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**Sent:** Thursday, June 09, 2016 1:22 PM  
**To:** Ng, Danny <[dng@panynj.gov](mailto:dng@panynj.gov)>  
**Subject:** Board Meeting Transcripts

Dear Mr. Ng,

Now that the transcripts of the monthly board meetings are no longer posted below the videos, please provide the transcripts for the last 6 board meetings – November through May.

I hope that you will provide them within the 5 business days allowed for an acknowledgment, since they are readily available to you.

Thank you.

Margaret Donovan

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Margaret L. Donovan | The Twin Towers Alliance  
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*Our lives begin to end the day we become silent about things that matter.* — Dr. Martin Luther King

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY  
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**The Port Authority of New York and New Jersey**  
**Board Meeting Transcripts**  
**November 19, 2015**

[Board Chair J. Degnan] —Committee, so at this point, I'll call to order the Board Meeting of the Port Authority of New York and New Jersey and its subsidiaries. Earlier today the Committees on Operations and Capital Planning, Execution, and Asset Management met in public session. The Nominating Committee met in executive session, and the Committees on Capital Planning, Execution, and Asset Management, Finance, and Operations met jointly in executive session. Their reports will be filed with the official minutes of today's Board Meeting. Commissioners also met in executive session earlier today to discuss matters related to personnel, personnel procedures, and matters involving ongoing negotiations or reviews of contracts or proposals. In accordance with the bylaws of the Port Authority, the nominating committee met in executive session prior to today's meeting in connection with the election of an officer. Commissioner Pocino is Chair of the Nominating Committee. May we have your report?

[Comm. R. Pocino] Thank you, Mr. Chairman. On behalf of the Nominating Committee of the Port Authority of New York and New Jersey, I desire to report that at its meeting held earlier today in accordance with the provision of Article VII of the bylaws, the Committee, by unanimous action, submits the nomination of Richard J. Holwell for election to the office of General Counsel of the Port Authority of New York and New Jersey. Mr. Holwell began his service on November 5, 2015.

[Board Chair J. Degnan] Commissioner Pocino, thank you for your report. Prior to making a motion in this item, I'd ask the corporate secretary to note any recusals.

[K. Eastman] There are no recusals.

[Board Chair J. Degnan] Can I have a motion on the nomination?

[Commissioner] I'll make a motion.

[Commissioner] Second.

[Board Chair J. Degnan] Is there a second?

[Commissioner] Second.

[Board Chair J. Degnan] Ask the corporate secretary to call the roll.

[K. Eastman] Chairman Degnan.

[Board Chair J. Degnan] Yes.

[K. Eastman] Vice Chairman Rechler.

[V-Chair S. Rechler] Yes.

[K. Eastman] Commissioner Bagger.

[Comm. R. Bagger] Yes.

[K. Eastman] Commissioner Cohen.

[Comm. S. Cohen] Yes.

[K. Eastman] Commissioner Fascitelli.

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[Comm. M. Fascitelli] Yes.

[K. Eastman] Commissioner James.

[Comm. T. James] Yes.

[K. Eastman] Commissioner Laufenberg.

[Comm. G. Laufenberg] Yes.

[K. Eastman] Commissioner Lipper.

[Comm. K. Lipper] Yes.

[K. Eastman] Commissioner Lynford.

[Comm. J. Lynford] Yes.

[K. Eastman] Commissioner Pocino.

[Comm. R. Pocino] Yes.

[K. Eastman] Commissioner Schuber.

[Comm. P. Schuber] Yes.

[K. Eastman] Commissioner Steiner.

[Comm. D. Steiner] Yes.

[Board Chair J. Degnan] As the votes are in order, the item's approved. I'm now going to ask our executive director, Pat Foye, to provide his report.

[Exe. Dir. Pat Foye] Thank you, Chairman. Two items I'd like to cover. First, briefly Gateway and what the Chairman report on some recent developments. And then a discussion on airport workers. First on Gateway, last week Governor's Cuomo and Christie together with Senator Schumer and Booker announced a framework agreement to advance the Gateway tunnel project for the region. The framework agreement includes a federal funding commitment for the U.S. DOT and AMTRAK to cover no less than 50% of the project cost from federal grants, Amtrak funding, and loans for which the federal partners would be responsible for debt service. This followed upon the letter by the two Governors Cuomo and Christie to the President of the United States in September in which they proposed to the president that the two states would take responsibility for developing a funding plan to cover half the cost in order to get this critical project moving. From an organizational point of view, the governors have asked the Port Authority in consultation with its federal partners and Amtrak and U.S. DOT as well as New Jersey Transit to establish a new development corporation entity to oversee construction and execution of the Gateway Project. While no action is required of the Board today, we'll be coming back to you shortly with proposals to get this effort up and running. Since the announcement by the governors, we've met with Amtrak and New Jersey Transit earlier this week and have a follow-up scheduled later this week. Counsel with the Port Authority is preparing draft organizational documents for the new entity for review by our federal and state partners. We're also sketching out a structured organizational chart and personnel needs for the effort. Beyond that is directed by Governor Christie and Governor Cuomo, we are laser-focused on efforts to expedite the environmental and permitting process for this critical project. The economic transportation and environmental consequences of failure of the existing tunnels prior to the completion of their replacement. The existing tunnels, as you may remember, were completed in 1910. The economic transportation and economic consequences are literally

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unimaginable. But it's not only a matter of time. It's a matter of cost avoided as well. Shaving a year off a lengthy review process on say a \$10 billion portion of any large project including Gateway equates to fully \$1 billion in savings. That's funding that doesn't have to come from federal and state tax payers or users of the facility. That saving can be realized while fully addressing environmental concerns. Lastly, we're all focused on moving forward and accessing at the earliest opportunity federal grant and loan funds. Draft applications are being prepared. On third-party airport contract worker wages, I state by, again, acknowledging my personal long-standing conflict which is that many years ago, the men and women of 32B, as it was known then, through their union dues sent me to college. I fully support the Board's actions in the past on the issue in light of the matter of simple fairness that people who work hard should not live in poverty. That's the American way. I also fully support the work that remains to be done here at the Port Authority to achieve this goal. Today, I wanted to talk about something that hasn't gotten enough attention in this room which is the business case for increased wages. When the Board unanimously adopted the minimum wage policy for these covered workers in April 2014, which brought the minimum wage up a dollar initially for those making less than \$9 an hour and then to 10.10 effective February of this year. We noted that the policy was being adopted for the purpose of enhancing first, safety; second, security; and third, quality of service at our facilities. I'll note that as with most minimum wage jobs, turnover is significant. A lot of you in the room can identify with that. For employers, however, turnover has real costs in the form of increased hiring and training expense and lost productivity. But in addition, there's an important security issue. At our airports, where most of these workers have access to post-security areas, the impact of high turnover is even more pronounced since each of those workers must get federal TSA fingerprint and background checks in order to receive a SIDAB, short for, many of you know, Security Identification Display Area Badge, to access post-security areas of the airport. These workers—many of you in this room— are literally the first line of defense at the airports. At San Francisco Airport, it was exactly these issues of safety, security, and employee turnover that led that airport to introduce what they called a Quality Standards Program, or QSP, back in 1998. The QSP today requires employers at SFO, San Francisco, to provide a minimum wage nearing \$13 per hour plus health benefits or approximately \$16 per hour without benefits. A University of California study in 2003, several years after SFO introduced the program, reported significant reduction in turnover in these minimum wage positions from between 80 to 100% per year to much lower levels. The reduction in annual turnover averaged 34% across all companies doing business at that airport, and 60% of firms had average wage increases of over 10%. According to the University of California study, turnover among airport security screeners at SFO went from 95% a year to 19%. The study also cited millions of dollars in employer savings from reduced turnover cost, including lowered hiring and training expense. Anecdotal evidence— and it's only anecdotal at this point— is that turnover at our airports has begun to trend down since the increase to 10.10 occurred only eight months ago. Obviously with only eight months to date, it's too early to have conclusive empirical data on the issue. While I think it hardly quantified, the study also cited data that employers reported overall job performance by workers covered under the policy improved including reduced disciplinary issues and absenteeism. And lastly, the study claimed that employment levels were not impacted by the program given the essential nature of these functions for airport flight activity. While I'm sure economists can debate some of the findings from any study, one he mentioned one more pure private sector example of the business case for a living wage. Costco, the \$70 billion market cap retailer pays its 185,000 employees an

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average of \$20 an hour well above national retailer averages of under 11.50 an hour. According to a recent business publication, Costco cites lower employee turnover and a more productive work force. In fact, excuse me, annual turnover at Costco for employees who have been there longer than one year is just 5%. Finally while the work about the effect on airline economics is being completed, I do note the following: The United State Department of Justice recently filed suit against one of the major airlines operating at one of our airports citing that airline's exercise of Monopoly power through its aggregation and control of takeoff and landing slots and the resulting premium estimated by some to approach half a billion dollars a year it extracts from passengers at that one airport. Thank you Chairman.

[Board Chair J. Degnan] Thank you, Pat. Let me elaborate on one or two points that you made, Pat. And the first is the Gateway Project. Sorry. Let me elaborate on one or two points Pat made including the Gateway Project. After consulting with the Vice Chairman, we've asked Commissioner Bagger from the New Jersey side and Commissioner Fascitelli from the New York side to function as a working group of the Board to work with Pat to ensure that the response of the Board to the mandate of the governors for this largest public infrastructure job in the United States is appropriate and timely. And I'm grateful to both of them for their willingness to serve on this working group, and I expect to have a public discussion of the early recommendations or tentative recommendations at the next meeting. Secondly, a statement that I'm making on behalf of the Board of Commissioners as you know, there's a search committee of the Board consisting of myself and Vice Chairman Rechler, Commissioners Bagger, and Lynford, that has been conducting a search for the agency's first CEO since Governor's Christie and Cuomo endorsed the December 2014 recommendation of the special panel on the future of the Port Authority that the bi-state agency appointed single Chief Executive Officer selected by and accountable to the Board of Commissioners. The Board appointed a nationally/internationally recognized CEO search committee. I'm sorry. The Board appointed a leading and internationally-recognized executive search firm to work with that search committee to develop a slate of candidates for consideration by the full Board and we have been doing just that with Spencer and Stewart. The search committee had initially hoped to make its recommendation to the full Board this month. In light of the recent progress made on the Gateway program to construct new cross-Hudson rail tunnels and other major construction projects such as the Port Authority Bus Terminal replacement in LaGuardia and others. The search committee has recommended instead that the CEO search be extended and broadened to ensure that the skill sets representing the— represented at the candidate group reflect all the bi-state agency's future needs. The recent agreement among Governor's Christie and Cuomo and the Obama Administration, as Pat referenced, to fund the Gateway Project is welcomed news for the entire region. Given the leadership role assigned to the Port Authority in this effort, we owe it to the Board to make certain that we take in this substantial new responsibility into account in selecting our first CEO. All right. Just a couple of hours ago, our Executive Director, Pat Foye, who has served this agency in that capacity since November 2011 has publicly notified the staff that he has asked that his name be withdrawn from the CEO selection process, and Pat plans to leave the agency within 120 days. The Board is grateful for Pat's willingness to stay on Board through a transitional period and looks forward to working with him to put an interim leadership team in place to manage the Authority until the search for a permanent CEO is completed. There will be ample time in subsequent meetings for us to recognize the extraordinary contributions Pat Foye has made to the Port Authority over his tenure as executive director. For purposes of today's meeting, I wanted to get that statement on the record and to

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publicly thank Pat for his efforts. The next item, because the issue was raised in the Executive Director's report and Pat, it would be of interest to me and I'm sure the working group that Ray is about to speak about to have a copy of that report that you referenced in your remarks. I have not seen it. I'm going to ask Ray Pocino who's acting as Chair of a Board Subcommittee on the issue to bring us up to date on the status of his subcommittee activities.

[Comm. R. Pocino] Thank you, Chairman and Commissioners. At its July 23, 2015 meeting, the Board of Commissioners appointed a working group to advise it on the continuing development of the Port Authority's wages and benefits policies for non-trade labor service contract workers which I was asked to chair. The working group, which also includes Commissioners Bagger, Cohen, and Lynford was asked to make recommendations consistent with the Board's April 23, 2014 resolution directing the creation of a long-term plan for enhanced wages and benefits including health benefits for covered workers. And that same resolution, the Port Authority directed an increase in the minimum wage to 10.10 per hour for these workers which is already in effect. The working group has met and has an initial recommendation for the Board's consideration. Specifically, the working group would like the Board's approval to retain an economic consultant to advise it in this important effort. This consultant would explore two key issues that must be addressed in developing a sustainable long-term policy governing wages and benefits for workers at our airports and other facilities. First, what effect would further minimum wage increases or health benefits mandates beyond the existing provisions of the Federal Affordable Care Act have on the prices of products and services purchased on site by the millions of travelers who visit our facilities each year. Second, the impact would further minimum— the impact would further minimum wage increases or health benefits have on the Port Authority's competitive position with respect to tenants/potential tenants who have the option of locating their businesses either on site or at— either on site, at our airports, or other transit facilities on the adjacent property not owned by the Port Authority. It would be a hollow victory indeed if mandated minimum wages at Port Authority facilities simply caused employers to move to nearby locations not covered by that mandate. The working group will work with Port Authority's procurement unit to expedite the hiring of this consultant and to expedite the work of the committee, after which the group will create a detailed time table for completion of its work for the Board's consideration. This due diligence is necessary to get the facts and research that will allow us to recommend the sound, just policy deserving of the workers of our facilities and I'm looking forward to the completion of the committee's work as soon as possible.

[Board Chair J. Degnan] Thanks, Ray. Are there any commissioners questions or comments? Commissioner Cohen?

[Comm. S. Cohen] Thank you, and thank you Commissioner Pocino. I don't think that anyone here is doing anything other than acting responsibly and in good faith. And I do respect and appreciate the time and the commitment that's been made by the Chair and the subcommittee on which I serve. But month after month, workers have come here to these meetings on their own time, and they've pressed this Board to take action. We have been slow. We have been deliberate. We have even been thoughtful. And all of those often are positive qualities. But there comes a time when slow, deliberate, and thoughtful becomes delay, disrespect, and disengagement. And unfortunately, that's where I think we are. Over the past few months, we've seen in New York a series of actions that have taken place. We now have a minimum wage of \$15 being phased in for fast food workers. We have state employees who will have a minimum

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wage of \$15. As recently as the past two days, the cities of Rochester and Buffalo followed suit with their employees. And so we're met with an anomalous situation. There are workers, important workers, people who are struggling to make ends meet who are going to be serving the public in our airports, in our facilities, and as they walk to work through those facilities, they will walk by locations where at hamburger stands people are making a minimum wage significantly higher than their own. And anomalous in this situation is not acceptable. I appreciate that this takes time, but how much time is the question. And I think this can be done much more quickly than we have done it. And I think now is the time to do it. And I think we need to do it in a realistic time table. I don't think this is a 60-90-120-day project anymore. I think this is a project that we should work hard and in concert and do effectively as soon as possible which means now. And I feel a sense of regret to the people in this room and to the workers at our airports that it's taken this long. It shouldn't. It shouldn't. You know, in truth, there's a certain reality here, and I think it's a reality, the sentiment of which all of these commissioners agree with. In fact, I'd be hard pressed to believe that we don't which is that a fair and reasonable wage for workers equates to dignity. Depriving workers of one deprives them of the other and I think it's time that we rectify this situation. And I'd like to believe that we can do so rapidly. Thank you.

[Board Chair J. Degnan] Commissioner Lynford.

[Comm. J. Lynford] Thank you, Chairman. Thank you, Vice Chairman. I concur with Commissioner Cohen's remarks, and I wanted to put them in historic as well as current context. In 1938, the Roosevelt Administration created the Fair Labor Standards Act. The minimum wage was set at, if you can believe it, 25 cents an hour. And this wage was set for the entire country. No matter where you lived, no matter what your cost of living was, specifically if New York was more expensive than let's say Dubuque, you still got the same 25 cents an hour. We fast forward to 2015. The federal poverty level is \$31,000 for a family of five. If the \$10.10 wage is multiplied times 40 hours a week times 52 weeks a year, that's only \$21,000 or 66% of the poverty line. And that's before taxes. Clearly we have not kept pace with the requirements to live particularly in New York City. We recognize that inflation erodes living wages. Interestingly, I just read a statistic that in Brooklyn, a dollar of wages is worth about 60 cents purchasing power because things are so expensive. In Manhattan, 40 cents. I share these statistics with you to support the need to go to \$15 an hour and so I join with Commissioner Cohen in supporting his recommendation. Thank you.

[Board Chair J. Degnan] Commissioner Steiner.

[Comm. D. Steiner] I think, Steve and Jeff, that you're right on. I think it's about time. I remember working for a dollar an hour and two dollars an hour as a graduate engineer, two dollars an hour. And you can't live on that money. It's about time we did the right thing. This is what built America, a living wage, a chance to get ahead, and I think we should move forward as fast as possible to get that \$15 minimum and next year re-examine it again. Thank you.

[Comm. T. James] Chairman?

[Board Chair J. Degnan] Sure, yes.

[Comm. T. James] I'll just add my voice to that. It's no secret I wrote an up ad two weeks ago coming out for higher minimum wage nationally. No secret I'm the lead director of Costco which Executive Director Pat Foye mentioned. I will say it's our experiences that by

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paying better wages we not only got lower turnover. We got more motivated, better trained work force, and it's been a secret to Costco's success. It hasn't been a disadvantage. It hasn't been a sacrifice. Truthfully, it's the right thing to do, but that's—it's even better than that. It makes Costco a stronger company, and I think we can benefit from the same thing at the Port Authority.

[Board Chair J. Degnan] Thank you, Commissioner. Commissioner/Vice Chairman Rechler?

[V-Chair S. Rechler] To sum up, I agree with my fellow commissioners in terms of the time and maybe just to play a little in terms of the themes that Pat raised relative to the economics. When you think about New York today, in this globally integrated 21st century economy where all these people want to come live and work, our airports, that's our front door, and that's the place where everything happens. And you think about what it does in terms of the economy. It generates \$72 billion a year of economic activity in New York. And so of all places for us to not maintain some level of minimum wage, you don't do it at our airport for economics, you don't do it at airports for safety. And we need to make sure, in my opinion, that our workers are paid a fair wage that they can live on. And if you look just actually this morning there was a poll in the New York Times, and it said one-third of the people in the Bronx said they don't have enough money to buy food for their family. There was half the people, the New York residents that were polled, say they're just getting by. And the fact that this is where we are in New York because it's so expensive, as Commissioner Lynford said, to live here that we need to make sure at least within this New York metropolitan region that our workers are paid a wage that they could afford to live here and perform and not worry about getting food on their families' plates. So I also echo commissioner's comments here.

[Board Chair J. Degnan] So let me make a couple of comments on behalf of myself. First of all, Scott, with all due respect, I prefer to think of the region and not New York in terms of the benefits provided by the Port Authority. Secondly, a lot of what you said resonates with me. I'd like to reform the daycare system and guarantee daycare provisions for everybody in the region. I'd like to reform our broken education system and improve it for everybody in the region. But this is the Port Authority of New York and New Jersey. We are not a social welfare agency. We weren't created for that purpose. Only 19 months ago in April of 2014 we mandated an increase from between \$8-9 an hour to \$10.10 an hour by February 1st of 2015. That's about a 12% increase. It's been done and fully implemented. Moreover, that policy included an annual CPI adjustment to increase the minimum wage to reflect the increased cost of living. I think in an effort to avoid the Port Authority having to deal with the political pressure that comes year in and year out to increase minimum wages for employers who are not directly contracting with the Port Authority but are subcontractors to the contractors we do have. The demand now that the increase be made to \$15 an hour comes only seven months after it went up to \$10.10 an hour. That's another 60%—6-0, 60%— increase in wages. The Port Authority was—and we just reiterated this and both governors endorsed the view in the special panel report in December last year created to provide transportation infrastructure. It was not authorized to set social policy with the minimum wage, particularly for employees of entities who do not contract with the Port Authority. And it is not appropriate, in my judgment, for the Board to continue to do this year in and year out. Second point, with all due respect, the workers represented by 32BJ are just that, a union recognized, collectively bargained with their employers. In my history, collective bargaining works because both parties have an interest in resolving the issues without undue economic loss either to the workers justifiably or to the

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employers. When political entities such as the Port Authority inject themselves with mandatory minimum wage increases with no statistical evidence before it of exactly how many employees will be impacted by this decision, how much will be involved by taking them to \$15 an hour, how much will be passed through to the airlines, and how much will result in increased ticket prices, not to mention the impact on competition between us and other airports. As Pat report notes, the highest one he could find in the country is San Francisco at \$13 an hour. It is not enough that the State of New York has decided for restaurant workers and other workers to increase the minimum wage to \$15 an hour. We do not have a statutory mandate to set minimum wages for employees of subcontractors of our contractors. The questions I have about whether we should do this going forward are have the employers of these unionized workers been consulted about the impact of it or the status of their collective bargaining negotiations? Will our intervention upset the apple cart in legitimate good faith collective bargaining? How many workers will be affected? What are the total costs? What's the likelihood of those costs being passed through the airlines and through them to the customers. What's the economic and competitive impact and the consequences of an increase in this order of magnitude? What's the danger of the precedent? Commissioner Steiner says, with all due respect, we should consider it next year. Well, we won't even be at the 15 next year. Should we go to 20? When is it going to stop that political pressure is being brought on the Port Authority to increase minimum wages when it's not within its statutory mandate to do so? So I applaud the diligent, focused, disciplined effort that Commissioner Pocino's subcommittee is engaged in and the retention of an economic consultant to answer just the questions I've asked. And frankly, with all due respect to my colleagues, I think it would be irresponsible for the Board to act without that statistical evidence before it. Any other comments? Pat?

[Comm. P. Schuber] If I might, Mr. Chairman—

[boos from the audience]

[Board Chair J. Degnan] I'm surprised it took that long.

[boos from the audience]

[Comm. P. Schuber] Mr. Chairman, Mr. Chairman—

[Member of the public] How much money you making, bro?

[Board Chair J. Degnan] For this job, nothing, nothing, zero.

[Member of the Public] Yeah, OK, right.

[Board Chair J. Degnan] Nada. Pat, you're up.

[Comm. P. Schuber] Mr. Chairman, if I might—

[Member of the Public] You try living on \$12 an hour!

[Comm. P. Schuber] Mr. Chairman, if I might, in my prior life as an elected official and as a Republican I was more supportive of labor than most of my colleagues and continue to be so. This is a very difficult issue, and I think that I've known Ray Pocino for a long, long time, well-before I came to the Board. I have great respect for Ray. I know he's going to do the right thing with his committee with regard to this. I have full confidence in him and the members of the committee with regard to this and I look forward to an expeditious result of that. We'll see what happens as a result.

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[Board Chair J. Degnan] Any other comments? Frank?

[Comm. R. Pocino] Yeah, I would just say thank you, Pat, and thank you all commissioners for your comments and your opinions and ideas. I just want to say that I've been Chair of this committee for just over three months. So we do need to do our due diligence so that we can come up with a sound, just policy. We're going to do that, and we're going to do it as soon as we can. So again, I want to thank all of you and you will be hearing from me as we move forward.

[V-Chair S. Rechler] Ray thank you for doing it, and I just encourage you to move as quickly and expeditiously as possible, anything we can do to be supportive, we're willing to be there to help that.

[Board Chair J. Degnan] OK I think it's now time for the public comment period.

[Comm. D. Steiner] Could we go through the rest of the votes? It's getting late and some of us have prior commitments.

[Board Chair J. Degnan] Dave, we've agreed to hear the public before we took votes on matters—

[Members of the public] Vote now! Vote now!

[Board Chair J. Degnan] Thank you. We're now going to proceed with an opportunity for members of the public to comment on Port Authority matters. This public comment period is going to be limited to 30 minutes, provides an opportunity for members of the public to present their views. We should hear the public before we vote. First speaker is Neile Weissman.

[audience yelling]

[Board Chair J. Degnan] Neile Weissman, are you here?

[audience yelling]

[audience yelling]

[Member of the public] What do we do?

[Member of the public] Fight back, fight back!

[Member of the public] What do we do?

[Member of the public] Stand up, fight back!

[audience chanting]

[audience chanting]

[audience chanting]

[audience chanting]

[audience chanting]

[audience chanting]

[Board Chair J. Degnan] Neile, you have 15 seconds left.

[laughing] I'm kidding, take your three minutes and fifteen seconds.

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[N. Weissman] Chairman Degnan, Director Foye, Commissioners, last month I spoke about how a linear park on the George Washington Bridge could stimulate \$42 million a year in new tourist spending and create 675 new jobs. Today I will discuss how a bike path on the George Washington Bridge could enhance New York City tax revenues. You have handouts there, also on completegeorge.org. A bike path is an amenity like a golf course or a park and their impact in a city like New York can be profound. In what may comprise a perfect storm, homes in proximity to the high line appreciated so dramatically that the city recouped nearly all its investment in a single year. But before we value the GWB, we must first value the grid that it would connect to. The New York City bikeway just passed 1,000 miles. That's 17% of all New York City streets. The city's independent budget office estimated the total property tax in all of New York in fiscal 2015 to be \$22.4 billion. So the grid impacts properties generating some 3.8 billion. The National Association of Realtors cites dozens of studies that positively correlate the proximity of a bike path to home prices from 4% across Delaware at 11% in Indianapolis to 23% in parts of Chicago. So if we assign the New York City grid even a Delaware multiple, it's imputed share of tax revenues would be \$150 million. Presuming the grid expands 50 miles a year to 1,250 miles by the year 2020 when the North GWB path is due to open, that share will rise to \$190 million. So how much more would be realized if the grid was extended to New Jersey? First, there are few facilities within the city suitable for vigorous recreational cycling. Paths within city parks are shared with pedestrians and runners. Roads to Westchester and Aso are as trafficky as any in the city whereas the GWB leads directly to the most heavily-biked roads in the region as illustrated in the Strava heat map which is on your handout. So when the north path opens in 2020, that should substantially enhance user experience for cyclists from across the city which should enhance the hedonic value of the grid. And even 50 basis points is worth \$24 million a year. But that presumes the north path will be built out as a cycling facility to support grow and demand, not if it's restored as a sidewalk. Understand, look, this is a back of the envelope exercise, but it appears the durable contributions from tourist spending, job creation, and tax collection could well-exceed the costs of construction. I reserve the balance of my 31 seconds for some future date. Thank you, sir.

[Board Chair J. Degnan] Thank you, Neile. Maragaret Donovan.

[M. Donovan] Good afternoon, Commissioners. Month after month, I address the subject of this Board's deviation from the open meetings laws of New York and New Jersey as if they do not matter. By assuming they don't apply to the Port Authority, you don't just skirt the law, you blatantly ignore it. No doubt you think it is with good reason, but the history of the last 14 years shows how faulty and expensive that assumption can be. We clearly see that this is a very different Board than those of the recent past, but it would be diluted to think that removing 99% of a cancer can result in a cure. We understand and appreciate that you are all experts in your field. But expertise does not guarantee wisdom or common sense. That's where the public comes in. And as tiresome as it may be to listen to the same thing every month, someone has to say it. William F. Buckley famously noted that he would rather be governed by the first 2,000 names in the Boston telephone book than by the faculty of Harvard. I think most citizens, whatever their politics, can relate. You may be returning the Port Authority to its mission, but the only reason that you don't know how to pay for that mission, the only reason that you don't know how to pay for the dilapidated bus and air terminals and now the region's share of the Gateway Tunnels is because PATH's commissioners allow Larry Silverstein, out of his contractual responsibility to pay for the rebuilding of the World Trade Center or forfeit the insurance money. Whether it was a good call or not remains to be seen but there should have

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been hearings and public comment before he was put on public assistance. While the ends do sometimes justify the means, only the public can make that call before any action is taken, not un-elected officials and hyper-politicized governors. Whether anything would have been done differently, whether the Port Authority would not have \$10 billion to invest, if the decisions of the past decade had been open to public scrutiny, it is speculation. But what is a good bet? Is it even with the best of intentions you will make mistakes, possibly big ones going forward, if you don't start complying with the open meetings laws, Happy Thanksgiving. Thank you.

[Board Chair J. Degnan] Thank you. Richard Hughes.

[R. Hughes] Good afternoon, Commissioners. I'm very happy to hear that you're broadening your search for a CEO for this agency. I think that's an excellent decision, and I hope you will make the search international and I hope you will concentrate on someone with expertise in transportation, particularly in transportation. Unfortunately, it's something you've neglected, I don't mean you personally, but has been neglected by this agency for well-over a decade now and now you're forced to play catch up with a lot less money as Margaret Donovan has pointed out, than you should have had, and projects at least a decade behind so now we're dealing with dilapidated bus terminals and dilapidated airports and no tunnel under the river. So I hope you will really broaden that search and really look around the world. You know, there's 6 billion people or so here and there's got to be somebody who has the expertise necessary to pull this agency out of the quagmire it's been in and bring it back to where it should be and restore its luster which it once had. The second thing I'd like to speak on, and we got cut short last month, and I want to refer to an idea Mr. Rechler had which I think is excellent. And I really hope you will explore that and consider it, and that is to decentralize the delivery of bus passengers into the city. Mr. Rechler has talked about possibly bringing them to the other side of the river and then allowing them to come through on the PATH train service which you run and it's frankly losing money and could do much better. I don't think you can just keep bringing in more and more people into the west side of Manhattan, especially at the 42nd Street Bus Terminal. It's already overloaded, and you're talking about a possible increase of 30-40% over the next decade or so. How can you possibly manage that amount of passengers there? I think you need to look at other parts of Manhattan and I think you need to look at New Jersey. And I think you also need to look at the Bus Terminal at 178th Street and the George Washington Bridge looks dreadfully underutilized, and I think you should think about moving the long line buses out of the Port Authority at 42nd Street into some other part of the city or let them go down to the Javits Center and line up on the street the way bolt bus does and metro bus and those other buses do. But then use that site that you have there at 42nd Street and really develop it the way the way the World Trade site should have been redeveloped and make something of that [beep] that will provide you with a steady source of income for the future. That is a golden opportunity which you need to seize. And if you do seize that, I think you'll put this agency back on the good financial footing. Thank you.

[Board Chair J. Degnan] Christina Dorotin.

[C. Dorotin] Good evening. My name is Christina Dorotin. And I am a sales associate with Hudson Youth. I'm so glad that more people are visiting our state and using our facilities, and I want to say that I support the expansion of our valuable infrastructure. But I also want to support the New Yorkers who work hard every day to operate all parts of our airport. I encourage you to ensure that as we prepare to expand our airport, we find a way to improve the

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job concessions workers and the—I'm sorry—the jobs of the concession workers at LaGuardia, JFK, and Newark Airport. Thank you.

[Board Chair J. Degnan] Thank you. Murray Bodin.

[M. Bodin] This is the information age. We're overloaded with information. I'm concerned with the information provided to drivers, those who use our roads. You're under four jurisdictions: the Port Authority, New York State Department of Transportation, New York City, Department of Transportation, and the New York State Thruway. all with somewhat different approaches to transportation information. I've asked that the traffic engineers from each of these four jurisdictions form a task force or a committee to draw up a set of uniform information, in particular, as a start, those guide signs that don't really give the correct information and particularly using arrow per lanes where each arrow tells you where that lane goes to. The rules are misunderstood. I've been meeting with various people from the law department of some agencies and I suggested that in order to back up these engineers when they come up with a recommendation that the law departments form a task force or a group to understand how this is done. In meeting with one organization, I found out that this can be accomplished by using engineering judgment. That means if engineers decide that this is in the best interest of the public in our area and it's documented, and it's already been used as I discovered. One agency has already done it successfully. So nothing new is being created. We were in an area where there are information silos. Everybody's been going around doing their own thing and not coordinating the four agencies that we're concerned with. So I've asked that. I'm also concerned about the buses in the Bus Terminal at MTA Bus on Monday and New Jersey Transit last week. I strongly suggested that you use low-floor buses. Why are you using these big monster commuter buses? Well, as somebody quietly told me off the record, because we think the commuter wants a fancier ride. The commuter doesn't want a fancier ride. They want a faster ride. When you have a low floor bus like Bolt bus and others or double decker buses, just use the bottom half of it. It's a lighter bus. It uses less fuel, loads faster because you can have two doors, needs to be questioned why you're still buying an outdated bus. Because everybody else is? I'm a sculptor. I do welded sculptures. I'm a welder. [beep] I've been invited to submit a sculpture in Bethel, Connecticut for a summer exhibition and for that, all the artists will get a stipend for installation. I suggest that the Port Authority consider creating a program where you support artists by giving them a stipend [beep] and letting them [beep] put art as a changing for only 3-6 months so that the people, their transportation experience is enhanced. Thank you very much.

[Board Chair J. Degnan] Thank you. Eduardo Lopez.

[E. Lopez] Hello, good evening. My name is Eduardo Lopez and I'm an equipment assembly builder with Sky Chef at JFK Airport. I'm proud to say that I worked at this airport for three years, and I'd like to work closely with the Port Authority to do what it takes to run and expand our airports. But in order to do my job, I need the Port Authority to do its job and enforce its Labor Peace Policy for all concessions and catering company. Thank you.

[Board Chair J. Degnan] Thank you. Rona Dowden.

[R. Dowden] Good afternoon, Commissioners, ladies and gentlemen. My name is Rona Dowden. I am a representative of British Airways International JFK Terminal 7. I work as a hostess there, customer service. Maybe you fly at JFK Airport. Maybe I have served you there. Probably you know me well. But I'm here as a representative of Unite Here to let you know

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that I'm a proud member, I'm a proud representative here today, and I would like you to know that I am among 2,500 workers. I would like you to know that I believe that you have the power today to make the decision to enforce the Labor Peace Policy. You have the power to make the decision as I voiced today. As you listen to me attentively, we are the people that is ready to move with a vision. And if you are ready to move, let there be no more delay. Let's run together, as a people unite together because we are a united nation and we have the power to run. So thank you very much today for listening to me.

[Board Chair J. Degnan] Thank you. Janna Chernetz.

[J. Chernetz] Good afternoon, Chairman, commissioners. I'm Janna Chernetz. I am the senior New Jersey policy analyst, the tri-state transportation campaign. As you know, the Port Authority Bus Terminal as well as cross-Hudson commuting is a huge advocacy priority for our organization, so I'm here again this month to speak on the Port Authority Bus Terminal. We ask that you look beyond the thirty years that I believe the resolution called for last week—last month. The Port Authority Bus Terminal was originally built in 1915. It reached capacity in 1966. So we need to learn from past mistakes and make sure that the Port Authority is building a Bus Terminal for the future, not thirty years from now, sixty years from now, but even a hundred years from now. And the Port Authority's main goal for this project must be transportation and increasing future bus capacity. Development opportunities should be a secondary goal. The reason why I point that out is if I remember the slides correctly, there were three check marks in development opportunities for concept 3 which was the one that the working group was looking more towards and only one check for commuter convenience and improvement of commute where the other concepts had a stronger improvement for the quality of commute for the bus riders. And we also ask that you start building sooner rather than later. And perhaps this means that building the Bus Terminal in stages to offer more immediate relief. And the other thing that we're asking is to not sell anything just yet. The reason why is perhaps the Port Authority may need that project that property for future transit expansion. So I think this all ties into building the Port Authority not for thirty years, not for sixty years, but perhaps a hundred years in the future. And I welcome the opportunity to sit down with any of the Board members to talk about this. Thank you for the opportunity.

[Board Chair J. Degnan] Thank you. Is there someone here named Mohammad Ali? You're up.

[Mohammad Ali] Good afternoon. My name is Mohammad Ali, and I have worked as a cashier at LaGuardia for six months. I'm a proud member of Unite Here local 100. It is disappointing to me that Au Bon Pain and other companies have been able to skirt deliberate peace policy. I want to thank Mr. Foye, the commissioners of the Port Authority, first off for talking to my union and being willing to talk to the companies to fix this issue. We are hopeful to thank Mr. Foye's initiative that we can make progress on this problem. We will be back next month with an update. Thank you. [Board Chair J. Degnan] Thank you. We have several items on today's agenda Commissioner Steiner will be hear, for which the respective committee chair will be asked to provide a brief report prior to the matter being considered by the Board. As Chair of the Committee on Operations, I'll now submit an item that would amend an agreement with the Passaic Valley Sewerage Commission to extend the term of certain property access rights at the Port Jersey Port Authority Marine Terminal in order to maintain, repair, and replace its outfall tunnel beyond the current termination date of December 31, 2043 in perpetuity. Prior to making a motion, are there any recusals?

[K. Eastman] No recusals.

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[Board Chair J. Degnan] Any commissioners have any comments? Is there a motion?

[Comm. R. Pocino] I make a motion.

[Board Chair J. Degnan] Is there a second? Karen, would you call the roll, please?

[K. Eastman] Chairman Degnan.

[Board Chair J. Degnan] Yes.

[K. Eastman] Vice Chairman Rechler.

[V-Chair S. Rechler] Yes.

[K. Eastman] Commissioner Bagger.

[Comm. R. Bagger] Yes.

[K. Eastman] Commissioner Cohen.

[Comm. S. Cohen] Yes.

[K. Eastman] Commissioner Fascitelli.

[Comm. M. Fascitelli] Yes.

[K. Eastman] Commissioner James.

[Comm. T. James] Yes.

[K. Eastman] Commissioner Laufenberg.

[Comm. G. Laufenberg] Yes.

[K. Eastman] Commissioner Lipper.

[Comm. K. Lipper] Yes.

[K. Eastman] Commissioner Lynford.

[Comm. J. Lynford] Yes.

[K. Eastman] Commissioner Pocino.

[Comm. R. Pocino] Yes.

[K. Eastman] Commissioner Schuber.

[Comm. P. Schuber] Yes.

[K. Eastman] Commissioner Steiner.

[Comm. D. Steiner] Yes.

[Board Chair J. Degnan] Votes are in order. The item's approved. The commissioners received a presentation in their Board packages on the next item which will be posted on the Port Authority's Internet site following today's meeting. This item authorizes an amendment to the ocean going vessel clean vessel incentive program effective January 2016 that would provide additional funding with approximately \$3.1 million and a three-year extension through December 31, 2018. In addition, the scoring system for vessels to qualify for incentives would be modified including a provision of additional points for participating in the Port Authority's vessel speed reduction program. Any recusals?

[K. Eastman] No recusals.

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[Board Chair J. Degnan] Any commissioners have any comments? >> Can I have a motion?

[Comm. R. Pocino] So moved.

[Board Chair J. Degnan] Is there a second?

[Commissioner] Second.

[Board Chair J. Degnan] Would you call the roll please?

[K. Eastman] Chairman Degnan.

[Board Chair J. Degnan] Yes.

[K. Eastman] Vice Chairman Rechler.

[V-Chair S. Rechler] Yes.

[K. Eastman] Commissioner Bagger.

[Comm. R. Bagger] Yes.

[K. Eastman] Commissioner Cohen.

[Comm. S. Cohen] Yes.

[K. Eastman] Commissioner Fascitelli.

[Comm. M. Fascitelli] Yes.

[K. Eastman] Commissioner James.

[Comm. T. James] Yes.

[K. Eastman] Commissioner Laufenberg.

[Comm. G. Laufenberg] Yes.

[K. Eastman] Commissioner Lipper.

[Comm. K. Lipper] Yes.

[K. Eastman] Commissioner Lynford.

[Comm. J. Lynford] Yes.

[K. Eastman] Commissioner Pocino.

[Comm. R. Pocino] Yes.

[K. Eastman] Commissioner Schuber.

[Comm. P. Schuber] Yes.

[K. Eastman] Commissioner Steiner.

[Comm. D. Steiner] Yes.

[Board Chair J. Degnan] The matter is approved. The commissioners also received a presentation in their Board packages on the next item which will also be posted on our Internet site following today's meeting. This item authorizes a lease with H&M international Transportation for its use and occupancy of a portion of cargo building 157 as a new U.S. Customs Air Cargo examination facility at Newark Liberty International for a term of approximately twenty years at an aggregate rental of \$14.5 million. Are there any recusals?

[K. Eastman] No recusals.

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[Board Chair J. Degnan] Do any commissioners have any comments? >> If not, is there a motion?

[Commissioner] I'll move.

[Board Chair J. Degnan] Second?

[Commissioner] Second.

[Board Chair J. Degnan] Karen, call the roll please.

[K. Eastman] Chairman Degnan.

[Board Chair J. Degnan] Yes.

[K. Eastman] Vice Chairman Rechler.

[V-Chair S. Rechler] Yes.

[K. Eastman] Commissioner Bagger.

[Comm. R. Bagger] Yes.

[K. Eastman] Commissioner Cohen.

[Comm. S. Cohen] Yes.

[K. Eastman] Commissioner Fascitelli.

[Comm. M. Fascitelli] Yes.

[K. Eastman] Commissioner James.

[Comm. T. James] Yes.

[K. Eastman] Commissioner Laufenberg.

[Comm. G. Laufenberg] Yes.

[K. Eastman] Commissioner Lipper.

[Comm. K. Lipper] Yes.

[K. Eastman] Commissioner Lynford.

[Comm. J. Lynford] Yes.

[K. Eastman] Commissioner Pocino.

[Comm. R. Pocino] Yes.

[K. Eastman] Commissioner Schuber.

[Comm. P. Schuber] Yes.

[K. Eastman] Commissioner Steiner.

[Comm. D. Steiner] Yes.

[Board Chair J. Degnan] Votes are in order. Item's approved. The next item authorizes a memorandum agreement with the U.S. Customs and Border Protection to provide inspection services at Stewart International Airport at a cost of approximately \$161, 936 for the first year. The cost for subsequent years would be subject to adjustment based on the volume of services required. Are there any recusals?

[K. Eastman] No recusals.

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[Board Chair J. Degnan] Do I have any comments? >> Is there a motion?

[Commissioner] So moved.

[Board Chair J. Degnan] Second.

[Commissioner] Second.

[Board Chair J. Degnan] Karen, would you call the roll?

[K. Eastman] Chairman Degnan.

[Board Chair J. Degnan] Yes.

[K. Eastman] Vice Chairman Rechler.

[V-Chair S. Rechler] Yes.

[K. Eastman] Commissioner Bagger.

[Comm. R. Bagger] Yes.

[K. Eastman] Commissioner Cohen.

[Comm. S. Cohen] Yes.

[K. Eastman] Commissioner Fascitelli.

[Comm. M. Fascitelli] Yes.

[K. Eastman] Commissioner James.

[Comm. T. James] Yes.

[K. Eastman] Commissioner Laufenberg.

[Comm. G. Laufenberg] Yes.

[K. Eastman] Commissioner Lipper.

[Comm. K. Lipper] Yes.

[K. Eastman] Commissioner Lynford.

[Comm. J. Lynford] Yes.

[K. Eastman] Commissioner Pocino.

[Comm. R. Pocino] Yes.

[K. Eastman] Commissioner Schuber.

[Comm. P. Schuber] Yes.

[K. Eastman] Commissioner Steiner.

[Comm. D. Steiner] Yes.

[Board Chair J. Degnan] Votes are in order. The item's approved. I'll now ask Vice Chairman Rechler as Chair of the Committee on Capital Planning, Execution, and Asset Management and the World Trade Center Redevelopment Committee— subcommittee rather— to provide his report.

[V-Chair S. Rechler] Thank you. I'll now report on certain items under the preview of the Capital Planning Execution Asset Management Committee. The commissioners received the presentation in their Board packages on this item which we posted on the Port Authority's

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Internet site following today's meeting. The item authorizes a \$65.2 million project for the replacement of the parking access and revenue control systems that John F. Kennedy International Airport, Newark International Airport, LaGuardia Airport, and Stewart International Airport. This item also authorizes the award of a contract to design/install the new system as well as to provide system maintenance for a 12-year term at a total estimated cost of \$127.9 million. >> I may have a motion for this.

[Commissioner] So moved.

[V-Chair S. Rechler] Is there any second? Any recusals?

[K. Eastman] No recusals.

[V-Chair S. Rechler] Then we have a vote.

[K. Eastman] Chairman Degnan.

[Board Chair J. Degnan] Yes.

[K. Eastman] Vice Chairman Rechler.

[V-Chair S. Rechler] Yes.

[K. Eastman] Commissioner Bagger.

[Comm. R. Bagger] Yes.

[K. Eastman] Commissioner Cohen.

[Comm. S. Cohen] Yes.

[K. Eastman] Commissioner Fascitelli.

[Comm. M. Fascitelli] Yes.

[K. Eastman] Commissioner James.

[Comm. T. James] Yes.

[K. Eastman] Commissioner Laufenberg.

[Comm. G. Laufenberg] Yes.

[K. Eastman] Commissioner Lipper.

[Comm. K. Lipper] Yes.

[K. Eastman] Commissioner Lynford.

[Comm. J. Lynford] Yes.

[K. Eastman] Commissioner Pocino.

[Comm. R. Pocino] Yes.

[K. Eastman] Commissioner Schuber.

[Comm. P. Schuber] Yes.

[K. Eastman] Commissioner Steiner.

[Comm. D. Steiner] Yes.

[V-Chair S. Rechler] OK. The item is approved. As the Chair of the World Trade Center Redevelopment Subcommittee, I'll now report on an item that authorizes the amendment of

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agreements with affiliates of the Durst organization to support the lease up of One World Trade Center. The item is composed of three elements and amount of \$47 million. First, the scope of the existing One World Trade Center tenant prebuild program would be expanded to include three additional full floors and one partial floor. Second, this item will provide for the development of a tenant amenities space on the 64th floor which would include conference rooms and other facilities for tenants. And lastly, certain capital improvements would be performed to benefit tenants and enhance efficient operations of the building. Prior to making this motion, any recusals on this matter.

[K. Eastman] No recusals.

[V-Chair S. Rechler] Do I have any questions by commissioners, a motion? >> I'll move.

[Commissioner] Second.

[K. Eastman] Chairman Degnan.

[Board Chair J. Degnan] Yes.

[K. Eastman] Vice Chairman Rechler.

[V-Chair S. Rechler] Yes.

[K. Eastman] Commissioner Bagger.

[Comm. R. Bagger] Yes.

[K. Eastman] Commissioner Cohen.

[Comm. S. Cohen] Yes.

[K. Eastman] Commissioner Fascitelli.

[Comm. M. Fascitelli] Yes.

[K. Eastman] Commissioner James.

[Comm. T. James] Yes.

[K. Eastman] Commissioner Laufenberg.

[Comm. G. Laufenberg] Yes.

[K. Eastman] Commissioner Lipper.

[Comm. K. Lipper] Yes.

[K. Eastman] Commissioner Lynford.

[Comm. J. Lynford] Yes.

[K. Eastman] Commissioner Pocino.

[Comm. R. Pocino] Yes.

[K. Eastman] Commissioner Schuber.

[Comm. P. Schuber] Yes.

[K. Eastman] Commissioner Steiner.

[Comm. D. Steiner] Yes.

[V-Chair S. Rechler] The motion is passed. Back to you.

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[Board Chair J. Degnan] Thank you, Scott. There will be no further business. I move to—is there a motion to adjourn the meeting, a second? >> Second.

[Commissioners] All in favor, say aye. >> Aye. >> Meeting's now adjourned. Thank you.

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**The Port Authority of New York and New Jersey**  
**Board Meeting Transcripts**  
**December 10, 2015**

[Board Chair J. Degnan] The Board meeting of the Port Authority of New York and New Jersey and its subsidiaries is now called to order. Earlier today, the Committee on Operations and Capital Planning Execution and Asset Management met in public session, and the World Trade Center Redevelopment Subcommittee met in both public and executive session. And the Committees on Security and Finance met in executive session. Their reports will be filed with the official minutes of today's Board meeting. The Commissioners will also— Commissioners will not need to meet later today in executive session. From time to time the Board has taken the opportunity to recognize the professionalism and dedication of the Port Authority staff. Could we close this door over here, Pat? Today I am pleased to report that our director of Tunnels Bridges and Terminals, Cedrick Fulton, accompanied by our Superintendent of Police, Director of Public Safety, Mike Fedorko will recognize several employees who recently assisted with the delivery of a healthy baby girl outside the Lincoln Tunnel. Cedrick, Mike.

[Cedrick Fulton] Good afternoon. Good morning. Chairman, Vice Chairman, Commissioners, it's my pleasure to be here today with Chief and Superintendent Fedorko to talk about some very distinguished employees and talk about their performance. At approximately 5:20 pm on Monday, August 31, 2015, the Lincoln Tunnel communications desk received a report of a woman in labor in a car just outside the Lincoln Tunnel. Senior tunnel and bridge Agents Gregg Nimmo, Ricky Mangum, and Jerry Samaniego, along with police officer Stephen Corrigan and Michael Principe were immediately dispatched to the corner of 40th Street and Dyer Avenue to render assistance. They arrived on the scene to find a woman in the back seat of an Uber car in advanced stages of labor. It was clear that the baby was not going to wait for a hospital. So drawing on his thirty years of training and experience as an emergency responder, Senior TBA Nimmo immediately prepared to get in position to deliver the baby. Senior TBAs Mangum and Samaniego assisted in the handling of supplies and administering oxygen while police officers Corrigan and Principe helped administer oxygen and called for New York City EMS to assist in the new mother's safe transport to the local hospital. Within a matter of minutes, a baby girl was born and began to cry. Senior TBA Nimmo kept the newborn warm until New York City EMS arrived on the scene. I am pleased to report that based on the quick response of the TBAs and police officers, baby and mother were safely transported to New York City EMS to St. Luke's Hospital. Commissioners, please join me, join us, in recognizing Senior TBAs Gregg Nimmo, Ricky Mangum, and Jerry Samaniego and police officers Stephen Corrigan and Michael Principe. Their decisiveness and professionalism ensured the health and safety of a mother and her newborn child and continued a great tradition of customer service at the Port Authority.

[Board Chair J. Degnan] So at this point in the absence of Commissioner Pocino who is the Chair of the Subcommittee on Mandatory Wages, he's asked me to give you an update on the status of the selection of an economic consultant which we agreed last month to undertake. Commissioner Pocino is the Chair of the Board's working group on its minimum wage policy, has informed me that our procurement department will be able to expedite the selection of an economic consultant by soliciting proposals from one or more consultants who already hold

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contracts with other governmental agencies for similar work. That will avoid the necessity of going out for a full and time-consuming RFP. It's a recognized best practice procurement methodology and it also complies with our protocols for competition, integrity, and transparency. It also meets the working group's request to expedite the hiring of a consultant which could shave, we hope, up to six to eight weeks off the time to award the contract, this compared to the formal request for proposal process. Following the due diligence screening process, the next step would be to send the firm's scope of work to solicit a proposal from each of them and a price. Depending on response of submission, a firm could begin the study as early as January or February of 2016 and hopefully report back to the Board within a matter of ninety days thereafter. I'm now going to request that our executive director provide his report. Pat has a number of substantive issues to address today so we're going to depart from the normal practice of having Pat deliver the full report and opening to Board questions and at the conclusion of each item on the agenda, I'll open it for Board discussion even though the resolution may be voted on after the public comment period. But I don't want to deprive any members of the Board of asking questions in a timely way. So Pat, you're up.

[Exec. Dir. P. Foye] Thank you, Chairman. With your permission, I'm going to start with the Gateway Tunnel project. I want to update the Board and members of the public on our efforts following the announcement a few weeks ago by Governors Cuomo and Christie and Senators Schumer and Booker of a framework agreement to advance the Gateway Tunnel project. First by way of background, those of you who commute are increasingly aware of the fragility of the existing Amtrak tunnels which are over 100 years old and suffered significant damage from corrosive seawater during Superstorm Sandy in 2012. These tunnels carry approximately 200,000 passengers each day across the Hudson River and were a critical part of the entire Amtrak Northeast Corridor which carries 750,000 people per day. The Gateway Program proposes replacing those tunnels together with other rail infrastructure improvements in New Jersey and New York. This is a very preliminary number, but the tunnel replacement project is estimated to cost approximately \$10 billion. The agreement announced by Governors Christie and Cuomo and Senators Booker and Schumer on November 12th provides a framework for funding importantly and also importantly for governance of this major project. I'll describe that momentarily. The announcement tasked the Port Authority with playing a leadership role in the project in partnership with USDOT and Amtrak and in close coordination with critical regional partners including New Jersey Transit. Beginning right after the announcement, the Port Authority has been convening and meeting in person and by phone regularly with our colleagues at Amtrak and New Jersey Transit to coordinate our efforts. Another meeting scheduled for Monday. Cooperation and coordination between our agencies will be key to success in a project of this magnitude. So we have been very focused on working together. With respect to funding, the framework agreement called for a 50/50 cost share between the Federal government including Amtrak and New York and New Jersey. This followed the letter by Governors Cuomo and Christie to the President of the United States on September 15th offering to take responsibility for half the project cost if the Federal government would take responsibility for the remainder. We are focused on working with USDOT and the senators to identify and maximize federal grant opportunities and to take advantage of existing low-interest federal loans for rail and infrastructure. Towards that end, thanks to the hard work of many in our congressional delegation but led by Senators Schumer and Booker, the recently passed Federal Transportation bill signed into law by President Obama last Friday includes several critical

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provisions that create a pathway for substantial federal funding. This includes allowing Amtrak to reinvest profits, which are substantial, from its Northeast Corridor operations in this region. The bill now also allows loans under the 35 billion RRIF, Railroad Rehabilitation and Improvement Financing program, to deferred debt service until several years after substantial completion of construction as opposed to in the past six years after funding and allows importantly for the creation of master credit agreements which will be important in a project of this size and with multiple phases. Lastly, the federal bill, thanks to the senators, makes changes to the USDOT FTA New Starts grant program that helped recognize the benefits of projects like Gateway for rail and transit. Lastly, I would note that we will look into the prospect of attracting private capital to a project like this which we think is feasible and could be attractive. The governor's and senator's framework agreement called for the establishment of a special purpose development corporation under the Port Authority. Governance of this entity will include Board representation by New York and New Jersey through the Port Authority, USDOT, and Amtrak with a Port Authority member serving as Chair and the Amtrak member as Vice Chair. All Board-level decisions will require unanimity. Rich Bagger and Mike Fascitelli have been tapped to serve for now as a Board working group to provide oversight and guidance as we work to set up this entity. They've already rolled up their sleeves to provide their valuable perspective and guidance. The governor's and senator's framework agreement also called for accelerated permitting of this project. This is something that the entire Port Authority team feels strongly about. Given the cost both financial and perhaps more importantly the potential environmental cost of delay, it is imperative that together we find a way to accelerate the permitting of this project. One only needs to imagine the transportation and environmental impact to this region of 200,000 daily travelers having to turn to cars and buses to recognize how important replacement of these tunnels is. So Commissioners, I suggest our next steps are to first continue our work to establish a development entity with the help of counsel, as outlined in the press release; continue working with Amtrak, New Jersey Transit, and our federal partners on developing an approach to expedite environmental approvals; seek federal grants and as soon as practical seek inclusion of the project on President Obama's federal dashboard for priority infrastructure projects. I'll note that the Bayonne Bridge— Port Authority's Bayonne Bridge— benefited from inclusion on that dashboard; and again, we plan in working in close cooperative working relationship with our federal partners, Amtrak, New Jersey Transit, and USDOT. Thank you, Chairman.

[Board Chair J. Degnan] So the practice today will be for Pat to pause after each segment of his presentation and open it to Board discussion or questions an actual resolution embodying and formalizing the appointment of Commissioners Bagger and Fascitelli. And the direction to staff to move forward will be introduced later in the meeting. So at this point, are there any questions or comments about Pat's report? Rich?

[Comm. R. Bagger] Thank you. I'd just like to endorse Pat's comments and just really reflect on how extraordinarily significant the framework agreement by Governors Christie and Cuomo and Senators Schumer and Booker and the engagement of U.S. Department of Transportation and Amtrak, how incredibly significant that is in advancing this extraordinarily important infrastructure project. The Gateway Tunnel project is one of the— perhaps the most, but certainly one of the most— important infrastructure projects in the entire country right now. And through the leadership of the governors and the senators, in the last six months this project

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has moved forward in its positioning significantly. The resolution that this Board is going to act on later today, as I think the chairman has said previously, represents the Port Authority stepping up to the challenge that's been given to us to be a lead participant in this effort. This agency is very well-suited for that assignment, and I know that we all look forward to working with the federal agencies, to working with the governors, to working with the senators, that with direct Board engagement to advance each of the action items that Pat just outlined for us.

[Board Chair J. Degnan] Thanks, Rich. I'd add a comment of my own. I'm very pleased that the governors saw fit, along with our congressional delegation, to designate the Port Authority as the lead agency here. When I think about what this agency has done for the region, and even on a historical basis— in the late 20's and early 30's, the Port Authority built the George Washington Bridge, the Lincoln Tunnel, the Goethals Bridge, and I think the Outerbridge costing all within a four-year period on time and within cost. It is an agency that has the capability due to the talented staff it has and the way in which it's been invested with authority for the region to lead this effort. It's an opportunity for all of us at the Port Authority to prove that we can be the kind of agency in solving the regions problems that we once enjoyed the reputation of having. I think we still have the capability. I think there is some doubts about our ability to do it though and our level of commitment. I think we will dispel those doubts as we move forward on this project. I would endorse Pat's emphasis of the imperative nature of getting environmental reviews done more quickly with a job in the order of magnitude of \$20 billion just on the cost of capital basis alone. If we could accelerate that process by a year or two, we could shave a billion to two billion dollars off the cost to the public of building a needed infrastructure project. It's not inconceivable to me, but it would be very disappointing if our federal partners did not honor their commitment of trying very hard to get a type of environmental review which will honor our obligation to be sensitive to the environment but expedite the review of a project that no one has argued is not desperately needed. So any other comments or questions?

[Comm. H. James] Yeah, I have a question. Pat, the financing— I think you and I talked but what you think is handleable.

[Exec. Dir. P. Foye] For the \$10 billion tunnel project. The \$10 billion, Tony, is a challenging assignment. The larger project— I don't have an estimate of that— is even more challenging. But yes, I believe it can be done.

[Comm. H. James] OK, the assets will sit on our balance sheet?

[Exec. Dir. P. Foye] The assets will be most likely owned by the development corporation, a special purpose entity because that entity will be the borrower. Any debt that's incurred will not be an obligation of the Port Authority or recourse to the Port Authority.

[Comm. H. James] Will that special purpose corporation be a subsidiary of the Port Authority?

[Exec. Dir. P. Foye] Hard to tell. The press release talks about the entity being under the Port Authority. We're working with a team here. We're working with our federal partners, we're working with the Law Department to figure out exactly what that needs. The thing that I think is

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important is to make sure we come up with an entity that is consistent with the framework agreement but also allows us flexibility to pursue private capital because I think private capital— for instance I think it's important to note the tunnels that we observed were 110 years old were built by the Pennsylvania Railroad with private capital. The old Penn Station was built for private capital. So I think we've got to preserve that optionality, and I think we need to structure it in a way such that whether it's New Starts, RRIF, TIFIA, that the entity that we create maximizes our ability to tap those.

[Comm. H. James] Obviously this is a very important project for the region but the New Jersey Transit and Amtrak have perpetual easements. Are there revenues or costs that will come from this to the Port Authority?

[Exec. Dir. P. Foye] Well, certainly, Tony, there will be costs, and we hope there will be revenues as well.

[Comm. H. James] What will sources of revenue be?

[Exec. Dir. P. Foye] I think that private capital, I think one could envision a situation and this is done in other context around the country where the entities that use the assets would agree to make contributions. I think it's way too early to get to any of that. but clearly there are going to be substantial costs and there are revenue opportunities both from private capital and from government sources.

[Comm. K. Lipper] I would like to add to Commissioner James' point. I think in organizing the development corporation, we should make certain that it's empowered whether it's part of us or independent to have surcharges similar to what we do with airport passengers on Amtrak tickets so that it could amortize any debt in the future. It should be a pay as you go and user fee type of situation and it should not be diminishing our capability of doing other projects. So I just want to make certain that we follow our airport process in making this a somewhat of a self-funding operation.

[Exec. Dir. P. Foye] Ken, I agree with the sentiment that we ought to make sure that whatever entity/subsidiary under the Port Authority that that entity maximizes the flexibility to construct this, to design it together with Amtrak and New Jersey Transit, our federal partners, and also to maximize the widest breadth of private and public resources available to fund this and to pay the debt service. I think that point's well taken.

[Board Chair J. Degnan] Commissioner Lynford and Vice Chairman Rechler.

[Comm. J. Lynford] Thank you Mr. Chairman. To follow up on Commissioner James' questions, I want to mention to my fellow Commissioners, Mr. Fascitelli and Mr. Bagger that I suspect that the Port Authority would be fronting a lot of expenses and allocating a lot of talent, and therefore, I would like a reimbursement of those talents and those expenses at the appropriate time. If we're not going to get any revenue stream, at least we should be reimbursed for our time and our talent and our expenses just for you to consider.

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[Exec. Dir. P. Foye] Commissioner, I think it's a fair point. I'd note two things. One is that the principle of 50/50 on this from the federal and state partners should apply to everything. Second, I note with admiration the comment you made about the value of Port Authority talent, and I think that talent from the Port Authority and New Jersey Transit/Amtrak and others will be critical to making this project happen and making it a success. And I think the point's well taken.

[Board Chair J. Degnan] Scott.

[V. Chair S. Rechler] I just want to echo the comments that you made and that Rich made in endorsing moving forward with the resolution and the program that Pat laid out. And also on the comment of the Port playing a leadership role, just reminding everyone that back in the I guess early winter, we kicked this off with this trans-Hudson conference that again, I think, increased this dialogue and it's rewarding to see taking that leadership role and bringing people together to have this discussion was one of the impetuses to bring this to the forefront and move forward to this next step.

[Board Chair J. Degnan] Let me add a comment there. There have been some remarks made this morning about funding the project. So the Port Authority, as a regional transportation infrastructure agency, has a legitimate concern in my judgment and responsibility for the region's entire transportation network and that includes rail transportation on a commutation basis. Personally, I think it highly unrealistic that the local share, the \$10 billion of this \$20 billion, is going to be a self-sustaining contribution by riders of either Amtrak or New Jersey Transit. And I think that would be counterproductive to the region's transportation needs. While I think it's a fair ask and ought to be on the table as one of the components, I note that the governor's mandate asked us to come back to them with a financial plan for the local contribution. To me, some of that is going to come from the Port Authority, maybe a substantial portion of it, representing both states, but that's to be determined in a more difficult conversation. So I just want to express my personal view that I don't endorse a concept that all of the fees for this are going to be paid by user surcharges.

[Exec. Dir. P. Foye] Chairman, could I just build on my comment? I want to go back to the comment you made before which I totally agree that saving a year out of the environmental process could save a billion dollars. That billion dollars is a billion dollars that doesn't have to come from tax payers, that doesn't have to come from the federal government, that doesn't have to come from tax payers at the local level. And I think that not only is it a cost savings, but this is a project of environmental priority. The environmental damage that could occur to the region were the tunnels to fail before the replacement tunnels were in place is literally incalculable. And I think we all ought to focus on what can we do in a responsible environmental way to expedite the need for process. And we've had very positive discussions with both the Senator's office, Amtrak, New Jersey Transit, and USDOT on a critical issue.

[Board Chair J. Degnan] OK, so it's clear the reason we're waiting for the resolution to be passed after this discussion and the reason there may not be a lot of Commissioner comments at the time the resolution is offered is that we don't want to vote until the public has an opportunity to comment on the issue in case there's input that we ought to take into consideration in voting on

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the resolution. Pat, the next item in your report.

[Exec. Dir. P. Foye] Next item is an update on LaGuardia, Chairman. I wanted to provide the Board and the public a brief update on the status of the redevelopment of LaGuardia and our ongoing discussions with LaGuardia Gateway Partners. In May, as the Board knows and as many of you in the public may remember, the Board approved the selection of LaGuardia Gateway Partners after a competitive robust RSP process run by Lillian Valenti and our colleagues in procurement. LGP was selected as the preferred proposer following a competitive RFP process for the redevelopment of Terminal B at LaGuardia Airport in a public/private partnership. This project was highlighted by Governor Cuomo at an event attended by Vice President Biden at a public presentation by the governor in July as a key piece of the vision to transform and modernize all of LaGuardia Airport including Terminals C and D operated by Delta Airlines by ultimately creating a unified central terminal area. Over the last several months, Port Authority staff has been meeting with LaGuardia Gateway Partners and their advisors on several detailed commercial issues in order to finalize an agreement that I believe will be brought to the Board for final approval. We anticipate consideration and approval in February. I can report, Chairman, that substantial progress has been made to date. I look forward to resolving— the team looks forward to resolving— the remaining issues with LGP, which frankly are a handful, a handful in the weeks ahead. In parallel, LaGuardia Gateway Partners has been meeting and working with the airlines that served Terminal B today to discuss transition issues, technical details of their design, and commercial arraignments on the proposed lease agreement. Those discussions are going well. As you all know, Terminal B handled over 13 million passengers last year and is served by a variety of airlines. Despite complicated operational issues, LGP and those airlines are making significant progress in those discussions. Everyone is committed to minimizing any disruption to airport operations and customer experience during the period of construction. And of course all that use Terminal A at LaGuardia Airport today, given its state and condition, look forward to a newly modernized terminal. Lastly, as part of the main authorization, LGP and Port Authority staff have been working together on site doing geotechnical studies and work at the airport to lay the groundwork in anticipation of construction starting early next year. In terms of timeline, as I said, significant progress is being made on finalizing details of the commercial arrangements, and we anticipate bringing the lease for Board consideration in February in conjunction also with construction on the project starting at the airport around that time. Thanks, Chairman.

[Board Chair J. Degnan] Are there any questions or comments by any members of the Board on that aspect of the report? One thing I would point out is that Pat, you mentioned this to me in a conversation we had about it. This is an unusual project because it's a P3 negotiation. So there's an extra measure of difficulty in negotiating between the airlines and the Port Authority when there's a third party operator in the mix as well, something the airlines are not customarily used to. So the negotiations, while they're closing down, and closing in, rather, on a few remaining issues have been time consuming and challenging. And I think that this staff is doing a great job in trying to move it forward. So the reason it's in February is there's no January meeting. Otherwise, that might be ready for consideration then, but I hope we can get it ready for an authorization by February. As you'll recall, in May, the Board authorized the negotiations with the preferred provider but specified that any incremental costs to the consolidated look of the airport and the rest be the subject of specific approval consistent with the capital planning

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processes of the Port Authority. So that can be addressed at that time too. Anybody else? OK. Great. Pat, let's move on to the next.

[Exec. Dir. P. Foye] Thanks, Chairman. An update on the Port Authority's minority women and disadvantaged business focus. First status. With the Board's support, we continue to maintain comprehensive programs that support MWBE and DBE participation in our projects. I note that Jerry Del Tufo's presentation a couple of minutes ago at the Port Authority Bus Terminal talked about a DBE contractor that's going to be taking over the Post Office, Jamba Juice, and the existing Deli Plus, one example just a couple of minutes ago. In 2014, the Port Authority awarded nearly \$450 million in business to MWBE firms and \$550 million if you include tenant and partner spending for a total of 23% participation. We believe that this is the highest MWBE dollar contract value among regional transportation agencies. At the World Trade Center alone, the Port Authority's awarded over \$1.2 billion in total MWBE contract value over the last several years. That's a huge number. Our Office of Business Diversity and Civil Rights led by Lash Green manages several successful programs to assist MWBEs and help build capacity in the marketplace. This is especially important as Governor Cuomo in New York state has set a 30% goal for MWBE contracting in New York, the highest such goal in the country. We're intensifying our efforts to work with the MWBE community to educate them on contracting opportunities, continue to provide mentor protégé and apprenticeship programs and working with entities like the regional alliance in New Jersey and New York to help develop capacity in the contractor community. Maintaining the integrity of our MWBE and DBE programs is also of utmost importance. Consistent with this objective are Office of Inspector General in both states has been in the forefront of helping develop programs to prevent MWBE fraud as well as investigate and assist in the prosecution of firms that have tried to circumvent the integrity of these programs. Recently, I think the first week of November, the US Attorney's office for the Southern District of New York announced it had filed and settled a civil fraud lawsuit against Yonkers Contracting based upon an investigation conducted by the Port Authority IDs office although the prior incident did not involve a Port Authority asset or project. With Yonkers, we've negotiated agreement for an independent monitor—and the IG was significantly involved—to be in place for any future work with the Port Authority at Yonkers' expense for a three-year period. In addition, Yonkers has agreed in advance that if there were any future MWBE violations by that firm that they would not bid on any future Port Authority contracts and not contest this debarment outcome for a three-year period. I note this because we want to ensure that our MWBE programs achieve their intended goals of inclusion in ensuring participation in our major projects and helping develop a broad and competitive universe offenders given the large and important projects that we have before us in both states. Lastly, I want to acknowledge and thank Mike Nestor and Steve Pasichow for their leadership on these issues. Thanks, Chairman.

[Board Chair J. Degnan] Questions? Comments? Pat, could you just speak to the issue of why we didn't terminate Yonkers and to bar them now based on their culpability?

[Exec. Dir. P. Foye] Good point. A couple things, Chairman. One is the Southern District Civil Fraud judgment did not involve a Port Authority project. The Port Authority IG was involved because they were brought in because they'd been so infected in investigating MWBE fraud. Second, we didn't believe we had the right to the bar then prospectively since they hadn't been

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put on notice, the contractual debarment that I just described gives us a hook, and if there's a significant— if there's another MWBE program, they've agreed not to contest a debarment, and I think that's a practical but significant sanction of the Port Authority house.

[Board Chair J. Degnan] Makes sense to me. Any other comments? Pat, do you have one more?

[Exec. Dir. P. Foye] I do have one more. Lastly, an important piece of personnel news. Steve Plate who served as Deputy Chief and Director of the World Trade Center construction program— many of you know him— over the last many years has been asked by me together with the Chairman and Vice Chairman Scott Rechler to serve and extend the capacity as chief of major capital projects. Importantly, Steve will retain his responsibilities at the World Trade Center to ensure its successful completion as there's still much work to do. Right now, Steve and his team are focused on opening the iconic transportation hub and facilitating the opening of the retail space there. But as the agency transitions and returns to its core mission of focusing on transportation assets and operation, Steve will also now focus, at our request, on several emerging major or mega-projects including the Port Authority Bus Terminal, the ongoing Bayonne Bridge Navigational Clearance project, PATH in Newark working with Mike Marino and Crelle DeGraffe and the Gateway Tunnel program that you've heard about a couple of minutes ago. I think this is tremendous evidence that in addition to the financial capital we're focused on allocating our most valuable asset, our people, who have unparalleled experience building the largest and most challenging public works projects in the country back on our region's critical transportation needs. We all congratulate Steve on his expanded role and responsibilities and look forward to working with him in his new role.

[Board Chair J. Degnan] Just a point of clarification. I think that Steve's mandate also includes a PATH extension to Newark. I'm not sure you mentioned that. It was mentioned? I apologize. It was mentioned, Pat. It was. Karen is correcting me. I just want to endorse the importance of this and thank Steve for being willing to undertake it. As I mentioned earlier, I think the Port Authority needs to reclaim and re-earn its reputation as the agency is the region that can deliver projects on time and within budget. It was personally disappointing to me and I know all my colleagues on the Board and certainly to Governor Christie that the Bayonne project is delayed for as long as it is. And I've been wrestling for the last few months with how we can demonstrate our commitment to return to excellence in delivery of public transportation infrastructure projects. I can think of no better way than to find someone who I think is entitled to the title master builder to assume responsibility and with that accountability to the Board for ensuring that projects that we authorize of that magnitude and importance. And that list is certainly an important one to the region and to the Board. It includes both the Bus Terminal and Gateway to undertake this. So I expect that Steve will report to Pat and ultimately Pat's successor in this connection but he will certainly be directing closely with the Vice Chairman and me and through us with the Board in its entirety for updates. I'd rather know when we're running into a problem on a project with either cost or delay and have an opportunity to weigh in early enough to do it. This is separate and apart from our, I think, admirable and laudable capital planning process which has put the Port Authority in the lead in both the manner in which it decides which projects to advance and the way in which they're monitored. But it's much more focused on building and completion. So thank you Steve, and I think this is a great step for the Port Authority. Anybody else want to comment or have any questions?

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[V. Chair S. Rechler] I just want to echo the endorsement of Steve. I had the opportunity to work with Steve very closely on the World Trade Center redevelopment than the level of intensity, the sense of commitment and ingenuity brings to the project that focus on really the standard of excellence I think that being transferred to the larger pool of projects that we have for the Port Authority is great and I think will have great results for us and it's the right time to do it based on where we are on the completion of the World Trade Center site. So I think you have most of our confidence, Steve, and we look forward to having you in this new role.

[Board Chair J. Degnan] Commissioner Lynford.

[Comm. J. Lynford] I just wanted to personally congratulate Steve and tell him he's got a lot of shoes to fill following after Ahmond's work here at the Port Authority, but we see you as the next member of that famous master builder, to quote you, team here at the Port Authority. So good luck.

[Board Chair J. Degnan] Thank you. It's now the point in the meeting which we're going to afford an opportunity for members of the public to comment on Port Authority matters. We're going to try and keep this to a thirty-minute time period in total. So we'd ask you to be concise and try to stay within 3-minute time limit. The first speaker who's exempted from the 3-minute requirement but has never needed it in the past

[laughter] is Senator Loretta Weinberg. Senator, you missed an earlier discussion of the meeting. Pat eluded to it in his report, but I think you would have been pleased to hear that the concession lease that will be approved by the Board later in the meeting formally. will actually upgrade the status of the retail establishments on the first floor. The Port Authority Terminal will create a food court, although not of huge dimension but basically be a part of the quality of improvement programs at the Port Authority until and when we can get a new terminal in place which is our ultimate objective. Welcome.

[Hon. Loretta Weinberg] Thank you very much, Chairman Degnan, Vice Chairman Rechler. Excuse my voice. I am battling one of those old fashioned head colds. And thank you for extending the opportunity for me to speak. I am speaking for all of the New Jersey Senate leadership, and there is no question that we all agree that you and we have made important progress since last summer. The Port Authority's 2016 capital plan includes \$15 million in funding for the international competition to design a new Port Authority Bus Terminal. Personally, we would like when you can do that to get more details on just how that \$15 million is going to be spent. The Bus Terminal Committee, chaired very ably by Chairman John Degnan, recommended that the new Port Authority Bus Terminal be built on a site one block west of the existing facility. That location which would minimize disruption for 100,000 riders in the morning and 100,000 riders coming home in the evening remains the most logical as long as a people mover link can be built to enable people to get a block away to the subway. Vice Chairman Rechler's suggestion that a Bus Terminal be built in New Jersey is not something that's welcomed by too many New Jersey people because it will make a two-stop ride to New York rather than the current one-stop ride. We're also pleased, and you certainly talked about it as you gave your reports here today to see the Port Authority playing such an

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active role in plans for the Gateway rail tunnel. Certainly Senator Booker, Schumer, Congressmen Sires and Pallone and both governors, Governor Christie— even I agree with him from time to time— and Governor Cuomo.

[Board Chair J. Degnan] Somebody write that down. It's in the minutes.

[Hon. Loretta Weinberg] It's at the 3-minute mark in my speech according to this, so you can mark it. I have played a wonderfully positive role on behalf of the residents that we all represent, and I don't need to go into the reasons. Pat certainly outlined the current problems and the calamity that could exist in this region if one of those tunnels failed before new tunnels are built. Trans-Hudson Transportation is the Port Authority's most critical responsibility, and it's good to see the Port Authority serving as the key coordinating agent for the Gateway project. And I agree with your comments, Chairman Degnan, that this will be among many great opportunities to earn back the reputation for this Port Authority. But I am concerned that once again the Port Authority capital budget for 2016 spends as much money on the World Trade Center as it does on all bridges, tunnel, and road projects, just under a billion dollars on each. Furthermore, the \$400 million set aside for LaGuardia Airport includes, I think, a significant amount for real estate development. The task force on the future of the Port Authority which included the Chair and the Vice Chair and two Commissioners recommended strongly last December, a year ago, that the Port Authority get out of the non-transportation business. And yet I see this capital project which seems to include a fair amount of money for real estate development. We also need to start the process of figuring out how to direct non-transportation-related real estate as recommended by the task force and put that money back into transportation. The latest round of toll hikes took effect just this past Sunday, and I thank you for alternating the meetings which I guess this is significant that this meeting is in New Jersey. It personally saved me \$15 for crossing over the bridge in order to get to the World Trade Center in New York. It is important to note that we also just received the budget and capital plan last week which is a short period for detailed analysis. And there can be no reasonable expectation that the Board will modify the capital plan based on comments taken thirty minutes before you're scheduled to vote. This underscores, and I am giving a New Jersey commercial here, the need for strong legislative oversight and the passage of the legislation that Senator Robert Gordon and I cosponsored in New Jersey requires sixty days of advanced notice prior to the adoption of the Port Authority's capital plan to allow for meaningful comment commuter and legislative discussion of the agency's priorities. The mission of this agency— and I don't need to lecture any of you on this, I guess— is to meet the transportation needs of residents in both of our states. Those who are paying the tolls and fares set by this agency expect you to be working on their behalf. And we all know the cloud that was put over how those tolls were increased back in 2011. I must say I am not 100% convinced that the entire leadership at this agency has the willingness to carry out the vital bi-state mission. And part of it—personal opinion now. I am not speaking for the senate leadership. When I read the latest round of emails that were released to the newspaper where some time was spent by the officers of this commission, figuring out how to make the most of the Fort Lee situation and get rid of people rather than finding out how to get the agency back to its mission of transportation and servicing the millions of people who depend upon you. So this kind of discussion at the top levels of this agency only reinforces for us the need for strong reforms to be implemented by law. I thank you very much for your courtesy. I thank you for the hard work that you are all

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engaging in here. I don't know— is Steve here?

[Board Chair J. Degnan] Steve Plate is here for sure. Steve is here. He's in the back. Steve, where are you? Stand up.

[Hon. Loretta Weinberg] Sounds like you gave him a tremendous amount of responsibility which shows your confidence in him. And also to Cedrick Fulton, I did smile when you introduced the Port Authority police who delivered the brand new baby girl as part of customer service.

[laughter] Thank you very much.

[V. Chair S. Rechler] Can I just make two points of clarification. So just two points of clarification just for— I know I may have said this before, but I wanted to be clear. As it relates to my view on the Bus Terminal I must suggest that we move the entire Bus Terminal to New Jersey. What I'm proposing that we study is putting bus terminus' on the other side of the Hudson for those commuters that would otherwise take public rail once they got to New York where they can actually get rail in New Jersey, and the latest stats that we've seen is that 50% of the people that come into Manhattan's Bus Terminal enter our subway system, so that's the question of the study. I understand the importance of not having more than a two-seat ride, but for those that have a two-seat ride, if we could accommodate that, that would be the objective of the study. And just a second point of clarification on LaGuardia. There is no real estate development at the LaGuardia Airport that's being developed. It's really a plan for a 21st century airport that includes certain amenities like retail but that's being outsourced to the master developer. That's the third party private developer that is ultimately doing that and even a hotel would be outsourced to a hotel operator that would do that. So it's really not meant to have any inconsistency with our core mission but rather have a 21st century world class airport.

[Board Chair J. Degnan] Are there any other comments by the Commissioners? Normally we don't engage in dialogue, but I think as the debate moderators and since you mentioned you were entitled to a minute or two.

[Comm. D. Steiner] I would just like to make one comment about the two stops. The one stop with a 30-minute wait to get through the tunnel might be equivalent to a stop, two seat. When you do the one seat now, you spend about thirty minutes waiting to get into the terminal. If we have another stop, we might eliminate that thirty minutes.

[Board Chair J. Degnan] OK, thank you, Commissioner. The next speaker is Mitchell Moss.

[Mitchell Moss] Thank you, Mr. Chairman, Thank you, Mr. Vice Chairman, and members of the commission, my name is Mitchell Moss. I'm a professor at New York University, and I'm here to briefly talk about work that we did at NYU's Rudin Center for Transportation, with Appleseed Consulting which talked about the redevelopment of the World Trade Center site, and I want to live within the 3-minute rule, so I'm going to be very brief and targeted. Let me first say that we believe our research shows that by 2019 the Port Authority will recover 97-98% of the funds as expended assuming that Two World Trade Center opens in 2020. Second, I want

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to point out, and we've heard earlier and the media's talked about this, that the Port Authority should not be involved in land development. In fact, the previous speaker said this. Let me point out that's precisely why we have to have land development so the tolls down bear the full burden of the cost of infrastructure. The Port Authority relies on the airports, the tolls, and land development. We now know that land is important because it generates revenues to invest in infrastructure, and we believe the long-term results of the World Trade Center will generate a considerable amount of money. Now it's especially important today to do this in a timely fashion because if we proceed on the current schedule this is not a subsidy to an octogenarian and septuagenarian as the media presented, but in fact is smart property management. We're accelerating the development, and this will allow Westfield— which by the way, the Australians are the best shopping retailers in the world. I know from my own wife's spending. And I think that it's important to recognize they will generate \$300 million in a lump sum payment to the Port Authority when they occupy 96,000 square feet of retail space in Two World Trade Center. You may have read that a city councilman in New York obviously concerned but ill-informed failed to understand that once you get Two World Trade Center completed it will also generate \$15 million in pilot payments which will increase to the city of New York. So the important element here is that accelerating the development of the project, and that means doing it with the current plan will generate more revenues over the long term for the Port Authority, more revenues for the state and city governments, and more for the infrastructure of the region. I want to make two other points very clearly. The impact of the World Trade Center redevelopment is far vaster than the site. And by the way, the site is far better than what it was, In 1973, Austin Tobin took me on a tour, in fact a helicopter ride around the site. It was a walled complex, self-contained. The outside plaza was so windy you couldn't walk through it. Today, it's far more integrated to the city, and the spillover effects— just look at Jersey City. Do you think these thousands of housing units would be built unless you can work across the river? I will end in one second. Let me just simply point out that our research shows that doing this now will assure revenues in the future. So a short-term hit in revenue will produce much more over the long run. We think that the World Trade Center is not just about the site but about the whole region, generating revenues for infrastructure but also generating value in the people who want to live and work near this site. Thank you very much.

[Board Chair J. Degnan] Thank you. Richard Hughes. I'm sorry. Margaret Donovan was next on my list. I apologize.

[Margaret Donovan] Thank you. Good afternoon, Commissioners.

[Board Chair J. Degnan] Good afternoon.

[Margaret Donovan] Last year at this time, the New York and New Jersey governors gave the public their collective back of the hand with their Christmas weekend vetoes of what two state legislatures had passed by virtual acclaim. At some point, the two legislatures will succeed in holding the Port Authority subject to state's open meetings laws. But until they do, I will keep reminding you that your bylaws already hold you to that standard which overrides any lack of consistency in your policy. The Commissioners have the right to make bylaws, and the public has the right to require them to abide by them. Otherwise, why have any bylaws at all if you can function above those laws whenever you please? The application of the open meeting laws is at

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the heart of an item today. In July 2001, Silverstein Properties agreed that it would quote "at its sole cost and expense, and whether or not such damage or destruction is covered by insurance proceeds sufficient for the purpose shall remove all debris resulting from such damage or destruction and shall rebuild, restore, repair, and replace the premises. The public has a right to know what took place behind closed doors that has made him the recipient of so much public assistance while maintaining all of the prerogatives he never paid for. We may be talking about only \$10 million, \$20 million, but giving this man a dime of public money when he has received so much that the original contracts he signed did not allow for is a disgrace. And it was all decided without public hearings or input behind closed doors. You may not have been on the Board when Silverstein was given such a pass. But now you can and should tell Larry Silverstein and Rupert Murdoch to figure it out without us. They can well-afford it. Finally, I encourage you to invite Bob Freeman, the Executive Director of New York's Committee on open government to brief you on the law before doing any more of the public's business other than personnel matters behind closed doors. It would be a great way to start the new year. When you are allocating billions of the public's dollars, it is certainly good to know what you don't know. Happy holidays and happy New Year. We at the Twin Towers Alliance wish you all well.

[Board Chair J. Degnan] Richard Hughes. Mr. Hughes, are you here?

[Richard Hughes] Good afternoon, Commissioners. A couple of comments. It's nice to know Mitchell Moss thinks that the World Trade Center site I going to generate so much revenue for the Port Authority. He doesn't seem to realize that it's revenue to pay back money that they never had to spend in the first place. Ms. Weinstein, that was a brilliant three minutes or more—

[Hon. Loretta Weinberg] Weinberg.

[Richard Hughes] Weinberg, sorry. Very important, senator. Her comment I think starkly states the whole problem. You're spending a billion dollars— fourteen years after 9/11, you're spending a billion dollars at the World Trade Center site. That's equal to everything you're spending on all the projects that you're supposed to be taking care of. Now something's radically wrong with that, radically wrong with it. Yesterday, Margaret Donovan of the Twin Towers Alliance was in New York Supreme Court for oral arguments in her lawsuit against the Port Authority trying to get to the bottom of how Larry Silverstein got such a sweetheart deal and the public got screwed. One of these years, we may finally find out what the heck happened. I hope to live long enough. I'm not sanguine about it, but someday maybe we'll find out how this happened. The other night I crossed the George Washington Bridge and the tolls have gone up. December 6 they went up. \$15 for a car, \$21 for each axle of a truck, \$24 for a bus. Unconscionable. How do we get to that? I guess you think that the commuters are just going to keep paying and the citizens of New York are going to have these expenses added on. A normal tractor trailer is now over \$100 to cross the bridge to deliver goods into New York City and you think that you are helping the area, this is improving things for business and for the citizens of this region? And let me remind you because it hasn't been brought up but you know, you still have the AAA lawsuit hanging over you. It hasn't been resolved. From what I've read, they have a very strong case. And I hope you're prepared for the fact that those tolls may actually be rolled back, furthermore that you may actually have to reimburse the commuters from the past

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few years since the tolls went into effect. And I hope you're prepared for that because now you have all these projects— the Gateway, which apparently you're going to have to spend a lot of money for, and I wonder where is all that money going to come from? I hope in the new year, it will be a new beginning. I wish you all happy holidays. Thank you.

[Board Chair J. Degnan] Thank you. Dan Ackerman.

[Dan Ackerman] Thank you Chairman, Vice Chairman, and Commissioners. My name is Dan Ackerman. I'm here on behalf of the Alliance for Downtown New York. We're the business improvement district for Lower Manhattan. First I want to thank yourselves, the staff, and every man and woman that's worked to rebuild the World Trade Center site. As someone that comes from New Jersey every day to the World Trade Center on the PATH train, every day you see that it's getting closer and closer to being finished. We've heard a lot of talk today about commitment, completion, and capability. A number of major projects that need to be handled by the Port Authority and master builder plate. I'm here to support the completion of Two World Trade, to finish the World Trade Center, to get that project to the next phase which is operation, fulfillment, and supporting the Port Authority, and we hope that you will consider finalizing the deal and get Two World Trade Center done. Thank you very much.

[Board Chair J. Degnan] Thank you. Neile Weissman.

[Neile Weissman] Chairman Degnan, Director Foye, Commissioners, thank you for the opportunity to speak on expanding the bicycle paths on the George Washington Bridge. You have a hard copy of my remarks. They were also on CompleteGeorge.org Green Pass. Apropos the UN climate talks underway in Paris, I would reference the Port Authority's sustainability policy of 2008. And I'm sorry for the déjà vu from earlier today, but greenhouse gas submissions, if not reduced by substantial levels are expected to cause irreversible harm around the world, especially to areas with significant low-lying coastal regions including the Port District. The Port Authority will continue to use best efforts to reduce all greenhouse gas emissions related to its facilities including tenants and customers by 80% from 2006 levels by 2050. Wherever possible, the Port Authority will seek out innovative mechanisms and partnerships through which the region's overall GHG footprint may be reduced on a much shorter timeline. One example your Green Pass program discounts tolls for vehicles that achieve 45 miles to the gallon, about twice the efficiency of a regular car. But while motivating purchase of green vehicles is laudable, expanding cycling capacity is almost certain to be more cost effective and productive in reducing greenhouse gas emissions. Currently half a million bike trips are made across the GWB each year. And simple calculation shows that of those trips recorded, the same subsidies is Green Pass vehicles, that would be \$2.9 million. Actually two Green Pass trips are needed to offset a regular car where one bike trip directly offsets one car's emissions. So we could say that current bicycle travel on the GWB annually offsets \$5.8 million worth of greenhouse emissions. And that's just on a single seven-foot path that you have now. Imagine the offsets on an AASHTO-compliant facility that increased cycling capacity tenfold. And if that sounds extreme, bear in mind that New York City Council Transportation Chair, Ydanis Rodriguez, who represents Washington Heights and is in support of the GWB's widening has called for improvements to the city's bike grid that would encourage and support an eight-fold increase over current levels by 2030. Further that bike travel across the GWB has

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in recent years been growing 50% faster than the city overall. So there's every reason to expect that a widened GWB will precipitate an immediate increase in non-meeting trips and the throughput will continue to grow thru 2050 without the need for further construction or costly subsidies. Thank you. Best for the holidays.

[Board Chair J. Degnan] Thank you. Veronica Vanterpool.

[Veronica Vanterpool] Good afternoon Chair, Vice Chair, and Commissioners. My name is Veronica Vanterpool. I'm the Executive Director of the Tri-State Transportation Campaign. I'd like to start with a note about transparency and I want to thank Senator Weinberg for many of her comments, many of which I'm going to echo in my testimony. The Port Authority has had a lot of concerns— and actually the general public has had a lot of concerns— about transparency at the Port Authority which had precipitated legislation passed by two states and signed by two governors. So we're really disappointed to see the amount of time that was given to the public to engage on the capital budget, the budget process right now, eleven days. The budget was released on November 30. You all are voting on it today. Eleven days is really an insufficient amount of time for the public to review a 100-page document and I'm sure for all of you who hold various positions outside of this one. By comparison, NYMTC, our regional metropolitan planning organization, allows ninety days of review for an upcoming document that they've just released, the United Work Planning program. So that's a very different document than Port Authority's budget, but it does outline projects that are to be considered ahead. They've provided ninety days of public comment period, and that certainly puts to shame the eleven days here. And I hope that the Port Authority's increased commitment to transparency does carry over into the Gateway Development Corporation where there should be a public engagement mechanism. The public should be invited to comment and testify through a hearing process and other formats. So turning my attention to some of the budget line items, the capital— capital spending on buses comprises 2.5%, \$88.3 million of the \$7.9 billion budget. Again, that's a paltry amount of money to be putting toward capital needs for buses, particularly because the discussion about the Port Authority Bus Terminal dominated many of your conversations, many of these Board meetings over the past year. We're hoping to see more investment moving forward, capital investment, in preparation for and in the interim as we discuss a new Bus Terminal. The Bus Terminal is getting much less money than the LaGuardia overhaul and even the World Trade Center Vehicular Safety Center, and the tour bus parking facility, which are getting 35% more than the Port Authority Bus Terminal. Secondly, the Quality of Commute program which is a \$90 million program and was your response to many concerns raised about my previous point of a paltry amount given to bus capital. But only 23 million of the 90 million is going to be spent in 2016. So as we wait for new improvements to this Bus Terminal and a new terminal, more should really be invested in the short term. We should invest more of that \$90 million, not just the \$23 million in 2016. My next point, \$50 million for the design competition, I echo the senators' comments. We'd love to know how that money's being spent. Presumably a lot of that design work is going to be done by those competing for these funds. Why is there a line item for that? It's very difficult for us to judge the appropriateness of that particular line item. Lastly, the \$4 million allocated for the Port Authority's questionable PATH extension, and we call it questionable just because it's still a two-seat ride and it is not clear. Even the most ambitious estimates that determine that this PATH extension would capture maybe 7% of the Port Authority Terminal's overall ridership, we think that more of that money

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should be invested to improve the Trans-Hudson commute, again, the bus capital commute. So we just want to put that toward you all for consideration that again that PATH extension has been vilified in quite a few outlets.

[Board Chair J. Degnan] Thank you. Time's up.

[Veronica Vanterpool] We actually are glad it was cancelled.

[Board Chair J. Degnan] Murray Bodin.

[Veronica Vanterpool] Thank you very much for your time.

[Murray Bodin] My name is Murray Bodin. Malcolm Gladwell, the philosopher, wrote a book called The Tipping Point. What did he mean? He means when there is a preponderance of information, things changed. Around here, there is a preponderance of information that the Port Authority has changed. This is not the same Port Authority as a year or two or five years ago. Vice Chairman Rechler's comment about a transit facility for buses in New Jersey needs to be explored and understood. Commissioner Steiner's comment that when people have to wait for thirty minutes to get through the tunnel and then thirty minutes, that needs to be figured in to the transportation time. Things have changed. My notes are now on my phone, and I've messed it up.

[Board Chair J. Degnan] Thank you, Murray.

[Murray Bodin] I'm not used to this either as same as you're not used to turning on the mic and we're all learning new things. But what is important is the way you're going forward, the way you've picked a design team to go forward and investigate new ways of doing things. The change is important. I recognize it. New Jersey will benefit from having a place where you can get on in Secaucus into the New York City Rail System without a second change. That's possible. It's being explored. - Thank you for your comments.

[Murray Bodin] And I think you do a wonderful job. Thank you all, and I wish you all a very happy holiday whichever way you celebrate it.

[Board Chair J. Degnan] Thank you, Murray. Lauren Herman.

[Lauren Herman] Thank you. Good afternoon. My name is Lauren Herman. I'm an attorney with Make the Road New Jersey. Make the Road New Jersey is a community organization based in Elizabeth. We provide legal services, English classes, and civic engagement opportunities to hundreds of immigrant and working families in Elizabeth and the surrounding area. Some of our members and their family members currently work at Newark Airport. I'm here to show my support for an increase in wages to \$15 an hour for all Port Authority workers. As an attorney, I see firsthand every day how impossible it is for families to get by on the rock bottom wages that contract workers at the airport currently earn. Between paying rent, buying groceries, paying for transportation and school books, it is impossible for many of our members' families to make ends meet on their current \$10.10 wage. Families are forced to make

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hard choices between paying for rent or paying for needed medication, buying food, or paying the electric bill. Airport workers that receive our services often depend on local food pantries just to feed their families. Although we provide free legal assistance, many of our members still struggle to access the legal services they desperately need because they cannot come up with basic filing fees to become citizens, renew their green cards, or renew their work authorization. The airport and Port Authority are important employers in our communities. I know personally in my own family it's my understanding that my great grandfather was contracted to help build the Lincoln Tunnel, and that project was essential to help our family integrate in the United States and join the middle class. Today, workers employed at a public entity like the Port Authority should not have to depend upon public benefits and the generosity of the community to make ends meet. Raising the wages is an investment in our community and one that is desperately needed. On behalf of our hard-working members and especially now during the holiday season when so many of us depend on Port Authority workers to help us travel to our family and friends. I urge you to support \$15 an hour for all Port Authority workers. Thank you.

[Board Chair J. Degnan] Thank you. Jean Timmer. Jean Timmer. Mr. Timmer is not here. We'll go on to Amity Payne. If she's not here, we'll go on to George—

[Amity Payne] Hello. My name is Amity Payne. I'm here representing 32-BJ. We would like to strongly urge the Port Authority Board to move forward with the plan to expedite the building of Two World Trade Center. The project is critical to rebuilding Lower Manhattan as an economic engine for the city and the region as a whole. Building Two World Trade Center is the final piece of the puzzle. The project will create enormous job growth. It will employ 10,000 union construction workers and includes aggressive MWBE targets which Silverstein Properties has already engaged on his other buildings. When completed, the project will house 10-15,000 permanent workers including hundreds of union building service employees. Silverstein Properties, which provides the cleaning and security services for Two World Trade Center has a record of providing good jobs with living wages, high quality benefits, and rigorous training requirements. These important middle class jobs will further increase the community impact of the project. The project is good for both New York and New Jersey. It will employ workers from across the region and revitalize lower Manhattan helps strengthen communities from Brooklyn to New Jersey. The completion of Two World Trade Center will also be beneficial to the Port Authority itself. It is an investment for the Port Authority, unlocking 500 million for you to invest in critical projects like raising working standards and updating infrastructure at the airports. According to a recent NYU report, rebuilding Two World Trade Center will quickly help ensure that the Port Authority is on a path to recoup its investments for the entire World Trade Center complex. We have made critical progress over the past fourteen years, and now the end is in sight. We urge the Port Authority to take one step that is now needed to finish what we started. And I'm going to pass it off to Merima who's going to add to my testimony.

[Merima Muminovic] Hi, my name is Merima Muminovic. I live in Nutley, New Jersey, and I work in Eleven Madison as a member of 32-BJ for 24 years. I would also like to add that while the reason BJ knows the Two World Trade Center project will help more cleaners like me find a job, support our communities. We're also standing with airport workers who are here today asking again for higher wages and benefits in exchange for their hard work. This should not be an either/or situation. We need to expand Two World Trade Center and to increase standards at

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the airport. Silverstein Properties Two World Trade Center is a good employer. It is a company that respect their workers and treat them as a human being by providing the good union jobs. We need companies at the airport to be required to do the same. Thanks.

[George Pilieri] Good day. It seems I'm not the only person here with pay issues. One thing the Port Authority is not spending money on is worker's pay. I'm here to address the Board and get some answers on to why 250 electricians have been without a contract for ten years. There are a number of other trades working without a contract for between three and eight years. The Port has recently agreed and is currently subsidizing the Pulaski Skyway reconstruction. There is some question of whether this is allowable not under guidelines or restrictions. They're building a new Goethal's Bridge for \$1.5 billion; raising the deck on the Bayonne, 1.3 billion; LaGuardia Airport renovation, estimated at \$4 billion; and the World Trade at \$3.8 billion. There's also talk about funding a new portion of the proposed railway tunnel. I had no figures until today. \$10 billion. As a New Jersey resident and tax payer, I understand the value of these projects. A project like the Pulaski Sky would probably not get done, and it's very necessary. However, as an employee who has been without a raise or a contract for ten years, it's a little offensive. It's offensive that they can participate in funding some of these large projects and not consider negotiating a contract with its own employees. A lot of the bargaining has not been in good faith. They often schedule and cancel meetings regarding the contract, making it difficult to make any progress. On the other hand, despite the fact that we've been without a raise and a contract and at this point a little hope of any, we have remained on the job day in and day out. We have maintained the systems of the bridges and the tunnels and the airports which require manning 24 hours a day, seven days a week including holidays. I've been here for five years out of this ten-year contract. I've watched members who have been here longer who were proud when I got here, proud to work for this agency, and now they just have disgust. There's no end in sight for this. I don't know if you guys have any comment, anything you want to say to that. No? Probably not. I'm going to leave you with a copy.

[Board Chair J. Degnan] Thank you. Nancy Vazquez.

[George Pilieri] I did send you a copy.

[Hon. Loretta Weinberg] Thank you.

[Nancy Vazquez] Good afternoon, the Port Authority of New Jersey & New Jersey. My name is Nancy Vazquez, and I'm at Skycap for 23 years at North Liberty International Airport. I currently make \$2.10 an hour. Yes. And that shockingly pay rate is offset by tips. But since we have smart cards, new kiosk self-check-in machines, and bags that are charged, we're not making a living. People are not as forthcoming. The tips are not mandatory. I want to thank the Commissioners here who express their support for the \$15 an hour for airport workers. Thank you. We urge you to do that as soon as possible. I want to also address a few questions that were expressed in the last meeting. Commissioner Pocino asked, "How can we make this a sustainable long-term policy?" Commissioner Lynford answered this best when he noted that turnover had begun to trend down since the 10.10 wages took effect. In fact, he said that it has—the turnover—has went down 95% to 90% for airport workers. Commissioner Degnan from New Jersey wanted to know how many airport workers would be an impact by the wage

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increase. About 31,000 airport workers. Commissioner Degnan also made a statement that raised a few eyebrows. He quoted, "This is not a social welfare agency." We know that, Commissioner Degnan. I've been working here for 23 years. I work every day to earn my living. See what happens here is that once a month you guys to get a glimpse of our pain. We live it every day. Every day we live in poverty. Every day we can't feed our kids. Every day we have to look at our kids' face and deny them, of our welfare, deny them of food and clothing, something that you knew in the past that if you didn't work, you would be homeless. But this is an epidemic of the homeless working class at a multi-billion dollar establishment. So we urge you to please listen to our plead and raise our wages. Get us out of poverty! You can do it! You have the power. Give us justice because a time for change is always right now. Thank you.

[Board Chair J. Degnan] Jasmin Lucas.

[Jasmin Lucas] Good afternoon. My name is Jasmin Lucas. It's an honor to be present in this important meeting. I'd like to personally thank those Commissioners that supported the 15 inner union. I'm speaking for myself, those with children, and those 31,000 airport workers that actually work to make a living to try to make ends meet or at least— to make ends meet or at least try. We're not standing in a long line for the government to hand us welfare benefits. It's a job, and for most, a career. For one in particular that then supported, I pity you because we work hard and we deserve better. I'm a cabin at Newark Airport. I'm a lead, a driver, and a cleaner. Cleaning United Airlines isn't the easiest task. However, it can be done. After the passengers exit the aircrafts, it is our job to make sure it's comfortable and clean for the next set of passengers to Board and enjoy their flights. Without the workers, it's impossible for the airport to run itself. I drive the companies' vans— I drive the companies' vans which aren't in the best working conditions. This includes working in all kinds of weather from extreme cold to extreme hot. Incidents happen at the job which are reported to the managers, but nothing is done. This brings me to my next point. Having a union would mean job stability and a number of other things such as paid vacation days, sick days, and health benefits which happens to be very necessary for this particular job because it's a 24-hour operation. If the workers aren't feeling well and don't have any sort of health insurance or don't have extra money to pay for their insurance bills, what are we supposed to do? Maybe if the situation was flipped, you stood here and I sat there, how would you feel?

[Jasmin Lucas] Wouldn't you want what's best for yourself, your family? Let's not forget monthly expenses doesn't wait for anyone. Living cost is raised all the time. I urge you to raise the pay wage and benefits. It's the right thing to do. Thank you.

[Board Chair J. Degnan] Thank you. Eduardo Lopez.

[Eduardo Lopez] Hello. My name is Eduardo Lopez. I work as an equipment assembly builder at JFK for three years. I'm a proud member of Unite Here Local 100, and I want to thank, again, Mr. Foye and everyone else at the Port Authority for helping my union set up a meeting with Au Bon Pain, a company that came into LaGuardia without complying with a Port Authority Labor Peace policy. Getting a meeting with Au Bon Pain was a necessary first step, but the company still lacks a labor peace policy. We are working to find a resolution as soon as

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possible, and we'll update the Port Authority on the progress of our discussions. Thank you and enjoy your holidays.

[Board Chair J. Degnan] Thank you. Rona Dowden.

[Rona Dowden] Chairman, Vice Chairman, present Commissioners, my name is Rona Dowden. I have worked as a hostess at the JFK Airport for eight years. JetBlue will begin a development project to develop, manage, and operate concessions at John F. Kennedy International Airport Terminal Five. We are both excited and concerned for the future of our workers. We are happy to see positive changes to the new concessions program, but we expect the incoming company to comply with the Port Authority's Labor Peace requirement for concession vendors. The Port Authority is a public agency that promotes labor harmony at the airport facilities. Commissioners, we expect to see compliance enforced. Thank you for your hearing, and happy holidays.

[Board Chair J. Degnan] Thank you. Christina Dortin.

[Christina Dortin] Hello. My name is Christina Dortin. I am a sales associate at Hudson News at Newark Airport. We're excited about the upcoming changes to LaGuardia Airport and John F. Kennedy International Airport, but we need the Port Authority to enforce its policies including the Labor Peace. This will ensure that it will be a success for both airports and the workers that make it run. Any progress to this development at LaGuardia Airport must include respect for the Board's Labor Peace policy. Thank you, and have a great day.

[Board Chair J. Degnan] Thank you. Dan Walcott.

[Dan Walcott] Hello, my name is Dan Walcott. I represent the New York City District Council of Carpenters. We strongly urge the Port Authority Board to approve the agreement to allow the building of Two World Trade Center and quickly move forward. The World Trade Center is critical to the rebuilding of Lower Manhattan as an economic engine for the city and the region. Building Two World Trade Center is the final piece of the puzzle. Two World Trade Center represents enormous job growth. The project will employ 10,000 union construction workers, and include aggressive MWBE targets which Silverstein Properties has already accomplished on its other buildings. When completed, the project will house 10,000 to 15,000 permanent workers including hundreds of union building service employees important to the middle class. This project is good for New York and New Jersey, as it will employ workers from across the region. A revitalized Lower Manhattan helps strengthen communities from Brooklyn to Jersey City. We strongly urge the Port to vote in favor of moving forward Two World Trade Center. I labored on the pile on 9/11. When I thought it was the end— we all thought it was the end— especially of downtown or even maybe the city. I thank you for what it is today, and I look forward to the future.

[Board Chair J. Degnan] Thank you. Last speaker is— and I apologize for the name— Merima Muminovic. - I believe she went in the second moment.

[Board Chair J. Degnan] Oh, good. OK. The speakers are over. We'll close that session in the

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meeting. Oh, she's here? Nobody's standing up, so our next order of business is an update by Nicole Crifo on the activities of the Special Panel Implementation Office and a presentation by Paul Crist, the interim captain of Board Calendar and Metrics Team. As you may recall, the Special Panel Implementation Office was established by the Board earlier this year for the purpose of coordinating in the implementation of the six core recommendations outlined in the Bi-state Special Panel and the future of the Port Authority. Nicole.

[Nicole Crifo] Good afternoon, Commissioners. As the Chairman said, we launched in April the Special Panel Implementation Office that has assembled teams to implement the recommendations of the report. We have nine teams with approximately 90 staff working to advance the recommendations. You have been getting our monthly dashboards and our quarterly reports were available if there's any questions. But we're going to use our time today to focus on one of the teams presenting to you their recommendations. So we have Paul Crist who has been serving as the captain of the Board Calendar and Metrics Team with the teams' recommendation on one of their deliverables.

[Board Chair J. Degnan] Great thanks. Paul, you're here.

[Paul Crist] Thank you Chairman, Vice Chairman, and Commissioners providing us this opportunity to actually participate in developing a twelve-month calendar for the Board. We believe it's going to provide you with an essential framework to assess the Port Authority's health of their businesses throughout the year. I think you skipped a slide here. OK. Thanks. Nicole covered a little bit of this, but we're one of nine Committees that's been working since the beginning of the year. Our team is focused on Board Calendar and Metrics. We're one of two teams actually that are also focused on government's governance issues. The team is composed of a cross section of seven agency staff that represent corporate oversight functions, line department, and marketing. We're tasked with four deliverables. Today I'm going to talk about our first deliverable which is creating a 12-month agenda for the Board and its Committees. We also have three other deliverables performing performance metrics, streamlining Board documents and guidelines to evaluate proposed activities with the PA's core mission. Those are under development. Our due diligence that we conducted during the reviews by the team in developing the 12-month agenda so we took time to review the content of this Special Panel report, focusing on the recurring theme of transparency and accountability as well as the sample agenda suggested by promontory in the report. Existing Board Committee's charters were used to developed some of the team's recommendations regarding an annual agenda for each of the Board Committees. We conducted a series of interviews with a cross section of Port Authority staff throughout the agency, considering their input and observations. A recurring theme among these interviews was that staff have an opportunity to engage you Commissioners on significant business matters which we added to the individual transactions that regularly come before the Board for approval. We also reviewed other transportation agencies meeting practices and procedures in an effort to benchmark the Port Authority. with those of our peers. We interviewed staff of several local agencies including the New York MTA and Jersey Turnpike Authority, and we also performed a thorough review of information that is available on Internet websites of various regional transportation agencies. Lastly, the team reviewed the content of the existing periodic meeting practices already in place at the Port Authority to see if we could augment this appropriate. Key elements of the proposal. We believe there's four of them. And

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they address the concepts of transparency and accountability to the Board and by extension the region that are reflected throughout the Special Panel's report. An annual 12-month agenda in order to provide greater visibility to the Board, staff, and public, on what aspects of the Port Authority's businesses are expected to be reviewed over the year. An annual session of the Board to review strategic initiatives, policy matters and proposals to set agency goals and objectives for the coming year consistent with our core transportation mission. A semi-annual "State of the Port Authority" by the CEO that highlights key issues as well as demonstrates agency performance as compared to objectives. And last, a strong framework to assess the overall health of the Port Authority's business on a regular basis. Now I'll provide you with some of the details. In total, there are additional thirteen topics that are recommended to be discussed with the Board throughout the year incremental to the topics and the reports that you currently receive. Eight of the topics are shown on this slide. I mentioned earlier before that the desire that staff have an opportunity to engage the Commissioners on significant business matters consistent with the department, departmental business planning goals and objectives in addition to individual transactions that come before the Board for approval. Similarly, in the past, Commissioners have requested contextualization for individual transactions that gain a better understanding on how the parts serve the whole. So first, in response to this, the team recommends that a Board strategy session be established at the beginning of the year to provide for deliberative dialog among the Commissioners and senior staff to review agency goals for the year, propose a framework for the Board to monitor progress on achieving those goals. In line with enhanced transparency and accountability, we recommend that an annual review of the state of the Port Authority presented by the Chief Executive Officer in the first quarter of the year. As envisioned by this team, the report could provide an opportunity to prevent a retrospective and a prospective look at the agency's businesses and review priorities and plans to achieve the strategic goals and objectives established by the Board. An annual business report is recommended to be provided by each of the five line businesses: Aviation, PATH, Port Commerce, Tunnels Bridges & Terminals, and World Trade. These reports would lay out business plans in conformance with strategic goals and objectives as established by the Board, and provide details on major initiatives as well as challenges and opportunities in moving their region forward for each of our businesses. And rounding out the cycle is a midyear agency performance report by the CEO that compares actual performance priorities established at the beginning of the year. These five additional topics and central to the health of the agency is the ability to successfully manage enterprise risks as well as to identify and manage emerging risk. So we have that central to these topics. Two of the topics, human capital and key departmental services, recover corporate areas that provide critical support to each of our businesses and directly impact our business' ability to meet their objectives. Such reports could include presentations by procurement, engineering, real estate, technology, and other corporate functions that have a significant impact on our line businesses. In addition, given the political—I mean not the political—the potential impact of climate change on the operations of our facility is the team believe annual reports on both resiliency and environmental and sustainability initiatives is very important and should be added to the proposed annual agenda highlighting what we're trying to do to minimize those impacts. And that dovetails to Christine's earlier presentation earlier today. In total, these 13 topics, they're incremental to information that's already provided to you by various members of the Port Authority. And benefits to the proposed 12-month agenda, in summary, it improves transparency and accountability for the Board. We envision at its core that the agenda will serve as the framework to provide clear

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visibility to the Board and the public on strategic agency objectives as well as a path to enhance staff accountability. Secondly, it provides a mean to discuss and report out an agency performance that aligns with a clear set of strategic goals and objectives as established annually by the Board and is updated as conditions may warrant. And third, it provides the Board with a holistic view of the agency and its operations, obtains the full benefit of the Board members' extensive knowledge and expertise and ensures that policy matters that could impact capital, operating, customer service and/or financial deliverables are disclosed to the Board in a timely manner. This disclosure will allow Commissioners sufficient time to provide feedback and direction to staff. So also envisioned that the proposed agenda will be a fluid resource that could be modified as necessary throughout the year as urgent matters do come up. Next steps, Commissioners, we appreciate your time in considering this proposal and a potential for greater transparency to the Board and the public that a proposed annual agenda, if implemented, would create. We welcome any questions or suggestions that you may have and we look forward to moving this item.

[Board Chair J. Degnan] Thank you, Paul. Are there any questions or comments? I'd like to commend you for the report. To me, the recommendations you've made with respect to a 12-month calendar prioritizing the items that need to be discussed, scheduling them regularly, orient the Board toward what it ought to do, which is set policy, and oversee implementation but not to get involved in the administration of the Port Authority. So speaking for myself, I embrace all of the recommendations you made and will tend to work with staff to implement them. And I view this as a significant step forward and appreciate the time of the staff that we need for making these recommendations.

[Paul Crist] One thing I might add too, this is pretty unique. There really isn't much out there with other transportation agencies that do this on the basis that we're talking about.

[Board Chair J. Degnan] Anything that increases our transparency by letting the public know early and on a routinized basis, I think the comments that were made today about the short time for review of the capital plan are on point, and we ought to rectify that in the process of straightening out our calendar. The only problem I have is the amount of time consumed at these meetings. So we've got to use it smartly and make sure we're playing the right role. Pat, one thing I'd ask you to suggest— not suggest— but recommend to us maybe at the next meeting is a way of shortening the public comment period. Three minutes is not a long time to allow a member of the public to speak, but when we have recurrent presenters from the same entity making the same points, I think we ought to consider limiting their time period to two minutes each rather than three minutes or take such other steps. I'm afraid we don't get the public's business done because we're spending as much time listening to repetitive comments. That's a personal viewpoint, but as a matter of order, let's talk about that pursuant to your recommendation. Thank you.

[Exec. Dir. P. Foye] I will do that, Chairman.

[V. Chair S. Rechler] Paul, one thing, I'll just echo the Chairman's comments, but also on your, I think, third point down, in terms of the Board materials, I think the sooner we could actually find a way to make them more efficient and digitize them would be helpful for us in terms of

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being able to get them more quickly, study them before these meetings and have access to them during the meetings, and then there are some great programs out there on other Boards I sit at that are all iPad functional and organized well and you can put notes on them, et cetera. I ask you to accelerate that, it would be great.

[Paul Crist] We're looking closely at that.

[V. Chair S. Rechler] Thanks.

[Board Chair J. Degnan] OK. There's no formal action required on this proposal. I have a sense as I'm reading the body language of my colleagues that there's a general consensus that we ought to pursue these recommendations. OK. The next order of business is a presentation by Pat on the authorization of agreements and related documents on what we're calling you strictly the Eastside Development plan for the World Trade Center, but it's really Tower Two. Pat.

[Exec. Dir. P. Foye] Thank you, Chairman. Commissioners, members of the public, today I want to describe what I believe is a compelling opportunity to facilitate a \$3 billion proposed investment in a new Tower Two at World Trade Center to facilitate tenant investment in that tower worth hundreds of millions of dollars. But most importantly from a Port Authority point of view, to create an additional \$5-600 million in funding for Port Authority transportation projects. That \$5-600 million of transportation funding would have no cost to New York or New Jersey taxpayers, not require an additional dime of toll or fare revenue, be available for Port Authority transportation projects in New Jersey and New York, support thousands of union jobs, and be accomplished by payment by SPI Silverstein Properties of \$19 million to the Port Authority. And by the Port Authority deferring \$9 million net present value of ground rent payments the Port Authority would not receive if Tower Two did not proceed. Let me just talk again about the \$9 million. The Port Authority is not making a payment. What it is doing is agreeing to forego an amount it would receive only if Tower Two were built and would not receive if Tower Two were not built. \$500-600 million of capital capacity created today by deferring ground rent payments is equal to \$9 million is, in my mind, an extraordinary opportunity for the Port Authority and the people of the region. A little bit of detail about the financial benefits. The \$5-600 million in benefits, capital capacity for transportation projects in the current ten-year capital plan window comes from three sources. Under our existing agreements, commencement of construction at the Tower Two site will trigger: First, commencement of ground rent that is over \$15 million per year during construction and over \$30 million per year after completion of Tower Two; second, construction triggers an obligation by SPI to pay the Port Authority at closing at least \$174 million in site infrastructure and structure-to-grade costs, reimbursement of amounts the Port Authority has previously spent, construction; third and finally, construction of Tower Two will create, based on the site's original plan, about 100,000 square feet of retail space that will provide the Port Authority significant up-front proceeds pursuant to existing agreements with Westfield, the owner and operator of retail at the World Trade Center. To be clear, these are all pursuant to existing agreements. The cost reimbursement by Silverstein and the retail proceeds would come to us relatively soon within our current ten-year capital plan window. The net lease ground lease adjustments the Port Authority is proposing for the Fox and News Corp. space to induce their move is simply first to extend the construction period partial abatement rent for an additional

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five years; and second, to waive two future fair market value adjustments, one at NOI stabilization of Tower Two and another one about twenty years after that in 2044. To partially offset the costs of these adjustments to the Port Authority, Fox and News Corp. will pay to the Port Authority \$15 million in Excelsior investment tax credits they are entitled and expect to receive from an Empire State development program approved by the legislature. Those payments would be made upon taking occupancy and would be made immediately after Fox and New Corp's receipt of those funds. Additionally, SPI will pay the Port Authority \$19 million in December 2016 when closing is expected on Tower Two plus \$5 million in certain energy tax credits SPI is entitled to receive. In both cases, if the Port Authority is paid \$19 million or any portion of it by SPI but the Tower Two project does not proceed, the Port Authority will agree to refund the money to SPI. Since if Tower Two is not built, there will be no Port Authority ground rent adjustments required. Thus, the net present value cost to the Port Authority, taking into account the time value of money, covering the 30-year initial term of the lease is \$9 million to the Port Authority. And again, not a payment. Deferral of amounts that would not be received if Tower Two would be built. That \$9 million, Chairman, will generate over \$5-600 million in new capital capacity for core transportation projects at the Port Authority. Let me explain briefly some changes that were made to the resolution that was posted on our website on Monday. First, the value and terms of the proposed adjustments to the net lease ground rent formula have not changed since Monday. It was \$9 million to the Port Authority on Monday; its \$9 million today in the resolution before the Board. The following changes, however, have been negotiating how the partial off-setting costs to the Port Authority will be made. First, the \$15 million in capital contribution to the Port Authority from New York state in 2016 has been eliminated and replaced as follows: First, SPI has agreed to increase its direct payment to the Port Authority by \$10 million from 9 million to 19. SPI has also committed to pay such sums no later than December 31st, 2016 regardless of whether SPI has reached financial close by then or not, subject to one 90-day extension that may be granted by the Port Authority at its discretion. Second, SPI will also receive— previously entitled to receive— a \$5 million energy credit from New York state agencies. which SPI has agreed to pay in full to the Port Authority. Also, regardless, no later than December 31st, 2016. And again, the net present value cost to the Port Authority remains \$9 million for this transaction. For the region and Lower Manhattan, this \$3 billion project will generate an estimated 10,000 job years for the Port Authority in addition to the \$5-600 million in direct value financial capacity to put into transactions. I would note two other benefits. I believe that having Fox and New Corp. anchor Tower Two will enhance the value of the Port Authority's existing majority position— ownership position— in One World Trade Center, its minority interest in World Trade Center retail and the rest of the site. Secondly, that enhance value should also accelerate our ability to consider options to exit or monetize our investment at One World Trade Center, which has been discussed by this Board in the Special Panel Report. Our minority interest in World Trade Center as was recommended, again, by the Special Panel report to the governors and adopted by this Board earlier this year. Finally, the project— Tower Two if it moves forward— will help us monetize the value of our non-core transportation assets to allow us to invest more in our transportation, airport, PATH, bridges, tunnels, and bus terminals, ports. This extraordinary effort was a team effort and resulted from strong unified support of the entire Board with great work by Libby McCarthy John Ma and others. Thanks, Chairman.

[Board Chair J. Degnan] Thanks, Pat. Prior to discussion or making a motion on this item, I'd

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ask the Corporate Secretary to note any Commissioner recusals on the matter.

[Karen Eastman] Commissioner Lipper is recused.

[Board Chair J. Degnan] Thank you. At this point, I'll open the floor to any questions or comments the Commissioners might have or a motion to approve Pat's recommendation. - I move it. - Is there a second? - Second. - Any comments or questions?

[Board Chair J. Degnan] Let me just make one. In the interest of time, I'll keep it very brief. When I originally heard about this idea, I was not a strong proponent of subsidizing in any amount the building of this project. As it became clear to me what the economic benefits to the Port Authority were and how consistent supporting this project would be with the Special Panel recommendations that we not divest the Port Authority of all real estate, but monetize the value of our real estate holdings to provide revenues that would support our core transportation infrastructure and the potential for \$500 million of additional capital funding for those projects. As a strict business transaction, the price of \$9 million in foregone rents against the hundreds of millions of dollars of benefit to the Port Authority and in addition accelerating the completion of the development of the World Trade Center which for all its controversy is a magnificent contribution by the Port Authority to the nation and the region made the deal a compelling transaction from my point of view. I want to thank Pat and his staff for extremely strenuous negotiations and a successful resolution of them in the form of this resolution. So I support it enthusiastically. If there are no other— Jeff, Commissioner Lynford.

[Comm. J. Lynford] Thank you, Mr. Chairman. I want to echo congratulations to our fine team, but I do want to urge one point of caution for everyone is that it has not been agreed to by Fox. So therefore, it's a little premature to take a celebratory lap. It's not in our control or in Silverstein's control. It's in the control of Fox. I just want to make sure everybody understands that.

[Board Chair J. Degnan] Fair point. But we've done a great job so far. So all those in— I would like to do a roll call. Sorry.

[Karen Eastman] Chairman Degnan.

[Board Chair J. Degnan] Aye.

[Karen Eastman] Vice Chairman Rechler.

[V. Chair S. Rechler] Yes.

[Karen Eastman] Commissioner Bagger.

[Comm. R. Bagger] Yes.

[Karen Eastman] Commissioner Cohen.

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[Comm. S. Cohen] Yes.

[Karen Eastman] Commissioner Fascitelli.

[Comm. M. Fascitelli] Yes.

[Karen Eastman] Commissioner James.

[Comm. H. James] Yes.

[Karen Eastman] Commissioner Laufenberg.

[Comm. G. Laufenberg] Yes.

[Karen Eastman] Commissioner Lipper.

[Comm. K. Lipper] Recused.

[Karen Eastman] Commissioner Lynford.

[Comm. J. Lynford] Yes.

[Karen Eastman] Commissioner Steiner.

[Comm. D. Steiner] Yes.

[Board Chair J. Degnan] Votes are in order, the items are improved. The next order of business is a presentation by our Chief Financial Officer, Libby McCarthy, and Chief of Capital Planning, Mike Massiah, who will present the Port Authority's proposed 2016 operating and capital budgets for the consideration by the Board. These were posted on the Port Authority's website for public comment on November 30. Libby, I think you can assume that every member of the Board has read the presentation and the slides, and I would ask you to make it as condensed a presentation as is possible.

[Libby McCarthy] I will do that.

[Board Chair J. Degnan] Thank you.

[Libby McCarthy] Thank you. Just before I start and give a brief overview of the components of the budget, I did want to thank Janet Cox and her staff from the Management and Budget Department for working with their counterparts across the agency in putting together this fiscally disciplined plan consistent with our fiduciary responsibility to our stakeholders. Also just want to—for the public—state that there have been prior briefings for the finance Committee and for the full Board on the components of the budget before they were posted for public comment. Just some highlights here, the proposed budget, it's a balanced budget, \$7.9 billion. You can see here the sources and uses, and you can also note that this is funded

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primarily on the basis of our own credit or the gross operating revenues received from our facilities. We are going to drill down on some of the key components here, but also important to note that this proposed budget represents an increase in our net operating revenues of 14% when compared to the budget adopted in 2015. That's driven by the 6.9% estimated increase in our operating revenues which reflects both higher toll revenues as well as higher rentals at our aviation facilities and the World Trade Center facilities. Toll revenues driven in part largely by this last toll increase that became effective this week, the last of the planned toll increases. I will note then the other significant change here at World Trade Center as we all have the benefit of the full year operation of the observation deck at Tower One as well as some new tenant leases coming into effect. And then some increased activity at the airports will be driving—and new leases—will be driving that rental increase. Facility across all of our revenues continues to show growth which is very positive for us, particularly when we look at the tunnels and bridges where we see, well, modest growth. It's 0.7% growth. It's growth versus our prior year budget. And you can see this is strong growth across all of our facilities. The operating expense budget is a \$3 billion budget, and if you look at this, the proposed budget, it does provide for the incremental expenses that Hugh McCann can talk to you about about phasing into operation the final significant segments of the World Trade Center. Excluding those incremental costs related to the new facilities, what in retail is referred to as "same source sales"—you know, if you scope those out of the budget, the operating budget increase would be about 2.4%. The core operating budget provides for the operation and maintenance and security of all of our facilities with over 50% of the budget related to O&M and an additional 22% for security. The highlights of the budget and the budget includes a number of new initiatives including the Port Commerce master plan, an Aviation Strategic Vision plan, the implementation of a centralized Agency Operations Center, and continued advancement of the Port Authority Bus Terminal Quality of Commute program. Further, in order to address staff turnover, retirements, and new work, the operating budget includes two new police classes for a total of 250 recruits, additional maintenance staff, and continuation of our support for succession planning within the agency. This is just a summary of the 7.9 billion, and before I turn it over to Mike, the only other item of significance here is our debt service which is \$1.2 billion and which has increased versus the prior year, mostly driven by the fact that as we're phasing into operations facilities we have less capitalized interest and higher operating interest expense. So I'll turn it over to Mike.

[Mike Massiah] Thank you, Libby, and good afternoon Commissioners, colleagues, and members of the public. Two—indulge me for two thank yous, one to you because the deliberative process that we had over several sessions through the summer and fall was extremely instructive. Your counsel to us to ensure that we ensure the well-being of our facilities by ensuring a steady stream of state of good repair work and that we consider capital maintenance as an enhancement to that steady stream of resources to preserve our core vital infrastructure was extremely instructive and supportive. Not only that, you asked us to balance that portfolio of projects which are largely in our capital plan today in high percentage with new needs that the future of this region requires, new transportation needs, and we've tried to accomplish those things in this budget and look forward to working with you beyond that. So I want to appreciate that very instructive dialog over the period of time, and I think support some of the changes that was recommended earlier about our engagement with you on a regular basis on our needs. Secondly, I want to say that I want to thank the assistant directors that are embedded in each of the line departments who are key links to us at capital level at the agency

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level in terms of providing input and doing the ranking and doing the needs assessment of the needs of their facilities. They're an important linchpin between us and you in terms of delivering this plan. So I just wanted to thank each of the assistant directors. Now onto the proposed budget. Three points. One is the third year of our ten-year plan. Second, it is prioritized and continues to be managed. And that it balances, again, core needs along with future transportation needs that would support our customers and future growth of the region. Over one-third of this budget is for state of good repair work. And you hear a lot about the big projects, but this also includes things like runway and taxiway repairs at Stewart and Teterboro Airports, things that are necessary to keep those facilities vital. It includes PATH Rail and Tie Renewal program, things we don't hear a lot about but will preserve the rail and ties that provide support to the rail system throughout the whole system. It include enhancements to our facilities, and we hear about the big projects. But some of the smaller projects are equally important. We heard about the need for bus investments. Well, one of the, I think, unfortunately unknown secrets is that we are going to have a new bus station at the George Washington Bridge very soon, and that includes \$19 million in this upcoming budget to complete that project. And that bus station supports over 300,000 bus movements and over 400 million passenger trips a year. And we were up there a couple of weeks ago, and the progress being made on that bus station is significant. In addition, we are going to construct cross-harbor barges that will support an alternate way of shipping goods from New Jersey into the island of Manhattan, Brooklyn specifically. And those barges along with the locomotives we talked about before and the transfer bridges and rail alignments, we will increase the capacity of that system significantly, and that's in this 2016 budget. We also have mandatory projects that support environmental protection and fire suppression systems as well as completing infrastructure at the World Trade Center site. And we continue to support security projects. And the portfolio projects, again, mature \$2.7 billion, or 78% of this capital budget is going to projects in construction. That's real work for the people of this region, and estimates show that it supports about 13,000 direct and indirect jobs just for that construction-related activity. Some highlights for each department, Tunnel Bridges & Terminals investment of \$950 million provides for extending the life of our vital trans-Hudson facilities. The chairman earlier talked about those facilities being built in the '30s and '40s, and the investments that we're making through this budget and future budgets helps sustain those facilities well into this century and maybe bridge into the 22nd century. And TB&T plans to spend \$420 million on our four bridges, largely at the Bayonne Bridge and the Goethals and for the major rehabilitation of the George Washington Bridge, but there are repairs being done to the outer bridge as well. Both tunnels are receiving dollars. Holland Tunnel, their ventilation and pier protection system, you know a lot about, and also the Lincoln Tunnel vent building is receiving some upgrades, as well as New York roadways that deck system that support access to that tunnel are in this budget. Further, as talked about before, we have \$23 million in the budget for the Quality of Commute program. Components of that program include infrastructure for Wi-Fi, doors that help control temperature, additional bathrooms on the fourth floor of the building, bus tracking systems, bus staging and parking systems, and interior furnishings. This amount of money is what can be put out for next year, but as these projects go into full construction, more dollars would be realized associated with that series of projects. Concerning the \$15 million for the new Bus Terminal planning, there are components of that \$15, just not the international design competition. It will also include a capacity study dealing with the trans-Hudson usage. It includes project management. It also includes a value assessment of the various options that will be presented.

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PATH's \$290 million go to signal system Harrison Station, Grove Street, and that will provide elevator access to the disabled community, power substations and electrical subsystems are a major part of the infrastructure dollars being spent at PATH. As far as aviation projects, continued redevelopment of the Central Terminal Terminal B building at the LaGuardia and related infrastructure, but also planning and design for Terminal A is ramping up. and construction for JFK's runway and taxiway rehabilitation programs are ramping up and in construction. And the fuel distribution system at Newark is in construction. So again, a lot of infrastructure work on core assets of the agency, transportation assets of the agency. Regarding Port, they're completing their roadway projects, they have embarked on a major reconstruction of berths and offset at Newark, Port Newark, and they're advancing Greenville Yard's Intermodal Transfer Facility. World Trade's dollars are associated with settling closeout costs for work already accomplished as well as completing the Hub retail and additional site-wide infrastructure, including a police facility and a building maintenance facility. And then there are provisions available to us— you as a Board— regarding what might come out of this Special Panel efforts, and so there are provisions available for us to direct money toward those strategic initiatives that you identify through those efforts. And in closing, we want to share with you that we continue to track performance and manage projects, make adjustments to our gate's management process where you determine we need to, and we look forward to continuing our engagement on a refresh of a multi-year plan. And as Special Panel findings flow in, and we'll make sure we're consistent with financial capacity as we conduct that refresh under your direction which we hope to move forward on quickly and complete midyear next year. Thank you.

[Board Chair J. Degnan] Any questions?

[Libby McCarthy] I just wanted to update on the public comments that we received. So I did send the Board all a summary of the public comments that we had received through Monday, through midday Monday. We have received no incremental comments since that date. So there were a total of 29 comments in the three categories that we presented to you before, observations—simple observations— about there is X-dollars in the budget for X but no suggested changes, 18 raising awareness that the budget was posted and available for review would be voted on today, and then the budget process, the comment around the time left for the public comment period which we pledge to you we will expend for next year.

[Board Chair J. Degnan] Questions or comments.

[Comm. M. Fascitelli] I just wondered a couple of things that were questions before. I want to commend Libby and Mike and the team for the work they've done here. There's a notion or question before that this was a very brief period of time. There was quite a dialog prior to this budget among capital items and trade-offs and operating budgets and the Finance Committee headed by Commissioner Bagger and capital by Commissioner Rechler was very thorough trade-offs. And saying it wasn't a really thorough planning process is just not correct. And I know people have suggested that. I would say I'm sympathetic, actually this is the first time, to the budget, to the public, the senator, and others have made about the comment period and the Chairman, it does seem eleven days is not really fair and right. I don't know what we could do about that for this year because we are in December, but I would suggest we think about

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making that longer, although when you look at the comments, they're not getting a heck of a lock of feedback. So I would say that the reality of the comment period, if we extend it we get this kind of feedback, I think would not be that valuable. So to your point, if we had a comment period that was longer and there was valuable comments, I think that would be instructive. And I would take it as a suggestion for next year that we might, in the budget process, factor that in and longer comment period. But I want to dismiss the notion, I think— and I felt that this has been a hasty, not well-thought-through process, in fact just the opposite. It's been a very thorough process, and it's been for months and months to develop these budgets by the staff, and the Board has been involved in that.

[Board Chair J. Degnan] Thank you, Commissioner. Commissioner Lynford— or Commissioner Bagger first.

[Comm. R. Bagger] Thank you, and I want to endorse Mr. Fascitelli's comments, not just about the input that went into this budget, but I think especially now we have an opportunity with the recommendations from the implementation office on the Special Panel report that we heard earlier to build our capital planning and our operational budget planning into that 12-month cycle that starts with strategic planning at the end of the year and really make it a 12-month operating/planning cycle that would afford us greater opportunity for public comment at the end of the budget process. But I think we have before us today a really very fiscally solid budget proposal both for operations and capital that funds our priorities and especially our capital priorities for the year ahead. I think I'd take special note of the fact that the activity levels are forecast to increase across all lines of business, and that's after the pressure testing that the Board does with the team on the activity level to ensure that we're being conservative in our forecasts. And even so, then we're looking at 6.9% of forecast increase in operating revenues at a time we're all in. The operating budget is increasing 2.8 which obviously the difference between those numbers means that our net operating revenues are going to increase by more. I think eight or upwards of 8% increase in our net operating revenues. And it's those net operating revenues that enable us to fund our capital plan. And the fact that I think doesn't get focused on enough is that our capital budget exceeds our operating budget, that \$3.5 billion capital budget for 2016. So we spend more money on our long-term capital investments than we do on our operations which is as it should be. So I add my support and my commendation for the team.

[Libby McCarthy] And just for the record, the increase in the net operating revenues was 14% from the prior budget.

[Board Chair J. Degnan] Commissioner Lynford.

[Comm. J. Lynford] Libby, good job, masterful. I want to ask you if my conclusions are correct about the Bus Terminal and the PATH, especially since we have senior representative of New Jersey legislature here so make sure we're all reading from the same hymnal. The Bus Terminal takes in \$47 million a year on page 28. It costs us \$101 million to run it. It's a loss of \$66 million before we put in \$68 million of capital. So it's \$134 million negative. The PATH revenue is \$183 million. I'm on page 34. Operating expense is 326 negative. Loss, \$191 million; capital, another \$290 million. So we feed these two important transportation links between New Jersey and New York to the extent of \$615 million negative. And therefore, I just want

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everybody to understand that we are cognizant of the importance of public transportation. Did I read those numbers— did I understand that correctly?

[Libby McCarthy] You did, sir. That was the free cash flows, correct.

[Comm. J. Lynford] Thank you very much.

[Board Chair J. Degnan] Any other questions? Is there a motion to support— to accept the recommendation that we accept the budget - that's been proposed today. - I'll move. - Second? - Second.

[Board Chair J. Degnan] Are there any recusals, Karen?

[Karen Eastman] No recusals.

[Board Chair J. Degnan] Will you take a roll call, please?

[Karen Eastman] Chairman Degnan.

[Board Chair J. Degnan] Yes.

[Karen Eastman] Vice Chairman Rechler.

[V. Chair S. Rechler] Yes.

[Karen Eastman] Commissioner Bagger.

[Comm. R. Bagger] Yes.

[Karen Eastman] Commissioner Cohen.

[Comm. S. Cohen] Yes.

[Karen Eastman] Commissioner Fascitelli.

[Comm. M. Fascitelli] Yes.

[Karen Eastman] Commissioner James.

[Comm. H. James] Yes.

[Karen Eastman] Commissioner Laufenberg.

[Comm. G. Laufenberg] Yes.

[Karen Eastman] Commissioner Lipper.

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[Comm. K. Lipper] Yes.

[Karen Eastman] Commissioner Lynford.

[Comm. J. Lynford] You bet.

[Karen Eastman] Commissioner Steiner.

[Comm. D. Steiner] Yes.

[Board Chair J. Degnan] Thank you. The matter is passed. There are several items on today's agenda for which the respective Committee Chair will be asked to provide a brief report prior to the matter being considered by the Board. I expect we'll get through these resolutions relatively quickly. I'll turn now to Commissioner Bagger as head of the Finance Committee to raise an issue related to insurance. I am recused on that. I'm going to sit in the room but not participate in the discussion.

[Karen Eastman] And there are no other recusals from Committee members.

[Comm. R. Bagger] So we have an item which is a resolution authorizing the renewal of our Directors' and Officers' Liability Insurance Coverage. The recusal has been noted for the record. This is a vote of the Finance Committee only if I am correct.

[Karen Eastman] Correct.

[Comm. R. Bagger] And so may I have a motion from a member - of the Finance Committee? - So moved. - Is there a second? - Second.

[Comm. R. Bagger] Any discussion on the renewal of the Directors' and Officers' Liability Insurance? If not, a roll call of the Committee please.

[Karen Eastman] Commissioner Bagger.

[Comm. R. Bagger] Yes.

[Karen Eastman] Commissioner Lynford.

[Comm. J. Lynford] Yes.

[Karen Eastman] Commissioner Lipper.

[Comm. K. Lipper] Yes.

[Karen Eastman] Commissioner James.

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[Comm. H. James] Yes.

[Comm. R. Bagger] The matter is approved.

[Karen Eastman] Thank you.

[Board Chair J. Degnan] As Chair of the Committee on Operations, I'll now submit an item that authorizes a new lease with Bayonne Dry Dock & Repair Corporation for approximately 26 acres including several buildings, a dry dock, and three berths at the Port Jersey Port Authority Marine Terminal with the continued operation of a dry dock and ship repair facility. The new lease would commence on January 1, 2016, expire on May 31, 2017, but the extension of the lease subject to tenant meetings, certain minimum investment, and other requirements. The aggregate rental over the term of the lease have extended through December 2013— two thousand—what's that number? It says two thousand— 2-0-1-3-0, so I don't think anybody's contemplating that. Whatever the date. It is estimated that \$21 million, this action which will maintain a ship repair facility at our port, will also ensure the preservation of maritime jobs in Bayonne. Are there any recusals?

[Karen Eastman] No recusals, and the date is to 2030.

[Board Chair J. Degnan] 2030, OK. Good. Thank you. Do any Commissioners have any questions or comments? - If not, is there a motion on the item? - Move. - Is there a second? - Second.

[Board Chair J. Degnan] Corporate Secretary, take the roll call, please.

[Karen Eastman] Chairman Degnan.

[Board Chair J. Degnan] Yes.

[Karen Eastman] Vice Chairman Rechler.

[V. Chair S. Rechler] Yes.

[Karen Eastman] Commissioner Bagger.

[Comm. R. Bagger] Yes.

[Karen Eastman] Commissioner Cohen.

[Comm. S. Cohen] Yes.

[Karen Eastman] Commissioner Fascitelli.

[Comm. M. Fascitelli] Yes.

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[Karen Eastman] Commissioner James.

[Comm. H. James] Yes.

[Karen Eastman] Commissioner Laufenberg.

[Comm. G. Laufenberg] Yes.

[Karen Eastman] Commissioner Lipper.

[Comm. K. Lipper] Yes.

[Karen Eastman] Commissioner Lynford.

[Comm. J. Lynford] Yes.

[Karen Eastman] Commissioner Steiner.

[Comm. D. Steiner] Yes.

[Board Chair J. Degnan] Votes are in order. The item is approved. The next item authorizes a lease agreement with MSN Air Services and MSN Aviation Services for the use and occupancy of the eastern portion of building 263 and associated land at JFK for a five-year period at an aggregate rental of \$11 million with a mutual option to extend the lease for an additional five-year period. MSN's outgrown its current lease hold at JFK and would use the premises to develop and provide third-party handling services. Are there any recusals?

[Karen Eastman] No recusals.

[Board Chair J. Degnan] Any questions or comments? - Is there a motion? - Yes. - Second? - Second.

[Board Chair J. Degnan] Roll call.

[Karen Eastman] Chairman Degnan.

[Board Chair J. Degnan] Yes.

[Karen Eastman] Vice Chairman Rechler.

[V. Chair S. Rechler] Yes.

[Karen Eastman] Commissioner Bagger.

[Comm. R. Bagger] Yes.

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[Karen Eastman] Commissioner Cohen.

[Comm. S. Cohen] Yes.

[Karen Eastman] Commissioner Fascitelli.

[Comm. M. Fascitelli] Yes.

[Karen Eastman] Commissioner James.

[Comm. H. James] Yes.

[Karen Eastman] Commissioner Laufenberg.

[Comm. G. Laufenberg] Yes.

[Karen Eastman] Commissioner Lipper.

[Comm. K. Lipper] Yes.

[Karen Eastman] Commissioner Lynford.

[Comm. J. Lynford] Yes.

[Karen Eastman] Commissioner Steiner.

[Comm. D. Steiner] Yes.

[Board Chair J. Degnan] The matter is approved. The next item authorizes the lease agreement with American Airlines for the use and occupancy of building 79. this supports cargo operations at JFK for a period of five years and an aggregate rental of \$31.2 million. Any recusals?

[Karen Eastman] No recusals.

[Board Chair J. Degnan] Any questions or comments? - Is there a motion? - I'll move. - Second? - Second.

[Board Chair J. Degnan] Roll call?

[Karen Eastman] Chairman Degnan.

[Board Chair J. Degnan] Yes.

[Karen Eastman] Vice Chairman Rechler.

[V. Chair S. Rechler] Yes.

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[Karen Eastman] Commissioner Bagger.

[Comm. R. Bagger] Yes.

[Karen Eastman] Commissioner Cohen.

[Comm. S. Cohen] Yes.

[Karen Eastman] Commissioner Fascitelli.

[Comm. M. Fascitelli] Yes.

[Karen Eastman] Commissioner James.

[Comm. H. James] Yes.

[Karen Eastman] Commissioner Laufenberg.

[Comm. G. Laufenberg] Yes.

[Karen Eastman] Commissioner Lipper.

[Comm. K. Lipper] Yes.

[Karen Eastman] Commissioner Lynford.

[Comm. J. Lynford] Yes.

[Karen Eastman] Commissioner Steiner.

[Comm. D. Steiner] Yes.

[Board Chair J. Degnan] The matter is approved. The next item which was discussed in the public session of the Committee earlier today authorizes a lease with United Airlines for approximately 4.5 acres of land to accommodate the construction of a new flight kitchen in Newark Airport for a term of approximately 25 years and an aggregate rental of \$13.1 million. As part of the lease, United will invest the minimum of \$30 million to the facility, and the Port Authority would reimburse United up to an amount of \$5 million to demolish and remove the existing structures currently located on the site. - Any recusals? - No.

[Board Chair J. Degnan] Is there any comment or question? - Is there a motion? - Motion. - Second? - Second.

[Board Chair J. Degnan] Roll call.

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[Karen Eastman] Chairman Degnan.

[Board Chair J. Degnan] Yes.

[Karen Eastman] Vice Chairman Rechler.

[V. Chair S. Rechler] Yes.

[Karen Eastman] Commissioner Bagger.

[Comm. R. Bagger] Yes.

[Karen Eastman] Commissioner Cohen.

[Comm. S. Cohen] Yes.

[Karen Eastman] Commissioner Fascitelli.

[Comm. M. Fascitelli] Yes.

[Karen Eastman] Commissioner James.

[Comm. H. James] Yes.

[Karen Eastman] Commissioner Laufenberg.

[Comm. G. Laufenberg] Yes.

[Karen Eastman] Commissioner Lipper.

[Comm. K. Lipper] Yes.

[Karen Eastman] Commissioner Lynford.

[Comm. J. Lynford] Yes.

[Karen Eastman] Commissioner Steiner.

[Comm. D. Steiner] Yes.

[Board Chair J. Degnan] The matter is approved. The next item which was discussed at the public session of the Committee earlier today authorizes a new lease agreement with OHM Concession Group for retail space on the first floor of the south wing at the Bus Terminal for a term of ten years for the operation of a food court and an aggregate rental of \$15.2 million. Any recusals?

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[Karen Eastman] Vice Chairman Rechler is recused.

[Board Chair J. Degnan] Do any Commissioners have any questions or comments? - If not, is there a motion? - So motioned.

[Board Chair J. Degnan] Motion seconded. Roll call.

[Karen Eastman] Chairman Degnan.

[Board Chair J. Degnan] Yes.

[Karen Eastman] Vice Chairman Rechler.

[V. Chair S. Rechler] Recused.

[Karen Eastman] Commissioner Bagger.

[Comm. R. Bagger] Yes.

[Karen Eastman] Commissioner Cohen.

[Comm. S. Cohen] Yes.

[Karen Eastman] Commissioner Fascitelli.

[Comm. M. Fascitelli] Yes.

[Karen Eastman] Commissioner James.

[Comm. H. James] Yes.

[Karen Eastman] Commissioner Laufenberg.

[Comm. G. Laufenberg] Yes.

[Karen Eastman] Commissioner Lipper.

[Comm. K. Lipper] Yes.

[Karen Eastman] Commissioner Lynford.

[Comm. J. Lynford] Yes.

[Karen Eastman] Commissioner Steiner.

[Comm. D. Steiner] Yes.

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[Board Chair J. Degnan] The matter is approved. I'll now ask the Vice Chairman to provide his report.

[V. Chair S. Rechler] Thank you. As Chair of the Committee on Capital Planning Execution & Asset Management, I will now report on certain items under the purview of the Committee. The first item reauthorizes the projects for the widening and realignment of a section of Port Street and Brewster Road including their associated ramps and intersections at Port Newark at an estimated amount of \$39.4 million which represents an increase of \$4.9 million to the previously authorized amount. The increase is necessary to address unforeseen fuel conditions identified after the commencement of construction and certain incremental costs related to disposal of greater than anticipated amount of excavated soil. Prior to making a motion, I would like to ask if there's any recusals.

[Karen Eastman] No recusals.

[V. Chair S. Rechler] Does any Commissioner have any comments? Can I have a roll call, please?

[Karen Eastman] Chairman Degnan.

[Board Chair J. Degnan] Aye.

[Karen Eastman] Vice Chairman Rechler.

[V. Chair S. Rechler] Yes.

[Karen Eastman] Commissioner Bagger.

[Comm. R. Bagger] Yes.

[Karen Eastman] Commissioner Fascitelli.

[Comm. M. Fascitelli] Yes.

[Karen Eastman] Commissioner James.

[Comm. H. James] Yes.

[Karen Eastman] Commissioner Laufenberg.

[Comm. G. Laufenberg] Yes.

[Karen Eastman] Commissioner Lipper.

[Comm. K. Lipper] Yes.

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[Karen Eastman] Commissioner Lynford.

[Comm. J. Lynford] Yes.

[Karen Eastman] Commissioner Steiner.

[Comm. D. Steiner] Yes.

[V. Chair S. Rechler] OK. As the votes are in order, I'll now move to the next item. The next item authorizes the amendment of an agreement with Empire State Development Corporation and its subsidiary Moynihan Station Development Corporation which would extend the term of the agreement through December 2022 and allow for the Port Authority to be reimbursed for direct staff and other services providing support of the second phase of the development of Moynihan Station. This item would also increase the current reimbursable services provided by the Port Authority to an amount up to \$12 million which represents increase of \$7½ million. Prior to making the motion, I'd like to ask the Corporate Secretary if there's any recusals.

[Karen Eastman] No recusals.

[V. Chair S. Rechler] OK. Any Commissioners have any questions? - Move it. - Second? - Second. - Can I have a roll call, please?

[Karen Eastman] Chairman Degnan.

[Board Chair J. Degnan] Yes.

[Karen Eastman] Vice Chairman Rechler.

[V. Chair S. Rechler] Yes.

[Karen Eastman] Commissioner Bagger.

[Comm. R. Bagger] Yes.

[Karen Eastman] Commissioner Cohen.

[Comm. S. Cohen] Yes.

[Karen Eastman] Commissioner Fascitelli.

[Comm. M. Fascitelli] Yes.

[Karen Eastman] Commissioner James.

[Comm. H. James] Yes.

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[Karen Eastman] Commissioner Laufenberg.

[Comm. G. Laufenberg] Yes.

[Karen Eastman] Commissioner Lipper.

[Comm. K. Lipper] Yes.

[Karen Eastman] Commissioner Lynford.

[Comm. J. Lynford] Yes.

[Karen Eastman] Commissioner Steiner.

[Comm. D. Steiner] Yes.

[V. Chair S. Rechler] The item is approved. The next item authorizes a \$5.1 million project to provide for permanent connection of existing stand-by emergency generators to PATH facilities inclusive of a contractor furnish and install of necessary electrical equipment to implement the project. Prior to making a motion, I ask if there's any recusals.

[Karen Eastman] No recusals, sir. - Can I have a motion please? - Motion. - Second? - Second.

[V. Chair S. Rechler] Roll call, please.

[Karen Eastman] Chairman Degnan.

[Board Chair J. Degnan] Yes.

[Karen Eastman] Vice Chairman Rechler.

[V. Chair S. Rechler] Yes.

[Karen Eastman] Commissioner Bagger.

[Comm. R. Bagger] Yes.

[Karen Eastman] Commissioner Cohen.

[Comm. S. Cohen] Yes.

[Karen Eastman] Commissioner Fascitelli.

[Comm. M. Fascitelli] Yes.

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[Karen Eastman] Commissioner James.

[Comm. H. James] Yes.

[Karen Eastman] Commissioner Laufenberg.

[Comm. G. Laufenberg] Yes.

[Karen Eastman] Commissioner Lipper.

[Comm. K. Lipper] Yes.

[Karen Eastman] Commissioner Lynford.

[Comm. J. Lynford] Yep.

[Karen Eastman] Commissioner Steiner.

[Comm. D. Steiner] Yes.

[V. Chair S. Rechler] OK. The item is approved. The next item was discussed in public session. The Committee earlier today authorized \$5 million in planning during 2016 to perform facility needs assessments for John F. Kennedy International Airport including agreements for expert professional technical and adviser services to support the planning effort on a task afforded basis during 2016. Prior to making a motion of this item, I would like to ask the Corporate Secretary - if there's an recusals. - No recusals. - Can I have a motion? - I'll motion. - Same. - OK.

[V. Chair S. Rechler] Can I have a roll call?

[Karen Eastman] Chairman Degnan.

[Board Chair J. Degnan] Yes.

[Karen Eastman] Vice Chairman Rechler.

[V. Chair S. Rechler] Yes.

[Karen Eastman] Commissioner Bagger.

[Comm. R. Bagger] Yes.

[Karen Eastman] Commissioner Cohen.

[Comm. S. Cohen] Yes.

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[Karen Eastman] Commissioner Fascitelli.

[Comm. M. Fascitelli] Yes.

[Karen Eastman] Commissioner James.

[Comm. H. James] Yes.

[Karen Eastman] Commissioner Laufenberg.

[Comm. G. Laufenberg] Yes.

[Karen Eastman] Commissioner Lipper.

[Comm. K. Lipper] Yes.

[Karen Eastman] Commissioner Lynford.

[Comm. J. Lynford] Yes.

[Karen Eastman] Commissioner Steiner.

[Comm. D. Steiner]. Yes.

[V. Chair S. Rechler] The votes are in order. The item is approved. Did we vote on Gateway before?

[Karen Eastman] No you did not.

[V. Chair S. Rechler] We did not. OK. So the next item which was presented by the executive director as part of his report to the Board authorizes several actions in support of the creation of entity to oversee the Gateway project. The Corporate Secretary previously noted that no recusals are required in this matter. So any Commissioner have any questions or comments? - If not, I'll ask for a motion. - Moved. - Second? - Second.

[V. Chair S. Rechler] OK.

[Karen Eastman] Chairman Degnan.

[Board Chair J. Degnan] Yes.

[Karen Eastman] Vice Chairman Rechler.

[V. Chair S. Rechler] Yes.

[Karen Eastman] Commissioner Bagger.

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[Comm. R. Bagger] Yes.

[Karen Eastman] Commissioner Cohen.

[Comm. S. Cohen] Yes.

[Karen Eastman] Commissioner Fascitelli.

[Comm. M. Fascitelli] Yes.

[Karen Eastman] Commissioner James.

[Comm. H. James] Yes.

[Karen Eastman] Commissioner Laufenberg.

[Comm. G. Laufenberg] Yes.

[Karen Eastman] Commissioner Lipper.

[Comm. K. Lipper] Yes.

[Karen Eastman] Commissioner Lynford.

[Comm. J. Lynford] Yes.

[Karen Eastman] Commissioner Steiner.

[Comm. D. Steiner] Yes.

[V. Chair S. Rechler] As I'm recused from the next item, I'll ask the Chairman to handle that.

[Board Chair J. Degnan] Thanks, Scott. On behalf of the World Trade Center site Redevelopment Subcommittee, I want to submit an item for the Board's consideration that would authorize funding of an existing contract of Cushman & Wakefield in the amount of \$36.5 million for continued management operation and maintenance services at the World Trade Center site including public spaces and centralized infrastructure for a one-year period. Are there any recusals?

[Karen Eastman] No other except for the Vice Chairman, sir.

[Board Chair J. Degnan] Right. Do any of the Commissioners have any questions or comments? - If not, is there a motion? - I'll move. - And second? - Yes.

[Board Chair J. Degnan] Roll call. Yes.

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[Karen Eastman] Chairman Degnan. Vice Chairman Rechler.

[V. Chair S. Rechler] Recused.

[Karen Eastman] Commissioner Bagger.

[Comm. R. Bagger] Yes.

[Karen Eastman] Commissioner Cohen.

[Comm. S. Cohen] Yes.

[Karen Eastman] Commissioner Fascitelli.

[Comm. M. Fascitelli] Yes.

[Karen Eastman] Commissioner James.

[Comm. H. James] Yes.

[Karen Eastman] Commissioner Laufenberg.

[Comm. G. Laufenberg] Yes.

[Karen Eastman] Commissioner Lipper.

[Comm. K. Lipper] Yes.

[Karen Eastman] Commissioner Lynford.

[Comm. J. Lynford] Yes.

[Karen Eastman] Commissioner Steiner.

[Comm. D. Steiner] Yes.

[Board Chair J. Degnan] There will be no further matters before the Committee. The meeting is adjourned. We're going to dispense with a motion. - Happy holidays. - Happy holidays everyone. Happy holidays. Made it through another year.

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**The Port Authority of New York and New Jersey**  
**Board Meeting Transcripts**  
**February 18, 2016**

[Board Chair J. Degnan] Board meeting of the Port Authority of New York and New Jersey and its subsidiaries is now called to order. Earlier today, the Committees on Operations and Capital Planning Execution and Asset Management met in public session. And the World Trade Center Redevelopment Subcommittee met in both public and executive session. And the Committees on Security and Finance met in executive session. Their reports will be filed with the official minutes of today's Board meeting. The Commissioners will also meet in executive session later today to discuss matters involving ongoing negotiations or reviews of contracts or proposals and to discuss and act upon matters involving public safety or law enforcement. From time to time in the past, as you know, the Board has taken the opportunity to recognize the professionalism and dedication of the Port Authority staff. Today, I'm pleased to report that our Director of Tunnels, Bridges, and Terminals Cedrick Fulton accompanied by our Superintendent of Police, Director of Public Safety Mike Fedorko, who will recognize several employees who recently assisted with the delivery of a healthy baby girl outside the Lincoln Tunnel. Cedrick... Is this... Am I reading from today's agenda? >> I don't think so. >> I thought we did this at the last meeting. I thought there was another birth. [laughter] I'm going to rescind those remarks. Cedrick, you look confused and I... So am I. So we don't have any common recognition staff? >> We do. >> Where are they? >> They're just going onto PATH. It's going to be a presentation. It's right here. >> Okay, so we're going to come back to this issue and at this point I'll ask Pat to provide the Executive Director's Report. And I apologize for that confusion.

[Exec. Dir. P. Foye] Chairman, thank you. I'm actually very concerned about the high bar that Clarelle DeGraffe has set in about following her as well as newborn babies real or apocryphal. I'd like to cover three things. One is actually quite sad and tragic. Police Officer Elise Bastardo passed away on February 12th following a tragic off-duty motor vehicle accident. Officer Bastardo joined the Port Authority in March of 2014, she was assigned to Newark Airport, was a rising star in the Police Department and her funeral's today, and I'd ask for a moment of silence. Thank you. Second, Commissioners and members of the public and colleagues, I'd like to report on the Port Authority's response to Winter Storm Jonas which was January 22nd to 24th of this year. I don't need to tell anybody who lives in this region that we've gone through a period of extreme, extreme weather. I'm going to recognize a number of staff members who are with us today. There are many, literally hundreds and thousands of people at the Port Authority who contributed to what I think was an excellent, efficient, and quietly expert execution of preparation for the storm and response to the storm. Let me ask Gerry McCarty, Director of Office of Emergency Management, Charlie Agro, Office of Emergency Management, Sal Cardella of New Jersey Marine Terminals, Robert Quinn, New York Marine Terminals, John Wargo, PATH, John Sisak, PATH, Kevin Janiak, Holland Tunnel TB&T, Zhivko Evtimov, George Washington Bridge TB&T, Shant Ohannessian, George Washington Bridge TB&T. Mike Gobbo, World Trade Center Construction. John Farrell, World Trade Center Operations, Justin Resnick, Warehouse Procurement, Joey Polo,

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Central Automotive Operations Services, Obed Gonzalez, CMAC Operation Services, Police Officer Ryan Carter, who's in the first row with us here from the Port Authority Police Department. Katie Bergen McLagan, Human resources, Jose Arroyo, LaGuardia Airport Aviation. Mike Frazier, John F. Kennedy International Airport Aviation. And last but not least, Joseph Vendola, of Newark Liberty Airport, International Airport Aviation. Stand, please, so you can be acknowledged. Please. Thank you. I'm going to do a brief report on what our colleagues who we just acknowledged and others throughout the agency did in terms of repairing, preparing and responding to the storm. More than 200 pieces of snow equipment were put in place at the airports, more than 60 pieces of snow equipment at bridges and tunnels, thousands of tons of salt and sand for airport roads and parking lots, thousands of tons of salt for the bridges and tunnels, hundreds of thousands of gallons of liquid anti-ice or chemicals at the airports and thousands of tons of solid deicers, plow equipped trains, liquid snow melting agent trains and a jet engine plow to remove snow from path tracks. Snow blowers, plows, and spreaders to clear station entrances, roads that serve PATH's 13 stations in both states and various support facilities. The Ernesto Butcher Emergency Operation Center, which is led by Gerry McCarty, was activated for five days beginning on Friday January 22nd. Staff at the EOC monitored and coordinated the response to Winter Storm Jonas and communicated with our regional partners in both states throughout the storm. Let me report about Airports. JFK had over 30 inches of snow in the storm, a record. LaGuardia also had record snowfall, with almost 28 inches, Newark had roughly, Newark Airport had roughly 28 inches as well. With the help of New York City, the NYPD and New Jersey Department of Transportation, we did something that we've done on a limited basis before, but far more effectively in this storm, which is to work with the local authorities in both states in getting airport workers, many of whom are in this room today, back to work early. That's critical that... It is critical that Port Authority Aviation staff, Airport workers, TSA, Customs and Border Protection employees be able to get back to those facilities to help open the airports as soon as possible. Given the huge economic impact of having the airports closed for half a day or a day, it's vital. And the cooperation of the city of New York, the NYPD, and New Jersey Department of Transportation Commissioner Hammer was vital in getting the airports opened. Although most flights the day of the blizzard were canceled, which obviously haply decreased the number of stranded passengers in our airports, but customer service representatives at the three major airports were available to lend a hand for those passengers, stranded passengers that remained, cots, blankets, and supplies which were on hand were made available. At our bridges and tunnels, TB&T crews worked tirelessly to clear roadways so that the vital transportation arteries of this region would be available when the storm was over. Let me just give you an idea of the scope of the actions that had to be taken. At the George Washington Bridge, the world's busiest bridge, there are 14 lanes on the bridge itself, many more on the approaches, a total of 72 lane miles of roadway. Those lanes were kept plowed, but unfortunately wind and poor visibility scored a rare victory against our hard-working staff. So in order to protect public safety due to prevailing blizzard conditions at the direction of governors Cuomo and Christie a travel ban at the New York City requiring our bridges and tunnels to close at 2:30 p.m. on Saturday, January 3rd was implemented. This included the closing of the George Washington Bridge, Lincoln Tunnel, Holland Tunnel, Bayonne Bridge, Goethals and the Outerbridge Crossing. Additionally, with all bus service already suspended at the Port Authority Bus Terminal, the facility itself also closed at 4 p.m. on January 23rd. Leading up to those closures, staff worked diligently at all of those facilities to help motorists and customers, as shown here in these pictures before you. At Sunday at 7:00 a.m., the travel ban at

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the New York City was lifted, the Port Authority Bus Terminal at that time reopened, and the lanes that I've described at the George Washington Bridge, similar situation at the other bridges and tunnels were reopened. At our port facilities in both states, they were closed obviously, during the storm to ensure safety and allow for snow removal operations to proceed efficiently when the storm was over. Staff coordinated closely with the terminal operators in both states, the plan for the reopening of those facilities following clean up. At PATH due to the record snowfall, portions of the PATH system were closed because of heavy snow accumulation, including snow drifts roughly 10 feet high in some places. I know it's true, I saw it myself. You can see here from some of these photos, the extraordinary challenge our PATH crews faced in clearing snow drifts. Thanks to their tremendous efforts, we were able to restore PATH service at 11 of our 13 stations by the morning rush hour on Monday. This was enabled by PATH's decision, a smart one made by Mike Marino and Crelle and their colleagues to store over 80 percent, 290 of the 350 revenue-producing PATH cars in the tunnels and maintenance yards where they were protected from snow and able to return to service early. Additional PATH crews and contractors were brought in to assist and service at the Harrison and Newark stations was restored at approximately 2 p.m. on Tuesday. I'd like to give a special shout out to New Jersey Transit Dennis Martin and his colleagues and Commissioner Hammer at New Jersey Department of Transportation for their help with the restoration of service. At the World Trade Center site, we coordinated with our stakeholders, including Silverstein Properties and the 9/11 Museum Memorial, to keep the site open and safe for those who ventured out in the storm. Return to business. The storm obviously had a significant impact on the region and our facilities. The cost of the Port Authority is estimated at approximately \$50 million from the storm. Most of that is foregone revenue. Just like when an airline seat is empty when a plane leaves, we can't get back those flights that didn't land that day, people that didn't travel over the bridges and tunnels. So the \$50 million, most of it is foregone opportunity. However, thanks to the extraordinary efforts of staff, not only in responding to the storm but being prepared for it, operations were restored at all of our facilities in a remarkable manner. First flight out of JFK was around 7 a.m. on Sunday, literally seven or eight hours after the snow had stop. Bridges and tunnels at the direction of governors Cuomo and Christie opened at that time as well. PATH service resumed quickly hours later that day and port operations were fully online early in the week that followed. So, thanks to up Port Authority staff, some of whom are with us today, for an excellent job. Well done. Thank you. Lastly, Chairman, I want to update on the Port Authority Bus Terminal. As many of you in the public may remember, in October of 2015, the Board authorized the agency to continue due diligence efforts to replace the 65-year-old Port Authority Bus Terminal. Today, I'm pleased to provide an update of significant progress, thanks to the work of many people including those at TB&T, Planning, Procurement Chief Lillian Valenti, Cedrick Fulton, Diannae Ehler, Port Authority Police and many others, multi department staff work continuing. Over the next week, we will commence an international design and deliverability competition for the Port Authority Bus Terminal. At that time, competitors will be able to go to the Port Authority website and register to enter the competition. The competition will include a diverse field of expertise and we anticipate competitors will assemble multi-disciplinary design lead teams. We're challenging competitors to submit their best ideas related to transportation planning, terminal operations, real estate, logistics and construction in urban master planning effort. We're also asking competitors to develop design concepts that are both scalable and modular and can be made to fit whatever location and size the agency decides. Key features of the design and deliverability competition include, first, a group of independent jurors representing a cross-section of functional expertise,

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second, a competition website. And third, an honorarium for the winning finalists. In addition and great importance to all of us, we will launch a survey to solicit public comment from our customers, our neighbors in Midtown West, and anyone else with an interest in the replacement of the bus terminal, obviously including New Jersey Transit and the other providers of bus service at the terminal. The comments we receive will be made available to the competitors and jury as well as the members of the Board, Commissioners of the Port Authority for their consideration. We'll also continue to reach out to elected officials in both New York and New Jersey. The extent to which the agency can satisfy bus share, a future Trans-Hudson capacity demand is predicated on the competition results and parallel findings from a Trans-Hudson commuter capacity study. I'm also pleased to announce today, we are nearing the end of the request for proposals procurement process for the commuter capacity study. We've received proposals from experienced teams and are finalizing the selection that offers best value to the agency. We anticipate hosting a kickoff with the selected proposal in the coming weeks. Finally, I believe this process reaffirms the commitment of this Board and the Port Authority to designing and building a 21st Century bus terminal as part of the agency's return to its core transportation mission. At the same time, I believe will serve the needs of all commuters, be an asset to the community, and be a positive economic enhancement to the city of New York and to the region. Thanks, Chairman.

[Board Chair J. Degnan] Thanks, Pat. I just would mention that your vivid description of the success in the Port Authority in responding to the storm is an affirmation of your credit to the people who are here today for the hard work they did. And then on behalf of the Board, in addition to Pat's, we offer you our thanks for an effort that goes way beyond your daily obligations and good work for the Port Authority. Thank you. Are there any questions to Pat by any members of the Board? Thanks... >> I just wanted to add my congratulations to Pat and the staff, to the represented by the people sitting in the front rows here. I know that storm was larger than predicted and was treated by our staff and leadership with great experience and comfort for all of us knowing that it was being well handled. Pat, I appreciate the report you give us on a regular basis. So, again, congratulations on a job well done, guys.

[Board Chair J. Degnan] Okay, at this point, I'll ask Commissioner Pocino to make a brief report on the status of his Subcommittee.

[Comm. R. Pocino] Thank you, Chairman Degnan, for the opportunity to report to the Board and the public on this important work. Pursuing to the Board working group's recommendation to hire a consultant to determine the impact of potential wage increases at the Port Authority's airports, the Procurement Department issued a solicitations to consulting firms with experience in providing economic impact studies to other governmental agencies and with expertise in aviation industry economics. The scope of work requires the consultants to produce an economic impact study that will determine the effect of further minimal wage increases or health benefit mandates beyond the existing provisions of the Federal Affordable Care ACT. On the prices of products and services purchased on site by travelers who visit Port Authority managed facilities annually and the impact of further mandates on Port Authority... Port Authority's competitive position with respect to tenants and potential tenants who have the option of locating their businesses either on site at the Port Authority's airports and its other transit facilities or on adjacent properties not owned by the Port Authority. Proposals have been received and reviewed,

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and the Procurement Department is finalizing pricing and vetting the recommended firm. The economic impact study is expected to be concluded in the latter part of the second quarter. Thank you Mr. Chairman.

[V. Chair S. Rechler] Thank you, Ray. With that I am going to step in for the Chairman and we're gonna open up for the public comment. And as we know, we provide an opportunity for the members of the public to comment on the Port Authority matters, we try to hold the public comment period to 30 minutes. It provides an opportunity for members of the public to present their views directly to the Board, but does not provide for a dialogue. And members of the public wishing to discuss a specific matter with the Port Authority staff are advised to contact our Public Affairs Department. We also ask the speakers are complied with the fixed time limit of three minutes. And our first speaker is Shawn Powell. Shawn.

[Shawn Powell] Good morning, gentlemen. I am here to talk to you a little bit about the GW Bridge and to push for it to remain open for cyclists. So I'm a former banker in the financial district. When my bank closed, I started my own business, building high-end carbon-fiber bicycles. I service clients in the lower Manhattan area, a lot of teams and avid riders who use the GW Bridge on a weekly basis for riding. It's fantastic. When you go over the bridge into 9W, and also on River Road, it's really a world class experience that you can only have in New York City. I support eight employees. I'm responsible for their livelihood and well-being. Not being able to have that cycling lane open over the bridge poses a serious financial challenge for us. And I think it also would hurt the image of New York City as a really, really powerful cycling friendly city. Traveling around to other cities in the United States, Chicago, Miami, Orlando, Los Angeles, there are almost no bike lanes. This city has done something amazing. Every second street in New York City has a bike lane on it, all of the bridges. I'm a commuter, so I ride over the Williamsburg Bridge every day to get to work. It's really a unique opportunity. Seeing that the bridge is now going to be modernized and updated for the next 90 years, it makes sense now to put that plan in place to continue cycling to grow in the city, which is a renewable resource. And I think it's the time, now is the time. So I want to thank you for your time and I appreciate you hearing me speak today. Thank you.

[V. Chair S. Rechler] Thank you. Our next speaker is Richard Hughes from the Twin Towers Alliance. Richard.

[Richard Hughes] Good morning, Commissioners. I was fascinated listening to Mr. Pocino talk about his report, his study about the economic impact of raising airport workers' wages. And we're not going to hear, I guess, till the end of June, if I understood correctly. It's fascinating that you're studying this, which is I think something most of the public is in favor of that airport workers should have a decent wage. And yet, you don't study the tremendous amount of waste that that this agency produces. It's a little like somebody who's been shot five times, lying on the street and you're looking at the scratch on his knee and saying, is this something we need to worry about, while the person is bleeding to death. This agency is hemorrhaging money, has been hemorrhaging money for at least a decade. The waste is just extraordinary. And if you, if you reined in the waste, you'd certainly have some money for the airport workers here who would like a decent wage. I mean, it really wouldn't cost very much when you think about it. I mean if you actually looked at what it would cost for you to subsidize them, if you can't... If

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you're worried about the impact that your airports. I mean, you could certainly subsidize them with some of the money you waste, colossal amount of money you waste, on other things. Now right here on the site we have the Calatrava extravaganza which is now \$4 billion and counting and well, the New York Post called it a shrine to government waste in idiocy. That's \$4 billion, \$4 billion. You've got \$1.8 billion, you've given Governor Christie to repair the Pulaski Skyway, which had nothing to do with your mandate to keep our bridges and tunnels and airports well maintained. Now I'm not blaming each of you individually, because most of you weren't involved in this. But this agency has a history of waste that is simply colossal. And then we have this, this disparity here, people come month after month after month to these meetings, taking time out, I take time out to come too, but we come here to give our comments, which I know you don't want to listen to. You think it's just nonsense, but it isn't nonsense. And these people represent something that's important to us. We want a first class airport system. We want first class workers there. How are you going to have first class workers if you don't pay them?

[cheers and applause] Get control of the waste, get control of this colossal amount of waste, you'll be able to give the workers the subsidy they deserve and you'll be able to serve the public the way you should. Thank you very much.

[V. Chair S. Rechler] Thank you, Richard. And now with Murray Bodin.

[Murray Bodin] Like to talk about change. First I'll talk about my personal change. A month ago, I found that I had a cataract. Three weeks ago, I had the cataract out. Wow. If anybody has a cataract and they say, you should take care of it, take care of it immediately. It's wonderful, the techniques have changed. The second thing is this little gizmo I have hanging around my neck, I got it Tuesday. It connects my hearing aids to my telephone. I got my first phone call this morning from my grandson up in Trinity College, plays basketball, he's on the team. He was offered the opportunity to become part of a new project that was coming to campus and he wanted to discuss it with me. And I said, "Go to the meeting and listen to what they have to say, but prepare to say, 'No, this is not for me,' without embarrassment." Which means you try new things which are different and if they don't work, okay. Somehow I became involved with the concept of the bus terminal and commuter buses. The coach buses that you're using now from MCI were designed 30, 40 years ago for over the road with luggage racks underneath, not for computers... Commuters, and they are very heavy. New York City has something called Select Bus which are low floor buses which load rather quickly. I assume that at the Port Authority you have roof space between the buses, you can have a back door where people could walk off. I asked, "How long does it take to unload a passenger bus?" I didn't get an answer yet. But somebody should look and find out whether or not that high bus weighs more, makes it more difficult to build a terminal, unloads slower. Why don't you adopt what New York City has? The MTA just ordered their first trains that are open with no doors between the cars. Now, I've ridden on those in Paris and they have them in Canada. The first units are coming into the MTA, they are already in construction. Maybe the PATH should have open cars where you can put more cars on a same station without making the station longer because people can see where the empty seats are and go to them. This is thinking differently. What's going on a national scene with the political issue is people are saying, "We want you to think about our problems differently." That's what needs to change. Thank you.

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[V. Chair S. Rechler] Thank you, Murray. Reverend Ronald Tuff.

[Reverend Ronald Tuff] Good morning. I'm Reverend Ronald Tuff, I am the associate pastor at First Bethel Baptist Church in New York. And I'm also the second Vice Chair of New Jersey Black Issues Convention. And this is my third time testifying on behalf of the workers at the airport at Newark Airport. But I'd like to talk about, sub-contracted for workers are struggling to make ends meet while trying to survive on poverty wages. Airport workers now make \$10.10 which adds up to less than \$24,000 per year, well below the federal poverty level for a family of four. Even the small wins that they have gotten like the Martin Luther King holiday as a paid holiday are not always being enforced. And now today, the Port Authority plans to vote and approve a multi-billion dollar plan to modernize LaGuardia and Newark Airport. Well, you can't have modern airports without modern airport jobs. Let me say that one more time...

[applause] And modern airport jobs mean paying those with a livable wage. But I won't go into the background of where we were because my friend Reverend Slaughter is going to take care of some of this. But we were... And I don't understand why we're back here because the last time I was here, you guys were supposed to set up a Committee and you were supposed to invite us to the Committee meeting to discuss an increase in the wages. We were also supposed to have an open relationship with the Executive Director. And there was one other thing we challenged you with also. And we went to some of the Commissioner's offices and that we challenged you to live in the shoes of the workers that are getting \$10.10 an hour for a day. Am I right? We have not heard anything on any of the proposals that we talked about and yet we are back here today. And I don't understand that. So my time is up, but I'd like an answer on when is the Committee on wages meeting and what are we doing to make that happen so we don't have to come back here and say, "Well, when are you guys going to raise the wages?" So when is that Committee going to convene and where and when are you going to invite us to talk about it?

[V. Chair S. Rechler]: We'll come back to you with that.

[Reverend Ronald Tuff] Pardon.

[V. Chair S. Rechler] We'll come back to you with that information.

[Reverend Ronald Tuff] And Mr. Executive Director, we still want an open opportunity to talk to you and your offices to keep us informed on getting higher wages for the employees of Newark Liberty Airport.

[Exec. Dir. P. Foye] Reverend, I'm happy to meet... I think we had a meeting scheduled and I think your office cancelled it. And my Chief of Staff is in the back of the room, I'd be happy to... Happy to look forward to meeting with you.

[Reverend Ronald Tuff] No, we didn't. No, we did not cancel it.

[V. Chair S. Rechler] Well, he's happy to meet with you so we'll get that set up. Thank you, Reverend.

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[Exec. Dir. P. Foye] Scott, I'd like to add just one thing on the Martin Luther King issue, which I think is an important one. Reverend Tuff raised the Martin Luther King issue. That issue was raised to me by 32BJ yesterday, Larry Engelstein. And I did a couple things. I've asked Tom Bosco, who you heard from today to reach out to the airlines and to ask their contractors what happens. One, with respect to a holiday pay on Martin Luther King, I sent a note to the Board early this morning and then had a conversation with Commissioner Pocino, and he and I agree that the commitment made and the requirement of the Port Authority with respect to holiday pay on Martin Luther King has to be honored and we're going to... We're going to check compliance and whether has may compliance we'll take appropriate action. We are, again, 32BJ raised the issue with me yesterday. We're going to act expeditiously. Thanks.

[applause]

[Reverend Ronald Tuff] And Mr. Director, and I think that having those meetings... And I think we need to meet monthly while we're going through this issue with the authority as well as with those who we're representing. Thank you, sir.

[V. Chair S. Rechler] Thank you, thank you Reverend Tuff. Reverend Slaughter.

[Reverend Ronald Slaughter] Good afternoon, Commissioner. This is my first time addressing the Port Authority. I stand representing two of my other colleagues, Dr. David Jefferson who is the pastor at Metropolitan Baptist Church of about 8,000 members as well as Dr. Buster Soaries who is the pastor of church in Lincoln Gardens. And so I'm representing Buster Soaries as well who represents about 7,000 members. I am the pastor of St James AME Church in Newark and South Orange with about 4,000 members. And I thank the Executive Director for making the comment about Dr. King and the celebration of this holiday. Dr. King once made this statement, "Cowardice asks the question, is it safe? Expedience asks the question, is it politic? Vanity asks the question, is it popular? But conscience asks the question, is it right? There comes a time when we must take a position that is neither safe nor politic nor popular, but one must take it because it's right." And that's a quote from Dr, King who stood march on April 3rd, 1968 in Memphis, Tennessee with sanitation workers because of low wages. And here I am now in the same spirit 48 years later, having the same issue and the same cause of standing for persons that are receiving low wages. I am addressing this issue because it is very vital. It's a very serious issue in our country. The worker's wages are too low and they cannot feed their families. I have the CEO's of these airlines can take home millions of dollars in salaries and these companies can generate billion dollar income annually. My church, St James in Newark, South Orange pays our sexton workers a minimum salary package of \$25,000 that includes health insurance as well. And we don't have the millions and billions as the Port Authority does or these airports, but we do it because it is right. Four thousand members vote to do it annually because it is the right thing to do. America is the richest country in this world yet, we are bankrupt morally. How can this authority in good conscious approve a multi-billion dollar plan to modernize LaGuardia and Newark Liberty Airport yet, we allow workers to take home less than \$24,000 thousand dollars a year? Here we are in the richest country of the world, but yet we criticize places like North Korea, we criticize Cuba, but yet here we are treating a citizens similar to what's done in those governments as well by not allowing them to be able to feed their family and live off the basic necessities that every American should be able to live off. The time is now, as Dr. King, to do

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what is right. Imagine if these workers were your sons and your daughters or your relatives, how would you feel if they were coming home with these type of wages in the environment that they work in? Let's not make this about politics, let's not make this about power, let's do it because it is the right thing to do. And that's why the ministers in New Jersey are making sure in this next gubernatorial election we elect the governor who has sensitivity to the people that they represent. Thank you so much.

[V. Chair S. Rechler] Thank you Reverend Slaughter. Next speaker is Margaret Donovan.

[M. Donovan] Would you mind letting me wait for when Chairman Degnan's back? >> Sure. Next speaker is Christine Berthet. Christine.

[Christine Berthet] Mr. Chair and Commissioners, My name is Christine Berthet. I am the co-chair of Transportation Committee in Manhattan Community Board 4 where both the Lincoln Tunnel and the Bus Terminal are located. So on October 22nd, you passed a unanimous resolution that the Board strongly endorse the cut recommendation of the working group, that the Board and staff solicit substantial public and stakeholder input in this ongoing process. And we applauded that resolution. We are pleased to hear that there is progress into those two studies, but we have a question, when will the port consult with the community of the content of those RFPs? In the city, it is customary for the city to consult with the community Boards whenever they are going to put out an RFP because you know that if you ask the wrong question, you're going to get the wrong answers. So what is in the RFP is very important to getting the right answers. And being consulted in advance would have been helpful. We would like you to direct the executive director and the department in charge to consult with the community before finalizing those RFPs. In addition, I heard that there is going to be a website. We feel that as the community which is going to receive this massive infrastructure, we think we deserve a little more than a website and we should be consulted directly. And finally, I heard that the design is going to be fitting anywhere you put it and I want to immediately challenge that concept. I don't think the same design would be done right down in Rockefeller Center or in the middle of New Jersey or in the middle of Hell's Kitchen. So I doubt that those parameters would be appropriate for designers which have to either be in a very tight urban environment or in a very open other environment, it's just a strange thought. And our elected officials have tried to hear, to gather the information about what was going on and they have not been responded to. So I think that portion of your recommendation needs to be really paid attention to, it will get you a better design, a better result, and especially a discussion earlier rather than later on issues that arise. And we really want to work with you in a very constructive manner. But the less we are consulted the less constructive it's going to be. So thank you in advance.

[V. Chair S. Rechler] Thank you. Next speaker is Reverend Patrick Young.

[Reverend Patrick Young] Good morning Commissioners, Board. As a person of faith, I want to talk about the need to have justice and righteous for the people of the workers who are working in airports in our Tri-City. It is a righteous thing and just thing that people should live decent and have decent wages. We don't need to wrestle or fight over people making \$10.10 an hour. It is a travesty in this country, the richest country in this world to allow people to live below the poverty level, by the federal poverty level just making \$24,000 a year. It's time for us to step up

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and make a difference. Right now, we're meeting in the shadow of World Trade Center, and in the shadow of the Liberty, Statue of Liberty. It reminds us that invitation to bring your poor huddled masses to this country and we rebuild this great World Trade Center. And if we can do all that, invest in making a difference, we can make a difference in the lives of these who have come, who are working diligently to make ends meet, to make... Help their family to live. We encourage you to increase the wage from \$10.10 to \$15.51. It doesn't take all day, it don't take consultants. All it does take, a willing heart and a caring spirit to have a concern for the least of these. For we don't want to be a country that's concerned about the most of these, but a country that opens up opportunities, as we say an invitation, Liberty, Statue of Liberty, Bring your tire, your hurdle, and your masses, bring them here because we can help you to have a living and productive life. These workers over 14,000 work in our wonderful airports and I live around the back door of one of the greatest airports, LaGuardia airport, and we're going to spend billions of dollars there. Why don't we spend dollars to develop and help, encourage, and lift up families, and lift up people who need a helping hand? Just remember, somebody helped us along the way. Let us be able to help somebody else along the way. And I want to remind you. I live and I serve a higher power. But I remember that we must be true to power. And I want to let you know, just a living truth, and truth is that if you care, let us show that we care for them. God bless you.

[V. Chair S. Rechler] Thank you, Reverend Young. Our next speaker is Reverend Johnnie Green.

[Reverend Johnnie Green] Good afternoon, Commissioners. I'm Dr. Johnnie Green, senior pastor of Mount Neboh Baptist Church in the village of Harlem. I'm also the President of Mobilizing Preachers and Communities, an organization consisting of more than 300 churches throughout New York State. And I'm also Area 5 Vice President of the Empire Baptist Missionary State Convention, an organization with more than 500 churches across the Empire State. For the past two years, the MPAC has been engaged in the fight for justice regarding the \$4.2 billion airport expansion at LaGuardia. We worked alongside of TCNY Group, Transportation Consortium of New York, in a quest to secure minority participation on every aspect of this massive project. We've supported Governor Cuomo's legislated mandate of 30 percent minority participation in all state projects and projects with the Port Authority. We've been fighting for minorities to be involved in this project from top to bottom, equity partners, construction, architectural design, and demolition. You name it, we've been fighting. And we'll continue to do so until all the inequality and disparities are done away with on this project. Today, however, we have come to stand with 32BJ and the airport workers, many of whom are present in this room, who are overworked and underpaid. The little more than \$10 an hour that they are now making is both despicable and deplorable. And those who are trying to the best of their abilities to provide and take care of their families deserve much more. Furthermore, those of you who sit on this Board and make decisions that directly impact the lives and livelihoods of... You have a moral responsibility and obligation to do the right thing. \$24,000 a year is not enough to provide for a family of four. There should be a mandatory minimum wage of \$15 an hour put in place, so like many of you who sit in the seat of power, they too will be able to provide for their families and loved ones. I'm appealing to your humanity and compassion today. And it's my hope and belief that you will act swiftly and decisively to do the right thing. The right thing is to give airport workers a minimum wage of \$15. The right thing is to make sure that all the companies and

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vendors that the Port do business with, that they do the right, that they do right by these men and women who go out every day and work hard to keep our transportation system up and running smoothly. The right thing to do is to make sure that there is justice and fairness with how these workers are paid and compensated. The right thing to do is to refrain from doing business with those companies which continue to engage in oppressive activity against these workers. \$15 an hour is fair, \$15 an hour keeps the workers above the poverty line, \$15 they deserve, \$15 is a drop in the bucket for these corporations making billions of dollars on the backs of these hardworking individuals.

[applause] Let me just... And may I... May I also add a comment regarding Martin Luther King paid holiday. Out of the 12,000 airport workers in the region, only eight percent were paid properly for the MLK holiday, that amounts to about 960 people. Thank you.

[V. Chair S. Rechler] Thank you, Reverend Green. Our next speaker is Aqueel Mateen. Aqueel Mateen.

[Aqueel Mateen] Good afternoon. My name is Imam Aqueel Mateen. Imam stands for spiritual leader in the Islamic community. I'm an Imam of a masjid in Newark, New Jersey. Also a Board member of the Council of Imams of New Jersey. And also a Board member of the Council of Imams of Newark, which has 14 different masjids in Newark itself. I'm also a part of the Interfaith Alliance of all the churches, and masjids, and synagogues in Newark. Also I'm an employee of the Newark Airport, Liberty International Airport, since 1987. Also I'm a member of the union 32BJ. I'm honored to be here this morning.

[applause] The subcontractors or the contractors or the vendors for Newark Airport workers are struggling, trying to make ends meet, the employees, at Port Authority and airlines, while Port Authority and airlines are making big ones. This presentation is an urgent appeal to those who have positions to make the necessary changes in payrolls for the airport employees, that is Kennedy, LaGuardia, and Newark Liberty International Airport, where thousands of hard workers, professional workers, dedicated workers, committed workers come to work every day on time and perform above and beyond the call of duty, out of their job descriptions daily, are striving to improve their lives, their families' lives and the community's lives. We pray this is not going to deaf ears. We pray this is not just a formality. We pray that you will listen to us with your mind, your ears, and your heart. When all are... When your bills are coming, and your children's college tuition is well established, and your retirement is secured, you might find it difficult to relate to people who are trying to make ends meet. Hard working people contributing daily to the operations of the three major hubs. Hard working, contributing daily to the prosperity of upper management. Hard working, contributing daily to the thousands of flights, hundreds and thousands of passengers going to and from, from the Atlantic Ocean to the Pacific Ocean, to Canada, to the Florida Keys, across the oceans, connecting to the different continents. They are connecting the global economy every day through their hard work. Because of low wages, many of these employees work two jobs. And their spouses work, their respective spouses work. And as a direct result of that, they are not home as much as they would like to be monitoring their children's schedules, diets, rest, homework, and the company they keep. Skycaps, for example, are seen making a lot of money by some people's standards, but not in reality. Especially since they're charging and racking up billions of dollars for baggage charges. \$25 for your first bag,

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\$35 for your second, \$150 for your third bag, and by the way, your other bag is overweight, that's another \$100. Give me a credit card for \$310, there goes the skycap's tip. The concern is... I'm out... People think that we're making a lot of money, but skycaps are making \$2.13 a hour and forced to claim tips for the rest of it in their payroll by their managers. We're not asking you for charity, we're asking you to enforce the claim that 51 hours of modest increment. Fix this problem. You can fix the roads, you can fix the highways, you can fix the buildings, but we want you to fix the situation of people that work there. The people that work there are committed.

[cheers and applause] And I conclude by saying this to you. I conclude... I conclude by saying this to you. We spend money on training, they spend money on uniform, they spend money on screening, spend money on the employees. You spend money on the buildings, and a runway to jet ways, spend money on employees. I submit to you, it is not a waste of money, you are not throwing away money, you are investing in the employees, thus you're investing in the industry. Thank you very much. It's a win-win situation. When your employees win, you win. Because your profit will increase once your employees' morale increase. You already got a B+. You can get it to a A+. Thank you.

[V. Chair S. Rechler] Thank you. Thank you. Thank you. Next speaker is Neile Weissman. Neile.

[Neile Weissman] Vice Chairman Rechler, Commissioners, Director Foye, I echo others in thanking you for your service to the authority and the residence of the two states. The following is a sample of statements of support of widening the pass on the George Washington Bridge. International Mountain Bike Association, comprising 80,000 members and 600 dealers, cautions not to let the GWB become a bottleneck to the growth of cyclotourism in the two states, already worth a billion dollars a year. Rockland County cites 6,000 cyclists per weekend heading north, towards Piermont and Nyack. Ulster, those who continue north to New Paltz and Minnewaska. Dutchess to those who cross back into Beacon and Poughkeepsie. And Putnam to those in Garrison and Cold Spring. Orange County calls on the authority to support the Governor's tourism initiative and to make it easy for cyclists to ride their bikes across the GWB, not walk them. I mean, after spending \$400 million on a new bike path on the Tappan Zee, the cycle tourism to those areas could well go down, unless the GWB is upgraded. Bicycle Habitat, one of the most respective bike shops in the region, believes a widened GWB is unavoidable, both to preserve riders' safety and sanity, as well as to bolster the businesses who's catered to their needs. New Jersey Assemblywoman Huttel calls for maintaining safety for all users, which, if you lose one of the rail tunnels, could take on a whole other dimension. Senator Cardinale's district contained seven bike shops. Manhattan Community Board 12 seized the opportunity to enhance economic competitiveness and equity, and to demonstrate leadership on sustainable transportation. Manhattan Borough Presidents, Brewer and Stringer, regard the GWB as a linchpin of the region's cycling transport infrastructure, an icon of the nation's transport network and the re-cabling as a once in a lifetime opportunity. New York based racing and recreational organizations, like Five Borough Bike Club and Century Road Club Association, warn that crowding during peak periods will only get worse. Under PA's current plan, 40,000 New York Road Runners would face a Hobson's choice of threading slow-moving families, dog walkers, and tourists with selfie sticks on one side, or swift crosscurrents of cyclists on the other. Altogether, 91 clubs, shops, advocacies, elected officials, and government agencies that blanket

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the Port District and extend north into Mid-Hudson Valley are in support. Look at it in another way. If you really do this, you're gonna generate a hell of a lot of goodwill. Thank you.

[V. Chair S. Rechler] Thank you, Neile. Our next speaker is Felicia Burgess. Miss Burgess. Okay. Next speaker is Stephen Sigmund.

[Stephen Sigmund] Hello, good afternoon, Commissioners. I'm here to read a statement on behalf of the Board of the Global Gateway Alliance on the LaGuardia Redevelopment Project. The LaGuardia overhaul is a critical and long overdue project that will upgrade the airport from third world to world class. So we're pleased that the Port Authority is continuing to take steps to move the project forward. It's hard to overstate the importance of modernizing the airport. However, we're concerned that taking the full authorization for Terminal B off the Board agenda today adds uncertainty. And we hope that the agency will move quickly to provide clear, firm budgets and timelines for the entire airport modernization project. We are also calling today on the Port Authority to develop a standalone website, modeled on [wtcprogress.com](http://wtcprogress.com) that tracks progress to keep the public informed, increases confidence and support for the project, and helps hold the private consortium developing it, accountable. This is a common sense step that we think will help bring finally a 21st century airport to our 21st century city. I'm gonna share with you some ideas for the specifics of that, of that website and look forward to you all and the staff consorting the idea. Thank you.

[V. Chair S. Rechler] Thank you, Stephen. That, our next speaker is Reverend Brantley. Reverend Brantley. Okay. Our next speaker is Bishop Mitchell Taylor. >> He's on his way. Begin. Okay.

[V. Chair S. Rechler] Our next speaker is Lensworth Mothersill. No? This is a bad streak I'm on here. Okay, our next speaker is Rona Dowden.

[Rona Dowden] Good afternoon, Commissioners. My name is Rona Dowden. I worked at JFK International Airport for approximately nine years. Thirteen elected officials and community groups have expressed their concerns about AirMall coming to JFK. Based on their track record... My co-workers and I also held a rally outside JetBlue headquarters yesterday. Because we want to make sure that AirMall does not come to New York with that what had happened at Baltimore, does not happen here, in New York. New York Airport workers have made a great progress. We want to see that AirMall does not make that wrong choice, because we are a people in JFK International Airport to maintain that service. We want to maintain that there. So we are the workers at JFK, we see the problem on a daily basis. And today, I'm a representative here, standing before you and presenting this case, and I'd like to say to you, we would like you to cease the problem. The Port Authority is the ultimate decision maker on the concessions manager. We have the final... You have the final say on whether to approve the company JetBlue select. We urge you not to approve AirMall, if that is what JetBlue selects. Today, I want to say to you, to look at this matter urgently. Because I'm a worker there working for approximately nine years, and would like to see that the progress goes on because we are a people who deserves better. This is New York City, where all the people across the world comes here. And Rona Dowden, being a member of Unite Here, I'm standing and voicing to you, this is an issue to us. So can you address this matter urgently? Thank you for listening.

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[applause]

[V. Chair S. Rechler] Thank you, Rona. We'll go back now to Margaret Donovan.

[Margaret Donovan] Good afternoon, Commissioners. I hope that Steve Coleman brought to your attention, the Port Authority Leviathan that appeared in last month's City Journal. You all need to understand why the public still does not trust this agency, or more precisely, its Board. It seems the more it changes, the more it stays, in some ways, the same imperious body marginalizing the public and too often hedging your answers to the press. Prove me wrong. Tell us why, 12 months after Conde Nast vacated their ultra prime space in midtown, it was still vacant. Why, three years after agreeing to assume their lease to entice them downtown, the Port Authority didn't have tenants lined up on January 1st, 2015 to sublet the space. Conde Nast was paying around \$40 a square foot, according to Real Estate Weekly. How could there be trouble finding short term tenants at that rate? Apparently, it was because Mr. Durst wanted to raise the rents. Director Foye mentioned over a year ago that Durst had magnanimously agreed to give the PA 50 percent of any profit on a new tenant for the term of the lease. Mr. Foye assured us it was standard industry practice. But why isn't subletting at cost, a standard practice, when the rent is being paid by a public authority? That has already given the landlord and his former tenant some very big breaks. Selling ten percent of the Freedom Tower for five percent of what it cost to build was reasonable, since Durst delivered Conde Nast, assuming the payments on their Times Square space until that lease expires was also reasonable. Giving an anchor tenant deep discounts is reasonable, but allowing your partner to gouge the public is not. Nine months after the Conde Nast move, a Durst executive told Crain's, "We have enough proposals to fill 150 percent of Conde's space at the property. He expected to have several leases in place by the end of last year. Did I miss the announcements?" The blah-blah never ends. Let Mr. Durst raise his rents after April of 2019. Until then, he is picking the public's pocket. In fact, at almost 48 million last year, the PA has already returned close to half of the 100 million Durst paid for his 99 year share of the tower. He and Mr. Silverstein have a lot in common. Thank you.

[applause]

[V. Chair S. Rechler] Thank you. Our next speaker is Francisco Espinal.

[Francisco Espinal] Good afternoon, Board members. My name is Francisco Espinal. I work at SSP America at JFK Airport. I have been working for JFK for 13 years. My co-workers and I work extremely hard and we care about what happens at our workplace. As you know, JetBlue is reviewing proposal for, from companies to manage its concession program at Terminal 5. AirMall, a German-owned company is being considered for this business opportunity. AirMall managed the concession program at Baltimore Airport. Surveys conducted by Unite Here shows that low wages and racial inequality were both presented in their jobs at BWI, provided by AirMall subtenants. A March 2014 survey of 437 out of about 800 employees conducted by Unite Here showed that under AirMall concession at BWI survey, African-American workers were six times more likely than white workers to work fast food jobs, where white workers were six times more likely than African-Americans to work as bartenders or servers. A 2014 survey by Unite Here, 180 BWI concession workers show a median wage of \$8.50 per hour. No project at

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JFK should bring low wages and racial inequality. To bring a company that have managed a concession program without addressing these issues will be a big mistake. Thank you for your time.

[V. Chair S. Rechler] Thank you.

[applause] Our next speaker is Eduardo Lopez.

[Eduardo Lopez] Good afternoon, Commissioners. My name is Eduardo Lopez. I work at Sky Chef at JFK. And I've been working there for three years. The Port Authority is considering investing nearly four billion dollars in New York City Metro Area Airport. It is important that these investments honor the spirits of the city and its people, and especially those that make the airport as successful as they are. JFK, where we welcome the world to our city. AirMall's failure to take responsibility for how people who work in the concessions program are treated is definitely not a New York value. New York will take a step backwards in rewarding a company like AirMall. Airport workers deserve better. The Port Authority is the ultimate decision maker on its concessions manager. You have the final say on whatever the improve... the approved... the company JetBlue selects. We urge you not to approve AirMall if that's who JetBlue selects. Thank you for your time.

[V. Chair S. Rechler] Thank you. Our next speaker is Janna Chernetz.

[Janna Chernetz] Thank you, chairman and vice chairman, director. And my name is Janna Chernetz, I am the Director for New Jersey policy for Tri-State Transportation Campaign. We are a transportation policy advocacy organization. I did have to change my comments and I appreciate the update on the Port Authority Bus Terminal. I would like to set forth a couple of considerations as the Port Authority moves forward with this regionally important project. First of all, the surveys that were mentioned, as Christine Berte mentioned, the public input will be crucial not only for the RFP process for the design competition, but also throughout the entire process. Five months have gone by since this Board approved moving forward the design process. So for those five months this Board could have been soliciting feedback from the community and that includes local residents in the area, those who may be affected by the construction of the bus terminal, as well as those commuters and those who use the Port Authority. That certainly could have been useful in helping to structure the RFP. Because if you don't ask the right question, you won't get the right answer, as Christine Berthet said. To the timeline for this process, I would hope that that would be made publicly available. One, to make sure that we're moving forward exponent... And expedite this process that's been a long time coming, but also to make sure that we're meeting those timelines, especially in terms of the public feedback. Make sure that public is well aware of those surveys that they are available when they are due. Will there be an opportunity to be publicly heard and not just have to write your comments? Those studies that are being done in terms of the region, that is done being simultaneous with this design competition, those are interdependent. How will they be integrated into each other? Because obviously, you know, what we see needed for the region, both in terms of rail or bus, are gonna be crucial to the development, the placement, and the size of the bus terminal. And we would also urge you to consider at this time, what will happen in the interim. There is that \$90 million Quality of Commute Program as well, as the gate changes to help better

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the commute. This will be a long time before we actually see the bus terminal completed. Long time before much needed relief is provided for commuters. We would urge the Port Authority to start looking now at what kind of additional interim relief can be granted. The Gateway Development Corporation, I did not see that on today's agenda. I was hoping to have an update on how that is moving forward. So, with that said, I would urge this Board to include on a monthly basis, bus terminal updates, as well as Gateway updates. Certainly, we would have benefited from the discussion of the RFP being put forth prior to this meeting. And just one more final note. Our organization did request the other 15 concepts that made the cutting room floor in March that... The request was done via the foil procedure in November. We have yet to receive a response from the Port Authority. So thank you for the opportunity to provide comments this morning, this afternoon.

[V. Chair S. Rechler] Thank you, Janna. Our next speaker is Reverend Carl Washington, Jr.

[Pastor Carl Washington, Jr.] Pastor Carl Washington, Jr. I am the Pastor of the New Mount Zion Baptist Church in Harlem, New York. Good afternoon, Commissioners. We are here today representing impact as Chairman of the Board and also as the moderator of the United Missionary Baptist Association where I represent over 165 churches in Manhattan, the Bronx, and lower Westchester. We're today on behalf of the wage increase for those who work at our airports. If you look honestly, gentlemen, you will discover that even with that wage increase, that only brings them to \$32,260.80 a year, which still leaves them below the line of poverty in this country. We need to understand that these people work hard and they ought not have to choose between rent or feeding their children. They ought not have to choose between feeding their children and being able to make it to work on a regular basis. And so I'm appealing to you today to look seriously. I heard, in your reports earlier, talk of an honorarium for folks submitting a proposal. How can you give an honorarium to folks submitting a proposal and not give a wage to people who are working every day? And so, I urge you in all that we stand for in this nation, to open your heart to these workers at 32BJ and in our airports, and let's give them a living wage. We might want to even look at the fact that \$15.51 might not be enough. We might want to go a little bit further, to give these people a living wage. I would urge you, and as a man of faith, I might just think that at some point, we have to pray for the folks who are in charge. And so if the folks from 32BJ would stand with me as we pray for these folks who sit on this Board, I've got a minute and seven seconds. And I promise you, the prayer won't take that long. God, we thank you for these who are in leadership. We even ask now that you would touch their hearts. They may understand, God, that they ought to be what, God, you have commanded them to be, men who are just, men who are right and men who sit on authority, who have the will and the desire to help those in need. Bless them, God, and give them the will to do. In the name of Jesus we pray, amen.

[applause]

[V. Chair S. Rechler] Thank you, Reverend. Thank you. And our last speaker is Yvonne Garrett Moore.

[Yvonne Garrett Moore] Good afternoon, Commissioners. How are you? I'm Yvonne Garrett Moore and I have been before you since 2011, if you can remember. And I came before you with

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a heavy heart, groping to try to understand how we can harness the economic potential in and around Newark International Airport. I've been working diligently over these last years to understand how to present to Port Authority a comprehensive economic redevelopment plan that makes sense, that will help bring hope and bring honor to our region. I am a public relations and planning, a strategic planning consultant, and I live in Newark. I live 10 minutes from Newark International Airport. And I want to present to you, in the midst of this transition today. This is about honor. This is about honor. This is about honoring what we should honor and honoring the people of our region, honoring the people of our local community, honoring the people of our nation as well as the global community. The Port Authority has an exceptional opportunity to honor the people who need to be honored. And I'm here today to present to you all a comprehensive plan which I have mentioned to you in meetings prior, The Earhart Global Center. I submitted a proposal and your administrative group will give you a copy of this proposal. When I would talk about honor, we need to go back to the will. I present to you a proposal that represents a woman who was a great aviation leader, who made the difference in aviation, who changed the world's perspective on aviation. And I'm asking this commission to consider establishing The Earhart Global Center in honor of Amelia Earhart, but also in honor of all people who dare to dream, who dare to hope, who dare to believe that, that things are possible. Amelia Earhart was a very innocent young lady who had a dream that she could fly around the world and as a result you are sitting here today, as a result of her courage and her ability to be able to represent courage in the face of the unknown. The Earhart Global Center will address the disparity in our region that we are not living to our full extent of addressing amenities and services in our local, our regional, our national, as well as our global community. We want to be the global port of choice. And so we have to set the stage that we honor the world community. When we honor, we get benefits, the residual impacts, when we honor. So when we honor Amelia Earhart's legacy of courage and defying the odds, as we stand here today needing to defy the odds and needing to overcome the challenges of the disparities, we do that by having courage. And so I ask the administrative group to submit to you all, the proposal for Earhart Global Center.

[V. Chair S. Rechler] Thank you.

[Yvonne Garrett Moore] And it reflects the details of how this center can change and support the economic profile of our region. Thank you so very much.

[V. Chair S. Rechler] Thank you very much. And back to you, Mr. Chairman.

[Board Chair J. Degnan] Thank you, Scott. I think execution and asset management, earlier today, concerning the LaGuardia Airport Redevelopment Program, our Executive Director and Director of Aviation will provide details on this proposal. Pat, I think you've already done this in, in substantial forum.

[Exec. Dir. P. Foye] I think we have done it. I think I'll muster questions from the Board. I don't think we have anything else there.

[Board Chair J. Degnan] I agree with that. Are there any questions of Pat or Tom Bosco? Prior to making a motion on this item then, I would ask the Corporate Secretary to note any

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Commissioner recusals on the matter.

[Karen Eastman] Commissioner Schuber is recused.

[Board Chair J. Degnan] And if there are no questions or comments, I'll now request a motion on the item. >> I'll make a motion. >> I second that one.

[Board Chair J. Degnan] I'll now request the Corporate Secretary to call the roll for voting on this item.

[Karen Eastman] Chairman Degnan. >> Yes. >> Vice Chairman Rechler. >> Yes. >> Commissioner Cohen. >> Yes. >> Commissioner Fascitelli. >> Yes. >> Commissioner Laufenberg. >> Yes. >> Commissioner Lynford. >> Yes. >> Commissioner Pocino. >> Yes. >> Commissioner Schuber. >> Recused.

[Board Chair J. Degnan] As the votes are in order, the item is approved. We have several items on today's agenda, for which the respective Committee chair will be asked to provide a brief report prior to the matter being considered by the Board. As chair of the Committee on Operations, I'll now submit an item that authorizes a new lease with Frames Bowling Lounge, for its continued occupancy of retail and support space at the Port Authority Bus Terminal, for the operation of bowling alley and lounge. The new lease can be terminated by the Port Authority on 30 days notice without cause, it's for a 10 year term at a total aggregate rental of approximately \$16.3 million. Are there any recusals?

[Karen Eastman] Vice Chairman Rechler's recused. >> Okay. Do any of the Commissioners have any questions or comments? If not, I request a motion on the matter. Is there a second? Would you take the roll please?

[Karen Eastman] Chairman Degnan. >> Yes. >> Vice Chairman Rechler. >> Recused. >> Commissioner Cohen. >> Yes. >> Commissioner Fascitelli. >> Yes. >> Commissioner Laufenberg. >> Yes. >> Commissioner Lynford. >> Yes. >> Commissioner Pocino. >> Yes. >> Commissioner Schuber. >> Yes.

[Board Chair J. Degnan] The votes are in order, the item is approved. The next item which was discussed at the public session of the Committee earlier today, would amend the lease with the City of New York, for the Port Authority's use and occupancy of the Teleport on Staten Island to surrender a nine acre parcel of undeveloped land for the purpose of sale by the city to a developer and a culture group. Proceeds of the sale will be divided equally between the Port Authority and the city. This transaction is subject to the successful completion of the city's uniform land use review procedure process. Are there any recusals?

[Karen Eastman] No recusals.

[Board Chair J. Degnan] Do any of the Commissioners have any questions or comments? If not, I'll request the motion on the item. >> Recusal. >> Second. Take the roll please, Karen?

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[Karen Eastman] Chairman Degnan. >> Yes. >> Vice Chairman Rechler. >> Yes. >> Commissioner Cohen. >> Yes. >> Commissioner Fascitelli. >> Yes. >> Commissioner Laufenberg. >> Yes. >> Commissioner Lynford. >> Yes. >> Commissioner Pocino. >> Yes. >> Commissioner Schuber. >> Yes.

[Board Chair J. Degnan] The votes are in order and the item is approved. I'm now gonna ask Scott Rechler, as chair of the Committee on Capital Planning, Execution, and Asset Management, to provide his report.

[V. Chair S. Rechler] Thank you, Chairman Degnan. The Chair of the Committee on Capital Planning, Execution, Asset Management, on that report and certain items under the purview of this Committee, the first item authorizes a \$9.1 million project covering improvements in Terminal B at Newark Liberty International Airport, including the replacement of security doors, installation of an automated passport control system, and modifications to the baggage recheck area. Are there any recusals?

[Karen Eastman] No.

[V. Chair S. Rechler] Okay. Do any Commissioners have any questions? May I have a motion? >> Motion approved. >> Okay, may I have a roll call?

[Karen Eastman] Chairman Degnan. >> Yes. >> Vice Chairman Rechler. >> Yes. >> Commissioner Cohen. >> Yes. >> Commissioner Fascitelli. >> Yes. >> Commissioner Laufenberg. >> Yes. >> Commissioner Lynford. >> Yes. >> Commissioner Pocino. >> Yes. >> Commissioner Schuber. >> Yes.

[V. Chair S. Rechler] Okay, the item is approved. The next item authorizes a \$55 million project of John F. Kennedy International Airport for the rehabilitation of certain taxiways, and the adjacent section of the restricted vehicle service road to maintain the state of good repair. Are there any recusals on this matter?

[Karen Eastman] No. No, recusals.

[V. Chair S. Rechler] Any comments? >> May I have a motion? >> So moved. >> Okay. Second. Again, a roll call, please.

[Karen Eastman] Chairman Degnan. >> Yes. >> Vice Chairman Rechler. >> Yes. >> Commissioner Cohen. >> Yes. >> Commissioner Fascitelli. >> Yes. >> Commissioner Laufenberg. >> Yes. >> Commissioner Lynford. >> Yes. >> Commissioner Pocino. >> Yes. >> Commissioner Schuber. >> Yes.

[V. Chair S. Rechler] The item is approved. The next item, which was discussed in public session earlier today, authorizes \$62 million project to replace the escalators at PATH's Exchange Place station in Jersey City, New Jersey. Are there any recusals really to this?

[Karen Eastman] No recusals. >> No recusals. Any comments? No. Can I have a motion?

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[V. Chair S. Rechler] So moved. >> Second. May I have a roll call please?

[Karen Eastman] Chairman Degnan. >> Yes. >> Vice Chairman Rechler. >> Yes. >> Commissioner Cohen. >> Yes. >> Commissioner Fascitelli. >> Yes. >> Commissioner Laufenberg. >> Yes. >> Commissioner Lynford. >> Yes. >> Commissioner Pocino. >> Yes. >> Commissioner Schuber. >> Yes.

[V. Chair S. Rechler] Okay, the item is approved. The next item, which is also discussed earlier today in public session, authorizes a \$25.2 million project to extend the rail track at PATH's maintenance and storage yard in Jersey City, New Jersey, to provide permanent protection of PATH railcars against future flooding events. Any recusal that relate to this?

[Karen Eastman] No. >> Okay. Any comments? May I have a motion? >> Move. >> Second. Thank you. Can I have... >> Chairman Degnan. >> Yes. >> Vice Chairman Rechler. >> Yes. >> Commissioner Cohen. >> Yes. >> Commissioner Fascitelli. >> Yes. >> Commissioner Laufenberg. >> Yes. >> Commissioner Lynford. >> Yes. >> Commissioner Pocino. >> Yes. >> Commissioner Schuber. >> Yes. >> Okay, the item is approved. My last item is authorization of an agreement to extend the Port Authorities participation in the Edward J Malloy initiative for construction skills for a three year period and aggregate amount of \$300,000. This program provides training for local New York City students for apprenticeships in the construction trades. >> Are there any recusals? >> Yes.

[Karen Eastman] Commissioner Pocino is recused. >> Then, any comments? The motion, please. >> Motion. >> Second. >> Second. >> Okay. >> Chairman Degnan. >> Yes. >> Vice Chairman Rechler. >> Yes. >> Commissioner Cohen. >> Yes. >> Commissioner Fascitelli. >> Yes. >> Commissioner Laufenberg. >> Yes. >> Commissioner Lynford. >> Yes. >> Commissioner Pocino. >> Recuse. >> Commissioner Schuber. >> Yes.

[V. Chair S. Rechler] Okay, the item is approved. That's all I have.

[Karen Eastman] Okay.

[Board Chair J. Degnan] Now I'm gonna ask Commissioner Lynford, who's Vice Chair of the Committee in Finance to provide his report.

[Comm. J. Lynford] Thank you. As vice-chair of the Committee in Finance, I wish to recommend to the Committee for consideration, a resolution authorizing the renewal of property damage and loss of revenue insurance coverage, for Port Authority assets at the World Trade Center site. This is a vote of the Finance Committee only. Prior to making a motion of this item, I would ask the Corporate Secretary to note any Commissioner recusals on this matter.

[Karen Eastman] Of the Commissioner members present there, no recusals. And other Commissioners present, Chairman Degnan is recused.

[Comm. J. Lynford] I will now request a motion on this item. >> So moved. >> Thank you. Any

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discussion on the renewal of the insurance? If not, I will now request the Corporate Secretary to call the roll for a voting on this item. Any comments?

[Karen Eastman] Commissioner Lynford. >> Yes. >> Commissioner Pocino. >> Yes. >> Commissioner Schuber. >> Yes.

[Comm. J. Lynford] As the votes are in order, the item is approved.

[Board Chair J. Degnan] Karen, it doesn't require a Board resolution.

[Karen Eastman] No, it was a Committee vote. >> Okay. >> That's it? >> Yeah.

[Board Chair J. Degnan] There being no further business, I move to adjourn the meeting. >> Is there a motion? >> Motion moved. >> Second. For all those in favor, say aye. >> Aye. >> Motion is adjourned. The meeting is adjourned. >> Thank you, Mr. Chairman.

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[Board Chair J. Degnan] And in that spirit, and given the length of the meeting to date, and the fact that we're keeping the public waiting beyond the start time of the original date, Commissioner Lipper has consented to my request that we suspend the discussion by the Governance and Nominating Committee until next month and deal with the resolution that would have been discussed today then at that time. Ken, is that still OK with you?

[Comm. K. Lipper] Yes. OK.

[Board Chair J. Degnan] Great. So at this point, we can begin the Board meeting of the Port Authority of New York and New Jersey and its subsidiaries. And I'm calling that to order. As you know earlier today, the Committees on Finance, Capital Planning, Execution and Asset Management, Governance and Ethics and the World Trade Center Redevelopment Subcommittee take out Governance and Ethics, met in public session. The Committee on Operations also met in both public and executive session. Their reports will be filed with the official minutes of today's meeting. The Commissioner's also met in executive session earlier today and will reconvene following today's public Board meeting, if it's still light out, to discuss matters-- related to proposed, pending, or current litigation or judicial or administrative proceedings. As many of you in the audience will recall and many of you are interested, the Board previously committed to conduct an assessment of the impacts of the potential of modifying the Port Authority's existing policy on airport wages. While Commissioner Pocino, the Chair of the Board's working group on Port Authority minimum wage policy is out of the country and not able to attend today's meetings, several Commissioners have suggested and Commissioner Pocino has acquiesced to an update report at the next meeting on the status of those efforts. At this point in the meeting, I would normally call upon the Executive Director for his report. But with his permission at the moment, I think we should go through the public comment period, because we have a number of people here registered to speak, and we have some eminent public officials from New Jersey. If nothing else, we've convinced Senate president Steve Sweeney today that there is another job almost as difficult as his. I'm very pleased to see Senator Sweeney, Senator Weinberg, Senator Gordon, and Senator Kean in a bipartisan-- how unprecedented is that-- appearance by the leading members of the New Jersey legislature. So based on their presence here and their patience to date, I'm going to lead off the public session by asking Senator Sweeney to lead off.

[Hon. S. Sweeney] And Chairman, this is a walk in the park compared to Trenton, just so you know. My colleagues conferred, so I can make that statement. But I want to thank you, Chairman, for your leadership, and the Commissioners here today. You know, today is a monumental day for the state of New Jersey and the regional economy of both states. You're making a decision that's going to strengthen our economies. And the decision to put the bus terminal in Manhattan so that we can ensure a one-seat ride is an enormous, enormous victory for commuters. And the Gateway Tunnel is something I talk to my colleagues about all the time. 130 years ago or 140 years ago, someone came up with a plan for tunnels, and they had a

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vision. And their vision was how to move people. And we were getting close to not making that same commitment for future generations. And what this Board is doing today really is historic. So I'm sure some people will be here to holler. I'm here to say thank you. I want to say thank you for your leadership, your willingness to listen, to compromise-- because I know there was debate on the bus terminal. I know there was. But it's best location is Manhattan to ensure that New Jersey commuters don't need to have a two-seat ride. So Chairman, like a few others, normally, I don't bring good news. In fact, you know, I'm in Atlantic City a lot. There's no good news there. I'm here to say thank you. Thank you for your vision and leadership. This is-- we weren't sure until recently, but this is a hell of a lot better to say thank you than to be fighting and arguing. So Chairman, thank you for your leadership.

[Board Chair J. Degnan] Thank you, Senate President Sweeney. Come back often. Senator Weinberg needs no introduction. I think I'm going to put Sweeney on the Board. He can have my seat.

[Hon. L. Weinberg] Ah, thank you very much. Good afternoon to members of the Board of the Port Authority. And if I might take a moment of personal privilege. I'm reminded every time I come here and look at all of you that we could use a little diversity on this Board. 51% of the women--51% of our residents are women. They travel to that bus terminal. They fly in and out of LaGuardia Airport. And there is a healthy percentage of those people who we all represent who are people of color. So I would hope maybe through these minutes to send a message to both our governors that they think about that when they make their next appointments to the Port Authority. Having said that-- thank you. I want to say thank you too. First of all, for the new bus terminal. You know, I was thinking about it. When Vice President Biden came through LaGuardia Airport and kind of shone a spotlight on it, it would have been nice had he taken a bus also. Because maybe we would have gotten some action a little more quickly. But I think with the bipartisan support-- and I'm delighted to work with my colleague across the aisle, Minority Leader Senator Tom Kean, that we are on the same page of needing a new bus terminal on the West Side of Manhattan so that the 240,000 ridership that goes through that building every day can get a one-seat ride to help build the economy of New York and the economy of New Jersey. So thank you very much. On April 25, we are going to be having a joint meeting. Well, I shouldn't say a joint meeting. I'm sorry. We're having a meeting of the Senate Legislative Oversight Committee. We're having it in Bergen County. And I am extending a personal invitation to Vice Chairman Rechler to take the bus, come over to Bergen County. You can go to Gate 210 to get the bus to Teaneck. I know it well, in case you don't know which gate it is. And we will pick you up at the other end and drive you directly to the Senate Legislative Oversight Committee. And I hope you come out to New Jersey and hear from some of our residents. And lest I just say thank you and not put in some words of things that still need some addressing, Cedrick, you were talking about the George Washington Bridge project. And this bus station sign is still up as we speak. For those who can't read it, it says "the George Washington Bridge Bus Station is closed for renovation through 2015." That sign is up today. And the last I looked, we are about to enter the second quarter of 2016. And I was at a senior citizen meeting just where I was able to address a group of about 150 senior citizens who actually brought this issue up. Because as most of you should know, it is not barrier-free now. There are huge staircases in order to get up to that bus station. It is way overdue. I don't know if it's over budget, but it's certainly way overdue. And I would hope that some attention will get

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this completed as quickly as possible. So they make some accommodation where you have to make a phone call, and the bus makes some kind of a circle to come at street level to pick up anybody who has any disability. So if any of you would like to keep the sign, there it is. So I look forward to welcoming some of you to New Jersey for the Senate Legislative Oversight Committee. I want to thank Commissioner Schuber. You took the words out of my mouth as I listened to this about the bicycles and about the issue of suicides from the bridge. So thank you for bringing that up. Commissioner Lipper, anytime you want to move to New Jersey, you're welcome. And to you-- Maybe it'll help our income tax collections. So maybe just by moving, you can get a tax break. You never know. And to you, Commissioner Degnan, really the transparency, the whole atmosphere that you have helped lead is much appreciated not only by me. By the people I represent, and all the people in this audience. So thank you very much. We look forward to the bus station, to the resolution passing, and to see the bus station in the Capital Plan. Thank you.

[Board Chair J. Degnan] Thank you, Senator. We also have a Senate minority leader from New Jersey here, Senator Tom Kean. And maybe this is an appropriate time for me to say to the four of you a word of thank you. You have always been available whenever I've needed to discuss issues at the Port Authority. You've provided leadership and support for what needs to be done at the Port Authority. And I and, if I could be presumptuous, would suggest the people of New Jersey ought to thank you for your service. Senator? Thank you.

[Hon. T. Kean] Thank you, Mr. Chairman. And again, bipartisan agreement and bi-state agreement and before us, it's a great day of comity for everybody to see. And I know it's been a long time coming, but there are so many people on both sides of the river who are so appreciative not only of the bus terminal in New York City where it should be, but also the Gateway Project, which is a newly envisioned, heart-and-lungs approach that will truly benefit the region in a way that earlier envisioned cross-Hudson projects were not helping in the same effect in any way, shape, or form. So I think that vision is very important to the entire region. And in fact, all of the globe's travels as well. First and foremost, Newark Liberty Airport improvements are great. And I want to thank you again for your leadership, your willingness to work across the river, as well as across the aisle, and on a bipartisan effort to make sure that we also partner to accomplish what we need to do for making sure that the legislation that passed in New York, which has not yet passed in the fair Garden State of New Jersey, is passed in a timely fashion so that the operational stability that this structure needs will be actually accomplished before the next month or two is done. Thank you. Thank you, Senator. And the last but not least for sure, Senator Bob Gordon, who's been an articulate observer on the Port Authority for many years. Thank you, Mr. Chairman, and members of the Board. Good afternoon. I too want to thank you for this impending decision on the Port Authority Bus Terminal. And it certainly is-- I want to thank you personally, Mr. Chairman, for your efforts on behalf of New Jersey and the region. What I'd like to do today is just summarize why this decision is so very important for New Jersey and the region. Building a new bus terminal on the New Jersey side of the Hudson at a time when New Jersey transit and PATH trains are already at overcapacity, and when a 106-year-old Sandy-damaged tunnel may need to be shut down for repairs at any time, for us is simply a nonstarter. The longer commutes would have forced tens of thousands of bus commuters into their cars, adding to traffic in north and central New Jersey, in Manhattan, and across the Port Authority bridges and tunnels. We simply can't afford to let

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that happen. As Senator Weinberg mentioned, the Legislative Oversight Committee, which I chair, will be holding our first hearing to delve into the details of both the Port Authority Bus Terminal design competition and the trans-Hudson demand study to ensure that they meet the needs of the citizens of both states. As a region, the economies of New York and New Jersey have become increasingly interconnected, and will become even more so after the Gateway rail tunnel project doubles rail capacity, and after the new Panamax super freighters double the volume of cargo moving through Port Newark. We believe that strong bipartisan legislative oversight of and bipartisan legislative advocacy for the critical transportation projects that the Port Authority undertakes is important to creating public understanding and support for the vital transportation network that drives our regional economy. And I can tell you that we in the New Jersey legislature look forward to working with you in a productive-- and working with you closely as we deal with these very important issues. And again, I thank you all for your support for our New Jersey commuters. This decision is clearly a great victory for New Jersey commuters and all those in New York who employ them. Thank you very much.

[Board Chair J. Degnan] Thank you, Senator. Arthur Piccolo, or "Pick-a-lo." I'm not sure I'm saying that correctly. Is he here? OK.

[Arthur Piccolo] Commissioners, I think you realize there are times when the symbolic decisions you make actually outlive the far more practical decisions you have to make. I'm not going to read the first paragraph in terms of brevity, but I also distributed copies to all of you. Port Authority has a very significant vested interest in the Oculus, on behalf of the citizens of New York and New Jersey, that this spectacular building, which we'll define lower Manhattan, New York City, and public transportation in the 21st century have a name that will honor and elevate its stature even more. Societies name great public buildings for important national heroes. So should you with the Oculus. The horrendous tragedy of September 11, 2001 should not result in symbolism at the World Trade Center that only defined September 11 in the minds and in our culture as we fight the evil. There is another September 11 in American history, September 11, 1789, here in lower Manhattan, that is even a far more significant defining moment in American history. It is because of September 11 1789 in many ways that the United States of America existed as a prosperous nation on September 11, 212 years later, to survive and recover from September 11, 2001. America's potential was established September 11, 1789. On September 11, 1789 in lower Manhattan, the greatest New Yorker who has ever lived arrived years earlier as an impoverished, orphaned immigrant, became the first secretary of the United States Treasury and the savior of our very young nation with his brilliant financial plan to fund our nation based on nothing but his potential. And America prospered as a result to become the greatest nation in human history. The entire life of Alexander Hamilton is an ode to American greatness and to the American immigrant experience. Alexander Hamilton, who lies buried only blocks from here in Trinity Churchyard in direct sight of the World Trade Center today, and was buried under the debris of September 11, 2001, is a defining American image for the 21st century, as is the Oculus. The Oculus deserves, demands an official name for the ages. I urge you to use your authority to formally name this structure the Alexander Hamilton Transit Hub. Thank you.

[V. Chair S. Rechler] Thank you. Our next speaker is-- I apologize. I'm going to botch this name. Number six. Number six. Chiedu Uzoigwe? Did I do a decent-- Governor Sanders'

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office. Senator Sanders. How are you?

[Chiedu Uzoigwe] Greetings. So once again, my name is-- once again, my name is Chiedu Uzoigwe. I am the liaison for state senator, New York State Senator James Sanders. Senator Sanders represents the 10th Senatorial District in Queens, representing John F. Kennedy Airport. Senator Sanders is also a member of the Labor Committee, so is directly concerned with the issues affecting the JFK Airport. JFK Airport is one of the largest employers in the borough of Queens. The 37,000 people employed at JFK are the reason the airport is able to welcome 53.3 million passengers to New York in 2014. We depend on our hardworking airport employees to get us where we need to go. In order to provide good service and to be a good airport, these workers need good jobs and good benefits. A UNITE HERE 2013-2014 survey conducted by UNITE HERE of 180 out of approximately 800 BWI concession workers employed by AirMall, subtenants revealed a median wage of \$8.50 per hour. I'm here to urge the Port Authority not to approve AirMall for the Terminal 5 redevelopment. Economic justice for all is the mandate of our time, and New York is leading the way. AirMall's failure to take responsibility that is should for how people who work in its concessions programs are treated is definitely not a New York value. JFK is where we welcome the world to our city. The company that JetBlue chooses to manage its concessions program at Terminal 5 will be with our city until 2034. The Port Authority should reject AirMall for this business for the sake of the city and its people. Thank you.

[Board Chair J. Degnan] Thank you. Emma Quail?

[Emma Quail] Hi. My name is Emma Quail. I'm with The Airport Group. The Airport Group is the policy and development arm of UNITE HERE, which represents over 30,000 workers at 70 airports throughout the country. UNITE HERE's Local 100 represents 3,500 concessions workers at the Port Authority of New York and New Jersey airports. The Airport Group works with airport authorities and concessions companies to promote smooth transitions and concessions developments, such as the one currently underway at JFK's Terminal 5. JetBlue is currently reviewing proposals to manage JFK's Terminal 5 concessions program, which it currently operates. We understand that five companies bid on this opportunity. UNITE HERE has a history of working with four of the five companies that bid. These companies have all demonstrated the ability to promote harmonious labor relations. AirMall is the fifth company. AirMall has not been able to demonstrate harmonious labor relations with UNITE HERE at Baltimore airport. In fact, AirMall is involved in a protracted labor dispute at BWI Airport where it manages the airport's concessions program. AirMall is the only company out of the five that we believe would be a bad idea for both Terminal 5 workers as well as the Port Authority. Thank you. Thank you. Leslie Azzouni?

[Leslie Azzouni] Hi. Good afternoon. My name is Leslie Azzouni. I work for Paradise Shop in Terminal 5 for over four years. I have been-- I am a member of the UNITE HERE Local 100 union, the union for the food service retails in flight carrying workers at JFK, LaGuardia, and New York Airport. JetBlue is still reviewing a proposal for management-- management of the concession for the program with Terminal 5. AirMall is one of the five companies being considered for this business opportunity. I am here to give you some information about AirMall. AirMall is a German-owned company, management the concession program of

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Baltimore Airport. A survey made by UNITE HERE shows workers employed by AirMall, subtenants get a medium wage of \$8.50 an hour. Per hour. I'm sorry. The standards in contrast to stand-- I'm sorry. This stands in a contract to standards at New York airport. Here, my coworkers and I fought for \$10.10 at the airport in January. Governor Cuomo endorsed raising the minimum wage for airport workers of \$15 per hour. No project of JFK should bring a low wage. To bring in a company they have managed this program without addressing the issue will be a big mistake. AirMall does not belong on this airport or on this terminal. Me and my coworkers at Paradise Shope do not want AirMall in Terminal 5. I am here to tell the Board, do not approve AirMall, and consider it. Please, thank you very much. Have a good afternoon. Thank you. Margaret Donovan.

[Margaret Donovan] Good afternoon, Commissioners. As I waited for the new record's policy draft that wasn't ready to post on Friday or on Monday, I thought about, what makes this the new Port Authority? When the item was finally posted on Tuesday, I was surprised to see how old the new Port Authority can be. I urged you in December to ask Bob Freeman, the man who in large part wrote New York's FOIA law, to come in and instruct the secretary's office on its requirements. He is a world-renowned expert. Foreign governments ask for his guidance in crafting their own policies. It seems the new Port Authority is above that. So you turned out a policy that shows how fundamentally you misunderstand some of the critical issues in the matter. There's no time to discuss it here, but you should consult with the Committee on Open Government in Albany before voting on a materially flawed resolution, unless you want to behave like the old Port Authority. I agree that this is not really the old Port Authority. You have certainly made great progress. But don't rest on your laurels, because this is clearly not the new Port Authority either. Maybe we can call it the newer Port Authority. For instance, the old Port Authority made the public pick up billions of dollars in Silverstein's tab, and never told us why. Now you have the opportunity to explain why the new Port Authority is paying Durst \$50 million a year for 20 empty floors in Midtown. It has been 16 months since Conde Nast moved out of the highly desirable space. The journal noted in 2011, the rent is below market, so the Port Authority believes it will not be difficult to find a tenant that would cover their costs. And they could even see a profit. Or, as we later learned, 50% of a profit. Your junior partner behaves like the senior partner. Or more accurately, like a predator. And again, the public doesn't know why. Why? As Forbes noted in 2014, the World Trade Center is a risk for everyone involved except the Durst family. And, of course, the Silversteins. The Silversteins happened before, but Durst is happening now. So if you can explain why we're paying \$50 million a year for empty space, then maybe I'll have a lot more faith in the new Port Authority. Thank you.

[Board Chair J. Degnan] Thank you. Tawana Monique Ashby.

[Tawana Monique Ashby] Hello. My name is Tawana Monique Ashby. I work as a barista at Host at JFK Airport in Terminal 5. I have been working at JFK for over a year now. I'm also a member of UNITE HERE Local 100. My coworkers and I work extremely hard, and we care about what happens at our workplace. The redevelopment at JFK Terminal 5 will directly impact the jobs of me and my coworkers. We are incredibly concerned about the future of our jobs if AirMall is selected to manage to terminal's concessions program. AirMall's business model involves subleasing the concession stores. When AirMall chooses or changes

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subcontractors, workers are at risk of losing their jobs unless AirMall makes the companies retain their existing workers. AirMall has been asked to adopt a policy of requiring its subleases to retain existing workers at the Baltimore Airport, but has refused. We do not want to create the same job insecurity at JFK. If AirMall is selected, I'm worried that my coworkers and I could lose our jobs. Please do not let AirMall come into JFK. Thank you.

[Board Chair J. Degnan] Thank you. Nestor Medina.

[Nestor Medina] Good afternoon. My name is Nestor Medina. I'm here on behalf of Assemblymember Pichardo who represents the 86th district of the Bronx. Many of our constituents work at Port Authority in the airports, and they are responsible for welcoming the world to this great city. So I have a letter that I would like to read, a letter that was actually drafted or worked with 13 elected officials of his fellow colleagues and with other organizations as well. I would like to read the content of that letter. This letter is dated February 9, 2016. "Dear Mr. Hayes. We write to you on behalf of our respective memberships, constituencies, and congressions to express concern regarding a company, AirMall USA, that is currently being considered by JetBlue to develop, manage, and operate food and beverage and retail concessions at John F. Kennedy International Airport, Terminal 5. AirMall currently manages the concessions program at Baltimore-Washington Thurgood Marshall International Airport. Surveys conducted by UNITE HERE show that low wages and racial inequality were present in the jobs provided by AirMall's subtenants under AirMall's program. A March 2014 survey of 437 out of approximately 800 employees conducted by UNITE HERE show that under AirMall's concessions program at BWI, surveyed African American workers were six times more likely than surveyed white workers to work fast food jobs, while surveyed white workers were six times more likely than surveyed African Americans to work as bartenders or servers. A 2013-2014 survey of 180 BWI concessions workers revealed a median wage of \$8.50 per hour. To bring in a company that has managed a concessions program without addressing these issues would be a mistake of the highest order, and an offense on all things that New Yorkers stand for. As New Yorkers' hometown airline, we know you can do better. We expect JetBlue to cultivate relationships that will honor the spirit of this city and its people. AirMall's failure to take the responsibility that it should for how people who work in its concessions program are treated is definitely not a New York value. Economic justice for all is the mandate of our time, and our state is leading the way. JFK is where we welcome the world to our city. As such, JetBlue should carefully consider whether AirMall is the right company to represent its brand to the people of New York. We ask that JetBlue reject AirMall for this opportunity." Sorry for the time.

[Board Chair J. Degnan] Lena Valdez Fuentes.

[Christina Dortin] Good afternoon. My name is Christina Dortin. It's unfortunate that Linda Valdez could not be here because she had to work because we were expected to speak at 12:00. So on behalf of Linda-- I mean Lena, I'm sorry-- I'll be reading her testimony.

[Board Chair J. Degnan] That's fine as long as you do it within time. So go ahead.

[Christina Dortin] I got you. Hello. My name is Lena Valdez. I work for HMSHost at JFK

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Airport in Terminal 5. I have been working at JFK over three years. I'm also a member of UNITE HERE Local 100. Over the past few years, my coworkers and I at JFK have been fighting minimum wage-- fighting to raise the minimum wage to \$10.10 at the Port Authority airports. We are here-- we are now here fighting to raise that to \$15 with the support of Governor Cuomo. When it comes to economic justice, New York airports are moving in the right direction. HMSHost has been able to provide my coworkers and I with good wages and benefits. I want to continue to have a good job at the airport. I am worried that if JetBlue picks AirMall for the Terminal 5 concessions program, all our progress will be erased. The Port Authority should not, and I repeat should not, allow a company with a track record like AirMall into Terminal 5 at JFK. No AirMall. Thank you.

[Board Chair J. Degnan] Michael Carey. Mr. Carey here? OK, we'll move on to Raulito Martinez.

[Raulito Martinez] Good afternoon, Commissioners. Hi, my name is Raulito Martinez, and I'm a representative from Assemblymember Felix Ortiz. Felix Ortiz is the assistant speaker of the New York State Assembly representing Assembly District 51 in Brooklyn. As a public official and a member of the Labor Committee, any issues that impact workers at the Port Authority airports are important issues to Assemblymember Ortiz. I am here to express that AirMall is not an appropriate company for New York airports. AirMall's involved in a labor dispute at Baltimore-Washington International Thurgood Marshall Airport where it manages the airport's concessions program. It concerns me that AirMall does not have a good track record working with labor or creating good neighbor relations. As representative of Victor Pichardo Mr. Medina just stated, there were surveys conducted by UNITE HERE showing that low wages and racial inequality were both present in the jobs at Washington Airport, provided by AirMall's subtenants. A March 2014 survey of 437 out of 800 employees conducted by UNITE HERE showed that under AirMall's concessions at BWI, surveyed African American workers were six times more likely than white workers to work fast food jobs, and while white workers were six times more likely than African Americans to work as bartenders or servers. The labor unrest, racial inequality, low wages provided by the jobs under AirMall's program at BWI are unacceptable. This is not representative of New York standards or New York values. We should be moving New York forward, not backwards. And I would urge the Port Authority not to let AirMall into JFK's Terminal 5. To close, Assemblymember Ortiz believes that workers everywhere have-- workers everywhere have four basic rights. The right to respect, a workplace free from discrimination and harassment, the right to job security, the right to join a union in a neutral environment, and the right to work full time for wages and benefits. So again, we urge the Port Authority to not allow AirMall to conduct operations in JFK's Terminal 5. Thank you.

[Board Chair J. Degnan] Thank you. Neile Weissman.

[Neile Weissman] Chairman Degnan, Director Foye, Commissioners, thank you on the opportunity to speak on behalf of 90 bike club shops and elected officials calling on the Port Authority to widen the GWB paths. Briefly, with due respect to Director Fulton, I did a word scan on the American Disabilities Act guidelines. The word bicycle does not appear. It is a pedestrian standard. Pedestrians right now are somewhere between 15% and 25% of total traffic. Bike cycling is on track to double in 10 years. So in 2024, the single seven-foot span

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that's currently planned for us will be more crowded than what we have today. Back to my remarks. Last month I cited letters of support from the lower and mid-Hudson county seeking to maintain the growth of cycle tourism, so I want to take a shot at the math. You'll be receiving hard copies also online at completegeorge.org. In New Jersey, active transportation has been determined to add a half a billion dollars to its economy in a year, or \$56 per person. If we extend that to the three million residents of the lower and mid-Hudson Valley, that works out to \$174 million per year. In 2020, the north path alone will open and cyclists and pedestrians will have to share that for three years. If recent growth continues, that'll be 50% higher than 2015. Then if you add the tens of thousands of new pedestrians drawn by the spectacular view of the Palisades on a seven-foot path that already has an F level of service, the combination of expected and induced demand will precipitate crowding so severe that cyclists will be compelled to walk, resulting in negative throughput across the span and throughout the region. This scenario would realize the Yogi Berra paradox. Nobody goes there anymore. It's too crowded. And this choke point, if it were to reduce cycle tourism by 10%, the annual loss to the region would be \$17 million. Conversely, if you expanded capacity, that would increase revenue by \$17 million. These are back-of-the-envelope estimates, but I believe they understate the impact. This past Saturday, both sides of the GWB were closed till 9:00 AM. And thereafter, just the north path with 10 flights of stairs re-opened. I checked in with an eatery at Piermont that's popular with cyclists. I asked, how's business? They said, eh, it was off 30%. Thank you all.

[Board Chair J. Degnan] Thank you.

[Janeé Bignon]. If she's not here, we'll move on to John Fitzsimmons.

[John Fitzsimmons] Hello. Thank you. My name, as you said, is John Fitzsimmons. I'm here on behalf of Assemblymember Michael Blake represents 79th District in the Bronx. I am here to represent our office today in solidarity with UNITE HERE's Local 100 who have been fighting for the Port Authority and JetBlue not to contract with AirMall for the concessions opportunity at Terminal 5. Our office was surprised to learn about AirMall's track record, especially regarding racial inequality present in the jobs provided by AirMall's subtenants at Baltimore's BWI Airport. I strongly encourage the Port Authority to find a concessions company that does not discriminate in their jobs and their job placement practices so that there is economic opportunity and equality for all. Based on AirMall's track record at BWI, they should not be given the contract. Thank you very much.

[Board Chair J. Degnan] Thank you. David Riccardi-Zhu. If he's not here, we'll move on to Richard Hughes. Mr. Hughes, go ahead.

[Richard Hughes] Good afternoon, Commissioners. As you know, we at The Twin Towers Alliance have been attending these Board meetings for a number of years, so I think by now we have a pretty good feel for the Port Authority and how you operate, or at least how you present how you operate to the public. One thing that has struck me over and over again is how, with almost every new Port Authority project, there is a moment in the presentation when the presenter talks about how many new jobs that this new project will create, and how many man hours of work it will require to complete. And there is almost always some trumpeting about how once again, this is how the Port Authority is driving the economy of the region. And today

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was no different, by the way. And all of this is presented as if these jobs you talk about have been created out of thin air by some special Port Authority magic, or by ladling some Port Authority special sauce over the local economy. Of course, nothing could be further from the truth. You're all educated men, so most of you have heard of the French economist Frederic Bastiat who debunked this sort of nonsense 200 years ago. In fact, whatever jobs you claim to create would have been created somewhere else in the economy. It's not as if the money you are spending to create these jobs is money you pulled out of the heavens, or printed up in the Port Authority basement, is it? It's our money. And we could have spent that money somewhere else, driving the local economy in our own way, couldn't we? In fact, so mercenary has the Port Authority become in its taxation of the local economy through exorbitant tolls and fees, and so wasteful has it become in the way it spends our money-- for instance, the over \$10 billion at Ground Zero you didn't have to spend, and the \$2 billion at the Pulaski Skyway you certainly didn't have to spend. You didn't have to spend that. That far from being a driver of the regional economy, you are now an impediment to that economy. You're in the way. You're the bandit on the bridge demanding our money or our life. Well, you've taken our money. Now you're ruining our lives. When is this nonsense going to stop? Because it can't go on. The press likes to focus on Bridgegate as an example of Port Authority menace and overreach, but the real menace is your refusal to come to grips with the culture of waste, lack of transparency, secret deals, and if they are to play in properly for the future. Chairman Degnan, you ran a large corporation. You know that if the Port Authority were a company, it would have gone out of business years ago. It keeps staying in business and doing business as usual because nobody has the political will to change. But one day, if you don't get your act together, the people are going to wake up to how they've been defrauded by this agency. Do any of you still want to be on this Board when that day comes? Thank you.

[Board Chair J. Degnan] Thank you. Franciso Espinal. He's not here, we'll move on. What was the name? Franciso Espinal.

[Franciso Espinal] Good afternoon, Board. Before I-- my name is Franciso Espinal Before I read my statement, I would like to read-- I would like to deliver a message from Senator Jose Peralta representing the 13th Senate District in Queens in LaGuardia Airport, who is not able to attend today. The statement from Senator Jose Peralta, "I would like to express my concern regarding AirMall USA, a company being considered by JetBlue to manage and operate food, beverage, and retail concession at JFK Airport, our airport. It is my understanding that AirMall USA does not have good representation when it comes down-- comes to issue present in jobs provided by AirMall subtenants. In fact, a March 2014 survey conducted by the UNITE HERE, of 437 out of approximately 800 employees in multiple airports found that African American workers were six times more likely than white workers to work fast food jobs, while surveyed white workers were six times more likely than African American workers to work as bartenders or servers. This is simply unacceptable. A 2013-2014 survey found that 180 concession workers at Baltimore-Washington Thurgood Marshall International Airport were paid a minimum wage of \$8.50 an hour. AirMall USA currently manages the concession program at this particular airport. I respectfully ask that JetBlue has deeply considered this history of events, whether AirMall is the right vendor to operate and manage concessions at JFK Airport." Now to my statement. For the balance of your three minutes. As a worker at-- I work as a baker at JFK SSP at JFK Airport Terminal 4. I've been working for JFK for 12 years. I'm also a member of

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UNITE HERE Local 100. The Port Authority is currently considering investing nearly \$4 billion in New York Metro Area Airport. It is important that these investments honor the spirit of this city and its people, especially those that make the airport as successful as they are. JFK is where we work in the world to our city. AirMall failed to take responsibility for how people who work at these concession programs are treated, and definitely not in the New York value. New York is being treated-- Thank you, Mr. Espinal, but we've got to be fair to everybody who wants to speak today. So if you'd like to come back next month and say that again, you're welcome. But we're going to move on. (CHANTING) No AirMall! No AirMall!

[Board Chair J. Degnan] Janna Chernetz, would you make your way to the podium and-- No AirMall! No AirMall! No AirMall! You can wait until this-- No AirMall! No AirMall! No AirMall! No AirMall! No AirMall! No AirMall! Thank you. Thank you.

[Janna Chernetz] Thank you, Commissioners. My name is Janna Chernetz. I'm the director of New Jersey Policy for the Tri-State Transportation Campaign Transportation Policy Advocacy Organization. I'd like to thank the New Jersey legislators for their legislative leadership on making sure that this bus terminal, this very important bus terminal, is in New York. This bus terminal is about moving people across the Hudson, and that's what this project should be focusing on. Just to highlight the need of why this is important, we cannot afford to have these one-seat rides increase to two or three-seat rides. New Jersey residents already have the second highest rate of mega commuters in the country. One in seven commuters in New Jersey commute for one or more an hour a day. We'd also like to continue to urge the Board to look past the capacity needs of 2040. When this bus terminal was originally built, it met capacity shortly thereafter. The Board authority cannot afford to make that mistake again. And I believe a Commissioner referenced that we need to be building projects to make sure they can be expanded to meet the future needs. This should be a project of 50, 75, 100 years, not simply 2040. Because by the time it gets built, we'll be close to that year anyway. Also the public input process. I do know that there's a survey that's online. This practice should be expanded. The public input is very valuable, and the Board can use the feedback. And those who are participating in the competition could use that feedback as well. We would emphasize the need for public hearings on both sides of the river at convenient times and convenient locations, as well as perhaps a dedicated email address the New Jersey Department of Transportation uses for larger projects so that feedback can come in continuously. Also, prior comments from the Board highlighted that there is a continued imbalance in the priorities of the Port Authority. Just to put this in perspective, the Port Authority Bus Terminal moves more people than Newark and LaGuardia combined. And the growing-- and the rate that the passengers are going to be increasing at the airports doesn't even meet that of the Port Authority bus terminal. It's five times the rate of increase in the same amount of time for the bus terminal. So we would like to see that this process that's been delayed, but it cannot be made up in a hasty process to figure out what we're going to do with the bus terminal. And finally, on the Gateway, I did read the news this morning about the \$70 million from Amtrak and Port Authority. But that does put New Jersey transit in quite a precarious situation. And we would hope that New Jersey transit, in deference to their opinions, as taken into consideration in the beginning, has been highlighted

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by some advocates and some experts in the area of transportation. New Jersey transit has a lot to gain by the Gateway Project, and they also have a lot to lose. So we do hope that you continue to consider their position and their value in this project moving forward, and I thank you for the opportunity today.

[Board Chair J. Degnan] Thank you. Janet Jackson here?

[Farouk Salin] Good afternoon, everyone. I am Farouk Salin. I work at Terminal 4 with a [INAUDIBLE] company by the name of [INAUDIBLE]. I am here to give my condolences to the families and all that would perish in the Brussels-- in the Brussels thing the other day. And we are asking the Port Authority and whoever's in charge that we are having a hard time with our workplace with the workers and the management. They are giving us a hard time. They are treating us inhumane. We were supposed to go on a strike yesterday, but due to the Brussels incident, we had to call it off until further notice. So I am calling on you, the Port Authority, to please sit with us. At least, we need \$15 a day. Better wages and better everything at our workplace. Thank you very much.

[Board Chair J. Degnan] Thank you. Gertrudis Lopez. She's not here. Murray Bodin, you're up. She's here. I'm sorry, Murray [SPEAKING SPANISH]

[Gertrudis Lopez] My name is Gertrudis Lopez. I work at Newark Airport. I've worked there for 10 years. I've come today to speak about what my fellow coworkers are going through, and also to speak on the horrible incident that happened this week in Belgium, and how that affects the work that we do. [SPEAKING SPANISH] We're very hurt by the incidents that happened in Belgium this week, and God forbid something like that were to happen at our workplace in our country. This is something that we always have to keep in the back of our minds when we're working. [SPEAKING SPANISH] We would like to ask for a prayer for the workers that went through this in Belgium, and also for our workers. Working at Newark, it's like become like my home. And I would like to be able to be comfortable, to feel good in my home, and not to feel terror, not to feel afraid, and not to feel like something would happen to us. [SPEAKING SPANISH] I'm always here at these meetings. I'm always here to speak. And I always say, we can't forget the workers at the airports. We can't forget the people that are in charge of protecting us from these horrible incidents that happened. [SPEAKING SPANISH] We appeal to your humanity and we say we need a raise of \$15 an hour. We're the ones that make sure that the people at the airport are protected and safe. And because of that, we need to make sure that we're paid adequately. [SPEAKING SPANISH] Thank you very much, and have a good afternoon. I thank you, and I will assure you that I will be back. We all will be back, and continue in this fight. Thank you.

[Board Chair J. Degnan] Thank you. Murray Bodin.

[Murray Bodin] My name is Murray Bodin. I'm not the same person that was here five years ago, or the same person I was 20 years ago. I've changed. I've made mistakes. I've said things that were wrong. I've done things that were wrong. In light of what I know today, it was not right to do them. And for those who might have been hurt, I apologize. This is a new world. It's a flexible world. Things are different than they were a year ago. Standing downstairs in a lobby

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and waiting to come up here, I spoke to a lot of people. Some understand change. There were things that went on that couldn't be changed. There needs to be a realization that this is a time of change, and that things that we did last year or last five years ago that seemed right at that time need to be looked at in the light of what's going on today. There were changes, there are things happening in other parts of the world that impact us here. We have to look at what we do, how we behave, how we think, and make decisions based on a reality of the world today. What I said 20 years ago may have been-- I may have felt it was true then. But in light of what's going on in the world today, it absolutely doesn't work anymore. Listening to the discussion of what you all discussed earlier today, you need to step back and say, what are we going to do that's the proper way to go forward? Yes, we did do those things in the past, and yes, we did have some rules that were written in a particular way. How would you write them today to be consistent with the way we have to go forward? Change is very difficult. This is a vast cultural change. Think carefully about how our culture has changed, and how it will change so that my grandchildren and your grandchildren have a society that actually works for them. Thank you.

[Board Chair J. Degnan] Thank you, Murray. If you're ready, the public comment period is over, and we'll turn it to the Executive Director.

[Exec. Dir. P. Foye] Chairman, in the interest of time, I'm going to suggest this. Why don't we hold the Gateway Commissioner Bagger, and then I'll jump in.

[Board Chair J. Degnan] That's a good idea. So at this point, I'm going to turn it over to Commissioner Bagger who's going to lead the introduction on Gateway. Great.

[Comm. R. Bagger] Thank you, Mr. Chairman. Commissioner Cohen and I have been designated by this Board at our meeting in December to serve as liaison for the Gateway Program, and we're pleased that Pat Foye will be updating the Board on our progress today. It was in November of last year that governors Christie and Cuomo, along with Senators Booker and Schumer, announced a framework for creation of a Development Corporation to advance the Gateway Program. And at our Board meeting in December, we passed a resolution endorsing that framework and authorizing work to prepare for the Gateway Development Corporation. The Gateway Program is a collection of rail projects, an integrated plan for rail projects stretching all the way from Newark Penn Station to New York Penn Station, the busiest piece of railroad in North America. That includes, as everyone knows, building a tunnel with two new tracks under the Hudson River, as well as rehabilitating the existing tunnels. But it includes a lot more than that. Also included in the Gateway Program are other important projects, each of which are significant capital projects in their own, including building two new so-called portal bridges over the Hackensack River, rebuilding something between Newark and New York called the Sawtooth Bridge, rail improvements and expansion to four tracks through the whole distance between Newark and the tunnel, include something called a Secaucus Loop that creates a one-seat ride for Bergen line passengers who currently have to switch at Secaucus. Creates a new, one-seat ride to Manhattan. And very importantly, also includes a project called the Hudson Tunnel Box in Manhattan, which preserves the right of way and sort of enables the plans for the expansion into Manhattan. And finally, the establishment of Penn Station South. So this is a very significant, very large, integrated project. The Development Corporation that is being planned will be governed by a Board consisting of four members.

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Amtrak, the US Department of Transportation, and a representative from each state who also serves as members of the Board of the Port Authority. The Development Corporation will be responsible for the development of a funding and financing plan for the Gateway Program consistent, very importantly, with the announced 50/50 federal-local split. This framework leads to a very significant, truly integrated approach at the regional and national levels, and across the agencies. In fact, for Gateway, an executive committee was established that includes the Port Authority, USDOT, Amtrak, New Jersey Transit, the governor's offices and the Senate offices. And that group has been meeting since shortly after our December board meeting to coordinate preliminary activities and to provide inter-agency coordination, even after the Development Corporation has been created. I mean, this is a very important point, and one of our speakers mentioned New Jersey Transit. New Jersey Transit is represented at the Development Corporation not only through the New Jersey board member who will sit there, but also as a member of the executive committee and the working groups that have been established thereunder. So New Jersey Transit is a full participant in that regard, and is a party to the memorandum of understanding that we are authorizing through our resolution today. So really strong project progress is taking place. There's a shared sense of urgency across all the entities. The Port Authority, I think, is stepping up to help drive that momentum and that sense of urgency. And today, the actions we're taking mark an important milestone for the program with our consideration of the resolution to fund a local share of preliminary engineering for the tunnel, to authorize the Interagency Memorandum of Understanding that I mentioned, and also authorizing the completion of the work to create the Gateway Development Corporation itself. Turn to Commissioner Cohen, if he has anything to add, or to go directly to our Executive Director. Pat?

[Exec. Dir. P. Foye] Commissioner, thank you. I want to acknowledge the tremendous amount of time that Commissioner Bagger and Commissioner Cohen have put into Gateway on top of their day jobs and their Port Authority service. And they have been on innumerable calls, meetings, et cetera. And the bad news from their scheduled point of view is that it's likely to continue in the weeks and months and beyond ahead. I want to touch on four things. MOU, \$35 million of funding for preliminary engineering, environmental, and then financing and funding, and this will be short. Today the Board's being asked to authorize a memorandum of understanding among USDOT, Amtrak, NJT, and the Port Authority that establishes a framework for cooperation that Commissioner Bagger just described. The MOU will support the party's collaboration and planning, designing, funding, and constructing the projects that make up the Gateway Program. While this collaboration isn't new, it's important to formalize the framework for cooperation with all parties, including New Jersey Transit, given the importance of Gateway to the entire region. Let me talk about preliminary funding for-- funding for preliminary engineering. The Board's also being asked to authorize an agreement with Amtrak to allow the Port Authority to reimburse Amtrak for up to \$35 million in expenses for preliminary engineering. This is in addition to \$35 million that Amtrak will separately provide, and this \$70 million combined commitment is consistent with the 50/50 federal-local funding framework included in the November 2015 announcement. The funding of the preliminary engineering work will ensure that the environmental review process can continue without delay. Speaking of the environmental review process, as announced yesterday, US Secretary of Transportation Foxx announced that the department will commit the necessary resources to accelerate federal environmental reviews and permitting for the first new tunnel. It's also

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expected that the Gateway Project will be included on President Obama's Infrastructure Dashboard. From firsthand experience here at the Port Authority, we know that's important. The Port Authority is the first agency in the nation to file for expedited treatment on the dashboard for the Bayonne Bridge, which happily we received, and it saved time and money. Presence on the Dashboard was important in shortening the Bayonne NEPA process and the multiple federal agency reviews required. And we expect that status for Gateway will help expedite permitting and approval processes for Gateway. That'll save time, and it'll save money. Remember, a month's delay on the Tunnel project is approximately \$80 million in increased costs every month. Financing and funding. The \$35 million commitment from the Port Authority, together with \$35 million from Amtrak, is intended to jumpstart the planning and environmental process while the funding and financing plan for the program and its component projects is being developed by the Development Corporation. Commissioner Bagger mentioned critically the 50/50 federal-local funding framework, which was in the press release issued in November by Governor Christie, Governor Cuomo, Senator Schumer, Senator Booker, and the Amtrak. That guides the development of the plan. The Port Authority and Amtrak together with other stakeholders will maximize federal grant and utilize low cost federal loan opportunities. As was reported yesterday in the press release, preliminary filings for federal grants are expected in the coming weeks. A critical priority is developing a financing plan and structure for the Development Corporation and for the project that maintains the strong credit rating of the Port Authority while maximizing and leveraging federal grant in low cost loan programs for the project. This is particularly important to us, given the wide range of capital investment needs in the Port Authority's current and future capital plans. Looking ahead, the Port Authority has developed and is refining detailed financing plans for two portions of the project. One in New York, the Hudson Yards box that Commissioner Bagger mentioned, and one in the Jersey, the Portal Bridge. We believe these plans are realistic, scalable, and consistent with maximizing available federal grants and loan programs. And we'll be discussing these plans in the short term with our project partners. Finally, I want to thank and commend our colleagues at USDOT, Amtrak, New Jersey Transit, Governor Christie and Governor Cuomo's offices, state houses, Senator Schumer, Senator Booker, Senator Menendez for their collaboration. And I want to thank my colleague William Laventhal for all his help. Thank you.

[Board Chair J. Degnan] Prior to having a motion approving this memorandum, would the Corporate Secretary indicate any recusals?

[K. Eastman] Commissioner Fascitelli is recused.

[Board Chair J. Degnan] All right. So is there a motion to approve the memorandum of understanding? So moved. Second. Any discussion of questions? Karen, would you take the roll then? Chairman Degnan? Yes. Vice Chairman Rechler? Yep. Commissioner Bagger? Yes. Commissioner Cohen? Yes. Commissioner Fascitelli? Thank you. Commissioner James? Yeah. Commissioner Laufenberg? Yes. Commissioner Lipper? Yes. Commissioner Lynford? Yes. Commissioner Schuber? Yes. Commissioner Steiner? Yes. OK. The matter is the items approved.

[Board Chair J. Degnan] The next item is-- commits to establishing in the Port Authority's 2017 to '26 capital plan, which encompasses both revenues and expenditures, to allocate funds for the

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construction of a new Port Authority bus terminal to be located on the West Side of Manhattan in an amount sufficient to accommodate the anticipated future capacity needs of the new bus terminal, which will be informed by the results of the design competition and capacity study, with the understanding that no commuter bus terminal would be built in New Jersey. Prior to making a motion, I might ask that the Corporate Secretary indicate any recusals?

[K. Eastman] There are no recusals. I'll now request a motion on the item. Is there a motion? Second? Second. Would you take the-- any comments or questions? If not, Karen, would you take the role? Chairman Degnan? Yes. Vice Chairman Rechler? Yes. Commissioner Bagger? Yes. Commissioner Cohen? Yes. Commissioner Fascitelli? Yes. Commissioner James? Yeah. Commissioner Laufenberg? Yes. Commissioner Lipper? Yes. Commissioner Lynford? Yes. Commissioner Schuber? Yes. Commissioner Steiner? Yes. As the votes are in order, the item's approved. The next item concerns actions being recommended in light of certain overbillings by Tishman Construction Corporation that were identified as part of a federal investigation. Specifically, the item directs the Executive Director to require that existing and new contracts with Tishman Construction Corporation be overseen by an integrity monitor at Tishman's sole cost. And the reimbursement with interest by Tishman of overbillings related to One World Trade Center and the World Trade Center transportation hub projects. This item also authorizes a study concerning the potential adoption of a policy and procedures for the debarment and suspension of firms from doing business with the Port Authority. Following the completion of the study, staff is required to submit recommendations to the audit Committee and the Committee on Governance and Ethics, addressing the legal and other issues related to potential adoption of such a policy. Prior to making a motion in this item, I'd ask whether there are any recusals.

[K. Eastman] Commissioner Laufenberg has recused.

[Board Chair J. Degnan] And is there a motion on the item? So moved. Second. Any questions or comments? Would you call the roll, please? Chairman Degnan? Yes. Vice Chairman Rechler? Yes. Commissioner Bagger? Yes. Commissioner Cohen? Yes. Commissioner Fascitelli? Yes. Commissioner James? Yes. Commissioner Laufenberg? Refuse. Commissioner Lipper? Yes. Commissioner Lynford? Yes. Commissioner Schuber? Yes. Commissioner Steiner? Yes. That is approved. We have several other items on today's agenda for which the respective Committee chair will be asked to provide a brief report prior to the matter being considered by the Board. I'll start as chair of the Committee on Operations and submit an item which was discussed in the public session of the Committee earlier today that would authorize agreements with the City of New York, the City Economic Development Corporation, and national resources in order to effect a sale and assignment of the Port Authority's leasehold of Bathgate Industrial Park located in the Bronx. Any recusals?

[K. Eastman] No recusals.

[Board Chair J. Degnan] Is there a motion? So moved. Second? Second. Any comments or questions? Karen, take the roll, please.

[K. Eastman] Chairman Degnan? Yes. Vice Chairman Rechler? Yes. Commissioner Bagger?

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Yes. Commissioner Cohen? Yes. Commissioner Fascitelli? Yes. Commissioner James? Yes. Commissioner Laufenberg? Yes. Commissioner Lipper? Yes. Commissioner Lynford? Yes. Commissioner Schuber? Yes. Commissioner Steiner? Yes.

[Board Chair J. Degnan] Matter's approved. The next item would amend the lease with the George Washington Bridge Bus Station Development Venture to restructure the lease payments with that developer in order to allow for the development venture to absorb and finance additional costs incurred for the redevelopment of the GW Bridge Bus Station. Apart from the lease restructure, the item also authorizes an increase in the Port Authority's capital commitment by \$380,000 from project contingency funds for additional construction work to address certain modifications for the bus gates. Are there any recusals?

[K. Eastman] No, no recusals.

[Board Chair J. Degnan] Do any Commissioners have any questions or comments? Is there a motion? So ruled. Second. Would you read the roll then?

[K. Eastman] Chairman Degnan? Yes. Vice Chairman Rechler? Yes. Commissioner Bagger? Yes. Commissioner Cohen? Yes. Commissioner Fascitelli? Yes. Commissioner James? Yes. Commissioner Laufenberg? Yes. Commissioner Lipper? Yes. Commissioner Lynford? Yes. Commissioner Schuber? Yes. Schuber? Steiner? Yes.

[Board Chair J. Degnan] The votes are in order. The item's approved. The next item would authorize an agreement with the US Department of Commerce, National Oceanic and Atmospheric Administration, for the operation and maintenance of a physical oceanographic, real-time system through April 2020 at an estimated total cost of \$461,620. This authorization would also provide for the Executive Director to enter into future agreements with NOAA for the operation and maintenance of the system beyond that date. Prior to make it a motion, are there any recusals?

[K. Eastman] No.

[Board Chair J. Degnan] Is there a motion? So moved. A second. Second. Any questions or comments? Please call the roll.

[K. Eastman] Chairman Degnan? Yes. Vice Chairman Rechler? Yes. Commissioner Bagger? Yes. Commissioner Cohen? Yes. Commissioner Fascitelli? Yes. Commissioner James? Yes. Commissioner Laufenberg? Yes. Commissioner Lipper? Yes. Commissioner Lynford? Yes. Commissioner Schuber? Yes. Commissioner Steiner? Yes.

[Board Chair J. Degnan] The votes are in order. The matter's approved. The next item would authorize an agreement with the US Army Corps of Engineers to dredge material from portions of the Newark Bay, Port Newark, and Port Newark branch channels to maintain the authorized depth of 40 feet and provide for upland placement at a licensed facility in New York or New Jersey. Port Authority's local share of the cost for this work, which would be performed by the Corps and its contractors, is estimated at \$12.85 million. The Port Authority's share would be

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partially offset by \$2.85 million in federal appropriations under the Water Resources Reform and Development Act. Any recusals? No. Is there a motion? So moved. Second. Any comments or questions? If not, take the roll, please. Chairman Degnan? Yes. Vice Chairman Rechler? Yes. Commissioner Bagger? Yes. Commissioner Cohen? Yes. Commissioner Fascitelli? Commissioner Fascitelli? Yes. Commissioner James? Yes. Commissioner Laufenberg? Yes. Commissioner Lipper? Yes. Commissioner Lynford? Yes. Commissioner Schuber? Yes. Commissioner Steiner? Yes. The votes are in order the matter's approved. The next item rescinds prior actions of the Board and its Committee on Operations in the year 2000 concerning a lease agreement for certain areas of the redeveloped James A. Farley Building Transportation and Commerce Center, and to arrange for a study of proposals for the Port Authority to participate further in the redevelopment of the Farley Building into an intermodal transportation center, to a transaction which could include a commitment of up-- could include a commitment of up to \$150 million for the project. Authorization would, though, be sought from the Board for any further action regarding participation by the Port Authority in this project. Prior to making a motion, are there any recusals? Commissioner Fascitelli has recused. OK. Is there a motion? So moved. A second. Any Commissioners has any comments or questions? If not, Karen, would you take the roll, please? Chairman Degnan? Yes. Vice Chairman Rechler? Yes. Commissioner Bagger? Yeah. Commissioner Cohen? Yes. Commissioner Fascitelli? Recuse. Commissioner James? Yeah. Commissioner Laufenberg? Yes. Commissioner Lipper? Yes. Commissioner Lynford? Yes. Commissioner Schuber? Yes. Commissioner Steiner? Yes.

[Board Chair J. Degnan] The votes are in order. The matter's approved. I'll now ask Scott Rechler, or the Vice Chairman, as Chair of the Committee on Capital Planning, Execution, and Asset Management and the World Trade Center Redevelopment Subcommittee to provide that report.

[V. Chair S. Rechler] Thank you. I will now report on certain items under the purview of the Committee that were discussed in the public session earlier today. The first item authorizes the expenditure of \$196.3 million in furtherance of a \$2.3 billion program for the redevelopment of Terminal A and supporting infrastructure at Newark Liberty International Airport. The total program amount includes previously authorized funds of \$105 million for planning and early construction work. Future Board authorization will be required for additional expenditures beyond the previously authorized and proposed funding amounts to implement the full program. Prior to making a motion, I'll have to ask if there's any recusals?

[K. Eastman] No.

[V. Chair S. Rechler] OK. Do I have any comments or questions? Motion. So moved. Second. OK.

[V. Chair S. Rechler] The roll call, please?

[K. Eastman] Chairman Degnan? >>Yes. Vice Chairman Rechler? >>Yes. Commissioner Bagger? >>Yes. Commissioner Cohen? >>Yes. Commissioner Fascitelli? >>Yes. Commissioner James? >>Yes. Commissioner Laufenberg? >>Yes. Commissioner Lipper?

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>>Yes. Commissioner Lynford? >>Yes. Commissioner Schuber? >>Yes. Commissioner Steiner? >>Yes.

[V. Chair S. Rechler] As the motion has the votes, it is now approved. On the LaGuardia, do we have a resolution?

[Board Chair J. Degnan] Yeah. Is everyone comfortable with that? Oh. I don't know.

[V. Chair S. Rechler] On the LaGuardia, do we need to have a resolution?

[Board Chair J. Degnan] We had discussed this morning an omnibus sort of resolution, which would adopt the colloquy we had about the process we would follow in the future with respect to projects. And I don't know whether that's been drafted or not.

[R. Holwell] We have a working draft. Which, can we reconvene this afternoon to adopt it, or you'd like to--

[Board Chair J. Degnan] We actually are in this afternoon's meeting, at which point we were hoping to adopt it. But if it's not ready, we'll have to--

[R. Holwell] Let me read a draft to you. Resolved that with respect to any project for which the Board of Commissioners has authorized the Executive Director to enter into contracts in excess of \$50 million. The Executive Director and/or his delegated representative, in consultation with the General Counsel or his or her delegated representative, shall present a report to the Board of Commissioners that there have been no material changes to the project as approved by the Board of Commissioners. In the event that any material changes are identified, the Executive Director shall be required to seek approval from the Board of Commissioners before entering into any such contract or any amendments thereto, or any other contracts related to such contract.

[Board Chair J. Degnan] For purposes of discussion, I'll move it. Second. \$50 million's too low. Can we move that to \$500 million? \$500 million? That's what you said earlier.

[Board Chair J. Degnan] I'll accept the amendment. So I'll second. OK. OK.

[V. Chair S. Rechler] So with that inclusion, I guess, of that amendment to this, the next item authorizes-- Uh, Scott-- [INTERPOSING VOICES] Weren't we going to vote on [INAUDIBLE]? Stop. [INAUDIBLE]

[Comm. K. Lipper] No, no. I was talking about a \$500 million project in general would come into this examination. But if there was a material difference of \$100 million, I would like to know about that. That's real money. I think we--

[Comm. S. Cohen] To clarify, I don't think-- the issue isn't defining materiality. It's saying a contract that is over, whether it's \$50 million or \$500 million, will trigger the obligation. So a contract for \$500,000, were there to be a change of some type, there'd be no obligation from the

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Board. I think we're all saying the same thing.

[Comm. K. Lipper] But isn't \$500 million a bigger number than we should have? Like, make it \$300 million or \$215 million. Not for a Board. Not for our level of expenditure.

[Board Chair J. Degnan] Ken, I think it was you who proposed the--

[Comm. K. Lipper] No, as a project.

[Board Chair J. Degnan] Yes. That's what we're saying here. Any \$500 million project will be subject to the requirement of a certification to the Board that the contract being entered to is not materially different from what was authorized.

[Comm. K. Lipper] Not material in any way.

[Board Chair J. Degnan] Yes.

[Comm. K. Lipper] So if it's a \$100 million difference, it would still be considered.

[Board Chair J. Degnan] Yes.

[Comm. K. Lipper] OK. That's number one. Number two-- I'm sorry-- Number two-- You only get one. You only get one. Well, I was getting one-- just a comment on Tony. That wasn't mine.

[Comm. S. Cohen] I second that. Can we have a vote on whether or not he only gets one? All those in favor-- [INAUDIBLE]

[Comm. K. Lipper] Judge, let me just ask you the question. I don't want the executive Director in consultation. I want the General Counsel to give us the opinion that there is no material difference. The Executive Director is the one who negotiated the deal. You don't want the same person who negotiated something give you the opinion. I want the General Counsel's office, with the help of any outside counsel and consultation with the Executive Director to give that opinion, but not the other way around.

[Comm. S. Cohen] I think if there's a disagreement between the Executive Director and the General Counsel, the General Counsel has an obligation to inform the Board. We can say that explicitly. But this is an obligation that falls upon the Executive Director. You don't want to put the obligation on the lawyer.

[Comm. K. Lipper] No, I do want to put it on the General Counsel's office.

[Comm. S. Cohen] With all due respect, you're turning corporate governance on its head.

[Exec. Dir. P. Foye] So two points. One, I'll be plain vanilla. I think this is a suboptimal way to deal with this issue in a public meeting like this. This seems to me, to be frank, crazy. Second,

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I'm going to recommend that the governors veto this standalone resolution.

[Board Chair J. Degnan] Well, I'm sure the governors will take that into consideration, but there is a resolution on the table. So--

[V. Chair S. Rechler] OK. So we have a resolution on the table that was read to us with the amendment-- going to \$500 million was the amendment. So do I have a second-- my motion-- Second. Second. OK. So with that, I guess we'll take a vote on that resolution. This is a general resolution though, right? It's not particular to the-- Yes. The projects. Right.

[Board Chair J. Degnan] Karen, I think Vice Chairman's asked you to call the roll.

[K. Eastman] Chairman Degnan? Yes. Vice Chairman Rechler? Yes. Commissioner Bagger? Yes. Commissioner Cohen? No. Keep going. Uh, Commissioner Fascitelli? That happens occasionally. It's not a reason to stop. Commissioner Fascitelli? No. No? Commissioner James?

[Comm. H. James] Can't decide.

[Comm. H. James] Is this resolution required for LaGuardia? No.

[Board Chair J. Degnan] I believe it's a general resolution that if adopted today would--

[Comm. H. James] So why do it today? Why don't we read it and consider it? That's a good thought.

[V. Chair S. Rechler] I'm game for that.

[Comm. H. James] Is this on the critical path for any piece of business?

[Board Chair J. Degnan] If that's a motion to table-- We could not vote on LaGuardia. That's a motion to table. It is accepted as a motion to table. Is there a second? I'll second that. If there's no discussion on a motion to table, it's a resolution for a table. Karen, would you take the table, please, on the resolution to table? Start again with the Chairman.

[R. Holwell] Mr. Chairman, I also have a draft resolution that directed only to this project, the LGA project. Yes, I'd like to have it just on LaGuardia. If you'd like me to read it, I can.

[Board Chair J. Degnan] Can we do it just on LaGuardia? No, [INAUDIBLE]. [V. Chair S. Rechler] So if we're going to do-- I mean, I think the reality is that we're all-- there's a consensus that we're going to consider a change of policy that would inform how we handle LaGuardia in the future. I would just wait and get that change of policy and do it, I think, in a thoughtful manner, personally.

[Comm. S. Cohen] Why don't we all be clear? It's not a change of policy that relates just to LaGuardia. It's a change of policy that relates to any project of this size. And that's why the

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financial threshold matters. And I happen to agree with Commissioner James. This is not the way to draft a resolution. I think we should go forward with LaGuardia, approve LaGuardia in my opinion, and then within a very short period of time, by the next Board meeting, come back with something that is tight, that is sensible. We operate in good faith, and we'll pass it. I call the question on the tabling.

[Board Chair J. Degnan] It's a fair point, Commissioner. I think Cohen has correctly stated the proposition that's on the table, and it is a motion to table-- Table it. --that's been made and seconded. We'll take the vote on a motion to table. Table.

[Comm. K. Lipper] Is a provision in the--

[Board Chair J. Degnan] Ken, there's no debate on a motion to table. I'm sorry.

[Comm. K. Lipper] I'm not fighting the motion to table. I just want a discussion.

[Board Chair J. Degnan] Ken, please read the-- A motion to table means we're not going to vote on this today.

[Comm. K. Lipper] And what about on LaGuardia?

[K. Eastman] Chairman Degnan? >>Yes. >>Vice Chairman Rechler? >>Yes. >>Commissioner Bagger? >>Yes. >>Commissioner Cohen? >>Yes. >>Commissioner Fascitelli? >>Yes. >>Commissioner James? >>Yes. >>Commissioner Laufenberg? >>Yes. >>Commissioner Lipper? >>Abstain. >>Commissioner Lynford? >>Yes. >>Commissioner Schuber? >>No. >>You're recused, Commissioner Schuber. >>Wait-- >>Sorry. >>The motion to table.

[K. Eastman] General resolution, sorry. As I understand, this is a general resolution. So as a general resolution, I can vote on it one way or the other. If it's particular to the LaGuardia, I understand that part of it. But Ken's point is well taken. OK. And Commissioner Steiner? Yes.

[Board Chair J. Degnan] Then the motion table passes, and the general resolution that was just offered is not going to be discussed today. Right.

[V. Chair S. Rechler] And we'll do that in a thoughtful--

[Board Chair J. Degnan] Could come up in the context of LaGuardia if you want to make the amendment then, Ken.

[Comm. K. Lipper] Well, I'm making--

[Board Chair J. Degnan] We haven't started discussing LaGuardia yet.

[V. Chair S. Rechler] OK. Now we're going to start discussing LaGuardia. All right. Now just to reiterate again, we have one recusal, right? And Commissioner Schuber's our one recusal.

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And so the next item authorizes \$3.5 billion in Port Authority capital expenditures to support the implementation of LaGuardia Airport Redevelopment Program, and at least with the LaGuardia Gateway Partnership for the design and construction of the new Terminal B, which will result in an additional \$1.8 billion in private sector investment at LaGuardia Airport. The cumulative Port Authority and private investment of \$5.3 billion is inclusive of approximately \$600 million previously Board authorized actions related to the program since 2004. Prior to making this motion, I'd like to ask the-- well, we went through the recusal already. And then, any questions or comments?

[Board Chair J. Degnan] I have a comment. And unusually for me, I have a written statement I'm going to make, and I've asked the press office to make it available to the press, because I'm going to go through it quickly. But contrary to my earlier inclinations, which I previously expressed to some folks, I'm going to support this resolution on LaGuardia today. The primary reason is that, like most of my colleagues, I'm at the Port Authority to get things done, particularly those which serve the objective of our core mission to contribute to the transportation infrastructure of the region. I recognize that occasionally the interests of our two states differ, that our priorities may not be common ones, but somehow, historically, the Port Authority as a human institution has found ways to compromise in a fashion that produces forward momentum. We did just that earlier in this meeting when the Board committed to a new bus terminal in Manhattan, and rejected the misguided notion of pursuing such a facility in New Jersey, contrary to the wishes of our governmental and political leaders, as well as our sister transportation agency in the state New Jersey Transit. I appreciate and I'm grateful for the recognition that this is an extremely important development for the people of New Jersey, and for the region. And I thank my colleagues on the Board from both states who led the resolution of this issue. In that context, though, I have to recognize that the development of Terminal B, and indeed, the rest of LaGuardia Airport, is an extremely important priority for the state of New York and particularly for its governor, whose commitment to revitalizing an aging transportation infrastructure is admirable and exciting. Most of this Board, if not all of it, has consistently supported the revitalization of this third-world facility for the past several years, and have been eager to get the process moving. The question for me has never been whether to do it, but rather, how to do it, and how much we can spend out of our limited capital resources to accomplish it. Yet in the spirit of recognizing the priority of my colleagues on the Board in New York and of its governor, I've decided to support the resolution before us today. I still have my misgivings. They relate to the necessity of proceeding with the grand hall given its expense and the fact that without an agreement with Delta, which commits to a rebuild of its terminals, and defines the cost to the Port Authority of such a project, we are potentially building a connector hall which will not connect for a long time to any terminal other than Terminal B, and for an airport where only a very small percentage of our passengers transfer flights. So I would have preferred to delay the commitment to a grand hall and to proceed with the actual terminal rebuild as soon as possible. I also have unanswered questions about the wisdom of a large entrance hall, which will be accessible to the public before security clearance, particularly in light of the Brussels attacks. All of that said, however, I don't get to make all these decisions, and occasionally I have to defer to the judgment of others who are committed to the same goals, but just see a better way to get there. So I've decided to compromise as well. I will fulfill my fiduciary duty of ensuring that the public's money is spent wisely and efficiently, but I believe we can do that around the edges of this project without delaying its immediate beneficial

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impacts. In closing, I just observe, that's the way public bodies ought to function. Listening to and trying to persuade and convince others with a contrary viewpoint while respecting their positions. As long as we were open and transparent about costs and goals, and as long as we adhere to our core mission of transportation infrastructure, and compromise rather than stalemate is what will allow us to move forward. So in conclusion, I view this series of resolutions on the bus terminal and LaGuardia and Newark's Terminal A as a major step forward in our mission and in the region's transportation network. Thank you. Commissioner Lynford. Wow.

[Comm. J. Lynford] First of all, Mr. Chairman, I want to compliment you on your ability to compromise, and the way you've done it today both with Mr. Lipper and with the entire Board. I am very impressed. What I wanted to speak to today was another question raised by my fellow Commissioners earlier about, when does a Port Authority project begin, and when does it end for capital expenditure purposes? And I would like to suggest a couple things that may or may not be helpful to clarify. At least it clarifies it in my mind. While accuracy and transparency is important, also setting correct priorities is very, very important. There are now over 400 projects in our \$26 billion 10-year capital project, which we review quarterly. And how we decide to spend our money and how we've changed the criteria is based on safety, state of good repair, revenue generation, and for me in addition, return on investment. In fact, where's Libby? Libby, you know I ask that question every time we meet in the hall. I was going to say in the bathroom, but we don't meet. Whenever I see you, I ask you the question, what is the hurdle rate? How do we define the economic benefits that we receive for the money we spend? And consistency in underwriting is important for the validity of that question. And so the calculation for internal rate of return, of a return on investment, has a zero period the day you start, and the day you end in determining the calculation. So let me just share with you my humor about how we compare LaGuardia to the bus terminal by going to reductio ad absurdum. 1931, we spent \$13 million to build the Bayonne Bridge. Today, we're spending \$1.3 billion to raise it 56 feet. And it might be \$1.5 billion by the time we're finished. So that's one bridge. That's one project. Do we do our return on investment from 1931 today to calculate it? When did that project begin, and when did that project end? So transporting that to LaGuardia. I think the appropriate number for this calculation, and therefore the criteria, is \$4 billion, or \$4.5 billion. We're undertaking a new project. We're going to complete it in the period certain, we hope. And therefore, when we put it into the 400 projects and we compare it, beside state of good repair and safety, we have that other metric. So what I'm just adding to hopefully the dialogue is when we begin and when we end and money that's spent way in the past is not necessarily relevant to the investment we make today. Anyway, I just hope that my fellow Commissioners will take that in the spirit in which it was given. Thank you. Mr. Chairman. I promise I'll get to you. I promise we'll discuss it. I know--

[Comm. M. Fascitelli] I want to weigh in on this, having done a lot of capital projects. I find-- I thought LaGuardia was-- the motion before is that we're going to spend \$4 billion. If we pissed away \$3 billion before, I can't authorize something that was done in 2005. I mean, it's done. And bad or good, it's done. And again, we have to be consistent. I'm not denying. I think Chairman Degnan is being absolutely straight down the thing. And we may have spent that money, but we-- and again, Pat said before, we spent maybe a billion more for Newark. But I don't think I'm authorizing in Newark a \$3.3 billion project. I think we're organizing a \$2.3

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billion project, the apples to apples. We have to be consistent the way we look at them. And I don't think we can authorize something in the past. If my kid spent \$100 two years ago, I can't authorize it. It's gone. So when can you get it back? And good luck getting it back. Yeah. So I just think we have to have a consistent approach to these things. And we're calculating IRR, we're calculating what the priorities are and how we're going to pay for all these things. Because we have to be able to pay for it. We have to figure out, what's cash and what's on course. So I was confused by the inconsistencies of the two resolutions for these. I have no doubt that before us is a new project for Terminal A in New Jersey in Terminal B in LaGuardia, and the support for that. So I think we just have to develop a framework that's better and more consistent. So we're all on the same page and we all want to do the right thing by trying to prove the entire region. I don't think there's any dispute among this group to do that.

[V. Chair S. Rechler] Well said. Anyone else have any comments here? OK. Go ahead.

[Comm. K. Lipper] I just would like to make an amendment to adopt Judge Holwell's--

[V. Chair S. Rechler] Before we amend it, I just wanted to make sure it's commentary. I promise-- other comments other than an amendment? Tony, do you have anything you want to--

[Comm. H. James] I think I might respond to the amendment.

[V. Chair S. Rechler] OK. So why don't you wait? I just want to make a couple comments about LaGuardia as we go through, and I appreciate everyone's comments. And I know there was a lot of noise about the amount. And I think, Mike, your comment's a fair comment. I think as we look through what we're doing today, we're moving forward with three very important capital projects, right? We're moving forward with LaGuardia, Newark Terminal A, and the bus terminal. And my view on LaGuardia, of the three, has had the most extensive amount of work put in to ensure that we're able to produce the right product for the public in a way that controls cost and delivers it on time, and meets the objectives for the 21st century. And as I think through the entry portal, which the Chairman spoke to, I agree there's a question as to the importance without Delta. And my view is it's leading the way to a unified 21st century airport. And I'm very confident that Delta, the largest airline in New York, is going to actually build the terminal to connect to that entry portal. And by taking that and putting it into plan, we're incenting them to go and take that step forward. And so I don't believe it is a situation where we have an entry portal to nowhere. But what I would say as I look at the projects, and the one thing that I'm just a little concerned about and I want to clarify is on the bus terminal side of things, which I want to clarify at least my comments about that. I think there's been some misconstruing of my view on the bus terminal. I've always believed that we need to rebuild the bus terminal. And I was actually with the Chairman and Ken Lipper when we toured the first day the Chairman started work at the bus terminal. And so there was never any doubt that we were going to be building a bus terminal in Manhattan. My perspective is that if you're going to think about the future and having capacity, now it's going to be 50% more than it was today in the future 10 years from today, or 20 years from today. The question is, how do we get the capacity through the Lincoln Tunnel? And how do we solve that problem? And if we're going to build a \$10 billion bus terminal, there's a bus terminal that buses can't get to because they can't get through the Lincoln Tunnel, that doesn't do the riders a justice. And the riders in New

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Jersey, again, my view was never to force riders in New Jersey to have a two-seat ride. But there is a large percentage-- I've heard anywhere from 40% to 50%-- of the riders in New Jersey that come in the bus terminal and then get in subway system. And we just talked about the Gateway Project. We talk about Secaucus. We talked about our PATH system. All I was hoping for was studying alternative ways that we could shed some of that future congestions, future users to public transportation on the other side of the Hudson so that the people that were taking the two-seat ride are still taking the same two-seat ride, but they're doing it more efficiently, and they're not being stuck in the Lincoln Tunnel. So while I'm supporting in the focus of the horse trade of compromise that we have here today, including the bus terminal at this point in the Capital Plan, which I always would have included in the Capital Plan, I would have preferred to have done it in a more systematic way, and a process that's been more consistent with how this new Port Authority Board has functioned in the past. And I would have also preferred to have studied more deeply alternatives to shed some of the capacity in New Jersey. And what I'm hopeful for-- because we're going to have a lot of heavy decisions to make. We have a Capital Plan-- everyone's referenced it so far-- that can't support all the projects that we have in there. And so we're going to have to look at that Capital Plan carefully and determine which ones of these projects we're going to keep, and which ones we're going to shed, and where we're going to generate new revenue sources to create more capacity to be able to do all the things that we need to do. Not what we want to do. Frankly, that we need to do as a region to keep the region running. And these are going to be tough decisions that we're all going to have to make along the way as we go forward. But again, I just wanted to make sure I clarified those points before--

[Board Chair J. Degnan] Just a point of clarification. I understand Scott's position, and I respect it. But the motion today commits the Port Authority to including in the Capital Plan the cost of the bus terminal. If other projects have to be deleted, amended, or revised, that will be the case. But the bus terminals in there in West-- the West Side of Manhattan at the--

[V. Chair S. Rechler] I wasn't trying to say other than that.

[Board Chair J. Degnan] OK.

[V. Chair S. Rechler] I was just giving my perspective of the process and how I always would have had the bus terminal in there. Sorry.

[Exec. Dir. P. Foye] Regardless of the cost? Well, as he said-- The Chairman yesterday threw out \$15 billion. That's a high range, high end of the range estimate for the bus terminal, \$15 billion. Are we really going to crowd out \$15 billion of existing spending?

[Board Chair J. Degnan] Pat, I did that in a private conversation that you and the vice Chairman and I had in which you raised your objection to not including a number for it. And I said, why don't you include a preposterous number-- Oh, John. That's not what-- Like \$15 billion. And you said, do it. And I said, that's so ridiculous, we're not going to discuss it. I don't understand why you're raising that today. Pat. The resolution has passed. You're out of order. Just sit tight. I know you don't agree with it, but you don't get a vote here.

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[Exec. Dir. P. Foye] No, I know, John. It's a matter of fiduciary duty to not know whether we're talking about \$100, a billion, or \$15 billion, a number you used yesterday.

[Board Chair J. Degnan] This is out of order. The motion has passed. There's not a-- there's not time for a public comment here. Keep it to yourself.

[V. Chair S. Rechler] OK, moving on. I appreciate, again, that. I think my view is, again, this is all, as I said, going to be dealt with as we go through the capital plan process, which we're going to begin, and to the second and third quarter of this year, hopefully resolve a capital planning process that yields that outcome. So now are we going to take any other comments before we get to-- Ken? Ken?

[Comm. K. Lipper] I'm not going to repeat what I said before. Good. [LAUGHTER] I have been a long-term proponent of the LaGuardia project. I'm a great admirer of the governor for getting behind it and giving it the momentum that it has. However, I believe that procedural integrity is even more important than any substantive project. And I believe that the delegation of authority contained in the resolution, whereby the Executive Director, on his own, his own recognizance, decides whether there has been compliance with the terms of the agreement, and no Board action, and the delegation to a Board Committee of taking up where there is a major deviation from the instructions that were given to the executive directive versus the contract that's been negotiated, again, without any Board action is illegal delegation of authority, and it would prevent me from voting for a resolution that I am for in substance to build LaGuardia Airport. What are you asking? So I'm asking for an amendment in keeping with Judge Holwell's statement that he read to specifically replace the two resolutions that are in the agreement about the Executive Director, and which was your group, Scott, that was overseeing it? Not the capital-- Planning. Planning.

[V. Chair S. Rechler] Operations.

[Comm. Ken Lipper] Operations Committee to replace those two provisions with the amendment that Judge Holwell read. And I formally make that amendment and ask for a vote on that. Well, just let me comment before you do that, please.

[Comm. H. James] Can we approve the LaGuardia thing? We're going to come back to and work out a procedural way that it would apply to all big projects to be respon-- hang on, just listen-- to be responsive to your concern. Right? We just talked about it. And I think we have the outlines of it. Can we approve the LaGuardia project subject to it also being governed by that same procedural thing that we'll work out?

[Comm. K. Lipper] But I don't know what that same is. I'm for LaGuardia.

[Comm. H. James] You heard the judge lay that out. I think we've got substantive agreement.

[Comm. K. Lipper] But can't we agree to that right now?

[Comm. H. James] We don't have language.

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[Comm. D. Steiner] Why don't we just do this? Vote against it. That's all.

[Comm. H. James] That's fine too. You'll get a chance later on. So there's a motion. Is there a second for this motion? Every time we go through this, you keep bringing this-- I feel like I've heard this about 12 times today.

[Comm. H. James] I was only suggesting that we move forward with LaGuardia just for the understanding it would be governed by what the judge read when we finally worked it out.

[Comm. K. Lipper] Well, we have with the judge. That's a question. Are the votes here for that? Is there some kind of commitment?

[Comm. H. James] We tabled that. We're going to come to that later. We'll work something out, and that will govern LaGuardia also. Don't you want-- Not that complicated. --bus terminal-- I do. [INTERPOSING VOICES]

[V. Chair S. Rechler] You hear a consensus from everyone here that we're going to address it. So if you're uncomfortable, you could vote no for LaGuardia and then deal with it later on. Yes, understanding there's a consensus that we're going to have some sort of--

[Comm. M. Fascitelli] I just want to clarify. You used the word illegal. Is there a layer that-- I don't-- nobody should be voting on something, quote, "illegal." Can I be heard on that point?

[Comm. S. Cohen] Because look-- and I would love to move on from this, and we should just vote. But Ken, you've repeatedly said that to vote would be illegal, to delegate this way would be illegal. Number one-- let me finish. I happen to disagree as a matter of law. Our General Counsel apparently disagrees as a matter of law. But put that aside.

[Comm. K. Lipper] Is that so?

[Comm. S. Cohen] Let-- can I finish? Ken, what I have been baffled by, and I repeated this earlier, is you just voted for the very language in the Newark proposal that you said is illegal. And so I don't understand why it is that you want one rule for LaGuardia and another rule for everything else. And what 11 people are saying to you is, we hear your point. It's a valid point. But we should deal with it in a consistent way as a policy matter that will apply to all projects. And I for one don't appreciate you telling me I'm about to vote on something where the language would be an illegal delegation when you just voted that way on a different project. With that-- Can I ask the judge? Let me just comment more generally. Are you done, Ken?

[Comm. K. Lipper] I just want to ask the judge, does he agree that it's not an illegal delegation? Pull the question. It's just been said that you agree that there is-- that our General Counsel agrees that there would not be an illegal delegation of authority. Is that the case?

[R. Holwell] I do not have an opinion now that voting for this resolution would result in an illegal delegation.

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[Comm. K. Lipper] Thank you.

[R. Holwell] May be unwise.

[Comm. K. Lipper] So we don't have an opinion.

[Comm. D. Steiner] Can we have the vote and no more discussion?

[Comm. H. James] I just wanted to say--

[Comm. K. Lipper] Tony, I'm interested in voting for LaGuardia. But the question is, will we make this-- All right.

[Comm. H. James] Well, let's vote for it, and then we we're going to address your point. We all promise you. You've heard that from 11 of us. All right.

[V. Chair S. Rechler] With that, I'm going to call for a vote. Karen, please.

[K. Eastman] Chairman Degnan? >>Yes. >>Vice Chairman Rechler? >>Yes.  
>>Commissioner Bagger? >>Yes. >>Commissioner Cohen? >>We're voting on the LaGuardia proposal, correct? As it currently stands. Yes. >>Commissioner Fascitelli? >>Yes.  
>>Commissioner James? >>Yes. >>Commissioner Laufenberg? >>Yes. >>Commissioner Lipper? >>Yes. >>Commissioner Lynford? >>Yes. >>Commissioner Schuber? >>Recused.  
>>Commissioner Steiner? >>Yes.

[V. Chair S. Rechler] OK. We have the votes. The motion has passed. Hallelujah. OK. We got more to do? You're not the same since you fell.

[Board Chair J. Degnan] Karen, is that the end of the-- No. No.

[K. Eastman] Of course, I've got more. OK.

[V. Chair S. Rechler] The next item authorizes a \$90.9 million project as part of the George Washington Bridge Rehabilitation Program for the rehabilitation of the Center Avenue and Lemoine Avenue Bridges which are located over their approach roadways in New Jersey that serve the George Washington Bridge. Are there any recusals?

[K. Eastman] No recusals.

[V. Chair S. Rechler] Anyone have any comments or questions? Can I get a motion? Move it. So moved. Second. >> Chairman Degnan? >> Yes. >> Vice Chairman Rechler? >> Yes. >> Commissioner Bagger? >> Yes. >> Commissioner Cohen? >> Yes. >> Commissioner Fascitelli? >> Yes. >> Commissioner James? >> Yes. >> Commissioner Laufenberg? >> Yes. >> Commissioner Lipper? >> Yes. >> Commissioner Lynford? >> Keep going, and I'll come back to it. >>Commissioner Schuber >> I'll tell you later. >> Commissioner Schuber?

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>> Commissioner Steiner? >> Yes. >> Commissioner Lynford? >> Yes. >> That's all. >> That was it. >> All right.

[V. Chair S. Rechler] So we have the votes. That is passed. We move on to the next one, which is switching to the World Trade Center Redevelopment Subcommittee will now report on certain matters that were discussed in public in the Subcommittee earlier today. The first item authorizes the award of a construction trade contract to Paul J. Scariano Inc. for the fabrication and installation of a bollard protection system in the amount of \$3.7 million as part of an at-grade flood mitigation resiliency improvements at the World Trade Center site. Are there any recusals on this matter?

[K. Eastman] No.

[V. Chair S. Rechler] OK. May I have any comments or questions in motion?

[Comm. M. Fascitelli] I just want to make a comment that we're approving a \$3.8 million--Seven. --thing right now. Right? It's so inconsistent. We're \$3.8 million. We're approving that, but we're going to have a \$50 million or \$100 million materiality. We just have to make sure we're consistent the way we approve everything to do with this. We can't make an isolated decision.

[Comm. H. James] And Mike and I have been talking about this, and I think we both think what comes to the Board level should be a much higher cutoff. Right. Because what this is doing is it's crowding out substantive conversation about-- about really important things. Wasting our time with minutiae.

[V. Chair S. Rechler] Well, it's worth having the conversation, because we've had that before. And unfortunately, there's this thing called the consent calendar, which then got abused, and then little things became big things. So we've got to think that through. But I think it's worth having a conversation about.

[Board Chair S. Rechler] Mike, you make a valid point that the complication we have, with all due respect, guys, is that the gubernatorial veto power over Board actions has always been used before my time on the Board as a rationale for why this Board considers items that a public company Board would not tolerate having on their table. So I think you raise a very valid point. I'd invite a discussion among us about whether we should negotiate some scope here. Let them veto it, and then we'll see. Yes. I don't care. Right.

[V. Chair S. Rechler] OK. So now we're going to take a roll call vote on our \$3.7 million item.

[K. Eastman] Chairman Degnan? >> Yes. >> Vice Chairman Rechler? >> Yes. >> Commissioner Bagger? >> Yes. >> Commissioner Cohen? >> Commissioner Fascitelli? >> Yes. >> Commissioner James? >> Yes. >> Commissioner Laufenberg? >> Yes. >> Commissioner Lipper? >> Yes. >> Commissioner Lynford? >> Yes. >> Commissioner Schubert? >> Yes. >> Commissioner Steiner? >> Yes.

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[V. Chair S. Rechler] OK, then. And as I have recused myself of the last two items, I'm gladly handing them back to the Chairman.

[Comm. K. Lipper] Mr. Chairman, I have a question that I have a point of order or whatever you call it. If I wanted to abstain on the LaGuardia vote until we did pass Judge Holwell's kind of motion, is that possible?

[K. Eastman] No. Tim?

[Comm. D. Steiner] You want to change your vote to abstain?

[Comm. K. Lipper] Yeah.

[Comm. D. Steiner] Go ahead. Change it.

[Board Chair J. Degnan] I'll tell you what-- Who cares? I don't know what parliamentary procedure allows in this time, but I'm going to ask my colleagues here, does anyone object to the record being changed to allow Ken to switch his vote to an abstain? I do not object. Robustly supports. No one objects? Ken, Karen will-- Abstain.

[Comm. K. Lipper] I object to listen to any more discussion about this. >> We don't care anyway. >> Please record. >> Don't listen to anything. >> That's ridiculous. >> All right. >> Please.

[Board Chair J. Degnan] A little decorum, guys. Please, Karen, change Commissioner Lipper's vote on LaGuardia to abstain.

[Comm. D. Steiner] I'm 86. I don't know how many more years I've got left to listen to this.

[Board Chair J. Degnan] The next item-- >> Mr. Chairman, my blood sugar's getting a little-- >> Gentlemen. The next item authorizes the reallocation of funds previously authorized by the Board in connection with Hurricane Sandy related to repair work in the amount of approximately \$133.74 million to support completion of mitigation efforts and repair and replacement of facilities and equipment at the World Trade Center site that were damaged or destroyed by Sandy and its associated storm surge. And recusals?

[K. Eastman] Yes. Vice Chairman Rechler and Commissioner Steiner.

[Board Chair J. Degnan] OK. Is there a motion? So moved. A second. Second. Comments, questions? If not, a vote.

[K. Eastman] Chairman Degnan? >> Yes. >> Vice Chairman Rechler? >> Recused. >> Commissioner Bagger? >> Yes. >> Commissioner Cohen. >> Yes. >> Commissioner Fascitelli? >> Yes. >> Commissioner James? >> Yes. >> Commissioner Laufenberg? >> Yes. >> Commissioner Lipper? >> Yes. >> Commissioner Lynford? >> Yes. >> Commissioner Schuber? >> Yes >> Commissioner Steiner? >> I'm recused. >> Thank you.

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[Board Chair J. Degnan] And the votes are in order. The item's approved. The next item authorizes the reallocation of funds previously authorized relating to One World Trade Center in the amount of approximately-- Commissioner Fascitelli-- \$3 million to reflect actual efforts to close out remaining contracts and certain contract increases totaling \$22.4 million for common infrastructure work required to complete the Vehicular Security Center. Come on. Stay with me, Dave. And World Trade Center subgrade roadway network projects. Are there any recusals?

[K. Eastman] Vice Chairman Rechler has recused.

[Board Chair J. Degnan] Is there a motion? So moved. Second. Second. Discussion or comment? Roll call.

[K. Eastman] Chairman Degnan? >> Yes. >> Vice Chairman Rechler? >> Recused. >> Commissioner Bagger? >> Yes. >> Commissioner Cohen? >> Yes. >> Commissioner Fascitelli? >> Yes. >> Commissioner James? >> Yes. >> Commissioner Laufenberg? >> Yes. >> Commissioner Lipper? >> Yes. >> Commission Lynford? >> Yep. >> Commissioner Schuber? >> Yes. >> Commissioner Steiner? >> Yes.

[Board Chair J. Degnan] We are now all, I'm sure, incredibly delighted that I'm going to ask Commissioner Steiner to provide his very brief report as Chair of the Audit Committee.

[Comm. D. Steiner] I'm willing to waive it. Is there--

[Comm. D. Steiner] Would it be OK with you Mr.-- Mr.-- what's your name there?

[Board Chair J. Degnan] I think we need a vote on an item there. So read it quickly.

[Comm. D. Steiner] Thank you. Pursuant to its authority under the By-Laws and its Charter, the members of the audit Committee have reviewed and approved the Port Authority's financial statements and appended notes for the year ended December 31, 2015. As such, the Committee recommends to the Board that the financial statements, including the Port Authority's comprehensive annual financial report and other publications as appropriate. Prior to making a motion on this item, I would ask the Corporate Secretary to notice any Commissioner recusals on this matter.

[K. Eastman] There are no recusals.

[Comm. D. Steiner] OK. Now request a motion for that. Can I get a motion? Motion. Second. Can I get a second? Second. Secretary, will you call the roll, please?

[K. Eastman] Chairman Degnan? >> Aye. >> Vice Chairman Rechler? >> Yes. >> Yes. >> I'm sorry. >> Commissioner Bagger? >> Yes. >> Commissioner Cohen? >> Yes. >> Commissioner Fascitelli? >> Yes. >> Commissioner James? >> Yes. >> Commissioner Laufenberg? >> Yes. >> Commissioner Lipper? >> Yes. >> Commissioner Lynford? >> Yes.

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>> Commissioner Schuber? >> Yes. >> Commissioner Steiner? >> Yes.

[Board Chair J. Degnan] OK. With the Executive Director's acquiescence, we're going to pass on his report to the Board. He has submitted that report in writing. It was very helpful, constructive. And there be no further business of this meeting. I move to adjourn it. Second. Any objections? Meeting's adjourned. Thank you all.

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**The Port Authority of New York and New Jersey**  
**Board Meeting Transcripts**  
**April 28, 2016**

[Board Chair J. Degnan] The Board meeting of the Port Authority of New York and New Jersey and its subsidiaries is now called to order. Earlier today, the committees on Capital Planning, Execution and Asset Management as well as Governance and Ethics met in public session. And the Committee on Finance met in both public and executive session. And the World Trade Center Redevelopment Subcommittee met in executive session. Their reports will be filed with the Official Minutes of today's Board meeting. The Commissioners as a whole also met in executive session earlier today to discuss matters related to personnel and personnel procedures and to discuss and act upon matters related to proposed, pending or current litigation, or judicial or administrative proceedings and finally, matters involving ongoing negotiations or reviews of contracts or proposals. At this point, I want to acknowledge that there is a milestone that we should recognize today. Saturday, April 30, marks the 95th anniversary of the Port Authority. Since its inception in 1921, Port Authority of New York and New Jersey has been committed to meeting the economic and critical transportation infrastructure needs of the bi-state regions, businesses, residents, and visitors. And I believe that many of the projects that have come before this Board recently, have demonstrated the Port Authority's continued commitment in that regard. As I look around the room, I know that many of the career staff present today have experienced professional challenges that have tested their mettle, including response to and recovery following two terrorist attacks at this very site. The resilience of the agency is a testament to the dedication and oftentimes selfless commitment of the staff. It is these attributes that will be critical to deliver the many transportation projects in the coming years. I understand that the Vice Chairman would also like to say a few words.

[Vice-Chair S. Rechler] Thank you, John, for proving me this opportunity. I'd also like to congratulate the Port Authority in this great milestone. And while the Port Authority is known for a lot of our facilities and our buildings, I think what's really most important and most impressive to me of the Port Authority over the years, are the staff and the team members that are responsible for building those buildings and operating those facilities. I mean, I saw it first hand over the last five years, when down at the Superstorm Sandy, the level of dedication and focus and commitment that the Port Authority staff has put in to making sure that we always operate at the higher standards and that we do whatever we can to make our region as economically viable as possible. And even, you watch what happened with Lower Manhattan, and how this group of individuals, in a very emotional setting, you know, stepped up and really built the city within a city, in a very difficult environment. And so, when I think about the 95 years, I want to commend the 7000 members of the Port Authority staff and I look forward to watching, which I do now, in the next 95 years, so thank you, all, for your efforts.

[Board Chair J. Degnan] >> All 95. I plan on being here. You're an optimist. >> I am. Okay, thank you, Scott. At this point, Pat, I'd ask our Executive Director to provide his report.

[Exec. Dir. P. Foye] Thank you, Chairman.

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[CLEARS THROAT] Commissioners, members of the public, colleagues, I'd like to touch on briefly three topics. One is an update on airports, second, an update on the Gateway Project and third, steps that we've taken following the tragic attacks in Belgium last month. Let's begin with airports. At last month's Board meeting, the Board authorized two transformative projects to modernize the Port Authority's airports. The replacement of Terminal A at Newark and the replacement of the Central Terminal Building at LaGuardia. Here's a brief update. Planning is underway for the new Terminal A at Newark. Staff is preparing to seek input from the private sector later this year through an RFI. This will provide insight on the proposed design build delivery approach for the new terminal, to be led by Aviation and Engineering, working together with Procurement. We took the same approach at LaGuardia and gained valuable information for that project. For LaGuardia, I'm pleased to report that Commercial close occurred on April 12th for the public-private partnership to build the new Terminal B at the LaGuardia. The next step for the public-private partnership, the largest ever in the United States, is financial close, which is expected within 60 days of commercial close. LaGuardia Gateway partners the consortium that will deliver the 21st century terminal, has provided closing security as closing security, as required by our agreement. It's agreement with the Port Authority. Has provided closing security of \$60 million to ensure fulfillment of its obligations, leading up to closing. On April 21st, Moody's assigned a provisional investment grade rating of BAA3 to the approximately \$2.5 billion in special facility bonds to be issued by LGP. The following day, Fitch assigned a provisional investment grade rating of BBB. Both agencies' ratings are the same indicative ratings suggested by them last year. Finally, LGP has entered into detailed, non-binding term sheets with the five largest airlines at CTB. Two of the three remaining CTB Airlines have indicated to LGP that they intend to sign the term sheet, pending receipt of required internal approvals. Finally, LGP is in discussions with the remaining eighth CTB Airline. Work has already begun on turning these non-binding term sheets into long-form sublease between LGP and the airlines. This is all positive news. On Gateway, I'd like to report on two important milestones. First, as the environmental review process is getting fully underway for the Hudson Tunnel project, which is the construction of a new tunnel under the Hudson River, and the rehabilitation of the 105-year-old ones, tunnels, that were significantly damaged by Superstorm Sandy. To obtain public input for the scope of the environmental impacts statement, New Jersey Transit and the Federal Railroad Administration, working together in coordination with the Port Authority and Amtrak, have scheduled public hearings in New York on May 17th and New Jersey on May 19th, I believe in Union City. Details on these hearings will be available following the publishing of the notice of intent on the federal register. Which is expected to be available online as early as this afternoon. Second, the Port Authority and its Railroad partners on the Gateway Program expect to submit a grant application for USDOT's TIGER grant program to support the Hudson Tunnel project. The partners are looking to maximize the use of federal grants. And this step is just one of many planned applications for federal funds. I want to acknowledge the extraordinary cooperation of USDOT, Amtrak and New Jersey Transit on Gateway over the last several months. I also want to thank Senators Schumer and Gillibrand and Senators Booker and Menendez and the staffs for their assistance and counsel. Finally, Commissioners Rich Bagger and Steve Cohen are both with us today, have devoted a great deal of time to overseeing these efforts and we thank them for their time and counsel. Lastly, the attacks on Belgium. Following the tragic terrorist attacks last month in Belgium at Zaventem Airport and Maelbeek Metro Station, under the leadership of our CSO, Tom Belfiore, Port Authority Police and the Port Authority security and operations

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staff continue to be vigilant. Among many actions taken, some of which I will not describe today, we've implemented numerous steps in response to these tragic incidents and others around the globe. Among the steps taken, Port Authority Police Department has stepped up its presence and visibility at the Port Authority's airports, including the use of special operations teams, additional police officers that patrol the passenger areas of the terminals and security personnel have also increased their inspections and vigilance level. At our other facilities, high visibility anti-terrorist patrols have been added, including a PATH, Port Authority Bus Terminal, and here at the World Trade Center. We're coordinating closely with NYPD and other local police forces where we operate, the state police in both states, FBI and the Joint Terrorism Task Force in both states. Our staff and facilities were prepared for these types of events through the significant efforts of our Office of Emergency Management, which conducts rigorous preparedness drills for security events such as terrorist attacks and regular active shooter exercises, including one that Chief Security Officer Belfiore, Superintendent Fedorko, Deputy Superintendent Cetnar and I attended early Sunday morning several weeks ago at the bus terminal. This is one of many that the Port Authority has already done and continues to do in the future. We continue to adapt our response based on developments through intelligence advisories from our law enforcement partners. Thank you, Chairman.

[Board Chair J. Degnan] Thank you, Pat. Any questions from our commissioners? If not, Commissioner Pocino, who is Chair of the Board's Working Group of Port Authority Minimum Wage Policy, will now provide... I'm sorry. Commissioner Pocino, who's Chair of the Board's Working Group on the Port Authority's minimum wage policy, will now provide an update on the status of the economic impact assessment.

[Comm. R. Pocino] Thank you, Chairman Degnan.

[Comm. R. Pocino] As Chair of the Board's Working Group on the Minimum Wage Policy for Airport Workers, I am pleased to provide an update on these efforts. InterVISTAS Consulting was retained by the Port Authority to perform the economic impact study that was previously recommended in order to assist our working group with its assessment. InterVISTAS is a leading U.S. Consulting firm specializing in Aviation and is the go-to firm for many U.S. airports with respect to assessing the economic impact of airport related endeavors. To date, the firm has substantially completed its first deliverable, providing a summary of the relevant research with respect to impacts of increases in wages and benefits on airports, governmental bodies and airport related industries. The working group will next be reviewing a work plan to ensure that the proposed economic impact study achieves its objectives of ensuring that the Board has the necessary information to provide... I'm sorry. Information prior to considering any further revisions to the Port Authority's policy with respect to wages and benefits for airport workers. It is a working group's expectation that the study will provide full visibility of the potential regional economic impacts of any adjustment on the availability and number of airport jobs, our tenants, other private companies that serve the airports, our customers and the agency at large. Based on the current schedule of deliverables, we anticipate that the study should be completed at the end of June 2016. Thank you for the opportunity to provide this update and I look forward to reporting back to you as this important progress continues. Thank you, Mr. Chairman.

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[Board Chair J. Degnan] Thanks, Ray. Any comments or questions by the Board? At this point then, we'll provide an opportunity for members of the public to comment on Port Authority matters. As usual, this comment period, which may be limited to 30 minutes in total, but we never do, provides an opportunity for members of the public to present their views directly to the Board, but doesn't provide for a dialog. Members of the public wishing to discuss a specific matter with the Port Authority staff are advised to contact the Public Affairs Department And generally, although we make exceptions for public officials. Speakers are asked to comply with the fixed time limit of three minutes. First speaker we're delighted to recognize again at the Port Authority in recognition of his interest in the importance of the relationship between the city and this agency is Mayor Ras Baraka. Mayor.

[Hon. Ras Baraka] Thank you, President and all the Commissioners here today. I don't have any prepared remarks. I do want to say that I'm elated that the Port Authority seems to be doing well economically based on the reports that I sat and witnessed this morning. I'm here for specific reasons. One, there has been talk about the PATH Train from New York to the airport versus... Lately on the news, versus the New Jersey Transit bus terminal in New York City. Of course, I support the PATH going through the city of Newark and I have to say that, you know, ultimately, we think that that is the best economic idea for the region. We believe that it helps Newark tremendously, it helps the state of New Jersey, it helps the airport. I just want to make sure I put on record that the Mayor of the City of Newark supports the one-stop train from Manhattan to Newark Liberty International Airport. And it is important for us in the city and I think it's important for the state, and finally, it is important for this agency to spend some real dollars in the state of New Jersey versus the amount of money that's always spent, in my opinion, on the other side of the river. I want to make that clear. You know, there has been folks from New Jersey who have been saying that they support the bus terminal. I came here today with Senator Rice and, you know, Alturrick Kenney, who deals with our port operations in the City of Newark to let you know that the Essex County Delegation supports the stop, the train that goes from Manhattan to the airport and we hope that this body here supports that as well and does not put it on the back burner, you know. In the news they said that we're putting it two or three years out. We think that that's something that should happen immediately. I know that there were plans and discussion about it happening immediately and we need that to take place. Secondly, there are some issues that we have centered around employment at the port and we should be down there on Monday, which does not directly deal with the gentlemen that are sitting up here today, it deals with the fact that we have two locals in the City of Newark that I believe are segregated locals in this century seems to be bizarre since 1964 Public Accommodations and all kinds of civil rights bills, outlaw segregation. I don't think that there should be any organization that's segregated based on race, religion, culture creed, nationality, sex. I think that we all know what the constitution purports, and so we are outraged by that and we think that we are not getting enough jobs in the City of Newark, particularly for women, African Americans, Latinos and city residents. So this is what we have an issue with. And there are a few other things that I don't want to belabor this morning with you. There's some issues of course, we have an audit happening right now. The whole question about this whole Uber thing is also fresh in the media, so I think that... We also have the RFP out on the street. I think that I've had a meeting with the Chairman, I think. I would like to ask for another meeting, and a kind of serious meeting for us to begin to discuss some of the issues that we have, that we can begin to bring resolution to some of these issues that exist in our city versus what's happening at the port. We do not want to

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have a contentious back and forth relationship, we want to have a relationship where we can talk, cooperate and discuss the problems that we have in the City of Newark and the successes, as well. And before I leave, I do want to say I support the \$15 increase in minimum wage there at the airport for the workers and hopefully that also happens as well. Any opportunity that we get to sit down and have a meeting to begin, negotiate or talk about some of the things and not do it through the star ledger on Channel 12 and 4 and 7, we're making those guys money, you know, getting them rich. I think it's important for us to sit down and talk about these issues for real and come to some resolution on them. Thank you.

[Board Chair J. Degnan] Thank you, Mayor. I do want to acknowledge that Senator Ruiz called me this morning and said that she had intended to come here today to support your position on the Newark extension of PATH. And... But she was at the last minute unable to come and asked me to note for the record her support. Senator Ron Rice is here as well, the Senator from New Jersey and from Newark. And, Senator, if you want to... Do you want to speak?

[Hon. Ronald Rice] Mr. Chairman, not really. I just want you to know that I'm here to support the Mayor. I'm glad to see New Jersey delegation, here.

[Board Chair J. Degnan] Point well taken and we'll follow up on that. Thank you, Senator. The next speaker is Aldrin Bonilla, who is the Deputy Borough President of Manhattan.

[Aldrin Bonilla] Good morning. Thank you, Mr. Chairman. My name is Aldrin Rafael Bonilla and I'm the Deputy Borough President to Borough President Gale A. Brewer. I would like to take this opportunity to thank the Port Authority Chairman, the Commissioners and the Executive Director for the opportunity to speak today. On behalf of the Manhattan's residents, especially the vast majority who do not own cars, I urge you to widen the paths on the George Washington Bridge to bring them into compliance with the guidelines from the Federal Highway Administration, the American Association of State and Highway Traffic Officers and the United States Department of Transportation as well as design for the future, a future that can sustain the growth by bicycling and walking across the region and to promote this ecosystem of connectivity. The transportation Committees of Manhattan Community Board 12, representing Washington Heights, Inwood and the Bronx Community Board 5 representing Morris Heights, University Heights, Fordham and Mount Hope have passed resolutions strongly recommending that the Port Authority of New York and New Jersey enlarge the existing paths on the George Washington Bridge to better serve cyclists and pedestrians. Currently, cyclists and pedestrians share a path that is six feet and nine inches wide. With the large recent increases in bicycle traffic, the narrow paths are a safety hazard for walkers, riders and parents always reminding me for baby carriages as well. According to the New York City Bike Club, up to 500 bikers use the paths every hour. The New York Bike Club and 89 other bicycle clubs' elected officials, bicycle shops and government agencies are proposing to create the wider paths with one side for cyclists and one side for pedestrians. Much like those on the Brooklyn Bridge. Although we know that the Port Authority will design them better. The region has changed significantly since 1931, and the bridge should be redesigned to reflect the changing transportation needs. There is no better time to do so than during the replacement of the suspender cables. I recognize there are engineering and financial challenges associated with this proposal. However, I believe that the cause at least, can be justified by the economic benefits of biking and ancillary benefits of the

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biking and walking culture in regards to tourism and other benefits. Studies by the National Association of Realtors correlate with increases in home prices and tax assessments with proximity to the bike paths. These home prices and tax assessments increases range, for example, 4% in Delaware to 23% in parts of Chicago. In addition, a Rutgers University study showed that biking contributed \$497 million to New Jersey's economy in 2011. On a per capita basis, that's \$56 per person for the 3.1 million residents of the Lower and Middle Hudson Valley, that would be equivalent to \$174 million annually. Bikers offer a classic example, if you build it, they will come. Sort of like the second level on the George Washington Bridge. As the creation of the New York City bike lanes have shown, better infrastructure increases bike ridership, which provides added social and physical activity and other ancillary economic benefits, along with the reduction of air pollution. Well-designed bike paths also improve safety. A goal consistent with the Mayor's Vision Zero Effort to eliminate vehicle and pedestrian fatalities and serious injuries. Currently pedestrians, cyclists, joggers, all share the same six-foot-nine-inch path, increasing the risk of accident and injury. In closing, there are strong incentives to improve the pedestrian and bicycle traffic flow on the bridge. Some are economic, others a matter of safety and security. Both reflect the changing priorities of bridge users and our need to respond. And I look forward to working with the Port Authority and the residents of New York and New Jersey to incorporate the redesign of the bridge paths into the Cable Replacement Project. We know that there's much discussion and progress you've made, in terms of ADA compliance, in terms of suicide screens, sidewalk and lighting. We encourage these developments and I would be remiss if I close without saying that the Borough President has strongly been on record with the support of \$15 minimum wage for the workers. Thank you.

[Board Chair J. Degnan] Thank you. Martin Smith. Is Martin Smith here? We'll move on to Neile Weissman.

[Neile Weissman] Chairman Degnan, Director Foye, Commissioners. Referencing comments made last month, in which port facilities were nominated as circles of hell I'd like to nominate the paths on the George Washington Bridge. You have hard copies of my remarks with images and online at [completegeorge.org](http://completegeorge.org) LaGuardia Airport and the bus terminal may no longer be as pleasant or as sufficient as they used to, but at least they don't expose users to the treat of physical injury in the course of normal use. The GWB is dangerous because it consigns too many users on to a facility that's too narrow. And plans to restore the paths as is, ignores standards developed to ensure users' adequate capacity and your providers to liability. For a two-way bike lane, Federal Highway Administration recommends a width of 12 feet plus a two-foot buffer. For mixed use, ASHTO calls for 10 to 14 feet, plus a two-foot buffer on either side. With wider values advised for traffic over 300 users per hour. Practically, 11 to 14 feet has been found sufficient for two-directional paths plus a shared passing lane. Fifteen feet or more supports two paths, plus two passing lanes. So the current plan to widen path approaches, but leave the main spans six foot, nine inch are like funneling traffic from multi-lane access ramps on to a single lane road. Current plans call for pedestrians and runners to be segregated on to the south path, but that's unrealistic. Pedestrians and runner always find their way on to the cycling facilities as other engineers as any cyclist knows. Plans for the east midtown water front behind the UN presumes that 9% of the traffic on the bike paths will be walkers, joggers and skaters not withstanding a 20-foot pedestrian promenade right alongside. Director Fulton said, "The Authority is are not opposed to widening the paths when conditions warrant". But current 600

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users per hour isn't a sufficient trigger, then how many does it take? If the cost of a fixturing and re-cabing is regarded as too high, then how is it likely that a stand alone job at far greater costs will find acceptance later. And if 110 organizations and elected officials from across the region which now include 11 members of Congress are not adequate constituency to get this moving then who is? If the Authority widens the path as part of the re-cabing, users will see real relief as soon as 2020. Otherwise we'll be stuck in this damn circle for decades if not all eternity. Thank you. >> Thank you.

[Board Chair J. Degnan] Arthur Piccolo. Piccolo? Sorry.

[Arthur Piccolo] Commissioners, I was glad to learn that... last month was the first ever meeting that ever attended, I was glad to learn that you don't have to fight your way into every meeting and you can even find a chair. I came last month to talk about a ceremonial, but an important issue that the most notable and impressive structure at the new World Trade Center, The Oculus, deserves a purposeful name and also to honor a great American. I made the case and hopefully I've been making the case since then in communications with each of you, that that name an individual that singularly is appropriate in this case would be Alexander Hamilton. This is the Port Authority of New York and New Jersey of course, 6 Commissioners from New York and 6 Commissioners from New Jersey. In a very timely article in Sunday's Asbury Park Press, there was a banner story, Hamilton's ties to New Jersey run deep. Hamilton's record in New Jersey is impressive as it is in New York. During the Early stages of revolutionary war, the young officer Alexander Hamilton was heroic in battle in New Jersey. While in New Jersey he became the most important aide de camp to George Washington, but... And as of course we all know his demise took place in New Jersey. But as importantly Patterson, New Jersey exists because of Alexander Hamilton. Alexander Hamilton created Patterson, New Jersey, which did not exist, in order to prove the brilliant economic concepts that he believed the nation should be built on could work. And he created something called the Society for Establishing Useful Manufacturers, in a notable study about those early years, it's called S.U.M. in short. Through S.U.M., Alexander Hamilton attempted to create and unite a weak and fledgling United States by strengthening the nation politically and economically. The society was Hamilton's first attempt to bind the nation together through the interdependence of economic affairs, attempting to give the nation its first true common interest that will help all the people regardless of region or class and he did that in Patterson, New Jersey. Let me sum up by making the most important point of all, in favor of Alexander Hamilton who is physically buried within site of the World Trade Center. Had it not been, I can't say this often enough, had it not been for September 11th, 1789, we would not be here today. On that day Alexander Hamilton was nominated by President Washington, approved by the senate and sworn in as the First Secretary of the Treasury. As brilliant as all the other founding fathers were, they did not have a clue of how to fund this young government. The Articles of Confederation had failed, The Constitution would have failed and we would be South America today, a bunch of little countries that the colonists... Alexander Hamilton understood as no one in human history had, that you could fund a new nation with nothing but the promise of that country and the bonds that he created to do that were not only sold well within the United States, but worldwide. We exist here today because of Alexander Hamilton and I think that it would be most appropriate that we have the Alexander Hamilton Transit Hub at the World Trade Center. I think you will all make yourselves proud and all of us proud by making that decision. Thank you.

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[Board Chair J. Degnan] Thank you... Mr. Eduardo Lopez.

[Eduardo Lopez] Hello, my name is Eduardo Lopez, I work at Sky Chefs at JFK. I've been working at JFK for 3 years. At last month's Board meeting, The Port Authority approved over 5 billion dollars towards New York City metro airports. It is important that these investments honor the spirit of city and its people. Especially those who work at these airports. Airmall, who has failed to take responsibility for how people who work in this concessions programs in Baltimore are treated. That is definitely not the New York value. New York would take a step back wards by rewarding a company like Airmall. Airport workers deserve better. The Port Authority has the ability to approve or reject Airmall for JetBlue's concessions program at JFK Terminal 5. I am here to ask you to reject Airmall. Thank you for your time.

[Board Chair J. Degnan] Thank you. Emma Quail. Emma Quail?

[Emma Quail] Hi. My name is Emma Quail, I'm here with the Airport Group. The Airport Group is the policy and development arm of Unite Here, which represents over 30,000 workers at 70 airports throughout the country. Unite Here's local 100 represents 3,500 concessions workers at the Port Authority of New York and New Jersey airports. The airport group works with airport authorities and concession companies to promote smooth transitions in concessions developments such as the one currently under way at JFK's Terminal 5. On April 15th, we sent a letter to The Port Authority Board regarding the Board's role in approving or rejecting the Terminal 5 concessions manager. JetBlue's lease with The Port Authority makes the Port's role very clear. I'd like to read out the relevant section of the lease. "JetBlue shall not finalize negotiations with any proposed concessions manager until the receipt of notice from the Port Authority that said arrangement is acceptable to The Port Authority. And any executed agreement with any proposed manager or operator as applicable shall not be effective until said manager or operator as applicable, has entered into the appropriate contractual agreement with The Port Authority in form and substance, satisfactory to The Port Authority and its sole discretion." We would also like to make clear that JetBlue and The Port Authority have a number of options for the Terminal 5 concessions manager. As we had mentioned last month aside from Airmall, all of which would be fine choices. Thank you so much.

[Board Chair J. Degnan] Thank you. Leslie Azzouni. I'm sorry, thank you.

[Leslie Azzouni] Good afternoon... Board, my name is Leslie Azzouni. I've been working in Paradise shop on Terminal 5. I've been working there for 4 years already. I am a member of Unite Here Local 100 for the concessions workers, JFK, LaGuardia and Newark Airports. JetBlue are still deciding on companies they want for Terminal 5 in JFK, food and beverages programs. As you know, Airmall is one of the companies bidding. Surveys in Unite Here show low wages in the Airmall programs at the Baltimore Airport. My co-workers and I have been fighting for a raise, wages and Port Authority, Governor Cuomo just raised the minimum wage for state workers to \$15 per hour. Airmall do not belong in New York, do not belong in JFK. My co-workers and I, we don't want Airmall in JFK. Please consider our petition. Thank you very much. Have a good afternoon.

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[Board Chair J. Degnan] Thank you. Susan Brenner. Susan Brenner.

[Susan Brenner] Hi, I'm Susan Brenner. I'm representing social cycling, New York City. And I am in support of the two-way bike lanes on the GWB. As a recreational user of the GWB, the need for a two-way bike lane is very apparent. The lanes are just too narrow and too dangerous even for a weekend traveler. As an employee of Citi-Bike, but not representing the officially today, I could tell you that the Citi-Bike expansion heading northward will increase commuter traffic on the GWB heading in and to and from New Jersey. A two-way bicycle lane will increase safety for cyclists as well as pedestrians using the bridge on a daily basis. Thank you.

[Board Chair J. Degnan] Thank you. Bianca Garcia.

[Bianca Garcia] Good morning. I'm Bianca Garcia. I'm also with the Airport group of Unite Here. On April 26th Unite Here sent the Port Authority Board a look-book that lays out all the reasons why Airmall is a bad fit for JetBlue and JFK airport. The look-book touches on Airmall's issues with growth in the airport industry. Racial inequality and job classifications among Airmall's subtenants at BWI. Labor unrest by Airmall Subtenants at BWI. Political opposition and more. I'm gonna read out a section of the look-book that pertains to JetBlue's lease with the Port Authority. JetBlue's lease with the Port Authority of New York and New Jersey states that the airline will develop and operate a premier world class retail program, defined as one that consistently scores within the top 10% of industry recognized surveys. The standard industry metric to assess the success of an Airport's Concessions Program is sales per in-plane passenger. According to Airport revenue news, 2015 fact book, the average sales per in-plane passenger per airport where Airmall operates was \$11.25 in 2014, more than \$4 less than JFK's sales per in-plane of \$15.49 that same year. In 2014, Airmall's \$11.25 fell short of the top 10% for medium and large hub airports in the US. Further, despite competing for new contracts, Airmall has failed to grow and expand its market share. The last contract captured by Airmall was 8 years ago in February, 2008 at Cleveland Hopkins International Airport. Airmall has responded to 7 requests for proposals or request for qualifications since then. We would like to thank the Port Authority... We would like to ask the Port Authority to consider all this information before approving this company for this concessions opportunity at JFK's Terminal 5. Thank you.

[Board Chair J. Degnan] Janna Chernetz.

[Janna Chernetz] Thank you and good morning. My name is Janna Chernetz. I'm the Director for New Jersey Policy for Tri-State Transportation Campaign. And the issue I would like to speak about this morning is the access to the Port Authority records. For the public records access. And that resolution was passed, but it does have to again be passed by the full Board. I was a little bit confused as to...

[Board Chair J. Degnan] That's our practice. The Committee recommended it for consideration and it will be... >> Recommended it to the full Board. Okay. The Board will vote on it.

[Janna Chernetz] Good. Okay. That's what I thought. I had looked at this policy. This resolution with two hats. First there's the advocate for Tri-State and second as an attorney. And when I

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was looking at it as an attorney, there was a few red flags that were raised. The intent was very clear with the resolution, which was to comply with the laws that were passed in both New York and New Jersey that would subject the Port Authority to both FOIA and opera. The question that I had was why not incorporate by reference those two laws into this code and then appendix those laws to the code. To me that would seem easy and practical and the best way to assure The Port Authority is complying with those laws. What seems to be done here is an attempt to merge the two laws and I think a lot of the requirements and protections under both FOIA and opera are missing. And you did raise the issue about the electronic submission as well as price. In this document, this resolution does say that the cost would be set by the Secretary. For example, in New Jersey, there's a specific aspect of the statute that says how much a requester can be charged. So depending upon the jurisdiction in which the person requesting the records is sitting, that's which law would apply. My second concern was, what if there were subsequent changes to either FOIA or opera? Would then the Board have to come with an additional resolution to make any subsequent changes so that they're stay at compliance with both laws? I question that because it took a year, almost a year to even have this resolution presented. Both of the laws were passed by New York and New Jersey during the last legislative session. So, it would be confusing to both the custodian and to the requester, exactly what process should be undertaken. And a good example of that would be the fact that I... And I have mentioned this before that Tri-state Transportation Campaign did request under FOIA, the concepts for the Port Authority Bus Terminal the original 20 concepts, we requested it on November 19th under either FOIA opera or even the FOIA code, for the Port Authority. We got a denial letter on April 15th, which is substantially after the period. So, just looking for clarification as to why this resolution was selected as well as making sure it's in compliance with the laws of both states. Thank you. Thank you.

[Board Chair J. Degnan] Tawana Ashby? Francisco Espinal? Great, thank you.

[Rosalyn Austin] Hi, my name is Rosalyn Austin. I'm actually from Newark airport. I'm actually speaking on behalf of Tawana Ashby. She says, "Over the past few years my co-workers and I at JFK fought to raise the minimum wage to \$10.10 at the Port Authority Airport. Governor Cuomo just raised the minimum wage to \$15 an hour. New York Airports are moving in the right direction. HMS house has been able to provide my co-workers and I with good wages and benefits. I want to continue to have a good job at the airport. I am worried that if JetBlue picks Airmall for the Terminal 5, this would change. New York airport workers have made a lot of progress and we don't want Airmall to move us backwards. Thank you.

[Board Chair J. Degnan] Thank you. Francisco Espinal. Not here. Richard Hughes. Mr. Hughes, are you ready? >> Yeah. Just a moment. All right.

[Richard Hughes] Good afternoon, Commissioners. Margaret Donovan was called for jury duty this week, sure you're happy about that. However, I wanna read a letter that she wrote, it was published in last week's New York Crain's, regarding an article from the previous week's Crain's, which was called "Port Authority pays for old Condé Nast office to sit empty". I was glad to see Crain's accounted the Port Authority holding the bag for 800,000-square-feet at the Durst Organization's 4 Times Square tower. But I reject the premise that it was necessary to short change the public in order to get the anchor tenant into One World Trade Center. The real

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win-win wasn't Condé Nast and the Port Authority. It was Durst and Durst. Durst won when the Port Authority awarded it 10% of One World Trade Center for 5% of the construction cost underwritten by the region's commuters. The Condé Nast negotiations were well under way when Durst was awarded the equity stake. Durst won again when the move freed up over 800,000 square-feet that were leased to the conglomerate at far below market rates and could be flipped for a significant profit. In the meantime the Port Authority agreed to indemnify the land lord by assuming the 5 years remaining on Condé Nast's lease. That made sense. But it made zero sense to allow the agency's so called junior partner to decree that a public authority has to pay for empty space in one of the city's most desirable addresses until tenants come along to satisfy his craving for inflated profits. The Condé Nast move would not have fallen apart if the Port Authority had reserved the right to cover costs by subletting some or all of the space. According to the 4 Times Square website, the parent of Condé Nast was paying \$40 a square-foot, so why the 50% markup for the Port Authority? Even so, the \$60 per square-foot price tag would have attracted subtenants under the favorable terms until Durst's dream tenants came along. He can afford to wait, but the public cannot. A couple of years ago the Authority said Durst was willing to give it 50% on any profit made over and above Condé Nast rate. But 50% of nothing won't do much to cover the almost 50 million dollars a year commuters are paying for 23 floors of empty space on 42nd street. Who is looking out for us? The Condé Nast move was Durst's ticket to the sweetheart deal downtown. A public entity has no business gouging the public. Neither do its partners. Thank you.

[Board Chair J. Degnan] Thank you. Rona Dowden.

[Rona Dowden] Good afternoon, Commissioners. My name is Rona Dowden. I work at JFK international Airport. It's been approximately 9 years I'm an employee there. And I have this great opportunity to talk with you this afternoon. Thirteen elected officials and community groups have expressed their concern about Airmall coming to JFK. Based on their track record at Baltimore. My co-workers and I have also had a rally across the street from JetBlue's headquarters in February, because we want to let everyone know that we do not want Airmall to come to New York and that what had happened in Baltimore does not happen here in New York City. We have also been leafleting at the airport at the JetBlue headquarters to inform the public and the JetBlue passengers that Airmall is the wrong choice for JetBlue and for New York City. Every day I travel in the trains and everywhere it would say that "you see something, say something". And that's the reason why, being a representative for Unite Here Local 100, I'm proudly to be a representative for the JFK International Airport workers and Unite Here Local 100. And I'm saying, I'm a voice. We have progressed here in New York City and we are intending to move on with progress. We have been an outstanding airline as an international airport and we will maintain that. So now, having said that, The Port Authority is the ultimate decision maker on the concessions manager. You have the final say, on whether to approve the company JetBlue selects. We urge you not to approve Airmall, if that is what JetBlue selects. I like to say a special thank you for your hearing on behalf of all my colleagues and everyone that listens. Thank you very much and have a great afternoon.

[Board Chair J. Degnan] Nina Valdez. Nina Valdez. Daniel Ranells.

[Daniel Ranells] Hi. I'm a resident of the Bronx and also I walk and I bike in New York City

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and in New Jersey. And I'm here to advocate for a wider, safer pedestrian path on the George Washington Bridge. I do use it... I've brought my family there. It's a great fantastic peaceful spot to visit, but it's also a key transportation corridor and in order to reap all the economic and health benefits that have been mentioned by the previous speakers, I just want to, you know, recommend that you do come up with a wider path. I've used it and six feet, you know, nine inches is not wide enough and I do advocate for the 10 to 15 foot path. We do have a health epidemic in New York City and the country, in terms of encouraging healthy exercise and transportation, I think that this is in line with all of the recent bike lanes and improvements that New York City and New Jersey have been making. And so I just urge you to make improvements so that there is a comfortable and safe passage on the George Washington Bridge and to continue to make New York City the place to look to. We were recently rated, you know, the number one bike-friendly city in the world. Thank you very much. >> Thank you.

[Board Chair J. Degnan] Martin Smith.

[Martin Smith] Good afternoon, Commissioners. My name is Martin Smith. I am a director of constituent services and represent State Senator Adriano Espaillat. And so I am going to read his statement into the record on his behalf. "My name is Adriano Espaillat. I am a New York State Senator representing District 31 in Manhattan. As a New York public official, any issues that impact the workers at Port Authority airports are important issues to my office and me. I am sure many of my constituents work at Port Authority airports. I am expressing that Airmall is not appropriate company for New York airports. In February 2016, 12 other elected officials, community groups and I expressed concern over Airmall USA being considered by JetBlue to develop, manage and operate the food and beverage and retail concessions at JFK Airport Terminal 5. In March 2014, Unite Here, which represents 3,500 concessions workers at Port Authority airports, surveyed 437 out of 800 BWI concessions workers employed by Airmall sub contacts, or subtenants excuse me. Of the surveyed workers, African American workers were six times more likely than white workers to be paid and work fast food jobs while white workers were six times more likely than African American workers to be concessions workers or bartenders. A separate 2013-14 survey of 180 BWI concessions workers conducted by Unite Here revealed that the median wage of \$8.50 per hour was being paid to those workers. New York City and the Port Authority should know better than to award this contract to a company that has managed a program which has such a track record. As Governor Cuomo recently raised the state's minimum wage to \$15 an hour, it is clear that the economy justice is front and center for New York workers, Airmall has failed to take responsibilities that it should for how people who work in concessions programs are treated at Baltimore Airport. This is unacceptable. This is not a New York value. Airmall does not belong in our city or our airports. Please use the power that you have to deny Airmall if they are selected for JetBlue's concessions program at JFK Airport. That is your responsibility as a public authority. Thank you for your time." Thank you.

[PEOPLE APPLAUDING]

[Board Chair J. Degnan] We have several other items on today's agenda for which the respective Committee chair will be asked to provide a brief report prior to the matter being considered by

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the Board. On behalf of the Committee on Operations, which I chair, I want to submit an item that would provide for the Port Authority's consent to American Airlines' request to refinance existing New York City Industrial Development Agency bonds that were issued nearly 16 years ago, in connection with its financing of the redevelopment of Terminal 8 at JFK with New York Transportation Development Corporation bonds. This item would also authorize a lease supplement to provide for amendments to the leasehold mortgage and rental provisions with respect to the Terminal 8 facility. Prior to making a motion, I ask Corporate Secretary to note any recusals.

[K. Eastman] No recusals. Is there a motion on any item? Is there a second? I second. >> Any comment or questions?

[Board Chair J. Degnan] Would you call roll then, please, Karen? Chairman Degnan? >> Yes. Vice Chairman Rechler? >> Yes. Commissioner Bagger? >> Yes. Commissioner Cohen? >> Yes. Commissioner Fascitelli? >> Yes. Commissioner James? >> Yes. Commissioner Laufenberg? >> Yes. Commissioner Lipper? >> Yes. Commissioner Lynford? >> Yes. Commissioner Pocino? >> Yes. Commissioner Steiner? >> Yes.

[Board Chair J. Degnan] Votes are in order and the item is approved. I'm now going to ask Commissioner Lipper, as Chair of the Committee on Governance and Ethics to provide his report.

[Comm. K. Lipper] The Committee has approved two resolutions, which concerns the transparency of our public records. The first, concerns the adoption of a public records access policy in compliance with applicable laws of the states of New York and New Jersey and in furtherance of the Port Authority's commitment to enhance the openness and transparency of the agency through the provision of timely access to its public records. Prior to making any motion on this item, I would like to ask the Corporate Secretary to note any Commissioner recusals on this matter.

[K. Eastman] There are no recusals.

[Comm. K. Lipper] I would now request the motion on this matter.

[Board Chair J. Degnan] Second. All in favor?

[Board Chair J. Degnan] No, we'll do a roll call. >>

[K. Eastman] No, we're going to do a roll call. Chairman Degnan? >> Yes. Vice-Chairman Rechler? >> Yes. Commissioner Bagger? >> Yes. Commissioner Cohen? >> Yes. Commissioner Fascitelli? >> Yes. Commissioner James? >> Yes. Commissioner Laufenberg? >> Yes. Commissioner Lipper? >> Yes. Commissioner Lynford? >> Yes. Commissioner Pocino? >> Yes. Commissioner Steiner? >> Yes.

[Comm. K. Lipper] The second resolution concerns the Port Authority access to personnel information policy. The next resolution concerns the adoption of a personal information access

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policy, which is also consistent with the applicable laws in the states of New York and New Jersey, and in furtherance of the Port Authority's commitment to enhance openness and transparency of the agency through the provision of timely access to its public records. Prior to making this motion, I would ask if there are any recusals.

[K. Eastman] No recusals.

[Board Chair J. Degnan] So Moved >> Second

[K. Eastman] Roll call... >> Please call the roll.

[K. Eastman] Yes. Chairman Degnan? >> Yes. Vice-Chairman Rechler? >> Yes. Commissioner Bagger? >> Yes. Commissioner Cohen? >> Yes. Commissioner Fascitelli? >> Yes. Commissioner James? >> Yes. Commissioner Laufenberg? >> Yes. Commissioner Lipper? >> Yes. Commissioner Lynford? >> Yes. Commissioner Pocino? >> Yes. Commissioner Steiner? >> Yes.

[Board Chair J. Degnan] Thank you, Ken. I'm now going to ask Commissioner Bagger, as Chair of Committee on Finance, to provide his report. Richard.

[Comm. R. Bagger] Thank you. On behalf of the Committee on Finance, I would like to recommend to the Committee for consideration a resolution authorizing the renewal of property damage and loss of revenue insurance coverage for Port Authority assets. Excluding certain assets at the World Trade Center site, I would note that with the Board having delegated this authority to the Finance Committee, this is a vote for the Finance Committee only. Prior to making a motion, I ask the Corporate Secretary to note any commissioner recusals on this matter.

[K. Eastman] Of the Committee members present, there are no recusals required. Of the remaining Commissioners, Chairman Degnan would be recused.

[Comm. R. Bagger] Thank you. Can I have a motion on this item from a member of the Committee? >> So moved. Second? Any discussion on this proposal? If not, if the Corporate Secretary could call the roll of the Committee.

[K. Eastman] Commissioner Bagger? >> Yes. Commissioner James? >> Yes. Commissioner Lipper? >> Yes. Commissioner Lynford? >> Yes. Commissioner Pocino? >> Yes.

[Comm. R. Bagger] So, this item is approved.

[Board Chair J. Degnan] Approved by the Committee, is it approved? Does it need to be approved by the Board?

[K. Eastman] No. >> No. Good. Okay.

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[Board Chair J. Degnan] There being no further business, I move to adjourn the meeting. Is there a motion? Second? Any objection? Meeting's adjourned.

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**The Port Authority of New York and New Jersey**  
**Board Meeting Transcripts**  
**May 26, 2016**

[Board Chair J. Degnan] The Board meeting of the Port Authority of New York and New Jersey and its subsidiaries is now called to order. As you just heard the Audit, Finance, Governance and Ethics Committees met earlier in executive session prior to today's meetings. In addition, earlier today, the Committees on Audit and Capital Planning, Execution, and Asset Management met in public session, and the Committees on Governance and Ethics and Security as well as the World Trade Center Redevelopment Subcommittee also met in executive session. Their reports will be filed with the official minutes of today's Board meeting. Commissioners also met in executive session prior to today's meeting and will meet in executive session later today to discuss an act upon matters related to proposed, pending, or current litigation or judicial or administrative proceedings and matters involving ongoing negotiations or reviews of contract or proposals. Our first order of business this morning is the Election of Officers. In accordance with the By-Laws of the Port Authority and the PATH, the Port Authority Trans-Hudson Corporation and Newark Legal and Communications Center Urban Renewal Corporation and the New York and New Jersey Railroad Corporation, the Nominating Committee met in executive session prior to today's meeting in connection with the Election of Officers. Commissioner Pocino, who is Chair of the Nominating Committee will now issue the report of the Committee.

[Comm. R. Pocino] Thank you, Chairman Degnan. On behalf of the Nominating Committee for the Port Authority of New York and New Jersey, Port Authority Trans-Hudson Corporation, Newark Legal and Communications Center Urban Renewal Corporation, and the New York and New Jersey Railroad Corporation, I desire to report that at its meeting held earlier today in accordance with the provision of Article VII of the By-Laws, the Committee, by unanimous action, submits the nomination of Steven M. Cohen for election to the Office of Vice Chairman. That's my report Mr. Chairman.

[Board Chair J. Degnan] Can I have a motion on that nomination from a member of the Board? Commissioner Fascitelli, seconded by Commissioner Rechler. Do we need to roll call or a... Would the Corporate Secretary call the roll? >> Chairman Degnan. >> Degnan: Yes. >> Vice Chairman Rechler. >> Yes. >> Commissioner Bagger. >> Yes. >> Commissioner Cohen. >> Yes. >> Commissioner Fascitelli. >> Yeah, I may consider that. >> Yes. >> Commissioner James. >> Yes. >> Commissioner Laufenberg. >> Yes. >> Commissioner Lipper... >> Yes. >> Commissioner Pocino... >> Yes. >> Commissioner Schuber... >> Yes. >> Commissioner Steiner. >> Yes. As the votes are in order, the item is approved. Congratulations, Steve. I would like to take this opportunity to thank Scott for his service as Vice Chair. He was in the position when I joined the Port Authority in July of 2014, had already lead the Board through a fairly tumultuous several months during which he served as acting chair of the Board and began to put the agency on a path of corporate governance that is today still the work in progress, but substantial contributions to the governance of the Port Authority have been made during that period, in addition to numerous other contributions, particularly, his leadership on the World Trade Center and his close work with staff in doing that. So thanks. I'm now surrounded by New York on my right and my left. That may be a good thing and may not be, but I'm delighted

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that Scott's superlative service will be succeeded by Steve Cohen, who in a short time in the Board has already made a significant mark on our governance. Scott?

[V. Chair S. Rechler] Thanks, John. I'd like to thank, also, Steve for taking on this role as I work on transitioning my way up the Board after five years of almost being Vice Chairman. You know, when I was made Vice Chairman, it was hard to anticipate what to expect. To say the least, it's been an interesting time period but it's also been one of the more rewarding jobs that I've ever had. And perhaps, the most rewarding part is working with the Port Authority staff and team who do not get enough credit from the public for their level of professionalism, dedication, and commitment, both to this agency and the region at large. I've been impressed at all levels of the 7,000 members of the Port Authority team in terms of what they have done, how they've never ceased to amaze me with rising to new heights. And so working with them has been a prime highlight of my tenure. Also, I would just say, having the chance to work with PATH and navigate the agency through some difficult times, and then with John and rest of the Board, trying to map out a plan going forward with the Special Panel Report, which I think we're making a significant amount of progress on. And I look forward to continuing to work with the Board to try to bring that to fruition and on the right path, although, I would imagine like all things, it will take longer than anyone ever anticipated, and then trying to focus on a 10-year Capital Plan to deal with the Port's priorities as we go forward. So I thank you, John, thank everyone, for the support of my role as Vice Chairman. And Steve, I hand the baton off with you, knowing it will be in good hands, so good luck and thank you.

[Board Chair J. Degnan] Just a point of clarification, Scott, you referenced a transition. What I found is it's harder to get off the Board than it is to get on. I'm personally delighted you're gonna stay on the Board for at least some period of time on a continuing basis as Commissioner. Steve.

[Comm. S. Cohen] Well, look, first of all, I just want to thank my fellow Commissioners for the vote of confidence. I joined this August body about a year ago, a little less than a year ago, and what I've found is that it operates best when it operates as a partnership, and that the people here, all may not always agree, even in public, but I think everybody that currently is on this Board has the best interest of the public and the two states and the region in mind at all times, at least that's been my experience. I also, I want to thank Scott, who has been a real mentor to me over the past year. And I'm delighted that he has agreed to continue on as long as I remain his Vice Chair. >> Not quite but good. Thank you. >> That was the deal. And I also want to thank our Chairman who has led with a steady hand and a calm demeanor throughout. And then finally, I mean, it goes without saying that this organization is the staff, the 12 people who are sitting up here hopefully play some role, but the role that they play is secondary to the leadership and the wisdom and the experience that is offered by a large group of men and women who often toil without the recognition that they are entitled to. And that is true, more and more in what are hopefully good times as well as bad. The credit goes to them and I think, as we've seen, when things go awry, it's not because of them. It's because people aren't wise enough to rely upon their guidance. So from Pat Foye down, I just want to thank everyone and say, I look forward to working with you all.

[Board Chair J. Degnan] Okay. Thank you, everybody. I'm now gonna ask the Executive

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Director to provide his report. Pat.

[Exec. Dir. P. Foye] Thank you, Chairman. It will be a short report. Members of the public Commissioners and colleagues, I want to cover two items. Let me start with a brief update on LaGuardia Redevelopment Project. A week ago, Tuesday, LaGuardia Gateway Partners successfully priced over \$2.4 billion in bonds to finance the redevelopment of terminal B and related infrastructure at LaGuardia Airport. The investment grade bond issue was extremely well received by the marketplace with demand by institutional investors for the bonds far exceeding supplies. LGP's underwriting group was able to tighten final pricing with an all-in true interest cost of 4.17 percent for bonds whose final maturity is in 2051. A great outcome benefiting from very strong municipal bond market condition is great market timing and the stewardship of many including Libby McCarthy. These investment grade bonds were issued by LaGuardia Gateway Partners for the project and are non-recourse to the Port Authority and not guaranteed by the Port Authority, meaning that it is LGP private sector equity capital, which is responsible for delivery of the project and repayment of the bonds. Financial close and commencement of the lease was authorized by the Board back in March, is currently scheduled for next week. This will mark the second public-private partnership entered into by the Port Authority in the last three years. The first being the ongoing Goethals Bridge Replacement Project that is currently well underway and nearly 60 percent complete between Staten Island and Elizabeth, New Jersey, which the Board authorized back in November 2013. LaGuardia will also mark the largest public-private partnership done in the United States to date. As I've noted before, public-private partnerships will not always make sense for projects here at the Port Authority. But we will look closely, case by case, at the value of private sector risk transfer and private capital to see what make sense for us and are doing so in the ongoing Capital Plan review. But given the large and ambitious capital program we have in front of us with many challenging projects, we're trying to be disciplined and creative on how we approach each one, to maximize value to the agency and the travelling public as we work to improve and modernize the region's infrastructure. I want to take just a minute as we approach the fifth anniversary of Scott Rechler's services as Port Authority Commissioner and Vice Chair to acknowledge his substantial public service and note three specific cases where Scott made a huge difference. First, when Scott and I arrived here months apart in 2011, we were both startled to learn there was no reliable overall budget or projected total project cost for the World Trade Center, also, that the agency was without a long term Capital Plan with a rigorous review of capital priorities, startling but true. In a process overseen by Scott in his role as Chairman of the elegantly named CPEAM Committee, a range of 14.8 to 15.8 billion for the World Trade Center was established in 2012, and limits on scope change and other measures were implemented to control spending. Happily, the results of Scott's efforts as a part-time unpaid Commissioner in an effective oversight role at the Port Authority were realized. Very near completion, today, we believe the total World Trade Center spending will be at least \$1 billion lower than the low end of the range established in 2012. Kudos to Scott for oversight and Steve Plate and his team for execution. Next, Scott also took a leadership role in making big, meaningful steps in returning the agency to its core transportation mission, including overseeing the sale of the Port Authority's interest in the World Trade Center complex to retail complex to Westfield for over \$1.4 billion so that the Port Authority could redeploy the proceeds into transportation infrastructure. Scott in his oversight role as Chairman of CPEAM and provided invaluable oversight and counsel in maximizing the value to the Port Authority, and seeing the clear logic

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of getting out of the retail business to focus on resources on transportation. Lastly, while not quantifiable monetary terms, Scott's stalwart support of Board governance reform beginning in 2012 when such reform was not in vogue was critical. And since then, he has worked closely with Chairman John Degnan on further Board governance and other reform. As they say in the MasterCard commercial, "Priceless." So just in these three examples, Scott's oversight and counsel facilitated over \$2.5 billion of value to the Port Authority and the public and invaluable supported the first steps towards Port Authority Board governance reform. Thanks, Vice Chair. Thank you, John.

[Board Chair J. Degnan] Thank you, Pat. Well said. This is the point in meeting where we will provide an opportunity for public to comment. We ask the speakers to limit their comments up to three minutes and to comply with request to stop at that point. We have 19 speakers listed, so we'll move forward as quickly as we can. The first name on the list is Stewart Mader from PATH Ridership Council.

[Stewart Mader] Do I need to start this? Okay, thanks.

[Stewart Mader] Morning Mr. Chairman. >> Good morning. Members of the Board, I'm Stewart Mader, Chair of the PATH Riders' Council. And I spoke with you back in the fall, I came to introduce PRC. We were beginning our first year as officially recognized by PATH as the Rider Advisory Board. And I wanted to share with you a few things that we've done over the past year. During our pilot year, one of the things that PRC and PATH worked together on was looking at frequency, train volume, and particularly around peak commuting periods. And one of the adjustments we've worked together on was shifting the frequency of trains during peak hour from... It tended to start little earlier in the afternoon around the beginning of the 4 o'clock hour and end earlier in the 7 o'clock hour. We worked together to shift that so that it starts a little later and ends a little later, which, you know, probably a commentary on us all working longer hours, but it's a good thing for the transit system, obviously, to look at changes in commuting patterns and habits and be able to adjust to that. So in building on that, this year, we've worked on a number of good initiatives. I would like to just quickly tell you about three of them. One is looking at that same idea of train volume and headway and service frequency. PRC and PATH have worked together to add an additional A.M. train during the 5 to 6 A.M. hour on the Newark-World Trade Center line, which is good. It increases service during that hour and reduces train headways and that's obviously beneficial for people who got an early morning work start time, an early plain flight out of Newark Airport, and those returning home after an overnight work shift. Another area that we've worked together on is looking at service around things like weather events, winter storms and things like that, if there are service disruptions in parts of the system, whether things that can be done in other parts of the system to mitigate that. And one of the things we've worked together with the transportation division on is the notion of... For instance, if you've got a service disruption between Journal Square and Newark, which is something we saw back in February snow storms, could service be run on a shuttle service between, for instance, in Harrison and Newark so that people who are in Harrison could get to Newark and get to a different transit option. And that's something I'm pleased to say is now part of the operating plan within the transportation division. So that's another area of good collaboration. And then the third one is something about which I'm particularly proud, I brought along a little show and tell prop which is a new version of the...

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I'm gonna try and hold this up as best I can above my head. It's a new version of the line map for PATH. And what's important about this is at every station where there is a transit connection, either a direct physical connection like, World Trade Center or 23rd Street, 33rd Street and so forth, there are now indications on the map of the transit connections that are available, so Amtrak, New Jersey Transit, Hudson-Bergen Light Rail and New York City subway. And this is fantastic because this is the kind of improvement that is, it's a tangible benefit for riders. It increases awareness of transit options in New York and New Jersey urban core. And it's something people will see that benefit for years to come. So those are the three quick highlights. We've got a number of other good initiatives, we're working on it. I have to share more in the future but we'll leave it there, and I just want to thank the staff at PATH and members of PRC for a lot of good collaboration. >> Thank you.

[Board Chair J. Degnan] Mr. Mader, Thank you. And thank you for your service on the Ridership Council and for the collaboration with which you pursue this. We appreciate, and that is a significant contribution. >> Thank you.

[Board Chair J. Degnan] Thanks. >> Neile Weissman.

[Neile Weissman] Chairman Degnan, Director Foye, Commissioners, good morning. You have hardcopies of my extended remarks and online in [completegeorge.org](http://completegeorge.org). Cities around the world are investing in their cycling infrastructure. Paris now has the biggest bike share in the world with 20,000 bikes and 1,800 stations. Berlin, seven out of ten residents own bikes, bicycle share mode is 18 percent. London is in the midst of a \$1.4 billion build-out of its biker network, and 2,000 cars entering the Central London outnumbered bikes by 11 to 1. In 2014, it was 2 to 1. By 2019, bikes will outnumber cars. The Netherlands began building up its cycling infrastructure during the oil crisis of the '70s. This was also a period where 400 children a year were getting killed by cars. Nationwide, mode share is 31 percent with some cities over 50 percent. The European Cyclists Federation credits cycling across the EU is adding \$28 billion a year in benefits in the form of reduced noise, emissions, gas use, and healthcare costs. That's \$546 per person. In Tokyo, a city of 13 million, 90 percent use mass transit for their daily commute, of those, one-third also bike the first and the last mile. With real estate so expensive, they've actually developed automated underground bike parking systems. Portland, a city of 600,000 sees 20,000 bike trips per day across Willamette River bridges. Its cycling infrastructure reduces gas consumption, congestion, and healthcare costs and the need to spend on other modes of mass transport. Portland's green dividend is credited with saving \$800 million a year that otherwise would have left the region. Jersey City, Hoboken, and Newark all have cycling grids and bike share systems in development. And New York, where seven out of ten households don't own cars just so its bike would pass a thousand miles, its bike share system logged 10 million trips in 2015. Overall, bike use has tripled over the last decade. Regional planning organizations of which PA is a member are keenly aware of cycling's benefits and are projected to spend \$2 billion over the next 20 years to build out their respective grids. But PA plans to link those grids with the single seven-foot path collar the baby, ensuring it will choke on its own growth. U.S. DOT tasks transport agencies to upgrade bike-ped facilities and major construction and to budget up to 20 percent of total project cost towards that. On the \$1.9 billion budgeted to restore the George, that would be as much as \$380 million. Thank you.

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[Board Chair J. Degnan] Thank you. Louis Heimbach.

[Louis Heimbach] Chairman Degnan, member to the commission, members of the Port Authority management. My name is Louis Heimbach, and I'm the Chairman of the Stewart Airport Commission. And with me, this morning, is the Vice Chairman Paul Quartararo. I'm here to introduce myself, although the mission of our commission has changed overtime because of the ownership of the airport has changed, now being you are the folks and owners. Our goal has never changed and that is to provide better air service for the members of the Hudson Valley and elsewhere. Recently, with the congestion at the New York, and major airports, we thought looking at Stewart as probably one of your most underutilized facilities that you have of any facilities that you have, it's a really great gem to provide some relief of every major airports if we have some more air service. Back in the early '90s, Stewart had almost a million passengers, but because of economic conditions here, airlines thought that they could move their airplanes through more lucrative routes, not because of lack of passengers at Stewart, but because they found it more enticing to fly elsewhere. Air service has really diminished to the point where we have probably 350,000 passengers a year. By your own statistics, the airport probably has the capacity about 3 million people a year, without any additional capital investments. And by the way, we thank you very much for the investments that the Port has made since you've owned the airport. And our current management Ed Harrison and Mike Torelli are doing a fantastic job there. But I'm here to ask your help and to provide any support that we can to get better air service. And the way it was done in the early '90s was, according to rumor, many of the major airlines needed something here at the major airports. And I've just told, you can have that, but bring some airplanes up to Newburgh, up to Stewart Airport. And I think, with your help and the help of the facilities that you have, that can be accomplished, and we can make life a lot easier for millions of people in the mid Hudson, take away some of the congestion that you have here, it would be a win-win for everybody without any additional money. Thank you very much for your attention, gentlemen.

[Board Chair J. Degnan] Thank you. Arthur Piccolo.

[Arthur Piccolo] Mr. Chairman, it's Arthur Piccolo. I never gave special attention to Thursdays in the past, but now like with you, Thursday... Last Thursday in each month has taken on particular importance. I've, in fact, marked it on my calendar, each month for the remainder of the year, except in August. And hopefully, it wouldn't take that long to make my point. When I first came here two months ago and spoke to you, I reminded you of the general range and impressiveness of Alexander Hamilton's life in American history, which has been highlighted, of course, more than ever by the new play Hamilton, which will reach even higher level when it sweeps the Tony's in a few weeks. The second month, I offered you the fact that the relationship of Alexander Hamilton to both New York and New Jersey as an important person in our history is absolutely unique. What I failed to mention was, when Hamilton first arrived from the Caribbean as a teenager, he did not first come to New York City, he first went to Princeton, New Jersey to go to what was an academy then, which is now Princeton University. And only the next year, came to New York City because he was so interested in being in the middle of the developing American Revolution. This month I want to make... And there was the other point, the other unique point, for Americans to appreciate the fullness of the meaning of September 11th, that you have the opportunity to make sure everyone knows there were two

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powerful September 11ths in American history, both September 11th, 2011, but every bit as much, if not more, in certain ways, September 11, 1789, when Alexander Hamilton became Secretary of the Treasury right here in lower Manhattan. But the point I want to make today is very practical one, a value factor. I believe you inherently have a responsibility, as in your job, to enhance the value of all the assets of the Port Authority, when you have that opportunity, simply leaving the name of the Oculus which, probably, except for the staff has no idea that that's simply an architectural term. If we get down on the street level, nobody knows what an Oculus. It sounds like a scientific term. I think you have an obligation to also give that structure a formal name. And to give it a name that has a proper character, but also adds value. So I just simply brought a simplest item to make that point. A T-shirt that says, Alexander Hamilton Transit Hub and the Oculus, and at the World Trade Center. A simple item like that, I believe, would become very popular. Just as a minor way of how people all over the world will come to New York City and they will want a T-shirt like this. Finally, I just want to add as a member of the public, I've obviously read about all of you in preparing to come here. And I was like you, particularly impressed of what I read about Commissioner Rechler. Thank you very much. Hopefully, I'll see you next month in Jersey City, which by the way... Final point, you have to give me chance for this, as was famously said by Alexander Hamilton in 1802 about Georgia City, "On the west bank of the Hudson River, a great city shall arise." Thank you, gentleman.

[Board Chair J. Degnan] Thank you. Rosalyn Austin.

[Rosalyn Austin] Good morning. Hi, my name is Rosalyn Austin. I work at Newark Airport as a server for areas. I've been working at Newark Airport for three years. I'm a member of Unite Here Local 100. I spoke at the last meeting on behalf of one of my coworkers at JFK. Today I'm here again in solidarity with JFK workers in urging the Port Authority to reject AIRMALL for the terminal five redevelopment. I want to remind you of some facts about AIRMALL at BWI. A March 2014 survey of 437 out of about 800 employees conducted by Unite Here show that under AIRMALL's concessions at BWI surveyed African-American workers were six times more likely than white workers to work fast-food jobs. While white workers were six times more likely than African-Americans to work as bartenders or service. The racial inequality of low wages provided by the jobs on AIRMALL's program at BWI are unacceptable. Is this the kind of company you want at JFK? Thank you.

[Board Chair J. Degnan] Thank you. Margaret Donovan.

[Margaret Donovan] Good morning, Commissioners. I regret it not being able to be here last month, so I was happy to hear Janna Chernetz of the Tri-State Transportation Campaign make her cogent points regarding your new Freedom of Information policy. I'm not trying to be snide, but there is no way to justify taking almost a year to formulate something that anyone familiar with the subject could have accomplished in under a week. Her idea of appending the state laws for reference was a good one. I believe that you really think you are making great strides towards being more transparent, but I can't agree. One reason is that your Freedom of Information practices are so grudging. Every transaction of consequence is still like pulling teeth. And trying to figure out how much of the problem is staffing, I asked your Public Affairs department, how many employees are working on fulfilling request and whether the new

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administrator had prior experience with FOIL. All I was told was that there are two administrators and that quote, "Staff is appropriately trained to carry out their responsibilities." If this agency were truly interested in being transparent, as in see-through, I would've been told the number of employees and whether the administrator had experience with FOIL.

Transparency is not the place to be cutting costs. If you can't get requests out according to the schedule required by law, you need more people, perhaps many more according to FOIL. If you were truly interested in transparency, you would have gotten a man above Freeman's stature and to give your staff and the Board itself, a tutorial on this vitally important subject. Hand the staff to 100's of training sessions a year. Where could that training be more called for than at a multi-billion dollar public authority? And that would give you a chance, by the way, to ask for an expert opinion on your open meetings policy. Speaking of false economy, how can you be taken seriously about wanting to be transparent when you did away with the transcripts of the meetings that were for years posted with the videos? I can understand discontinuing the imbedded links, but why aren't the transcripts available under the video window any longer? So that if someone who wants to refresh their memory of something said, a laborious video search is not required. That's a no-brainer, and the new video format leaves plenty of space for it if you truly want to be transparent. Before every public comment session, we are told that members of the public, we shouldn't discuss a specific matter with the Port Authority staff, are advised to contact Public Affairs department. If it were that simple, we wouldn't have had to ask the Office of Inspector General to look into the bizarre arrangement at 4 Times Square. A request of the OIG regarding what Durst has actually paid the Port Authority for its 10 percent share will soon follow. It doesn't look to me as either the Board or the governors fully appreciate where the Port Authority's authority comes from. And by the way, I hope that you will reject AIRMALL. Thank you.

[Board Chair J. Degnan] Thank you. Emma Quail.

[Emma Quail] Hi, Commissioners. My name is Emma Quail. I'm here with the Airport Group. The Airport Group is the policy and development arm of Unite Here, which represents over 30,000 workers at 70 airports throughout the country. Unite Here's Local 100 represents 3,500 concession workers at the Port Authority of New York and New Jersey airports. The Airport Group works with airport authorities and concessions companies to promote smooth transitions in concessions developments, such as the one currently underway at JFK's terminal five. Unite Here approached AIRMALL about a labor peace agreement for JFK in February. I want to let the Port Authority know that we still do not have a labor peace agreement with AIRMALL. We remain open to achieving labor peace with AIRMALL if we can come to a fair and mutually acceptable agreement. We are fully committed to labor peace and are open to reaching a fair agreement with any company willing to do so. But I want to make it clear that Unite Here's opposition to AIRMALL does not result from the absence of a labor peace agreement. Even if AIRMALL does sign an agreement, we will continue to urge Jet Blue and the Port Authority not to choose AIRMALL for this business. Based on their track record of racial inequality and low wages present under AIRMALL subtenants at the Baltimore Airport, we do not believe AIRMALL is a good fit for JFK, regardless of whether they sign a labor peace agreement with Unite Here. As I mentioned at the last Commissioners' meeting, Jet Blue's lease with the Port Authority makes it clear that Jet Blue is not permitted to finalize negotiations with any proposed concessions manager until receipt of notice from the Port Authority that said

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arrangement is acceptable to the Port Authority. Jet Blue and the Port Authority have a number of options for the terminal five concessions manager aside from AIRMALL. They would all be good choices. We urge you now, and we will continue to urge you and Jet Blue to reject AIRMALL for this opportunity. Thank you so much.

[Board Chair J. Degnan] Thank you. George Pilieri... Pilieri.

[George Pilieri] Good morning. The last time I was here, about five months ago, was to call attention to the fact that it's been over 10 years since we the Port Authority electricians have been without a contract or a raise. We're now just a month shy of 11 years and not any closer. Back then, we mentioned the following projects being funded, Goethals Bridge at 1.5 billion, the Bayonne Bridge at 1.3 billion, LaGuardia Airport at 4 billion, the World Trade Center at 4 billion, and Pulaski Skyway at 1.8 billion, and that's still questionable as to whether that should have been funded by us. Since then, they've agreed to a new list of projects, the Newark Airport terminal A at 2.3 billion, Fort Lee Rehab, including the Palisades Parkway Helix, 158 million, rail tunnel engineering reported 35 million, and a new bus terminal at 10 billion. All this liberal spending on so many things, but the one place they found to cut cost and to save money is on worker salaries. We do not have a covering contract with any of the approximately eight unions we affiliate with. I've seen no indication that the Port Authority is interested in doing anything to rectify this situation. Under the rules of the National Labor Relations Board, they have not fulfilled their obligation to bargain in good faith. Just one example is since I was here five months ago, one meeting had been scheduled for us and it's been cancelled. And there's nothing rescheduled since then. Considering the circumstances, this is unacceptable. This brings me to my final point. Recently, New Jersey transit workers who without a contract for six years finally got some attention with both the Governor and the Federal Government's Emergency Review Board got involved. Unfortunately, it was a concern about a strike that finally got the necessary people to intervene. It should be obvious that it's not something we want to do. However, at certain point, we may feel we have no other option. I mean, the rhetorical question here is, are we worth any less now than we were 11 years ago. And the answer is no. It shouldn't be that hard. I'm going to leave you guys with a copy of the speech and also some of the guidelines of the National Review Board. Hopefully, they will look at it.

[Board Chair J. Degnan] Thank you. Leslie Izwani. Lina Valdez-Fuentes.

[Lina Valdez-Fuentes] Good morning. My name is Lina. I work for HMSHost at JFK Airport in terminal five. I have been working at JFK for two years, and I'm also a member of Unite Here Local 100. My coworkers and I work extremely hard and we care about what happens at our workplace. The redevelopment at JFK's terminal five would directly impact the jobs of me and my coworkers. Thirteen elected officials and community groups have expressed their concern about AIRMALL coming to JFK based on its track record. The representatives of the state elected officials have supported us at the past two Port Authority meetings, and we still have not received a response from Jet Blue regarding their decision. As we have reminded you before, the Port Authority is the ultimate decision maker on the concessions manager. You have to final say on whether to approve the company Jet Blue selects. We urge and not to approve AIRMALL if that is what Jet Blue selects. Please do not let AIRMALL come to JFK. Thank you.

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[Board Chair J. Degnan] Thank you. Janna Chernetz.

[Janna Chernetz] Good morning. Thank you. My name is Janna Chernetz, I'm a New Jersey policy director for Tri State Transportation Campaign. I'm just here to announce that we have... Tri State has convened a working group with regard to the Port Authority Bus Terminal. With the go on the vision to ensure that the Port Authority's vision and solutions, reflect the commuter and the community's needs and concerns. We're looking to approach this in a holistic cooperative matter with all stakeholders involved. And we're hoping that when Port Authority, and as a Port Authority develops their plans for the Port Authority Bus Terminal, that it will be flexible and it will reflect a vision and the needs for at least a 100 years, not the 2040 that's currently under discussion. I know that couple of days ago that you mentioned looking at possibly of seven to ten year timeframe for completion of a bus terminal. And I certainly hope that that timeframe does stick. We need to make sure that this bus terminal is built and it's built for the long haul. So with that said, also included in our vision would be prioritizing community time and increasing travel predictability. We'd also like to see a more open and public process. One of the Port Authority staff members mentioned during the special hearing that the Senate Legislative Oversight convened that the surveys from the commuters were lacking, whereas the surveys from the community representatives were being received. We would encourage the Port Authority to have open houses along on this process on both sides of the river and do a little bit more to reach out for public input. With that said, we will be making more announcements coming as to how this working group will be convening. Thank you.

[Board Chair J. Degnan] Right, thank you. Richard Hughes.

[Richard Hughes] Good morning Commissioners, I'd like to read you excerpts from an opinion piece by Margaret Donovan and me that the period in New Jersey's star ledger on Friday. The public's best chance to finally hold the Port Authority of New York and New Jersey accountable to the people will expire on Monday, that's this past Monday. That is the deadline for Governor Chris Christie to either sign or veto the Port Authority of New York and New Jersey Transparency and Accountability act, which was sent to his desk April 7th. It is the companion to a bill already signed last year by New York's Governor Mario Cuomo. Would you put your iPhones away please and listen. I know it's a problem, but just for a few minutes. >> Mr. Hughes, just stick to your time limit, will you please and...

[Richard Hughes] Due to its bi-state character, the agency has been able to evade the controls that are apply to single state agencies with dismal consequences. Since 2011, when Christie and Cuomo cynically staves the tollgate charade, the two legislators have increased their efforts to pass the identical legislation required to rain in the agency. Their labor miscarried over, and over again until finally, in 2014, all four of the state chambers voted without a single dissent to pass the bills. The historical legislation was then vetoed over Christmas weekend by the two governors in defiance of the public will. Even for the two of the most authoritarian governors in memory, dismissing the almost unprecedented unanimity of the people's representative for patently bogus reasons was a brazen ploy, and it worked. When the legislators tried in 2015 to regroup and launch another effort, most of New Jersey's Republican Senators defected and the bi-part in his accord was over. Over the last dozen years, billions of misappropriated dollars

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were spent at the World Trade Center, eventually leading to the punishing Hudson River toll hikes, and the degrading of so much of the regions infrastructure. Perhaps, the people would have approved of a \$4 billion transit hub, or the way in which Larry Silverstein was bailed out of his obligations at Ground Zero, but there were no hearings held, and the public was never asked. Just told and tolled. T-O-L-L-E-D. Get the pun? Therefore, it is ludicrous to suggest that the public's best interest can be entrusted to an agency, then neglected to include a new bus terminal in its ten-year capital plan and to the governors who routinely approve the monthly minutes of the Board's actions. The compromised legislation crafted in New York after the 2014 debacle is solid but was stripped of provisions that the New Jersey sponsors believe were worth fighting to preserve. They finally got their bill to Christie's desk. If he signs it, an amendment to the New York law is ready to go to the legislature, and then on to Cuomo for his approval in order to keep the two laws identical. Well, he didn't sign it, did he? He vetoed it. So we're back to square one. So much for transparency at the Port Authority.

[Board Chair J. Degnan] Gertrudis Lopez. Murray Bodin. Okay, Gertrudis, you're here. I'm sorry, Miss Lopez. Didn't see her stand up. I apologize.

[speaking foreign language]

[Gertrudis Lopez] Hi, my name is Gertrudis Lopez. I work at Newark Airport. I clean United Airline planes for contractor called PrimeFlight Aviation Service.

[speaking foreign language] >> Most of you have heard my story many times before. For more than a year, I have been coming countless times and told you with tears in my eyes about the hardship me and thousands of other airport workers face to the poverty wages, but nothing has changed.

[speaking foreign language] >> This is so disheartening that I almost didn't come here today. I work overnight, so I don't get a chance to sleep before I come here to testify, but I refuse to give up this fight for justice for all airport workers.

[speaking foreign language] >> I make so little money that I have to share my modest apartment in Newark with a roommate. It's so stressful living paycheck to paycheck because I know that any unexpected bill could set me back with no way to catch up, and the bill collectors don't care.

[Board Chair J. Degnan] Thank you. Murray Bodin.

[Murray Bodin] Things happen in a very funny way. There's been an issue about particular point downstairs that's been in wrong for months and months and months, and dozens and dozens of people have known about it. Some of you know about it. A lot of people out here know about it. Small piece of information needs to be changed and presented to the public in a different way and nobody knows how to change it. It's your responsibility to look at that one very small piece of information and find out what in this culture prevents that change, because that little change represents the inability of the Port Authority and others to deal with the world as it is today. This is a world of information. Computers are out, smartphones are in. People need honest,

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reliable correct information. Until you can solve that problem that was evident to a lot of people here, you all know about it, the rest of the stuff, what they have talked about here, becomes more difficult to solve. Tuesday, right, you can tell the Board that I had a discussion with the Chairman of the New Jersey Turnpike, he was sitting next to him. I think you heard what I said. It was also about change. Monday, I was at 5 MTA Board Committee meetings. I strongly suggested they fire the President of Metro North 'cause he doesn't understand and that the Chairman of the Metro Committee also get off the Board because he's been there too long and he hasn't been confirmed in 6 years. This is a world of change, people. This is a world of Twitter. I don't use it, don't like it. I don't like Facebook either, but other people do. You need to give us the... whoever, honest, current information. Can start with that issue I raised this morning and solve that very, very, very, very small issue, because it's the key to solving a lot of other things. Until you give us correct bottom-line information, the rest of the stuff is very difficult to do.

[Board Chair J. Degnan] Thank you, Steven Leone.

[Steven Leone] Good morning, Board of Commissioners, fellow colleagues, general public. I work at Newark Liberty Airport. I clean United Airplanes for a contractor called PrimeFlight Aviation Services. Along with cleaning the inside of the planes, we are expected to do security checks to look for dangerous items under seats and seat cushion, but sometimes we are not given enough time to do this critical checks completely. That concerns me and it certainly should concern you and all airline passengers. Also alarming, some of the cabin cleaners who work the night shift say that sometimes they had to do the security sweeps with no lights on. We do our best to keep airports safe and secure for the millions of passengers who pass through every day. We put safety first every day. We are in the frontlines. That attack in Brussels was a short reminder that no matter what our function, all airport workers could potentially serve a short responder in the case of an emergency. Security isn't the only challenge we face. Our working conditions are difficult. In some cases, there are times I had to work in extreme heat or cold, and some of my colleagues have been pricked by sharp objects such as syringe needles when they are cleaning the seats. You should also know that OSHA recently issued a number of proposed citations against PrimeFlight for hazards including some OSHA says might cause accidents that are likely to cause death or serious physical harm to employees. Safety shall be a priority for passengers and workers. You've recently approved a capital progress plan for tens of billions of dollars, including renovations at our airport. You should also invest in human capital that keeps our airports and passengers moving, thriving, and safe. You shall do the right thing and release your higher wages and benefits plan immediately. We have been waiting patiently more than a year, but the bill collector doesn't wait. Commissioner Foye, Cohen, Steiner, Lynford, Rechler, and Pocino, you've shown willingness to study a \$15 wage, take action, not to implement a \$15 wage so that airport workers like me can get out of poverty. Thank you.

[Board Chair J. Degnan] Thank you. Stacy Bodtmann. Stacy Bodtmann. Carlos Bejar. Christine Berthet. I'm sorry Christine there is a speaker before you, I'm sorry.

[Stacy Bodtmann] Good morning, Board of Commissioners. My name is Stacy Bodtmann. I'm here on behalf of the American Federation of Government Employees Council 100 representing

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over 40,000 transportation security screeners across the country. Locally, on the executive Board of Local 2222, which represents all the screeners in New York and New Jersey. I'm also Transportation Security Officer out of Newark Airport. I'm here, today, to talk about staffing problems and against privatizing TSA. Airports across country are reporting massive lines with hours long wait for passengers becoming the norm. It's unpleasant and entirely avoidable. AFGE has called on Congress to enact emergency legislation to enable TSA to hire 6,000 additional full-time TSA officers, restoring staffing levels to what they were in 2011. Congress has avoided the common sense solution to an uncomplicated problem. Congress' most recent budget proposal has only funded just a few hundred new screeners which won't even make a dent in the summer travel season. Congress has raided funds from TSA ticket fees. Some of the money passengers pay in security fees that should offset the cost of passenger screening and shifted those funds from TSA to pay down the Federal budget deficit. This change has led to 12.6 billion in ticket fees being diverted away from security screening over the next 10 years, all at a time when TSA needs those resources the most. Congress needs to end the diversion of airport security fees and return it to aviation security. Last year, TSA officers discovered a record 2,653 firearms at the security checkpoints across the country, on top of countless other weapons and dangerous items. A 20 percent increase from 2014, despite the lower staffing levels. Low staffing levels hurt the agency's ability to keep employees. Every week 103 screeners leave TSA. In 2014 alone, 373 joined the agency but 4,644 left. TSOs regularly miss trainings, meals, and breaks due to staffing shortages. Female officers face an additional burden because of the inadequate male to female ratio at these airports. They've been doing more with less for years and the long lines are proof positive that we can't wait any longer to act. Robbing ticket fees and short changing security budgets is not leadership, it's an unacceptable security risk. It's time for Congress to do their job and take immediate action to end the wait by staffing TSA. As far as privatization, passenger safety, not profits for private contractors should be our main concern. Replacing federally trained screeners with unaccountable untrained screeners who work for profit hungry contractors won't make the wait times any shorter, but it will making flying less safe. The 9/11 Memorial in New York City at the Pentagon and in the field outside Shanksville Pennsylvania are constant reminders of what happens if we do not take air security seriously. You can't continue to increase the number of passengers without increasing the number of screeners, it doesn't add up. Contrary to oft-repeated myths private screeners are not more effective or efficient than Federal TSOs. Airports with private screeners also experience long lines. Please don't forget that one of those planes left out of Newark Airport under the private contractors. Thank you. I'm gonna leave this one.

[Board Chair J. Degnan] Thank you. Is Carlos Bejar here? If not, Miss Berthet, I apologize for calling you before, but let's do it now.

[Christine Berthet] Thank you for listening to me. My name is Christine Berthet. I represent Community Board 4 in the west side of Manhattan. We applauded the October Board resolution that spelled out the need for a strong community input. A survey is not enough. For this effort to be successful, the community should be included early on the design process, and the Port Director pre-selected finalists to engage with the community on their efforts. The Port should also share our letters with the competitors. This is the way EGC and HPG do it for their RFPs and our community who is savvy, knowledgeable, and pragmatic has positively influenced the west side re-zonings. For example, the Community will point out that a bus staging facility

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threatens to significantly increase air pollution in a residential neighborhood in the New York City Department Health has ranked the third worst in New York for air quality. Do yourselves and the commuters a favor. Include the Community early so that you can finish this project earlier and save hundreds of million of dollars. Thank you.

[Board Chair J. Degnan] Thank you. All right, Jean Timmer.

[Jean Timmer] Good morning. Every worker that comes up here and tell their story is telling my story and vice versa. So I'm gonna flip the script a bit and read your story instead. Mr. Pat Foye on January 29, 2014, you told the Daily News, providing that an improved wage and benefits package to the thousands of hard working men and women that make our airport system the largest in the country is something that cannot wait, The Port Authority is prepared to use every tool at its disposal and to achieve these goals. David Steiner on February 10, 2014, you told the Daily News, I think it's about time that everybody that works at any Port Authority facility makes a minimum living wage. I don't know how people get by on the minimum wage. Let's skip ahead here. Again, Mr. Patrick Foye on April 24, 2015, you renewed your support of this plan when you said it and I quote, "Too often these tens of thousands of workers are underpaid despite their important operational role at all airports. To achieve 21st century airport, this is unacceptable." Commissioner Cohen, you stood up for us on November 19, when you said, "I appreciate this takes time, but how much time is a question," I guess that's a rhetorical question. "And I think this can be done much more quickly than we have done it. And I think now is the time to do it. We have been slow, we have been deliberate, but there comes a time when slow, deliberate, and thoughtful becomes delay, disrespect, and disengagement." As we come to suspect, Commissioner Degnan, I would challenge your statement when you said the Port Authority is not a social welfare agency. We are not asking for welfare. We are asking for what we deserve, for keeping your airports running every day. So, Mr. Degnan, it's clear that most Board members support a better wage and benefit plan for airport workers. Please allow the Board to vote on this. Thank you very much.

[Board Chair J. Degnan] Thank you. We have several other items on today's agenda for which the respective Committee Chair will be asked to provide a brief report prior to the matter being considered by the Board. On behalf of the Committee on operations which I Chair, I will now submit an item that authorizes a brokerage agreement with Newmark Grubb Knight Frank to support the marketing and lease of approximately 37 acres of undeveloped land in the industrial park at Stewart International Airport. Prior to making a motion on this item, I would ask the Corporate Secretary to note any commission and recusals. Do any of the Commissioners have any questions or comments on this item?

[Comm. D. Steiner] I have a question, Karen, I didn't get the notice yesterday, but I understand the issues that I have raised have been addressed.

[K. Eastman] They were outlined in the memo at the response I sent last night.

[Comm. D. Steiner] Now are they satisfactorily?

[K. Eastman] I believe so, yes.

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[Comm. D. Steiner] I'll take at your word 'cause I did not get it last time. Okay.

[K. Eastman] I sent it to you again this morning, after we spoke.

[Board Chair J. Degnan] Any other questions or comments? Is there a motion to approve this item? Second? >> Karen, would you take the roll please? >> Chairman Degnan. >> Yes. >> Vice Chairman Rechler. >> Yes. >> Vice Chairman Elect Cohen. >> Recused. >> Commissioner Bagger. >> Yes. >> Commissioner Fascitelli. >> Stepped out. >> Commissioner Laufenberg. >> Yes. >> Commissioner Lipper. >> Yes. >> Commissioner Pocino. >> Yes. >> Commissioner Schuber. >> Yes. >> Commissioner Steiner. >> Yes. >> You didn't say his name. >> Oh, Commissioner James. I'm sorry. >> As the votes are in order, the item is approved. I'll now ask Vice Chairman Rechler as Chair of the Committee on Capital Planning, Execution, and Asset Management to provide his report.

[Vice-Chair S. Rechler] Thank you. I will now report an item onto the purview of the Committee that authorizes \$1.7 million in planning and preliminary design services for a future project to rehabilitate the underground water system piping at the Elizabeth-Port Authority Marine Terminal to ensure a state of good repair and serviceability of the water distribution system. Prior to making this motion, I'd like to ask Secretary and the Commissioners' recusal on this matter

[K. Eastman] No recusals.

[Vice-Chair S. Rechler] Okay, any Commissioners have any questions or comments? Hearing none, I'll ask for a local vote. >> Chairman Degnan. >> Yes. >> Vice Chairman Rechler. >> Yes. >> Vice Chairman Elect Cohen. >> Yeah. >> Commissioner Bagger. >> Yes. >> Commissioner Fascitelli. Commissioner James. >> Yes. >> Commissioner Laufenberg. >> Yes. >> Commissioner Lipper. >> Yes. >> Commissioner Pocino. >> Yes. >> Commissioner Schuber. >> Yes. >> Commissioner Steiner. >> Yes.

[Board Chair J. Degnan] There being no further business, I move to adjourn the meeting. Is there a motion? >> Second. >> Second. All in favor please say aye. >> Aye.

[Board Chair J. Degnan] The meeting is now adjourned. Thank you.