**CONTRACT AND PURCHASE ORDER AUTHORIZATIONS AND AMENDMENTS – QUARTERLY REPORT**

<b>AWARDEE</b>	<b>DESCRIPTION</b>	<b>AUTHORIZATION AMOUNT</b>	<b>AUTHORIZATION METHOD</b>
Weldon Materials, Inc.	Asphalt Pick-up – NJM1	\$75,400	Publicly Bid
Canal Carting, Inc.	Refuse Removal – Multi NY – BP/HEL/BIP	\$91,066	Publicly Bid
Big Apple Copy & Printing Center	Copy Services, Excess Color	\$136,942	Publicly Bid
ICOM America, Inc.	Mobile ICOM Radios & Equipment	\$136,586	Government Contract
PMC	Radio Equipment	\$83,346	Government Contract
Joseph Smentkowki, Inc.	Refuse Removal – EWR	\$498,611	Publicly Bid
Ray's Sport Shop, Inc.	Level II Body Armor	\$200,008	Government Contract
Summit Plants & Flowers, Inc	Interior Plant Maintenance	\$226,338	Publicly Bid
Accelerated Waste Systems, Inc.	Refuse Removal-GWBBS	\$331,528	Publicly Bid
Weldon Materials, Inc.	Hot Asphalt – EWR	\$163,050	Publicly Bid
Aramco – A. Herbert Abrams Co, Inc.	Self Contained Breathing Apparatus	\$475,395	Government Contract
Traffic Moving Systems	Trucking Services	\$210,730	Publicly Bid
3E Company	Web-Based Material Safety Data Sheet System	\$166,950	Publicly Advertised/ RFP
Alan Party Rental	Equipment Rental	\$167,684	Publicly Bid

**Tort Claim Settlements – Quarterly Report**

The Executive Director reports, for information only, that in accordance with the authority granted under Article XII, section (g)(4) of the By-Laws, the following claims were previously settled, and reported closed during the period April 1, 2003 to June 30, 2003

**TORT CLAIMS OF THE PORT AUTHORITY, CLOSED**

NAME	AMOUNT COLLECTED
GOLDEN MEMORIES	\$ 1,642.49
SPAN TRANS SER CORP	1,642.49
COACH LEASING INC	1,642.49
ALPHA CARTING CORP	1,642.49
FINANCE CORP	4,900.00
WASTE SERV OF NY INC	675.00
SINGH HARDEV	1,861.00
US BANCORP LSG	2,053.11
GRAY BOYSIE	2,160.00
UBLV AUTO LT	777.25
COACH LEASING INC	3,823.00
WERNER BUS LINES INC	2,053.11
HALL CARTER L	7,000.00
HUDSON GENERAL	3,584.34
UPKAR ANAND	1,200.00
FJC SECURITY SERV INC	1,734.20
YOUNG CHAN KIM	6,291.44
CEVALLOS RAMON	272.18
GREEN BUS LINES	4,043.61
PETER PAN BUS LINES	238.85
HPR PARTNER LLC	5,348.06
CONTINENTAL AIRLINES	3,311.94
HOLLAND DELORES	2,062.83
REYES OSCAR	3,454.52
TRANUMN BRENDA	540.00
COAST TO COAST CATERING	1,000.00
POLANSKY BEATRICE	533.45
FJC SECURITY SERV INC	2,779.61
TRABAKA TRUCKING	2,106.21
WASTER SERVICES OF NY INC	675.00
<b>TOTAL</b>	<b>\$ 71,048.67</b>

**TORT CLAIMS AGAINST THE PORT AUTHORITY, CLOSED**

NAME	FACILITY	AMOUNT PAID
WISE GARY/STATE FARM	John F. Kennedy International Airport	\$ 775.00
JEAN ALEXANDER	John F. Kennedy International Airport	22,500.00
COMMERCIAL TOWER	George Washington Bridge	241.22
MAHGOUNB SHERIF	Newark Liberty International Airport	12,500.00
MCCORMICK P/GEICO ASO	Lincoln Tunnel	600.00
FISCHMAN YEHUDA	George Washington Bridge	5,389.24
NODINE JEFFREY	John F. Kennedy International Airport	259.24
HAPPY KITCHEN INC	Newark Liberty International Airport	948.00
DERMODY JAIME CUEVAS	Newark Liberty International Airport	893.00
PITTMAN JAMES J	George Washington Bridge	295.13
PROULX ROLAND L	George Washington Bridge	743.24
SANDERSON GAIL	Outerbridge Crossing	500.00
YEAMAN RICHARD	Lincoln Tunnel	376.16
WALLACE WILLIAM J	LaGuardia Airport	1,538.22
SALAS WALTER	Outerbridge Crossing	1,315.88
FEINBERG BARBARA L	Newark Liberty International Airport	340.00
SEXTON KAREN	Port Authority Technical Center	800.00
HAMILTON JESSE JR	Holland Tunnel	1,200.00
FURGABACK TRACI	George Washington Bridge	570.39
STASKO BRIAN K	George Washington Bridge	721.96
GUERRERO SABRINA	Port Authority Bus Terminal	102.00
SAVARESE VINNIE	LaGuardia Airport	1,619.94
GURIAN RANDY	George Washington Bridge	248.98
ALEXANDER BRIAN	John F. Kennedy International Airport	1,500.53
EAI INC/ZURICH ASO	Holland Tunnel	3,774.40
PRINCE ROGER E	Port Authority Bus Terminal	201.94
MERCADO PETER M	George Washington Bridge	725.00
HMS SERVICES INC	John F. Kennedy International Airport	1,103.02
PRULELLO MARIA	George Washington Bridge	473.90
PRESTIA DEAN/PONZO M	LaGuardia Airport	1,479.96
ACHEE DAVID	George Washington Bridge	1,175.00
BFL AIR ELECTRIC/STATE	John F. Kennedy International Airport	4,470.20
ARIAS JOSEPH	George Washington Bridge	586.63
BOYD CHARLES	Off Property	657.52
ROBERTS NANCY A	Goethals Bridge	178.59
KANUCH CYNTHIA	Lincoln Tunnel	760.23
ZAINO THOMAS	Outerbridge Crossing	447.32
HAZELWOOD ROSALIND	Holland Tunnel	500.00
LANDAU BRIAN	George Washington Bridge	561.24
PERUYERO LUIS	George Washington Bridge	1,782.61
US CUSTOMS SERV	Newark Liberty International Airport	6,201.77
EVANS PAUL	Port Newark	1,065.61

**TORT CLAIMS AGAINST THE PORT AUTHORITY, CLOSED**

NAME	FACILITY	AMOUNT PAID
THEURER HELENA	Newark Liberty International Airport	742.55
TEJPAUL BANARSI/PRU	John F. Kennedy International Airport	2,102.50
ROBINSON NANCY	Newark Liberty International Airport	275.00
THORNE LATRON	Newark Liberty International Airport	50.00
GARZONE DANNY	John F. Kennedy International Airport	182.45
TYLER DISTRIBUTION	Port Newark	1,867.00
KEANE AIDAN	Newark Liberty International Airport	1,585.32
POGGIE MARIO	Off Property	2,125.46
DUFFALO MARGARET	Newark Liberty International Airport	1,129.96
ISMAILI VERA	Newark Liberty International Airport	169.84
NESHEIWAT ELLEN	225 Park Avenue South	25.00
CALI WILLIAM V	George Washington Bridge	112.66
CULIHANE DREW	George Washington Bridge	6,333.61
KOHL BRENNER ANDY	George Washington Bridge	178.68
MCKENNA CHRISTINE	Holland Tunnel	900.25
PIERATOS VASILJ	George Washington Bridge	469.58
BRAND DENISE L	George Washington Bridge	1,001.17
WINTERGERST WALTER	George Washington Bridge	180.00
CASCETTA JOSEPH	George Washington Bridge	1,703.09
SUGAR BEATS ENTERTAIN	LaGuardia Airport	837.39
KANE JUDITH	John F. Kennedy International Airport	57.00
GRECO LOREN A	Newark Liberty International Airport	212.00
PENA MANUEL	LaGuardia Airport	1,226.60
KOGUT LARIŠA	John F. Kennedy International Airport	129.08
SCHUSTER JAY	LaGuardia Airport	1,077.52
JEDLICKA JUDITH A	LaGuardia Airport	295.70
ALVAREZ MARCO	Lincoln Tunnel	110.00
MOLINA EDUARDO	George Washington Bridge	250.00
TEREBECKI DEB/NJ MANU	Off Property	2,260.67
MASIN KEVIN	John F. Kennedy International Airport	107.71
PATEL DINA	Off Property	625.00
MOLLETTE SHAROD R	George Washington Bridge	1,600.00
DONOHUE JANE M	Holland Tunnel	460.00
PERSICO MICHAEL	LaGuardia Airport	373.79
MILKYWAY CAB CORP	LaGuardia Airport	2,500.00
AIS TRANSP SERV	John F. Kennedy International Airport	4,728.65
VESELY KEVIN	George Washington Bridge	415.00
LEVENTIS STEVE	George Washington Bridge	1,958.75
CUNNINGHAM SYNTHIA	LaGuardia Airport	705.09
IPPOLITO MICHAEL	Newark Liberty International Airport	180.20
MOSSA VICTOR	George Washington Bridge	280.75

**TORT CLAIMS AGAINST THE PORT AUTHORITY, CLOSED**

<b>NAME</b>	<b>FACILITY</b>	<b>AMOUNT PAID</b>
SLAGER TODD	Newark Liberty International Airport	105.02
URBAN CASIMIR S	Outerbridge Crossing	1,763.35
MORRISON GARY	George Washington Bridge	617.45
HERT MICHAEL	George Washington Bridge	484.18
WWOR-TV INC	Lincoln Tunnel	3,457.25
ACKERMAN RICK	LaGuardia Airport	3,137.94
CARRINO ANTHONY G	George Washington Bridge	532.37
CALIXTE JEAN VANO	George Washington Bridge	1,414.41
NUNEZ MARIANA	George Washington Bridge	125.37
KRAMER ALVIN	George Washington Bridge	2,910.28
COLEMAN BARBARA	Port Authority Bus Terminal	957.77
REED SHARON	John F. Kennedy International Airport	2,813.89
NUWARAPAKAGE BARATH	Off Property	5,200.00
STRACK THOMAS	Holland Tunnel	532.67
GOTTLIEB DANIEL	LaGuardia Airport	1,816.84
GANZER FREDERICK C	George Washington Bridge	2,300.00
PEREZ DORIS	George Washington Bridge	415.49
REGAN MICHAEL J	George Washington Bridge	399.77
LEIZER JOEL E	Lincoln Tunnel	168.43
WHEELER WILLIAM A	George Washington Bridge	349.91
O'NEILL WAYNE	Teterboro Airport	135.00
SCHICKLER CARL	Newark Liberty International Airport	340.33
PAPAPIETRO DENISE	Goethals Bridge	271.97
MAC KNIGHT BRETT	Lincoln Tunnel	206.70
ENTERPRISE RENT A CAR	Off Property	730.60
JUDGE STEPHEN F	Newark Liberty International Airport	785.07
DEVOY CHRISTOPHER	Newark Liberty International Airport	1,015.50
CACCAMO JOSEPH	Lincoln Tunnel	206.70
DILLON KEVIN	LaGuardia Airport	3,500.00
KAYL ROBERT J	Holland Tunnel	2,500.00
GULA MICHAEL	World Trade Center	15,000.00
MERRYMAN GAYLA V	World Trade Center	5,000.00
FERRARA JOHN	John F. Kennedy International Airport	10,000.00
WHITE MAXINE	Port Authority Bus Terminal	1,500.00
	<b>TOTAL</b>	<b>\$ 194,342.35</b>

**FINAL CONTRACT PAYMENTS**

The Comptroller's Department reported, for information only, that the contracts set forth hereafter have been completed satisfactorily by the contractors. Final payments have been made in the period of September 1, 2003 to September 30, 2003.

<b>CONTRACT NUMBER</b>	<b>CONTRACT TITLE FACILITY AND CONTRACTOR</b>	<b>TOTAL AUTHORIZED</b>	<b>TOTAL PAYMENTS</b>
EWR154252	FIS GENERATOR REPLACEMENT AND	637,555 (A)	637,555 (A)
	TERMINAL-B	50,000 (C)	1,651 (C)
	INTERLINE BAGGAGE CONVEYOR SYSTEM	51,000 (D)	37,318 (D)
	NEWARK LIBERTY INTERNATIONAL	6,463 (E)	6,463 (E)
	AIRPORT	745,018	682,987
	TWIN TOWERS ENTERPRISES, INC.		
MF415840	ASBESTOS REMOVAL	900,000 (C)	125,118 (C)
	TUNNELS, BRIDGES & TERMINALS DEPARTMENT NEW YORK FACILITIES COMPREHENSIVE ENVIRONMENTAL SERVICES	900,000	125,118
JFK991914	REVISION TO AIRPORT SIGN SYSTEM	547,000 (A)	547,000 (A)
	JOHN F. KENNEDY INTERNATIONAL	50,000 (C)	--0-- (C)
	AIRPORT	33,000 (D)	32,986 (D)
	SERVICE SIGN ERECTORS CO, INC.	13,440 (E)	13,440 (E)
		643,440	593,426
PN234870	REMOVAL AND INSTALLATION OF	120,103 (A)	68,619 (A,H)
	CERAMIC WALL FILES	1,828,845 (B)	1,828,845 (B)
	HOLLAND TUNNEL	50,000 (C)	--0-- (C)
	ATTRI ENTERPRISES, INC.	116,937 (D)	15,891 (D)
		182,884 (F)	182,884 (F)
		--0-- (G)	36,681 (G)
	2,298,769	2,132,920	

- (A) Lump Sum
- (B) Classified Work.
- (C) Net Cost - amount in the "Total Authorized" column represents the authorized estimated net cost amount. However, the amount in the "Total Payments" column is the actual net cost amount paid.
- (D) Extra Work.
- (E) Premium for furnishing performance and payment bond as provided for in the contract.
- (F) Increase in classified work.
- (G) Uncommitted funds in extra work utilized against additional cost in classified work.
- (H) The difference between "Total Authorized" and "Total Payments" represents deficiencies in asphalt pavement density totaling \$51,484 which is deducted from the contractor's compensation as provided for in the contract.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

The Committee on Finance reported, for information only, that in accordance with authority granted by the Committee, the Executive Director had authorized the following security transactions, time accounts, interest rate exchange contracts and variable rate master note agreements during the period October 1, 2003 through October 31, 2003.

**REPORT A:**

Purchase of Port Authority Bonds

(Unless otherwise noted, all Port Authority Bonds are callable at par).

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Call Year</u>	<u>YTC @ Cost</u>	<u>BEY @ Cost</u>	<u>Total Principal</u>	<u>Dealer</u>
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No new transactions this period.

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
10/01/03	\$50,000,000	FIIDN	--	10/29/03	99.92	1.000%	1.005%	\$49,961,111.11	Banc of America
10/01/03	50,000,000	GE CORP CP	--	10/02/03	99.99	1.060	1.066	49,998,527.78	G.E. Capital
10/01/03	50,000,000	UBSFIN CP	--	10/02/03	99.99	1.060	1.066	49,998,527.78	Lehman Brothers
10/01/03	12,826,000	UBSFIN CP	--	10/02/03	99.99	1.060	1.066	12,825,622.35	Lehman Brothers
10/01/03	600,000	JFK-APO	6.375%	12/01/15	99.90	--	6.387	599,400.00	JFKIAT-APO
10/02/03	50,000,000	USTB	--	10/30/03	99.93	0.850	0.854	49,966,944.45	Greenwich Capital
10/02/03	50,000,000	USTB	--	10/30/03	99.93	0.850	0.854	49,966,944.45	Lehman Brothers
10/02/03	50,000,000	USTB	--	10/30/03	99.93	0.855	0.859	49,966,750.00	Deutsche Bank
10/02/03	50,000,000	USTB	--	12/11/03	99.83	0.860	0.864	49,916,388.89	Morgan Stanley
10/02/03	50,000,000	GE CORP CP	--	10/03/03	99.99	1.030	1.035	49,998,569.44	G.E. Capital
10/02/03	50,000,000	GE CORP CP	--	10/03/03	99.99	1.030	1.035	49,998,569.44	G.E. Capital
10/02/03	38,433,000	UBSFIN CP	--	10/03/03	99.99	1.040	1.045	38,431,889.71	Banc of America

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont )

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
10/03/03	\$50,000,000	USTB	--	10/15/03	99.97	0.915%	0.919%	\$49,984,750.00	Merrill Lynch
10/03/03	50,000,000	USTB	--	10/15/03	99.97	0.912	0.916	49,984,800.00	Merrill Lynch
10/03/03	50,000,000	UBSFIN CP	--	10/06/03	99.99	0.980	0.985	49,995,916.65	Lehman Brothers
10/03/03	31,857,000	UBSFIN CP	--	10/06/03	99.99	0.980	0.985	31,854,398.33	Banc of America
10/06/03	50,000,000	UBSFIN CP	--	10/07/03	99.99	1.000	1.005	49,998,611.10	Lehman Brothers
10/06/03	43,235,000	UBSFIN CP	--	10/07/03	99.99	1.000	1.005	43,233,799.02	Lehman Brothers
10/06/03	8,340,000	CITIGLOBAL CP	--	10/07/03	99.99	0.980	0.985	8,339,772.97	Citiglobal
10/07/03	7,000,000	GECC CP	--	10/08/03	99.99	0.940	0.944	6,999,817.22	G.E. Capital
10/07/03	50,000,000	UBSFIN CP	--	10/08/03	99.99	0.970	0.975	49,998,652.80	Lehman Brothers
10/07/03	50,000,000	UBSFIN CP	--	10/08/03	99.99	0.970	0.975	49,998,652.80	Banc of America
10/08/03	15,000,000	FHDN	--	11/05/03	99.92	1.000	1.005	14,988,333.33	BANC ONE
10/08/03	34,710,000	FHDN	--	10/15/03	99.98	0.950	0.955	34,703,588.29	Merrill Lynch

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
10/08/03	\$50,000,000	FHDN	--	10/31/03	99.94	1.000%	1.005%	\$49,968,055.56	Banc of America
10/08/03	25,000,000	GECC CP	--	10/09/03	99.99	0.960	0.965	24,999,333.33	G E. Capital
10/08/03	50,000,000	UBSFIN CP	--	10/09/03	99.99	0.970	0.975	49,998,652.78	Banc of America
10/08/03	33,000,000	UBSFIN CP	--	10/09/03	99.99	0.970	0.975	32,999,110.83	Banc of America
10/09/03	50,000,000	USTB	--	10/15/03	99.98	0.915	0.919	49,992,375.00	Deutsche Bank
10/09/03	50,000,000	USIB	--	10/15/03	99.98	0.915	0.919	49,992,375.00	Morgan Stanley
10/09/03	50,000,000	USTB	--	11/06/03	99.93	0.855	0.859	49,966,750.00	Deutsche Bank
10/09/03	50,000,000	USIB	--	10/15/03	99.98	0.920	0.924	49,992,333.34	Deutsche Bank
10/09/03	50,000,000	USTB	--	10/15/03	99.98	0.920	0.924	49,992,333.34	Deutsche Bank
10/09/03	29,112,000	UBSFIN CP	--	10/10/03	99.99	0.990	0.995	29,111,199.42	Lehman Brothers
10/09/03	25,000,000	UBSFIN CP	--	10/10/03	99.99	0.990	0.995	24,999,312.50	Lehman Brothers
10/10/03	40,000,000	FHDN	--	11/05/03	99.93	1.000	1.005	39,971,111.11	Banc of America

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
10/10/03	\$50,000,000	FHDN	--	12/03/03	99.85	1.010%	1.016%	\$49,924,250.00	Banc of America
10/10/03	30,000,000	GECC CP	--	10/14/03	99.99	0.960	0.965	29,996,800.00	G.E. Capital
10/10/03	31,490,000	UBSFIN CP	--	10/14/03	99.99	0.970	0.975	31,486,606.07	Banc of America
10/14/03	50,000,000	USTB	--	11/06/03	99.94	0.865	0.869	49,972,368.06	Merrill Lynch
10/14/03	50,000,000	USTB	--	11/06/03	99.94	0.865	0.869	49,972,368.06	Merrill Lynch
10/14/03	50,000,000	USTB	--	11/06/03	99.94	0.865	0.869	49,972,368.06	Merrill Lynch
10/14/03	50,000,000	UBSFIN CP	--	10/15/03	99.99	1.060	1.066	49,998,527.80	Banc of America
10/14/03	7,700,000	UBSFIN CP	--	10/15/03	99.99	1.060	1.066	7,699,773.28	Banc of America
10/15/03	50,000,000	FHDN	--	10/31/03	99.96	1.000	1.005	49,977,777.78	BANC ONE
10/15/03	50,000,000	FHDN	--	12/05/03	99.86	1.020	1.026	49,927,750.00	Mizuho
10/15/03	50,000,000	UBSFIN CP	--	10/16/03	99.99	1.100	1.106	49,998,472.22	Banc of America
10/15/03	44,000,000	UBSFIN CP	--	10/16/03	99.99	1.100	1.106	43,998,655.56	Banc of America

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @ Cost</u>	<u>Principal</u>	<u>Dealer</u>
10/16/03	\$50,000,000	FHDN	--	12/12/03	99.84	1.020%	1.026%	\$49,919,250.00	Merrill Lynch
10/16/03	50,000,000	FHDN	--	12/10/03	99.84	1.020	1.026	49,922,083.33	Mizuho
10/16/03	50,000,000	UBSFIN CP	--	10/17/03	99.99	1.030	1.035	49,998,569.45	Lehman Brothers
10/16/03	10,000,000	USTN	1.625%	09/30/05	99.73	--	1.768	9,972,656.25	Merrill Lynch
10/16/03	15,000,000	USTN	1.625	09/30/05	99.84	--	1.706	14,976,562.50	Banc of America
10/17/03	50,000,000	FHDN	--	11/14/03	99.92	1.000	1.005	49,961,111.11	Mizuho
10/17/03	50,000,000	UBSFIN CP	--	10/20/03	99.99	0.970	0.975	49,995,958.35	Banc of America
10/17/03	31,450,000	UBSFIN CP	--	10/20/03	99.99	0.970	0.975	31,447,457.80	Banc of America
10/17/03	15,000,000	USTN	1.625	09/30/05	99.52	--	1.878	14,927,343.75	Morgan Stanley
10/20/03	50,000,000	USTB	--	11/13/03	99.94	0.875	0.879	49,970,833.34	Deutsche Bank
10/20/03	50,000,000	GE CORP CP	--	10/21/03	99.99	1.000	1.005	49,998,611.11	G.E. Capital
10/20/03	30,000,000	GE CORP CP	--	10/21/03	99.99	1.000	1.005	29,999,166.67	G.E. Capital

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
10/20/03	\$19,925,000	UBSFIN CP	--	10/21/03	99.99	1.000%	1.005%	\$19,924,446.52	Lehman Brothers
10/20/03	15,000,000	USTN	1.625%	09/30/05	99.45	--	1.912	14,917,968.75	Merrill Lynch
10/21/03	27,000,000	FHDN	--	12/10/03	99.86	1.020	1.026	26,961,750.00	Mizuho
10/21/03	50,000,000	UBSFIN CP	--	10/22/03	99.99	0.990	0.995	49,998,625.00	Lehman Brothers
10/21/03	40,000,000	UBSFIN CP	--	10/22/03	99.99	0.990	0.995	39,998,900.00	Lehman Brothers
10/22/03	25,000,000	FHDN	--	11/19/03	99.92	0.995	1.000	24,980,652.78	Mizuho
10/22/03	25,000,000	FCDN	--	11/04/03	99.96	0.990	0.995	24,991,062.50	Banc of America
10/22/03	50,000,000	GECC CP	--	10/23/03	99.99	0.980	0.985	49,998,638.89	G.E. Capital
10/22/03	50,000,000	GECC CP	--	10/23/03	99.99	0.980	0.985	49,998,638.89	G.E. Capital
10/22/03	22,256,000	UBSFIN CP	--	10/23/03	99.99	0.980	0.985	22,255,394.15	Banc of America
10/23/03	50,000,000	USTB	--	11/13/03	99.95	0.895	0.899	49,973,895.83	Deutsche Bank
10/23/03	50,000,000	USTB	--	11/13/03	99.95	0.895	0.899	49,973,895.83	Deutsche Bank

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
10/23/03	\$50,000,000	USTB	--	11/20/03	99.93	0.900%	0.904%	\$49,965,000.00	Merrill Lynch
10/23/03	50,000,000	USTB	--	11/20/03	99.93	0.900	0.904	49,965,000.00	Merrill Lynch
10/23/03	5,140,000	USTB	--	11/20/03	99.93	0.898	0.902	5,136,411.99	Merrill Lynch
10/23/03	50,000,000	USTB	--	11/06/03	99.97	0.900	0.904	49,982,500.00	Merrill Lynch
10/23/03	39,350,000	USTB	--	11/13/03	99.95	0.900	0.904	39,329,341.25	Morgan Stanley
10/23/03	50,000,000	USTB	--	11/06/03	99.96	0.905	0.909	49,982,402.78	Morgan Stanley
10/23/03	20,525,000	USTB	--	11/06/03	99.97	0.900	0.904	20,517,816.25	Bank of America
10/23/03	50,000,000	USTB	--	12/26/03	99.84	0.900	0.905	49,920,000.00	Lehman Brothers
10/23/03	25,000,000	USTB	--	12/26/03	99.84	0.903	0.907	24,959,888.89	Lehman Brothers
10/23/03	50,000,000	GE CORP CP	--	10/28/03	99.99	1.000	1.005	49,993,055.56	G.E. Capital
10/23/03	50,000,000	GE CORP CP	--	10/28/03	99.99	1.000	1.005	49,993,055.56	G.E. Capital
10/23/03	37,491,000	UBSFIN CP	--	10/24/03	99.99	0.990	0.995	37,489,969.00	Lehman Brothers

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
10/23/03	\$50,000,000	UBSFIN CP	--	10/24/03	99.99	0.990%	0.995%	\$49,998,625.00	JP Morgan
10/24/03	50,000,000	FHDN	--	11/03/03	99.97	0.930	0.934	49,987,083.35	Lehman Brothers
10/24/03	35,700,000	UBSFIN CP	--	10/27/03	99.99	1.000	1.005	35,697,025.00	Lehman Brothers
10/24/03	50,000,000	UBSFIN CP	--	10/27/03	99.99	1.000	1.005	49,995,833.35	Banc of America
10/27/03	40,000,000	UBSFIN CP	--	10/28/03	99.99	1.000	1.005	39,998,888.88	Lehman Brothers
10/27/03	25,000,000	CITIGLOBAL CP	--	10/30/03	99.99	1.010	1.015	24,997,895.83	Citiglobal
10/27/03	20,790,000	UBSFIN CP	--	10/28/03	99.99	1.000	1.005	20,789,422.50	Banc of America
10/28/03	50,000,000	GECC CP	--	10/29/03	99.99	1.020	1.025	49,998,583.33	G.E. Capital
10/28/03	50,000,000	GECC CP	--	10/29/03	99.99	1.020	1.025	49,998,583.33	G.E. Capital
10/28/03	31,000,000	UBSFIN CP	--	10/29/03	99.99	1.010	1.015	30,999,130.28	Banc of America
10/28/03	31,000,000	UBSFIN CP	--	10/29/03	99.99	1.010	1.015	30,999,130.28	Banc of America
10/29/03	50,000,000	FHDN	--	12/19/03	99.86	1.010	1.016	49,928,458.33	Mizuho

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @ Cost</u>	<u>Principal</u>	<u>Dealer</u>
10/29/03	\$25,000,000	FIIDN	--	12/19/03	99.86	1.010%	1.016%	\$24,964,229.17	Mizuho
10/29/03	50,000,000	GECC CP	--	10/30/03	99.99	0.980	0.985	49,998,638.89	G.E. Capital
10/29/03	50,000,000	GECC CP	--	10/30/03	99.99	0.980	0.985	49,998,638.89	G E. Capital
10/29/03	50,000,000	UBSFIN CP	--	10/30/03	99.99	0.980	0.985	49,998,638.90	Lehman Brothers
10/29/03	31,665,000	UBSFIN CP	--	10/30/03	99.99	0.980	0.985	31,664,138.02	Lehman Brothers
10/29/03	10,000,000	USTN	1.625%	09/30/05	99.61	--	1.832	9,960,937.50	Banc of America
10/30/03	50,000,000	US1B	--	12/04/03	99.91	0.925	0.930	49,955,034.72	Deutsche Bank
10/30/03	50,000,000	USTB	--	12/04/03	99.91	0.925	0.930	49,955,034.72	Deutsche Bank
10/30/03	50,000,000	USTB	--	01/29/04	99.76	0.935	0.941	49,881,826.39	Deutsche Bank
10/30/03	50,000,000	GECS CP	--	10/31/03	99.99	1.020	1.025	49,998,583.33	G.E. Capital
10/30/03	50,000,000	GECS CP	--	10/31/03	99.99	1.020	1.025	49,998,583.33	G E. Capital
10/30/03	50,000,000	CITIGROUP CP	--	10/31/03	99.99	1.000	1.005	49,998,611.11	Citigroup

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
10/30/03	\$50,000,000	CITIGROUP CP	--	10/31/03	99.99	1.000%	1.005%	\$49,998,611.11	Citigroup
10/30/03	27,945,000	UBSFIN CP	--	10/31/03	99.99	1.020	1.025	27,944,208.23	Banc of America
10/30/03	15,000,000	USTN	1.625%	09/30/05	99.80	--	1.736	14,970,703.13	Legg Mason
10/31/03	15,000,000	FHDN	--	11/21/03	99.94	0.990	0.995	14,991,337.50	BANC ONE
10/31/03	25,000,000	FHDN	--	11/26/03	99.93	1.000	1.005	24,981,944.44	BANC ONE
10/31/03	25,000,000	FHDN	--	12/24/03	99.85	1.000	1.006	24,962,500.00	BANC ONE
10/31/03	8,000,000	FHDN	--	11/03/03	99.99	0.940	0.944	7,999,373.34	Lehman Brothers
10/31/03	50,000,000	GECS CP	--	11/03/03	99.99	1.040	1.045	49,995,666.67	G.E. Capital
10/31/03	50,000,000	GECS CP	--	11/03/03	99.99	1.040	1.045	49,995,666.67	G.E. Capital
10/31/03	50,000,000	UBSFIN CP	--	11/03/03	99.99	1.040	1.045	49,995,666.67	Lehman Brothers
10/31/03	50,000,000	CITIGROUP CP	--	11/05/03	99.99	1.030	1.035	49,992,847.22	Citigroup
10/31/03	5,000,000	CITIGROUP CP	--	11/05/03	99.99	1.030	1.035	4,999,284.72	Citigroup

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @ Cost</u>	<u>Principal</u>	<u>Dealer</u>
10/31/03	\$ 50,000,000	UBSFIN CP	--	11/03/03	99.99	1.040%	1.045%	\$ 49,995,666.67	Banc of America
	<u>\$ 4,731,540,000</u>							<u>\$ 4,729,501,941.89</u>	

BEY - Bond Equivalent Yield

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Sale of Securities

<u>Sale Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Sale Price</u>	<u>Discount Rate</u>	<u>Principal</u>	<u>Dealer</u>
10/29/03	\$ 10,000,000	USTN	1.625%	09/30/05	99.84	--	\$ 9,984,375.00	Banc of America
10/30/03	<u>15,000,000</u>	USTN	1.625	09/30/05	99.89	--	<u>14,984,179.69</u>	Legg Mason
	<u>\$ 25,000,000</u>						<u>\$ 24,968,554.69</u>	

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
BNP Paribas	10/01/03	10/09/03	\$ 1,190,000	0.980%	\$ 250.89 *
BNP Paribas	10/01/03	10/09/03	1,190,000	0.980	250.89 *
BNP Paribas	10/01/03	10/09/03	1,190,000	0.980	250.89 *
BNP Paribas	10/01/03	10/09/03	1,190,000	0.980	250.89 *
Nomura	10/01/03	10/02/03	6,814,000	1.000	189.28
Nomura	10/01/03	10/02/03	31,718,000	1.000	881.06
Nomura	10/01/03	10/02/03	39,378,000	1.000	1,093.83
Nomura	10/01/03	10/02/03	40,380,000	1.000	1,121.67
Nomura	10/01/03	10/03/03	44,152,000	0.980	2,403.83
BNP Paribas	10/01/03	10/09/03	48,785,000	0.980	10,285.51 *
BNP Paribas	10/01/03	10/09/03	48,785,000	0.980	10,285.51 *
BNP Paribas	10/01/03	10/09/03	48,785,000	0.980	10,285.51 *

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
BNP Paribas	10/01/03	10/09/03	\$ 48,785,000	0.980%	\$ 10,285.51 *
Lehman Brothers	10/01/03	10/02/03	49,937,500	1.020	1,414.90 *
Lehman Brothers	10/02/03	10/06/03	367,500	1.000	39.30 *
Citiglobal	10/02/03	10/06/03	1,158,000	1.000	123.85 *
Citiglobal	10/02/03	10/06/03	1,158,000	1.000	123.85 *
Citiglobal	10/02/03	10/03/03	1,197,000	1.000	33.25 *
Citiglobal	10/02/03	10/03/03	1,197,000	1.000	33.25 *
Daiwa	10/02/03	10/06/03	6,172,000	0.980	672.06
Daiwa	10/02/03	10/06/03	10,067,000	0.980	1,096.18
Daiwa	10/02/03	10/06/03	10,762,000	0.980	1,171.86
Daiwa	10/02/03	10/06/03	20,695,000	0.980	2,253.46
Daiwa	10/02/03	10/06/03	28,875,000	0.980	3,144.17

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Daiwa	10/02/03	10/06/03	\$ 40,177,000	0.980%	\$ 4,374.83
Nomura	10/02/03	10/06/03	47,520,000	0.950	5,016.00
Citiglobal	10/02/03	10/03/03	48,778,000	1.000	1,354.94 *
Citiglobal	10/02/03	10/03/03	48,778,000	1.000	1,354.94 *
Citiglobal	10/02/03	10/06/03	48,779,500	1.000	5,216.70 *
Citiglobal	10/02/03	10/06/03	48,779,500	1.000	5,216.70 *
Lehman Brothers	10/02/03	10/06/03	49,570,000	1.000	5,301.23 *
Nomura	10/02/03	10/06/03	50,000,000	0.950	5,277.78
Mizuho	10/03/03	10/15/03	937,500	0.950	292.97 *
Mizuho	10/03/03	10/15/03	937,500	0.950	292.97 *
UBS Warburg	10/03/03	10/06/03	44,152,000	0.960	3,532.16
Citiglobal	10/03/03	10/06/03	44,887,500	0.950	3,553.59 *

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Citiglobal	10/03/03	10/06/03	\$ 44,887,500	0.950%	\$ 3,553.59 *
Mizuho	10/03/03	10/15/03	49,000,000	0.950	15,312.50 *
Mizuho	10/03/03	10/15/03	49,000,000	0.950	15,312.50 *
Lehman Brothers	10/06/03	10/09/03	1,080,000	0.950	84.30 *
Lehman Brothers	10/06/03	10/09/03	1,080,000	0.950	84.30 *
Daiwa	10/06/03	10/07/03	5,830,000	0.950	153.85
Daiwa	10/06/03	10/07/03	28,140,000	0.950	742.58
Daiwa	10/06/03	10/07/03	29,937,000	0.950	790.00
Daiwa	10/06/03	10/07/03	36,002,000	0.950	950.05
Nomura	10/06/03	10/08/03	36,218,500	0.950	1,911.53
Daiwa	10/06/03	10/07/03	40,106,000	0.950	1,058.35
Lehman Brothers	10/06/03	10/09/03	48,895,000	0.950	3,816.52 *

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Lehman Brothers	10/06/03	10/09/03	\$ 48,895,000	0.950%	\$ 3,816.52 *
Nomura	10/06/03	10/08/03	57,942,500	0.950	3,058.08
BANC ONE	10/07/03	10/08/03	5,811,000	0.920	148.50
BANC ONE	10/07/03	10/08/03	25,541,000	0.920	652.71
BANC ONE	10/07/03	10/08/03	29,489,000	0.920	753.61
BANC ONE	10/07/03	10/08/03	35,970,000	0.920	919.23
BANC ONE	10/07/03	10/08/03	40,097,000	0.920	1,024.70
Citiglobal	10/07/03	10/15/03	47,381,250	0.950	9,963.23 *
Citiglobal	10/07/03	10/15/03	47,381,250	0.950	9,963.23 *
Citiglobal	10/07/03	10/15/03	47,381,250	0.950	9,963.23 *
Citiglobal	10/07/03	10/14/03	47,381,250	0.950	8,647.08 *
Nomura	10/08/03	10/09/03	1,123,000	0.930	29.01

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Nomura	10/08/03	10/09/03	\$ 5,811,000	0.930%	\$ 150.12
Nomura	10/08/03	10/09/03	10,142,000	0.930	262.00
Nomura	10/08/03	10/09/03	29,489,000	0.930	761.80
Nomura	10/08/03	10/09/03	35,971,000	0.930	929.25
Nomura	10/08/03	10/09/03	40,098,000	0.930	1,035.87
Morgan Stanley	10/08/03	10/14/03	44,166,000	0.920	6,772.12
Nomura	10/08/03	10/09/03	48,877,000	0.930	1,262.66
Daiwa	10/09/03	10/14/03	5,790,000	0.930	747.88
Daiwa	10/09/03	10/14/03	10,766,000	0.930	1,390.61
Daiwa	10/09/03	10/14/03	17,165,000	0.930	2,217.15
Daiwa	10/09/03	10/14/03	28,970,000	0.930	3,741.96
Lehman Brothers	10/09/03	10/10/03	30,142,000	0.940	787.04

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Daiwa	10/09/03	10/14/03	\$ 37,767,000	0.930%	\$ 4,878.24
Lehman Brothers	10/09/03	10/14/03	39,553,000	0.920	5,053.99
Daiwa	10/09/03	10/14/03	40,947,000	0.930	5,288.99
Lehman Brothers	10/09/03	10/14/03	50,245,000	0.920	6,420.19
Lehman Brothers	10/09/03	10/14/03	50,245,000	0.920	6,420.19
Nomura	10/14/03	10/15/03	5,772,000	1.020	163.54
Nomura	10/14/03	10/15/03	8,726,000	1.020	247.24
Nomura	10/14/03	10/15/03	26,792,000	1.020	759.11
Nomura	10/14/03	10/15/03	40,097,000	1.020	1,136.08
Nomura	10/14/03	10/15/03	44,173,000	1.020	1,251.57
Citiglobal	10/14/03	10/23/03	47,381,250	1.000	11,371.51 *
Nomura	10/14/03	10/15/03	48,877,000	1.020	1,384.85

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Nomura	10/15/03	10/17/03	\$ 2,246,000	1.000%	\$ 124.78
BNP Paribas	10/15/03	10/16/03	5,755,000	1.050	167.85
BNP Paribas	10/15/03	10/16/03	6,749,000	1.050	196.85
BNP Paribas	10/15/03	10/16/03	25,258,000	1.050	736.69
BNP Paribas	10/15/03	10/16/03	39,985,000	1.050	1,166.23
BNP Paribas	10/15/03	10/16/03	44,174,000	1.050	1,288.41
Citiglobal	10/15/03	10/23/03	47,452,500	1.050	10,070.48 *
Citiglobal	10/15/03	10/23/03	47,452,500	1.050	10,070.48 *
Citiglobal	10/15/03	10/23/03	47,452,500	1.050	10,070.48 *
Nomura	10/15/03	10/17/03	48,877,000	1.000	2,715.39
Nomura	10/15/03	10/17/03	48,877,000	1.000	2,715.39
BNP Paribas	10/15/03	10/16/03	49,696,000	1.050	1,449.47

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Mizuho	10/16/03	10/22/03	\$ 1,090,000	1.000%	\$ 174.10 *
Mizuho	10/16/03	10/22/03	1,090,000	1.000	181.67 *
Mizuho	10/16/03	10/22/03	1,090,000	1.000	174.10 *
Mizuho	10/16/03	10/22/03	1,090,000	1.000	174.10 *
BNP Paribas	10/16/03	10/20/03	5,751,000	0.970	619.83
BNP Paribas	10/16/03	10/20/03	7,569,000	0.970	815.77
BNP Paribas	10/16/03	10/20/03	20,392,000	0.970	2,197.80
BNP Paribas	10/16/03	10/20/03	24,083,000	0.970	2,595.61
BNP Paribas	10/16/03	10/20/03	39,932,000	0.970	4,303.78
BNP Paribas	10/16/03	10/20/03	48,795,000	0.970	5,259.02
BNP Paribas	10/16/03	10/20/03	48,808,000	0.970	5,260.42
Mizuho	10/16/03	10/22/03	48,900,000	1.000	7,810.41 *

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Mizuho	10/16/03	10/22/03	\$ 48,900,000	1.000%	\$ 7,810.41 *
Mizuho	10/16/03	10/22/03	48,900,000	1.000	7,810.41 *
Mizuho	10/16/03	10/22/03	48,900,000	1.000	7,810.41 *
Lehman Brothers	10/16/03	10/22/03	49,990,000	1.000	7,901.20 *
Lehman Brothers	10/16/03	10/22/03	49,990,000	1.000	7,901.20 *
Lehman Brothers	10/16/03	10/22/03	49,990,000	1.000	7,901.20 *
Lehman Brothers	10/16/03	10/22/03	49,990,000	1.000	7,901.20 *
Daiwa	10/17/03	10/23/03	24,875,000	0.940	3,917.80 *
Daiwa	10/17/03	10/20/03	35,429,000	0.940	2,775.27
Daiwa	10/17/03	10/20/03	49,571,000	0.940	3,883.06
Nomura	10/20/03	10/21/03	5,604,000	0.950	147.88
Nomura	10/20/03	10/21/03	5,693,000	0.950	150.23

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Daiwa	10/20/03	10/21/03	\$ 10,703,000	0.950%	\$ 282.44
Daiwa	10/20/03	10/23/03	14,925,000	0.950	1,181.56 *
Nomura	10/20/03	10/21/03	18,913,000	0.950	499.09
Daiwa	10/20/03	10/21/03	37,767,000	0.950	996.63
Nomura	10/20/03	10/21/03	39,402,000	0.950	1,039.78
Daiwa	10/20/03	10/21/03	40,846,000	0.950	1,077.88
Nomura	10/20/03	10/21/03	49,673,000	0.950	1,310.82
Nomura	10/21/03	10/22/03	5,049,000	0.950	133.24
Nomura	10/21/03	10/22/03	5,245,000	0.950	138.41
Daiwa	10/21/03	10/23/03	14,943,750	0.960	788.70 *
Nomura	10/21/03	10/22/03	18,180,000	0.950	479.75
Nomura	10/21/03	10/22/03	34,214,000	0.950	902.87

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Nomura	10/21/03	10/23/03	\$ 39,643,000	0.950%	\$ 2,092.27
Banc of America	10/21/03	Open	45,225,000 *	Variable **	13,303.70 ***
Banc of America	10/21/03	Open	45,225,000 *	Variable **	13,303.70 ***
Nomura	10/21/03	10/22/03	47,446,000	0.950	1,252.85
Nomura	10/21/03	10/23/03	49,673,000	0.950	2,621.63
Daiwa	10/22/03	10/23/03	1,043,000	0.940	27.23
Daiwa	10/22/03	10/23/03	4,624,000	0.940	120.74
Daiwa	10/22/03	10/23/03	5,245,000	0.940	136.95
Daiwa	10/22/03	10/23/03	17,137,000	0.940	447.47
Daiwa	10/22/03	10/23/03	22,823,000	0.940	595.93
Daiwa	10/22/03	10/23/03	39,264,000	0.940	1,025.23
Banc of America	10/23/03	10/27/03	5,245,000	0.940	547.81

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Banc of America	10/23/03	10/27/03	\$ 18,181,000	0.940%	\$ 1,898.90
Daiwa	10/23/03	Open	24,968,750 *	Variable **	6,075.72 ***
Banc of America	10/23/03	10/27/03	27,448,000	0.940	2,866.79
Daiwa	10/23/03	Open	29,962,500 *	Variable **	7,290.87 ***
Banc of America	10/23/03	10/27/03	39,388,000	0.940	4,113.86
Lehman Brothers	10/23/03	10/27/03	40,000,000	0.950	4,222.23 *
Lehman Brothers	10/23/03	10/27/03	45,000,000	0.950	4,750.00 *
Lehman Brothers	10/27/03	10/28/03	5,007,000	0.970	134.91
Lehman Brothers	10/27/03	10/28/03	16,426,000	0.970	442.59
Lehman Brothers	10/27/03	10/28/03	24,939,000	0.970	671.97
Lehman Brothers	10/27/03	10/28/03	35,618,000	0.970	959.71
Morgan Stanley	10/28/03	10/29/03	5,007,000	0.990	137.69

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Morgan Stanley	10/28/03	10/29/03	\$ 16,426,000	0.990%	\$ 451.72
Morgan Stanley	10/28/03	10/29/03	24,940,000	0.990	685.85
Morgan Stanley	10/28/03	10/29/03	35,619,000	0.990	979.52
Banc of America	10/29/03	11/03/03	14,440,000	1.000	1,203.34
Banc of America	10/29/03	11/03/03	21,387,000	1.000	1,782.25
Banc of America	10/29/03	11/03/03	30,562,000	1.000	2,546.83
Lehman Brothers	10/30/03	Open	1,042,500	Variable **	57.34 ***
Lehman Brothers	10/30/03	Open	1,042,500	Variable **	57.63 ***
Lehman Brothers	10/30/03	Open	1,042,500	Variable **	57.63 ***
Lehman Brothers	10/30/03	Open	1,042,500	Variable **	57.63 ***
Banc of America	10/30/03	Open	42,946,250 *	Variable **	2,362.04 ***
Lehman Brothers	10/30/03	Open	48,895,000 *	Variable **	2,702.80 ***

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

## Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Lehman Brothers	10/30/03	Open	\$ 48,895,000 *	Variable **	\$ 2,702.80 ***
Lehman Brothers	10/30/03	Open	48,895,000 *	Variable **	2,702.80 ***
Lehman Brothers	10/30/03	Open	48,895,000 *	Variable **	2,702.80 ***
Citiglobal	10/31/03	Open	1,020,800 *	Variable **	28.36 ***
Citiglobal	10/31/03	Open	1,020,800 *	Variable **	28.36 ***
Daiwa	10/31/03	Open	14,266,000 *	Variable **	396.28 ***
Daiwa	10/31/03	Open	30,734,000 *	Variable **	853.72 ***
Daiwa	10/31/03	Open	40,000,000 *	Variable **	1,111.11 ***
Citiglobal	10/31/03	Open	48,916,700 *	Variable **	1,358.80 ***
Citiglobal	10/31/03	Open	48,916,700 *	Variable **	1,358.80 ***

\* This transaction was executed simultaneously with a like reverse/repurchase agreement.

\*\* This rate subject to change daily.

\*\*\* Total interest earned is to the last day of the month.

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Reverse Repurchase Transactions (All transactions are executed simultaneously with a like repurchase agreement)

<u>Dealer</u>	<u>Sale Date</u>	<u>Purchase Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Paid</u>
BNP Paribas	10/01/03	10/09/03	\$49,975,000	0.800%	\$9,023.29
BNP Paribas	10/01/03	10/09/03	49,975,000	0.900	9,023.28
BNP Paribas	10/01/03	10/09/03	49,975,000	0.500	8,953.88
BNP Paribas	10/01/03	10/09/03	49,975,000	0.500	8,953.87
Lehman Brothers	10/01/03	10/02/03	49,937,500	0.800	1,109.72
Citiglobal	10/02/03	10/03/03	49,975,000	0.850	1,179.97
Citiglobal	10/02/03	10/03/03	49,975,000	0.850	1,179.97
Lehman Brothers	10/02/03	10/06/03	49,937,500	0.850	4,841.16
Citiglobal	10/02/03	10/06/03	49,937,500	0.850	4,508.25
Citiglobal	10/02/03	10/06/03	49,937,500	0.850	4,508.25
Mizuho	10/03/03	10/15/03	49,937,500	0.800	11,929.52
Mizuho	10/03/03	10/15/03	49,937,500	0.800	11,929.51

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Reverse Repurchase Transactions (All transactions are executed simultaneously with a like repurchase agreement) (Cont.)

<u>Dealer</u>	<u>Sale Date</u>	<u>Purchase Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Paid</u>
Citiglobal	10/03/03	10/06/03	\$44,887,500	0.800%	\$2,992.50
Citiglobal	10/03/03	10/06/03	44,887,500	0.800	2,992.50
Lehman Brothers	10/06/03	10/09/03	49,975,000	0.800	3,276.14
Lehman Brothers	10/06/03	10/09/03	49,975,000	0.800	3,276.14
Citiglobal	10/07/03	10/15/03	47,381,250	0.800	7,923.20
Citiglobal	10/07/03	10/15/03	47,381,250	0.800	7,923.20
Citiglobal	10/07/03	10/15/03	47,381,250	0.800	7,923.20
Citiglobal	10/07/03	10/14/03	47,381,250	0.800	6,738.67
Citiglobal	10/14/03	10/23/03	47,381,250	0.900	10,186.96
Citiglobal	10/15/03	10/23/03	47,452,500	0.950	9,015.98
Citiglobal	10/15/03	10/23/03	47,452,500	0.950	9,015.98
Citiglobal	10/15/03	10/23/03	47,452,500	0.950	9,015.98

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Reverse Repurchase Transactions (All transactions are executed simultaneously with a like repurchase agreement) (Cont.)

<u>Dealer</u>	<u>Sale Date</u>	<u>Purchase Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Paid</u>
Lehman Brothers	10/16/03	10/22/03	\$49,990,000	0.850%	\$5,054.54
Lehman Brothers	10/16/03	10/22/03	49,990,000	0.850	5,054.54
Lehman Brothers	10/16/03	10/22/03	49,990,000	0.850	5,054.54
Lehman Brothers	10/16/03	10/22/03	49,990,000	0.850	5,054.54
Mizuho	10/16/03	10/22/03	49,990,000	0.800	5,901.60
Mizuho	10/16/03	10/22/03	49,990,000	0.800	5,901.60
Mizuho	10/16/03	10/22/03	49,990,000	0.800	5,901.60
Mizuho	10/16/03	10/22/03	49,990,000	0.800	5,901.60
Daiwa	10/17/03	10/23/03	24,875,000	0.200	967.35
Daiwa	10/20/03	10/23/03	14,925,000	0.350	331.67
Banc of America	10/21/03	Open	45,225,000	Variable *	9,371.63 **
Banc of America	10/21/03	Open	45,225,000	Variable *	9,371.63 **

## INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Reverse Repurchase Transactions (All transactions are executed simultaneously with a like repurchase agreement) (Cont.)

<u>Dealer</u>	<u>Sale Date</u>	<u>Purchase Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Paid</u>
Daiwa	10/21/03	10/23/03	\$14,943,750	0.250%	\$186.80
Lehman Brothers	10/23/03	10/27/03	45,000,000	0.750	4,312.50
Lehman Brothers	10/23/03	10/27/03	40,000,000	0.750	3,833.33
Daiwa	10/23/03	Open	29,962,500	Variable *	3,391.59 **
Daiwa	10/23/03	Open	24,968,750	Variable *	2,826.31 **
Lehman Brothers	10/30/03	Open	49,937,500	Variable *	2,455.26 **
Lehman Brothers	10/30/03	Open	49,937,500	Variable *	2,455.26 **
Lehman Brothers	10/30/03	Open	49,937,500	Variable *	2,455.26 **
Lehman Brothers	10/30/03	Open	49,937,500	Variable *	2,455.26 **
Bank of America	10/30/03	Open	42,946,250	Variable *	1,849.08 **
Citiglobal	10/31/03	Open	49,937,500	Variable *	971.01 **
Citiglobal	10/31/03	Open	49,937,500	Variable *	971.01 **

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Reverse Repurchase Transactions (All transactions are executed simultaneously with a like repurchase agreement) (Cont.)

<u>Dealer</u>	<u>Sale Date</u>	<u>Purchase Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Paid</u>
Daiwa	10/31/03	Open	\$45,000,000	Variable *	\$1,150.00 **
Daiwa	10/31/03	Open	40,000,000	Variable *	1,022.22 **

\* This rate subject to change daily.

\*\* Total interest paid is to the last day of the month.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

**REPORT B:** In addition to the transactions described in Report A of this report, the Executive Director also reports the following transactions during the period of October 1, 2003 through October 31, 2003, pertaining to investments in United States Treasury securities and interest rate options contracts with respect to United States Treasury securities pursuant to the guidelines established by the Board of Commissioners on August 25, 1988.

Options Transactions - Purchased

<u>Transaction Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Price</u>	<u>Exercise Price</u>	<u>Expirations/ Settlement</u>	<u>Dealer</u>	<u>Option Premium</u>
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No new transactions this period.

Options Transactions - Sold

<u>Transaction Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Price</u>	<u>Exercise Price</u>	<u>Expirations/ Settlement</u>	<u>Dealer</u>	<u>Option Premium</u>
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No new transactions this period.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

**REPORT C:** In addition to the transactions described in Report A and B, the Executive Director also reports the following transactions during the period of October 1, 2003 through October 31, 2003 pertaining to the execution or cancellation of Interest Rate Exchange Contracts pursuant to the guidelines established by the Board of Commissioners on December 10, 1992.

Interest Rate Exchange Contracts

<u>Date</u>	<u>Counterparty</u>	<u>Notional Amount</u>	<u>Start Date</u>	<u>Termination Date</u>	<u>Fixed Interest Rate Paid</u>	<u>Variable Interest Rate Received</u>
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No new transactions this period.

As of October 31, 2003, the Port Authority has interest rate exchange contracts in place on notional amounts totaling \$379 million, all of which pertain to refundings.

**REPORT D:** In addition to the transactions described in Report A, B and C, the Executive Director also reports the following transactions during the period of October 1, 2003 through October 31, 2003 under the Variable Rate Master Note Program as amended and supplemented through October 13, 1994.

Variable Rate Master Note Placements

<u>Date of Issuance</u>	<u>Amount</u>	<u>Purchaser</u>	<u>Term</u>	<u>Variable Rate Index</u>
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No new transactions this period.

Whereupon, the meeting was adjourned

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Secretary

**PORT AUTHORITY TRANS-HUDSON CORPORATION**

**MINUTES**

**Thursday, December 11, 2003**

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**MINUTES of the Meeting of Port Authority Trans-Hudson Corporation held Thursday, December 11, 2003, at 225 Park Avenue South, City, County and State of New York.**

**PRESENT:**

**NEW JERSEY**

Hon. Anthony R. Coscia, Chairman  
 Hon. Raymond M. Pocino  
 Hon. Anthony J. Sartor  
 Hon. David S. Steiner

Joseph J. Seymour, President  
 Ernesto L. Butcher, Vice-President  
 Jeffrey S. Green, Counsel

Gwendolyn Archie  
 Catherine M. Bergamini  
 A. Paul Blanco  
 Bruce D. Bohlen  
 John D. Brill  
 Rosemary Chiricolo  
 Steven J. Coleman  
 Anthony G. Cracchiolo  
 William R. DeCota  
 John C. Denise  
 Charles D. DeRienzo  
 Pasquale DiFulco  
 Karen E. Eastman  
 Nancy J. Ertag-Brand  
 Michael G. Fabiano  
 Michael B. Francois  
 Linda C. Handel  
 Jay Hector  
 Edward I. Jackson  
 Howard G. Kadin  
 Kirby King  
 Louis J. LaCapra  
 Richard M. Larrabee  
 Francis J. Lombardi  
 Robert R. Lurie  
 Daniel S. Maynard  
 Stephen Mamko  
 Charles F. McClafferty  
 James E. McCoy  
 Lynn A. Nerney  
 Michael A. Petralia  
 Kenneth P. Philmus  
 Alan L. Reiss  
 Edmond F. Schorno  
 Douglas L. Smith  
 Ralph Tragale  
 Gregory J. Trevor  
 Emery J. Ungrady  
 Sean P. Walsh

**NEW YORK**

Hon. Charles A. Gargano, Vice-Chairman  
 Hon. Bruce A. Blakeman  
 Hon. Michael J. Chasanoff  
 Hon. David S. Mack  
 Hon. Henry R. Silverman  
 Hon. Anastasia M. Song

The public session was called to order by Chairman Coscia at 2:30 p.m. and ended at 2:50 p.m. The Board met in executive session prior to the public session.

**Report of Committee on Finance**

The Committee on Finance reported, for information, and the report was received and is included with these minutes.

**Report of Committee on Construction**

The Committee on Construction reported, for information, and the report was received and is included with these minutes.

**Report of Committee on Operations**

The Committee on Operations reported, for information, on matters discussed in executive session at its meeting on December 11, 2003, which included discussion of contract matters, in addition to matters filed with the Committee pursuant to Board action or separately reported to the Board of Directors at this meeting of the Board, and the report was received and is included with these minutes.

**PATH – TEMPORARY WORLD TRADE CENTER STATION – AIRPORT  
MANAGEMENT SERVICES LLC d/b/a/ HUDSON NEWS COMPANY – LEASE  
AGREEMENT**

It was recommended that the Board authorize the President of Port Authority Trans-Hudson Corporation (PATH) to enter into a lease agreement with Airport Management Services LLC d/b/a Hudson News Company (Hudson News) to operate a retail newspaper store on the mezzanine level of the Temporary World Trade Center PATH Station for a term of three years.

Under the proposed lease, Hudson News will be permitted to sell newspapers, magazines and books, packaged food items, tobacco products, convenience items, New York State Lottery tickets and mass transit tickets, such as PATH QuickCards. Sales inconsistent with the nature and significance of the World Trade Center site as the location of the events of September 11, 2001 will not be among those permitted by the lease, including, but not limited to, sales of souvenirs, toys and other materials the sale of which would be inconsistent with the unique nature and significance of the site.

Hudson News will pay a rental of \$70,000 per annum for the three-year term. PATH will grant Hudson News a rent credit not exceeding \$30,000 to reimburse it for the costs of installing communications conduit for telephone and data lines and electric conduit and wiring from the nearest electric closet to the perimeter of the premises. Hudson News will be required to relocate its premises not more than twice during the lease term in order to accommodate construction of the Permanent World Trade Center PATH Terminal, for which it will receive rent credits, not exceeding \$25,000 in each instance, for costs incurred to relocate and install utilities and sprinklers in the relocated areas.

Pursuant to the foregoing report, the following resolution was adopted with Directors Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Song and Steiner voting in favor; none against:

**RESOLVED**, that the President be and he hereby is authorized, for and on behalf of Port Authority Trans-Hudson Corporation (PATH), to enter into a lease agreement with Airport Management Services LLC covering the letting of retail space at the Temporary World Trade Center PATH Station, substantially in accordance with the terms and conditions outlined to the Board, or on such other terms and conditions as the President deems appropriate, subject to the conditions set forth in the following delegation; and it is further

**RESOLVED**, that the Committee on Operations be and it hereby is authorized to approve the final terms and conditions of the foregoing agreement in the event the rental payment terms and/or the term of the letting are not substantially in accordance with the terms outlined to the Board; and it is further

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

**PORT AUTHORITY TRANS-HUDSON CORPORATION – PARTICIPATION IN  
TRANSCOM INC. FOR A FIVE-YEAR PERIOD**

It was recommended that the Board authorize: (1) Port Authority Trans-Hudson Corporation (PATH) to remain a member of TRANSCOM Inc. (TRANSCOM), a non-profit membership corporation organized to undertake regional transportation programs, for a five-year period beginning on January 1, 2004; and (2) the Director/General Manager of PATH to: a) serve on the Board of TRANSCOM, and b) enter into an agreement with TRANSCOM's other member agencies for said five-year period to provide for PATH's total financial contribution estimated at \$656,140 for the five-year period, with member contributions to be established each year in accordance with the agreement and the By-Laws of TRANSCOM by unanimous vote of the TRANSCOM Board of Trustees.

TRANSCOM originally was created in 1986 as a three-year demonstration program of regional transportation agencies focused on enhancing the region's transportation management capabilities. By 1989, TRANSCOM had become a permanent regional institution and was able to attract increased support from all its members for the continued expansion of its operating programs.

In 1998, at its Executive Committee's direction, TRANSCOM filed for incorporation as a non-profit membership corporation to which the TRANSCOM member agencies belong, and whose Board consists of the current TRANSCOM Executive Committee members. TRANSCOM's present membership consists of the Connecticut Department of Transportation, New York State's Metropolitan Transportation Authority (MTA), MTA Bridges and Tunnels, MTA New York City Transit, New Jersey Department of Transportation (NJDOT), New Jersey State Police, New Jersey Transit Corporation (NJ Transit), New Jersey Turnpike Authority, New York City Department of Transportation (NYCDOT), New York City Police Department (NYPD), New York State Bridge Authority, New York State Department of Transportation (NYSDOT), New York State Police, New York State Thruway Authority, Palisades Interstate Park Commission, the Port Authority and PATH. A companion item has been submitted to the Port Authority Board of Commissioners to provide for the Port Authority's continued participation in TRANSCOM.

Together, PATH and the Port Authority provide for 19.54 percent (15.63 percent for the Port Authority, 3.91 percent for PATH) of membership contributions. Because TRANSCOM's operating budget is partially funded by other revenue sources, such as revenues from sale-of-service projects, total member contributions are less than the total operating budget. For example, the Port Authority's 15.63 percent share of member contributions is 11.5 percent of the total operating budget.

The current list of contributing agencies and their percentage shares is as follows:

- 15.63 percent: Port Authority, NJDOT, NYSDOT
- 7.81 percent: MTA Bridges and Tunnels, MTA, NYCDOT, New Jersey Turnpike Authority
- 3.91 percent: NJ Transit, PATH, MTA-New York City Transit, and Connecticut DOT, New York State Thruway Authority
- 1.95 percent: New York State Bridge Authority

- 0.4 percent: Palisades Interstate Park Commission

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

TRANSCOM'S operating budget for 2004 will be submitted to the TRANSCOM Board of Trustees for approval on December 15, 2003. The proposed operating budget for 2004 is \$3,681,080. After other revenues are applied, the proposed total member contributions figure for 2004 is slightly less than the total for 2003. \$2,704,026.

Authorization for PATH's participation in TRANSCOM would enable TRANSCOM to continue its regional transportation coordination and technology development programs.

TRANSCOM's activities: (1) promote the mobility and safety of the traveling public by mitigating congestion; (2) create scale economies for the member agencies by maximizing their resources; and (3) provide a forum for drawing additional federal funding to the region for transportation management programs. TRANSCOM's services to its member agencies include:

- Regional Interagency Incident Notification through TRANSCOM's Operations Information Center which collects and disseminates real-time regional incident and construction information, 24 hours a day.
- Regional Interagency Construction Coordination to avoid restricting capacity on parallel or intersecting roadways or transit lines.
- Intelligent Transportation Systems Program that enables the member agencies, including PATH and the Port Authority, to benefit from Federal Highway Administration funding to implement transportation management technologies including traveler information.

TRANSCOM's other benefits to PATH and the region include:

- TRANSMIT system to report real-time travel times and average speeds for over 200 miles of roadway to detect incidents and provide customer information.
- TRANSCOM Regional Architecture to integrate the member agencies' intelligent transportation systems to enable electronic sharing of information among agency operations centers.
- Trips 123 to provide real-time information and transit trip planning services to the public via an interactive web site and by phone.
- Interagency Remote Video Network to enable the member agencies to share over 400 closed-circuit television feeds.
- Service Area Travelers Interactive Network (SATIN): SATIN provides traveler information via interactive kiosks at transit and roadway hubs.

Pursuant to the foregoing report, the following resolution was adopted with Directors Blakeman, Chasanoff, Coscia, Gargano, Pocino, Sartor, Silverman, Song and Steiner voting in favor; Director Mack abstaining; none against:

**RESOLVED**, that Port Authority Trans-Hudson Corporation's (PATH's) membership in TRANSCOM Inc. (TRANSCOM), a non-profit membership

corporation organized to undertake regional transportation programs, for a five-year period beginning on January 1, 2004, he and it hereby is authorized; and it is further

**RESOLVED**, that the Director/General Manager of PATH be and he hereby is authorized, for and on behalf of PATH, to: a) serve on the Board of Trustees of TRANSCOM; and b) enter into an agreement with TRANSCOM's other member agencies for said five-year period, to provide for PATH's total financial contribution estimated at \$656,140 for the five-year period, with member contributions to be established each year in accordance with the agreement and the By-Laws of TRANSCOM by unanimous vote of the TRANSCOM Board of Trustees; the form of the agreement shall be subject to the approval of Counsel or his authorized representative.

**SETTLEMENT OF CLAIM – CHARLES CHIPMAN v. PORT AUTHORITY TRANS-HUDSON CORPORATION**

It was recommended that the Board authorize Counsel, for and on behalf of Port Authority Trans-Hudson Corporation (PATH), to enter into an agreement with plaintiff, Charles Chipman, to provide for the settlement of a personal injury claim brought pursuant to the Federal Employer's Liability Act arising from a workplace injury. The proposed settlement in the amount of \$320,076.15, out of which \$36,075.60 represents a lien held by PATH for wage benefits paid to plaintiff, \$20,622.09 represents a lien for medical bills paid by PATH on plaintiff's behalf, and \$8,378.46 represents the Railroad Retirement Board lien on this claim, would avoid a potential judgment in a much greater sum. The settlement is inclusive of costs, disbursements and attorneys' fees. In return, plaintiff will provide PATH with a General Release and Stipulation of Discontinuance with Prejudice.

Plaintiff, a 38-year-old engineer with PATH, was injured on November 9, 1998, when his brake handle failed to release from the brake valve on the train he was operating, causing him to injure his right wrist when he tried to remove it. Plaintiff testified that he moved the handle along its path and that it popped up as it was supposed to do before it is removed. However, plaintiff said that when he started to pull the handle up it resisted. Plaintiff claimed the brake handle was defective because the metal notch at the bottom of the brake handle was worn down.

Plaintiff was sent by PATH to Dr. William Oppenheim, who opined that plaintiff had fractured a bone in his right wrist. When conservative treatment failed to alleviate the pain, Dr. Oppenheim performed a pisiformectomy, as well as a decompression of the ulnar nerve in April 1999. When plaintiff was unable to return to work as an engineer without pain, Dr. Oppenheim indicated that further surgery might be required. In the interim, plaintiff was disqualified from working as an engineer; therefore, he did not undergo the additional surgery.

As a result of being medically unable to work, plaintiff incurred an out-of-pocket non-overtime wage loss of \$35,416.60 and an overtime wage loss of approximately \$14,000. Additionally, plaintiff continues to suffer a wage loss of \$3,000 to \$4,000 per year, based on the salary differential between an engineer and the positions he has held since his accident. Plaintiff initially demanded \$750,000 to settle this action, but during mediation, the court recommended that this action be settled for \$255,000, in addition to a waiver of all outstanding liens.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Directors Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocono, Sartor, Silverman, Song and Steiner voting in favor; none against:

**RESOLVED**, that Counsel be and he hereby is authorized, for and on behalf of Port Authority Trans-Hudson Corporation (PATH), to enter into an agreement with plaintiff, Charles Chipman, to provide for the settlement of a lawsuit for personal injuries entitled Charles Chipman v. Port Authority Trans-Hudson Corporation by paying to plaintiff and his attorneys the sum of \$320,076.15, out of which \$36,075.60 will be deducted as a lien held by PATH for wage benefits paid to plaintiff, \$20,622.09 will be deducted as a lien for medical bills paid by PATH on plaintiff's behalf, and \$8,378.46 will be deducted as the Railroad Retirement Board lien on this claim.

**CONTRACT AND PURCHASE ORDER AUTHORIZATIONS AND AMENDMENTS - QUARTERLY REPORT**

**REPORT:** In accordance with Article XII, sections (f)(1) and (f) (2) of the By-Laws, the President reports, for information only, the following contracts were awarded or amended for the period of April 1, 2003 through June 30, 2003.

<b>AWARDEE</b>	<b>DESCRIPTION</b>	<b>AUTHORIZATION AMOUNT</b>	<b>AUTHORIZATION METHOD</b>
RCC Fabricators	Railcar Trailers	\$469,800	Publicly Bid
L.J.'s Lawn Maintenance	PATH Landscaping	\$329,041	Publicly Bid
Swiger Coil Systems, Inc.	Overhaul Motors	\$249,716	Publicly Bid
J.C. Ehrlich Co., Inc.	Weed Control	\$79,500	Publicly Bid
Nissho Iwai American Corp.	Chevrons	\$106,877	Publicly Bid
Wabtec, Inc	Overhaul, Brake	\$456,716	Publicly Bid
AFA Protective Systems, Inc.	Fire Alarm Maintenance – PATH	\$254,488	Publicly Bid
Railroad Construction Co., Inc.	Repair, Railroad	\$354,522	Publicly Bid

**Tort Claim Settlements – Quarterly Report**

The President reports, for information only, that in accordance with the authority granted under Article XII, section (D)(4) of the By-Laws, the following claims were previously settled, and reported closed during the period April 1, 2003 to June 30, 2003.

**TORT CLAIMS AGAINST PORT AUTHORITY, TRANS-HUDSON CORPORATION,  
CLOSED****Employee Claims**

<b>NAME</b>	<b>AMOUNT PAID</b>
WILLIAMS KENNETH	\$ 15,000.00
CASTELLAMARE BENJAMIN	2,000.00
GONZALEZ ROBERT C	500.00
GRAHAM KENNY	600.00
MINEO PETER F	600.00
BORDEAUX LILLIE M	702.96
MARINO JAMES J	2,300.00
TRAYNOR JOSEPH P	2,750.00
MANGRU DIANAND	3,500.00
LACHELLO FRANK M	5,548.00
SOLDA JOSEPH	15,000.00
CLOUGHLEY KENNETH W	30,000.00
<b>TOTAL</b>	<b>\$ 78,500.96</b>

**Patron Claims**

<b>NAME</b>	<b>AMOUNT PAID</b>
BADHAN PARAS RAM	\$ 904.30
BIRMINGHAM ROBERT	250.00
CARTAGENA ELAINE	635.00
FURER ROSALYN	10,000.00
<b>TOTAL</b>	<b>\$11,789.30</b>

Whereupon, the meeting was adjourned.

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Vice-President