

November 28, 2018

SUBJECT: SELECTION PROCESS FOR THE PERFORMANCE OF EXPERT PROFESSIONAL UNDERWRITING SERVICES FOR THE PORT AUTHORITY OF NEW YORK & NEW JERSEY DEBT OBLIGATIONS ON AN AS-NEEDED BASIS DURING 2019 - 2021 – SELECTION PROCESS – (RFP #53942) – ADDENDUM #1

Dear Sir or Madam:

We received the following questions in regards to the subject RFP:

Question #1: The Authority's RFP response requirement formats listed in Section V.C (page 5) include one (1) reproducible original and five (5) copies along with five (5) CDs, however, Section V.D (page 6) references a USB drive. Would the Port Authority prefer digital copies of the RFP response be submitted on CD or USB? If a USB is preferred, please confirm the quantity of USB sticks to be provided by the Respondent.

Answer: CDs are preferred. Respondents may provide the electronic version of their Response on one (1) CD instead of providing five copies.

Question #2: In Section I: Background, the Authority asks Respondents to assume that 85% of the Authority's new money issuances will be tax-exempt (with the remaining 15% presumed to be Taxable). Can the Authority clarify whether the 85% would include both non-AMT and AMT issuances? If so, can the Authority provide any additional assumptions to Respondents regarding what portion of the 85% is expected to be non-AMT vs. AMT?

Answer: For the purposes of this RFS, Respondents could assume a 50/50 split.

Question #3: Can the Port Authority provide the cashflows (DBC numbers) from the Consolidated Bonds 210 and 211 Series?

Answer: Yes, please see the attached cashflows (DBC numbers) from the Consolidated Bonds 210 and 211 Series.

If you have any questions, please contact Mr. Timothy J. Pullen at tpullen@panynj.gov.

Sincerely,

David Gutiérrez, CPPO
Assistant Director
Procurement Department

CASH FLOW

The Port Authority of New York and New Jersey
Consolidated Bonds, Two Hundred Tenth and Eleventh Series

Report

Consolidated Bonds, Two Hundred Tenth and Eleventh Series

Sources and Uses of Funds	
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SOURCES AND USES OF FUNDS

The Port Authority of New York and New Jersey
Consolidated Bonds, Two Hundred Tenth and Eleventh Series

Dated Date 08/29/2018
Delivery Date 08/29/2018

Sources:	Consolidated Bonds, Two Hundred and Tenth Series (Taxable)	Consolidated Bonds, Two Hundred and Eleventh Series (Tax-Exempt)	Total
Bond Proceeds:			
Par Amount	300,000,000.00	400,000,000.00	700,000,000.00
Premium		49,125,105.60	49,125,105.60
	300,000,000.00	449,125,105.60	749,125,105.60

Note: Interest rates as of pricing on August 16, 2018.

BOND SUMMARY STATISTICS

The Port Authority of New York and New Jersey
Consolidated Bonds, Two Hundred Tenth and Eleventh Series

Dated Date	08/29/2018
Delivery Date	08/29/2018
Last Maturity	09/01/2048
Arbitrage Yield	3.233534%
True Interest Cost (TIC)	3.940414%
Net Interest Cost (NIC)	4.087871%
NIC w/Interest only	4.356202%
NIC w/Interest & OID	4.071975%
NIC w/Interest, OID & Und. Discount	4.087871%
All-In TIC	3.940414%
Average Coupon	4.356202%
Average Life (years)	24.691
Weighted Average Maturity (years)	21.877
Duration of Issue (years)	15.418
Par Amount	700,000,000.00
Bond Proceeds	749,125,105.60
Total Interest	752,916,536.76
Net Interest	706,538,805.40
Bond Years from Dated Date	17,283,783,888.89
Bond Years from Delivery Date	17,283,783,888.89
Total Debt Service	1,452,916,536.76
Maximum Annual Debt Service	113,868,596.56
Average Annual Debt Service	48,421,584.27

Bid Price 106.625390

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
211th Series (Tax-Exempt) Serial Bonds	156,425,000.00	116.128	4.845%	15.907	146,799.00
211th Series (Tax-Exempt) Term Bond 1	108,680,000.00	103.676	4.000%	23.084	92,378.00
211th Series (Tax-Exempt) Term Bond 2	134,895,000.00	114.753	5.000%	28.103	124,103.40
210th Series (Taxable) Term Bond	300,000,000.00	100.000	4.031%	28.320	502,385.25
	700,000,000.00			24.691	865,665.65

	TIC	All-In TIC	Arbitrage Yield
Par Value	700,000,000.00	700,000,000.00	400,000,000.00
+ Accrued Interest			
+ Premium (Discount)	49,125,105.60	49,125,105.60	49,125,105.60
- Cost of Issuance Expense			
- Other Amounts			
Target Date	08/29/2018	08/29/2018	08/29/2018
Yield	3.940414%	3.940414%	3.233534%

Note: Interest rates as of pricing on August 16, 2018.

BOND PRICING

The Port Authority of New York and New Jersey
Consolidated Bonds, Two Hundred Tenth and Eleventh Series

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
210th Series (Taxable) Term Bond:									
	09/01/2044	70,615,000	4.031%	4.031%	100.000				
	09/01/2046	73,460,000	4.031%	4.031%	100.000				
	09/01/2047	76,420,000	4.031%	4.031%	100.000				
	09/01/2048	79,505,000	4.031%	4.031%	100.000				
		<u>300,000,000</u>							
211th Series (Tax-Exempt) Serial Bonds:									
	09/01/2029	12,435,000	5.000%	2.660%	120.437 C	2.826%	09/01/2028	100.000	2,541,340.95
	09/01/2030	13,060,000	5.000%	2.750%	119.564 C	3.042%	09/01/2028	100.000	2,555,058.40
	09/01/2031	13,710,000	5.000%	2.810%	118.985 C	3.204%	09/01/2028	100.000	2,602,843.50
	09/01/2032	14,395,000	5.000%	2.890%	118.220 C	3.359%	09/01/2028	100.000	2,622,769.00
	09/01/2033	15,115,000	5.000%	2.940%	117.744 C	3.473%	09/01/2028	100.000	2,682,005.60
	09/01/2034	15,875,000	5.000%	3.000%	117.176 C	3.581%	09/01/2028	100.000	2,726,690.00
	09/01/2035	16,665,000	5.000%	3.040%	116.799 C	3.664%	09/01/2028	100.000	2,799,553.35
	09/01/2036	17,500,000	5.000%	3.080%	116.424 C	3.738%	09/01/2028	100.000	2,874,200.00
	09/01/2037	18,375,000	5.000%	3.110%	116.144 C	3.800%	09/01/2028	100.000	2,966,460.00
	09/01/2038	19,295,000	4.000%	3.470%	104.447 C	3.684%	09/01/2028	100.000	858,048.65
		<u>156,425,000</u>							<u>25,228,969.45</u>
211th Series (Tax-Exempt) Term Bond 1:									
	09/01/2039	20,065,000	4.000%	3.560%	103.676 C	3.772%	09/01/2028	100.000	737,589.40
	09/01/2040	20,870,000	4.000%	3.560%	103.676 C	3.772%	09/01/2028	100.000	767,181.20
	09/01/2041	21,700,000	4.000%	3.560%	103.676 C	3.772%	09/01/2028	100.000	797,692.00
	09/01/2042	22,570,000	4.000%	3.560%	103.676 C	3.772%	09/01/2028	100.000	829,673.20
	09/01/2043	23,475,000	4.000%	3.560%	103.676 C	3.772%	09/01/2028	100.000	862,941.00
		<u>108,680,000</u>							<u>3,995,076.80</u>
211th Series (Tax-Exempt) Term Bond 2:									
	09/01/2044	24,410,000	5.000%	3.260%	114.753 C	4.137%	09/01/2028	100.000	3,601,207.30
	09/01/2045	25,635,000	5.000%	3.260%	114.753 C	4.137%	09/01/2028	100.000	3,781,931.55
	09/01/2046	26,915,000	5.000%	3.260%	114.753 C	4.137%	09/01/2028	100.000	3,970,769.95
	09/01/2047	28,260,000	5.000%	3.260%	114.753 C	4.137%	09/01/2028	100.000	4,169,197.80
	09/01/2048	29,675,000	5.000%	3.260%	114.753 C	4.137%	09/01/2028	100.000	4,377,952.75
		<u>134,895,000</u>							<u>19,901,059.35</u>
		<u>700,000,000</u>							<u>49,125,105.60</u>

BOND PRICING

The Port Authority of New York and New Jersey
Consolidated Bonds, Two Hundred Tenth and Eleventh Series

Dated Date	08/29/2018	
Delivery Date	08/29/2018	
First Coupon	03/01/2019	
Par Amount	700,000,000.00	
Premium	49,125,105.60	
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Production	749,125,105.60	107.017872%

Note: Interest rates as of pricing on August 16, 2018.

BOND DEBT SERVICE

The Port Authority of New York and New Jersey
Consolidated Bonds, Two Hundred Tenth and Eleventh Series

Period Ending	Principal	Coupon	Interest	Debt Service
09/01/2019			30,984,434.72	30,984,434.72
09/01/2020			30,813,250.00	30,813,250.00
09/01/2021			30,813,250.00	30,813,250.00
09/01/2022			30,813,250.00	30,813,250.00
09/01/2023			30,813,250.00	30,813,250.00
09/01/2024			30,813,250.00	30,813,250.00
09/01/2025			30,813,250.00	30,813,250.00
09/01/2026			30,813,250.00	30,813,250.00
09/01/2027			30,813,250.00	30,813,250.00
09/01/2028			30,813,250.00	30,813,250.00
09/01/2029	12,435,000	5.000%	30,813,250.00	43,248,250.00
09/01/2030	13,060,000	5.000%	30,191,500.00	43,251,500.00
09/01/2031	13,710,000	5.000%	29,538,500.00	43,248,500.00
09/01/2032	14,395,000	5.000%	28,853,000.00	43,248,000.00
09/01/2033	15,115,000	5.000%	28,133,250.00	43,248,250.00
09/01/2034	15,875,000	5.000%	27,377,500.00	43,252,500.00
09/01/2035	16,665,000	5.000%	26,583,750.00	43,248,750.00
09/01/2036	17,500,000	5.000%	25,750,500.00	43,250,500.00
09/01/2037	18,375,000	5.000%	24,875,500.00	43,250,500.00
09/01/2038	19,295,000	4.000%	23,956,750.00	43,251,750.00
09/01/2039	20,065,000	4.000%	23,184,950.00	43,249,950.00
09/01/2040	20,870,000	4.000%	22,382,350.00	43,252,350.00
09/01/2041	21,700,000	4.000%	21,547,550.00	43,247,550.00
09/01/2042	22,570,000	4.000%	20,679,550.00	43,249,550.00
09/01/2043	23,475,000	4.000%	19,776,750.00	43,251,750.00
09/01/2044	95,025,000	** %	18,837,750.00	113,862,750.00
09/01/2045	25,635,000	5.000%	14,770,759.36	40,405,759.36
09/01/2046	100,375,000	** %	13,489,009.36	113,864,009.36
09/01/2047	104,680,000	** %	9,182,086.76	113,862,086.76
09/01/2048	109,180,000	** %	4,688,596.56	113,868,596.56
	700,000,000		752,916,536.76	1,452,916,536.76

Note: Interest rates as of pricing on August 16, 2018.

BOND DEBT SERVICE

The Port Authority of New York and New Jersey
Consolidated Bonds, Two Hundred Tenth and Eleventh Series

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
03/01/2019			15,577,809.72	15,577,809.72	
09/01/2019			15,406,625.00	15,406,625.00	30,984,434.72
03/01/2020			15,406,625.00	15,406,625.00	
09/01/2020			15,406,625.00	15,406,625.00	30,813,250.00
03/01/2021			15,406,625.00	15,406,625.00	
09/01/2021			15,406,625.00	15,406,625.00	30,813,250.00
03/01/2022			15,406,625.00	15,406,625.00	
09/01/2022			15,406,625.00	15,406,625.00	30,813,250.00
03/01/2023			15,406,625.00	15,406,625.00	
09/01/2023			15,406,625.00	15,406,625.00	30,813,250.00
03/01/2024			15,406,625.00	15,406,625.00	
09/01/2024			15,406,625.00	15,406,625.00	30,813,250.00
03/01/2025			15,406,625.00	15,406,625.00	
09/01/2025			15,406,625.00	15,406,625.00	30,813,250.00
03/01/2026			15,406,625.00	15,406,625.00	
09/01/2026			15,406,625.00	15,406,625.00	30,813,250.00
03/01/2027			15,406,625.00	15,406,625.00	
09/01/2027			15,406,625.00	15,406,625.00	30,813,250.00
03/01/2028			15,406,625.00	15,406,625.00	
09/01/2028			15,406,625.00	15,406,625.00	30,813,250.00
03/01/2029			15,406,625.00	15,406,625.00	
09/01/2029	12,435,000	5.000%	15,406,625.00	27,841,625.00	43,248,250.00
03/01/2030			15,095,750.00	15,095,750.00	
09/01/2030	13,060,000	5.000%	15,095,750.00	28,155,750.00	43,251,500.00
03/01/2031			14,769,250.00	14,769,250.00	
09/01/2031	13,710,000	5.000%	14,769,250.00	28,479,250.00	43,248,500.00
03/01/2032			14,426,500.00	14,426,500.00	
09/01/2032	14,395,000	5.000%	14,426,500.00	28,821,500.00	43,248,000.00
03/01/2033			14,066,625.00	14,066,625.00	
09/01/2033	15,115,000	5.000%	14,066,625.00	29,181,625.00	43,248,250.00
03/01/2034			13,688,750.00	13,688,750.00	
09/01/2034	15,875,000	5.000%	13,688,750.00	29,563,750.00	43,252,500.00
03/01/2035			13,291,875.00	13,291,875.00	
09/01/2035	16,665,000	5.000%	13,291,875.00	29,956,875.00	43,248,750.00
03/01/2036			12,875,250.00	12,875,250.00	
09/01/2036	17,500,000	5.000%	12,875,250.00	30,375,250.00	43,250,500.00
03/01/2037			12,437,750.00	12,437,750.00	
09/01/2037	18,375,000	5.000%	12,437,750.00	30,812,750.00	43,250,500.00
03/01/2038			11,978,375.00	11,978,375.00	
09/01/2038	19,295,000	4.000%	11,978,375.00	31,273,375.00	43,251,750.00
03/01/2039			11,592,475.00	11,592,475.00	
09/01/2039	20,065,000	4.000%	11,592,475.00	31,657,475.00	43,249,950.00
03/01/2040			11,191,175.00	11,191,175.00	
09/01/2040	20,870,000	4.000%	11,191,175.00	32,061,175.00	43,252,350.00
03/01/2041			10,773,775.00	10,773,775.00	
09/01/2041	21,700,000	4.000%	10,773,775.00	32,473,775.00	43,247,550.00
03/01/2042			10,339,775.00	10,339,775.00	
09/01/2042	22,570,000	4.000%	10,339,775.00	32,909,775.00	43,249,550.00
03/01/2043			9,888,375.00	9,888,375.00	
09/01/2043	23,475,000	4.000%	9,888,375.00	33,363,375.00	43,251,750.00
03/01/2044			9,418,875.00	9,418,875.00	
09/01/2044	95,025,000	** %	9,418,875.00	104,443,875.00	113,862,750.00
03/01/2045			7,385,379.68	7,385,379.68	
09/01/2045	25,635,000	5.000%	7,385,379.68	33,020,379.68	40,405,759.36
03/01/2046			6,744,504.68	6,744,504.68	
09/01/2046	100,375,000	** %	6,744,504.68	107,119,504.68	113,864,009.36
03/01/2047			4,591,043.38	4,591,043.38	
09/01/2047	104,680,000	** %	4,591,043.38	109,271,043.38	113,862,086.76
03/01/2048			2,344,298.28	2,344,298.28	
09/01/2048	109,180,000	** %	2,344,298.28	111,524,298.28	113,868,596.56
	700,000,000		752,916,536.76	1,452,916,536.76	1,452,916,536.76

BOND DEBT SERVICE

The Port Authority of New York and New Jersey
Consolidated Bonds, Two Hundred Tenth and Eleventh Series

Note: Interest rates as of pricing on August 16, 2018.
