

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Wednesday, March 19, 2014

Action on Minutes	26
Report of Audit Committee	26
Report of Committee on Finance	26
Report of Committee on Operations	26
Report of Committee on Capital Planning, Execution and Asset Management	27
Report of World Trade Center Redevelopment Subcommittee	27
Report of Special Oversight Committee of the Board of Commissioners of The Port Authority of New York and New Jersey	27
Report of Nominating Committee	27
Election of Officer	28
George Washington Bridge – Suspension System Program – Project Authorization	29
Teterboro Airport – First Aviation Services, Inc. – Jet Aviation Teterboro L.P. – Signature Flight Support-New Jersey, Inc. – General Aviation Aircraft Services, Inc. – Atlantic Aviation Corporation – Supplemental Lease Agreements	32
World Trade Center Site – Authorization of Additional Contract Actions and Expenditures to Support Ongoing Post-Hurricane Sandy Recovery Work and Related Costs	35
World Trade Center Site – Wireless Telecommunications Network Access System – Supplement to Agreement AX-713	37
Publication of Annual Financial Statements	39

MINUTES of the Meeting of The Port Authority of New York and New Jersey held Wednesday, March 19, 2014 at 2 Montgomery Street, City of Jersey City, County of Hudson, State of New Jersey

PRESENT:

NEW JERSEY

Hon. David Samson, Chairman
 Hon. Richard H. Bagger
 Hon. Raymond M. Pocino
 Hon. William P. Schuber
 Hon. David S. Steiner

NEW YORK

Hon. Scott H. Rechler, Vice-Chairman
 Hon. Kenneth J. Lipper
 Hon. Jeffrey H. Lynford
 Hon. Jeffrey A. Moerdler
 Hon. Rossana Rosado

Patrick J. Foye, Executive Director
 Deborah L. Gramiccioni, Deputy Executive Director
 Darrell B. Buchbinder, General Counsel
 Karen E. Eastman, Secretary

Thomas E. Belfiore, First Deputy Chief Security Officer
 Thomas L. Bosco, Director, Aviation
 Steven J. Coleman, Acting Director, Media Relations
 Nicole Crifo, Chief of Staff to the Deputy Executive Director
 Philippe Danielides, Senior Advisor to the Chairman
 Stephanie E. Dawson, Acting Chief Operating Officer
 John C. Denise, Audio Visual Supervisor, Marketing
 Gretchen P. DiMarco, Special Assistant to the Deputy Executive Director
 Joseph P. Dunne, Chief Security Officer
 Michael A. Fedorko, Director, Public Safety/Superintendent of Police
 Michael B. Francois, Chief, Real Estate and Development
 Cedrick T. Fulton, Director, Tunnels, Bridges and Terminals
 Robert Galvin, Chief Technology Officer
 David P. Garten, Senior Advisor to the Vice Chairman
 Lash L. Green, Director, Office of Business Diversity and Civil Rights
 Linda C. Handel, Deputy Secretary
 Mary Lee Hannell, Chief, Human Capital
 Stephen Kingsberry, Director, Rail Transit
 Cristina M. Lado, Director, Government and Community Affairs, New Jersey
 Richard M. Larrabee, Director, Port Commerce
 Christopher M. Lee, Senior External Relations Client Manager, Government and Community Affairs
 John H. Ma, Chief of Staff to the Executive Director
 Stephen Marinko, Esq., Law
 Ronald Marsico, Assistant Director, Media Relations
 Daniel G. McCarron, Comptroller
 Elizabeth M. McCarthy, Chief Financial Officer
 James E. McCoy, Manager, Board Management Support, Office of the Secretary
 David J. McGrath, Manager, Marketing
 Carlene V. McIntyre, Assistant General Counsel
 Christopher J. Mohr, Executive Business Manager, Office of the Secretary
 Jared Pilosio, Staff External Relations Representative, Government and Community Affairs
 Timothy G. Stickelman, Assistant General Counsel

Virginia J. Trubek, Director, Operations Services
Christopher M. Valens, Senior Public Information Officer, Media Relations
Lillian D. Valenti, Director, Procurement
Michael L. Valletta, Assistant Director, Tunnels, Bridges and Terminals
Cheryl A. Yetka, Treasurer
William Young, Senior External Client Manager, Tunnels, Bridges and Terminals
Peter J. Zipf, Chief Engineer

Guest:

Kerstin Sundstrom, Assistant Counsel, Authorities Unit, Office of the Governor of New Jersey

Speakers:

Murray Bodin, Member of the Public
Noah Budnick, Transportation Alternatives
Demetrius Debaisi, Member, 32 BJ Service Employees International Union
Cassandra Dock, Member of the Public
Margaret Donovan, Twin Towers Alliance
Francisco Espinal, Member, Unite Here
Yvonne Garrett-Moore, Member of the Public
Orrin Getz, Member of the Public
Hon. Gordon Johnson, Conference Leader, New Jersey General Assembly
Antwain Harvey, Member, Unite Here
Richard Hughes, Twin Towers Alliance
Donna Jackson, Member of the Public
Sarah Ligon, Aide to Council Hon. Candance Osborne, Jersey City, New Jersey
Jay Marowitz, Morris Area Cycle Club
Cyndi Steiner, New Jersey Bike & Walk Coalition
Hon. James Tedesco, Freeholder, County of Bergen, New Jersey
Eden Weiss, New York Cycle Club
Neile Weissman, Member of the Public

The public meeting was called to order by Chairman Samson at 2:24 p.m. and ended at 3:48 p.m. The Board met in executive session prior to the public session. Chairman Samson was present for a portion of the public session.

Action on Minutes

The Secretary submitted for approval Minutes of the meeting of February 19, 2014. She reported that copies of these Minutes were delivered to the Governors of New York (in electronic form) and New Jersey (in paper form) on February 20, 2014. The Secretary reported further that the time for action by the Governors of New York and New Jersey expired at midnight on March 6, 2014.

Whereupon, the Board unanimously approved the Minutes of the meeting of February 19, 2014, including the Minutes of the special meeting of the Committee on Operations.

Report of Audit Committee

The Audit Committee reported, for information, on matters discussed in executive session at its meeting on March 4, 2014, which included discussion of matters involving external or internal investigations or audits, and matters related to public safety or law enforcement, and the report was received.

Report of Committee on Finance

The Committee on Finance reported, for information, on matters discussed in executive session at its meeting on March 4, 2014, which included discussion of 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 matters in which the release of information could impair a right to receive funds from the United States or other grantor, and the report was received.

The Committee on Finance reported, for information, on matters discussed and action taken in executive session at its meeting on March 19, 2014, which included discussion of matters involving ongoing negotiations or reviews of contracts or proposals, matters in which the release of information could impair a right to receive funds from the United States or other grantor, 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 the report was received.

Report of Committee on Operations

The Committee on Operations reported, for information, on matters discussed in public session at its meeting on March 19, 2014, which included discussion of staff overtime results for the fourth quarter of 2013, supplements to certain lease agreements with the fixed base operators serving Teterboro Airport, review of an agreement concerning the Lincoln Tunnel park-and-ride lot, and discussion on airport workers' wage enhancements, and the report was received.

Report of Committee on Capital Planning, Execution and Asset Management

The Committee on Capital Planning, Execution and Asset Management reported, for information, on matters discussed in public session at its meeting on March 19, 2014, which included discussion of a project for the rehabilitation and replacement of certain elements of the suspension systems for the George Washington Bridge, and the report was received.

Report of World Trade Center Redevelopment Subcommittee

The World Trade Center Redevelopment Subcommittee reported, for information, on matters discussed in public session at its meeting on March 19, 2014, which included discussion of certain contracts and agreements in connection with the continued redevelopment of the World Trade Center site, and the report was received.

Report of Special Oversight Committee of the Board of Commissioners of The Port Authority of New York and New Jersey

The Special Oversight Committee of the Board of Commissioners of The Port Authority of New York and New Jersey reported, for information, on matters discussed in public session at its meeting on March 19, 2014, which included discussion of the Board voting process and consent calendar, review of the financial disclosure and recusal process for Commissioners, and discussion of the establishment of a Port Authority oversight reform panel, and the report was received.

Report of Nominating Committee

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

ELECTION OF OFFICER

Chairman Samson announced that, in accordance with the provisions of the By-Laws, an election was in order to fill the vacancy in the office of Treasurer.

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

"On behalf of the Nominating Committee, I desire to report that at its meeting held earlier today, in accordance with the provisions of Article VII of the By-Laws, the Committee, by unanimous action, submits the nomination of Cheryl A. Yetka as Treasurer of The Port Authority of New York and New Jersey."

Pursuant to the foregoing report, Commissioners Bagger, Lipper, Lynford, Moerdler, Pocino, Rechler, Rosado, Samson, Schuber and Steiner voting in favor, Cheryl A. Yetka was unanimously elected as Treasurer of the Port Authority. General Counsel confirmed that sufficient affirmative votes were cast for the action to be taken, a quorum of the Board being present.

GEORGE WASHINGTON BRIDGE – SUSPENSION SYSTEM PROGRAM – PROJECT AUTHORIZATION

It was recommended that the Board authorize: (1) a project to replace the suspender ropes, rehabilitate all main cables, replace main span sidewalks and construct access ramps on all approaches at the George Washington Bridge (GWB), as part of the GWB Suspension System Program (Program), at an estimated total project cost of \$1.03 billion; and (2) the Executive Director to: (a) award Contract GWB-244.048, for the replacement of the suspender ropes, rehabilitation of all main cables, replacement of main span sidewalks and construction of approach access ramps at the GWB, to the lowest qualified bidder, at an estimated total construction cost of \$729 million, inclusive of allowances for extra work, net cost work and contingencies; (b) increase, by \$12.6 million (from \$14.9 million to \$27.5 million), the amount of an existing agreement with Ammann & Whitney Consulting Engineers, PC (Ammann & Whitney), to provide for additional expert professional architectural and engineering services to support the Program; (c) enter into right-of-entry agreements with various entities and municipalities, as necessary to effectuate the construction of the project; (d) amend existing easements, as necessary, including easements granted by the Palisades Interstate Park Commission, to accommodate the implementation of the project; and (e) take action, as necessary, for the award of contracts for other professional, technical and advisory services that may be required in connection with the implementation of the project, including program management, integrity monitoring, environmental, technical and construction-related services.

The GWB, which was constructed in 1931 and modified to include a lower-level roadway in 1962, is a critical link between New Jersey and New York. Currently, many elements of the bridge and its supporting roadway networks are between 50 and 80 years old, are reaching the end of their useful life, and require rehabilitation in order to maintain a state of good repair.

At its meetings of March 26, 2009 and December 8, 2011, the Board authorized: (1) the expenditure of a total amount of \$20 million for planning work related to suspender rope replacement, main cable rehabilitation, the rehabilitation of the anchorage strands and related work at the GWB; and (2) the Executive Director to enter into a professional services agreement with Ammann & Whitney, pursuant to a publicly advertised Request for Proposals process, with a total value of up to \$14.9 million, inclusive of project change/contingency (if needed), of which amount \$8.5 million was requested as part of those planning authorizations.

At its meeting of November 15, 2012, the Board authorized: (1) a project for the rehabilitation of cable strands in the anchorages at the GWB, at an estimated total project cost of \$33.3 million; (2) a project for the relocation of utilities on the south side of the main span at the GWB, to allow for the future replacement of suspender ropes, at an estimated total project cost of \$13.6 million; and (3) the Executive Director to award respective construction and other contracts to implement those projects.

The scope of work under the currently proposed project includes: replacement of all suspender ropes; rehabilitation of all main cables; installation of dehumidification systems to main cables and anchorages; replacement of existing main span sidewalks; replacement of bridge railing with fencing; construction of new ramp structures at approaches to the main span sidewalks, to improve pedestrian and bicycle access; replacement of roadway lighting on the main span; provision of new sidewalk lighting on the main span; replacement of necklace

lighting and protective suspension system devices; and permanent traffic and maintenance of traffic work.

The proposed authorization also would include an increase of \$12.6 million to the amount of an existing agreement with Ammann & Whitney, to provide for expert professional architectural and engineering services to support bicycle and pedestrian access improvements, which was not part of the scope of work at the time of the initial retention.

In order to implement the project, certain right-of-entry agreements would be required with various entities and municipalities, including the Palisades Interstate Park Commission, the County of Bergen, the New York City Department of Transportation and the Borough of Fort Lee, in order to access areas that are located off Port Authority property and to support portions of the construction work.

Implementation of the project would maintain the GWB in a state of good repair, ensure the continued structural integrity of the GWB (thereby minimizing the potential need for future unplanned closures resulting from emergency repairs) and improve access and safety for pedestrians and bicyclists.

Pursuant to the foregoing report, the Board adopted the following resolution, with Commissioners Bagger, Lipper, Lynford, Moerdler, Pocino, Rechler, Rosado, Schuber and Steiner voting in favor; Commissioner Samson recused and was not present for the consideration of, or vote on, this item. General Counsel confirmed that sufficient affirmative votes were cast for the action to be taken, a quorum of the Board being present.

RESOLVED, that a project to replace the suspender ropes, rehabilitate all main cables, replace main span sidewalks and construct access ramps on all approaches at the George Washington Bridge (GWB), as part of the GWB Suspension System Program (Program), at an estimated total project cost of \$1.03 billion, be and it hereby is authorized; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to: (1) award Contract GWB-244.048, for the replacement of the suspender ropes, rehabilitation of all main cables, replacement of main span sidewalks and construction of approach access ramps at the GWB, to the lowest qualified bidder, at an estimated total construction cost of \$729 million, inclusive of allowances for extra work, net cost work and contingencies; (2) increase, by \$12.6 million (from \$14.9 million to \$27.5 million), the amount of an existing agreement with Ammann & Whitney Consulting Engineers, PC, to provide for additional expert professional architectural and engineering services to support the Program; (3) enter into right-of-entry agreements with various entities and municipalities, as necessary to effectuate the construction of the project; and (4) amend existing easements, as necessary, including easements granted by the Palisades Interstate Park Commission, to accommodate the implementation of the project; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to take action, as necessary, for the award of

contracts for other professional, technical and advisory services that may be required in connection with the implementation of the foregoing project, including program management, integrity monitoring, environmental, technical and construction-related services; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to take action with respect to construction contracts, contracts for professional and advisory services and such other contracts and agreements as may be necessary to effectuate the foregoing project, pursuant to authority granted in the By-Laws or other resolution adopted by the Board; and it is further

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

TETERBORO AIRPORT – FIRST AVIATION SERVICES, INC. – JET AVIATION TETERBORO L.P. – SIGNATURE FLIGHT SUPPORT-NEW JERSEY, INC. – GENERAL AVIATION AIRCRAFT SERVICES, INC. – ATLANTIC AVIATION CORPORATION – SUPPLEMENTAL LEASE AGREEMENTS

It was recommended that the Board authorize the Executive Director to enter into supplemental lease agreements with five Fixed Base Operators (FBOs) handling general aviation flight activity at Teterboro Airport (TEB), each commencing on or about April 1, 2014, which includes agreements with: (1) First Aviation Services, Inc. (First Aviation), Jet Aviation Teterboro L.P. (Jet Aviation) and Signature Flight Support-New Jersey, Inc. (Signature Flight Support), to provide for the letting and development of a total of 24.6 acres of unimproved land at TEB that is additional to the current premises under the respective leases, and to extend the term of the respective agreements through December 31, 2035; (2) General Aviation Aircraft Services, Inc. (Meridian), to provide for the redevelopment of its Hangar 12 and related space at TEB, and to extend the term of the agreement through December 31, 2036; and (3) Atlantic Aviation Corporation (Atlantic), to provide for the redevelopment of its terminal building at TEB, and to extend the term of the agreement through December 31, 2028.

TEB is the prime reliever airport for the New York-New Jersey region, handling general aviation flights that otherwise would cause congestion at the Port Authority's other airports or use non-Port Authority facilities located farther from the region's center of economic activity. The FBOs at TEB handle general aviation flights and provide aeronautical services such as aircraft parking, fueling and maintenance.

First Aviation

Under the proposed supplement, First Aviation would lease an additional approximately 8.6 acres of unimproved land adjacent to its existing leasehold and invest a minimum of \$11 million to develop the site in a manner consistent with its existing FBO complex, including the construction of a new 40,000-square-foot hangar, the paving of the remaining new leasehold area for aircraft parking, and an additional minimum amount of \$8.5 million in capital improvements to its facilities, all by no later than July 31, 2027 (the expiration date of First Aviation's current lease agreement).

Jet Aviation

Under the proposed supplement, Jet Aviation would lease an additional approximately ten acres of unimproved land adjacent to its existing leasehold and invest a minimum of \$25 million to develop the site in a manner consistent with its existing FBO complex, including the construction of a 40,000-square-foot hangar and the paving of the remaining new leasehold area for aircraft and automobile parking. Jet Aviation also would demolish Hangar 114, in order to make the new area accessible. Jet Aviation also would invest an additional minimum amount of \$19.25 million in capital improvements to its facilities, by no later than December 31, 2022 (the expiration date of Jet Aviation's current lease agreement).

Signature Flight Support

Under the proposed supplement, Signature Flight Support would lease approximately six acres of additional unimproved land adjacent to its existing leasehold and invest a minimum of \$10 million to develop the site in a manner consistent with its existing FBO complex, including the

construction of a 30,000-square-foot hangar, the paving of the remaining new leasehold area for aircraft parking, and an additional minimum amount of \$14 million in capital improvements to its facilities, by no later than December 30, 2025 (the expiration date of Signature Flight Support's current lease agreement).

Meridian

Under the proposed supplement, Meridian would invest a minimum of \$10 million to redevelop the Hangar 12 site on its 11.58-acre leasehold. The plan would include the demolition of the existing 24,150-square-foot hangar and office structure, and the redesign of the 3.2-acre site area to maximize area utilization, and the construction of a hangar of approximately 40,000 square feet, with 6,000-8,000 square feet of support space. Meridian's current lease agreement is scheduled to expire on February 15, 2027.

Atlantic

Under the proposed supplement, Atlantic would invest a minimum of \$3 million to redevelop its terminal building located on its 29.5-acre site. Atlantic's current lease agreement is scheduled to expire on December 31, 2026.

Collectively, the proposed lease supplements would result in approximately \$383.8 million in additional rental revenue. The Port Authority would have the right to have the buildings and land appraised in 2019 and 2029, and adjust the rental rates by the greater of the consumer price index or the appraised rate.

The development of unimproved land by Signature Flight Support, First Aviation and Jet Aviation would impact wetlands at TEB. The FBOs would be required to comply with all federal and state regulations for permits and mitigation of wetlands impacts. Signature Flight Support, First Aviation and Jet Aviation would obtain wetland permits from the United States Army Corps of Engineers. Additionally, the Signature Flight Support, First Aviation, Jet Aviation and Meridian developments would require New Jersey Flood Hazard Area permits from New Jersey Department of Environmental Protection. Both wetland and flood hazard permit applications are required to be made available for public comment prior to permit decisions.

In September 2012, the Executive Director authorized the purchase of 22 acres of compensatory wetland mitigation credits. It was anticipated that approximately 11.4 acres could be utilized for tenant redevelopment projects, with the cost to be reimbursable to the Port Authority by the respective FBOs. The proposed supplemental lease agreements with First Aviation, Jet Aviation and Signature Flight Support would include the option for each FBO to use, to the extent available, such credits, at a minimum cost of \$675,000 per credit. The option would include the opportunity to reimburse the Port Authority over a period not to exceed ten years, at a factor based on the Revenue Bond Index. In the event the FBO is unable to obtain mitigation credits, either the Port Authority or the FBO would have the unconditional right to terminate the agreement. Further, if after a request for review by the FBO, it is determined solely by the Port Authority that the cost for mitigation would make the project financially unsustainable; the Port Authority would have the right to terminate the agreement.

Pursuant to the foregoing report, the Board adopted the following resolution, with Commissioners Bagger, Lipper, Lynford, Moerdler, Pocino, Rechler, Rosado, Schuber and Steiner voting in favor; Commissioner Samson recused and was not present for the consideration of, or vote on, this item. General Counsel confirmed that sufficient affirmative votes were cast for the action to be taken, a quorum of the Board being present.

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into supplemental lease agreements with: (1) First Aviation Services, Inc., Jet Aviation Teterboro L.P. and Signature Flight Support-New Jersey, Inc., three of the five Fixed Base Operators (FBOs) at Teterboro Airport (TEB), providing for the letting and development of a collective total of approximately 24.6 acres of unimproved land at TEB that is additional to the current premises under each of the lease agreements, and an extension of the term of the respective lease agreements; and (2) General Aviation Aircraft Services, Inc. and Atlantic Aviation Corporation, the remaining two FBOs at TEB, providing for an extension of the term of the respective lease agreements; all to be substantially in accordance with the terms outlined to the Board; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into any other contracts and agreements necessary or appropriate in connection with the foregoing; and it is further

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

WORLD TRADE CENTER SITE – AUTHORIZATION OF ADDITIONAL CONTRACT ACTIONS AND EXPENDITURES TO SUPPORT ONGOING POST-HURRICANE SANDY RECOVERY WORK AND RELATED COSTS

It was recommended that the Board authorize: (1) the expenditure of an additional estimated amount of approximately \$18.8 million for certain contract actions and expenses expected to be required through April 30, 2014 to effectuate ongoing repair and replacement of facilities and equipment at the World Trade Center (WTC) site that were damaged or destroyed as a result of Hurricane Sandy and its associated storm surge, as well as to provide compensation for costs incurred by contractors related to associated delays and acceleration of work to minimize schedule impact and maintain commitments to third-party stakeholders, resulting in a cumulative total authorization of approximately \$505.3 million for the response, recovery, restoration and mitigation efforts at the WTC site; and (2) the Executive Director to take all actions necessary to effectuate the foregoing, consistent with the terms outlined to the Board.

During the week of October 28, 2012, Hurricane Sandy and its associated storm surge caused significant flooding and devastating damage in Lower Manhattan and throughout the New York-New Jersey region. The storm resulted in severe flooding throughout the WTC site, particularly affecting the WTC Transportation Hub, Vehicular Security Center, WTC Memorial Museum, and One WTC, among other WTC projects in construction. Although the de-watering of the WTC site was substantially completed in early November, and pre-storm levels of construction activity resumed throughout the WTC site by the end of November 2012, Hurricane Sandy recovery activities are ongoing, to assess and evaluate damaged areas and equipment for future repair or replacement, including efforts to mitigate the impacts of future storms. Through separate actions at its meetings from February 6, 2013 through February 19, 2014, the Board, and the Committee on Operations, acting for and on behalf of the Board pursuant to the By-Laws, ratified and authorized certain actions required for Hurricane Sandy response, recovery and restoration work at the WTC site and mitigation efforts through March 31, 2014, in a total estimated amount of \$486.5 million.

Comprehensive damage assessments and project impact evaluations related to Hurricane Sandy were conducted, and latent damage assessments are ongoing. Staff has ordered various contractors to repair or replace damaged and destroyed equipment and infrastructure, including the purchase or repurchase of major long-lead items, such as: electrical switchgear and substation equipment; vertical circulation equipment; and mechanical fans, air handling units and controls. Together with the previously authorized amount, the proposed increases in contract amounts are needed to compensate contractors for ongoing repairs to address storm-related damages, as well as for construction management, program management, design support, damage evaluations and assessments, recommissioning services and integrity monitoring services, including compensation for additional costs incurred to manage and support the repair/replacement and re-installation work.

In addition, a portion of the funding is necessary to compensate contractors for impact delays and acceleration costs that were a direct result of Hurricane Sandy and the extended recovery and restoration period, as well as the actions of the construction management team to minimize impact on scheduled project completion dates, as well as to extend certain contracts for professional, technical and advisory services based on certain schedule adjustments that were necessary as a direct result of the extensive recovery and restoration efforts.

Consistent with previous discussions with the Board, as additional information is made available through ongoing latent damage inspections, further project evaluations and implementation

decisions regarding Hurricane Sandy's impact and the potential for including additional mitigation efforts to deliver a more resilient site are being made. It is anticipated that there will be further requests for increases to contract amounts for actions that will be attributable to Hurricane Sandy recovery, including further equipment replacement and installation costs, construction general conditions costs and potential mitigation costs, on an ongoing basis.

Pursuant to the foregoing report, the Board adopted the following resolution, with Commissioners Bagger, Lipper, Lynford, Pocino, Rosado, Schuber and Steiner voting in favor; Commissioners Moerdler and Rechler recused and did not participate in the consideration of, or vote on, this item; Commissioner Samson recused and was not present for the consideration of, or vote on, this item. General Counsel confirmed that sufficient affirmative votes were cast for the action to be taken, a quorum of the Board being present.

RESOLVED, that the expenditure of an additional estimated amount of approximately \$18.8 million for certain additional actions and expenses expected to be required through April 30, 2014, to effectuate the repair and replacement of facilities and equipment at the World Trade Center site that were damaged or destroyed by Hurricane Sandy and its associated storm surge, as well as to provide compensation for costs incurred by contractors related to associated delays and the acceleration of work to minimize schedule impact and maintain commitments to third-party stakeholders, be and it hereby is authorized, consistent with the terms outlined to the Board; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to take all actions necessary to facilitate the foregoing, consistent with the terms outlined to the Board; and it is further

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

**WORLD TRADE CENTER SITE – WIRELESS TELECOMMUNICATIONS NETWORK
ACCESS SYSTEM – SUPPLEMENT TO AGREEMENT AX-713**

It was recommended that the Board authorize the Executive Director to enter into a supplement to Agreement AX-713 with New York Telecom Partners, LLC (NYTP), a subsidiary of Boingo Wireless, Inc. (Boingo), for the development of a Wireless Telecommunications Network Access System at the World Trade Center (WTC) site. At its cost, NYTP would be responsible for the design, installation, operation, maintenance and marketing of a carrier-neutral state-of-the-art, high-performance, reliable Distributed Antenna System (DAS) and public Wi-Fi system to service designated areas of the WTC Transportation Hub (WTC Hub), the retail development, the Vehicular Security Center and Tour Bus Parking Facility, the Property Management Facility, and the Central Chiller Plant at the WTC site. The proposed supplement to the existing agreement between NYTP and the Port Authority for the construction and operation of a shared-use telecommunications platform at major Port Authority facilities (Base Agreement) would function as a standalone agreement (WTC Agreement) for the WTC site only, and run beyond the current term specified in the Base Agreement, except in the event of a for-cause termination of the Base Agreement, in which event the Port Authority could, at its option, elect to terminate the WTC Agreement, consistent with the terms outlined to the Board.

At its meeting of July 29, 1999, the Board authorized the Executive Director to enter into an exclusive 15-year agreement with an entity controlled by the principals of NYTP, with NYTP having the option to extend the agreement for an additional ten-year term. Under the resulting Base Agreement, NYTP would construct a shared-use telecommunications platform that would offer all interested wireless telecommunications carriers the ability to provide their customers with radio signal coverage at the Holland and Lincoln Tunnels and at LaGuardia Airport, John F. Kennedy International Airport and Newark Liberty International Airport, at NYTP's own risk and expense, and at additional Port Authority facilities under certain circumstances.

By letter dated August 17, 2011, the Director of WTC Redevelopment authorized NYTP to proceed with preparations to design, install, operate, and maintain a telecommunications platform system in to-be-determined components for the WTC site, in accordance with the Base Agreement. Considering the dynamic nature of the redevelopment of the WTC site, including multiple new components of the WTC site not contemplated by the Base Agreement, the multiple interested stakeholders, the WTC's construction progress to date and ever-changing technological advancements, the Port Authority and NYTP agreed that a WTC site-specific supplement should be executed.

The proposed WTC Agreement would generate funds for the Port Authority through a revenue share of the DAS and Wi-Fi income, consistent with the terms outlined to the Board, and allow the Port Authority to recoup a portion of its capital investment in supporting infrastructure for the DAS. Because NYTP would provide and install, at its own expense, all required equipment, no additional capital investment would be required from the Port Authority. Additionally, NYTP would operate and maintain its equipment at no cost to the Port Authority.

In addition, at no cost to the Port Authority, the Port Authority would receive the following in-kind services in connection with the proposed WTC Agreement: a state-of-the-art commercial Wi-Fi system in specified public areas that offers complimentary unlimited and paid premium Wi-Fi service; additional exclusive fiber-optic capacity for Port Authority future use; a DAS battery backup

system in the WTC Hub; DAS service coverage in specified back-of-house (non-public) areas; and interim DAS service in specified areas during the construction phase.

Pursuant to the foregoing report, the Board adopted the following resolution, with Commissioners Bagger, Lipper, Lynford, Moerdler, Pocino, Rechler, Rosado, Schuber and Steiner voting in favor. General Counsel confirmed that sufficient affirmative votes were cast for the action to be taken, a quorum of the Board being present.

RESOLVED, that the Executive Director be and hereby is authorized, for and on behalf of the Port Authority, to enter into a supplement to Agreement AX-713 with New York Telecom Partners, LLC (NYTP), a subsidiary of Boingo Wireless, Inc., for the development of a Wireless Telecommunications Network Access System at the World Trade Center site, substantially in accordance with the terms outlined to the Board; and it is further

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

PUBLICATION OF ANNUAL FINANCIAL STATEMENTS

Pursuant to 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, 2013, and recommend to the Board that such Financial Statements be included in the Port Authority's Comprehensive Annual Financial Report, and other publications, as appropriate.

Pursuant to the foregoing report, the Board adopted the following resolution, with Commissioners Bagger, Lipper, Lynford, Moerdler, Pocino, Rechler, Rosado, Schuber and Steiner voting in favor. General Counsel confirmed that sufficient affirmative votes were cast for the action to be taken, a quorum of the Board being present.

RESOLVED, that the publication of the Port Authority's Financial Statements and Appended Notes for the year ended December 31, 2013 in the Port Authority's Comprehensive Annual Financial Report, and other publications, as appropriate, be and the same hereby is authorized.

Whereupon, the meeting was adjourned.

Secretary