

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Thursday, February 24, 2011

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MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, February 24, 2011 at 225 Park Avenue South, City, County and State of New York

PRESENT:

NEW JERSEY

Hon. David Samson, Chairman
 Hon. Virginia S. Bauer
 Hon. Anthony R. Coscia
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor
 Hon. David S. Steiner

NEW YORK

Hon. Stanley E. Grayson, Vice-Chairman
 Hon. H. Sidney Holmes III
 Hon. Jeffrey A. Moerdler
 Hon. Henry R. Silverman

Christopher O. Ward, Executive Director
 William Baroni, Jr., Deputy Executive Director
 Darrell B. Buchbinder, General Counsel
 Karen E. Eastman, Secretary

Gail C. Altman, Esq., Law
 Susan M. Baer, Director, Aviation
 Ernesto L. Butcher, Chief Operating Officer
 Steven J. Coleman, Assistant Director, Media Relations
 Michael P. DePallo, Director, Rail Transit
 John J. Drobny, Director, Security Projects
 Daniel D. Duffy, Senior Business Manager, Office of the Secretary
 Michael G. Fabiano, Chief Financial Officer
 Michael A. Fedorko, Director, Public Safety/Superintendent of Police
 Michael B. Francois, Chief, Real Estate and Development
 Jennifer Friedberg, Public Information Officer, Media Relations
 Cedrick T. Fulton, Director, Tunnels, Bridges and Terminals
 Richard Gladstone, Director, World Trade Center Redevelopment
 Glenn P. Guzi, Senior External Affairs Representative, Government and Community Affairs
 Linda C. Handel, Deputy Secretary
 Andrew T. Hawthorne, Director, Marketing
 Mark D. Hoffer, Director, New Port Initiatives, Port Commerce
 Barbara S. Hutcheon, Esq., Law
 Howard G. Kadin, Esq., Law
 John P. Kelly, Director, Media Relations
 Kirby King, Director, Technology Services
 Louis J. LaCapra, Chief Administrative Officer
 Cristina M. Lado, Director, Government and Community Affairs
 Richard M. Larrabee, Director, Port Commerce
 Jamie E. Loftus, Chief, Public and Government Affairs
 Andrew S. Lynn, Director, Planning and Regional Development
 Stephen Marinko, Esq., Law
 Ronald Marsico, Assistant Director, Media Relations
 Daniel G. McCarron, Comptroller
 James E. McCoy, Manager, Board Management Support, Office of the Secretary
 Sanjay S. Mody, Advisor to the Chairman
 Steven P. Plate, Director, World Trade Center Construction

Desiree Ramos, External Relations Client Manager, Government and Community Affairs
Alan L. Reiss, Deputy Director, World Trade Center Construction
Timothy G. Stickelman, Assistant General Counsel
Gerald B. Stoughton, Director, Financial Analysis
Robert A. Sudman, Director, Audit
Ralph Tragale, Assistant Director, Public Affairs, Aviation
David B. Tweedy, Chief, Capital Programs
Lillian D. Valenti, Director, Procurement
Sheree Van Duyne, Manager, Policies and Protocol, Office of the Secretary
Andrew S. Warshaw, Chief of Staff to the Executive Director
David M. Wildstein, Director, Interagency Capital Projects, Office of the Deputy Executive
Director
William Young, Client Manager, Government and Community Affairs
Peter J. Zipf, Chief Engineer

Guests:

Johanna Jones, Assistant Counsel, Authorities Unit, Office of the Governor of New Jersey

Speakers:

Murray Bodin, Member of the Public
Margaret Donovan, Twin Towers Alliance
Ramiro Gotay, Ironbound Express
Richard Hughes, Twin Towers Alliance
Lito A. Miranda, ICC Trucking

The public meeting was called to order by Chairman Samson at 12:37 p.m. and ended at 12:55 p.m. The Board met in executive session prior to the public session.

Action on Minutes

The Secretary submitted for approval Minutes of the meeting of February 3, 2011. 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 7, 2011. She reported further that the time for action by the Governors of New York and New Jersey expired at midnight on February 22, 2011.

Whereupon, the Board unanimously approved the Minutes of the meeting of February 3, 2011.

Report of Audit Committee

The Audit Committee reported, for information, on matters discussed in executive session at its meeting on February 24, 2011, which included discussion of matters involving external or internal investigations or audits, and matters involving ongoing negotiations or reviews of contracts or proposals, and the report was received.

Report of Governance and Ethics Committee

The Governance and Ethics Committee reported, for information, on matters discussed in public session at its meeting on February 24, 2011, which included annual reviews pursuant to the By-Laws, and the report was received.

Report of Committee on Operations

The Committee on Operations reported, for information, on matters discussed in public and executive sessions at its meeting on February 24, 2011, which included discussion of an item that would authorize the assignment of gates in Terminal A at Newark Liberty International Airport, a contract for the provision of customer service representatives at John F. Kennedy International, Newark Liberty International, LaGuardia and Stewart International Airports, and discussion of matters related to the purchase, sale or lease of real property or securities, where public disclosure would affect the value thereof or the public interest, and the report was received.

Report of Committee on Construction

The Committee on Construction reported, for information, on matters discussed in public and executive sessions at its meeting on February 24, 2011, which included discussion of a project to replace heating, ventilation and air conditioning equipment at the Port Authority Bus Terminal, an annual review of capital projects that were completed in 2010, and discussion of matters involving ongoing negotiations or reviews of contracts or proposals, and the report was received.

Report of WTC Redevelopment Subcommittee

The World Trade Center Redevelopment Subcommittee reported, for information, on matters discussed in public and executive sessions at its meeting on February 24, 1011, which included discussion of several projects, contracts and agreements in connection with the continued development of the World Trade Center site, and discussion of matters involving ongoing negotiations or reviews of contracts or proposals, and the report was received.

PORT AUTHORITY BUS TERMINAL – SOUTH WING – REPLACEMENT OF HEATING, VENTILATION AND AIR CONDITIONING UNITS AND ASSOCIATED ELECTRICAL DISTRIBUTION SYSTEM – PROJECT AUTHORIZATION

It was recommended that the Board authorize a project, including design and construction work, for the replacement of heating, ventilation and air conditioning (HVAC) units and the upgrading of the associated electrical power distribution system in the South Wing of the Port Authority Bus Terminal (PABT), at an estimated total project cost of \$54.8 million.

The HVAC units in the South Wing of the PABT supply heating, ventilation and air conditioning to public concourse spaces, bus platforms and administrative offices. The public concourse and bus platform HVAC units also develop positive air pressure to prevent infiltration of bus exhaust fumes into the concourse and platforms. In addition, the HVAC units perform smoke control and post-fire smoke purge functions during a fire or smoke condition.

Most of the existing HVAC units at the PABT South Wing have been in service continuously for between 25 and 30 years, and have exceeded their useful life. An assessment concluded that the units are beyond rehabilitation and require full replacement. Failure to replace the units would result in increasing repairs, maintenance and bus platform closures, and in difficulty obtaining spare parts, and would affect PABT operations significantly.

The proposed project would provide for: (1) replacing 53 existing HVAC units with 39 new units; (2) retrofitting eight additional existing HVAC units with high-efficiency air filters; and (3) upgrading the existing electrical power distribution system to deliver 480-volt service to all the HVAC units. This project also would achieve improved air quality, reduce area closures and maintain the PABT HVAC system in a state of good repair.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Holmes, Moerdler, Pocino, Samson, Sartor, Silverman and Steiner voting in favor; none against:

RESOLVED, that a project, including design and construction work, for the replacement of existing heating, ventilation and air conditioning units and the upgrading of the associated electrical power distribution system in the South Wing of the Port Authority Bus Terminal, at an estimated total project cost of \$54.8 million, 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 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 contracts and agreements in connection with the foregoing shall be subject to the approval of General Counsel or his authorized representative.

ELIZABETH-PORT AUTHORITY MARINE TERMINAL – CARGILL, INC. – LEASE EP-275 – NEW LEASE, SUBLEASE CONSENT AND SURRENDER AGREEMENT

It was recommended that the Board authorize the Executive Director to enter into: (1) a new lease agreement (No. EP-275) with Cargill, Inc. (Cargill) for the letting of approximately 3.39 acres at the Elizabeth-Port Authority Marine Terminal, and extending into Port Newark, consisting of Building 1200 (approximately 23,345 square feet of cool storage warehouse space) and approximately 124,255 square feet of associated open area upland of Berth 50, for a five-year and ten-month term, commencing March 1, 2011 and expiring December 31, 2016, for the continued operation of a liquid bulk terminal; (2) a consent to a sublease agreement between Cargill and its subsidiary, Cargill Flavor Systems US, LLC (Cargill Flavor), the liquid bulk terminal operator; and (3) a surrender agreement with respect to Cargill's current lease (No. EP-154) covering the same premises.

In 1985, the Board authorized a 25-year lease agreement with Cargill for the development and operation of Building 1200, a liquid bulk terminal, which opened in September 1986. Over the term of the lease, Cargill has invested a total of \$2 million to expand and upgrade the terminal, which it uses for the receipt, storage and blending of imported fruit juices and concentrates for distribution to local area and regional markets. The existing lease is due to expire on August 31, 2011.

In 2011, the Port Authority expects to commence construction of certain roadway infrastructure improvements in the vicinity of Cargill's leasehold. The proposed improvements will require the Port Authority to take back permanently a portion of the open area currently occupied by Cargill in a like-kind exchange for property abutting its leasehold along the apron of Berth 50. Under the proposed new lease, Cargill also would surrender a portion of its leasehold on a temporary basis, for an estimated two-year period, in exchange for the Port Authority providing Cargill with property abutting its leasehold along the apron of Berth 50 on a temporary basis. At each interval or phase of construction, Cargill would be required to work with the Port Authority to reconfigure its leasehold and re-organize its operations. In consideration of the disruption that Cargill would experience in its operations during the Port Authority construction, under the proposed new lease Cargill would continue to pay land rent, in accordance with the terms of its existing lease, through August 31, 2011. Effective September 1, 2011, Cargill would pay building and land rent, which would be adjusted to reflect market rates. Cargill would pay additional rent, based on a minimum guaranteed volume of product handled at its leasehold. The total aggregate rental over the term of Lease EP-275 is estimated to be \$2 million.

The Port Authority also would consent to a sublease agreement between Cargill and Cargill Flavor to allow Cargill Flavor to operate and maintain the premises throughout the term of the new lease, and would enter into a surrender agreement with respect to the current lease. The proposed new lease would grant Cargill certain additional sublease and assignment rights with respect to affiliates and third parties, upon prior Port Authority consent. If the Port Authority consents to a third-party assignment, the Port Authority would receive a negotiated percentage of the value of Cargill's rental payments over the term of the lease.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Holmes, Pocino, Samson, Sartor, Silverman and Steiner voting in favor; none against; Commissioner Moerdler recused:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into: (1) a new lease agreement with Cargill, Inc. (Cargill) for the letting of approximately 3.39 acres at the Elizabeth-Port Authority Marine Terminal, and extending into Port Newark, consisting of Building 1200 and associated open area upland of Berth 50, for a five-year and ten-month term, commencing March 1, 2011 and expiring December 31, 2016; (2) a consent to a sublease agreement between Cargill and its subsidiary, Cargill Flavor Systems US, LLC; and (3) a surrender agreement with respect to Cargill's current lease (No. EP-154) covering the same premises; and it is further

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

WORLD TRADE CENTER SITE – SUPPLEMENTAL LEASE AGREEMENT FOR SPACE AT 115 BROADWAY

It was recommended that the Board authorize the Executive Director to enter into a modification and extension of the Port Authority's lease for approximately 76,448 rentable square feet of space on floors 5, 6, 7 and 10 at 115 Broadway, New York City, with Trinity Center LLC (Trinity), for a five-year, three-month term beginning on October 1, 2011, at a total aggregate rental of approximately \$9,806,126.

The proposed lease modification and extension would provide office and support space for approximately 164 Port Authority staff members engaged in activities at the World Trade Center (WTC) site, and would replace the rental terms in the existing lease with terms more favorable to the Port Authority. It also would provide for early termination options, to give the Port Authority flexibility in providing this office space used in support of the WTC rebuilding effort. The proposed modification would give the Port Authority the right of termination on January 1, 2015 and January 1, 2016, upon 12 months' prior written notice. This extension also would provide for nine months of free rent spread throughout the term, as well as an expansion of heating, ventilation and air conditioning hours to accommodate staff needs, at no additional cost.

This lease modification and extension would provide uninterrupted occupancy for staff involved in such activities as construction support, guidance and support for fire protections, life-safety maintenance, construction safety, monitoring federal grant expenditure compliance, and monitoring on-site support to minority- and women-owned business enterprises for the WTC redevelopment project. The modification and extension of this rental would provide the best comprehensive financial package available compared to other potential private office space considered in the vicinity.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Holmes, Moerdler, Pocino, Samson, Sartor, Silverman and Steiner voting in favor; none against:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into a modification and extension of the Port Authority's lease with Trinity Center LLC for approximately 76,448 rentable square feet of space on floors 5, 6, 7 and 10 at 115 Broadway, New York City, for a five-year, three-month term, beginning on October 1, 2011, 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.

QUEENS WEST WATERFRONT DEVELOPMENT – AGREEMENT TO PROVIDE FUNDS TOWARD CONSTRUCTION OF A BRANCH OF QUEENS BOROUGH PUBLIC LIBRARY

It was recommended that the Board authorize the Executive Director to enter into an agreement with the Queens Borough Public Library (Queens Library), the New York City Department of Design and Construction (NYCDDC) and any other appropriate entities, pursuant to which the Port Authority would provide up to \$10 million toward the construction and fit-out of a branch of the Queens Public Library to be constructed at the Queens West Waterfront Development (QWWD).

Pursuant to legislation adopted by the States of New York and New Jersey in 1984, the Port Authority (along with the New York State Urban Development Corporation, through its subsidiary, the Queens West Development Corporation) is a joint sponsor of the QWWD, a mixed-use waterfront development project located at Hunters Point in the Borough of Queens, City of New York. The QWWD already includes seven residential buildings with approximately 2,600 units, with an additional four residential towers containing approximately 2,100 rental apartments scheduled to be completed in the next several years.

Queens Library is undertaking an initiative to construct a branch of the Queens Public Library (the Library Branch) as part of the QWWD, to be located on a piece of property known as Parcel 8. NYCDDC will be responsible for the design and construction of the Library Branch. The development of the Library Branch will provide an important educational and cultural resource for the present and future residents of the QWWD, and enhance the overall value of the QWWD.

In 2010, the Port Authority entered into an agreement with Queens Library under which the Port Authority is to provide Queens Library with up to \$1 million toward the cost of designing and constructing the Library Branch at the QWWD, pursuant to the action of the Board, at its meeting of October 22, 2009, authorizing agreements with appropriate entities to effectuate, consistent with existing legislation and agreements with the holders of the Port Authority's obligations, projects designated by the Governor of the State of New York in the New York portion of the Port District, in connection with the allocation of \$15.8 million from previously authorized commitments for projects and initiatives in New York.

The total estimated cost of the design and construction of the Library Branch is approximately \$28 million. To date, Queens Library has received funding commitments totaling approximately \$18 million from multiple public and private sources, including the aforementioned \$1 million to be provided by the Port Authority. By providing an additional \$10 million toward the construction of the Library Branch, the Port Authority would help ensure completion of this critical community space, as part of the completion of the overall public infrastructure for the QWWD.

In 2010, the Queens West Development Corporation's (QWDC) board of directors authorized the conveyance of Parcel 8 to Queens Library for the construction of a new library to support the QWWD area. The QWDC board also authorized the granting of 200,000 square feet of additional development rights at the QWWD for \$16 million, which, under the Project Management Agreement for the QWWD, is to be transferred to the Port Authority. The proposed provision of up to \$10 million toward the development of the Library Branch would be

subject to the Port Authority's receipt of the \$16 million in QWWD project revenues, which is anticipated to take place in 2011.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Holmes, Moerdler, Pocino, Samson, Sartor, Silverman and Steiner voting in favor; none against:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into an agreement with the Queens Borough Public Library, the New York City Department of Design and Construction and any other appropriate entities, pursuant to which the Port Authority will provide up to \$10 million toward the construction and fit-out of a branch of the Queens Public Library to be constructed at the Queens West Waterfront Development; and it is further

RESOLVED, that that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to take any and all action to effectuate the foregoing, including the execution of contracts, agreements and other documents, together with amendments and supplements thereof, or amendments and supplements to existing contracts, agreements and other documents, and to take action in accordance with such contracts, agreements and other documents as may be necessary in connection therewith; and it is further

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

ONE WORLD TRADE CENTER – AUTHORIZATION TO AWARD A CONSTRUCTION TRADE CONTRACT FOR LOBBY GLASS

It was recommended that the Board authorize 1 World Trade Center LLC (1 WTC LLC), through its construction manager, Tishman Construction Corporation (Tishman), to enter into a construction trade contract with APG International for lobby glass work associated with the construction of One World Trade Center, at an estimated total cost of \$9,174,600, including an eight-percent allowance for extra work.

The scope of work for this contract includes the furnishing and installation of multiple layers of glass plates, with a dichroic coating applied to one layer, at the north and south entrances of the ground-level main lobby of One World Trade Center, as well as behind lobby desks. The contractor also would be responsible for the installation of an anchor system to mount the glass panels to the concrete.

The form of trade contract being utilized by Tishman as construction manager was developed by Port Authority staff and maintains, to the greatest degree possible, Port Authority policy and procedures for the work, including provisions allowing for termination for convenience, and requirements for minority and women-owned business enterprise utilization, confidentiality, security, and integrity monitoring, and a competitive bidding process.

The terms of the construction trade contract proposed for award were negotiated and would be awarded to the lowest bidder, in accordance with the procurement procedures established in the Third Freedom Tower Amendment to the September 2003 General Contractor Agreement between Tishman and 1WTC LLC.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Holmes, Moerdler, Pocino, Samson, Silverman and Steiner voting in favor; none against; Commissioner Sartor recused:

RESOLVED, that 1 World Trade Center LLC be and it hereby is authorized, through its construction manager, Tishman Construction Corporation, to enter into a construction trade contract with APG International for lobby glass work associated with the construction of One World Trade Center, at an estimated total cost of \$9,174,600, including an eight-percent allowance for extra work; and it is further

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

DOWNTOWN RESTORATION PROGRAM – AUTHORIZATION FOR DESIGN AND PRE-CONSTRUCTION SERVICES FOR THE ONE WORLD TRADE CENTER INTERIM TRUCK LOADING AREA

In connection with the construction of One World Trade Center (1 WTC), it was recommended that the Board authorize the Executive Director to provide for design and pre-construction services for an interim truck loading area for 1 WTC, in a total amount not to exceed \$2.5 million, to be provided by The Durst Organization (Durst), consistent with the terms of the 1 WTC Interim Services Agreement between the Port Authority and Durst.

Design work, which would include design development and preparation of contract documents, estimating, schedule development and constructability for the interim truck loading area, would be performed by a professional architectural and engineering firm, to be selected by Durst via a competitive procurement process.

This item shall remain confidential until such time as it becomes a matter of public record.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Bauer, Coscia, Grayson, Holmes, Moerdler, Pocino, Samson, Sartor, Silverman and Steiner voting in favor; none against:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to provide for design and pre-construction services for an interim truck loading area for One World Trade Center (1 WTC), in a total amount not to exceed \$2.5 million, to be provided by The Durst Organization (Durst), consistent with the terms of the 1 WTC Interim Services Agreement between the Port Authority and Durst; 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 any and all action to effectuate the foregoing, including the execution of contracts, agreements and other documents, together with amendments and supplements thereof, or amendments and supplements to existing contracts, agreements and other documents, and to take action in accordance with the terms of such contracts, agreements and documents, as may be necessary in connection therewith; 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.

ONE WORLD TRADE CENTER – INCREASE IN AUTHORIZATION FOR CONSTRUCTION TRADE CONTRACT FOR SUPERSTRUCTURE METAL STAIRS AND MISCELLANEOUS IRON – HILLSIDE IRONWORKS INC.

It was recommended that the Board authorize 1 World Trade Center LLC (1WTC LLC), through its construction manager, Tishman Construction Corporation (Tishman), to increase, by \$2 million, the extra work amount previously authorized under the existing construction trade contract with Hillside Ironworks Inc. (Hillside) for superstructure metal stairs and miscellaneous iron associated with the construction of One World Trade Center (WTC), resulting in a total authorization of approximately \$14.1 million.

Pursuant to the Board's authorization at its meeting of April 24, 2008 in connection with the award of construction trade contracts for construction of One WTC, in May 2008, the Executive Director awarded a construction trade contract to Hillside, at a total estimated cost of \$9,828,000, to provide for miscellaneous iron work at One WTC at all above-grade locations and for the installation of metal stairs, handrails, ladders, hatches and associated hardware. The contract subsequently was amended in June 2009 to provide for added scope, including embedded anchorages for trade contracts such as stone, architectural metal and cable net wall and canopies, at an additional cost of \$2,275,000. Under the proposed increase, staff would exercise contract alternates with Hillside that include scope elements such as enclosures for overhead fuel oil pipes within corridors and shafts, stainless steel cooling tower hood enclosures on the roof and seismic bracing for concrete walls at mechanical air plenums, at an estimated additional cost of \$2 million.

The proposed additional work would be performed by Hillside, which initially was selected by Tishman as the lowest bidder from a pre-qualified list of bidders in accordance with the procurement procedures established in the Third Freedom Tower Amendment to the September 2003 General Contractor Agreement between Tishman and 1WTC LLC.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Holmes, Moerdler, Pocino, Samson, Silverman and Steiner voting in favor; none against; Commissioner Sartor recused:

RESOLVED, that 1 World Trade Center LLC be and it hereby is authorized, through its construction manager, Tishman Construction Corporation, to increase, by \$2 million, the extra work amount previously authorized under the existing construction trade contract with Hillside Ironworks Inc. for superstructure metal stairs and miscellaneous iron associated with the construction of One World Trade Center, resulting in a total authorization of \$14.1 million; and it is further

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

WORLD TRADE CENTER VEHICULAR SECURITY CENTER AND TOUR BUS PARKING FACILITY – INCREASE IN AUTHORIZATION FOR EXPERT PROFESSIONAL ARCHITECTURAL AND ENGINEERING SERVICES

It was recommended that the Board authorize the Executive Director to increase, by \$5 million, the compensation under the existing agreement with Liberty Security Partners (LSP) (a joint venture of STV, Inc., AECOM and URS Corporation) for expert professional architectural and engineering services in connection with the World Trade Center Vehicular Security Center and Tour Bus Parking Facility (WTC VSC) Project, resulting in a revised total authorization amount of \$58.4 million.

The WTC VSC will serve an important role in improving circulation and access within Lower Manhattan. When complete, the WTC VSC will accommodate off-street screening of cars, trucks and buses that enter the sub-grade roadway and building loading docks, and will include a new basement structure. The VSC will utilize the latest technologies, including a vehicle scanning system, vehicle arrest devices, control gates and closed-circuit television surveillance system, as well as security booths and an operations office.

Work under the requested increase in compensation to LSP would provide for the incorporation of value engineering design efforts and efficiency concepts into certain aspects of the WTC VSC final design. These concepts include: (1) a revised mechanical design to minimize sub-basement excavation, and (2) enhanced design coordination with the development of Liberty Park, to benefit future construction staging and scheduling. It is anticipated that the performance of these additional design services would result in significant schedule and cost savings in the construction of the WTC VSC. To date, \$53.4 million has been authorized for LSP's services, and approximately \$43 million has been expended.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Holmes, Pocino, Samson, Silverman and Steiner voting in favor; none against; Commissioners Moerdler and Sartor recused:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to increase, by \$5 million, the compensation under the existing agreement with Liberty Security Partners for expert professional architectural and engineering services to support the design and construction of the World Trade Center Vehicular Security Center and Tour Bus Parking Facility Project; 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 (WTC) MEMORIAL, MEMORIAL MUSEUM AND WTC INFRASTRUCTURE PROJECTS – AMENDMENT OF AUTHORIZATION TO ACCEPT ASSIGNMENT OF A TRADE CONTRACT FOR FABRICATION AND INSTALLATION OF THE BRONZE NAME PARAPETS

It was recommended that the Board: (1) rescind authority previously delegated pursuant to its February 3, 2010 resolution entitled, "World Trade Center (WTC) Memorial, Memorial Museum and WTC Infrastructure Projects – Authorization to Accept Assignment of a Contract for the Bronze Name Parapets"; (2) authorize the Executive Director to accept assignment of construction trade contracts awarded by the National September 11 Memorial and Museum at the World Trade Center Foundation, Inc. (NS11MM) to Service Metal Fabricating, Inc. (SMF) for the fabrication of the bronze name parapets and to KC Fabrications, Inc. (KC Fabrications) for the installation of the bronze name parapets for the WTC Memorial and Memorial Museum Projects, at an estimated total cost of \$13,107,600, including extra work; and (3) authorize the Executive Director to accept a partial assignment of the contract with Bovis Lend Lease LMB, Inc. (Bovis) for construction management (CM) services associated with the Memorial Plaza bronze name parapets trade contracts, at an estimated cost of \$1,086,183. These costs are the sole responsibility of the NS11MM, because the work supports the WTC Memorial Project exclusively.

The authorization being rescinded provided for the acceptance of assignment of a construction trade contract with DCM Erectors, Inc. (DCM) that was awarded by NS11MM for the furnishing and installation of the bronze name parapets for the WTC Memorial Project, as well as the partial assignment of the Bovis CM contract to support the work. Under the contract, DCM retained SMF and KC Fabrications to design, fabricate and install the bronze name parapets. However, subsequent to award, and prior to the Port Authority accepting assignment, NS11MM and DCM terminated the contract for convenience, due to the developing changes arising from design modifications, including NS11MM's introduction of new and revised design elements for the bronze nameplate parapets, along with its desire to communicate directly with SMF and KC Fabrications. NS11MM recommended awarding the contracts directly to SMF and KC Fabrications, which enables NS11MM to have direct access to and control over the fabricator and installer and, more specifically, provides for efficiencies with coordination and schedules related to this work.

Pursuant to a July 2006 Project Agreement with the Lower Manhattan Development Corporation, the NS11MM, the City of New York and the State of New York, the Port Authority is to assume responsibility for construction of the WTC Memorial and the Memorial Museum Projects.

In December 2006, the Board authorized the Executive Director to finalize agreements with the NS11MM providing for the Port Authority to accept an assignment of the Bovis CM contract and manage all construction work for the WTC Memorial and Memorial Museum Projects. In anticipation of the full assignment of the Bovis CM contract, the NS11MM has proceeded with procurement of the bronze name parapets trade contracts, as an essential component of the critical path schedule for the WTC Memorial, Memorial Museum and WTC Infrastructure Projects.

The NS11MM will award the bronze name parapets trade contracts directly to SMF for the fabrication of the parapets and to KC Fabrications for the installation of the parapets. The

scope of work for the trade contracts includes the furnishing and installation of the bronze name parapets for the two Memorial fountains. The contractors will be responsible for fabricating and engraving the bronze panels with the names of those who lost their lives at the WTC site on September 11, 2001 and February 26, 1993.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Coscia, Grayson, Holmes, Moerdler, Pocino, Samson, Silverman and Steiner voting in favor; none against; Commissioners Bauer and Sartor recused:

RESOLVED, that the authority previously delegated pursuant to the Board's February 3, 2010 resolution entitled, "World Trade Center (WTC) Memorial, Memorial Museum and WTC Infrastructure Projects – Authorization to Accept Assignment of a Contract for the Bronze Name Parapets," be and it hereby is rescinded; 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) accept assignment of construction trade contracts awarded by the National September 11 Memorial and Museum at the World Trade Center Foundation, Inc. to Service Metal Fabricating, Inc. for the fabrication of the bronze name parapets and to KC Fabrications, LLC for the installation of the bronze name parapets for the World Trade Center Memorial and Memorial Museum Projects, at an estimated total cost of \$13,107,600, including extra work; and (2) accept a partial assignment of the contract with Bovis Lend Lease LMB, Inc. for construction management services associated with the bronze name parapets trade contracts, at an estimated cost of \$1,086,183; and it is further

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

WORLD TRADE CENTER (WTC) MEMORIAL, MEMORIAL MUSEUM AND WTC INFRASTRUCTURE PROJECTS – AUTHORIZATION TO ACCEPT ASSIGNMENT OF A TRADE CONTRACT FOR MEMORIAL MUSEUM PAVILION MISCELLANEOUS METALS

It was recommended that the Board authorize the Executive Director to: (1) accept assignment of a construction trade contract awarded by the National September 11 Memorial and Museum at the World Trade Center Foundation, Inc. (NS11MM) to R&L Construction, Inc. for miscellaneous metals work associated with the World Trade Center (WTC) Memorial Museum Pavilion, at an estimated amount of \$4,917,040, including an eight-percent contingency; and (2) accept a partial assignment of the contract with Bovis Lend Lease LMB, Inc. (Bovis) for construction management (CM) services associated with the Memorial Museum Pavilion miscellaneous metals trade contract, at an estimated cost of \$452,732; and (3) on behalf of the Port Authority and its wholly owned entities, make payments into an escrow account, in an amount of \$416,127, for the Port Authority's portion of the costs associated with the WTC Transportation Hub Project and the Bovis CM contract.

Pursuant to a July 2006 Project Agreement with the Lower Manhattan Development Corporation, the NS11MM, the City of New York and the State of New York, the Port Authority is to assume responsibility for construction of the WTC Memorial and the Memorial Museum Projects.

In December 2006, the Board authorized the Executive Director to finalize agreements with the NS11MM providing for the Port Authority to accept an assignment of the Bovis CM contract and manage all construction work for the WTC Memorial and Memorial Museum Projects. In anticipation of the full assignment of the Bovis CM contract, the NS11MM has proceeded with procurement of the Memorial Museum Pavilion miscellaneous metals trade contract, as an essential component of the critical path schedule for the WTC Memorial, Memorial Museum and WTC Infrastructure Projects.

The NS11MM will award the WTC Memorial Museum Pavilion miscellaneous metals trade contract to R&L Construction, Inc., the lowest qualified bidder, selected from among multiple competitive bids based on a list of select bidders established in the Bovis CM contract. The scope of work includes the furnishing and installation of stainless steel handrails, handrail brackets and posts, lateral supports for walls, metal gratings, steel ladders, catwalks, ticket office millwork and lavatory millwork supports, glazed decorative metal railings, roof screen, perforated stainless steel metal wall panels and steel support framing at the Atrium Makeup Air Plenum and all interior glass and windows. The scope of work also includes the furnishing and installation of side coiling doors and support system, as well as all extruded continuous prefinished aluminum wall louvers, including aluminum and steel support framing required for complete installation.

None of the proposed Port Authority payment is included in the \$150 million commitment authorized by the Board in July 2006 for common and exclusive site infrastructure work associated with the WTC Memorial and Memorial Museum Projects.

An escrow account was jointly established and initially funded by the NS11MM to provide for payments to contractors and Bovis. The Port Authority previously has agreed to make payments into the escrow account of \$229.7 million, and the proposed authorization would

bring total anticipated Port Authority payments to approximately \$230.1 million, of which approximately \$115.4 million has been allocated against the Port Authority's commitment to the WTC Memorial and Memorial Museum Projects.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Coscia, Grayson, Holmes, Moerdler, Pocino, Samson, Silverman and Steiner voting in favor; none against; Commissioners Bauer and Sartor recused:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to: (1) accept assignment of a construction trade contract awarded by the National September 11 Memorial and Museum at the World Trade Center Foundation, Inc. to R&L Construction, Inc. for miscellaneous metals work associated with the World Trade Center Memorial Museum Pavilion, in an estimated amount of \$4,917,040, including an eight-percent contingency; and (2) accept a partial assignment of the contract with Bovis Lend Lease LMB, Inc. (Bovis) for construction management services associated with the Memorial Museum Pavilion miscellaneous metals trade contract, at an estimated cost of \$452,732; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority and its wholly owned entities, to pay \$416,127 into an escrow account for the Port Authority's portion of the costs associated with the World Trade Center Transportation Hub Project and the Bovis construction management contract for the aforementioned projects; and it is further

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

DOWNTOWN RESTORATION PROGRAM – WORLD TRADE CENTER INTERIM SECURITY FACILITIES – PHASE II – PROJECT AUTHORIZATION AND AWARD OF CONTRACT FOR A SITUATIONAL AWARENESS PLATFORM SOFTWARE SYSTEM

It was recommended that the Board authorize: (1) a project for Phase II of the World Trade Center (WTC) site Interim Security Facilities, to provide for the deployment of Situational Awareness Platform System (SAPS) software, at an estimated total project cost of \$20 million; and (2) the Executive Director to award a contract to Diebold, Inc., a security systems integrator firm, to purchase, integrate and deploy the SAPS software, at an estimated amount of \$8,393,708.

Via several actions from early 2008 through 2010, the Board and the Executive Director authorized the award of certain contracts for the design, testing, installation and maintenance of security systems within the Site-wide Logistics Coordination Center and at the WTC site to support secure operations at the site. These contracts provided for the implementation of various infrastructure to monitor activity at the WTC site, including a perimeter closed-circuit television and digital video recording system, access control system, truck arrival scheduling system and a modular access control unit (*i.e.*, biometric iris scanning equipment). The existing systems provide for limited local and remote monitoring of activity at the WTC site.

With the increasing level of construction at the WTC site, as well as the commissioning and operation of the WTC Memorial Plaza facility in 2011, additional security functionality will be required to ensure continued safe and secure WTC site operations. As such, the existing security systems will be enhanced to accommodate the additional security requirements at the WTC site.

The proposed project would enhance security to correspond with the scheduled opening of the Memorial Plaza on September 11, 2011, and support a secure environment for all WTC site stakeholders as other facilities begin operations in the coming years, including the WTC Memorial Museum, WTC Transportation Hub, WTC Vehicular Security Center and Tour Bus Parking Facility, and WTC retail facilities and commercial towers, until such time as a Site-wide Operations Coordination Center is constructed at the WTC site.

The SAPS system to be installed would provide a means to collect, correlate and display information from various electronic systems that are either currently deployed or are in the process of being designed and constructed at the 11 stakeholder facilities at the WTC site. In addition to the ability to collect, correlate, and display information from these systems, the SAPS system also would provide identity management capabilities and be fully scalable to integrate stakeholder systems as they come on-line, and have the flexibility to incorporate new technologies and standards. SAPS would enhance security through situational awareness of identities, alarms, video, and events across the entire WTC site.

Diebold, Inc., the security systems integrator firm to be retained, would be responsible for furnishing, installing, integrating, configuring, and maintaining the SAPS system.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Holmes, Moerdler, Pocino, Samson, Sartor and Silverman voting in favor; none against; Commissioner Steiner recused:

RESOLVED, that a project for Phase II of the World Trade Center (WTC) site Interim Security Facilities, to provide for the deployment of Situational Awareness Platform System (SAPS) software, at an estimated total project cost of \$20 million, 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 award a contract to Diebold, Inc., a security systems integrator firm, to purchase, integrate and deploy the SAPS software, at an estimated amount of \$8,393,708; 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 Memoranda of Understanding with WTC site stakeholders as may be required in connection with effectuating the SAPS; 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 contracts and agreements in connection with the foregoing shall be subject to the approval of General Counsel or his authorized representative.

**DOWNTOWN RESTORATION PROGRAM – WORLD TRADE CENTER (WTC)
SITE-WIDE PUBLIC SAFETY AND LIFE SAFETY RADIO INFRASTRUCTURE
– PROJECT AUTHORIZATION AND AWARD OF A CONSTRUCTION TRADE
CONTRACT FOR THE IMPLEMENTATION OF THE PROJECT AND
INSTALLATION OF A WTC TRANSPORTATION HUB RADIO SYSTEM**

It was recommended that the Board authorize: (1) a project for the design and construction of the World Trade Center (WTC) Site-wide Public Safety and Life Safety radio infrastructure (the Project), at an estimated total project cost of \$50 million; and (2) the Executive Director to: (a) enter into a construction trade contract, through construction manager Tishman Construction Corporation and Turner Construction Company, a Joint Venture (Tishman/Turner), with Five Star Electric Corporation, at an estimated total cost of \$72,696,960, inclusive of an eight-percent allowance for extra work, of which approximately \$24 million is required to implement the Project, with the balance required to install a radio distribution network and related equipment necessary to provide radio reception for areas within the WTC Transportation Hub (WTC Hub); (b) increase, by an estimated amount of \$6.9 million, the compensation under the Port Authority's existing agreement with Downtown Design Partnership (DDP), a joint venture of AECOM and STV, Inc., for design and construction-related architectural and engineering services to support the continuing construction of the WTC Hub Project; and (c) increase, by an estimated amount of \$5.3 million, the compensation under the existing agreement with Tishman/Turner for construction management services associated with the WTC Hub Project construction trade contract.

The development of WTC Site-wide Public Safety and Life Safety radio infrastructure is a critical component of work in conjunction with the security initiatives at the WTC site. Prior to September 11, 2001, the WTC site had a consolidated site-wide radio system with dedicated channels for public safety and operations personnel. The redevelopment of the WTC site has significantly increased the number of facilities at the site, as well as the number of agencies and associated operations and public safety personnel that will be involved in these functions.

As directed by the New York Governor's Security Task Force, the Port Authority led an effort in establishing radio requirements for public safety and first responder agencies at the WTC site, which resulted in the recommendation of an integrated WTC site-wide radio infrastructure to optically distribute radio signals to all WTC buildings from a centralized location (with redundancy and diversification).

At its meeting of May 22, 2008, the Board authorized preliminary planning work for the development of WTC site-wide radio infrastructure. In September 2010, the Port Authority developed radio design requirements, in collaboration with WTC site stakeholders and external agencies, establishing the overall radio system needed to facilitate in-building radio communication at the WTC site.

The design and construction of the WTC Site-wide Public Safety and Life Safety radio infrastructure would provide for a consolidated interface with the radio systems of public safety and first responders, and an integrated radio signal distribution to all buildings at the WTC site. The Project would enable the use of a backbone fiber-optic network and communication rooms, to be constructed as part of a WTC Hub Project construction trade contract that would provide for the implementation of the Project and installation of a radio system for areas within the WTC Hub, the authorization of which is also requested herein. This radio infrastructure is a critical

system component in support of police, fire and emergency medical services operations at the WTC site.

The recommended award for the proposed construction trade contract is to the lowest-price proposer, Five Star Electric Corporation, which was selected by Tishman/Turner from a pre-qualified list of proposers. The contract was procured pursuant to the procedures established in the Tishman/Turner Construction Management Agreement, dated August 10, 2009, and the Federal Transit Administration Lower Manhattan Recovery Office Third Party Contracting Requirements, dated August 21, 2003. The scope of work under this trade contract includes: the implementation of the site-wide radio infrastructure work, at an estimated cost of \$25 million; the furnishing and installation of the radio distribution network; and the installation of antennas, repeaters and related radio equipment necessary to provide full radio coverage throughout the WTC Hub facility, at an estimated cost of \$47.7 million.

In July 2009, the Board authorized the retention of Tishman/Turner to provide construction management services to support the implementation of the WTC Hub Project. At the time of award, it was anticipated that the project would be implemented through the issuance of two major contracts to procure all trades needed to construct the Transit Hall in the East Bathtub. Through subsequent discussions with Tishman/Turner, the procurement strategy was modified to procure the construction trade packages individually, in order to best position the agency in attaining competition, flexibility and overall savings in contract value. The proposed increase in compensation to Tishman/Turner would provide for the development, management and supervision of this construction trade package. Including the requested increase of \$5.3 million and increases pursuant to companion items being advanced at this meeting, a total of \$128.1 million will have been authorized. Approximately \$19.9 million of that amount has been expended to date.

In September 2003, the Executive Director authorized an agreement with DDP to provide professional architectural and engineering services for the development of the WTC Hub Project for a five-year term, at an estimated amount of \$60 million. Through December 2010, the Board authorized increases to the existing DDP contract for additional architectural and engineering and construction support services through Stage IV of the WTC Hub Project, to implement various components of that project. To continue the implementation of that project, it is necessary to increase compensation to DDP at this time. Including the requested increase of \$6.9 million and increases pursuant to companion items being advanced at this meeting, a total of \$401.4 million will have been authorized. Approximately \$307.8 million of that amount has been expended.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Holmes, Pocino, Silverman and Steiner voting in favor; none against; Commissioners Moerdler, Samson and Sartor recused:

RESOLVED, a project for the design and construction of the World Trade Center (WTC) Site-wide Public Safety and Life Safety radio infrastructure (the Project), at an estimated total project cost of \$50 million, 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 enter into a construction trade contract,

through construction manager Tishman Construction Corporation and Turner Construction Company, a Joint Venture (Tishman/Turner), with Five Star Electric Corporation, at an estimated total cost of \$72,696,960, of which approximately \$24 million is required to implement the Project, and the balance is required to install a radio distribution network and related equipment necessary to provide radio reception for areas within the WTC Transportation Hub (WTC Hub); and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to increase, by an estimated amount of \$6.9 million, the compensation under the existing agreement with Downtown Design Partnership, a joint venture of AECOM and STV, Inc., for design and construction-related architectural and engineering services to support the continued construction of the WTC Hub Project; and its further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to increase, by an estimated amount of \$5.3 million, the compensation under the existing agreement with Tishman/Turner for construction management services to support the continued construction of the WTC Hub 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 with respect to construction contracts, contracts for professional and advisory services and such other contracts and agreements as may be necessary to effectuate the 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 contracts and agreements in connection with the foregoing shall be subject to the approval of General Counsel or his authorized representative.

**DOWNTOWN RESTORATION PROGRAM – WORLD TRADE CENTER (WTC)
TRANSPORTATION HUB PROJECT – PROJECT RE-AUTHORIZATION –
WTC COMMERCIAL INFRASTRUCTURE – PROJECT AUTHORIZATION**

It was recommended that the Board: (1) re-authorize the project to design and construct the World Trade Center Transportation Hub (WTC Hub), at an estimated total project cost of \$3.44 billion, inclusive of payments to contractors and consultants, allowances for extra work, insurance, engineering, project contingency, financial expense and other project costs; and (2) authorize a project for commercial infrastructure at the World Trade Center (WTC) site, at an estimated total project cost of \$151 million.

In June 2008, at the request of the Governor of New York, staff conducted an assessment of the rebuilding effort at the WTC site that covered all facets of the WTC Redevelopment Program and included input from multiple WTC site stakeholders. In October 2008, the Port Authority issued a post-assessment report, entitled *World Trade Center Report: A Roadmap Forward*, which provided a revised forecast for the WTC Hub Project, at an estimated total project cost of \$3.26 billion, and called for revisions to the project scope, including streamlining the Oculus design, a deck-over solution for the PATH Hall roof (which prioritizes completion of the Memorial Plaza by September 11, 2011), and top-down construction of Greenwich Street/#1 subway line station, to permanently underpin the box enclosing the New York City Transit #1 subway line lying directly below.

To accommodate the recent increase in costs, primarily associated with various WTC Hub Project trade contracts, including those for mechanical, electrical and plumbing work and Oculus steel, which exceeded budget, and the Owners Controlled Insurance Program, project re-authorization was requested, at an increase of \$180 million over the presently authorized project amount.

In addition, authorization was requested for a project, at an estimated total cost of \$151 million, for commercial infrastructure, including such items as Tower 2 and 3 workarounds, including installation of street-level temporary ventilation and emergency power facilities which would be relocated later in Towers 2 and 3, respectively, being performed by various projects. Other project items would include East Bathtub excavation and acceleration to meet commitments to Silverstein Properties, Inc., which are part of the WTC Site – Eastside Development Plan authorized by the Board at its meeting of August 26, 2010.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Holmes, Moerdler, Pocino, Sartor, Silverman and Steiner voting in favor; none against; Commissioner Samson recused:

RESOLVED, that a project to design and construct the World Trade Center Transportation Hub, at an estimated total cost of \$3.44 billion, be and it hereby is re-authorized; and it is further

RESOLVED, that a project for certain commercial infrastructure at the World Trade Center site, at an estimated total project cost of \$151 million, 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 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 projects, 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 contracts and agreements in connection with the foregoing projects shall be subject to the approval of General Counsel or his authorized representative.

WORLD TRADE CENTER TRANSPORTATION HUB PROJECT – AUTHORIZATION TO AWARD A CONSTRUCTION TRADE CONTRACT FOR TRANSIT HALL ARCHITECTURAL METALS AND GLASS AND INCREASES IN EXPERT PROFESSIONAL ARCHITECTURAL AND ENGINEERING SERVICES AND CONSTRUCTION MANAGEMENT SERVICES

It was recommended that the Board authorize the Executive Director to: (1) enter into a construction trade contract, through construction manager Tishman Construction Corporation and Turner Construction Company, a Joint Venture (Tishman/Turner), with Jerome Aluminum Products Corp., for Transit Hall architectural metals and glass work associated with the construction of the World Trade Center Transportation Hub (WTC Hub) Project, at an estimated total cost of \$8,754,480, inclusive of an eight-percent allowance for extra work; (2) increase, by an estimated amount of \$500,000, the compensation under the Port Authority's existing agreement with Tishman/Turner for construction management services; and (3) increase, by an estimated amount of \$450,000, the compensation under the Port Authority's existing agreement with Downtown Design Partnership (DDP), a joint venture of AECOM and STV, Inc., for construction-related architectural and engineering services to support the continued construction of the WTC Hub Project.

The WTC Hub Project is necessary to re-establish and enhance transportation facilities and infrastructure that existed at the World Trade Center complex prior to September 11, 2001, and to ensure the long-term accessibility and economic vitality of Lower Manhattan. The scope of work under the proposed contract includes the furnishing and installation of decorative metal wall panels and enclosures, stainless steel doors and frames, and interior glass railings for the Transit Hall.

The recommended award is to the lowest-price proposer, Jerome Aluminum Products Corp., which was selected by Tishman/Turner from a pre-qualified list of proposers. The proposed WTC Hub Project trade contract was procured pursuant to the procedures established in the Tishman/Turner Construction Management Agreement, dated August 10, 2009, and the Federal Transit Administration Lower Manhattan Recovery Office Third Party Contracting Requirements, dated August 21, 2003.

In July 2009, the Board authorized the retention of Tishman/Turner to provide construction management services to support the implementation of the WTC Hub Project. At the time of award, it was anticipated that the project would be implemented through the issuance of two major contracts to procure all trades needed to construct the Transit Hall in the East Bathtub. Through subsequent discussions with Tishman/Turner, the procurement strategy was modified to procure the construction trade packages individually, in order to best position the agency in attaining competition, flexibility and overall savings in contract value. The proposed increase in compensation to Tishman/Turner would provide for the development, management and supervision of this construction trade package. Including the requested increase of \$500,000 and increases pursuant to companion items being advanced at this meeting, a total of \$128.1 million will have been authorized. Approximately \$19.9 million of that amount has been expended to date.

In September 2003, the Executive Director authorized an agreement with DDP to provide professional architectural and engineering services for the development of the WTC Hub Project

for a five-year term, at an estimated amount of \$60 million. Through December 2010, the Board authorized increases to the existing DDP contract for additional architectural and engineering and construction support services through Stage IV of the WTC Hub Project, to implement various components of the project. To continue the implementation of the project, it is necessary to increase compensation to DDP at this time. Including the requested increase of \$450,000 and increases pursuant to companion items being advanced at this meeting, a total of \$401.4 million will have been authorized. Approximately \$307.8 million of that amount has been expended.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Holmes, Pocino, Samson, Silverman and Steiner voting in favor; none against; Commissioners Moerdler and Sartor recused:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into a construction trade contract, through construction manager Tishman Construction Corporation and Turner Construction Company, a Joint Venture (Tishman/Turner), with Jerome Aluminum Products Corp., for Transit Hall architectural metals and glass work associated with the construction of the World Trade Center Transportation Hub (WTC Hub) Project, at an estimated total cost of \$8,754,480, inclusive of an eight-percent allowance for extra work; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to increase, by an estimated amount of \$500,000, the compensation under the existing agreement with Tishman/Turner for construction management services to support the continued construction of the WTC Hub 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 increase, by an estimated amount of \$450,000, the compensation under the existing agreement with Downtown Design Partnership, a joint venture of AECOM and STV, Inc., for professional architectural and engineering services to support the continued construction of the WTC Hub Project; 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 TRANSPORTATION HUB PROJECT – AUTHORIZATION TO AWARD A CONSTRUCTION TRADE CONTRACT FOR TRANSIT HALL CARPENTRY AND INCREASES IN EXPERT PROFESSIONAL ARCHITECTURAL AND ENGINEERING SERVICES AND CONSTRUCTION MANAGEMENT SERVICES

It was recommended that the Board authorize the Executive Director to: (1) enter into a construction trade contract, through construction manager Tishman Construction Corporation and Turner Construction Company, a Joint Venture (Tishman/Turner), with Component Assembly Systems, Inc., for Transit Hall carpentry work associated with the construction of the World Trade Center Transportation Hub (WTC Hub) Project, at an estimated total cost of \$13,905,000, inclusive of an eight-percent allowance for extra work; (2) increase, by an estimated amount of \$900,000, the compensation under the Port Authority's existing agreement with Tishman/Turner for construction management services; and (3) increase, by an estimated amount of \$800,000, the compensation under the Port Authority's existing agreement with Downtown Design Partnership (DDP), a joint venture of AECOM and STV, Inc., for construction-related architectural and engineering services to support the continued construction of the WTC Hub Project.

The WTC Hub Project is necessary to re-establish and enhance transportation facilities and infrastructure that existed at the World Trade Center complex prior to September 11, 2001, and to ensure the long-term accessibility and economic vitality of Lower Manhattan. The scope of work under the proposed contract includes the furnishing and installation of all carpentry and drywall, including ceilings, hollow metal frames, doors and hardware, for the Transit Hall.

The recommended award is to the lowest-price proposer, Component Assembly Systems, Inc., which was selected by Tishman/Turner from a pre-qualified list of proposers. The proposed WTC Hub Project trade contract was procured pursuant to the procedures established in the Tishman/Turner Construction Management Agreement, dated August 10, 2009, and the Federal Transit Administration Lower Manhattan Recovery Office Third Party Contracting Requirements, dated August 21, 2003.

In July 2009, the Board authorized the retention of Tishman/Turner to provide construction management services to support the implementation of the WTC Hub Project. At the time of award, it was anticipated that the project would be implemented through the issuance of two major contracts to procure all trades needed to construct the Transit Hall in the East Bathtub. Through subsequent discussions with Tishman/Turner, the procurement strategy was modified to procure the construction trade packages individually, in order to best position the agency in attaining competition, flexibility and overall savings in contract value. The proposed increase in compensation to Tishman/Turner would provide for the development, management and supervision of this construction trade package. Including the requested increase of \$900,000 and increases pursuant to companion items being advanced at this meeting, a total of \$128.1 million will have been authorized. Approximately \$19.9 million of that amount has been expended to date.

In September 2003, the Executive Director authorized an agreement with DDP to provide professional architectural and engineering services for the development of the WTC Hub Project for a five-year term, at an estimated amount of \$60 million. Through December 2010, the Board

authorized increases to the existing DDP contract for additional architectural and engineering and construction support services through Stage IV of the WTC Hub Project, to implement various components of the project. To continue the implementation of the project, it is necessary to increase compensation to DDP at this time. Including the requested increase of \$800,000 and increases pursuant to companion items being advanced at this meeting, a total of \$401.4 million will have been authorized. Approximately \$307.8 million of that amount has been expended.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Holmes, Pocino, Samson, Silverman and Steiner voting in favor; none against; Commissioners Moerdler and Sartor recused:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into a construction trade contract, through construction manager Tishman Construction Corporation and Turner Construction Company, a Joint Venture (Tishman/Turner), with Component Assembly Systems, Inc., for Transit Hall carpentry work associated with the construction of the World Trade Center Transportation Hub (WTC Hub) Project, at an estimated total cost of \$13,905,000, inclusive of an eight-percent allowance for extra work; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to increase, by an estimated amount of \$900,000, the compensation under the existing agreement with Tishman/Turner for construction management services to support the continued construction of the WTC Hub 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 increase, by an estimated amount of \$800,000, the compensation under the existing agreement with Downtown Design Partnership, a joint venture of AECOM and STV, Inc., for professional architectural and engineering services to support the continued construction of the WTC Hub Project; 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 TRANSPORTATION HUB PROJECT – AUTHORIZATION TO AWARD A CONSTRUCTION TRADE CONTRACT FOR INTERIOR RETAIL GLASS STOREFRONTS AND INCREASES IN EXPERT PROFESSIONAL ARCHITECTURAL AND ENGINEERING SERVICES AND CONSTRUCTION MANAGEMENT SERVICES

It was recommended that the Board authorize the Executive Director to: (1) enter into a construction trade contract, through construction manager Tishman Construction Corporation and Turner Construction Company, a Joint Venture (Tishman/Turner), with Champion Metal & Glass, for Transit Hall and PATH Hall interior glass storefronts associated with the construction of retail space within the World Trade Center Transportation Hub (WTC Hub) Project area, at an estimated total cost of \$10,595,409, inclusive of an eight-percent allowance for extra work; (2) increase, by an estimated amount of \$600,000, the compensation under the Port Authority's existing agreement with Tishman/Turner for construction management services; and (3) increase, by an estimated amount of \$500,000, the compensation under the Port Authority's existing agreement with Downtown Design Partnership (DDP), a joint venture of AECOM and STV, Inc., for construction-related architectural and engineering services to support the continued construction of the WTC Hub Project.

The WTC Hub Project is necessary to re-establish and enhance transportation facilities and infrastructure that existed at the World Trade Center complex prior to September 11, 2001, and to ensure the long-term accessibility and economic vitality of Lower Manhattan. The scope of work under the proposed interior glass storefronts contract includes the furnishing and installation of all glass doors, storefront display windows, supports and related hardware associated with the development of approximately 500,000 square feet of retail space within the PATH Hall and Transit Hall.

The recommended award is to the lowest-price proposer, Champion Metal & Glass, which was selected by Tishman/Turner from a pre-qualified list of proposers. The proposed WTC Hub Project trade contract was procured pursuant to the procedures established in the Tishman/Turner Construction Management Agreement, dated August 10, 2009, and the Federal Transit Administration Lower Manhattan Recovery Office Third Party Contracting Requirements, dated August 21, 2003.

In July 2009, the Board authorized the retention of Tishman/Turner to provide construction management services to support the implementation of the WTC Hub Project. At the time of award, it was anticipated that the project would be implemented through the issuance of two major contracts to procure all trades needed to construct the Transit Hall in the East Bath tub. Through subsequent discussions with Tishman/Turner, the procurement strategy was modified to procure the construction trade packages individually, in order to best position the agency in attaining competition, flexibility and overall savings in contract value. The proposed increase in compensation to Tishman/Turner would provide for the development, management and supervision of this construction trade package. Including the requested increase of \$600,000 and increases pursuant to companion items being advanced at this meeting, a total of \$128.1 million will have been authorized. Approximately \$19.9 million of that amount has been expended to date.

In September 2003, the Executive Director authorized an agreement with DDP to provide professional architectural and engineering services for the development of the WTC Hub Project for a five-year term, at an estimated amount of \$60 million. Through December 2010, the Board authorized increases to the existing DDP contract for additional architectural and engineering and construction support services through Stage IV of the WTC Hub Project, to implement various components of the project. To continue the implementation of the project, it is necessary to increase compensation to DDP at this time. Including the requested increase of \$500,000 and increases pursuant to companion items being advanced at this meeting, a total of \$401.4 million will have been authorized. Approximately \$307.8 million of that amount has been expended.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Holmes, Pocino, Samson, Silverman and Steiner voting in favor; none against; Commissioners Moerdler and Sartor recused:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into a construction trade contract, through construction manager Tishman Construction Corporation and Turner Construction Company, a Joint Venture (Tishman/Turner), with Champion Metal & Glass, for Transit Hall and PATH Hall interior glass storefronts associated with the construction of retail space within the World Trade Center Transportation Hub (WTC Hub) Project area, at an estimated total cost of \$10,595,409, inclusive of an eight-percent allowance for extra work; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to increase, by an estimated amount of \$600,000, the compensation under the existing agreement with Tishman/Turner for construction management services to support the continued construction of the WTC Hub 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 increase, by an estimated amount of \$500,000, the compensation under the existing agreement with Downtown Design Partnership, a joint venture of AECOM and STV, Inc., for professional architectural and engineering services to support the continued construction of the WTC Hub Project; 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 TRANSPORTATION HUB PROJECT – AUTHORIZATION TO AWARD A CONSTRUCTION TRADE CONTRACT FOR STRUCTURAL REHABILITATION OF THE NORTH PROJECTION AND INCREASES IN EXPERT PROFESSIONAL ARCHITECTURAL AND ENGINEERING SERVICES AND CONSTRUCTION MANAGEMENT SERVICES

It was recommended that the Board authorize the Executive Director to: (1) enter into a construction trade contract, through construction manager Tishman Construction Corporation and Turner Construction Company, a Joint Venture (Tishman/Turner), with Judlau Contracting Inc., for the structural rehabilitation of the North Projection sub-grade structure associated with the construction of the World Trade Center Transportation Hub (WTC Hub) Project, at an estimated total cost of \$18,927,000, inclusive of an eight-percent allowance for extra work; (2) increase, by an estimated amount of \$1.5 million, the compensation under the Port Authority's existing agreement with Tishman/Turner for construction management services; and (3) increase, by an estimated amount of \$1.2 million, the compensation under the Port Authority's existing agreement with Downtown Design Partnership (DDP), a joint venture of AECOM and STV, Inc., for construction-related architectural and engineering services to support the continued construction of the WTC Hub Project.

The WTC Hub Project is necessary to re-establish and enhance transportation facilities and infrastructure that existed at the World Trade Center (WTC) complex prior to September 11, 2011, and to ensure the long-term accessibility and economic vitality of Lower Manhattan. The North Projection serves as the exit portal for Port Authority Trans-Hudson rail system (PATH) trains departing the WTC site and houses mechanical and electrical equipment critical for PATH operations. The scope of work under the proposed contract includes structural rehabilitation of the North Projection sub-grade building, including required demolition of the existing concrete structure, concrete and steel work, waterproofing, masonry, security fencing and miscellaneous metals. The North Projection will house the PATH electrical substation and emergency ventilation fans, which are required as part of the PATH tunnel life safety system.

The recommended award is to the lowest-price proposer, Judlau Contracting Inc., which was selected by Tishman/Turner from a pre-qualified list of proposers. The proposed WTC Hub Project trade contract was procured pursuant to the procedures established in the Tishman/Turner Construction Management Agreement, dated August 10, 2009, and the Federal Transit Administration Lower Manhattan Recovery Office Third Party Contracting Requirements, dated August 21, 2003.

In July 2009, the Board authorized the retention of Tishman/Turner to provide construction management services to support the implementation of the WTC Hub Project. At the time of award, it was anticipated that the project would be implemented through the issuance of two major contracts to procure all trades needed to construct the Transit Hall in the East Bathub. Through subsequent discussions with Tishman/Turner, the procurement strategy was modified to procure the construction trade packages individually, in order to best position the agency in attaining competition, flexibility and overall savings in contract value. The proposed increase in compensation to Tishman/Turner would provide for the development, management and supervision of this construction trade package. Including the requested increase of \$1.5 million and increases pursuant to companion items being advanced at this meeting, a total of \$128.1 million will have been authorized. Approximately \$19.9 million of that amount has been

expended to date.

In September 2003, the Executive Director authorized an agreement with DDP to provide professional architectural and engineering services for the development of the WTC Hub Project for a five-year term, at an estimated amount of \$60 million. Through October 2010, the Board authorized increases to the existing DDP contract for additional architectural and engineering and construction support services through Stage IV of the WTC Hub Project, to implement various components of the project. To continue the implementation of the project, it is necessary to increase compensation to DDP at this time. Including the requested increase of \$1.2 million and increases pursuant to companion items being advanced at this meeting, a total of \$401.4 million will have been authorized. Approximately \$307.8 million of that amount has been expended to date.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Holmes, Pocino, Samson, Silverman and Steiner voting in favor; none against; Commissioners Moerdler and Sartor recused:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into a construction trade contract, through construction manager Tishman Construction Corporation and Turner Construction Company, a Joint Venture (Tishman/Turner), with Judlau Contracting Inc., for the structural rehabilitation of the North Projection sub-grade structure associated with the construction of the World Trade Center Transportation Hub (WTC Hub) Project, at an estimated total cost of \$18,927,000, inclusive of an eight-percent allowance for extra work; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to increase, by an estimated amount of \$1.5 million, the compensation under the existing agreement with Tishman/Turner for construction management services to support the continued construction of the WTC Hub 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 increase, by an estimated amount of \$1.2 million, the compensation under the existing agreement with Downtown Design Partnership, a joint venture of AECOM and STV, Inc., for professional architectural and engineering services to support the continued construction of the WTC Hub Project; 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 TRANSPORTATION HUB PROJECT – AUTHORIZATION TO AWARD A CONSTRUCTION TRADE CONTRACT FOR OCULUS STRUCTURAL STEEL AND INCREASES IN EXPERT PROFESSIONAL ARCHITECTURAL AND ENGINEERING SERVICES AND CONSTRUCTION MANAGEMENT SERVICES

It was recommended that the Board authorize the Executive Director to: (1) enter into a construction trade contract, through construction manager Tishman Construction Corporation and Turner Construction Company, a Joint Venture (Tishman/Turner), with Skanska/Koch, Inc., a division of Skanska USA Civil, for Oculus structural steel associated with the construction of the World Trade Center Transportation Hub (WTC Hub) Project, at an estimated total cost of \$221,097,000, inclusive of an eight-percent allowance for extra work; (2) increase, by an estimated amount of \$9.1 million, the compensation under the Port Authority's existing agreement with Tishman/Turner for construction management services; and (3) increase, by an estimated amount of \$10,326,000, the compensation under the Port Authority's existing agreement with Downtown Design Partnership (DDP), a joint venture of AECOM and STV, Inc., for construction-related architectural and engineering services to support the continued construction of the WTC Hub Project.

The WTC Hub Project is necessary to re-establish and enhance transportation facilities and infrastructure that existed at the World Trade Center (WTC) complex prior to September 11, 2011, and to ensure the long-term accessibility and economic vitality of Lower Manhattan. The Oculus is the Santiago Calatrava signature winged structure above the Transit Hall. The scope of work under the proposed contract includes the fabrication and erection of structural steel for the Oculus, which will rise over 200 feet above street level. The Oculus structure will serve as a vital link for pedestrian access to Port Authority Trans-Hudson rail system service, 13 subway lines, 500,000 square feet of retail and restaurant space and 10 million square feet of commercial office space.

The recommended award is to the lowest-price proposer, Skanska/Koch, Inc., a division of Skanska USA Civil, which was selected by Tishman/Turner from a pre-qualified list of proposers. The proposed WTC Hub Project trade contract was procured pursuant to the procedures established in the Tishman/Turner Construction Management Agreement, dated August 10, 2009, and the Federal Transit Administration Lower Manhattan Recovery Office Third Party Contracting Requirements, dated August 21, 2003.

In July 2009, the Board authorized the retention of Tishman/Turner to provide construction management services to support the implementation of the WTC Hub Project. At the time of award, it was anticipated that the project would be implemented through the issuance of two major contracts to procure all trades needed to construct the Transit Hall in the East Bathtub. Through subsequent discussions with Tishman/Turner, the procurement strategy was modified to procure the construction trade packages individually, in order to best position the agency in attaining competition, flexibility and overall savings in contract value. The proposed increase in compensation to Tishman/Turner would provide for the development, management and supervision of this construction trade package. Including the requested increase of \$9.1 million and increases pursuant to companion items being advanced at this meeting, a total of \$128.1 million will have been authorized. Approximately \$19.9 million of that amount has been expended to date.

In September 2003, the Executive Director authorized an agreement with DDP to provide professional architectural and engineering services for the development of the WTC Hub Project for a five-year term, at an estimated amount of \$60 million. Through October 2010, the Board authorized increases to the existing DDP contract for additional architectural and engineering and construction support services through Stage IV of the WTC Hub Project, to implement various components of the project. To continue the implementation of the project, it is necessary to increase compensation to DDP at this time. Including the requested increase of \$10,326,000 and increases pursuant to companion items being advanced at this meeting, a total of \$401.4 million will have been authorized. Approximately \$307.8 million of that amount has been expended to date.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Holmes, Pocino, Silverman and Steiner voting in favor; none against; Commissioners Moerdler, Samson and Sartor recused:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into a construction trade contract, through construction manager Tishman Construction Corporation and Turner Construction Company, a Joint Venture (Tishman/Turner), with Skanska/Koch, Inc., a division of Skanska USA Civil, for the fabrication and erection of Oculus structural steel associated with the construction of the World Trade Center Transportation Hub (WTC Hub) Project, at an estimated total cost of \$221,097,000, inclusive of an eight-percent allowance for extra work; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to increase, by an estimated amount of \$9.1 million, the compensation under the existing agreement with Tishman/Turner for construction management services to support the continued construction of the WTC Hub 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 increase, by an estimated amount of \$10,326,000, the compensation under the existing agreement with Downtown Design Partnership, a joint venture of AECOM and STV, Inc., for professional architectural and engineering services to support the continued construction of the WTC Hub Project; 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 – WORLD TRADE CENTER SYSTEMS INTEGRATION – PLANNING AUTHORIZATION

It was recommended that the Board authorize planning work for a comprehensive review of all operations systems at the World Trade Center (WTC) site, including those belonging to the WTC Transportation Hub, One World Trade Center, WTC retail development, the Vehicular Security Center, the National September 11 Memorial and Museum and the WTC East Bathtub improvements, to ensure the compatibility and interoperability of these systems on a site-wide basis, in an estimated total amount of \$8.1 million.

As part of the Conceptual Framework Agreement with Silverstein Properties, Inc. (SPI), authorized by the Board on September 21, 2006, the Port Authority obtained ownership interest in certain properties on the WTC site and assumed master management responsibilities for the WTC site.

The proposed planning effort would identify design modifications and purchasing strategies that would optimize building system compatibility and interoperability throughout the WTC site and integrate those systems into a centralized operations facility, known as the Property Management Facility, that would be operated by the Port Authority. Critical systems that would be reviewed under this planning authorization include: fire and life safety, access control, smoke evacuation, closed-circuit television, building management, intrusion detection, utilities, high-security keying, sub-grade level identifications, leak detection, sprinkler corrosion monitoring and vertical transportation monitoring. Staff anticipates that the proposed planning effort would assist in identifying recommendations that would reduce WTC lifecycle costs by optimizing how individual systems and processes interconnect within the various WTC programs. Integration of separately designed and purchased systems, physical plant and related infrastructure is anticipated to result in material reduction of maintenance and long-term operating costs.

The implementation of recommendations identified as part of this planning effort would be subject to further Board authorization.

To facilitate the planning effort, staff would utilize an existing agreement with Jones Lang LaSalle (JLL), authorized by the Board at its meeting of November 6, 2008, to obtain the necessary architectural and engineering services and professional real estate advisory services through JLL and its subconsultants. In addition, other WTC site stakeholders would be reimbursed for architectural and engineering costs they incur to modify existing construction documents to enable integration of operational systems throughout the WTC site.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Holmes, Moerdler, Pocino, Silverman and Steiner voting in favor; none against; Commissioners Samson and Sartor recused:

RESOLVED, that planning work for a comprehensive review of all operations systems at the World Trade Center site to ensure compatibility and interoperability of these systems on a site-wide basis, in an estimated total amount of \$8.1 million, 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 take action with respect to contracts for professional and advisory services and such other contracts and agreements as may be necessary to effectuate the foregoing planning work, 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 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 – WORLD TRADE CENTER RETAIL AND PARKING PRE-TENANT FIT-OUT – AUTHORIZATION TO AWARD A CONSTRUCTION MANAGEMENT CONTRACT

It was recommended that the Board: (1) authorize the Executive Director to enter into an agreement with Tishman/Turner Joint Venture III (Tishman/Turner), a joint venture of Tishman Construction Corporation and Turner Construction Company, to provide construction management “as agent for” services to implement World Trade Center (WTC) Retail and Parking Pre-Tenant fit-out work within project schedules and the overall redevelopment of the WTC site, for an estimated 57-month term, in an estimated amount of \$27.4 million; and (2) ratify the retention of additional preconstruction services provided by Tishman/Turner, consisting of construction management support for the identification of, cost estimates for, and coordination of, the transfer of a portion of the WTC Retail Project scope to 2 WTC, 3 WTC and 4 WTC, and the development of bid packages and execution of procurement and contracting process for the WTC retail development Building Automatic Temperature Controls System and Fire Alarm System, in an amount of \$400,000, consistent with the terms of the Master Development Agreement between the Port Authority and Silverstein Properties, Inc. (SPI).

The services Tishman/Turner would provide under the construction management contract include, but are not limited to: estimating, scheduling, expediting, safety monitoring, contract packaging and project coordination with adjoining and abutting Port Authority and non-Port Authority projects at the WTC site, procurement, contract administration, financial reporting, project closeout, general administration and quality assurance.

The construction management agreement with Tishman/Turner would help ensure that procurement and construction of the retail development and parking programs can proceed in coordination with project schedules and the overall development of the WTC site.

The action of staff in ordering additional preconstruction services was necessary to provide construction management expertise in discussions with SPI as base-builder for: (1) the identification of, coordination for, and transfer of, portions of the WTC Retail and Parking Pre-tenant fit-out scope of work to the 2 WTC, 3 WTC and 4 WTC projects; and (2) the identification and development of early-work packages required to coordinate and support the installation schedules of the transferred scope of work to meet negotiated construction milestone dates.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Holmes, Moerdler, Pocino, Silverman and Steiner voting in favor; none against; Commissioners Samson and Sartor recused:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into an agreement with Tishman/Turner Joint Venture III, a joint venture of Tishman Construction Corporation and Turner Construction Company, to provide construction management “as agent for” services to implement World Trade Center (WTC) Retail and Parking Pre-Tenant fit-out work within project schedules and the overall redevelopment of the WTC site, for an estimated 57-month term, in an estimated amount of \$27.4 million; and it is further

RESOLVED, that the actions of staff in ordering preconstruction services, consisting of construction management support for the identification of, costing for, and coordination of, the transfer of a portion of the WTC Retail Project scope to 2 WTC, 3 WTC and 4 WTC, and the development of bid packages and execution of procurement and contracting process for the WTC retail development Building Automatic Temperature Controls System and Fire Alarm System, in an amount of \$400,000, consistent with the terms of the Master Development Agreement between the Port Authority and Silverstein Properties, Inc., be and they hereby are ratified; 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.

PORT OF NEW YORK AND NEW JERSEY – SUPPLEMENTAL PORT AUTHORITY TRUCK REPLACEMENT PROGRAM

It was recommended that the Board authorize a supplement to the truck replacement program (the Program) to effectuate the replacement of approximately 126 drayage trucks equipped with model year 1994 through 2003 engines that frequently serve the Port of New York and New Jersey (Port) with drayage trucks equipped with engines built in model year 2007 or later that generate less emissions and have greater fuel efficiency, generally as set forth below.

In August 2008, the Port Authority performed a Drayage Truck Characterization Survey (Survey) that evaluated the profiles of drayage trucks visiting the Port's marine terminal facilities. The Survey estimated that approximately 700 drayage trucks built prior to 1994 service the Port's marine terminal facilities five or more times per week, and that approximately two-thirds of the drivers are independent owner/operators, while the remainder drive trucks owned by another entity.

In November 2008, the Board adopted a Statement of Principles for Improving Air Quality at the Port that reaffirmed its support of the Port Authority's continuing sustainability initiatives to reduce Port-related emissions of particulate matter, nitrogen oxides, and sulfur dioxides by three percent and greenhouse gases by five percent on an annual basis, with the goal of achieving 80 percent reduction in greenhouse gas emissions from 2006 levels by 2050.

In furtherance of these efforts, a Regional Truck Emission Reduction Program initiative was identified, which contains several components to reduce emissions from trucks serving the Port, one of which is the Program.

At its meeting of July 23, 2009, the Board authorized the establishment of the Program to effectuate the replacement of approximately 636 pre-1994 model drayage trucks that frequently serve the Port with newer drayage trucks that were built in 2004 or later and have engines that generate less emissions and have greater fuel efficiency. Under the Program, the Port Authority is investing up to \$28 million of operating funds to make payments to participating truck dealerships for qualifying truck purchases. Upon receipt of a qualifying vehicle purchase contract, the Port Authority provides payment to the dealer for the total vehicle purchase price. The Port Authority then forwards documentation to the United States Environmental Protection Agency (USEPA), which reimburses the Port Authority 25 percent of the vehicle purchase price, and the remaining 75 percent is repaid to the Port Authority on a monthly basis by the trucking company or individual owner/operator, at an interest rate of 5.25 percent over a five-year period. As part of that authorization, ACCION USA, Inc. (ACCION) was retained to manage the Program funds, at a total estimated cost to the Port Authority of \$2.7 million, and Tetra Tech, Inc. (Tetra Tech) was retained to provide overall Program management, at a total estimated cost of \$2.1 million. To date, applications to replace 201 older trucks have been submitted, and 53 trucks have been replaced.

In December 2010, a subsequent Drayage Truck Characterization Survey was performed, which estimated that approximately 3,990 drayage trucks of model years between 1994 and 2003, and approximately 231 drayage trucks of model years 1993 or older, now service the Port's marine terminal facilities three or more times per week. Pursuant to the Rules and Regulations of the Marine Terminal Tariff – Federal Maritime Commission Schedule No. PA-10, effective January 1, 2011, Class 8 drayage trucks (vehicles with a design-loaded weight greater than

33,000 pounds) with pre-1994 model year engines are no longer permitted to service the Port Authority's marine terminal facilities. Additionally, Class 8 drayage trucks with engines that fail to meet or exceed 2007 model year on-road federal USEPA heavy-duty diesel-fueled emission standards will be denied access to our marine terminal facilities, effective January 1, 2017.

Under the proposed supplement, the Port Authority would invest up to an additional \$4,731,447 of operating funds in the Program to provide for the replacement of approximately 126 drayage trucks with newer-model trucks. The actual number of trucks to be replaced under the supplement to the Program would be contingent upon the actual purchase price of the newer trucks, up to a total cost of approximately \$6.3 million (including \$1,577,149 to be provided by a grant from the USEPA). The administration of the supplemental Program would be consistent with that of the existing Program, as outlined above. In addition, under the supplemental Program the USEPA would continue to reimburse the Port Authority 25 percent of the vehicle purchase price, and the remaining 75 percent of the purchase price would continue to be repaid by the trucking company or individual owner/operator to the Port Authority, at an interest rate of 5.25 percent over a five-year term, under agreements to be entered into with the Port Authority.

ACCION would manage the supplemental Program funds, at a total estimated cost to the Port Authority of \$362,600. Tetra Tech would serve as the administrator for the supplemental Program, at a total estimated cost to the Port Authority of \$472,500.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Holmes, Moerdler, Pocino, Samson, Sartor, Silverman and Steiner voting in favor; none against:

RESOLVED, that the Port Authority's Supplemental Truck Replacement Program (Supplemental Program), substantially in accordance with the terms outlined to the Board, be and it hereby is established and authorized; and it is further

RESOLVED, that, in addition to those instruments in which Port Authority operating funds may now be invested, the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to invest Port Authority operating funds in the Supplemental Program, 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 agreements with ACCION USA, Inc. and Tetra Tech, Inc. in connection with the management and administration of the Supplemental Program, 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 take any and all action to effectuate the foregoing, including the execution of contracts, agreements and other documents, together with amendments and supplements thereof, or amendments and supplements to existing contracts, agreements and other documents, and to take action in accordance with the terms of such contracts, agreements and documents, as may be necessary in connection therewith; 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.

NEWARK LIBERTY INTERNATIONAL AIRPORT – TERMINAL A – UNITED AIR LINES AND CONTINENTAL AIRLINES – LEASE AN-535 – CONSENT TO PARTIAL ASSIGNMENT OF SPACE TO SOUTHWEST AIRLINES

It was recommended that the Board authorize the Executive Director to enter into consent agreements to grant the partial assignment of space currently under lease with United Air Lines, Inc. (United) and Continental Airlines, Inc. (Continental) to Southwest Airlines (Southwest) in Terminal A at Newark Liberty International Airport (EWR).

Pursuant to Lease AN-535, United leases five gates and related space in Terminal A at EWR. In October 2010, Continental and United announced a merger, which required approval from the United States Department of Justice (DOJ). In order to resolve the DOJ's principal concerns related to the impact of the merger on competition, the airlines agreed to transfer 18 pairs of slots at EWR to Southwest, a low-cost carrier that currently has only limited service in the New York metropolitan area and no EWR service. Under the proposed consent agreements, Southwest would assume all of the rental obligations associated with Gates 10, 14 and 15 and related space in Terminal A, and would invest approximately \$2.2 million to improve and brand the gates and related space. The new service would provide an additional airline choice for travel and additional airline competition at EWR, with the potential for boosting passenger growth at EWR.

Over the term of the consent agreements, which would run through 2018, the Port Authority would receive an annual basic rental of approximately \$3.6 million, plus the annual Airport Services factor and other charges of approximately \$1 million.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Holmes, Moerdler, Samson, Silverman and Steiner voting in favor; none against; Commissioners Pocino and Sartor recused:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into consent agreements to the partial assignment of space under Lease AN-535 with United Air Lines, Inc. and Continental Airlines, Inc. to Southwest Airlines in Terminal A at Newark Liberty International Airport, 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 take any and all action to effectuate the foregoing, including the execution of contracts, agreements and other documents, together with amendments and supplements thereof, or amendments and supplements to existing contracts, agreements and other documents, and to take action in accordance with the terms of such contracts, agreements and documents, as may be necessary in connection therewith; and it is further

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

Whereupon, the meeting was adjourned.

Secretary