

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Wednesday, June 26, 2013

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MINUTES of the Meeting of The Port Authority of New York and New Jersey held Wednesday, June 26, 2013 at 225 Park Avenue South, City, County and State of New York

PRESENT:

NEW JERSEY

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

Patrick J. Foye, Executive Director
 William Baroni, Jr., Deputy Executive Director
 Darrell B. Buchbinder, General Counsel
 Karen E. Eastman, Secretary

Susan M. Baer, Director, Aviation
 Steven J. Coleman, Deputy Director, Media Relations
 Philippe Danielides, Senior Advisor to the Chairman
 Stephanie E. Dawson, Acting Chief Operating Officer
 John C. Denise, Audio Visual Supervisor, Marketing
 Daniel D. Duffy, Senior Business Manager, Office of the Secretary
 Joseph P. Dunne, Chief Security Officer
 Michael A. Fedorko, Director, Public Safety/Superintendent of Police
 Michael B. Francois, Chief, Real Estate and Development
 Cedrick T. Fulton, Director, Tunnels, Bridges and Terminals
 David Garten, Senior Advisor to the Vice Chairman
 Ann M. Georgas, Manager, Legal Management Division, Law
 Diana Guzman, Secretary to the Executive Director
 Linda C. Handel, Deputy Secretary
 Mary Lee Hannell, Chief, Human Capital
 Andrew T. Hawthorne, Director, Marketing
 Anthony Hayes, Manager, Media Planning, Media Relations
 Jonathon Hayes, Management Intern, Human Resources
 Howard G. Kadin, Esq., Law
 Kirby King, Director, Technology Services
 Stephen Kingsberry, Director, Rail Transit
 Cristina M. Lado, Director, Government and Community Affairs, New Jersey
 Patrick Lanza, Acting Chief Technology Officer
 Richard M. Larrabee, Director, Port Commerce
 John J. Liantonio, Senior External Relations Client Manager, Government and Community Affairs
 John H. Ma, Chief of Staff to the Executive Director
 Lisa MacSpadden, Director, Media Relations
 Ronald Marsico, Assistant Director, Media Relations
 Daniel G. McCarron, Comptroller
 Elizabeth M. McCarthy, Chief Financial Officer
 James E. McCoy, Manager, Board Management Support, Office of the Secretary

NEW YORK

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

Jared Pilosio, Staff External Relations Representative, Government and Community Affairs
 Steven P. Plate, Deputy Chief, Capital Planning/Director, World Trade Center Construction
 Alan L. Reiss, Deputy Director, World Trade Center Construction
 Jessica D. Russ, Associate Board Management and Support Specialist, Office of the Secretary
 Brian W. Simon, Director, Government and Community Affairs, New York
 Timothy G. Stickelman, Assistant General Counsel
 Gerald B. Stoughton, Director, Financial Analysis
 Ralph Tragale, Assistant Director, Public Affairs, Aviation
 David B. Tweedy, Chief, Capital Programs
 I. Midori Valdivia, Principal Financial Analyst, Executive Director's Office
 Christopher M. Valens, Senior Public Information Officer, Media Relations
 Lillian D. Valenti, Director, Procurement
 Sheree R. Van Duyne, Manager, Policies and Protocol, Office of the Secretary
 David M. Wildstein, Director, Interagency Capital Projects, Office of the Deputy Executive
 Director
 Peter J. Zipf, Chief Engineer

Guests:

Regina Egea, Director, Authorities Unit, Office of the Governor of New Jersey
 Janet Ho, Assistant Secretary for Transportation, State of New York
 Kerstin Sundstrom, Assistant Counsel, Authorities Unit, Office of the Governor of New Jersey

Speakers:

Stuart Appelbaum, President of the Retail, Wholesale and Department Store Union
 Marcus Babzien, Member of the Public
 Margaret Donovan, Twin Towers Alliance
 Robert A. Genna, Member of the Public
 Richard Hughes, Twin Towers Alliance
 Bowen Kyle, Unite Here Local 100
 Roberta Lane, National Trust for Historic Preservation
 Patricia Lewis, Member of the Public
 Gilbert Palacios, Unite Here Local 100
 Anthony Stramaglia, Member of the Public
 Neile Weissman, Member of the Public

The public meeting was called to order by Chairman Samson at 3:48 p.m. and ended at 4:23 p.m. The Board met in executive session prior to the public session.

Action on Minutes

The Secretary reported that the confidential action set forth on pages 138 to 139 of the Minutes for the meeting of May 29, 2013 has been corrected to reflect March 20, 2013 as the date of the Board's prior action in connection with this matter.

The Secretary submitted for approval Minutes of the meeting of May 29, 2013. 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 May 30, 2013. The Secretary reported further that the time for action by the Governors of New York and New Jersey expired at midnight on June 13, 2013.

Whereupon, the Board unanimously approved the Minutes of the meetings of May 29, 2013, including the Minutes of the special meeting of the Committee on Operations.

Report of Audit Committee

The Audit Committee reported, for information, on matters discussed in public and executive sessions at its meeting on June 24, 2013, which included discussion of and action taken pertaining to the retention of independent auditors for the year ending December 31, 2013, and discussion of matters involving external or internal investigations or audits, matters involving public safety or law enforcement, and matters involving ongoing negotiations or reviews of contracts or proposals, and the report was received.

Report of Committee on Finance

The Committee on Finance reported, for information, on matters discussed in executive session at its meeting on June 26, 2013, which included discussion of matters involving ongoing negotiations or reviews of contracts or proposals, matters related to the purchase, sale, or lease of real property, or securities where disclosure would affect the value thereof or the public interest, and matters in which the release of information could impair a right to receive funds from the United States or other grantor, and the report was received.

Report of World Trade Center Redevelopment Subcommittee and Committee on Capital Planning, Execution and Asset Management

The World Trade Center Redevelopment Subcommittee and the Committee on Capital Planning, Execution and Asset Management reported, for information, on matters discussed in public and executive sessions at their joint meeting on June 26, 2013, which included discussion of certain contracts and agreements in connection with the continued development and operation of the World Trade Center site, and discussion of matters involving ongoing negotiations or reviews of contracts or proposals, and matters related to the purchase, sale, or lease of real property, or securities where disclosure would affect the value thereof or the public interest, and the report was received.

Report of Special Meeting of Committee on Operations

In view of the fact that, as a result of prospective recusals, there would not be a sufficient number of Commissioners present for the Board to consider an item on the agenda at its meeting on June 26, 2013, consistent with the Port Authority's By-Laws, a special meeting of the Committee on Operations was held. At the meeting, the Committee acted for and on behalf of the Board on the item. A copy of the minutes of the special meeting of the Committee on Operations held on June 26, 2013 is included with these minutes.

WORLD TRADE CENTER SITE – CONSTRUCTION SERVICES ON A WORK-ORDER BASIS – AUTHORIZATION OF WORK-ORDER PROGRAM

It was recommended that the Board authorize the Executive Director to retain ten contractors, identified through a competitive selection process, as part of a work-order program to perform general construction services, on an “as-needed” basis, throughout the World Trade Center site, for a five-year term, with options to extend the term for up to two one-year periods, in an aggregate amount not to exceed \$50 million, including the option periods (if exercised).

The proposed work-order program would be administered in a manner that would expedite general construction services while maximizing competition through the solicitation of bids on individual work-order packages from each of the ten pre-qualified contractors, with award to the lowest qualified bidder. The values of the competitively bid individual work-order contracts under this authorization are expected to be in the range of \$25,000 to \$5 million, with any work order in excess of \$1.5 million to be subject to the approval of the Executive Director prior to award.

The proposed scope of work would include all required labor, materials and equipment to perform the following: general construction work; demolition; structural steel and concrete; masonry; architectural and building finishes; fireproofing; fire protection; plumbing; heating, ventilation and air conditioning; hoist, elevators and escalators; building management systems; and electrical work. Additionally, flood mitigation/resiliency work may be performed on an “as-needed” basis, as identified by staff.

The recommended awardees, Holt Construction Corp., John O’Hara Company, Inc., Lanmark Group Inc., Navillus Tile, Inc. d/b/a Navillus Contracting, Oliveira Contracting Inc., Railroad Construction Company, Inc., Rockmore Contracting Corp., T. B. Penick & Sons, Inc., Hunter Roberts Construction Group LLC, and Skanska USA Civil Northeast, Inc, were deemed qualified to perform the required services pursuant to a competitive, publicly advertised Request for Qualifications process.

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

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to retain the ten contractors set forth above, identified through a competitive selection process, as part of a work-order program, to perform general construction services and flood mitigation efforts, on an “as needed” basis, throughout the World Trade Center site, for a five-year term, with options to extend the term for up to two one-year periods, in an aggregate amount not to exceed \$50 million, including the option periods (if exercised); 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.

Whereupon, the meeting was adjourned.

Secretary