

The Port Authority of New York and New Jersey
Public Board Meeting Transcripts
March 29, 2012

[Chair D. Samson] The Board Meeting of the Port Authority of New York & New Jersey and its subsidiaries is now called to order. In addition, as part of today's proceedings, a special meeting of the Operations Committee will be held to consider the matters on today's agenda. The Audit Committee met in executive session on February 22, 2012, and prior to today's meeting, the committees on Construction and Operations met in public session, and the World Trade Center Redevelopment Subcommittee met in both public and executive session. Their reports will be filed with the official minutes of today's Board Meeting. The commissioners also met in executive session prior to today's Board Meeting to discuss matters involving public safety or law enforcement and matters related to the purchase, sale, or lease of real property or securities where disclosure would affect the value thereof or the public interest and to discuss and act upon matters involving ongoing negotiations or reviews of contracts or proposals. Our first issue on the agenda is a presentation by the executive director and the deputy executive director on compensation and benefits. Those of you who were present during this morning's Operations Committee, the public session, heard a preview of it, but Executive Director, Deputy Executive Director, do you want to proceed?

[Exec. Dir. P. Foye] Thank you, Mr. Chairman. Bill Baroni and I have been working closely on this, so we're going to jointly present. Let me start with 4 observations. One is the changes to compensation and benefits that the committee approved today align the Port Authority's compensation and benefits with prevailing practice in both the private sector and the public sector, especially with respect to governmental entities in New York and New Jersey. Second, we believe that in making these changes the Port Authority is fulfilling its responsibilities to be accountable to the public we serve. Three, I want to note that the changes discussed today are the result of careful analysis, both internally, led by the HR Department--Mary Lee Hannell and her team, others at the Port Authority--as well as work done by Navigant in the Phase 1 report and since then. Fourth, to be clear, these changes are painful and will represent pay cuts for many Port Authority employees. Having said that, we recognize that the strength of the Port Authority over the last 90 years is the talents and experience of the Port Authority workforce. 1. 2, we also believe that even after these compensation and benefit adjustments that Port Authority employees will be paid at the upper levels of government employees in the region, especially with respect to New York and New Jersey. The compensation and benefit adjustments and reforms made today are a follow-up to the Special Committee of the Board's work and Navigant's interim report dated January 31, '12, which was done at the direction of the governors of New York and New Jersey. The Phase I audit recommendations, as you know, benchmarked compensation and benefits with similar New York and New Jersey governmental entities and other entities outside the region. As a first step, the majority of reforms will initially impact non-represented employees. 4 areas of reform: 1) healthcare; 2) vacation programs; 3) compensation programs; and 4) additional anticipated savings. Let me size for the board and the public the scope of the savings. In the second half of 2012, the compensation and benefit adjustments will realize savings of over \$14 million--6 months of 2012. For the full year of 2013, the savings will total more than \$26.5 million, for grand total savings of over \$41 million in the next 18 months, to be followed by tens of millions of dollars of savings each year thereafter. Let me review

briefly the healthcare area. One is to implement a healthcare contribution system which will be done on a 4-year phased implementation basis. Contribution rates will be based on salary and type of coverage. Employees at the highest salary levels will contribute 35% of their premium in year 4. This phased in approach is similar to what was done with government employees in both New York and New Jersey. As you know, currently non-represented employees hired after July 1, 2005, contribute to the cost of health and dental benefits. Effective April 29, 2012, all non-represented management employees will contribute to the cost of their group health and dental benefits. In addition in the healthcare area, we have taken steps to maximize financial discounts of healthcare plans at estimated 2012 savings of nearly \$6 million, capitalize on federal benefit reimbursements, introduce alternative lower healthcare plans-- that's an estimated savings in 2013 of approximately \$13 million-- and revise the Port Authority Labor Relations Instruction to exclude healthcare as a subject of negotiations for represented staff. On this point it's important to note that this will apply only to collective bargaining agreements entered into between the Port Authority and unions after the date of today. Second, vacation programs. A phase in revised vacation schedule will be put in place, and there will be elimination of the executive management excused program. On a total basis, that will represent nearly \$500,000 of 2012 savings, annual basis full year 2013 over \$4 million. In addition, the vacation exchange program will be eliminated starting January 1 of next year, estimated 2013 savings of about \$3.7 million. Vacation payout upon separation will be reduced to 1 year, estimated 2013 savings of \$4 million. Effective January 1, 2013, the extra year of allowance that pre-9/11 employees were eligible to cash out will be discontinued, and the maximum will be 1 year of vacation carryover for all non-represented employees. At this point, let me turn it over to Bill Baroni.

[Dep. Exec. Dir. B. Baroni] Thanks, Pat. Throughout the course of the last number of months starting with the direction from Governors Christie and Cuomo to the board to create a special committee and retention of the Navigant Consulting group, a review of the Navigant report issued to the board last month showed a significant number of add-on compensation programs. We are recommending to the board that those compensation programs be eliminated. These add-on compensation programs--there are 6 of them-- they would be discontinued effective July 8 of this year. The combination of everything that Pat has just gone through plus healthcare contributions plus the elimination of these add-on compensation average reduction of total compensation per employee ranges from 1.8% up to 8%, the highest at 12%, a savings in 2012 of \$1.1 million and in 2013 an additional \$2.1 million. These add-on compensation benefits include a FICA benefit, a group term life insurance benefit, a retention program, a career service plan, a police superior longevity for captain and above, and a police superior cumulative retirement days for captain and above. In addition, under the leadership of the board 2 meetings ago, the entire compensation of the Port Authority was placed online with the commitment to update it quarterly. We are happy to come to the board today and in addition to our next presentation as well that that total compensation will be placed online for 2008, 2009, and 2010 in addition to prospectively continuing to update it quarterly that will show all of the total compensation, not just salary. Continuing, we are recommending to the board the elimination of the PATH Passes for Free Travel Program for all non work-related travel for: non-represented PATH active employees; Port Authority management staff holding PATH Passes; all retired non-represented PATH employees; and spouses and partners and eligible family members of active, retired, or deceased non-represented PATH employees. The savings this year, commissioners, will be \$170,000 and in 2013, \$256,000. Additionally, commissioners, we are recommending a

redirection of management of our authorized headcount that will save \$3.5 million this year, \$2.4 million next year. Collectively, when we look at the various compensation changes and elimination, that will, in addition to saving actual dollars, also save the agency on pension payments, estimated 2012 savings of \$728,000 and in 2013, \$1.3 million in pension payments that we've had to make that we will no longer need to make. Pat?

[Exec. Dir. P. Foye] And again, commissioners, in summary, grand total savings in 2012 of over \$14 million for the last half of the year, \$26.7 million in 2013, grand total of \$41 million and change in the 18 months, and then tens of millions of dollars--these that are recurring--annual sustainable savings. Thank you.

[Chair D. Samson] Thank you. These proposals take the form of resolutions, so may I have a motion to approve the resolutions?

[Off-Camera Comm.] I make the motion.

[Chair D. Samson] Second?

[Comm. V. Bauer] Second.

[Chair D. Samson] All in favor?

[all] Aye.

[Chair D. Samson] So moved. The next presentation by Pat and Bill will also cover a subject that was discussed in the Operations Committee this morning, and that is the issue of a proposed Freedom of Information Code in order to enhance transparency for the agency. Pat?

[Exec. Dir. P. Foye] Chairman, Bill and I again will present jointly. I would begin by characterizing the steps the board is about to take today with respect to the Freedom of Information Code as literally unprecedented with respect to governments in this region and perhaps across the nation. What the board is adopting today is a new Freedom of Information Code for the Port Authority. It addresses criticisms--some well-placed--of delays and non-responsiveness of the Port Authority in the past to certain FOIL requests. Specifically, the proposed Freedom of Information Code that the board will consider today provides a broader, more extensive, and clearer definition of what constitutes a record, a document requested in a FOIA request; provides for the posting on the Port Authority's website of fulfilled requests, past fulfilled requests, so that requesters do not have to request and do not have to trod the ground that's been walked by prior requesters, with the exception, of course, of police accident and investigation report; combines several of the exemptions from disclosure that are permissible and restates the exemptions for greater clarity; and provides specific examples of the types of materials that would be exempt and would be available under several of the exemptions to avoid giving the appearance of ad hoc determinations; and lastly, clarifies the nature of materials exempt from disclosure as inter-agency and intra-agency materials and communications. Bill.

[Dep. Exec. Dir. B. Baroni] Thanks, Pat. In addition, commissioners, the proposed code will first streamline the procedure so that those who are requesting documents will be able to obtain impartial judicial review of those decisions under the code more quickly. Some examples: There will no longer be a requirement to submit a formal legal appeal to the Port Authority's Office of General Counsel; there will no longer be further internal delays in obtaining that final agency decision on the availability of materials; there will no longer be a need to exhaust those administrative remedies within the confines of the Port Authority, and therefore, a requester could immediately seek judicial relief in a court in either New York or New Jersey. And in addition, there will be more clear instructions on how these documents can be gotten, including those where the document request is extraordinary. In addition, commissioners, we are proposing something that we cannot find has been done anywhere before. We are asking the commissioners to allow us to try an experimental program where requests for information from the Port Authority would be free. As we studied some of our sister organizations and other public agencies not just in the region but around the country, we saw different prices. We would like to propose that when you request a traditional document from the Port Authority that that document be provided to you without the cost of copying and search fees, and we'd like a 1-year trial to see the cost of that. Pat and I firmly believe this is a public agency, these are public documents, and they should be free to the public. In addition, we have created, at the direction of the chairman and vice chairman, the Port Authority Transparency Project, a new part of our website that will produce thousands of documents previously unavailable to the public. With the approval of the Board of Commissioners, tomorrow morning at 9:00 we will turn on this site that will have posted more than 22,000 pages of documents that have not yet previously been available, including filled FOIA requests from 2011 to the present, more than 500 pages of public board and committee presentations, more than 300 pages of toll and fare public hearing transcripts. Going forward, prospectively, we will post all fulfilled FOIA requests immediately upon completion, meaning someone applies for a document, not only will that person receive the document for free in our trial period, but we will also post that document online. And we're building a staff dedicated specifically to the Port Authority Transparency Project, so both prospectively as requests come in and retrospectively as we go through this agency's documents, to go back in time to find and put as many documents as we possibly can online for the public. We believe that this code and the Port Authority Transparency Project will allow the Port Authority to become the nation's leading agency when it comes to openness and transparency. And Mr. Chairman, we request the commissioners' approval for this item.

[Chair D. Samson] May I have a motion to approve this resolution?

[Off-Camera Comm.] So moved.

[Chair D. Samson] Second?

[Off-Camera Comm.] Second.

[Chair D. Samson] All in favor?

[all] Aye.

[Chair D. Samson] So moved. We will now provide an opportunity for members of the public to comment on other Port Authority matters. This public comment period, which is limited to 30 minutes in total, provides an opportunity for members of the public to present their views directly to the board but does not provide for a dialogue. Members of the public wishing to discuss a specific matter with the Port Authority staff are advised to contact our Public Affairs Department. Speakers are asked to comply with the fixed time limit of 3 minutes. Our first speaker today is George Miranda of the Teamsters. Mr. Miranda?

[G. Miranda] Thank you. Thank you, Chairman David Samson, Vice Chairman Scott Rechler, and Board of Commissioners for the opportunity to speak today. I would like to thank Governors Andrew Cuomo and Chris Christie for their steadfast leadership on this important issue. Thank you also to the Port Authority Executive Director Patrick Foye, Deputy Executive Director Bill Baroni for their hard work and tremendous insight. Finally, thank you to Brian Simon for his professionalism and tireless efforts. As president of Teamsters Joint Council 16 and an international vice president, I represent over 30 Teamster Locals and 120,000 members across a wide range of industries. I want to thank our local unions who are here today while I make this presentation on their behalf for their tireless efforts in supporting this initiative. Many of our members operate commercial vehicles in many of New York State's blue collar industries in the liquor, soft drink, bakery, carting, fuel, construction, long haul trucking industries. Teamster members work long hours for their shot at the American dream. This volume discount program before you today will encourage trucks to travel off-peak hours, which will decrease traffic congestion and promote a healthier environment. It would also promote a business-friendly environment while ensuring that our regional infrastructure is properly maintained and will also go a long way to alleviate the burden on New York and New York's hardworking men and women in the commercial truck driving industry. I want to thank both the governors for their demonstration of their willingness to put this program and initiative in place. It goes a long way to helping our members as well as the employers who make the regional commercial industry here a viable economy. Again, thank you for listening to me and my remarks.

[Chair D. Samson] Thank you. Our next speaker is Margaret Donovan of the Twin Towers Alliance.

[R. Hughes] She just stepped out.

[Chair D. Samson] All right. Let's move to our next speaker, Richard Hughes, also of the Twin Towers Alliance.

[R. Hughes] Good afternoon, Board members. How did it all go so wrong? After the attacks of 9/11, most New Yorkers and most Americans wanted the Twin Towers rebuilt. We had the will and we had the way. One 21st century twin would have cost far less than the Freedom Tower; the other much less than the Calatrava Hub. All 10 million square feet could be standing today for less than what the Port Authority has already spent and without kowtowing to Larry Silverstein. Even if the upper floors had been left empty for a decade and the lights were turned on each night, as they are with the Freedom Tower, we would still be way ahead of where we are now. If you think this is simplistic, you're welcome to counter it. No one has ever tried. The only official reason we've ever heard for ignoring the popular will and banishing the incomparable

and much more cost-effective Twin Towers was that restoring the street grid was, quote, "an imperative," unquote. So now the entire neighborhood around the WTC is going into permanent lockdown because the invulnerable super block was cut up and brought down to street level. Another thoughtless conceit gave us the 1,776-foot spire, depriving the public of the celebrated rooftop deck, and gave us the decision to scrap a world-class restaurant even though it would bring in far more than the \$10 million in annual broadcast revenue from the antenna. And what about Mr. Silverstein, who is now cashing out of 7 WTC? What measures are in place to introduce a portion of his \$577 million back into the site? Or is he going to be allowed to continue to invest in Poland, China, and Disney World while the public picks up his Trade Center tab? This used to be the "if you build it, they will come" nation. Now Twin Towers are rising all over the world, even in Paris, where two 93-story towers--designed by Norman Foster, by the way-- will be built for the price of just 1 Freedom Tower. This country and this agency once did amazing things. The Twin Towers were conceived at a time when we sent men to the moon. I'm sorry for the workers that the Freedom Tower will never be the 8th Wonder of the World that your publicity machine claims it will be. But it certainly is iconic, because now, 40 years after the World Trade Center was launched, it is the symbol of a country that can only get halfway to the moon. Thank you.

[Chair D. Samson] Thank you. Our next speaker is Joseph DiDomizio of the Hudson Group.

[J. DiDomizio] Chairman Samson, members of the Port Authority Board, thank you and good afternoon. Thank you for letting me present today. I'm Joseph DiDomizio. I'm CEO-President of Hudson Group. We are a partner with the Port Authority of New York & New Jersey. We serve many of the transportation facilities that you own. The purpose of my presentation today is one of good will on behalf of my company. Hudson Group--you probably know us best for the Hudson News stores. We're one of the largest travel retailers in North America-- 650 stores--we serve 70 airports and transportation terminals spanning the 4 corners of North America. Our partnership with the Port Authority spans 11 transportation centers and over 100 stores. This year we are celebrating our 25th year in serving customers, and in fact, it all started right here at LaGuardia. The first Hudson News store ever appeared at LaGuardia in 1987. So we owe the Port Authority a real debt of gratitude, and I just wanted to come before you and say thank you. You've been a real trusted partner of ours every step of the way, and we never would have gotten where we have without your support. My observation of the Port Authority staff and employees over many years of working with them is that they are a true example of giving back to the community within so many organizations and institutions that they work with within their communities. Our philanthropic efforts began in 2005 in response to Hurricane Katrina. This disaster had affected many of the markets we serve, so we placed ad hoc collection boxes in our stores for those in need. We did this in partnership with the Red Cross Disaster Relief Fund. In a matter of weeks, we had collected \$150,000 for that effort. We moved to Haiti relief, Pakistan flood relief, the Japan tsunami relief, and, recently, Hurricane Irene, and since 2005, we've been able to collect over a million dollars thanks to the generosity of our customers, obviously, the commitment of our operations team, and the support of all of our landlords. During the last 3 months of 2011, we collected lots of change--nickels and dimes--within the Port Authority facilities, so I'm here today to inform the board that we are sending a check to the Red Cross Disaster Relief Fund in the name of the Port Authority of New York & New Jersey for \$40,000. So on behalf of [no audio] for giving us this opportunity [no audio]. Thank you.

[Chair D. Samson] Thank you. Our next speaker is Joseph Clift of the New Jersey Association of Railroad Passengers.

[J. Clift] Good afternoon, Mr. Chair, Mr. Vice Chair, and Commissioners. I want to thank you for this opportunity to talk to you today. I actually was going to talk about the FOIA code changes before you voted, but I was in favor of them, so congratulations. Let me just highlight--I was here this morning at the committee meeting-- some things that were said I think are really worth repeating by the commissioners. One was the public has to [no audio] change the code of the Port Authority [no audio] need to one of an assumption of disclosure. That's a huge shift from being almost an obsession of secrecy to being open. Second, the need to clearly define exceptions and to take out elasticity that would restrict access. That's very important. And third and most important, the goal of becoming the best in class in providing unprecedented access. All of this is music to an advocate's ears. Also for a year free, which could make a difference if you're asking for a lot that you didn't get before. The hard part, of course, is executing this. We're talking about deeds to prove the words. Last month I came before you and asked for the release of the reports behind this 31-page ARC MIS summary report. This is not just a historic curiosity; it's important today as we look to what replace ARC with. That information was done at significant cost, and it has significant utility today. I want to thank the chairman. I was contacted by a member of his staff after the last Board Meeting, and I was told that the reports in the thousands of pages are safe in the archives of the Planning Department [no audio] even though that before this call and will be following up, and that is really appreciated. And last, if you have a copy of what I passed out you'll see there's a curious--in terms of responses before to requests for release of documentation, this is a response to an OPRA-- that's New Jersey's version of FOIA--request that came back in December of 2010 to Al Papp, who at that time was the director and is now president of New Jersey Association of Railroad Passengers. It says--it's from the New Jersey AG's office-- "I write in response to the above referenced OPRA request you submitted--blah, blah, blah." "New Jersey Transit is unable to locate "government records responsive to your request." "Therefore, your request is closed effective today." Then they go on to state--and this is the curious part--[no audio] "...maintained records pertaining to the ARC MIS summary report." "However, we understand that the Port Authority's file was destroyed "as a result of the terror attacks on September 11, 2001." [no audio] ...9/11. Thank you very much.

[Chair D. Samson] Thank you. Our next speaker is Yvonne Garrett Moore.

[Y. Moore] Chairman Samson, it's a pleasure to see you again. Board of Directors, it's also an honor to be before you again. I'm here to continue to encourage your interest. I'm a biblical student, and the word says, "Seek and you shall find." "Knock and the door shall be opened. Ask and it shall be given." I am here not for myself but for my community, for my region, and for our ability, our full potential. Airport City at Newark International Airport is still begging to be birthed and developed. We have such an incredible opportunity to serve our region in such an exceptional way, and we don't want to miss the opportunity. We want to secure our position as a global leader in aviation. Historically, we have always held that distinction. We want to maintain that. We want to be the place that the world wants to come, and we need to set the table and set the stage to best do that. We have to put the right emphasis on that. And so I'm asking again for you all to continue your interest and support for the development of Airport City at Newark International Airport. Our Executive Director Mr. Foye clearly stated that we have to look at

growth and development for our region--that the Port Authority's primary ability is to stimulate that growth. And Newark International Airport needs the focus and the attention. We have private development community that is saying, "Yes, we see this, "yes, we need to invest in it." Let's give them the opportunity. I am requesting for a stakeholder meeting allowing for interested parties to come together so that we can determine the feasibility of this and once and for all determine that feasibility so that we know what is possible. It's already been determined that it's feasible. These airport Aerotropolis developments are being done around the world, and they've proven themselves viable. Dr. John Kasarda has been very successful. He's from New Jersey, so he's a homeboy, so he understands what we need. But in addition to that, he has traveled all around the world being invited by a number of countries to establish Aerotropolises globally. So we need to take advantage of his investment of research and awareness and glean from that and establish what we know can be the next stage for aviation development, commercial development at Newark International Airport. Thank you again for your consideration. I will continue to reach out to the board as well as to the administrative [no audio] to sit, dialogue, discuss, and come up with a plan that's going to best represent the future of Newark International. Thank you again.

[Chair D. Samson] Thank you. I see that Mrs. Donovan has returned, so she's our last speaker.

[M. Donovan] Good afternoon. The microphone seems to be lower than it usually is. Is there any way to adjust it? Because I had trouble hearing Yvonne. Okay. All right. Thank you. Oh. Back to 3. Thank you. Good afternoon, commissioners. When I read today what was on the agenda, I scrapped what I had planned to say and started over. But that wasn't a problem because I could have written this statement in my sleep. Thank you for the lengths your senior people have recently gone to in response to our inquiries. We at the Twin Towers Alliance are auditors too and, as a federal judge recently recognized, bona fide observers of the Port Authority's practices. And frankly, while your Freedom of Information reforms are a positive first step, your transparency deficit goes much deeper. You still insist that the current mess is the inevitable result of bad luck and bad markets, not bad choices and bad policies-- policies that never would have been affected if the board's deliberations had been public. Public interest at the World Trade Center was bargained away in 10 years of unwarranted executive sessions. A matter of such compelling public interest [no audio] and the public's options were carefully misrepresented. Revealing documents postmortem will not give the public a chance to ward off secret agendas, and that's the problem. All of the new disclosures still seem to be strategic. You don't want to hear what we think or you would not limit the comments of people who take the time to come here, often experts in their fields, to 3 minutes, with buzzers going off and the hook coming out at the stroke of 3. You would hear them out and ask them questions if you had any real respect for their knowledge or their constituencies. What's more, you don't seem to want the governors to know what we think or you would include the transcripts of the public statements when you send the minutes to the governors for review. At the last meeting, the press conference was held prior to the meeting, so now we have even one more filter between us and the facts. Why? Even the President holds televised press conferences. I do not think this agency will survive unless you overhaul your open meetings practices. Now that the legislatures are belatedly tackling common legislation, you will sooner or later be subject to the state's [no audio] and both states' laws already give any private citizen the right to challenge the reasons for a public agency to retreat behind closed doors, with the actions the result from an unwarranted executive session being

subject to being ruled null and void. If only that legislation had passed last year or the year before, the Triple A wouldn't have had to challenge the tolls in federal court. Public-private partnerships are all the rage, but the best idea would be a public-public partnership where you do your job and let us do ours. We're smarter together than at odds. It's a radical idea, but it could work. It's not too late to do the right thing. Thank you.

[Chair D. Samson] Thank you. And that's our last speaker. Before we entertain a motion on the consent calendar, I'd like to make a few comments, and I know the vice chairman has an interest in saying a few things as well, and it is to focus on the significance of today. In the life of any public agency, certain times are marked as critical junctures, and I think today is one of those significant times at which the agency takes action and pivots. Over the past 7 months, at the directions of Governors Christie and Cuomo, the board has conducted a review of this agency to reevaluate how the agency does business, how we relate with the public, and how we operate under today's security circumstances. As a result of this review that started last fall, the board today has taken actions to achieve major course corrections for the Port Authority. For one, our ongoing review has led us to conclude that Port Authority employee compensation and benefits were not in line with the standards set by our governors in New Jersey and New York. Over the years, compensation has been allowed to balloon out of proportion to public employee standards. It has become out of alignment. This is not to criticize our employees, who still are the finest professionals I've ever worked with, but our compensation structure is out of whack. It's unacceptable, and we need to move forward and make certain adjustments to conform to current standards. So today's board action follows the lead of Governors Christie and Cuomo in seeing that all employees contribute for their health insurance. In addition, the Port Authority will no longer grant benefits and compensation add-ons that no other private or public sector employee ever gets to see. In sum, what we're seeking is to maintain and focus on a culture of meritocracy, not one of tenure. On another front, the board's reevaluation--again, started last fall-- concluded that the agency's actions have not always complied with the highest expectations of transportation and openness in public dealings. We've consistently heard that people thought of the Port Authority as a closed, unresponsive, and often insular agency where production of information was slow and communication was often unresponsive, if not nonexistent. That too has to change. So today, by today's board action, we have changed the way we do business. We've adopted a new and more user-friendly Freedom of Information Code, and we've created the Port Authority Transparency Project-- both models for public and media openness. Finally, our review of the agency over the past 7 months demonstrated we need to make changes in our security, organizational, and operational structure. By working with former Homeland Security Secretary Michael Chertoff, the board has examined our entire security apparatus. And while it is clear that the billions of dollars we've invested in our infrastructure have kept and continue to keep our facilities safe, we have concluded that we can improve on our security organization by requiring greater centralization and clearer reporting responsibilities. So again, by today's board action we will create a freestanding security department within the Port Authority, and it will be headed by the position of a chief security officer for the Port Authority. We will undertake a national and immediate search to select the person who will work with our senior management team to build a unified, centralized security organization within the Port Authority. This will improve communications, supervision, and accountability so we may continue to ensure the safety of our facilities and the customers and passengers who use them. These steps, I want to emphasize, are just the beginning of this board's commitment to continue to reevaluate the

agency and its operations. As we continue with our review, we are also continuing our efforts to improve the agency and to bring it in line with the performance standards and objectives laid out by our governors. Vice Chairman?

[Vice Chair S. Rechler] Thank you, Mr. Chairman. For those who sat through the committee meetings, heard the chairman's remarks, and saw these reports today, I think it's pretty clear that the days of doing business as usual at the Port Authority are over. I think this board is fully committed to ensure that the Port Authority is a best in class agency with best in class practices and transparency and accountability. Going back to when we actually initiated the Navigant report, when we actually went to go and do that audit and review, it was not only to identify issues and challenges but, frankly, it was to serve as a change agent for the team members of the Port Authority-- the professionals that are out there--so that we can actually operate more effectively, more efficiently, and ensure that the Port Authority is a sustainable agency that can carry out its mission and responsibility to the public that it represents. I've got to tell you I was really pleased today with the committee meetings and the work that has been done in the last month between our last Board Meeting between the executive director, deputy executive director, and your teams embracing using this report as an ability to have milestones for change. And the initiatives we saw today on the compensation and benefits, the Freedom of Information Act, the security initiatives are great steps forward along the way. I also want to comment that from watching your team in the field you've seen a change. You've seen a change of people being accountable to where numbers are and where the expectations are and trying to actually be more focused on value engineering, things, for example, down at the Trade Center, having that sense of transparency and communication. And so it's a very productive, effective approach that we're taking as an agency, and I think it's going to be something that will continue to be self-reinforcing and enable this agency to climb to new heights and meet the best in class standards that we hope to achieve. So great job, and please keep it up.

[Chair D. Samson] Thanks, Scott. May I have a motion to move the consent calendar for approval?

[All Comm.] So moved.

[Chair D. Samson] Second?

[All Comm.] Second.

[Chair D. Samson] All in favor?

[all] Aye.

[Chair D. Samson] So moved. There being no further business, I move to adjourn the meeting. May I have a second?

[All Comm.] Second.

[Chair D. Samson] All in favor?

[all] Aye.

[Chair D. Samson] So moved. Thank you. The meeting is adjourned.