

**The Port Authority of New York and New Jersey
WTC Redevelopment Subcommittee Meeting Transcripts
November 15, 2011**

[Chair A. Sartor] In addition, the public portion of this meeting is being broadcast live on the Port Authority's website for those interested in viewing today's proceedings via the Internet. The first item is the award of construction trade contracts for the World Trade Center, Mr. Plate?

[S. Plate] Good morning, Commissioners. We continue to make significant progress across all World Trade Center projects. Today, I'm requesting approval of several items necessary to continue our momentum at the site. I would like to first recommend a contract of award for the Hub. The concourse architectural steel, which includes approximately 160 architectural steel ribs spanning the ceilings and walls of the North/South concourse was publicly advertised with Skanska Koch being the lowest-priced qualified proposer at a cost of \$10.1 million, excluding extra work and clause work, which compares favorably to the staff estimate of \$10.6 million. Authorization for this contract includes payments of \$700,000 to Downtown Design Partners and 900,000 to Tishman/Turner for Design and Construction Management Services, respectively. The award of this contract will bring us up to 97% of Hub Trade Contracts awarded to date.

[Chair A. Sartor] Any questions? If not, I will entertain a motion to move this to the full committee.

[Comm. D. Steiner] Motion.

[Chair A. Sartor] Second?

[All Commissioners] Second.

[Chair A. Sartor] All those in favor?

[All Commissioners] Aye.

[Chair A. Sartor] Next item Steve.

[S. Plate] Concerning the Vehicular Security Center, we are recommending today the award of 2 contracts. The first contract for roofing and waterproofing was publicly advertised with Eagle One Roofing being the lowest qualified proposer at a cost of \$2.8 million, excluding extra work, which compares favorably to the staff estimate of \$4.2 million. Authorization for this contract also includes a payment of \$200,000 to Liberty Security Partners for Design Services.

[Chair A. Sartor] What was the estimate?

[S. Plate] 4.2.

[Chair A. Sartor] Okay, that's a significant--

[S. Plate] The reason it was on the lower side is right now they're doing work on Greenwich Street-- tower 2, tower 3--so they're all over the site and they have a staff there ready so this would be some--

[Chair A. Sartor] Any questions on this? Seeing none--

[Comm. P. Schuber] Second.

[Chair A. Sartor] Okay, next item Steve?

[S. Plate] The second VSC contract for concrete masonry partitions was also publicly advertised with Holt Construction being the lowest qualified proposer at a cost of \$3.8 million, excluding extra work, which compares favorably to the staff estimate of \$4.1 million and also includes a payment of \$300,000 to Liberty Security Partners for Design Services. Based on a review of Holt's work history and performance as well as their ability to be bonded, World Trade Center Construction has deemed a performance bond not in the best interest of the Port Authority. Your authorization of these items will provide for over 86% of VSC trade contracts awarded to date.

[Chair A. Sartor] I will entertain a motion unless there's a question.

[Comm D. Steiner] So moved.

[Chair A. Sartor] Second?

[All Commissioners] Second.

[Chair A. Sartor] Move it on to the full committee.

[S. Plate] Our next item, request planning work for phase 3 of the World Trade Center's Streets project in the amount of \$5 million, of which \$3.9 will provide for an increase in compensation to Downtown Streetscape Partners for design services including the preparation of final design and construction documents for the 60,000 square foot Liberty Park located on the Southern side above the roof of the VSC.

[Chair A. Sartor] Any questions on this item?

[Comm. R. Pocino] Second.

[Chair A. Sartor] All in favor?

[All Commissioners] Aye.

[Chair A. Sartor] Next item, Steve.

[S. Plate] Our next item for approval is a contract for Podium Glass at 1 World Trade Center, which was publicly advertised with Permasteelisa North America Corporation being the highest technically-ranked

and lowest cost proposer at a cost of \$34.5, excluding extra work, which again compares favorably to the staff estimate of \$37.5 million. This item also requests increases to several existing designer construction contracts for modifications necessary for the podium wall redesign in an aggregate amount of \$15.4 million, excluding contingency. The proposed contract will result in an overall savings of approximately \$8 to \$10 million while maintaining the construction schedule of 1 World Trade.

[Chair A. Sartor] That was from the original design, Steve, that we had to modify, correct?

[S. Plate] Yes.

[Comm. D. Steiner] I thought it was \$29 million.

[Chair A. Sartor] No--no, it was--

[S. Plate] It was 8 to 10.

[Chair A. Sartor] That was my mistake yesterday, it's less.

[Chair A. Sartor] Go ahead, Steve, I'm sorry.

[S. Plate] No, that's fine. We are down to near the end, so with this authorization, we've awarded 99% of 1 World Trade's contracts.

[Chair A. Sartor] Any questions? Yes.

[Comm. W. Schuber] I have a question.

[Chair A. Sartor] Yes, Sir.

[Comm. W. Schuber] Steve, can you explain to me what this glass does?

[S. Plate] Okay. What it does is, if you remember on the bottom 20 floors from this point to this point.

[Comm. W. Schuber] Is the base--in other words, it's the base.

[S. Plate] Yes. When you walk around with me, you see the hardened portion, the concrete--

[Comm. W. Schuber] Yeah. This part goes around that.

[S. Plate] That's correct.

[Comm. W. Schuber] Okay.

[S. Plate] Because--

[Comm. D. Steiner] Actually they had these before and it didn't work --that architect's dream.

[Comm. W. Schubert] Understood.

[Comm. W. Schubert] Thank you.

[Chair A. Sartor] Any other questions?

[Commissioners] Motion moved.

[Comm. W. Schubert] Second.

[Chair A. Sartor] All who's in favor?

[Comm. V. Bauer] Aye.

[Chair A. Sartor] Next one, Steve.

[S. Plate] The last item concerning retail and parking projects, I'm requesting your approval of a concrete and waterproofing contract, which was publicly advertised with Eurotech Construction being the lowest qualified proposer at a cost of \$5.9 million, which compares favorably to the staff estimate of \$6.1 million. Your authorization of this item will provide for over 63% of the Retail and Parking Trade contracts awarded to date. Commissioners, I request that you advance these items to the full board for their approval.

[Chair A. Sartor] Any questions?

[Comm. D. Steiner] Yeah, I just want to point out the reason we are doing this is because we don't have a deal in place with a retail operator. (Inaudible) position instead of Westfield.

[Chair A. Sartor] This would go ahead whether or not we go with Westfield.

[Comm. D. Steiner] (Inaudible)

[Chair A. Sartor] Westfield would be part of this.

[Comm. D. Steiner] So what your saying is, but we are doing it in their place, but we don't know whose place.

[Chair A. Sartor] Yes.

[S. Plate] No, this is--this is really just a feather in the parking area.

[Chair A. Sartor] Yeah.

[Comm. D. Steiner] Then I'm thinking of something else.

[S. Plate] No, that's coming next month possibly.

[Comm. D. Steiner] Okay.

[Chair A. Sartor] Yeah, this would have to be done either way.

[P. Foye] Let me just add something as well, which is that if the Westfield deal is restructured, it's really got no impact on this work which needs to be done anyway.

[S. Plate] That's right.

[P. Foye] And it does not limit our options in any way to restructure the Westfield deal.

[Comm. D. Steiner] That's what I wanted to make sure of.

[P. Foye] In terms of ownership or investment.

[S. Plate] This puts waterproofing and smooths out the parking area for parking spaces.

[Chair A. Sartor] Any additional questions? If not--

[Comm. P. Schuber] So moved.

[Chair A. Sartor] Second?

[All Commissioners] Second.

[Chair A. Sartor] All who's in favor?

[All Commissioners] Aye.

[Chair A. Sartor] Next item Steve.

[S. Plate] That's it.

[Chair A. Sartor] That's it?

[S. Plate] That's it.

[Chair A. Sartor] We got off easy today, Steve.

[S. Plate] Yes, Sir-- Thank you, Sir.

[Chair A. Sartor] This concludes the public portion of today's meeting. The subcommittee will now adjourn to executive session to discuss matters involving ongoing negotiations or reviews of contracts or proposals. Thank you.