

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

**COMMITTEE ON FINANCE
MINUTES**

Wednesday, July 24, 2013

Action on Minutes	1
Consolidated Bonds – Authorization of Sale for World Trade Center Purposes	2
Confidential Item	4

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES OF COMMITTEE ON FINANCE

225 Park Avenue South

New York, NY

Wednesday, July 24, 2013

PRESENT:

Hon. Jeffrey H. Lynford, Vice-Chair

Hon. Jeffrey A. Moerdler, *pro tem*

Hon. Raymond M. Pocino

Hon. William P. Schuber

Committee Members

Hon. Kenneth Lipper

Hon. Scott H. Rechler

Commissioners

Patrick J. Foye, Executive Director

William Baroni, Jr., Deputy Executive Director

Darrell B. Buchbinder, General Counsel

Karen E. Eastman, Secretary

Steven J. Coleman, Deputy Director, Media Relations

David Garten, Senior Advisor to the Vice Chairman

John H. Ma, Chief of Staff to the Executive Director

Lisa MacSpadden, Director, Media Relations

Michael G. Massiah, Director, Management and Budget

Elizabeth M. McCarthy, Chief Financial Officer

James E. McCoy, Manager, Board Management Support, Office of the Secretary

Steven P. Plate, Deputy Chief, Capital Planning/Director, World Trade Center Construction

Alan L. Reiss, Deputy Director, World Trade Center Construction

Timothy G. Stickelman, Assistant General Counsel

John A. Tomasulo, Portfolio Manager, Treasury

Sheree R. Van Duyne, Manager, Policies and Protocol, Office of the Secretary

The Committee meeting was called to order in public session by Commissioner Lynford at 8:32 a.m. and ended at 9:20 a.m. The Committee also met in executive session following the public session.

Action on Minutes

The Secretary reported that the Minutes of the meeting of May 29, 2013 had been signed and distributed to the Commissioners.

Whereupon, the Committee approved the Minutes of the meeting of May 29, 2013.

CONSOLIDATED BONDS – AUTHORIZATION OF SALE FOR WORLD TRADE CENTER PURPOSES

It was recommended that the Committee on Finance (Committee) authorize an Authorized Officer (as defined in the resolutions of the Port Authority pertaining to the establishment and issuance and sale of Consolidated Bonds, One Hundred Seventy-fourth Series, through Consolidated Bonds, One Hundred Ninety-third Series) to take any and all actions which the Committee has been authorized to take under such resolutions in connection with the issuance and sale, from time to time, of up to an additional \$2 billion in total aggregate principal amount of Consolidated Bonds, on a negotiated basis, for purposes of capital expenditures in connection with the redevelopment of the World Trade Center site.

On August 1, 2012, the Board authorized the establishment and issuance and sale of Consolidated Bonds, One Hundred Seventy-fourth Series through Consolidated Bonds, One Hundred Ninety-third Series, and the issuance and sale of each series in a total principal amount of up to \$500 million, at a true interest cost to the Port Authority not in excess of 8 percent for a term not in excess of 35 years. The resolutions also provided that, to the extent that any of such Series are issued and sold solely for purposes of capital expenditures in connection with the redevelopment of the World Trade Center site, such Series may be issued and sold without limit as to principal amount and term to maturity, provided that the total aggregate principal amount of all such Series (regardless of the purpose for issuance) shall not be in excess of \$10 billion, the maximum aggregate principal amount that can be issued under such resolutions.

To date, \$2.945 billion in total aggregate principal amount of Consolidated Bonds, One-Hundred Seventy-fourth Series through One-Hundred Seventy-seventh Series has been issued under the resolutions pertaining to the establishment and issuance and sale of Consolidated Bonds, One Hundred Seventy-fourth Series through Consolidated Bonds, One Hundred Ninety-third Series, of which \$2 billion in total aggregate principal amount has been issued for purposes of capital expenditures in connection with the redevelopment of the World Trade Center site.

Capital expenditures in connection with the redevelopment of the World Trade Center site from the fourth quarter of 2013 through the third quarter of 2014 currently are projected to be \$2 billion. The authorization for the issuance and sale, from time to time, of an additional \$2 billion of Consolidated Bonds on a negotiated basis would ensure timely funding for the redevelopment of the World Trade Center site through the third quarter of 2014.

Prior to the scheduling by an Authorized Officer of any issuance of Consolidated Bonds under this authorization, such Authorized Officer would review any such proposed issuance with the Chairman of the Committee and, to the extent practicable, the other members of the Committee.

Pursuant to the foregoing report, the Committee adopted the following resolution, with Commissioners Lynford, Moerdler and Schuber voting in favor; Commissioner Pocino recused and did not participate in 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 Committee being present.

RESOLVED, that an Authorized Officer (as defined in the resolutions of the Port Authority pertaining to the establishment and issuance and sale of Consolidated Bonds, One Hundred Seventy-fourth Series, through Consolidated Bonds, One Hundred Ninety-third Series, as amended) is authorized to take any and all action which the Committee on Finance has been authorized to take under such resolutions in connection with the issuance and sale, from time to time, of up to an additional \$2 billion in total aggregate principal amount of Consolidated Bonds, on a negotiated basis, for purposes of capital expenditures in connection with the redevelopment of the World Trade Center site; and it is further

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

CONFIDENTIAL ITEM

The Committee also authorized a transaction in executive session, which shall not be made available for public inspection.

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Whereupon, the meeting was adjourned.

Secretary