

**THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY**  
**WORLD TRADE CENTER SITE PLANNING SUBCOMMITTEE**  
**MINUTES**  
**Tuesday, October 11, 2005**

Downtown Restoration Program – Permanent World Trade Center PATH Terminal and World Trade Center Site Development – Award of Contract WTC 284.459 for Construction Management Consultant Services to PB-URS, a Joint Venture of Parsons Brinckerhoff and URS Corporation

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**THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY**  
**MINUTES OF WORLD TRADE CENTER SITE PLANNING SUBCOMMITTEE**  
**225 Park Avenue South**  
**New York, NY**  
**Tuesday, October 11, 2005**

**PRESENT:**

Hon. Anthony J. Sartor, Chair  
Hon. Bruce A. Blakeman  
Hon. Christine A. Ferer  
Hon. Angelo J. Genova  
Hon. David S. Steiner  
Subcommittee Members

Kenneth J. Ringler Jr., Executive Director  
Darrell B. Buchbinder, General Counsel  
Karen E. Eastman, Secretary

Arthur J. Cifelli, Deputy Chief of Staff  
Lucy Foster, Manager, Materials Management, Procurement  
James P. Fox, Deputy Executive Director  
Michael B. Francois, Chief of Real Estate/Regional and Economic Development  
Linda C. Handel, Assistant Secretary  
L. Jay Hector, Senior Policy Advisor to the Executive Director/Vice-Chairman  
Francis J. Lombardi, Chief Engineer  
Steven P. Plate, Deputy Director, Priority Capital Programs  
Andrea Roitman, Acting Director, Procurement  
Edmond F. Schorno, Chief of Staff  
Peter J. Zipf, Deputy Chief Engineer

The Subcommittee meeting was called to order in executive session by the Chair at 9:05 a.m. and ended at 10:05 a.m. Commissioner Ferer was present for a portion of the meeting.

**DOWNTOWN RESTORATION PROGRAM – PERMANENT WORLD TRADE CENTER PATH TERMINAL AND WORLD TRADE CENTER SITE DEVELOPMENT – AWARD OF CONTRACT WTC 284.459 FOR CONSTRUCTION MANAGEMENT CONSULTANT SERVICES TO PB-URS, A JOINT VENTURE OF PARSONS BRINCKERHOFF AND URS CORPORATION**

It was recommended that the World Trade Center Site Planning Subcommittee (WTC Subcommittee) of the Board authorize the Executive Director to award Contract WTC – 284.459 for Construction Management Consultant Services to PB-URS, a joint venture of Parsons Brinckerhoff and URS Corporation, at an amount not to exceed \$90 million, including an estimated allowance of \$10 million for potential additional services, to support Port Authority staff in the supervision of construction of the Permanent World Trade Center (WTC) Port Authority Trans-Hudson system (PATH) Terminal Project, as well as the other major development projects to be constructed by the Port Authority and other entities at the WTC site. Prior to authorizing the contractor to provide any additional services to be included in such estimated \$10 million allowance, staff would review the scope and estimated cost of such additional services with the WTC Subcommittee.

On July 28, 2005, the Board authorized the Permanent WTC PATH Terminal Project at an estimated total project cost of \$2.221 billion. As part of that authorization, the WTC Subcommittee was directed to review the results of the procurement process for Contract WTC-284.459 (as well as for Contract WTC-284.458 for retention of a Construction Manager/General Contractor entity) and to consult with the Executive Director and provide recommendations regarding the award of both contracts. On September 22, 2005, the Board authorized the WTC Subcommittee to authorize the award of Contract WTC-284.459, following the review of staff recommendations.

Initial site preparation work for the project has commenced, including a project groundbreaking ceremony held on September 6, 2005. Nearly all of the major construction activity for the WTC PATH Terminal Project will be performed by a Construction Manager/General Contractor (CM/GC) entity, under a separate contract, Contract WTC-284.458, estimated at over \$1 billion. Work under that contract is scheduled to commence in the fourth quarter of 2005. Additional construction management inspection and supervision services are needed to support the Port Authority's management and administration of that large-scale construction contract.

In addition, more than \$2 billion of construction work for other WTC site projects is expected to begin by mid-2006, including the Freedom Tower and WTC Memorial/Memorial Center, and related subgrade infrastructure. The Port Authority will also be performing general construction monitoring and coordination with the other entities and contractors implementing these projects, which will require the retention of additional staff through this contract for construction management services.

A Request for Proposals for Construction Management Consultant services to supplement construction inspection staff for work on the Permanent WTC PATH Terminal Project and other major projects at the WTC site was issued on June 3, 2005. On July 6, 2005, two proposals were received. A staff evaluation committee evaluated the proposals received and invited both proposers to make oral presentations. The evaluation committee rated the two proposals on the basis of: (1) extent and quality of experience of the proposer; (2) quality and depth of experience and qualifications of the proposer's staff; (3) appropriateness and responsiveness of the proposer's technical approach to the performance of the required services; and (4) appropriateness and responsiveness of the proposer's management approach to the performance of required services.

The evaluation committee selected PB-URS as the highest technically rated firm. PB-URS demonstrated greater experience and understanding of the Port Authority's proposed construction implementation strategy with a CM/GC, and also provided greater flexibility in overall project staffing. Following a qualifications-based selection approach, cost proposals were then solicited from PB-URS and compared to an independent cost estimate, and a final price was negotiated.

PB-URS under Contract WTC-284.459 would provide staff support to the Port Authority for the coordination and oversight of all construction activities at the WTC site, including Port Authority construction contracts for the Permanent WTC PATH Terminal and other entities' construction contracts for the WTC Memorial/Memorial Center, Freedom Tower, and related subgrade infrastructure. Currently, the full extent of other planned WTC site development projects, such as the WTC Vehicular Security Center and Tour Bus Parking Facility, and retail or other commercial development, remains to be determined, and may necessitate additional services.

Under this agreement, PB-URS would perform construction inspections, contract administration, construction coordination with WTC site stakeholders, owners, and the Lower Manhattan Construction Command Center, prepare construction cost estimates, and develop and monitor construction schedules. The construction inspections would involve quality and safety reviews, as well as monitoring of contractor compliance with stipulated Environmental Performance Commitments, Section 106 historic resource protection measures, sustainable design measures, and other applicable requirements of the projects.

PB-URS would also provide staff to support the Port Authority during negotiations and subsequent administration of a Guaranteed Maximum Price contract arrangement with the CM/GC entity under Contract WTC-284.458.

It is currently estimated that 70 percent of the work under Contract WTC-284.459 will be related to the WTC PATH Terminal Project. Most of the remaining work will be to monitor and coordinate construction activities of other entities implementing WTC site projects, including site staging and access logistics, and to support the Port Authority Tenant Construction Application and Tenant Alteration Application processes related to such other projects.

The term of Contract WTC-284.459 would begin in October 2005 and expire, subject to earlier termination by the Port Authority, in October 2011, unless extended by Port Authority option. In addition to various specific grounds for termination of the contract by the Port Authority, if at any time it shall be, from the viewpoint of the Port Authority, impracticable or undesirable in the judgment of the Port Authority to proceed with or continue the performance of the contract or any part thereof, whether or not for reasons beyond the control of the Port Authority, the Port Authority would have the right to cancel the contract as to any or all portions not yet performed. While such cancellation would be without prejudice to the rights and obligations of the parties arising out of portions of the contract already performed, no allowance would be made for anticipated profits. PB-URS would have no right to terminate the contract. The contract also contains options for up to three additional one-year periods that, if exercised, would require further authorization.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Blakeman, Sartor and Steiner voting in favor; none against; Commissioner Genova recused:

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to award Contract WTC-284.459 to PB-URS, a joint venture of Parsons Brinckerhoff and URS Corporation, for Construction Management Consultant Services, at an amount not to exceed \$90 million, including an estimated allowance of \$10 million for potential additional services (with the scope and cost of such additional services to be subject to the prior approval of the World Trade Center Subcommittee); and it is further

**RESOLVED**, that the form of Contract WTC-284.459 shall be subject to the approval of General Counsel or his authorized representative.

Whereupon, the meeting was adjourned.

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Secretary