

Torres Rojas, Genara

FOI # 12274

From: rebuild@twintowersalliance.com
Sent: Thursday, March 31, 2011 4:16 PM
To: Van Duyne, Sheree
Cc: Torres Rojas, Genara; Duffy, Daniel
Subject: Freedom of Information Online Request Form

Information:

First Name: Margaret
Last Name: Donovan
Company: The Twin Towers Alliance
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City: New York
State: NY
Zip Code: 10033
Email Address: rebuild@twintowersalliance.com
Phone: 212-568-0207
Required copies of the records: Yes

List of specific record(s):

We are seeking the opening pages that list the attendees and summarize the summary of topics of all Board Meeting minutes January 2001 through December 2005. In addition we are seeking all Board Meeting minutes related to the World Trade Center.

THE PORT AUTHORITY OF NY & NJ

Daniel D. Duffy
FOI Administrator

April 13, 2011

Ms. Margaret Donovan
The Twin Towers Alliance
186 Pinehurst Avenue, 6E
New York, NY 10033

Re: Freedom of Information Reference No. 12244

Dear Ms. Donovan:

This is a response to your March 31, 2011 request, which has been processed under the Port Authority's Freedom of Information Policy (the "Policy") for "copies of the cover pages that list the attendees and summarize the topics of all Board Meeting minutes from 1/01 through 12/05, and all Board Meeting minutes related to the World Trade Center."

Material responsive to your request and available under the Policy, which consists of 417 pages, is available. Please contact me at your earliest convenience to arrange a date and time during regular business hours for you to review the responsive records. If copies are requested, please be advised that there is a photocopying fee of 25¢ per page payable in advance. Payment should be made in cash, certified check, company check or money order payable to "The Port Authority of New York & New Jersey".

If you would prefer, the minutes are also available on a disk for a charge of \$5.

Please refer to the above FOI reference number in any future correspondence relating to your request.

Very truly yours,


Daniel D. Duffy
FOI Administrator

225 Park Avenue South, 17th Floor
New York, NY 10003
T: 212 435 2542 F: 212 435 7555

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES OF SPECIAL BOARD MEETING

Thursday, January 25, 2001

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MINUTES of a Special Meeting of The Port Authority of New York and New Jersey held Thursday, January 25, 2001, at One World Trade Center, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Lewis M. Eisenberg, Chairman
Hon. Kathleen A. Donovan
Hon. William J. Martini
Hon. Alan G. Philibosian
Hon. Anthony J. Sartor
Hon. James Weinstein

Robert E. Boyle, Executive Director
Daniel D. Bergstein, Secretary

Kayla M. Bergeron, Director, Media Relations
Bruce D. Bohlen, Treasurer
John D. Brill, Director, Audit
Gregory G. Burnham, Chief Technology Officer
Ernesto L. Butcher, Chief Operating Officer
Anthony G. Cracchiolo, Director, Priority Capital Programs
William R. DeCota, Director, Aviation
Michael DePallo, Director/General Manager, PATH
Karen E. Eastman, Special Assistant to the Executive Director
Michael Glassner, Executive Assistant to the Chairman
Alan Hicks, Public Information Officer, Media Relations
Edward Jackson, Director, Financial Services Department
Howard Kadin, Attorney, Law
Louis J. LaCapra, Chief of Staff
Richard M. Larrabee, Director, Port Commerce
Francis J. Lombardi, Chief Engineer
Charles F. McClafferty, Chief Financial Officer
Allen M. Morrison, Supervisor, Media Relations
Fred V. Morrone, Director, Public Safety
Mark Muriello, Assistant Director, Tunnels, Bridges and Terminals
James O'Sullivan, Office of the Inspector General
Catherine F. Pavelec, Executive Assistant to the Secretary
Kenneth P. Philmus, Director, Tunnels, Bridges & Terminals
William Radinson, Assistant to Chief Operating Officer
Alan L. Reiss, Director, World Trade
Cruz C. Russell, Director, Office of Policy and Planning
Paul D. Segalini, Director, Human Resources
Ronald H. Shiftan, Deputy Executive Director
Douglas L. Smith, Director, Office of Forecasting and Capital Planning
Timothy G. Stickelman, Attorney, Law
Gregory J. Trevor, Senior Public Information Officer, Media Relations
Christopher O. Ward, Chief of Corporate Planning and External Affairs
Hugh H. Welsh, Deputy General Counsel
Robert D. Williams, Assistant to the Deputy Executive Director
Peter Yerkes, Press Secretary
Margaret R. Zoch, Comptroller

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
Hon. Michael J. Chasanoff
Hon. Peter S. Kalikow
Hon. David S. Mack
Hon. Bradford J. Race, Jr.
Hon. Anastasia M. Song

Guests

John Donnelly, Office of the Governor, New Jersey State
Maura Gallucci, Empire State Development Corporation, New York State
Carolyn Laney, Program Manager, Public Authorities, New York State

The Secretary reported that the meeting was duly called in accordance with the By-Laws.

The public meeting was called to order by the Chairman at 5:10 p.m. and ended at 5:12 p.m. The Board met in executive session prior to the public meeting (Vice-Chairman Gargano was present during executive session).

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES OF SPECIAL BOARD MEETING

Thursday, January 25, 2001

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MINUTES of a Special Meeting of the Port Authority Trans-Hudson Corporation held Thursday, January 25, 2001, at One World Trade Center, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Lewis M. Eisenberg, Chairman
Hon. Kathleen A. Donovan
Hon. William J. Martini
Hon. Alan G. Philiposian
Hon. Anthony J. Sartor
Hon. James Weinstein

Robert E. Boyle, President
Ernesto L. Butcher, Vice-President

Kayla M. Bergeron
Daniel D. Bergstein
Bruce D. Bohlen
John D. Brill
Gregory G. Burnham
Ernesto L. Butcher
Anthony G. Cracchiolo
William R. DeCota
Michael DePallo
Karen E. Eastman
Michael Glassner
Alan Hicks
Edward Jackson
Howard Kadin
Louis J. LaCapra
Richard M. Larrabee
Francis J. Lombardi
Charles F. McClafferty
Allen M. Morrison
Fred V. Morrone
Mark Muriello
James O'Sullivan
Catherine F. Pavelec
Kenneth P. Philmus
William Radinson
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Cruz C. Russell
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Robert D. Williams
Peter Yerkes
Margaret R. Zoch

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
Hon. Michael J. Chasanoff
Hon. Peter S. Kalikow
Hon. David S. Mack
Hon. Bradford J. Race, Jr.
Hon. Anastasia M. Song

Guests

John Donnelly
Maura Gallucci
Carolyn Laney

The Vice-President reported that the meeting was duly called in accordance with the By-Laws.

The public meeting was called to order by the Chairman at 5:10 p.m. and ended at 5:12 p.m. The Board met in executive session prior to the public meeting (Vice-Chairman Gargano was present during executive session).

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

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PRESENT:

NEW JERSEY

Hon. Lewis M. Eisenberg, Chairman
Hon. Kathleen A. Donovan
Hon. William J. Martini
Hon. Alan G. Philibosian
Hon. Anthony J. Sartor
Hon. James Weinstein

Robert Boyle, Executive Director
Jeffrey S. Green, General Counsel
Daniel D. Bergstein, Secretary

Kayla M. Bergeron, Director, Media Relations
Bruce D. Bohlen, Treasurer
John D. Brill, Director, Audit
Darrell B. Buchbinder, Chief, Public Securities Law, Law
Ernesto L. Butcher, Chief Operating Officer
Rosemary Chiricolo, Assistant Director, Financial Services
William R. DeCota, Director, Aviation
Michael P. DePallo, Director/General Manager, PATH
Karen E. Eastman, Advisor to the Executive Director
Nancy J. Ertag-Brand, Lead Financial Analyst, Office of the Chief Financial Officer
Michael Glassner, Executive Assistant to the Chairman
Marylee Hannell, Executive Assistant to the Chief of Staff
Edward L. Jackson, Director, Financial Services
Howard G. Kadin, Attorney, Law
Louis J. LaCapra, Chief of Staff
Richard M. Larrabee, Director, Port Commerce
Francis J. Lombardi, Chief Engineer
Charles F. McClafferty, Chief Financial Officer
James E. McCoy, Senior Administrator, Office of the Secretary
Allen M. Morrison, Supervisor, Media Relations
Cherrie L. Nanninga, Acting Deputy Chief Financial Officer/Director, Real Estate
Catherine F. Pavelec, Executive Assistant to the Secretary
Kenneth P. Philmus, Director, Tunnels, Bridges & Terminals
William Radinson, Assistant to the Chief Operating Officer
Alan L. Reiss, Director, World Trade
Ronald H. Shiftan, Deputy Executive Director
Gerald B. Stoughton, Assistant Director, Office of Forecasting and Financial Planning
Gregory J. Trevor, Senior Public Information Officer, Media Relations
Christopher O. Ward, Chief of Corporate Planning and External Affairs
Robert D. Williams, Assistant to the Deputy Executive Director
Peter Yerkes, Press Secretary
Margaret R. Zoch, Comptroller

Guests

John G. Donnelly, Authorities Unit, Office of the Governor of New Jersey
Robert Zerrillo, Office of the Governor, New York State

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
Hon. Michael J. Chasanoff
Hon. Peter S. Kalikow
Hon. David S. Mack
Hon. Bradford J. Race, Jr.
Hon. Anastasia M. Song

**THE WORLD TRADE CENTER – STATEMENT ON THE NET LEASE OF THE
WORLD TRADE CENTER**

Chairman Eisenberg made the following statement:

“In connection with the net lease of The World Trade Center, the Port Authority will be entering into a 20-day exclusive negotiating period with Vornado Realty Trust to complete the contract and associated documents.

“The 99-year net lease of The World Trade Center will provide a present value to the Port Authority of approximately \$3.25 billion. The Board of Commissioners instructed the Port Authority staff and its advisors, JP Morgan, Cushman & Wakefield and Milstein Realty Advisors to complete the documentation and to present a final contract for approval at a special Port Authority Board Meeting scheduled for March 14, 2001.”

THE WORLD TRADE CENTER - LEHMAN BROTHERS, INC. - LEASE SUPPLEMENT

It was recommended that the Board authorize the Executive Director to: (a) enter into a lease supplement with Lehman Brothers, Inc. (Lehman) covering the letting of approximately 45,110 rentable square feet of office space consisting of the entire 34th floor of One World Trade Center for an approximate fifteen-year term, substantially in accordance with the terms outlined to the Board, or on such other terms as the Executive Director deems appropriate, provided that if the term of the letting and/or the gross effective rent are not substantially in accordance with that outlined to the Board, the terms of the lease supplement will be subject to the approval of the Committee on Operations; and (b) enter into a brokerage agreement with Insignia/ESG, Inc. in connection with the lease supplement.

In August 2000, Lehman entered into a lease agreement covering the entire 38th and 40th floors and a portion of the 39th floor in One World Trade Center. Subsequently, Lehman indicated to staff that it required additional space in One World Trade Center for its technology division. The 34th floor, located in the same elevator bank as Lehman's existing space, meets Lehman's requirements. The transaction will require the accelerated relocation of the Port Authority's Port Department and Law Department file room, which is already underway.

A brokerage agreement will be entered into with Insignia/ESG, Inc. providing for payment of a brokerage commission in accordance with the rates authorized by the Board at its meeting of August 11, 1977.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Donovan, Eisenberg, Gargano, Kalikow, Mack, Martini, Philibosian, Race, Sartor, Song and Weinstein 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 lease supplement with Lehman Brothers, Inc. covering the letting of approximately 45,110 rentable square feet of space consisting of the entire 34th floor of One World Trade Center, and to enter into a brokerage agreement with Insignia/ESG, Inc. in connection with such letting, with the lease supplement to be substantially in accordance with the terms and conditions outlined to the Board or on such other terms as the Executive Director deems appropriate, subject to the condition set forth in the following delegation; and it is further

RESOLVED, that the Committee on Operations be and it hereby is authorized to approve the final terms of the lease supplement in the event the gross effective rent and/or the terms of the letting are not substantially in accordance with the terms outlined to the Board; and it is further

RESOLVED, that the form of the lease supplement and the brokerage agreement shall each be subject to the approval of General Counsel or his authorized representative.

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES

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MINUTES of the Meeting of the Port Authority Trans-Hudson Corporation held Thursday, February 22, 2001, at One World Trade Center, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Lewis M. Eisenberg, Chairman
Hon. Kathleen A. Donovan
Hon. William J. Martini
Hon. Alan G. Philibosian
Hon. Anthony J. Sartor
Hon. James Weinstein

Robert E. Boyle, President
Ernesto L. Butcher, Vice-President
Jeffrey S. Green, Counsel

Kayla M. Bergeron
Daniel D. Bergstein
Bruce D. Bohlen
John D. Brill, Director
Darrell B. Buchbinder
Rosemary Chiricolo
William R. DeCota
Michael P. DePallo
Karen E. Eastman
Nancy J. Ertag-Brand
Michael Glassner
Marylee Hannell
Edward L. Jackson
Howard G. Kadin
Louis J. LaCapra
Richard M. Larrabee
Francis J. Lombardi
Charles F. McClafferty
James E. McCoy
Allen M. Morrison
Cherrie L. Nanninga
Catherine F. Pavelec
Kenneth P. Philmus
William Radinson
Alan L. Reiss
Ronald H. Shiftan
Gerald B. Stoughton
Gregory J. Trevor
Christopher O. Ward
Robert D. Williams
Peter Yerkes
Margaret R. Zoch

Guests

John G. Donnelly
Robert Zerrillo

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
Hon. Michael J. Chasanoff
Hon. Peter S. Kalikow
Hon. David S. Mack
Hon. Bradford J. Race, Jr.
Hon. Anastasia M. Song

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

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MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, April 5, 2001, at One World Trade Center, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Lewis M. Eisenberg, Chairman
 Hon. William J. Martini
 Hon. Alan G. Philibosian
 Hon. Anthony J. Sartor
 Hon. James Weinstein

Neil D. Levin, Executive Director
 Jeffrey S. Green, General Counsel
 Daniel D. Bergstein, Secretary

John W. Alexander, Jr., Manager, Operation Support & Compliance, Office of Business & Job Opportunity
 Kayla M. Bergeron, Director, Media Relations
 A. Paul Blanco, Director, Regional Development
 Bruce D. Bohlen, Treasurer
 Gregory G. Burnham, Chief Technology Officer
 Ernesto L. Butcher, Chief Operating Officer
 Wilfred Chabrier, General Manager, Office of Business & Job Opportunity
 Rosemary Chiricolo, Assistant Director, Financial Services
 Janet D. Cox, Manager, Business & Workforce Development, Office of Business & Job Opportunity
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 William R. DeCota, Director, Aviation
 Michael P. DePallo, Director/General Manager, PATH
 Karen E. Eastman, Advisor to the Executive Director
 Lash L. Green, Manager, Business Utilization, Office of Business & Job Opportunity
 Marylee Hannell, Executive Assistant to the Chief of Staff
 Roger J. Hsu, Manager, Policy and Reporting, Office of Business & Job Opportunity
 Howard G. Kadin, Senior Attorney, Law
 Louis J. LaCapra, Chief of Staff
 Richard M. Larrabee, Director, Port Commerce
 Stephen Marinko, Attorney, Law
 Charles F. McClafferty, Chief Financial Officer
 James E. McCoy, Senior Administrator, Office of the Secretary
 Allen M. Morrison, Supervisor, Media Relations
 Catherine F. Pavelec, Executive Assistant to the Secretary
 Kenneth P. Philmus, Director, Tunnels, Bridges & Terminals
 Alan L. Reiss, Director, World Trade
 Cruz C. Russell, Director, Office of Policy and Planning
 Paul D. Segalini, Director, Human Resources
 Ronald H. Shiftan, Deputy Executive Director
 Douglas L. Smith, Director, Office of Forecasting and Capital Planning
 John F. Spencer, Assistant Chief Engineer
 Robert D. Williams, Executive Assistant to the Deputy Executive Director
 Peter Yerkes, Press Secretary
 Margaret R. Zoch, Comptroller

Guests

Devon Graf, Director, Authorities Unit, Office of the Governor of New Jersey
 Robert Zerrillo, Office of the Governor, New York State

NEW YORK

Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Bradford J. Race, Jr.
 Hon. Anastasia M. Song

**THE WORLD TRADE CENTER – NEW JAPAN SECURITIES INTERNATIONAL, INC.
– LEASE SURRENDER**

It was recommended that the Board authorize the Executive Director to enter into an agreement with New Japan Securities International, Inc. (New Japan) whereby New Japan would surrender its entire One World Trade Center premises of approximately 7,440 rentable square feet (rsf), effective as of March 31, 2001, and pay the Port Authority \$700,000.

It was reported that New Japan, a Japanese securities firm, is the lessee until December 31, 2003 of 7,440 rsf on the 91st floor of One World Trade Center. New Japan has experienced severe financial difficulties and is ceasing its international operations. New Japan occupied its premises through March 31, 2001. In connection with its surrender, New Japan will make a payment of \$700,000. New Japan will not have any restoration obligations and will leave the premises in its “as is” condition.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Eisenberg, Mack, Martini, Philibosian, Race, Sartor, Song and Weinstein 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 surrender agreement with New Japan Securities International, Inc. with respect to its lease for space at The World Trade Center, substantially in accordance with the terms outlined to the Board; and it is further

RESOLVED, that the Committee on Operations be and it hereby is authorized to approve the final terms of the surrender agreement in the event they are not substantially in accordance with the terms outlined to the Board; and it is further

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

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES

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MINUTES of the Meeting of the Port Authority Trans-Hudson Corporation held Thursday, April 5, 2001, at One World Trade Center, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Lewis M. Eisenberg, Chairman
 Hon. William J. Martini
 Hon. Alan G. Philibosian
 Hon. Anthony J. Sartor
 Hon. James Weinstein

Neil D. Levin, President
 Ernesto L. Butcher, Vice-President
 Jeffrey S. Green, Counsel

John W. Alexander, Jr.
 Kayla M. Bergeron
 Daniel D. Bergstein
 A. Paul Blanco
 Bruce D. Bohlen
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 Wilfred Chabrier
 Rosemary Chiricolo
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 John F. Spencer
 Robert D. Williams
 Peter Yerkes
 Margaret R. Zoch

Guests

Devon Graf
 Robert Zerrillo

NEW YORK

Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Bradford J. Race, Jr.
 Hon. Anastasia M. Song

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Thursday, April 26, 2001

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MINUTES of the Annual Meeting of The Port Authority of New York and New Jersey held Thursday, April 26, 2001, at One World Trade Center, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Lewis M. Eisenberg, Chairman
 Hon. Kathleen A. Donovan
 Hon. William J. Martini
 Hon. Alan G. Philibosian
 Hon. Anthony J. Sartor
 Hon. James Weinstein

Neil D. Levin, Executive Director
 Jeffrey S. Green, General Counsel
 Daniel D. Bergstein, Secretary

Kayla M. Bergeron, Director, Media Relations
 Bruce D. Bohlen, Treasurer
 John D. Brill, Director, Audit
 Gregory G. Burnham, Chief Technology Officer
 Ernesto L. Butcher, Chief Operating Officer
 Steven J. Coleman, Staff Public Information Officer, Media Relations
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 Joanne Crowley, Deputy Director, Tunnels, Bridges & Terminals
 William R. DeCota, Director, Aviation
 Michael P. DePallo, Director/General Manager, PATH
 Karen E. Eastman, Advisor to the Executive Director
 Edward L. Jackson, Director, Financial Services
 Howard G. Kadin, Senior Attorney, Law
 Louis J. LaCapra, Chief of Staff
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 Francis J. Lombardi, Chief Engineer
 Stephen Marinko, Attorney, Law
 Charles F. McClafferty, Chief Financial Officer
 James E. McCoy, Senior Administrator, Office of the Secretary
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 Douglas L. Smith, Director, Office of Forecasting and Capital Planning
 Gregory J. Trevor, Senior Public Information Officer, Media Relations
 Christopher O. Ward, Chief of Corporate Planning and External Affairs
 Robert D. Williams, Executive Assistant to the Deputy Executive Director
 Margaret R. Zoch, Comptroller

NEW YORK

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 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Bradford J. Race, Jr.
 Hon. Anastasia M. Song

THE WORLD TRADE CENTER – AUTHORIZATION OF NET LEASE AND EXECUTION OF AGREEMENTS AND RELATED DOCUMENTS

It was recalled to the Board that, from time to time since 1980, the Port Authority has undertaken, directly and through the use of financial consultants, analyses of various options available for the possible disposition of the World Trade Center, as well as comparisons of the World Trade Center with similar private sector operations. On January 25, 1996, the Port Authority announced a series of steps to test marketplace response to three specific options for maximizing the value of the World Trade Center to the Port Authority and to the people of the region, involving the sale, net lease and asset management of the World Trade Center. To provide market-based assistance, the Port Authority retained J.P. Morgan & Co. Incorporated, now known as J.P. Morgan Chase & Co. (“JP Morgan”), together with Cushman & Wakefield and Douglas Elliman Realty Investors, now known as Milstein Brothers Realty Advisors (“Advisors”) to establish and implement a process to ascertain the market reaction to each of these options and to assist the Port Authority in the effectuation of any option decided upon by the Board of Commissioners of the Port Authority.

On September 24, 1998, the Board decided to begin the process intended to lead to the net leasing of certain components of the World Trade Center (“WTC”). Three World Trade Center (the Marriott World Trade Center Hotel), Six World Trade Center (the United States Customs House) and Seven World Trade Center are not included in the net lease transaction. On June 21, 2000, certain offering materials pertaining to the opportunity to net lease the WTC were sent to 30 entities identified as a result of a pre-qualification process conducted in late 1999.

Eight initial proposals were received on August 31, 2000, and after review by Port Authority staff and the Advisors and discussion of the proposals with the Board, in mid-October 2000, a “short-list” of four of the proposers, Boston Properties, Inc.; Brookfield Financial Properties; Silverstein Properties, Inc. and Westfield America, Inc. (the Silverstein Group); and Vornado Realty Trust, was selected to participate in the next phase of the net lease process. The short-list was given the opportunity to perform due diligence activities and review drafts of transactional documents, under a schedule leading to the submission of further proposals on January 31, 2001. Proposals were received from the Silverstein Group, Vornado Realty Trust, and WTC Ventures, an entity formed by Boston Properties and Brookfield Financial Properties. After review of the proposals, these proposers were given the opportunity to “refresh” their proposals by February 12, 2001.

On February 22, 2001, it was announced that the Port Authority would be entering into a 20-day exclusive negotiating period with Vornado Realty Trust to complete the transactional documents for a 99-year net lease of the WTC. The value to the Port Authority of Vornado Realty Trust’s proposed net lease transaction, on a present value basis, had been estimated by staff and the Advisors at approximately \$3.253 billion. Staff and the Advisors were instructed to complete the transactional documents and to present a final contract for approval at a meeting scheduled for March 14, 2001.

In view of the lack of a final agreement with Vornado Realty Trust on March 14, 2001, the Board permitted the negotiating process to continue until March 19, 2001, at which time it was decided that the Port Authority would cease negotiations with Vornado Realty Trust and enter into an exclusive negotiating period with the Silverstein Group to complete the transactional documents for a 99-year net lease of the WTC.

The value to the Port Authority of the Silverstein Group's proposed net lease transaction, on a present value basis, had originally been estimated by staff and the Advisors at approximately \$3.225 billion. It is presently being estimated at \$3.211 billion, as more fully discussed at "*Description of Value of the Silverstein Group's Proposal*".

The respective representatives and advisors of the Silverstein Group and the Port Authority have reached agreement with respect to all matters, including the economic terms and other fundamental aspects of the World Trade Center net lease transaction. The Silverstein Group has executed final contracts and has submitted the required deposit of \$100 million in the form of letters of credit. These letters of credit would be the source for the payment of liquidated damages to the Port Authority in the event that the closing of the transaction does not occur as a result of a default by the Silverstein Group.

The Silverstein Group

The Silverstein Group is a venture of Silverstein Properties, Inc. ("Silverstein") and Westfield America, Inc. ("Westfield").

Silverstein – Silverstein is a privately-owned real estate development and investment firm that owns, manages, and has developed more than 10 million square feet of office space located primarily in the financial district of lower Manhattan and along Fifth Avenue in midtown Manhattan. In addition to office space, Silverstein also owns and operates retail, warehouse and residential properties in New York, New Jersey, Connecticut, and Florida.

Silverstein manages and leases all of the properties that it owns. The company has developed a wide range of properties including high-rise office towers, hotels, residential condominiums, retail complexes, office parks, and computer communication facilities. In addition to leasing and managing major properties, Silverstein has experience in debt and equity placement, having placed over \$3 billion through life insurance companies, thrift institutions, credit companies, pension funds, commercial banks and private investors.

Silverstein's major properties include:

- 7 World Trade Center – a two million square foot office building developed and owned by Silverstein on land owned by the Port Authority.
- The Equitable Building at 120 Broadway – a 1.8 million square foot office building.
- 140 Broadway – a 1.2 million square foot office building.
- 120 Wall Street – a 600,000 square foot office building.
- River Place – an 1800-unit residential complex on the western edge of 42nd Street.

In addition, Silverstein's other holdings include 529 Fifth Avenue, 530 Fifth Avenue, 11 West 42nd Street and The Ridgeway Shopping Center.

Silverstein Properties does not have a senior debt credit rating.

Westfield – Westfield is a publicly traded real estate investment trust specializing in enclosed shopping centers. On December 31, 2000, Westfield had interests in 39 major shopping centers branded as “Westfield Shoppingtowns”. Westfield's portfolio of Westfield Shoppingtowns includes clusters of shopping centers in major markets on the East and West Coasts, and in the Midwest. Westfield Shoppingtowns serve approximately 10% of the U.S. population.

Westfield has been engaged for over 40 years in the business of owning, acquiring, financing, operating, leasing, developing, and redeveloping regional and super-regional shopping centers. As of December 31, 2000, Westfield's portfolio of 39 shopping centers consisted of 28 super-regional shopping centers with approximately 30.7 million square feet of space, 8 regional shopping centers with approximately 4.9 million square feet of space, three power centers with approximately 1.5 million square feet of space and seven office buildings adjacent to its centers with approximately 646,000 square feet of space. These properties represent approximately 81.5%, 12.9%, 3.9% and 1.7%, respectively, of Westfield's 37.7 million square feet of retail and office space. Westfield also owns 12 separate department store properties that are net leased to the May Department Stores Company, and certain other real estate investments.

Westfield is externally managed and advised by Westfield Holdings Limited (“WHL”), an Australian public company and leading developer and manager of one of the largest portfolios of retail properties in the world. WHL's management portfolio consists of 86 shopping centers containing approximately 65 million square feet of space and over 13,100 mall stores in Australia, New Zealand, the United Kingdom and the United States. Westfield has engaged a wholly-owned subsidiary of WHL to provide property management, asset management and development services to Westfield, giving Westfield access to WHL's worldwide management expertise and resources.

Westfield and Westfield America Management Limited in its capacity as responsible entity and trustee for Westfield America Trust (“WFA”), an Australian publicly traded unit trust, entered into an Agreement and Plan of Merger dated February 14, 2001 (“Agreement”). WFA is the fifth largest property trust listed on the Australian Stock Exchange. Its equity market capitalization was approximately \$995 million as of December 31, 2000. The purpose of the Agreement is for WFA and certain affiliates of WHL to increase their collective ownership of the outstanding common stock of Westfield through a Tender Offer and subsequent Merger, from approximately 77.5% to 100%. The Tender Offer contemplated by the Agreement closed on April 6, 2001, as a result of which WFA and certain affiliates of WHL collectively own 96.1% of the common stock of Westfield. The transaction, including the assumption of Westfield’s debt, is valued at approximately \$720 million. Following completion of the Merger, Westfield will cease to be publicly traded.

Westfield had total revenue of approximately \$530 million in 2000. Westfield, WHL and WFA do not have senior credit ratings.

Description of Value of the Silverstein Group’s Proposal

The Silverstein Group’s final proposal is for a 99-year net lease structure that has a present value to the Port Authority of approximately \$3.211 billion. The elements of the Silverstein Group’s proposal include the following:

- An up-front payment to the Port Authority in the amount of \$616 million, payable in cash at the time of the closing. This has been reduced from the originally proposed \$800 million.
- A 99-year stream of fixed rental payments to the Port Authority, payable in cash, monthly in advance, on the following basis:

<u>Payment</u>	<u>Years</u>	<u>Payment</u>	<u>Years</u>
\$ 102.0 million	1 – 5	\$ 775.6 million	51 – 55
124.0 million	6 – 10	892.8 million	56 – 60
160.8 million	11 – 15	1,031.8 million	61 – 65
197.5 million	16 – 20	1,196.8 million	66 – 70
229.9 million	21 – 25	1,392.9 million	71 – 75
244.3 million	26 – 30	1,626.0 million	76 – 80
434.6 million	31 – 35	1,903.4 million	81 – 85
523.0 million	36 – 40	2,233.9 million	86 – 90
590.4 million	41 – 45	2,628.0 million	91 – 95
676.8 million	46 – 50	3,098.5 million	96 – 99

Staff and the Advisors have valued this stream of fixed rental payments, in present value terms, at approximately \$2.419 billion, applying an 8% discount rate to the annual payments.

- A 99-year stream of participating rental payments to the Port Authority, payable in cash, monthly in arrears. The amount of each year's participating rental payment would vary, depending upon the amount of annual gross revenues realized by the Silverstein Group. The Port Authority would receive 0.5% of gross revenues in years 1 through 10 and 1.5% of gross revenues in years 11 through 99. Staff and the Advisors have valued this stream of participating rental payments, in present value terms, at approximately \$65 million, applying a 10% discount rate to the annual payments.
- A newly proposed 30-year stream of additional base rental payments for the office component of the WTC, in the amount of \$13.75 million per year, to the Port Authority, payable in cash, monthly in advance, to the extent cash flow is available under these net leases after the payment of all other rentals, operating expenses, certain operating and capital reserves and debt service on the Silverstein Group's financing (up to \$833 million in principal amount) for the net lease transaction. In the event additional base rental is not paid, unpaid amounts would accrue interest at a rate equal to 10% per annum compounded monthly until paid. The Advisors have valued this stream of additional base rental payments, in present value terms, at approximately \$111 million, applying a 12% discount rate to the annual payments.

The Silverstein Group has also proposed that the Port Authority receive a capital event participation upon a sale, refinancing or other capital event. The Port Authority would receive a 10% participation in a capital event occurring during years 1 through 20 of a net lease. The Port Authority would receive its participation after the Silverstein Group has achieved for the net leased properties an aggregate 15% internal rate of return on its invested capital. The Port Authority would have no capital event participation rights after the earlier to occur of (i) a sale of a net lease to a third-party unaffiliated with the Silverstein Group in an arms-length transaction, and (ii) the expiration of the twentieth year of a net lease. It should also be noted that in the event of a sale of a net lessee's interest under a net lease arising as a result of a bankruptcy or other foreclosure of that interest, the Port Authority would receive no capital event participation. Because of the significant number of variables inherent in analyzing the value of the capital event participation, staff and the Advisors have not included the Port Authority's potential participation as part of their assessment of the value of the Silverstein Group's \$3.211 billion proposal.

The Silverstein Group's Financing

The Silverstein Group's proposal does not have any financing contingencies. Silverstein has indicated that it has commitments primarily from private investors, including Larry A. Silverstein, to provide \$125 million attributable to the office component of the WTC. Additionally, GMAC Commercial Mortgage Corporation ("GMACCMC") has provided a

commitment letter to Silverstein with respect to \$633 million of financing attributable to the office component of the WTC and a line of credit in an amount of up to \$200 million for future expenditures in connection with the office component of the WTC. Westfield has indicated that it would provide \$146.7 million attributable to the retail component of the WTC. The Advisors have confirmed to their satisfaction that these financing commitments are currently in place.

Description of Fairness Opinion

JP Morgan is delivering to the Port Authority a fairness opinion that, on the basis set forth in the opinion, the consideration to be paid to the Port Authority in the proposed transaction is fair, from a financial point of view, to the Port Authority.

Transactional Documents

This section describes the principal provisions of the agreements which the Port Authority would enter into in connection with the net lease transaction, and certain related matters.

Contracts

The Port Authority would enter into five separate "Agreements to Enter Into Net Lease" ("Contracts"), pursuant to which separate bankruptcy remote single purpose entities ("SPEs") formed by Silverstein would agree to net lease One, Two, Four and Five World Trade Center and an SPE formed by Westfield would agree to net lease the Mall (each a "Net Leased Property") from the Port Authority. The subgrade space under all of the Net Leased Properties would be included under the net lease for One World Trade Center.

The SPEs would be formed or organized solely for the purposes of the net lease transaction and would not be permitted to engage in any business unrelated to the operation, improvement, financing, leasing and management of the Net Leased Properties. The SPEs would not have any assets other than those related to their interests in the Net Leased Properties or be permitted to incur any indebtedness or other obligations, other than as permitted under the transactional documents. The SPE requirements would not be applicable in the future to the extent that it is not customary in mortgage-backed securities transactions that borrowing entities be required to satisfy SPE or other similar criteria.

Pursuant to the Contracts, at the time of their execution by the SPEs, the Silverstein Group posted, in the aggregate, a deposit of \$100 million, in the form of irrevocable letters of credit from the National Australia Bank, Ltd. and HSBC Bank USA. The letters of credit are payable upon presentation to the issuing banks at an office in Manhattan. The Contracts contemplate a 90-day contract period, and the SPEs would have the right to extend such period for up to 30 additional days.

The Contracts provide for only a limited number of closing conditions to the SPEs' obligations thereunder. The conditions are primarily related to the delivery of certain documents, certain title-related conditions and other items pertaining to the transfer of the Net Leased Properties by the Port Authority.

Additionally, if prior to the closing there is a material casualty with respect to the office components of the Net Leased Properties, the SPEs can only terminate the Contracts if office space tenants leasing in excess of 10% of the aggregate rentable office area are not able to occupy their respective leased premises for in excess of 90 days as a result of such casualty or if the cost to remedy the casualty would be in excess of \$1 billion. However, if the amount of insurance proceeds available under the Port Authority's insurance program to remedy the casualty is less than \$1 billion, the SPEs can terminate the Contracts unless the Port Authority makes up the shortfall up to \$1 billion. A material casualty with respect to the retail components of the Net Leased Properties would not be grounds for the termination of the Contracts, but the Port Authority would be required to pay for the costs of the repair of such casualty and also to pay, subject to certain conditions, rents abated under the retail space leases during the pendency of such casualty.

The obligations of the SPEs under each of the Contracts would be cross-defaulted, thus preventing the Silverstein Group from closing on some, but not all of the Contracts. In the event that the Silverstein Group defaults in its obligations under the Contracts, the Port Authority would retain the Silverstein Group's \$100 million deposit as liquidated damages for such failure.

If, on the closing date, either party is prevented from consummating the net lease transactions as a result of an injunction, the closing would be adjourned for 120 days following the date the Contracts were signed by the SPEs in order to have the prohibition lifted. If such prohibition is not lifted within this 120-day period, then either party may terminate the Contracts, without such termination constituting a default. Upon such termination the Port Authority would return the Silverstein Group's \$100 million deposit. Additionally, the Silverstein Group would have a right of first offer, during the ensuing 18-month period, prior to the Port Authority's entering into a similar transaction with a non-governmental third party during that period.

If the Port Authority defaults in its obligations under the Contracts and fails to close, it must return the Silverstein Group's \$100 million deposit and pay to the Silverstein Group, as liquidated damages for such failure, the lesser of (i) five times the Silverstein Group's actual transaction costs (including non-refundable costs pertaining to financing commitments and costs in connection with the Silverstein Group's added staffing to operate the Net Leased Properties) and (ii) \$100 million. Additionally, if during the 18-month period following a Port Authority default, the Port Authority enters into a similar transaction with a non-governmental third party other than the Silverstein Group, or a financing transaction to accomplish a privatization of the WTC, it must pay the Silverstein Group an additional amount equal to the sum of (i) the Silverstein Group's actual transaction costs and (ii) the difference between the net present value of the new transaction and \$3.211 billion (the net present value of the Silverstein Group's proposal) and the amounts that have already been paid to the Silverstein Group as liquidated damages as a result of the Port Authority's default.

The Contracts provide for representations and warranties by the Port Authority as to, among other things, the current rent roll for the Net Leased Properties, outstanding litigation and contractual obligations, such as brokerage and collective bargaining agreements, and construction and service contracts related to the Net Leased Properties. The Port Authority would also indemnify the SPEs for all claims arising prior to the closing and, in addition, would provide indemnification for any future damages incurred in certain specified litigation.

During the Contract period (prior to the closing), the Port Authority would continue to be responsible for the operation and maintenance of the WTC in a manner consistent with its past practices. Among other items, to facilitate the SPEs' ability to obtain financing for the net lease transactions, the Port Authority would commit in the Contracts to continue to maintain insurance coverage related to the World Trade Center of at least \$1 billion during the Contract period. The World Trade Center is currently included under the Port Authority's Property Damage/Loss of Revenue Insurance Program with limits of \$1.5 billion, however that coverage expires on June 1, 2001. Staff is working with the broker under this program to renew the coverage for an additional year. Prior to finalization, the terms of the program renewal would be presented to the Committee on Finance for approval. Pending the renewal of the coverage, considering current market conditions, staff believes that at least \$1 billion of property damage/loss of revenue insurance would be available to the Port Authority at commercially reasonable rates during the Contract period, and to the extent necessary staff would make temporary arrangements with the broker to maintain at least this level of coverage for the World Trade Center.

Additionally, during the Contract period, the Port Authority would, in effect, act as the leasing agent for the Net Leased Properties, with the ability to enter into new leases or modify, renew, terminate or accept the surrender of existing leases subject to the prior approval of the SPEs. As such, during the Contract period staff would not otherwise request any of the Board approvals currently required for such matters.

The SPEs would agree to cause the net lessees' association (as more fully discussed at "*Reciprocal Easement and Operating Agreement*") to assume all Port Authority post-closing obligations under certain existing construction contracts and service contracts for the Net Leased Properties, and, with limited exceptions, the net lessees' association would have the right terminate those contracts consistent with their terms. The SPEs would also agree to cause the net lessees' association to assume existing collective bargaining agreements, principally, with Local 32B-32J (the ABM cleaning personnel) and Local 94 (the building engineers). Under the terms of the Port Authority's agreement with Local 32B-32J, the net lessees' association would have the option of continuing the security guard contract under the terms of the agreement with the union, renegotiating the agreement, or terminating the agreement.

After the closing the Port Authority would continue to be responsible for the completion of certain on-going construction contracts, acting as project managers and construction managers. Such contracts pertain to final closeout of the standby power plant, permanent security system, and various electrical, mechanical, and fire alarm system contracts that would be over 90% complete as of the closing. It is presently expected that the aggregate

cost to the Port Authority to complete these construction contracts would not exceed \$5 million, in a period of three to six months beyond closing. Additional construction contracts may have to be awarded by the Chief Engineer to finish certain punch-list items associated with existing contracts in order to facilitate the closeout of these contracts. Additionally, the Chief Technology Officer would also extend an existing agreement to provide outsourced system administration functions for capital technology projects in order to ensure a smooth transition of certain operating systems, such as the World Trade Center's permanent security system.

The SPEs would also agree to cause the net lessees' association to indemnify the Port Authority for any "ERISA" liabilities that may arise as a result of the net lease transactions to certain multi-employer pensions plans for individuals that work at the World Trade Center and are covered by collective bargaining agreements, such as the contractors' cleaning and security staffs. While the Contracts preserve the Port Authority's assertion that it is not the employer of nor does it have any employment relationship with any individuals that work at the World Trade Center who are covered by collective bargaining agreements, in the event that the net lessees' association does not make any payments required under ERISA, under Federal law a court might ultimately determine that the Port Authority may be secondarily liable for those payments.

Certain employees of the Port Authority currently involved in the operation, management, and leasing of the World Trade Center would, while remaining employees of the Port Authority, be made available to perform transition services for the Silverstein Group during a minimum three to maximum six-month transition period following the closing. The Silverstein Group would reimburse the Port Authority for the allocable expense of the wages and benefits associated with these employees. These employees would also be able to accept direct offers of employment from the Silverstein Group to work for the Silverstein Group in the operation, management and leasing of the Net Leased Properties or otherwise. To the extent necessary, provisions of the Port Authority's Code of Ethics and Financial Disclosure which might be inconsistent with such employment would be waived. Any Port Authority employee whose job would be adversely affected by the net lease transaction would be eligible for reassignment to another position within the Port Authority.

Agreements of Lease

There would be five separate Agreements of Lease ("Net Leases"). The primary purpose of the Net Leases is to set forth the operating and management responsibilities of the SPEs ("Net Lessee") with respect to the Net Leased Properties. The term of each Net Lease would be 99 years, unless terminated earlier due to an event of default or otherwise under the Net Lease. During such term, the Net Lessee would pay to the Port Authority, in addition to the payment at closing, (i) a payment of base rent, which amount is graduated over the term of the Net Lease, and (ii) 0.5% of gross revenues from the Net Leased Properties in years 1 through 10 and 1.5% of gross revenues from the Net Leased Properties in years 11 through 99.

The Net Leases for the office component of the WTC would also provide for a 30-year stream of additional base rental payments in the amount of \$13.75 million per year, to the Port Authority, payable in cash, monthly in advance, to the extent cash flow is available

under these Net Leases after the payment of all other rentals, operating expenses, certain operating and capital reserves and debt service on the Silverstein Group's financing (up to \$833 million in principal amount) for the net lease transaction. In the event additional base rental payments are not made, such amounts would accrue interest at a rate equal to 10% per annum compounded monthly until paid. At the earlier to occur of (i) the end of 30 years and (ii) a sale of these Net Leases any unpaid additional base rental would be due to the Port Authority. The obligation to pay additional base rental would be extinguished in the event of a foreclosure of the GMACCMC mortgage or any successor mortgage.

Upon the occurrence of a capital event (*e.g.*, a sale of the Net Leases or a refinancing of debt secured by the Net Leases), the Port Authority would receive a 10% participation in a capital event occurring during years 1 through 20 of a Net Lease. The Port Authority would receive its participation after the Silverstein Group has achieved for the Net Leased Properties an aggregate 15% internal rate of return on its invested capital. The Port Authority would have no capital event participation rights after the earlier to occur of (i) a sale of a net lease to a third-party unaffiliated with the Silverstein Group in an arms-length transaction, or (ii) the expiration of the twentieth year of a net lease. It should also be noted that in the event of a sale of a net lessee's interest under a net lease arising as a result of a bankruptcy or other foreclosure of that interest, the Port Authority would receive no capital event participation.

In addition to the payments set forth above, the Net Lessee would make payments to the Port Authority as follows:

(a) An amount equal to the payment due pursuant to the terms of the agreement between the Port Authority and the City of New York (the "PILOT Agreement") as it exists at this time.

(b) In the event the PILOT Agreement is amended or revised and the amounts due under the PILOT Agreement are increased (the "New PILOT Agreement"), the Net Lessee would bill all space tenants that have executed space leases before the Net Lease is executed for the PILOT increases payable by such space tenants, but would not institute any litigation against or seek to evict any existing space tenant or be obligated to terminate any existing space lease solely for the tenant's non-payment of PILOT increases. The Net Lessee would be liable for and required to pay to the Port Authority only those amounts collected.

(c) With respect to space tenants executing a space lease after the Net Lease is executed, an amount equal to the escalations in real estate taxes that would be payable if the Net Leased Properties were owned by a non-governmental entity, less amounts paid under clause (a) above. These escalations would be due whether or not the PILOT Agreement with City is amended.

In the event that there is a final, non-appealable determination (including, without limitation, pursuant to any settlement or agreement entered into by the Port Authority or as a result of the failure of the Port Authority to challenge any notice from the City of New York within the time required for such challenge) that real property taxes are payable with respect to

the Net Leased Properties, the Port Authority would be responsible for the payment of all such amounts, and, in the event that it failed to make such payments and the Net Lessees then paid such amounts, the Net Lessees would be entitled to offset such payments against rent due under the Net Leases. Additionally, as discussed above, the Port Authority would agree to take whatever actions were required to prevent a foreclosure or forfeiture of the Net Lessees' leasehold estate and/or the Port Authority's fee interest in any part of the World Trade Center as a result of a real property tax lien.

The Port Authority would have the right to audit the Net Lessees' accounting procedures and results to assure that the appropriate percentage and capital event participation rents and PILOT are being paid to the Port Authority.

The Net Lessee would be required to maintain the Net Leased Properties in accordance with the manner in which comparable buildings and shopping malls are maintained, and would be required to comply with building, health and fire codes, security guidelines and rules and regulations established by the Port Authority and amended from time to time ("Port Authority Manual"). Under procedures which are acceptable to the Port Authority, the Net Lessee would be permitted to provide vehicle parking (including valet services), to individuals whether or not those individuals were tenants at the World Trade Center. In the event the Port Authority Manual is amended or modified by the Port Authority (unless within five years of the date of the amendment or modification, a conforming amendment or modification is made to the New York City Building Code), the Port Authority would be responsible for the increased costs caused by such modification, in excess of \$1 million of capital costs in each 10-year period under the Net Leases and in excess of \$1 million per year of operating expenses, incurred by the Net Lessees as a result of such modification or amendment. These limits would be subject to a CPI adjustment at the commencement of each 10-year period under the Net Leases.

The Net Lessees would also be required to maintain appropriate levels of property damage/loss of revenue insurance coverage for the Net Leased Properties. Consistent with existing Port Authority practice, the Port Authority would also separately maintain property damage/loss of revenue insurance under the general insurance program, which would cover the Net Leased Properties (among other facilities) on a contingency basis to protect the Port Authority in the event of a shortfall or other inadequacy in the Net Lessees' insurance.

The Port Authority would continue to maintain its statutory jurisdiction and oversight with respect to (i) compliance with applicable building codes, as defined by the Port Authority and subject to existing agreements with the City of New York, for all future construction projects, both in tenant spaces and common areas; (ii) compliance with fire, environmental, and health codes; (iii) the operating integrity of the elevator/escalator systems, electrical and mechanical systems, as well as the structural integrity of the World Trade Center; (iv) the administration of the high tension electrical distribution system; and (v) Port Authority police services. Additionally, the Port Authority would agree in the Net Leases to provide sufficient staff and resources to operate its code compliance office in a manner that is capable of meeting the obligations assumed by that office for all future construction projects, both in tenant spaces and common areas. The Chief Technology Officer would arrange for the enhancement of

the tenant alteration documents management system to provide for the code compliance office to meet certain of its responsibilities at an estimated cost of approximately \$500,000.

The Net Lessee would also be required to comply with the office tenant eligibility criteria set forth in the World Trade Center's bi-State enabling legislation, but, otherwise, would not be restricted in its space leasing activities during the term of the Net Leases.

The Net Lessee would have the right to install accessory/tenant identification and advertising signage on the exterior of the buildings in a manner consistent with that permitted by zoning regulations in the City of New York. Additionally, the Net Lessee would have the right to permit certain temporary sponsorship signage for public events in the WTC. The Silverstein Group has also indicated that, in the future, it would like to make a separate proposal for signage that would not be consistent with New York City zoning regulations. Should it make such a proposal, it would include a provision by which the Port Authority would share in any revenues received.

Reciprocal Easement and Operating Agreement

The Port Authority and each Net Lessee would also enter into a Reciprocal Easement and Operating Agreement of Portions of the World Trade Center ("REOA"). The primary purpose of the REOA is to establish a net lessees' association ("Net Lessees' Association") as the vehicle to operate, manage and maintain the common building systems and the common areas in the Net Leased Properties, directly or through a property manager. In addition, among other matters, the REOA (i) grants the easements necessary to enable the operation of the Net Leased Properties and the common areas; (ii) provides for the allocation of costs of common building system utilities and other services provided by the Net Lessees' Association among the Port Authority (for services provided to Three, Six and Seven World Trade Center and PATH) and the Net Lessees; (iii) establishes certain paramount rights of the Port Authority with respect to matters pertaining to Three, Six and Seven World Trade Center and PATH, the termination of the agreement with The Power Authority of the State of New York ("NYPA"), to the extent such termination does not affect the WTC, the alteration or removal of the Plaza memorial erected with respect to the February 1993 bombing at the World Trade Center, and certain Port Authority responsibilities as a governmental entity; (iv) establishes a cost allocation methodology and auditing procedures; and (v) provides for compliance with security standards, the World Trade Center's bi-State enabling legislation, applicable Federal and state statutory and constitutional law with respect to continuous expressive activity directed to the public at the World Trade Center and certain other matters. PATH would be responsible for the operation and maintenance of certain systems integral to the safe operation of PATH. These systems are currently maintained for PATH by the Port Authority's World Trade Department. Other services currently provided by the World Trade Department to PATH would either be provided by the Net Lessees' Association to PATH, or assumed by PATH, at PATH's option.

In addition to remedying certain building conditions not in compliance with current codes, the Net Lessees' Association would be required to complete certain capital

improvement projects at the Net Leased Properties, as specified in the REOA. These capital projects include essential work to conform to current codes, to meet upcoming lease obligations, to address operational requirements, or to ensure structural integrity. The Net Lessees' Association would also complete certain programs already under construction, including the elevator control system modernization, the new fire alarm system installation, and the subgrade slab rehabilitation; and would implement new projects including the mall egress and smoke purge projects, as well as other capital projects that the Net Lessees' Association believes to be desirable in connection with the Net Leased Properties. Total capital expenditures would be made by the Net Lessees' Association over an eight to ten year period from the closing, in an amount estimated to be up to approximately \$200 million, including approximately \$125 million for the capital improvement projects specified in the REOA.

Allocations to the Port Authority for utility services provided by the Net Lessees' Association to Three, Six and Seven World Trade Center and PATH would be based on actual cost of services. Allocations among the Net Lessees for electricity would most likely be based on an electrical survey and for all other services based on stated percentages in the REOA. The Port Authority has provided "rough justice" percentages based on square footage, although percentages provided by the Silverstein Group, if agreed to prior to closing, would be used. Thereafter, percentage allocations among the Net Lessees may be amended, subject to the approval by the Port Authority of the methodology used to devise such allocations.

The REOA provides for remedies enforceable by the Net Lessees' Association in the event of a default thereunder by a Net Lessee and for remedies enforceable by the Port Authority for the failure of the Net Lessees' Association to perform its obligations under the REOA. The Port Authority's remedies include enforcement rights, right of entry and the right to perform the obligations of the Net Lessees' Association, at the cost and expense of the Net Lessees' Association.

The parties to the REOA would agree to use commercially reasonable efforts to correct, amend or modify the REOA and the allocation of costs, expenses and services to the extent necessary to achieve the intent of the parties to the REOA.

Port Authority Space Lease and License Agreements

Since the Net Leases would include all of the office space and related facilities currently occupied by the Port Authority at the World Trade Center, the Port Authority would also, simultaneously with entering into the Net Leases, enter into a space lease ("Space Lease") with the Net Lessee of One World Trade Center, as landlord, and the Port Authority, as tenant. The Space Lease would include approximately 725,000 rentable square feet ("rsf") of office space (and certain subgrade areas, including 110 parking spaces and a separate parking area for Port Authority pool cars) in One World Trade Center, and other areas to a lesser degree under the License Agreements described below, which the Port Authority intends to use and occupy for the conduct of its operations after the effective date of the Net Lease. The Port Authority would also be provided with an exclusive Visitors Desk station in the lobby of One World Trade

Center, consistent with those provided for other large tenants. The Port Authority presently occupies approximately 900,000 rsf of office space at One and Two World Trade Center.

The Space Lease would have an initial term of 20 years and the Port Authority would also have four consecutive five-year renewal options at the greater of 90% of fair market value and 90% of the then fixed rent (capped at fair market value). Fixed rent for the office space is \$22.00 per rsf for the first five years of the initial term, \$26.00 per rsf for the second five years, and thereafter increases by \$5.00 per rsf at the start of each additional five-year interval of the initial term. In addition to the fixed rent, the Port Authority would also pay a proportionate share of increases (over a base year of 2003) in certain operating expenses of One World Trade Center. In the event that the Port Authority fails to vacate any space occupied by it at the end of the term of the Space Lease, it would pay an amount ranging from 150% (for the first 30 days) to 200% (after 60 days) of the fair market rental value.

The Port Authority would have the right to sublease all or a portion of its space without consent of the Net Lessee, provided that certain minimum conditions would be met, for a rental at least equal to 95% of fair market value. Any assignment or subletting of all or a portion of its space by the Port Authority for less than 95% of fair market value, or to a then existing tenant of One, Two or Seven World Trade Center, or to a party with whom the Net Lessee is then in active negotiations for office space at One, Two or Seven World Trade Center, would require the Net Lessee's consent. The Net Lessee would have rights to recapture space proposed to be assigned or sublet by the Port Authority, on the same terms as the Port Authority was offering to third parties. The Port Authority would also have certain rights to make a first offer for a limited amount of available space.

The Port Authority would also have rights to reduce the square footage under the Space Lease commencing in the seventh year of the term and thereafter at two-year intervals in an amount not to exceed 200,000 rentable square feet, in full floor increments, for each space reduction period.

The Port Authority would be responsible for the remediation of any hazardous materials present in its leased space as of the commencement date of the Space Lease. Generally, any remediation obligation would only occur at the time of an alteration to the space by the Port Authority or as a result of a change in law or procedures applicable to the World Trade Center after the commencement date of the Space Lease. At the end of the term of the Space Lease, if requested by the Net Lessee, the Port Authority would also be responsible for the removal of "specialty" alterations located in the leased space.

The Port Authority would also enter into License Agreements with certain of the Net Lessees for a nominal rent with respect to certain office space currently occupied by World Trade Department staff, space occupied by the Port Authority Police, and antenna and equipment space in One, Two and Five World Trade Center.

Additionally, approximately 9,000 rsf of office space located on the 77th Floor of One World Trade Center and one parking space would be added to the Space Lease, at the rental rates to be paid by the Port Authority and with the other terms set forth above. This space is

currently occupied by the World Trade Centers Association, Inc. ("WTCA"), for a term expiring on January 31, 2005. The WTCA was established in 1970 to promote the growth of world trade centers, to develop cooperative programs among world trade centers and to facilitate international trade by bringing together exporters, importers and service providers. It is a not-for-profit association with a membership that includes more than 300 world trade centers worldwide in about 100 countries. Over 500,000 companies are affiliated with WTCA members worldwide. In 1986, the Port Authority transferred to the WTCA its ownership of certain registered service marks pertaining to the World Trade Center name, with a reservation of the right to use such marks in the future. To facilitate a direct license of the right to use these service marks from the WTCA to the Net Lessees and a confirmation of certain Port Authority sublicensing rights, the Port Authority would extend the WTCA's lease, essentially as a subtenant of the Port Authority commencing on February 1, 2005 and expiring at the end of the initial term of the Space Lease, with four consecutive five-year renewal options. There would be no rental payments from the WTCA during the term of the sublease; however, it would continue to pay operating and maintenance escalations at the levels established in its current lease. The Port Authority would agree to continue to maintain its membership in the WTCA, at the lowest regular membership fee applicable on a non-discriminatory basis to all members of the WTCA. Continuing to have the WTCA headquarters at the WTC also facilitates the Port Authority's statutory mission in connection with world trade and commerce.

NYPA

NYPA has furnished electricity to Port Authority facilities in New York State, including the World Trade Center, since 1976 pursuant to an agreement entered into at that time. In 1996, an additional agreement was entered into with NYPA, which established a rate formula for the supply of electricity to be effective at least until December 31, 2004. NYPA's charges for electricity have generally been less than those of Con Edison and, in recent months, substantially less. Under the 1996 Agreement, either NYPA or the Port Authority could have first terminated the supply of electricity on three years' prior notice on or after December 31, 2001, to be effective on or after December 31, 2004.

In mid-March 2001, NYPA and the Port Authority entered into a modification of these agreements providing for the continuation of NYPA's supply of electricity to the Port Authority at its New York facilities, including the World Trade Center, through at least December 31, 2011. From and after December 31, 2008, either the Port Authority or NYPA may give notice of an election to terminate the agreement, to be effective three years thereafter, separately with respect to each of the Port Authority's New York facilities (including the World Trade Center) in whole or in part. During the term of the agreement the Port Authority may elect to receive electricity at such price and other terms equivalent to the terms offered by NYPA to its other large "Southeastern New York" governmental customers. The agreement details the billing and other arrangements under which NYPA would supply electricity to the World Trade Center following the effectuation of the Net Leases. The Port Authority and NYPA are to negotiate in good faith a supplement to the agreement setting forth in greater detail the pricing methodology to be used for the portion of the term from January 1, 2005 through December 31, 2011.

The Net Lessees would have an obligation to pay the Port Authority an amount equal to the Port Authority's obligation to NYPA for the quantity of electricity purchased by the Port Authority (whether or not each World Trade Center space tenant paid all or any part of the bills rendered to it by the Net Lessees). The Port Authority would not take any markup or cost reimbursement from the Net Lessees for the electricity. Pursuant to applicable statutes, the amount of the difference between the Net Lessees' payment to the Port Authority and its charges to the space tenants would be restricted in the aggregate by a "cost of service" formula, which essentially provides for the recovery of the investment in the electrical distribution system in the World Trade Center as well as its operation and maintenance, plus an allowance for general and administrative costs and amounts payable in-lieu-of taxes. This process would be effectuated by the Port Authority establishing a cost basis in the electrical distribution system as of the date of execution of the Net Leases with the Net Lessees' future expenditures for the items specified in the formula to be treated as if they had been made by the Port Authority. Any aggregate payments for electricity received by the Net Lessees in excess of the allowable difference described above would be reflected as a credit in bills rendered by the Net Lessees to the space tenants.

Twin Towers Service Mark

In April 2001, the Port Authority filed an application with the United States Patent and Trademark Office for the registration of the "Twin Towers" service mark, which has been used by the Port Authority since 1993 for various services associated with the operation of the World Trade Center. The Port Authority would provide the Net Lessees with a non-exclusive license to use this service mark, as well as certain other previously registered service marks that are currently used by the Port Authority in connection with the World Trade Center.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Donovan, Eisenberg, Gargano, Mack, Martini, Philibosian, Sartor, Song and Weinstein voting in favor; Commissioner Chasanoff abstaining; none against:

RESOLVED, that the Executive Director and his designated representatives be and they each hereby are authorized, for and on behalf of the Port Authority, to take any and all action to effectuate the net lease of certain components of the World Trade Center, consistent with the terms and conditions outlined to the Board, 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 and agreements, in each case, in connection with the foregoing shall be subject to the approval of General Counsel or his authorized representatives.

THE WORLD TRADE CENTER – JOSEPH STEVENS & COMPANY, INC. – LEASE SURRENDER

It was recommended that the Board authorize the Executive Director to enter into a lease surrender agreement with Joseph Stevens & Company, Inc. (Stevens) covering the surrender of its entire Two World Trade Center premises of approximately 28,083 rentable square feet, effective as of March 31, 2001. As consideration for the Port Authority's acceptance of the surrender, Stevens will pay the Port Authority the sum of \$150,000 and will relinquish its security deposit in the amount of \$300,000.

It was reported that Stevens had entered into a lease agreement for space on the 27th floor of Two World Trade Center for a term of approximately ten years, to expire on November 19, 2010. Following the recent downturn in the economy and in the securities markets, Stevens decided not to take possession of its space under the lease agreement. The Port Authority's financial staff has reviewed Stevens's financial statements and determined that Stevens would be unable to meet the terms of its lease agreement.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Donovan, Eisenberg, Gargano, Mack, Martini, Philibosian, Sartor, Song and Weinstein 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 surrender agreement with Joseph Stevens & Company, Inc., with respect to its lease for space at The World Trade Center, substantially in accordance with the terms outlined to the Board; and it is further

RESOLVED, that the Committee on Operations be and it hereby is authorized to approve the final terms of the surrender agreement in the event they are not substantially in accordance with the terms outlined to the Board; and it is further

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

PORT AUTHORITY TRANS-HUDSON CORPORATION

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PRESENT:

NEW JERSEY

Hon. Lewis M. Eisenberg, Chairman
 Hon. Kathleen A. Donovan
 Hon. William J. Martini
 Hon. Alan G. Philibosian
 Hon. Anthony J. Sartor
 Hon. James Weinstein

Neil D. Levin, President
 Ernesto L. Butcher, Vice-President
 Jeffrey S. Green, Counsel

Kayla M. Bergeron
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 Bruce D. Bohlen
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 Cherrie L. Nanninga
 Catherine F. Pavelec
 Alan L. Reiss
 Ronald H. Shiftan
 Douglas L. Smith
 Gregory J. Trevor
 Christopher O. Ward
 Robert D. Williams
 Margaret R. Zoch

NEW YORK

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 Hon. David S. Mack
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 Hon. Anastasia M. Song

**NEWARK LEGAL AND COMMUNICATIONS CENTER
URBAN RENEWAL CORPORATION**

**MINUTES
Thursday, April 26, 2001**

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MINUTES of the Annual Meeting of the Newark Legal and Communications Center Urban Renewal Corporation held Thursday, April 26, 2001, at One World Trade Center, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Lewis M. Eisenberg, Chairman
Hon. Kathleen A. Donovan
Hon. William J. Martini
Hon. Alan G. Philibosian
Hon. Anthony J. Sartor
Hon. James Weinstein

Neil D. Levin, President
Jeffrey S. Green, Counsel

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Hon. Anastasia M. Song

NEW YORK AND NEW JERSEY RAILROAD CORPORATION

MINUTES
Thursday, April 26, 2001

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MINUTES of the Annual Meeting of the New York and New Jersey Railroad Corporation held Thursday, April 26, 2001, at One World Trade Center, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Lewis M. Eisenberg, Chairman
 Hon. Kathleen A. Donovan
 Hon. William J. Martini
 Hon. Alan G. Philibosian
 Hon. Anthony J. Sartor
 Hon. James Weinstein

Neil D. Levin, President
 Jeffrey S. Green, Vice-President and Secretary

Kayla M. Bergeron
 Daniel D. Bergstein
 Bruce D. Bohlen
 John D. Brill
 Gregory G. Burnham
 Ernesto L. Butcher
 Steven J. Coleman
 Anthony G. Cracchiolo
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 Alan L. Reiss
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 Douglas L. Smith
 Gregory J. Tevor
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 Robert D. Williams
 Margaret R. Zoch

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 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Bradford J. Race, Jr.
 Hon. Anastasia M. Song

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

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PRESENT:

NEW JERSEY

Hon. Lewis M. Eisenberg, Chairman
Hon. Kathleen A. Donovan
Hon. William J. Martini
Hon. Alan G. Philibosian
Hon. Anthony J. Sartor
Hon. James Weinstein

Neil D. Levin, Executive Director
Jeffrey S. Green, General Counsel
Daniel D. Bergstein, Secretary

Bruce D. Bohlen, Treasurer
John D. Brill, Director, Audit
Gregory G. Burnham, Chief Technology Officer
Ernesto L. Butcher, Chief Operating Officer
Anthony G. Cracchiolo, Director, Priority Capital Programs
Joanne Crowley, Deputy Director, Tunnels, Bridges & Terminals
William R. DeCota, Director, Aviation
Michael P. DePallo, Director/General Manager, PATH
Karen E. Eastman, Advisor to the Executive Director
Edward L. Jackson, Director, Financial Services
Howard G. Kadin, Senior Attorney, Law
Louis J. LaCapra, Chief of Staff
Richard M. Larrabee, Director, Port Commerce
Stephen Marinko, Attorney, Law
Charles F. McClafferty, Chief Financial Officer
James E. McCoy, Senior Administrator, Office of the Secretary
Catherine F. Pavelec, Executive Assistant to the Secretary
Alan L. Reiss, Director, World Trade
Richard E. Rowan, Supervising Financial Analyst, Office of Forecasting and Capital Planning
Paul D. Segalini, Director, Human Resources
Cosmo Servidio, Special Assistant to the Chairman
Ronald H. Shiftan, Deputy Executive Director
Gregory J. Trevor, Senior Public Information Officer, Media Relations
Christopher O. Ward, Chief of Corporate Planning and External Affairs
Peter Yerkes, Press Secretary
Robert D. Williams, Executive Assistant to the Deputy Executive Director
Margaret R. Zoch, Comptroller

Guest:

John G. Donnelly, Authorities Unit, Office of the Governor of New Jersey

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
Hon. Bruce A. Blakeman
Hon. Michael J. Chasanoff
Hon. David S. Mack
Hon. Bradford J. Race, Jr.
Hon. Anastasia M. Song

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES

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at One World Trade Center, City, County and State of New York.**

PRESENT:

NEW JERSEY

Hon. Lewis M. Eisenberg, Chairman
Hon. Kathleen A. Donovan
Hon. William J. Martini
Hon. Alan G. Philibosian
Hon. Anthony J. Sartor
Hon. James Weinstein

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Ernesto L. Butcher, *Vice-President*
Jeffrey S. Green, *Counsel*

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Guest:

John G. Donnelly

NEW YORK

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**NEWARK LEGAL AND COMMUNICATIONS CENTER
URBAN RENEWAL CORPORATION**

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PRESENT:

NEW JERSEY

Hon. Lewis M. Eisenberg, Chairman
 Hon. Kathleen A. Donovan
 Hon. William J. Martini
 Hon. Alan G. Philibosian
 Hon. Anthony J. Sartor
 Hon. James Weinstein

Neil D. Levin, President
 Jeffrey S. Green, Counsel
 Daniel D. Bergstein, Assistant Secretary

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John G. Donnelly

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THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

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PRESENT:

NEW JERSEY

Hon. William J. Martini
Hon. Alan G. Philibosian
Hon. James Weinstein

Neil D. Levin, Executive Director
Jeffrey S. Green, General Counsel
Daniel D. Bergstein, Secretary

Kayla M. Bergeron, Director, Media Relations
Bruce D. Bohlen, Treasurer
John D. Brill, Director, Audit
Gregory G. Burnham, Chief Technology Officer
Ernesto L. Butcher, Chief Operating Officer
Rosemary Chiricolo, Assistant Director, Financial Services
Steven J. Coleman, Staff Public Information Officer, Media Relations
Anthony G. Cracchiolo, Director, Priority Capital Programs
William R. DeCota, Director, Aviation
Michael P. DePallo, Director/General Manager, PATH
Karen E. Eastman, Advisor to the Executive Director
Howard G. Kadin, Senior Attorney, Law
Theodore D. Kleiner, Assistant Director, Aviation
Louis J. LaCapra, Chief of Staff
Richard M. Larrabee, Director, Port Commerce
Stephen Marinko, Attorney, Law
Charles F. McClafferty, Chief Financial Officer
James E. McCoy, Senior Administrator, Office of the Secretary
Allen M. Morrison, Supervisor, Media Relations
Cherrie L. Nanninga, Acting Deputy Chief Financial Officer/Director, Real Estate
Catherine F. Pavelec, Executive Assistant to the Secretary
Eric W. Pfaff, Management Information Services Coordinator, Port Commerce
Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals
Alan L. Reiss, Director, World Trade
Cosmo Servidio, Special Assistant to the Chairman
Ronald H. Shiftan, Deputy Executive Director
Gerald B. Stoughton, Assistant Director, Office of Forecasting and Capital Planning
Joseph A. Tobia, Assistant Comptroller
Hugh H. Welsh, Deputy General Counsel
Christopher O. Ward, Chief of Corporate Planning and External Affairs
Robert D. Williams, Executive Assistant to the Deputy Executive Director
Peter Yerkes, Press Secretary

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
Hon. Bruce A. Blakeman
Hon. Michael J. Chasanoff
Hon. Bradford J. Race, Jr.
Hon. Anastasia M. Song

Guests:

John G. Donnelly, Authorities Unit, Office of the Governor of New Jersey

Robert Zerrillo, Office of the Governor, New York State

PORT AUTHORITY TRANS-HUDSON CORPORATION

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**MINUTES of a meeting of Port Authority Trans-Hudson Corporation held Thursday, July 26, 2001,
at One World Trade Center, City, County and State of New York.**

PRESENT:

NEW JERSEY

Hon. William J. Martini
Hon. Alan G. Philiposian
Hon. James Weinstein

Neil D. Levin, President
Ernesto L. Butcher, Vice-President
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Cosmo Servidio
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Gerald B. Stoughton
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Peter Yerkes

Guests:

John G. Donnelly
Robert Zerrillo

NEW YORK

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Hon. Bradford J. Race, Jr.
Hon. Anastasia M. Song

**NEWARK LEGAL AND COMMUNICATIONS CENTER
URBAN RENEWAL CORPORATION**

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PRESENT:

NEW JERSEY

Hon. William J. Martini
 Hon. Alan G. Philiposian
 Hon. James Weinstein

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 Michael P. DePallo
 Karen E. Eastman
 Howard G. Kadin
 Theodore D. Kleiner
 Louis J. LaCapra
 Richard M. Larrabee
 Stephen Marinko
 Charles F. McClafferty
 James E. McCoy
 Allen M. Morrison
 Cherrie L. Nanninga
 Catherine F. Pavelec
 Eric W. Pfaff
 Kenneth P. Philmus
 Alan L. Reiss
 Cosmo Servidio
 Ronald H. Shiftan
 Gerald B. Stoughton
 Joseph A. Tobia
 Hugh H. Welsh
 Christopher O. Ward
 Robert D. Williams
 Peter Yerkes

Guests:

John G. Donnelly
 Robert Zerrillo

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. Bradford J. Race, Jr.
 Hon. Anastasia M. Song

NEW YORK AND NEW JERSEY RAILROAD CORPORATION

**MINUTES
Thursday, July 26, 2001**

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MINUTES of a meeting of the New York and New Jersey Railroad Corporation held Thursday, July 26, 2001, at One World Trade Center, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. William J. Martini
 Hon. Alan G. Philibosian
 Hon. James Weinstein

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. Bradford J. Race, Jr.
 Hon. Anastasia M. Song

Neil D. Levin, President.
 Jeffrey S. Green, Vice-President and Secretary

Kayla M. Bergeron
 Daniel D. Bergstein
 Bruce D. Bohlen
 John D. Brill
 Gregory G. Burnham
 Ernesto L. Butcher
 Rosemary Chiricolo
 Steven J. Coleman
 Anthony G. Cracchiolo
 William R. DeCota
 Michael P. DePallo
 Karen E. Eastman
 Howard G. Kadin
 Theodore D. Kleiner
 Louis J. LaCapra
 Richard M. Larrabee
 Stephen Marinko
 Charles F. McClafferty
 James E. McCoy
 Allen M. Morrison
 Cherrie L. Nanninga
 Catherine F. Pavelec
 Eric W. Pfaff
 Kenneth P. Philmus
 Alan L. Reiss
 Cosmo Servidio
 Ronald H. Shiftan
 Gerald B. Stoughton
 Joseph A. Tobia
 Hugh H. Welsh
 Christopher O. Ward
 Robert D. Williams
 Peter Yerkes

Guests:

John G. Donnelly
 Robert Zerrillo

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Thursday, September 20, 2001

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MINUTES of a Meeting of The Port Authority of New York and New Jersey held Thursday, September 20, 2001, at 633 Third Avenue, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Lewis M. Eisenberg, Chairman
Hon. Kathleen A. Donovan
Hon. William J. Martini
Hon. Alan G. Philiposian
Hon. Anthony J. Sartor
Hon. James Weinstein

Ronald H. Shiftan, Deputy Executive Director
Jeffrey S. Green, General Counsel
Karen E. Eastman, Assistant Secretary

Kayla M. Bergeron, Director, Public Affairs
Bruce D. Bohlen, Treasurer
John D. Brill, Director, Audit
Darrell Buchbinder, Assistant General Counsel
Gregory G. Burnham, Chief Technology Officer
Ernesto L. Butcher, Chief Operating Officer
William R. DeCota, Director, Aviation
Lawrence S. Hofrichter, Assistant General Counsel
Howard G. Kadin, Senior Attorney, Law
Louis J. LaCapra, Chief of Staff
Francis J. Lombardi, Chief Engineer
Stephen Marinko, Attorney, Law
Charles F. McClafferty, Chief Financial Officer
James E. McCoy, Senior Administrator, Office of the Secretary
Allen M. Morrison, Supervisor, Media Relations
Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals
Alan L. Reiss, Director, World Trade
Myron D. Ronis, Deputy Director, Port Commerce
Cosmo Servidio, Special Assistant to the Chairman
Robert E. Van Etten, Inspector General
Christopher O. Ward, Chief of Corporate Planning and External Affairs
Peter Yerkes, Press Secretary
Margaret R. Zoch, Comptroller

Guests:

John G. Donnelly, Authorities Unit, Office of the Governor of New Jersey
Jay Hector, New York State Empire State Development Corporation
Robert Zerrillo, Office of the Governor, New York State
Rabbi Isaac Heschel, Port Authority Chaplain

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
Hon. Bruce A. Blakeman
Hon. Michael J. Chasanoff
Hon. David S. Mack
Hon. Bradford J. Race, Jr.
Hon. Anastasia M. Song

DESTRUCTION OF THE WORLD TRADE CENTER – EXPRESSION OF SYMPATHY, GRATITUDE AND RESOLVE

The Board of Commissioners of The Port Authority of New York and New Jersey, Commissioners Blakeman, Chasanoff, Donovan, Eisenberg, Gargano, Mack, Martini, Philibosian, Race, Sartor, Song and Weinstein voting in favor, adopted the following resolution:

“The Commissioners of the Port Authority express their deepest sympathies to the families of the Port Authority employees and thousands of others lost or still unaccounted for in the wake of the terrorist attacks that resulted in the catastrophic destruction of The World Trade Center on September 11, 2001. That so many Port Authority staff, including Executive Director Neil D. Levin*, are lost or still missing leaves the agency with an almost unbearable sense of sorrow and loss.

From the outset of this tragedy, the Port Authority Police and civilian staff, the New York City Police Department, the New York City Fire Department, and other city, state and federal emergency response teams have worked around the clock in search and rescue efforts, and the Board conveys its gratitude to all those who have engaged in those efforts, as well as to those countless individuals in the New York-New Jersey region, the nation and around the world who have supported these efforts and expressed their sympathies.

Although deeply saddened by what has happened, the Port Authority is mindful that millions of people depend on its transportation network and facilities. Accordingly, the Board expresses the resolute determination of the Port Authority to meet its responsibilities to carry on by providing the transportation services that are the economic underpinning for the bi-state region.”

and it is further,

RESOLVED, that in the aftermath of the terrorist attacks which resulted in the destruction of The World Trade Center, the Port Authority remains strong and more determined than ever to use its resources to address and respond to the damage done by the terrorist attacks, and to work on meeting the present and future transportation needs of the New York-New Jersey region; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized and directed, for and on behalf of the Port Authority, to work with other transportation agencies throughout the bi-state region to see that emergency transportation needs are met, that all possible steps are taken to ease and address the congestion and delays resulting from the World

* Individual resolutions will be prepared for each employee who has died or remains missing.

Trade Center catastrophe, and that transportation services are restored to normal as quickly as possible; and it is further

RESOLVED, that the Executive Director be and he hereby is *authorized and directed, for and on behalf of the Port Authority, to proceed as quickly as possible with implementation of the Port Authority capital plan previously approved by the Board.*

* Individual resolutions will be prepared for each employee who has died or remains missing.

**DESTRUCTION OF THE WORLD TRADE CENTER – PORT AUTHORITY
RELOCATION AND RECOVERY – AUTHORIZATION**

In light of the attacks which resulted in the catastrophic destruction of The World Trade Center on September 11, 2001, it is necessary for the Port Authority's principal offices formerly located at The World Trade Center offices to be relocated as quickly and as expeditiously as possible. Given this emergency, the great demand for sufficient office space resulting from the events of September 11, 2001, the need for immediate action to restore the capacity of the staff to function, and the continuing responsibilities of the Port Authority to operate its facilities, it was recommended that all prior action taken by staff since September 11, 2001 be ratified, and that staff, with the approval of the Board's Special Committee on Office Space and the Chairman of the Port Authority, be further authorized to take all necessary or appropriate action related to the relocation of staff offices.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Donovan, Eisenberg, Gargano, Mack, Martini, Philibosian, Race, Sartor, Song and Weinstein voting in favor; none against:

RESOLVED, that all prior actions taken by staff since September 11, 2001 be and they hereby are ratified, and that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to take any and all action as he may deem necessary or appropriate in connection with the relocation of staff offices formerly located at The World Trade Center; provided that any such action shall be approved by the Board's Special Committee on Office Space and the Chairman of the Port Authority; and it is further

RESOLVED, that the terms of any contracts, leases, or agreements in connection with the relocation of staff and the recovery of the ability of the staff to function shall be subject to approval as to form by General Counsel.

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES

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MINUTES of a meeting of Port Authority Trans-Hudson Corporation held Thursday, September 20, 2001, at 633 Third Avenue, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Lewis M. Eisenberg, Chairman
Hon. Kathleen A. Donovan
Hon. William J. Martini
Hon. Alan G. Philibosian
Hon. Anthony J. Sartor
Hon. James Weinstein

Ronald H. Shiftan
Ernesto L. Butcher, Vice-President
Jeffrey S. Green, Counsel

Kayla M. Bergeron
Bruce D. Bohlen
John D. Brill
Darrell Buchbinder
Gregory G. Burnham
William R. DeCota
Karen E. Eastman
Lawrence S. Hofrichter
Howard G. Kadin
Louis J. LaCapra
Francis J. Lombardi
Stephen Marinko
Charles F. McClafferty
James E. McCoy
Allen M. Morrison
Kenneth P. Philmus
Alan L. Reiss
Myron D. Ronis
Cosmo Servidio
Robert E. Van Etten
Christopher O. Ward
Peter Yerkes
Margaret R. Zoch

Guests:

John G. Donnelly
Jay Hector
Robert Zerrillo
Rabbi Isaac Hecshel

NEW YORK

Hon. Charles A. Gargano, Vice Chairman
Hon. Bruce A. Blakeman
Hon. Michael J. Chasanoff
Hon. David S. Mack
Hon. Bradford J. Race, Jr.
Hon. Anastasia M. Song

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Thursday, October 25, 2001

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MINUTES of a Meeting of The Port Authority of New York and New Jersey held Thursday, October 25, 2001, at the Port Authority Technical Center, City of Jersey City, County of Hudson, State of New Jersey.

PRESENT:

NEW JERSEY

Hon. Lewis M. Eisenberg, Chairman
 Hon. William J. Martini
 Hon. Alan G. Philiposian
 Hon. Anthony J. Sartor
 Hon. Jack Sinagra

Ronald H. Shiftan, Acting Executive Director
 Jeffrey S. Green, General Counsel
 Karen E. Eastman, Acting Secretary

Kayla M. Bergeron, Director, Public Affairs
 A. Paul Blanco, Director, Regional Development
 Bruce D. Bohlen, Treasurer
 John D. Brill, Director, Audit
 Darrell Buchbinder, Assistant General Counsel
 Gregory G. Burnham, Chief Technology Officer
 Ernesto L. Butcher, Chief Operating Officer
 Steven J. Coleman, Staff Public Information Officer, Public Affairs
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 William R. DeCota, Director, Aviation
 Michael P. DePallo, Director, PATH
 Diana Guzman, Executive Secretary, Office of Corporate Planning and External Affairs
 Linda C. Handel, Assistant Secretary
 Lawrence S. Hofrichter, Assistant General Counsel
 Howard G. Kadin, Senior Attorney, Law
 Louis J. LaCapra, Chief of Staff
 Richard M. Larrabee, Director, Port Commerce
 Christine R. Lipke, Executive Secretary, Office of the Executive Director
 Francis J. Lombardi, Chief Engineer
 Stephen Marinko, Attorney, Law
 Linda Martin, Senior Administrator, Real Estate
 Charles F. McClafferty, Chief Financial Officer
 James E. McCoy, Senior Administrator, Office of the Secretary
 Allen M. Morrison, Supervisor, Media Relations
 Cherrie L. Nanninga, Acting Deputy Chief Financial Officer/Director, Real Estate
 Jake A. Naso-Kushner, Strategic Advisor, Office of Corporate Planning and External Affairs
 Suzanne Niro, Senior Administrator, Office of the Inspector General
 Catherine F. Pavelec, Executive Assistant to the Secretary
 Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals
 Paul A. Pietropaolo, Executive Assistant to the Deputy Executive Director
 Alan L. Reiss, Deputy Director, Aviation
 Michael A. Scott, Assistant Director, Public Safety
 Cosmo Servidio, Special Assistant to the Chairman
 Douglas L. Smith, Director, Forecasting and Capital Planning
 Gregory J. Trevor, Senior Public Information Officer, Public Affairs
 Ian Van Praagh, Management Associate, Office of Corporate Planning and External Affairs
 Christopher O. Ward, Chief of Corporate Planning and External Affairs
 Peter Yerkes, Press Secretary

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Anastasia M. Song

Margaret R. Zoch, Comptroller

Guests:

Devon Graf, Director, Authorities Unit, Office of the Governor of New Jersey

Jay Hector, New York Empire State Development Corporation

Robert Zerrillo, Office of the Governor, New York State

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES

Thursday, October 25, 2001

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MINUTES of a meeting of Port Authority Trans-Hudson Corporation held Thursday, October 25, 2001, at the Port Authority Technical Center, City of Jersey City, County of Hudson, State of New Jersey.

PRESENT:

NEW JERSEY

Hon. Lewis M. Eisenberg, Chairman
 Hon. William J. Martini
 Hon. Alan G. Philibosian
 Hon. Anthony J. Sartor
 Hon. Jack Sinagra

Ronald H. Shiftan
 Ernesto L. Butcher, Vice-President
 Jeffrey S. Green, Counsel

Kayla M. Bergeron
 A. Paul Blanco
 Bruce D. Bohlen
 John D. Brill
 Darrell Buchbinder
 Gregory G. Burnham
 Steven J. Coleman
 Anthony G. Cracchiolo
 William R. DeCota
 Michael P. DePallo
 Karen E. Eastman
 Diana Guzman
 Linda C. Handel
 Lawrence S. Hofrichter
 Howard G. Kadin
 Louis J. LaCapra
 Richard M. Larrabee
 Christine R. Lipke
 Francis J. Lombardi
 Stephen Marinko
 Linda Martin
 Charles F. McClafferty
 James E. McCoy
 Allen M. Morrison
 Cherrie L. Nanninga
 Jake A. Naso-Kushner
 Suzanne Niro
 Catherine F. Pavelec
 Kenneth P. Philmus
 Paul A. Pietropaolo
 Alan L. Reiss
 Michael A. Scott
 Cosmo Servidio
 Douglas L. Smith
 Gregory J. Trevor
 Ian Van Praagh

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Anastasia M. Song

Christopher O. Ward
Peter Yerkes
Margaret R. Zoch

Guests:

Devon Graf
Jay Hector
Robert Zerrillo

NEWARK LEGAL AND COMMUNICATIONS CENTER
URBAN RENEWAL CORPORATION

MINUTES
Thursday, October 25, 2001

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MINUTES of the Meeting of the Newark Legal and Communications Center Urban Renewal Corporation held Thursday, October 25, 2001, at the Port Authority Technical Center, City of Jersey City, County of Hudson, State of New Jersey.

PRESENT:

NEW JERSEY

Hon. Lewis M. Eisenberg, Chairman
 Hon. William J. Martini
 Hon. Alan G. Philibosian
 Hon. Anthony J. Sartor
 Hon. Jack Sinagra

Ronald H. Shifan
 Jeffrey S. Green, Counsel
 Cherrie L. Nanninga, Vice-President and Secretary

Kayla M. Bergeron
 A. Paul Blanco
 Bruce D. Bohlen
 John D. Brill
 Darrell Buchbinder
 Gregory G. Burnham
 Ernesto L. Butcher
 Steven J. Coleman
 Anthony G. Cracchiolo
 William R. DeCota
 Michael P. DePallo
 Karen E. Eastman
 Diana Guzman
 Linda C. Handel
 Lawrence S. Hofrichter
 Howard G. Kadin
 Louis J. LaCapra
 Richard M. Larrabee
 Christine R. Lipke
 Francis J. Lombardi
 Stephen Marinko
 Linda Martin
 Charles F. McClafferty
 James E. McCoy
 Allen M. Morrison
 Jake A. Naso-Kushner
 Suzanne Niro
 Catherine F. Pavelec
 Kenneth P. Philmus
 Paul A. Pietropaolo
 Alan L. Reiss
 Michael A. Scott
 Cosmo Servidio
 Douglas L. Smith
 Gregory J. Trevor
 Ian Van Praagh
 Christopher O. Ward
 Peter Yerkes

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Anastasia M. Song

Margaret R. Zoch

Guests:

Devon Graf

Jay Hector

Robert Zerrillo

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Thursday, December 13, 2001

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MINUTES of a Meeting of The Port Authority of New York and New Jersey held Thursday, December 13, 2001, at 4-10 Irving Place, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Lewis M. Eisenberg, Chairman
 Hon. Kathleen A. Donovan
 Hon. William J. Martini
 Hon. Alan G. Philibosian
 Hon. Anthony J. Sartor
 Hon. Jack G. Sinagra

Ronald H. Shiftan, Acting Executive Director
 Jeffrey S. Green, General Counsel
 Karen E. Eastman, Acting Secretary

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Bradford J. Race, Jr.
 Hon. Anastasia M. Song

Gwendolyn Archie, Associate Administrator, Office of the Secretary
 Catherine M. Bergamini, Senior Administrator, Port Commerce
 John D. Brill, Director, Audit
 Gregory G. Burnham, Chief Technology Officer
 Ernesto L. Butcher, Chief Operating Officer
 Steven J. Coleman, Staff Public Information Officer, Public Affairs
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 William R. DeCota, Director, Aviation
 Michael P. DePallo, Director, PATH
 John C. Denise, Supervisor, Audio Visual/Photography, Operations Services
 Pasquale DiFulco, Public Information Officer, Public Affairs
 Nancy J. Ertag-Brand, Lead Financial Analyst, Office of the Chief Financial Officer
 Linda C. Handel, Assistant Secretary
 MaryLee Hannell, Executive Advisor to the Chief of Staff
 Alan H. Hicks, Public Information Officer, Public Affairs
 Amory Houghton, Senior Strategic Planner, Policy and Planning
 Howard G. Kadin, Senior Attorney, Law
 Louis J. LaCapra, Chief of Staff
 Richard M. Larrabee, Director, Port Commerce
 Francis J. Lombardi, Chief Engineer
 Maria Luongo, Executive Advisor to the Chief of Corporate Planning and External Affairs
 Stephen Marinko, Attorney, Law
 Charles F. McClafferty, Chief Financial Officer
 James E. McCoy, Senior Administrator, Office of the Secretary
 Allen M. Morrison, Supervisor, Public Affairs
 Jake A. Naso-Kushner, Strategic Advisor, Office of Corporate Planning and External Affairs
 Catherine F. Pavelec, Executive Assistant to the Secretary
 Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals
 Paul A. Pietropaolo, Executive Assistant to the Deputy Executive Director
 Alan L. Reiss, Deputy Director, Aviation
 Cosmo Servidio, Special Assistant to the Chairman
 Christopher O. Ward, Chief of Corporate Planning and External Affairs
 Peter Yerkes, Press Secretary, Public Affairs
 Margaret R. Zoch, Comptroller

Guests:

Janice Chianese

Jay Hector, New York Empire State Development Corporation

Joseph J. Seymour

DOWNTOWN RESTORATION PROGRAM – PHASE 1 - PROJECT AUTHORIZATION

It was recommended that the Board authorize: 1) a project for Phase 1 of the Downtown Restoration Program (Program) to re-establish Port Authority Trans-Hudson (PATH) rail service between New Jersey and Downtown New York, including: a) design and construction of a temporary PATH station at the World Trade Center site, and associated track and tunnel work, and b) rehabilitation and expansion of Exchange Place Station in Jersey City, New Jersey, and associated tunnel and track work, at an estimated total cost of \$544 million; and 2) the Executive Director to: a) take action with respect to contracts for professional services, equipment purchases, and construction contracts related to Phase 1 of the Program, and b) enter into such other agreements as may be necessary to effectuate the Program.

Due to the terrorist attacks and destruction of The World Trade Center on September 11, 2001, the PATH Terminal at The World Trade Center and the PATH Station at Exchange Place, as well as the two Hudson River tunnels connecting them, have been closed. Since then, Downtown New York has been without direct PATH service from New Jersey, affecting tens of thousands of daily commuters and hundreds of businesses. Although substitute ferry and bus services have partially addressed immediate needs, these services are inadequate to support the future regional transportation and economic requirements of Downtown New York on an interim or long-term basis. The timely restoration of PATH infrastructure and service will also be an essential catalyst for attracting businesses and commercial activity back to Downtown New York and the New York-New Jersey region. The Port Authority's assurance to promptly re-establish service, as the agency's number one priority, would clearly signal its commitment and ability to help rebuild Downtown New York.

Phase 1 activities of the Program would begin immediately, including:

- 1) development of design documents for: a) a temporary PATH station at The World Trade Center and associated new track work, platforms, vertical circulation, and fare controls, to accommodate PATH service within approximately 24 months while permanent transportation and site development plans are established and implemented; b) rehabilitation of PATH Tunnels "E" and "F" under the Hudson River between The World Trade Center and Exchange Place, to restore infrastructure damaged by flooding, along with certain upgrades to meet current standards; c) new crossovers, tracks, and modifications to Tunnel "L" and other infrastructure, at the west end of Exchange Place Station, to allow for earlier resumption of PATH service to Exchange Place within approximately 18 months and provide future operational flexibility; and d) structural foundations and other platform and tunnel work at Exchange Place Station, to expand platform capacity to meet egress requirements and in conjunction with plans to accommodate 10-car trains in the future, and to permit the performance of this work in a more economical and expeditious manner while that station is out of service;

- 2) award of consultant agreements for site assessment, engineering and architectural design, program management, and other technical and professional services necessary to implement the Program;
- 3) award of construction contracts and purchase orders for pre-purchase of certain equipment that have long lead fabrication times, such as electrical substations, escalators, track turnouts, switches, signals, and turnstiles; and
- 4) entering into such inter-agency or other third-party agreements, including associated land acquisition, easements for staging, access, and egress, as may be required to support this Program.

Major construction contracts for various Phase 1 components are scheduled for award in early and mid-2002. Authorizations to advance designs for a permanent PATH terminal in the area of The World Trade Center (Phase 2), and to develop conceptual options for World Trade Center site redevelopment and Lower Manhattan transportation improvements, are being sought separately. At appropriate times in the future, staff will seek project authorization to implement and construct subsequent phases of the project.

Total costs for the permanent improvements at the Exchange Place Station and rehabilitation of Tunnels E and F are estimated at approximately \$320 million. Total costs for the temporary World Trade Center PATH Station are currently estimated at \$224 million, for which there will be ongoing analysis and efforts to maximize the extent to which such work could apply to a permanent PATH terminal. Estimated total costs for the PATH system-related components of the Program, including Phase 1 and Phase 2 costs, could be in the range of \$1.5 billion-\$2 billion. It is expected that the Port Authority will seek the maximum recovery for costs related to this program from insurance and/or the Federal Emergency Management Agency.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Donovan, Eisenberg, Gargano, Martini, Philibosian, Sartor, Sinagra and Song voting in favor; none against:

RESOLVED, that a project for Phase 1 of the Downtown Restoration Program (Program) to re-establish Port Authority Trans-Hudson (PATH) rail service between New Jersey and Downtown New York, including: a) design and construction of a temporary PATH station at the World Trade Center site, and associated track and tunnel work, and b) rehabilitation and expansion of Exchange Place Station in Jersey City, New Jersey, and associated tunnel and track work, at an estimated total cost of \$544 million, including payments to contractors, allowances for extra work (if necessary) and net cost work, payments to consultants, planning, engineering, administrative and financial expenses, and a contingency (if necessary), 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 purchase and

construction contracts and contracts for professional and advisory services related to the foregoing as he deems in the best interest of the Port Authority, including, without limitation, award to the lowest bidder(s) qualified by reason of responsibility, experience and capacity to perform the work and whose bid price(s) the Executive Director deems reasonable, or to reject all proposals, solicit new proposals on revised or the same requirements or negotiate with one or more proposers or other contractors as he deems in the best interest of the Port Authority, and to order extra work (if necessary) and net cost work in connection with each contract, including supplemental agreements thereto, and enter into such other agreements as may be necessary to effectuate the Program; 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 other public agencies and third parties and to acquire property interests, as needed, to effectuate the work of the Program; 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 – PHASE 2 – PLANNING AUTHORIZATION

It was recommended that the Board authorize: 1) planning for Phase 2 of the Downtown Restoration Program (Program), including preliminary (Stage 1) design of a permanent Port Authority Trans-Hudson (PATH) system terminal in the area of The World Trade Center, at an estimated total cost of \$10 million, and 2) the Executive Director to: a) take action with respect to contracts for professional services related to Phase 2 of the Program, and b) enter into such other agreements as may be necessary to effectuate the Program.

Phase 1 of the Program provides for restoration of PATH service to Downtown New York, including construction of a temporary PATH station at The World Trade Center, within approximately 24 months. However, this would be a stand-alone facility without connections to other transit lines or commercial developments. An intermodal PATH terminal, with connections to subways and other mass transit, is essential to the future revitalization of Lower Manhattan and successful redevelopment of the World Trade Center site itself. Preliminary planning for the permanent PATH terminal would be coordinated with other concurrent long-term planning efforts for World Trade Center site redevelopment and Lower Manhattan transportation improvements.

Phase 2 activities of the Program would begin immediately, including:

- 1) development of preliminary design documents for the permanent PATH terminal in the area of the World Trade Center site; and
- 2) award of consultant agreements for site assessment, engineering and architectural design, and other technical and professional services necessary to implement this Program.

At appropriate times in the future, staff will seek authorization to implement and construct the permanent PATH terminal under Phase 2 of this Program.

Estimated total costs for the PATH system-related components of the Program, including Phase 1 and Phase 2 costs, could be in the range of \$1.5 billion-\$2 billion. It is expected that the Port Authority will seek the maximum recovery for costs related to this Program from insurance and/or the Federal Emergency Management Agency.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Donovan, Eisenberg, Gargano, Martini, Philibosian, Sartor, Sinagra and Song voting in favor; none against:

RESOLVED, that: 1) planning for Phase 2 of the Downtown Restoration Program (Program), including preliminary (Stage 1) design of a permanent Port Authority Trans-Hudson (PATH) system terminal in the area of The World Trade Center, at an estimated total cost of \$10 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 related to the foregoing project as he deems in the best interest of the Port Authority, and to enter into such other agreements as may be necessary to effectuate the Program; and it is further

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

DOWNTOWN RESTORATION PROGRAM – WORLD TRADE CENTER SITE REDEVELOPMENT AND LOWER MANHATTAN TRANSPORTATION IMPROVEMENTS – TEMPORARY WORLD TRADE CENTER SITE REMEDIATION – PLANNING AUTHORIZATION

It was recommended that the Board authorize, as part of the overall Downtown Restoration Program (Program): 1) planning for World Trade Center site redevelopment, and comprehensive Lower Manhattan transportation improvements, including development of long-range options, plans and estimates; 2) limited temporary World Trade Center site remediation measures, at an estimated total cost of \$10.5 million; and 3) the Executive Director to: a) take action with respect to contracts for professional services and construction contracts related to World Trade Center site planning and site remediation, and b) enter into such other agreements as may be necessary to effectuate the Program.

Although the timely restoration of Port Authority Trans-Hudson (PATH) rail service to Downtown New York remains the major priority in the wake of the destruction of The World Trade Center on September 11, 2001, the Port Authority must also prepare to take active roles in the future redevelopment of the 16-acre World Trade Center site itself, and also in comprehensive planning to improve regional accessibility to Lower Manhattan and to enhance the existing transportation network. These planning efforts would be in conjunction with various governmental agencies and other participating groups to develop and coordinate long-term plans for site redevelopment and transportation improvements. This planning will also influence potential changes to the pre-existing World Trade Center site configuration and impact on Port Authority interests.

Activities related to World Trade Center site redevelopment and Lower Manhattan transportation improvements would begin immediately, including:

- 1) development and preparation of plans and estimates for implementation of: a) temporary World Trade Center site remediation measures, including site recovery, construction access, installation of site definition, site protection, and other public amenities, and an interim memorial, b) preliminary options for World Trade Center site redevelopment and reconfiguration, and c) preliminary options for comprehensive Lower Manhattan transportation improvements, including intermodal connections between PATH, Metropolitan Transportation Authority (MTA) transit lines, ferries and other mass transit, all in coordination with other participating agencies and stakeholders, including the Lower Manhattan Redevelopment Corporation, the City of New York, and the MTA;
- 2) award of consultant agreements for site assessment, engineering and architectural design, and other technical and professional services necessary to implement the Program;
- 3) award of construction contracts for temporary site remediation measures, including minimal site protection and site definition work; and

- 4) entering into such inter-agency or other third-party agreements, including easements for staging, access, and egress, as may be required to support this Program.

The initial cost estimates do not include any construction expenditures for a potential interim memorial or significant landscaping or other improvements to the World Trade Center site, nor any costs associated with permanent site reconfiguration. At appropriate times in the future, as necessary and as plans are finalized, staff will seek additional authorizations to advance preliminary design, reconfigure the World Trade Center site, construct World Trade Center site amenities, or implement Lower Manhattan transportation improvements arising from these initial planning efforts. It is expected that the Port Authority will seek the maximum recovery for costs related to this Program from insurance and/or the Federal Emergency Management Agency.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Donovan, Eisenberg, Gargano, Martini, Philibosian, Sartor, Sinagra and Song voting in favor; none against:

RESOLVED, that: 1) planning for: a) World Trade Center site redevelopment, and b) comprehensive Lower Manhattan transportation improvements, including development of long-range options, plans and estimates; and 2) limited temporary World Trade Center site remediation measures, at an estimated total cost of \$10.5 million, including payments to contractors, allowances for extra work (if necessary) and net cost work, payments to consultants, planning, engineering, administrative and financial expenses, be and they hereby are 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 purchase and construction contracts and contracts for professional and advisory services related to the foregoing project as he deems in the best interest of the Port Authority, including, without limitation, award to the lowest bidder(s) qualified by reason of responsibility, experience and capacity to perform the work and whose bid prices the Executive Director deems reasonable; or to reject all proposals, solicit new proposals on revised or the same requirements or negotiate with one or more proposers or other contractors as he deems in the best interest of the Port Authority, and to order extra work (if necessary) and net cost work in connection with each contract, including supplemental agreements thereto, and enter into such other agreements as may be necessary to effectuate the project; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into agreements with other public agencies or third parties and to acquire property interests, as needed, to effectuate the work of the project; and it is further

RESOLVED, that the form of all contracts and agreements, in each case,

in connection with the foregoing shall be subject to the approval of General Counsel or his authorized representative.

ESTABLISHMENT OF THE WORLD TRADE CENTER PORT AUTHORITY MEMORIAL FUND

As a result of the terrorist attacks on The World Trade Center on September 11, 2001, 75 employees of the Port Authority were lost or are unaccounted for, as are many employees of service providers to the Port Authority and other employees who worked at The World Trade Center. To recognize these victims of the attacks, and to accommodate the tremendous spirit of generosity exhibited by Port Authority employees and others who have offered to help the surviving employees and the families of those affected by this catastrophe, it was recommended that a fund be established to accept contributions and provide assistance presently and in the future. The Port Authority has received contributions and offers of contributions from individuals and businesses wishing to provide a measure of relief to the many individuals who have suffered losses as a result of the attacks.

It is intended that the monies contributed would be used to provide direct support and assistance to victims of the attacks, including: the immediate families of Port Authority employees who were lost or are unaccounted for; Port Authority employees (and their immediate families) who suffered physical, psychological and/or economic injury; the immediate families of those employees of service providers who were lost or are unaccounted for; employees of service providers who suffered physical, psychological and/or economic injury; and others impacted by the terrorist attacks. In view of the unprecedented nature of the attacks and their catastrophic results, and the inability to predict the nature of the needs of the victims, it is difficult to specify all of the types of relief that may be required, and all the potential victims who may need such relief. Grants, loans, services, or goods would be provided directly or through other organizations to ensure that the surviving employees and families of all of those affected may have the necessities of life essential to physical, mental, and emotional well-being, and the ability to overcome the hardships attributable to their losses. It is contemplated that fund administrators would take a broad view of such necessities, and the needs of the families, while remaining aware of the large-scale fundraising and assistance efforts that have begun in the aftermath of the attacks on The World Trade Center. The Chairman would appoint an Advisory Committee to provide oversight to assure conformance with the purposes of this resolution in light of the vast, and unanticipated, needs of the victims.

Monies received by the Port Authority or to be contributed directly would be provided, in whole or in part, to The World Trade Center Port Authority Memorial Fund (Fund). The Executive Director would be authorized to make necessary or appropriate arrangements for the effectuation of the purposes of this resolution and the administration of the Fund, including establishment of the Fund as a not-for-profit charitable entity recognized by the Internal Revenue Service, or as a component of the Port Authority. It is anticipated that the Fund would act so as to be qualified to receive tax-deductible donations to the extent permitted by law.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Donovan, Eisenberg, Gargano, Martini, Philibosian, Sartor, Sinagra and Song voting in favor; none against:

RESOLVED, that the acceptance of contributions, and the establishment of The World Trade Center Port Authority Memorial Fund (Fund), each effective as of September 29, 2001, to provide direct assistance to the families of those who were lost or are unaccounted for as a result of the terrorist attacks on The World Trade Center on September 11, 2001, as well as to all others who are victims of these or similar terrorist attacks, be and they hereby are approved; 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 such action as he deems necessary or appropriate to effectuate the purposes of this resolution and the administration of the Fund, including, but not limited to, the establishment of a charitable entity or a component of the Port Authority, for the distribution of funds directly by the Port Authority; and to provide for the annual costs of or charges assessed for the administration of the Fund; and it is further

RESOLVED, that the Chairman be and he hereby is authorized to appoint an Advisory Committee which will oversee and provide guidance to the staff for the purposes of this resolution and with respect to the administration of the Fund; and it is further

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

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES

Thursday, December 13, 2001

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MINUTES of a meeting of Port Authority Trans-Hudson Corporation held Thursday, December 13, 2001, at 4-10 Irving Street, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Lewis M. Eisenberg, Chairman
 Hon. Kathleen A. Donovan
 Hon. William J. Martini
 Hon. Alan G. Philibosian
 Hon. Anthony J. Sartor
 Hon. Jack G. Sinagra

Ronald H. Shiftan
 Ernesto L. Butcher, Vice-President
 Jeffrey S. Green, Counsel

Gwendolyn Archie
 Catherine M. Bergamini
 John D. Brill
 Gregory G. Burnham
 Steven J. Coleman
 Anthony G. Cracchiolo
 William R. DeCota
 Michael P. DePallo
 John C. Denise
 Pasquale DiFulco
 Karen E. Eastman
 Nancy J. Ertag-Brand
 Linda C. Handel
 MaryLee Hannell
 Alan H. Hicks
 Amory Houghton
 Howard G. Kadin
 Louis J. LaCapra
 Richard M. Larrabee
 Francis J. Lombardi
 Maria Luongo
 Stephen Marinko
 Charles F. McClafferty
 James E. McCoy
 Allen M. Morrison
 Jake A. Naso-Kushner
 Catherine F. Pavelec
 Kenneth P. Philmus
 Paul A. Pietropaolo
 Alan L. Reiss
 Cosmo Servidio
 Christopher O. Ward
 Peter Yerkes
 Margaret R. Zoch

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Bradford J. Race, Jr.
 Hon. Anastasia M. Song

Guests:

Janice Chianese

Jay Hector

Joseph J. Seymour

**NEWARK LEGAL AND COMMUNICATIONS CENTER
URBAN RENEWAL CORPORATION**

**MINUTES
Thursday, December 13, 2001**

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MINUTES of the Meeting of the Newark Legal and Communications Center Urban Renewal Corporation held Thursday, December 13, 2001, at 4-10 Irving Place, City, County and State of New York.

PRESENT:

Hon. Lewis M. Eisenberg, Chairman
 Hon. Kathleen A. Donovan
 Hon. William J. Martini
 Hon. Alan G. Philibosian
 Hon. Anthony J. Sartor
 Hon. Jack G. Sinagra

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Bradford J. Race, Jr.
 Hon. Anastasia M. Song

Ronald H. Shiftan
 Jeffrey S. Green, Counsel

Gwendolyn Archie
 Catherine M. Bergamini
 John D. Brill
 Gregory G. Burnham
 Ernesto L. Butcher
 Steven J. Coleman
 Anthony G. Cracchiolo
 William R. DeCota
 Michael P. DePallo
 John C. Denise
 Pasquale DiFulco
 Karen E. Eastman
 Nancy J. Ertag-Brand
 Linda C. Handel
 MaryLee Hainell
 Alan H. Hicks
 Amory Houghton
 Howard G. Kadin
 Louis J. LaCapra
 Richard M. Larrabee
 Francis J. Lombardi
 Maria Luongo
 Stephen Marinko
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 Jake A. Naso-Kushner
 Catherine F. Pavelec
 Kenneth P. Philmus
 Paul A. Pietropaolo
 Alan L. Reiss
 Cosmo Servidio
 Christopher O. Ward
 Peter Yerkes
 Margaret R. Zoch

Guests:

Janice Chianese

Jay Hector

Joseph J. Seymour

NEW YORK AND NEW JERSEY RAILROAD CORPORATION

MINUTES

Thursday, December 13, 2001

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MINUTES of the Meeting of the New York and New Jersey Railroad Corporation held Thursday, December 13, 2001, at 4-10 Irving Place, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Lewis M. Eisenberg, Chairman
 Hon. Kathleen A. Donovan
 Hon. William J. Martini
 Hon. Alan G. Philibosian
 Hon. Anthony J. Sartor
 Hon. Jack G. Sinagra

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Bradford J. Race, Jr.
 Hon. Anastasia M. Song

Ronald H. Shiftan
 Jeffrey S. Green, Vice-President and Secretary

Gwendolyn Archie
 Catherine M. Bergamini
 John D. Brill
 Gregory G. Burnham
 Ernesto L. Butcher
 Steven J. Coleman
 Anthony G. Cracchiolo
 William R. DeCota
 Michael P. DePallo
 John C. Denise
 Pasquale DiFulco
 Karen E. Eastman
 Nancy J. Ertag-Brand
 Linda C. Handel
 MaryLee Hannell
 Alan H. Hicks
 Amory Houghton
 Howard G. Kadin
 Louis J. LaCapra
 Richard M. Larrabee
 Francis J. Lombardi
 Maria Luongo
 Stephen Marinko
 Charles F. McClafferty
 James E. McCoy
 Allen M. Morrison
 Jake A. Naso-Kushner
 Catherine F. Pavelec
 Kenneth P. Philmus
 Paul A. Pietropaolo
 Alan L. Reiss
 Cosmo Servidio
 Christopher O. Ward
 Peter Yerkes
 Margaret R. Zoch
Guests:

Janice Chianese
Jay Hector
Joseph J. Seymour

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Thursday, February 28, 2002

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**MINUTES of a Meeting of The Port Authority of New York and New Jersey held Thursday,
February 28, 2002, at 2 Broadway, City, County and State of New York.**

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
Hon. William J. Martini
Hon. Alan G. Philiposian
Hon. Anthony J. Sartor

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
Hon. Bruce A. Blakeman
Hon. Michael J. Chasanoff
Hon. David S. Mack
Hon. Anastasia M. Song

Joseph J. Seymour, Executive Director
Jeffrey S. Green, General Counsel
Karen E. Eastman, Acting Secretary

Gwendolyn Archie, Administrator, Office of the Secretary
Kayla Bergeron, Director, Public Affairs
Bruce D. Bohlen, Treasurer
John D. Brill, Director, Audit
Gregory G. Burnham, Chief Technology Officer
Ernesto L. Butcher, Chief Operating Officer
Janice Chiantese, Special Advisor to the Chairman
Rosemary Chiricolo, Assistant Director, Financial Services
Anthony Cracchiolo, Director, Priority Capital Programs
William R. DeCota, Director, Aviation
John Denise, Supervisor, Audio Visual/Photography, Operations Services
Michael DePallo, Director, PATH
Michael Dombrowski, Cinematographer, Operations Services
Linda C. Handel, Assistant Secretary
Edward L. Jackson, Director, Financial Services
Howard G. Kadin, Senior Attorney, Law
Louis J. LaCapra, Chief of Staff
Richard M. Larrabee, Director, Port Commerce
Francis J. Lombardi, Chief Engineer
Maria Luongo, Executive Advisor, Corporate Planning and External Affairs
Stephen Marinko, Attorney, Law
Charles F. McClafferty, Chief Financial Officer
James E. McCoy, Senior Administrator, Office of the Secretary
Joseph Morris, Chief of Department/Acting Superintendent of Police
Allen M. Morrison, Supervisor, Public Affairs
Catherine F. Pavelec, Executive Assistant to the Secretary
Michael A. Petralia, Chief of Government, Community and Public Relations
Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals
Alan L. Reiss, Deputy Director, Aviation
Douglas Smith, Director, Office of Forecasting & Capital Planning
Gregory Trevor, Senior Public Information Officer, Public Affairs
Robert Van Etten, Inspector General
Richard Wright, State Legislative Representative
Peter Yerkes, Press Secretary
Margaret R. Zoch, Comptroller

**WORLD TRADE CENTER ECONOMIC RECOVERY POWER PROGRAM -
AUTHORIZATION FOR PORT AUTHORITY PARTICIPATION**

It was recommended that the Board authorize the Executive Director to enter into a Memorandum of Understanding with the New York Power Authority (NYPA) and the Empire State Development Corporation (ESDC) to provide for Port Authority participation in the World Trade Center Economic Recovery Power Program (Program). Under the Program, the Port Authority will assist in the economic recovery of New York City through the resale of NYPA-supplied electricity to businesses dislocated by the September 11, 2001 terrorist attacks and to businesses willing to relocate to or remain in Lower Manhattan.

The State of New York has enacted legislation (Legislation) authorizing NYPA to supply up to 80 megawatts of electric power (roughly what The World Trade Center consumed) to its public corporation customers within New York City for resale to former tenants of World Trade Center buildings One, Two, Four, Five and Six and to certain other displaced businesses that have relocated either within certain designated areas of Lower Manhattan or elsewhere in the City of New York and have committed to move back into the designated areas when redevelopment is completed, and to other businesses located or intending to locate in the designated areas and retain or create jobs in those areas. The Legislation directs NYPA to determine the terms and conditions of such resale. The Program has been established to implement the Legislation, and the Memorandum of Understanding sets forth the understanding of the parties with respect to implementing the Program.

By participating in the Program, the Port Authority will continue its central role in utilizing the electric power capacity formerly consumed at The World Trade Center, and thereby help assure its availability in connection with World Trade Center site redevelopment. The Port Authority is participating in the Program with the understanding that its participation will not subject the Port Authority to any taxation or assessment, and will not affect, or be deemed to affect, the Port Authority's tax-exempt status.

Under the Program, NYPA will sell up to 80 megawatts of power to the Port Authority under the existing NYPA-Port Authority electricity contract. The Port Authority will resell this power to businesses that meet the eligibility standards established under the Legislation. A review team consisting of representatives of NYPA, the Port Authority and ESDC will review applications and determine eligibility and power allocation priorities under the Program.

The initial term of the resale agreements is three years and would cover appropriate administrative and other costs. Any extensions will be based on the availability of the power and its intended use for the redevelopment of the World Trade Center site. Port Authority participation in the Program is crucial to the success of the Program, which is an important component of the array of economic measures necessary for the revitalization of Lower Manhattan.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Mack, Martini, Philibosian, Sartor, Sinagra and Song voting in favor; Commissioner Gargano abstaining; 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 Memorandum of Understanding with the New York Power Authority and the Empire State Development Corporation substantially in accordance with the terms outlined to the Board; the form of the memorandum shall be subject to the approval of General Counsel or his authorized representative.

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES

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MINUTES of a meeting of Port Authority Trans-Hudson Corporation held Thursday, February 28, 2002, at 2 Broadway, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
Hon. William J. Martini
Hon. Alan G. Philiposian
Hon. Anthony J. Sartor

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
Hon. Bruce A. Blakeman
Hon. Michael J. Chasanoff
Hon. David S. Mack
Hon. Anastasia M. Song

Joseph J. Seymour, President
Ernesto L. Butcher, Vice-President
Jeffrey S. Green, Counsel

Gwendolyn Archie
Kayla Bergeron
Bruce D. Bohlen
John D. Brill
Gregory G. Burnham
Janice Chiantese
Rosemary Chiricolo
Anthony G. Cracchiolo
William R. DeCota
John C. Denise
Michael P. DePallo
Michael Dombrowski
Karen E. Eastman
Linda C. Handel
Edward L. Jackson
Howard G. Kadin
Louis J. LaCapra
Richard M. Larrabee
Francis J. Lombardi
Maria Luongo
Stephen Marinko
Charles F. McClafferty
James E. McCoy
Joseph Morris
Allen M. Morrison
Catherine F. Pavelec
Michael A. Petralia
Kenneth P. Philmus
Alan L. Reiss
Douglas Smith
Gregory Trevor
Robert Van Etten
Richard Wright
Peter Yerkes
Margaret R. Zoch

**NEWARK LEGAL AND COMMUNICATIONS CENTER
URBAN RENEWAL CORPORATION**

MINUTES

Thursday, February 28, 2001

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MINUTES of the Meeting of the Newark Legal and Communications Center Urban Renewal Corporation held Thursday, February 28, 2001, at 2 Broadway, City, County and State of New York.

PRESENT:

Hon. Jack G. Sinagra, Chairman
 Hon. William J. Martini
 Hon. Alan G. Philibosian
 Hon. Anthony J. Sartor

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Anastasia M. Song

Joseph J. Seymour, President
 Jeffrey S. Green, Counsel

Gwendolyn Archie
 Kayla Bergeron
 Bruce D. Bohlen
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 Richard M. Larrabee
 Francis J. Lombardi
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 Stephen Marinko
 Charles F. McClafferty
 James E. McCoy
 Joseph Morris
 Allen M. Morrison
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 Michael A. Petralia
 Kenneth P. Philmus
 Alan L. Reiss
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 Gregory Trevor
 Robert Van Etten
 Richard Wright
 Peter Yerkes
 Margaret R. Zoch

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

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**MINUTES of a Meeting of The Port Authority of New York and New Jersey held Thursday,
March 14, 2002, at 2 Broadway, City, County and State of New York.**

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
Hon. William J. Martini
Hon. Alan G. Philiposian
Hon. Anthony J. Sartor

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
Hon. Bruce A. Blakeman
Hon. Michael J. Chasanoff

Joseph J. Seymour, Executive Director
Jeffrey S. Green, General Counsel
Karen E. Eastman, Acting Secretary

Gwendolyn Archie, Administrator, Office of the Secretary
Kayla M. Bergeron, Director, Public Affairs
A. Paul Blanco, Acting Chief of Planning and Development
Gregory G. Burnham, Chief Technology Officer
Ernesto L. Butcher, Chief Operating Officer
Janice Chiantese, Special Advisor to the Chairman
Anthony G. Cracchiolo, Director, Priority Capital Programs
William R. DeCota, Director, Aviation
John C. Denise, Supervisor, Audio Visual/Photography, Operations Services
Michael P. DePallo, Director, PATH
Michael Dombrowski, Cinematographer, Operations Services
Linda C. Handel, Assistant Secretary
Edward L. Jackson, Director, Financial Services
Howard G. Kadin, Senior Attorney, Law
Louis J. LaCapra, Chief of Staff
Richard M. Larrabee, Director, Port Commerce
Francis J. Lombardi, Chief Engineer
Stephen Marinko, Attorney, Law
Charles F. McClafferty, Chief Financial Officer
James E. McCoy, Senior Administrator, Office of the Secretary
Joseph Morris, Chief of Department/Acting Superintendent of Police
Allen M. Morrison, Supervisor, Public Affairs
Catherine F. Pavelec, Executive Assistant to the Secretary
Michael A. Petralia, Chief of Public and Government Relations
Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals
Douglas L. Smith, Director, Office of Forecasting & Capital Planning
Gregory J. Trevor, Senior Public Information Officer, Public Affairs
Robert Van Etten, Inspector General
Richard Wright, State Legislative Representative
Peter Yerkes, Press Secretary

Guest:

Noreen Giblin, Authorities Unit, Office of the Governor of New Jersey

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES
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MINUTES of a meeting of Port Authority Trans-Hudson Corporation held Thursday, March 14, 2002, at 2 Broadway, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
Hon. William J. Martini
Hon. Alan G. Philiposian
Hon. Anthony J. Sartor

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
Hon. Bruce A. Blakeman
Hon. Michael J. Chasanoff

Joseph J. Seymour, President
Ernesto L. Butcher, Vice-President
Jeffrey S. Green, Counsel

Gwendolyn Archie
Kayla M. Bergeron
A. Paul Blanco
Gregory G. Burnham
Janice Chiantese
Anthony G. Cracchiolo
William R. DeCota
John C. Denise
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Louis J. LaCapra
Richard M. Larrabee
Francis J. Lombardi
Stephen Marinko
Charles F. McClafferty
James E. McCoy
Joseph Morris
Allen M. Morrison
Catherine F. Pavelec
Michael A. Petralia
Kenneth P. Philmus
Douglas L. Smith
Gregory J. Trevor
Robert Van Etten
Richard Wright
Peter Yerkes

Guest:

Noreen Giblin

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Tuesday, April 23, 2002

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MINUTES of the Annual Meeting of The Port Authority of New York and New Jersey held Tuesday, April 23, 2002, at 2 Broadway, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
 Hon. William J. Martini
 Hon. Anthony J. Sartor

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Anastasia M. Song

Joseph J. Seymour, Executive Director
 Jeffrey S. Green, General Counsel
 Karen E. Eastman, Acting Secretary

Gwendolyn Archie, Administrator, Office of the Secretary
 A. Paul Blanco, Acting Chief, Planning and Development
 Bruce D. Bohlen, Treasurer
 John D. Brill, Director, Audit
 Gregory G. Burnham, Chief Technology Officer
 Ernesto L. Butcher, Chief Operating Officer
 Wilfred Chabrier, General Manager, Office of Business and Job Opportunity
 Janice Chiantese, Special Advisor to the Chairman
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 William R. DeCota, Director, Aviation
 John C. Denise, Supervisor, Audio Visual/Photography, Operations Services
 Michael P. DePallo, Director, PATH
 Michael Dombrowski, Cinematographer, Operations Services
 Linda C. Handel, Assistant Secretary
 Edward L. Jackson, Director, Financial Services
 Louis J. LaCapra, Chief Administrative Officer
 Francis J. Lombardi, Chief Engineer
 Stephen Marinko, Attorney, Law
 Charles F. McClafferty, Chief Financial Officer
 James E. McCoy, Senior Administrator, Office of the Secretary
 Joseph M. Morris, Chief of Department, Public Safety
 Catherine F. Pavelec, Executive Assistant to the Secretary
 Michael A. Petralia, Chief of Public and Government Relations
 Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals
 Samuel J. Plumeri, Jr., Assistant Director, Government and Community Relations
 Myron D. Ronis, Deputy Director, Port Commerce
 Edmond F. Schorno, Chief of Staff
 Douglas L. Smith, Director, Office of Forecasting & Capital Planning
 Gregory J. Trevor, Senior Public Information Officer, Public Affairs
 Margaret R. Zoch, Comptroller

THE WORLD TRADE CENTER - SPECIAL MEDAL AWARDS PROGRAM

It was recommended that the Board authorize the Executive Director to present World Trade Center Special Medal Awards to recipients identified by The World Trade Center Special Awards Subcommittee (the Subcommittee).

The Subcommittee, which consists of Commissioners David S. Mack and Alan G. Philibosian, Chief Operating Officer Ernesto L. Butcher and General Counsel Jeffrey S. Green, was created to develop a suitable way to recognize the extraordinary efforts of staff and to honor staff lost on September 11, 2001. It reported on March 14, 2002, that it concurred in staff recommendations that medals should be struck to honor those lost during the attacks, individuals and/or teams who exhibited extraordinary valor, heroism or physical courage by putting their lives or safety at risk to help others, and to those individuals and/or teams that displayed an extraordinary level of service, effort or accomplishment, during or in the aftermath of the September 11, 2001, terrorist attacks on The World Trade Center. The Medal Awards ceremony would be scheduled for later in the Spring. A nomination and review process has commenced, and a list of recipients is to be provided to the Commissioners.

To honor individuals and/or teams, the following special medal awards are to be granted:

Medal of Honor (for Police and Civilians)

The Medal of Honor is to be presented to staff members who performed a specific act clearly involving extreme danger and exemplified extraordinary bravery in the face of circumstances which could surely have led to grave personal injury or death.

The Medal of Honor (Posthumous) is to be presented to staff members or contract staff members who performed a specific act clearly involving extreme danger and exemplified extraordinary bravery, leading to their death.

September 11th Police Commendation Award

This award is to be presented to members of the Public Safety Department who, on September 11, 2001, the day of the terrorist attacks on The World Trade Center, responded to the emergency and performed a specific act involving either personal risk (beyond the normal requirements of the job) or exceptionally good judgment (clearly outstanding to the degree that highly undesirable consequences would otherwise have resulted unless the corrective action was taken).

September 11th Commendation Award

This award is to be presented to an individual or a group of individuals who, on September 11, 2001, the day of the terrorist attacks on The World Trade Center, performed a specific act involving either personal risk (beyond the normal requirement of the job) or exceptionally good judgment (clearly outstanding to the degree that highly undesirable consequences would otherwise have resulted unless the corrective action was taken).

Award for Exceptional Service (Individual)

This award is to be presented to individuals distinguished by an extraordinary level of service, effort or accomplishment, during or in the aftermath of the terrorist attacks on The World Trade Center on September 11, 2001.

Award for Exceptional Service (Team)

This award is to be presented to a team distinguished by an extraordinary level of service, effort or accomplishment, during or in the aftermath of the terrorist attacks on The World Trade Center on September 11, 2001. These teams may be interdepartmental groups and may include job shoppers, contractors and, in some cases, other outsiders.

Special Citation

This award is to be presented to individuals who demonstrated courage and perseverance on September 11, 2001, under historically challenging circumstances.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Mack, Martini, Sartor, Sinagra and Song voting in favor; none against:

RESOLVED, that The Port Authority of New York and New Jersey hereby establishes a series of medals and awards honoring those lost during the September 11, 2001, terrorist attacks on The World Trade Center (Attacks), individuals and/or teams who exhibited extraordinary valor, heroism, or physical courage, or an extraordinary level of service, effort or accomplishment, during or in the aftermath of the Attacks, including the Medal of Honor (for police and civilians), the Medal of Honor Posthumous (for police and civilians), the September 11th Police Commendation Award, the September 11th Commendation Award, the Award for Exceptional Service (individual or team), and the Special Citation; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized and directed to take all necessary and appropriate steps for the establishment of these medals and awards and, based upon the report of The World Trade Center Special Awards Subcommittee, for the selection of individuals who are to receive such medals and awards.

**THE WORLD TRADE CENTER - REBUILDING OF CON EDISON SUBSTATION
AND 7 WORLD TRADE CENTER REDEVELOPMENT PROJECT**

It was recommended that the Board authorize the Executive Director to enter into an agreement with Lower Manhattan Development Corporation (LMDC) and/or Empire State Development Corporation (ESDC) and/or any other government entity to reimburse LMDC and/or ESDC and/or any other government entity for any and all costs incurred with respect to the retention of one or more consultants hired in connection with the acquisition of an approximately 22-foot strip of land located within the bed of Vesey Street, in Manhattan (the Property). Acquisition of the Property is necessary in connection with the rebuilding of the Consolidated Edison (Con Edison) substation and the 7 World Trade Center redevelopment project. Accordingly, it was also recommended that the Board authorize the Executive Director to: (i) enter into any and all agreements to pay and/or provide any other consideration required to satisfy any and all condemnation awards on behalf of LMDC and/or ESDC and/or any other government entity in connection with the Property; and (ii) enter into any and all agreements with LMDC and/or ESDC and/or any other government entity or any other party in connection with the Property as may be necessary to facilitate, effectuate and complete the rebuilding of the Con Edison substation and the 7 World Trade Center redevelopment project.

Pursuant to the foregoing report, the following resolution was adopted with *Commissioners Blakeman, Chasanoff, Mack, Martini, Sartor, Sinagra and Song 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: (i) enter into an agreement with Lower Manhattan Development Corporation (LMDC) and/or Empire State Development Corporation (ESDC) and/or any other government entity to reimburse LMDC and/or ESDC and/or any other government entity for any and all costs incurred with respect to the retention of one or more consultants hired in connection with the acquisition of an approximately 22-foot strip of land located within the bed of Vesey Street, in Manhattan (the Property); (ii) enter into any and all agreements to pay and/or provide any other consideration required to satisfy any and all condemnation awards on behalf of LMDC and/or ESDC and/or any other government entity in connection with the Property; and (iii) enter into any and all agreements with LMDC and/or ESDC and/or any other government entity or any other party in connection with the Property as may be necessary to facilitate, effectuate and complete the rebuilding of the Consolidated Edison substation and the 7 World Trade Center redevelopment project; and it is further

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

**DOWNTOWN RESTORATION PROGRAM – COOPERATION AGREEMENT
BETWEEN THE LOWER MANHATTAN DEVELOPMENT CORPORATION
AND THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY**

It was recommended that the Board authorize the Executive Director to enter into a Cooperation Agreement with the Lower Manhattan Development Corporation (LMDC) to jointly develop conceptual plans for World Trade Center (WTC) site redevelopment and Lower Manhattan transportation improvements. Under the proposed Cooperation Agreement, LMDC and the Port Authority would develop a conceptual plan within LMDC's geographic area (south of Houston Street), with a particular focus on the WTC site and immediately adjacent areas. The plan would include identification and analysis of Lower Manhattan urban planning issues, including the size, scope and location of a permanent memorial, the location of commercial and cultural development, and the potential reopening of a street grid pattern at the WTC site, as well as transportation systems and interconnections, including projected pedestrian and vehicular flows and traffic volumes.

The proposed Cooperation Agreement is consistent with LMDC's mission to call upon the resources of and work closely with the Port Authority, among others, to identify the appropriate redevelopment of the WTC site. In December 2001, the Board authorized planning, at a total estimated cost of \$10.5 million, for WTC site remediation and Lower Manhattan transportation and other improvements. Pursuant to this authorization, the Port Authority is also able to retain consultants on its own behalf, in conjunction with LMDC or at the request of LMDC, to assist in the development of conceptual plans, at an estimated cost of approximately \$3 million.

LMDC (a subsidiary of New York's Empire State Development Corporation (ESDC) whose members have been appointed by the Governor of New York and the Mayor of New York City) has overall responsibility to coordinate and plan the restoration and redevelopment of Lower Manhattan, including developing a consensus for establishing a permanent memorial at the WTC site. As the owner of the 16-acre site of the former World Trade Center and Port Authority Trans-Hudson (PATH) rail terminal, the Port Authority has primary responsibility for a portion of this area, for which it has significant statutory and fiduciary obligations and financial interests. The Port Authority, along with others, also has the resources and the responsibility to participate in planning and improving the regional interstate transportation infrastructure. Therefore, it is in the interest of the region for the LMDC and the Port Authority to work collaboratively to produce and support feasible development plans for Lower Manhattan that address numerous overlapping interests.

LMDC would coordinate a variety of outreach and communication efforts to assure the maximum amount of broad-based input from community boards and advisory boards, civic groups, and the media. LMDC would make specific recommendations on a number of issues, including the design process and guidelines for the permanent memorial, such as recommended size and location. The Port Authority would coordinate the WTC site redevelopment planning with its World Trade Center net lessees. Other transportation and government agencies would be consulted and invited to participate as appropriate in the study. Key participants would include the New York State and City Departments of Transportation, the New York City Planning

Commission, New York State's Metropolitan Transportation Authority, the New York City Economic Development Corporation, and ESDC.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Mack, Martini, Sartor, Sinagra and Song 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 Cooperation Agreement with the Lower Manhattan Development Corporation (LMDC) to jointly develop conceptual plans (Plans) for World Trade Center site redevelopment and Lower Manhattan transportation improvements; 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 an agreement or agreements with respect to the retention of consultants on behalf of the Port Authority, in conjunction with LMDC or at the request of LMDC, chosen after a publicly advertised Request for Proposals process, who, in the Executive Director's opinion, are qualified by reason of responsibility, experience and capacity to assist in the development of the Plans, at an estimated cost of approximately \$3 million; and it is further

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

PORT AUTHORITY TRANS-HUDSON CORPORATION

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MINUTES of the Annual Meeting of Port Authority Trans-Hudson Corporation held Tuesday, April 23, 2002, at 2 Broadway, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
 Hon. William J. Martini
 Hon. Anthony J. Sartor

Joseph J. Seymour, President
 Ernesto L. Butcher, Vice-President
 Jeffrey S. Green, Counsel

Gwendolyn Archie
 A. Paul Blanco
 Bruce D. Bohlen
 John D. Brill
 Gregory G. Burnham
 Wilfred Chabrier
 Janice Chiantese
 Anthony G. Cracchiolo
 William R. DeCota
 John C. Denise
 Michael P. DePallo
 Michael Dombrowski
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 Charles F. McClafferty
 James E. McCoy
 Joseph M. Morris
 Catherine F. Pavelec
 Michael A. Petralia
 Kenneth P. Philmus
 Samuel J. Plumeri, Jr.
 Myron D. Ronis
 Edmond F. Schorno
 Douglas L. Smith
 Gregory J. Trevor
 Margaret R. Zoch

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Anastasia M. Song

**NEWARK LEGAL AND COMMUNICATIONS CENTER
URBAN RENEWAL CORPORATION**

**MINUTES
Tuesday, April 23, 2002**

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MINUTES of the Annual Meeting of the Newark Legal and Communications Center Urban Renewal Corporation held Tuesday, April 23, 2002, at 2 Broadway, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
 Hon. William J. Martini
 Hon. Anthony J. Sartor

Joseph J. Seymour, President
 Jeffrey S. Green, Counsel

Gwendolyn Archie
 A. Paul Blanco
 Bruce D. Bohlen
 John D. Brill
 Gregory G. Burnham
 Ernesto L. Butcher
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 Margaret R. Zoch

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Anastasia M. Song

NEW YORK AND NEW JERSEY RAILROAD CORPORATION

MINUTES
Tuesday, April 23, 2002

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MINUTES of the Annual Meeting of the New York and New Jersey Railroad Corporation held Tuesday, April 23, 2002, at 2 Broadway, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
Hon. William J. Martini
 Hon. Anthony J. Sartor

Joseph J. Seymour, President
 Jeffrey S. Green, Vice-President and Secretary

Gwendolyn Archie
 A. Paul Blanco
 Bruce D. Bohlen
 John D. Brill
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NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Anastasia M. Song

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Thursday, May 30, 2002

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MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, May 30, 2002, at 2 Broadway, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
 Hon. William J. Martini
 Hon. Alan G. Philiposian
 Hon. Anthony J. Sartor

NEW YORK

Hon. Bruce A. Blakeman
 Hon. David S. Mack
 Hon. Anastasia M. Song

Joseph J. Seymour, Executive Director
 Jeffrey S. Green, General Counsel
 Karen E. Eastman, Secretary

Gwendolyn Archie, Administrator, Office of the Secretary
 Kayla M. Bergeron, Director, Public Affairs
 Gregory G. Burnham, Chief Technology Officer
 Ernesto L. Butcher, Chief Operating Officer
 Janice Chiantese, Special Advisor to the Chairman
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 William R. DeCota, Director, Aviation
 Michael R. DeCotiis, Deputy Executive Director
 John C. Denise, Supervisor, Audio Visual/Photography, Operations Services
 Michael P. DePallo, Director, PATH
 Charles D. DeRienzo, Superintendent of Police, Director, Public Safety
 Michael Dombrowski, Cinematographer, Operations Services
 Linda C. Handel, Assistant Secretary
 Edward L. Jackson, Director, Financial Services
 Howard G. Kadin, Senior Attorney, Law
 Louis J. LaCapra, Chief Administrative Officer
 Richard M. Larrabee, Director, Port Commerce
 Francis J. Lombardi, Chief Engineer
 Stephen Marinko, Attorney, Law
 Angel E. Martinez, Executive Assistant to the Chief Engineer
 Charles F. McClafferty, Chief Financial Officer
 James E. McCoy, Senior Administrator, Office of the Secretary
 Joseph M. Morris, Chief of Department, Public Safety
 Allen M. Morrison, Supervisor, Public Affairs
 Catherine F. Pavelec, Executive Assistant to the Secretary
 Michael A. Petralia, Chief of Public and Government Relations
 Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals
 Edmond F. Schorno, Chief of Staff
 Richard Wright, State Legislative Representative, Government and Community Relations
 Peter Yerkes, Press Secretary

Guests:

Noreen Giblin, Authorities Unit, Office of the Governor of New Jersey
 Jay Hector, New York Empire State Development Corporation
 Miki Krakauer, New Jersey Department of Transportation

PORT AUTHORITY TRANS-HUDSON CORPORATION

**MINUTES
Thursday, May 30, 2002**

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MINUTES of the Meeting of Port Authority Trans-Hudson Corporation held Thursday, May 30, 2002, at 2 Broadway, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
 Hon. William J. Martini
 Hon. Alan G. Philiposian
 Hon. Anthony J. Sartor

Joseph J. Seymour, President
 Ernesto L. Butcher, Vice-President
 Jeffrey S. Green, Counsel

Gwendolyn Archie
 Kayla M. Bergeron
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 Anthony G. Cracchiolo
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 Richard Wright
 Peter Yerkes

Guests:

Noreen Giblin
 Jay Hector
 Miki Krakauer

NEW YORK

Hon. Bruce A. Blakeman
 Hon. David S. Mack
 Hon. Anastasia M. Song

**NEWARK LEGAL AND COMMUNICATIONS CENTER
URBAN RENEWAL CORPORATION**

**MINUTES
Thursday, May 30, 2002**

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MINUTES of the Meeting of the Newark Legal and Communications Center Urban Renewal Corporation held Thursday, May 30, 2002, at 2 Broadway, City, County and State of New York.

PRESENT:

Hon. Jack G. Sinagra, Chairman
 Hon. William J. Martini
 Hon. Alan G. Philibosian
 Hon. Anthony J. Sartor

Hon. Bruce A. Blakeman
 Hon. David S. Mack
 Hon. Anastasia M. Song

Joseph J. Seymour, President
 Jeffrey S. Green, Counsel

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 Kenneth P. Philmus
 Edmond F. Schorno
 Richard Wright
 Peter Yerkes

Guests:

Noreen Giblin
 Jay Hector
 Miki Krakauer

NEW YORK AND NEW JERSEY RAILROAD CORPORATION

**MINUTES
Thursday, May 30, 2002**

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**MINUTES of the Meeting of the New York and New Jersey Railroad Corporation held Thursday,
May 30, 2002, at 2 Broadway, City, County and State of New York.**

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
Hon. William J. Martini
Hon. Alan G. Philibosian
Hon. Anthony J. Sartor

Joseph J. Seymour, President
Jeffrey S. Green, Vice-President and Secretary

Gwendolyn Archie
Kayla M. Bergeron
Gregory G. Burnham
Ernesto L. Butcher
Janice Chiantese
Anthony G. Cracchiolo
William R. DeCota
Michael R. DeCotiis
John C. Denise
Michael P. DePallo
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Michael Dombrowski
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Joseph M. Morris
Allen M. Morrison
Catherine F. Pavelec
Michael A. Petralia
Kenneth P. Philmus
Edmond F. Schorno
Richard Wright
Peter Yerkes

Guests:

Noreen Giblin
Jay Hector
Miki Krakauer

NEW YORK

Hon. Bruce A. Blakeman
Hon. David S. Mack
Hon. Anastasia M. Song

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

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MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, June 27, 2002, at 2 Broadway, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
 Hon. Charles A. Kushner
 Hon. William J. Martini
 Hon. Alan G. Philibosian
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor

Joseph J. Seymour, Executive Director
 Jeffrey S. Green, General Counsel
 Karen E. Eastman, Secretary

Gwendolyn Archie, Administrator, Office of the Secretary
 Kayla M. Bergeron, Director, Public Affairs
 A. Paul Blanco, Acting Chief of Planning and Development
 Bruce D. Bohlen, Treasurer
 Gregory G. Burnham, Chief Technology Officer
 Ernesto L. Butcher, Chief Operating Officer
 Janice Chiantese, Special Advisor to the Chairman
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 William R. DeCota, Director, Aviation
 Michael R. DeCotiis, Deputy Executive Director
 John C. Denise, Supervisor, Audio Visual/Photography, Operations Services
 Michael P. DePallo, Director, PATH
 Pasquale DiFulco, Public Information Officer, Public Affairs
 Michael Dombrowski, Cinematographer, Operations Services
 Linda C. Handel, Assistant Secretary
 Edward L. Jackson, Director, Financial Services
 Alan H. Hicks, Principal Special Events Representative, Public Affairs
 Joseph Kucich, Professional Assistant, Chief Administrative Office
 Howard G. Kadin, Senior Attorney, Law
 Louis J. LaCapra, Chief Administrative Officer
 Richard M. Larrabee, Director, Port Commerce
 Francis J. Lombardi, Chief Engineer
 Angel E. Martinez, Executive Assistant to the Chief Engineer
 Charles F. McClafferty, Chief Financial Officer
 James E. McCoy, Senior Administrator, Office of the Secretary
 Catherine F. Pavelec, Executive Assistant to the Secretary
 Michael A. Petralia, Chief of Public and Government Affairs
 Samuel Plumeri, Jr., Assistant Director, Public and Government Affairs
 Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals
 John F. Spencer, Deputy Chief Engineer
 Edmond F. Schorno, Chief of Staff
 Gregory Trevor, Senior Public Information Officer, Public Affairs
 Jaime Vazquez, Supervising Office Assistant, Office of the Secretary
 Richard Wright, State Legislative Representative, Government and Community Affairs
 Peter Yerkes, Press Secretary

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. Henry R. Silverman
 Hon. Anastasia M. Song

Guests:

Noreen Giblin, Authorities Unit, Office of the Governor of New Jersey
Paul Josephson, Authorities Unit, Office of the Governor of New Jersey
Miki Krakauer, New Jersey Department of Transportation

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES
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MINUTES of the Meeting of Port Authority Trans-Hudson Corporation held Thursday, June 27, 2002, at 2 Broadway, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
 Hon. Charles A. Kushner
 Hon. William J. Martini
 Hon. Alan G. Philibosian
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor

NEW YORK

Hon. Charles A. Gargano, Vice Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. Henry R. Silverman
 Hon. Anastasia M. Song

Joseph J. Seymour, President
 Ernesto L. Butcher, Vice-President
 Jeffrey S. Green, Counsel

Gwendolyn Archie
 Kayla M. Bergeron
 A. Paul Blanco
 Bruce D. Bohlen
 Gregory G. Burnham
 Ernesto L. Butcher
 Janice Chiantese
 Anthony G. Cracchiolo
 William R. DeCota
 Michael R. DeCotiis
 John C. Denise
 Michael P. DePallo
 Pasquale DiFulco
 Michael Dombrowski
 Karen E. Eastman
 Linda C. Handel
 Edward L. Jackson
 Alan H. Hicks
 Joseph Kucich
 Howard G. Kadin
 Louis J. LaCapra
 Richard M. Larrabee
 Francis J. Lombardi
 Angel E. Martinez
 Charles F. McClafferty
 James E. McCoy
 Catherine F. Pavelec
 Michael A. Petralia
 Samuel Plumeri, Jr.
 Kenneth P. Philmus

John F. Spencer
Edmond F. Schorno
Gregory Trevor
Jaime Vazquez
Richard Wright
Peter Yerkes

Guests:

Noreen Giblin
Paul Josephson
Miki Krakauer

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Monday, July 15, 2002

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MINUTES of the Meeting of The Port Authority of New York and New Jersey held Monday, July 15, 2002, at 2 Broadway, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
 Hon. Charles Kushner
 Hon. William J. Martini
 Hon. Alan G. Philibosian
 Hon. Raymond M. Pocino

NEW YORK

Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Anastasia M. Song

Joseph J. Seymour, Executive Director
 Jeffrey S. Green, General Counsel
 Karen E. Eastman, Secretary

Gwendolyn Archie, Administrator, Office of the Secretary
 Kayla M. Bergeron, Director, Public Affairs
 A. Paul Blanco, Acting Chief of Planning and Development
 Vincent Borst, Manager of New York Relocations & Design, Real Estate
 Ernesto L. Butcher, Chief Operating Officer
 Janice Chiantese, Special Advisor to the Chairman
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 William R. DeCota, Director, Aviation
 Michael R. DeCotiis, Deputy Executive Director
 John C. Denise, Supervisor, Audio Visual/Photography, Operations Services
 Michael P. DePallo, Director, PATH
 Charles D. DeRienzo, Superintendent of Police/Director, Public Safety
 Pasquale DiFulco, Public Information Officer, Public Affairs
 Michael Dombrowski, Cinematographer, Operations Services
 Linda C. Handel, Assistant Secretary
 Joseph Kucich, Professional Assistant, Office of the Secretary
 Howard G. Kadin, Senior Attorney, Law
 Louis J. LaCapra, Chief Administrative Officer
 Richard M. Larrabee, Director, Port Commerce
 Francis J. Lombardi, Chief Engineer
 Charles F. McClafferty, Chief Financial Officer
 James E. McCoy, Senior Administrator, Office of the Secretary
 Stephen R. Napolitano, Assistant Director of Operations, Tunnels, Bridges and Terminals
 Catherine F. Pavelec, Executive Assistant to the Secretary
 Michael A. Petralia, Chief of Public and Government Affairs
 Edmond F. Schorno, Chief of Staff
 Paul D. Segalini, Director, Human Resources
 Jaime Vazquez, Supervising Office Assistant, Office of the Secretary
 Richard Wright, State Legislative Representative, Government and Community Affairs
 Peter Yerkes, Press Secretary

Guests:

Noreen Giblin, Authorities Unit, Office of the Governor of New Jersey
 Richard Gonzalo, Chairman, IBEW Local 3, Port Authority Division
 Jay Hector, New York Empire State Development Corporation
 Robert R. Zerrillo, Assistant Secretary, Office of the Governor of New York

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES OF SPECIAL BOARD MEETING

Thursday, August 29, 2002

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MINUTES of a Special Meeting of The Port Authority of New York and New Jersey held Thursday, August 29, 2002, at 2 Broadway, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
 Hon. Charles Kushner
 Hon. William J. Martini
 Hon. Alan G. Philiposian
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor

Joseph J. Seymour, Executive Director
 Jeffrey S. Green, General Counsel
 Karen E. Eastman, Secretary

Gwendolyn Archie, Administrator, Office of the Secretary
 Kayla M. Bergeron, Director, Public Affairs
 Gregory G. Burnham, Chief Technology Officer
 Janice Chiantese, Special Advisor to the Chairman
 William R. DeCota, Director, Aviation
 Michael R. DeCotiis, Deputy Executive Director
 John C. Denise, Supervisor, Audio Visual/Photography, Operations Services
 Charles D. DeRienzo, Superintendent of Police/Director, Public Safety
 Linda C. Handel, Assistant Secretary
 Howard G. Kadin, Senior Attorney, Law
 Joshua Klevans, Executive Assistant to the Deputy Executive Director
 Joseph Kucich, Professional Assistant, Office of the Secretary
 Louis J. LaCapra, Chief Administrative Officer
 Richard M. Larrabee, Director, Port Commerce
 Stephen Marinko, Attorney, Law
 Charles F. McClafferty, Chief Financial Officer
 Allen M. Morrison, Supervisor, Public Affairs
 Catherine F. Pavelec, Executive Assistant to the Secretary
 Michael A. Petralia, Chief of Public and Government Affairs
 Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals
 Ronald T. Pisapia, Program Director, World Trade Center Site Development, Priority Capital Programs
 John F. Spencer, Deputy Chief Engineer
 Gregory Trevor, Senior Public Information Officer, Public Affairs
 Sean P. Walsh, Deputy Director, Public Affairs

Guests:

Jay Hector, Empire State Development Corporation, New York State

The Secretary reported that the meeting was duly called in accordance with the By-Laws.

The public session was called to order by Chairman Sinagra at 12:02 p.m. and ended at 12:07 p.m. The Board met in executive session prior to the public session.

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

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MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, September 19, 2002, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
 Hon. Charles Kushner
 Hon. Alan G. Philibosian
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor

Joseph J. Seymour, Executive Director
 Jeffrey S. Green, General Counsel
 Karen E. Eastman, Secretary

Gwendolyn Archie, Administrator, Office of the Secretary
 Catherine M. Bergamini, Senior Administrator, Port Commerce
 A. Paul Blanco, Acting Chief of Planning and Development
 Bruce D. Bohlen, Treasurer
 John D. Brill, Director, Audit
 Gregory G. Burnham, Chief Technology Officer
 Ernesto L. Butcher, Chief Operating Officer
 Janice Chiantese, Special Advisor to the Chairman
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 Joanne Crowley, Deputy Director, Tunnels, Bridges and Terminals
 William R. DeCota, Director, Aviation
 Michael R. DeCotiis, Deputy Executive Director
 John C. Denise, Supervisor, Audio Visual/Photography, Operations Services
 Michael P. DePallo, Director, PATH
 Charles D. DeRienzo, Superintendent of Police/Director, Public Safety
 Michael Dombrowski, Cinematographer, Operations Services
 William E. Ellis, General Manager, Port Commerce
 Nancy J. Ertag-Brand, Executive Advisor to the Chief Financial Officer
 Linda C. Handel, Assistant Secretary
 Edward L. Jackson, Director, Financial Services
 Howard G. Kadin, Senior Attorney, Law
 Kevin J. Kirchman, Assistant Director, Public Affairs
 Joshua Klevans, Executive Assistant to the Deputy Executive Director
 Francis J. Lombardi, Chief Engineer
 Stephen Marinko, Attorney, Law
 Angel E. Martinez, Executive Assistant to the Chief Engineer
 Charles F. McClafferty, Chief Financial Officer
 James E. McCoy, Senior Administrator, Office of the Secretary
 Allen M. Morrison, Supervisor, Public Affairs
 Lynn A. Nerney, Staff Administrator, Office of the Secretary
 Alan L. Reiss, Deputy Director, Aviation
 Myron D. Ronis, Deputy Director, Port Commerce
 Edmond F. Schorno, Chief of Staff
 Douglas L. Smith, Director, Office of Forecasting and Capital Planning
 John F. Spencer, Deputy Chief Engineer
 Sean P. Walsh, Deputy Director, Public Affairs
 Richard Wright, State Legislative Representative, Government and Community Relations
 Peter Yerkes, Press Secretary
 Margaret R. Zoch, Comptroller

NEW YORK

Hon. Charles A. Gargano, Vice Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Henry R. Silverman
 Hon. Anastasia M. Song

**DOWNTOWN RESTORATION PROGRAM - REGIONAL PLAN ASSOCIATION -
LISTENING TO THE CITY PUBLIC PARTICIPATION PROCESS**

It was recommended that the Board authorize a payment to the Regional Plan Association (RPA) of \$407,000 for costs incurred in arranging for *Listening to the City*, a public participation process event held on July 20 and 21, 2002 in connection with the planning effort for the rebuilding of Lower Manhattan.

The RPA is a tri-state group (covering New York, New Jersey and Connecticut) that was formed in 1922 and has worked with the Port Authority on a wide range of transportation and economic development projects through the years. Currently, they are working with the Port Authority on Access to the Region's Core and the transportation planning component for the World Trade Center site. Recently, they have been supportive of our efforts to construct the AirTrain at John F. Kennedy International Airport.

Listening to the City represents an important component of the Port Authority's and the Lower Manhattan Development Corporation's public participation process for rebuilding the World Trade Center site and Lower Manhattan. The event was held at the Jacob Javits Center and is widely viewed as the most well attended public hearing in the history of the country. The sponsors – RPA, New York University, AmericaSpeaks, Pratt Institute and the New School University – remain several hundred thousand dollars short of the dollar amount that was needed to hold the event. The total cost is approximately \$2.4 million. The large numbers of attendees required additions to the program, additional staff time and related expenses.

The Port Authority's participation in this initiative is in keeping with its commitment to work in coordination with all interested parties in the redevelopment of the World Trade Center site.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Gargano, Kushner, Mack, Philiposian, Pocino, Sartor, Sinagra and Song voting in favor; Commissioner Silverman abstaining; none against:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to make a payment of \$407,000 to the Regional Plan Association for costs incurred in arranging for *Listening to the City*, a public participation process event held on July 20 and 21, 2002 in connection with the planning effort for the rebuilding of Lower Manhattan.

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES

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MINUTES of the Meeting of Port Authority Trans-Hudson Corporation held Thursday, September 19, 2002, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
 Hon. Charles Kushner
 Hon. Alan G. Philibosian
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor

Joseph J. Seymour, President
 Ernesto L. Butcher, Vice President
 Jeffrey S. Green, Counsel

Gwendolyn Archie
 Catherine M. Bergamini
 A. Paul Blanco
 Bruce D. Bohlen
 John D. Brill, Director
 Gregory G. Burnham
 Janice Chiantese
 Anthony G. Cracchiolo
 Joanne Crowley
 William R. DeCota
 Michael R. DeCotiis
 John C. Denise
 Michael P. DePallo
 Charles D. DeRienzo
 Michael Dombrowski
 William E. Ellis
 Karen E. Eastman
 Nancy J. Ertag-Brand
 Linda C. Handel
 Edward L. Jackson
 Howard G. Kadin
 Kevin J. Kirchman
 Joshua Klevans
 Francis J. Lombardi
 Stephen Marinko
 Angel E. Martinez
 Charles F. McClafferty
 James E. McCoy
 Allen M. Morrison
 Lynn A. Nerney
 Alan L. Reiss
 Myron D. Ronis
 Edmond F. Schorno
 Douglas L. Smith
 John F. Spencer
 Sean P. Walsh
 Richard Wright
 Peter Yerkes
 Margaret R. Zoch

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Henry R. Silverman
 Hon. Anastasia M. Song

NEW YORK AND NEW JERSEY RAILROAD CORPORATION

MINUTES

Thursday, September 19, 2002

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MINUTES of the Meeting of the New York and New Jersey Railroad Corporation held Thursday, September 19, 2002, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
 Hon. Charles Kushner
 Hon. Alan G. Philibosian
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor

Joseph J. Seymour, President
 Jeffrey S. Green, Vice-President and Secretary

Gwendolyn Archie
 Catherine M. Bergamini
 A. Paul Blanco
 Bruce D. Bohlen
 John D. Brill
 Gregory G. Burnham
 Ernesto L. Butcher
 Janice Chiantese
 Anthony G. Cracchiolo
 Joanne Crowley
 William R. DeCota
 Michael R. DeCotiis
 John C. Denise
 Michael P. DePallo
 Charles D. DeRienzo
 Michael Dombrowski
 Karen E. Eastman
 William E. Ellis
 Nancy J. Ertag-Brand
 Linda C. Handel
 Edward L. Jackson
 Howard G. Kadin
 Kevin J. Kirchman
 Joshua Klevans
 Francis J. Lombardi
 Stephen Marinko
 Angel E. Martinez
 Charles F. McClafferty
 James E. McCoy
 Allen M. Morrison

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Henry R. Silverman
 Hon. Anastasia M. Song

Lynn A. Nerney
Alan L. Reiss
Myron D. Ronis
Edmond F. Schorno
Douglas L. Smith
John F. Spencer
Sean P. Walsh
Richard Wright
Peter Yerkes
Margaret R. Zoch

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Thursday, October 24, 2002

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MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, October 24, 2002, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
 Hon. Charles Kushner
 Hon. William J. Martini
 Hon. Alan G. Philibosian
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor

Joseph J. Seymour, Executive Director
 Jeffrey S. Green, General Counsel
 Karen E. Eastman, Secretary

Gwendolyn Archie, Administrator, Office of the Secretary
 Kayla M. Bergeron, Director, Public Affairs
 A. Paul Blanco, Acting Chief of Planning and Development
 Bruce D. Bohlen, Treasurer
 John D. Brill, Director, Audit
 Gregory G. Burnham, Chief Technology Officer
 Ernesto L. Butcher, Chief Operating Officer
 Janice Chiantese, Special Advisor to the Chairman
 Steven J. Coleman, Public Information Officer, Public Affairs
 William R. DeCota, Director, Aviation
 Michael R. DeCotiis, Deputy Executive Director
 John C. Denise, Supervisor, Audio Visual/Photography, Operations Services
 Michael P. DePallo, Director, PATH
 Linda C. Handel, Assistant Secretary
 Edward L. Jackson, Director, Financial Services
 Howard G. Kadin, Senior Attorney, Law
 Joseph Kucich, Professional Assistant, Office of the Chief Administrative Officer
 Louis J. LaCapra, Chief Administrative Officer
 Richard M. Larrabee, Director, Port Commerce
 John G. Lesko, Manager, Bus Terminal and Bridge Painting Project, Tunnels, Bridges and Terminals
 Francis J. Lombardi, Chief Engineer
 George Mangione, Professional Assistant, Office of the Secretary
 Stephen Marinko, Attorney, Law
 Charles F. McClafferty, Chief Financial Officer
 James E. McCoy, Senior Administrator, Office of the Secretary
 Lynn A. Nerney, Staff Administrator, Office of the Secretary
 Catherine F. Pavelec, Executive Assistant to the Secretary
 Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals
 Alan L. Reiss, Deputy Director, Aviation
 Alan I. Rhome, Director, Operation Services
 Edmond F. Schorno, Chief of Staff
 Douglas L. Smith, Director, Office of Forecasting and Capital Planning
 Antoinette Tahan, Executive Secretary, Office of the Secretary
 Gregory Trevor, Senior Public Information Officer, Public Affairs

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Henry R. Silverman
 Hon. Anastasia M. Song

Sean P. Walsh, Deputy Director, Public Affairs
Peter Yerkes, Press Secretary
Margaret R. Zoch, Comptroller

Guest:

Noreen Giblin, Authorities Unit, Office of the Governor of New Jersey

WORLD TRADE CENTER ARTIFACTS – DECONTAMINATION AND STORAGE – PROGRAM AUTHORIZATION

It was recommended that the Board authorize a program to protect, catalog, decontaminate and store artifacts from the World Trade Center site that have been collected by the Port Authority since September 11, 2001, at an estimated total cost of \$5.75 million for a four-year period, and authorize the Executive Director to ratify or enter into contracts for professional services and such other agreements as may be necessary to effectuate the program.

Since September 11, 2001, the Port Authority, among numerous other organizations, has made efforts to identify and recover various objects remaining in the wake of the destruction of The World Trade Center (WTC). Staff arranged for a special committee of outside advisors to provide guidance regarding the collection and protection of salvaged items, most of which have been moved to John F. Kennedy International Airport (JFK). Some of the objects were chosen as evidence of the sheer destructive power of the towers' collapse, while other objects were chosen because they represented memorable sections of the towers themselves. Among the hundreds of objects collected were damaged steel sections, emergency vehicles, two Port Authority Trans-Hudson system (PATH) cars, portions of the broadcast antenna atop 1 WTC, the Koenig sphere, which once was the centerpiece of the World Trade Center Plaza, as well as numerous smaller items, such as PATH signs.

Given the massiveness of many of these objects, a large storage area is required. Staff has determined that approximately 80,000 square feet of space could be made available for three years in a portion of Building 17 at JFK. This facility (formerly a Tower Air hangar) will require significant modifications, but is large enough to accommodate all the items in an organized fashion, in addition to a decontamination chamber that will be required to cleanse all the objects of hazardous substances. Certain objects, such as the "last column" removed from the WTC site, will require special efforts from professional conservators. Every object is also being catalogued and digitally photographed so that a complete database can be created and distributed for reference.

A management plan is being developed, which will identify interdepartmental staff responsibilities for overseeing and maintaining this collection of artifacts, and will include a comprehensive loan procedure. A board of expert advisors also will be established to assist the Port Authority on disposition, curatorial and historical matters.

Numerous requests for artifacts from the WTC are still being received, and would be handled pursuant to this policy. Certain objects also may be selected and requested by organizations such as the Lower Manhattan Development Corporation to be included in temporary or permanent memorials.

Specific activities of this program, some of which were initiated earlier this year, include, but are not limited to:

- 1) award of consultant agreements for overall advisory purposes and conservatorial services;

- 2) facility preparation work at JFK Building 17, including: a) general refurbishment, such as cleaning, door modifications, new lighting and roof repairs; and b) design and construction of an asbestos decontamination chamber;
- 3) award of contracts for decontamination of all objects; and
- 4) development of a cataloging system to number and photograph all objects.

The total estimated cost for this program over the next four years is \$5.75 million. This cost estimate does not include potential additional expenditures should JFK Building 17 become unavailable for the artifact storage, in which case staff will seek additional authorization for alternative storage and any moving costs. Staff also would seek recovery if any costs for this program are deemed eligible for Federal Emergency Management Agency or insurance reimbursement.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Gargano, Kushner, Mack, Martini, Philiposian, Pocino, Sartor, Silverman, Sinagra and Song voting in favor; none against:

RESOLVED, that a program to protect, catalog, decontaminate and store artifacts from the World Trade Center site that have been collected by the Port Authority since September 11, 2001, at an estimated total cost of \$5.75 million for a four-year period, 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 ratify or enter into contracts for professional and advisory services related to the foregoing program as he deems in the best interest of the Port Authority and to enter into such other agreements as may be necessary to effectuate the program; 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.

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES

Thursday, October 24, 2002

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MINUTES of the Meeting of Port Authority Trans-Hudson Corporation held Thursday, October 24, 2002, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
 Hon. Charles Kushner
 Hon. William J. Martini
 Hon. Alan G. Philibosian
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor

Joseph J. Seymour, President
 Ernesto L. Butcher, Vice-President
 Jeffrey S. Green, Counsel

Gwendolyn Archie
 Kayla M. Bergeron
 A. Paul Blanco
 Bruce D. Bohlen
 John D. Brill
 Gregory G. Burnham
 Janice Chiantese
 Steven J. Coleman
 William R. DeCota
 Michael R. DeCotiis
 John C. Denise
 Michael P. DePallo
 Karen E. Eastman
 Linda C. Handel
 Edward L. Jackson
 Howard G. Kadin
 Joseph Kucich
 Louis J. LaCapra
 Richard M. Larrabee
 John G. Lesko
 Francis J. Lombardi
 George Mangione
 Stephen Marinko
 Charles F. McClafferty
 James E. McCoy
 Lynn A. Nerney
 Catherine F. Pavelec
 Kenneth P. Philmus
 Alan L. Reiss
 Alan I. Rhome
 Edmond F. Schorno
 Douglas L. Smith
 Antoinette Tahan
 Gregory Trevor

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Henry R. Silverman
 Hon. Anastasia M. Song

Sean P. Walsh
Peter Yerkes
Margaret R. Zoch

Guest:
Noreen Giblin

**NEWARK LEGAL AND COMMUNICATIONS CENTER
URBAN RENEWAL CORPORATION**

MINUTES

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MINUTES of the Meeting of the Newark Legal and Communications Center Urban Renewal Corporation held Thursday, October 24, 2002, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
 Hon. Charles Kushner
 Hon. William J. Martini
 Hon. Alan G. Philibosian
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor

Joseph J. Seymour, President
 Jeffrey S. Green, Counsel

Gwendolyn Archie
 Kayla M. Bergeron
 A. Paul Blanco
 Bruce D. Bohlen
 John D. Brill
 Gregory G. Burnham
 Ernesto L. Butcher
 Janice Chiantese
 Steven J. Coleman
 William R. DeCota
 Michael R. DeCotiis
 John C. Denise
 Michael P. DePallo
 Karen E. Eastman
 Linda C. Handel
 Edward L. Jackson
 Howard G. Kadin
 Joseph Kucich
 Louis J. LaCapra
 Richard M. Larrabee
 John G. Lesko
 Francis J. Lombardi
 George Mangione
 Stephen Marinko
 Charles F. McClafferty
 James E. McCoy
 Lynn A. Nerney
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NEW YORK

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 Hon. David S. Mack
 Hon. Henry R. Silverman
 Hon. Anastasia M. Song

Gregory Trevor
Sean P. Walsh
Peter Yerkes
Margaret R. Zoch

Guest:
Noreen Giblin

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

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PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
 Hon. Charles Kushner
 Hon. Alan G. Philibosian
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Henry R. Silverman
 Hon. Anastasia M. Song

Joseph J. Seymour, Executive Director
 Jeffrey S. Green, General Counsel
 Karen E. Eastman, Secretary

Gwendolyn Archie, Administrator, Office of the Secretary
 Kayla M. Bergeron, Director, Public Affairs
 A. Paul Blanco, Acting Chief of Planning and Development
 Bruce D. Bohlen, Treasurer
 John D. Brill, Director, Audit
 Gregory G. Burnham, Chief Technology Officer
 Janice Chiantese, Special Advisor to the Chairman
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 William R. DeCota, Director, Aviation
 Michael R. DeCotiis, Deputy Executive Director
 John C. Denise, Supervisor, Audio Visual/Photography, Operations Services
 Michael P. DePallo, Director, PATH
 Charles D. DeRienzo, Superintendent of Police/Director, Public Safety
 Pasquale DiFulco, Public Information Officer, Public Affairs
 Jerrold M. Dinkels, Engineering Program Manager, Engineering
 Nancy J. Ertag-Brand, Executive Advisor to the Chief Financial Officer
 Linda C. Handel, Assistant Secretary
 Edward L. Jackson, Director, Financial Services
 Howard G. Kadin, Senior Attorney, Law
 Wendy S. Katz, Special Assistant to the Deputy Executive Director
 Joshua Klevans, Executive Assistant to the Deputy Executive Director
 Louis J. LaCapra, Chief Administrative Officer
 Richard M. Larrabee, Director, Port Commerce
 Francis J. Lombardi, Chief Engineer
 Stephen Marinko, Attorney, Law
 Charles F. McClafferty, Chief Financial Officer
 James E. McCoy, Senior Administrator, Office of the Secretary
 Tobi D. Mettle, Management Associate, Public Affairs
 Allen M. Morrison, Supervisor, Public Affairs
 Catherine F. Pavelec, Executive Assistant to the Secretary
 Michael A. Petralia, Chief of Public and Government Affairs
 Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals
 Myron D. Ronis, Deputy Director, Port Commerce
 Edmond F. Schorno, Chief of Staff
 Douglas L. Smith, Director, Office of Forecasting and Capital Planning
 Gregory J. Trevor, Senior Public Information Officer, Public Affairs
 Sean P. Walsh, Deputy Director, Public Affairs
 Richard Wright, State Legislative Representative, Government and Community Affairs

Peter Yerkes, Press Secretary, Public Affairs

Guest:

Jay Hector, New York Empire State Development Corporation

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES

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**MINUTES of the Meeting of Port Authority Trans-Hudson Corporation held Thursday, November 21, 2002,
at 225 Park Avenue South, City, County and State of New York.**

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
Charles Kushner
Hon. Alan G. Philiposian
Hon. Raymond M. Pocino
Hon. Anthony J. Sartor

Joseph J. Seymour, President
Jeffrey S. Green, Counsel

Gwendolyn Archie
Kayla M. Bergeron
A. Paul Blanco
Bruce D. Bohlen
John D. Brill
Gregory G. Burnham
Janice Chiantese
Anthony G. Cracchiolo
William R. DeCota
Michael R. DeCotiis
John C. Denise
Michael P. DePallo
Charles D. DeRienzo
Pasquale DiFulco
Jerrold M. Dinkels
Karen E. Eastman
Nancy J. Ertag-Brand
Linda C. Handel
Edward L. Jackson
Howard G. Kadin
Wendy S. Katz
Joshua Klevans
Louis J. LaCapra
Richard M. Larrabee
Francis J. Lombardi
Stephen Marinko
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Tobi D. Mettle
Allen M. Morrison
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Michael A. Petralia
Kenneth P. Philmus
Myron D. Ronis
Edmond F. Schorno
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Sean P. Walsh
Richard Wright
Peter Yerkes

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
Hon. Bruce A. Blakeman
Hon. Michael J. Chasanoff
Hon. David S. Mack
Hon. Henry R. Silverman
Hon. Anastasia M. Song

Guest:
Jay Hector

**NEWARK LEGAL AND COMMUNICATIONS CENTER
URBAN RENEWAL CORPORATION**

**MINUTES
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MINUTES of the Meeting of the Newark Legal and Communications Center Urban Renewal Corporation held Thursday, November 21, 2002, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
 Charles Kushner
 Hon. Alan G. Philibosian
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor

Joseph J. Seymour, President
 Jeffrey S. Green, Counsel

Gwendolyn Archie
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 Bruce D. Bohlen
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 Linda C. Handel
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 Edmond F. Schorno
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 Gregory J. Trevor
 Sean P. Walsh
 Richard Wright

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Henry R. Silverman
 Hon. Anastasia M. Song

Peter Yerkes

Guest:
Jay Hector

NEW YORK AND NEW JERSEY RAILROAD CORPORATION

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MINUTES of the Meeting of the New York and New Jersey Railroad Corporation held Thursday, November 21, 2002, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
 Charles Kushner
 Hon. Alan G. Philiposian
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Henry R. Silverman
 Hon. Anastasia M. Song

Joseph J. Seymour, President
 Jeffrey S. Green, Vice-President and Secretary

Gwendolyn Archie
 Kayla M. Bergeron
 A. Paul Blanco
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 William R. DeCota
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 Kenneth P. Philmus
 Myron D. Ronis
 Edmond F. Schorno
 Douglas L. Smith
 Gregory J. Trevor
 Sean P. Walsh
 Richard Wright
 Peter Yerkes

Guest:
Jay Hector

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

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MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, December 12, 2002, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
 Hon. Charles Kushner
 Hon. Alan G. Philiposian
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor

NEW YORK

Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. Henry R. Silverman

Joseph J. Seymour, Executive Director
 Jeffrey S. Green, General Counsel
 Karen E. Eastman, Secretary

Gwendolyn Archie, Administrator, Office of the Secretary
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 William R. DeCota, Director, Aviation
 Michael R. DeCotiis, Deputy Executive Director
 John C. Denise, Supervisor, Audio Visual/Photography, Operations Services
 Michael P. DePallo, Director, PATH
 Charles D. DeRienzo, Superintendent of Police/Director, Public Safety
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 Joshua Klevans, Executive Assistant to the Deputy Executive Director
 Francis J. Lombardi, Chief Engineer
 Stephen Marinko, Attorney, Law
 Charles F. McClafferty, Chief Financial Officer
 James E. McCoy, Senior Administrator, Office of the Secretary
 Allen M. Morrison, Supervisor, Public Affairs
 Lynn A. Nerney, Staff Administrator, Office of the Secretary
 Catherine F. Pavelec, Executive Assistant to the Secretary, Office of the Secretary
 Michael A. Petralia, Chief of Public and Government Affairs
 Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals
 Alan L. Reiss, Deputy Director, Aviation
 Edmond F. Schorno, Chief of Staff
 Douglas L. Smith, Director, Office of Forecasting and Capital Planning
 Gregory J. Trevor, Senior Public Information Officer, Public Affairs
 Richard Wright, State Legislative Representative, Government and Community Affairs
 Margaret R. Zoch, Comptroller

Guests:

Noreen Giblin, Authorities Unit, Office of the Governor of New Jersey
Paul Josephson, Authorities Unit, Office of the Governor of New Jersey
Miki Krakauer, New Jersey Department of Transportation
Shawn M. Nolan, Office of the Governor of New Jersey

DOWNTOWN RESTORATION PROGRAM – WORLD TRADE CENTER SITE REDEVELOPMENT AND LOWER MANHATTAN TRANSPORTATION IMPROVEMENTS – WORLD TRADE CENTER SITE INFRASTRUCTURE RESTORATION – INCREASE IN PLANNING AND PROJECT AUTHORIZATIONS

It was recommended that the Board: increase the authorization for continued planning for World Trade Center (WTC) site redevelopment and comprehensive Lower Manhattan transportation improvements, including development of long-range options, designs and estimates, and the project for ongoing World Trade Center site infrastructure restoration and planning work, in the total amount of \$17.5 million, resulting in a total authorization of \$28 million, including \$10 million for WTC site planning and \$18 million for WTC site infrastructure; authorize the Executive Director to enter into an agreement with Consolidated Edison Company of New York (Con Edison), for supplying temporary electrical power to the WTC site at a cost estimated at \$1.2 million for the period July 2002 through December 2003; and authorize the Executive Director to take action with respect to contracts for professional services and purchase and construction contracts, and to enter into other such agreements as may be necessary to effectuate these programs.

At its meeting of December 13, 2001, the Board authorized planning for the WTC site and Lower Manhattan transportation improvements, as well as a project for WTC site remediation measures, at an estimated total cost of \$10.5 million. Given the many unknowns at that time, including the nature and extent of the Port Authority's involvement and of interagency coordination in WTC site planning and management, the Board was also informed that staff would seek additional authorization as necessary, at appropriate times in the future.

Since early 2002, the Port Authority has performed significant work in both WTC site planning and management, as part of an overall Downtown Restoration Program. At its meeting of April 23, 2002, the Board authorized the Executive Director to enter into a Cooperation Agreement with the Lower Manhattan Development Corporation (LMDC) to jointly develop conceptual plans for WTC site redevelopment and Lower Manhattan transportation improvements. In May 2002, a consultant team led by Beyer Blinder Belle (BBB) and Parsons Brinckerhoff was selected to develop WTC conceptual plan options and evaluate Lower Manhattan transportation improvements. For Phase 1 of this urban planning study, the BBB team, in conjunction with Peterson/Littenberg (an architectural firm separately retained by LMDC), quickly assembled preliminary WTC concept plans for extensive public review and comment in July 2002.

In Phase 2 of this urban planning study, the LMDC and the Port Authority (separately and together) are refining WTC site plan options based on public comment and other input received to date. The Port Authority has revised the WTC site commercial development program to provide greater flexibility to planners. The LMDC has also proceeded with an international design competition, selecting six architectural/planning firms to provide additional design proposals. In September 2002, the Port Authority retained Ehrenkrantz, Eckstut & Kuhn to assist in the development of the Port Authority's land-use plan for the WTC site. Preliminary elements of this land-use plan, including size and location of the permanent WTC memorial, location of the permanent WTC Port Authority Trans-Hudson system (PATH) terminal, and uses and configuration of streets surrounding and passing through the WTC site were discussed and

developed, and presented to the Board in November 2002. Phase 2 of the urban planning study is expected to conclude in the first quarter of 2003, upon presentation and further public review and comment on revised WTC site plan options. A final WTC site development plan recommendation, in conjunction with concurrent development of permanent WTC memorial plans, is expected by the fourth quarter of 2003.

The Port Authority and LMDC are also continuing with Phase 2 of the Lower Manhattan transportation planning study, in conjunction with other agencies, principally New York State's Department of Transportation (NYSDOT) and Metropolitan Transportation Authority (MTA), and New York City's Department of Transportation (NYC DOT) and Department of City Planning. The Port Authority and its consultants are directly involved in the analysis of Lower Manhattan mass transit and pedestrian circulation, West Street/9A options (only areas immediately adjacent to the WTC site), Lower Manhattan commuter and tour bus strategies, goods (freight) movement, and ferry service options. The Port Authority will also cooperate with NYSDOT's study of overall West Street/9A options, and the MTA's study of commuter rail access to Lower Manhattan. Specific transportation improvements would then be identified by these studies for implementation by responsible agencies, and incorporated into the proposed WTC site plans as appropriate.

With respect to the WTC site, in early 2002 staff implemented a WTC site transition plan with the New York City Department of Design and Construction (DDC) and other New York City and State agencies, and on July 1, 2002 responsibility for the WTC site was transferred by the DDC to the Port Authority. This transition effort also included negotiation of an Interim Access Agreement with Silverstein Properties and Westfield America (WTC net lessees) permitting the Port Authority exclusive access to their leased premises through December 2003, for construction of the temporary WTC PATH station. In August 2002, a general site work contract was awarded to Tully Construction Company to provide maintenance, security, and construction services at the WTC site.

Following transition of site control, the Port Authority began construction of site remediation projects, including reconstruction of perimeter street substructure and sidewalks, and installation of a viewing fence around the WTC site (portions along Church Street were opened to the public on September 11, 2002, with ongoing construction of additional phases along Liberty Street and Vesey Street by early 2003). Other WTC site work projects to date include construction of site viewing facilities for victims' families, slurry wall reinforcement, structural shoring and infill, accessibility improvements, demising, and utility connections. Such projects were necessitated by ongoing site stabilization work that DDC could not complete, to minimize interferences with the temporary WTC PATH station and other adjacent construction (such as the IRT and BMT New York City Subway lines, and the Con Edison substation), and by field conditions requiring immediate action. Additional WTC site restoration work is anticipated during 2003, including additional slurry wall reinforcement, demolition of remaining structures, electrical distribution, environmental systems, and any required interim security installations. The Port Authority may also need to perform further perimeter restoration and accessibility improvements for pedestrians, visitors, and vehicles near the WTC site, in conjunction with other agencies.

Staff estimates that approximately \$5 million will have been spent on WTC site planning, transportation planning, public outreach, and related work, and approximately \$8 million on

WTC site infrastructure work, by the end of 2002. Based on expected work efforts during 2003, staff is now requesting that an additional \$5 million be allocated for additional WTC site planning and Lower Manhattan transportation planning work, and up to an additional \$10 million could be required for WTC site infrastructure restoration and planning projects.

Temporary electrical power for site lighting and to support site infrastructure restoration, available from Con Edison, is also presently required.

Staff would also seek recovery if any costs for these programs are deemed eligible for Federal Emergency Management Agency (FEMA) or insurance reimbursement, or in some very limited cases, by agreement with the WTC net lessees. For administrative purposes, the planning and project work associated with this authorization will be handled as two separate, distinct endeavors from this point forward: one concerning site redevelopment and comprehensive Lower Manhattan transportation improvements, including development of long-range options, the other concerning site infrastructure restoration and planning work. At appropriate times in the future, as necessary and as plans are finalized, staff will seek additional authorization to advance implementation of WTC site designs and design of WTC site infrastructure elements.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Kushner, Philiposian, Pocino, Silverman and Sinagra voting in favor; Commissioner Sartor abstaining; none against:

RESOLVED, that increases in the authorization for: 1) continued planning for World Trade Center (WTC) site redevelopment and comprehensive Lower Manhattan transportation improvements, including development of long-range options, designs and estimates, and 2) the project for ongoing WTC site infrastructure restoration and planning work, in the total amount of \$17.5 million, resulting in a total authorization of \$28 million, including \$10 million for WTC site planning and \$18 million for WTC site infrastructure, be and they hereby are 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 purchase and construction contracts and contracts for professional and advisory services related to the foregoing programs as he deems in the best interest of the Port Authority, including, without limitation, award to the lowest bidder(s) qualified by reason of responsibility, experience and capacity to perform the work and whose bid price(s) the Executive Director deems reasonable, or to reject all proposals, solicit new proposals on revised or the same requirements or negotiate with one or more proposers or other contractors as he deems in the best interest of the Port Authority, and to order extra work (if necessary) and net cost work in connection with each contract, including supplemental agreements thereto, and to enter into such other agreements as may be necessary to effectuate the programs; 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 an agreement with Consolidated Edison Company of New York for supplying temporary electrical power to the WTC site at a cost estimated at \$1.2 million for the period July 2002 through December

2003; 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 other public agencies or third parties and to acquire property interests, as needed, to effectuate the work of the foregoing programs; 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 SITE
MANAGEMENT – AUTHORIZATION TO ISSUE REGULATIONS**

By resolution of the Board adopted on December 13, 2001, the Executive Director was granted the authority to enter into inter-agency or other third-party agreements necessary for, among other things, restoration of transportation facilities destroyed at the site of The World Trade Center on September 11, 2001. To facilitate transportation restoration projects at the World Trade Center site, the Port Authority has entered into an Interim Access Agreement with the Silverstein/Westfield net lessees providing for the Port Authority's control of the site during restoration of Port Authority Trans-Hudson system (PATH) facilities and the New York City Transit 1, 9, N and R subway lines at the site.

The World Trade Center site has attracted thousands of daily visitors to the nearest perimeter of public access since the tragedy that occurred there on September 11, 2001. As part of the remediation of the World Trade Center site, perimeter street substructure and sidewalks have been reconstructed and a viewing fence has been installed. Staff anticipates that the reconstruction of the perimeter sidewalk and installation of the viewing fence, as well as the customary increase in tourism in New York City in December, will result in even larger numbers of people visiting the site, so that it is prudent that regulations be established to address conduct at the site. It is anticipated that the Executive Director may have to issue regulations governing conduct of the site to provide for public health and safety, protect the physical integrity and appearance of the site, prevent interference with remediation and restoration activities, and recognize the special nature of the site as the location of the events of September 11, 2001. Since the circumstances of the availability of an open viewing area at the site during the December tourist season are unprecedented, it may be necessary to amend those regulations to address changing conditions.

While the resolution adopted on December 13, 2001, and the Interim Access Agreement authorize the Executive Director to issue such regulations, it was recommended that the authority of the Executive Director in connection therewith be recognized and specifically authorized.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Kushner, Philibosian, Pocino, Sartor, Silverman and Sinagra voting in favor; none against:

RESOLVED, that the authority of the Executive Director to issue, and amend from time to time as appropriate, regulations governing conduct at the World Trade Center site be recognized, and he hereby is authorized, for and on behalf of the Port Authority, to issue, and amend from time to time as appropriate, regulations governing conduct at the World Trade Center site.

**NEWARK LEGAL AND COMMUNICATIONS CENTER
URBAN RENEWAL CORPORATION**

MINUTES

Thursday, December 12, 2002

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MINUTES of the Meeting of the Newark Legal and Communications Center Urban Renewal Corporation held Thursday, December 12, 2002, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
 Hon. Charles Kushner
 Hon. Alan G. Philibosian
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor

NEW YORK

Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. Henry R. Silverman

Joseph J. Seymour, President
 Jeffrey S. Green, Counsel

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 John C. Denise
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 Catherine F. Pavelec
 Michael A. Petralia
 Kenneth P. Philmus
 Alan L. Reiss
 Edmond F. Schorno
 Douglas L. Smith
 Gregory J. Trevor
 Richard Wright
 Margaret R. Zoch

Guests:

Noreen Giblin
Paul Josephson
Miki Krakauer
Shawn M. Nolan

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

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PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
 Hon. Charles Kushner
 Hon. Anthony J. Sartor
 Hon. David S. Steiner

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Henry R. Silverman
 Hon. Anastasia M. Song

Joseph J. Seymour, Executive Director
 Jeffrey S. Green, General Counsel
 Karen E. Eastman, Secretary

Gwendolyn Archie, Staff Administrator, Office of the Secretary
 Kayla M. Bergeron, Director, Public Affairs
 A. Paul Blanco, Chief of Regional and Economic Development
 Bruce D. Bohlen, Treasurer
 John D. Brill, Director, Audit
 Gregory G. Burnham, Chief Technology Officer
 Ernesto L. Butcher, Chief Operating Officer
 Rosemary Chiricolo, Assistant Director, Financial Services
 Arthur J. Cifelli, Assistant Director, Government and Community Affairs
 Victoria C. Kelly, Deputy Director, Tunnels, Bridges and Terminals
 William R. DeCota, Director, Aviation
 Michael R. DeCotiis, Deputy Executive Director
 John C. Denise, Supervisor, Audio Visual/Photography, Operations Services
 Michael P. DePallo, Director, PATH
 Charles D. DeRienzo, Superintendent of Police/Director, Public Safety
 Pasquale DiFulco, Public Information Officer, Public Affairs
 Nancy J. Ertag-Brand, Executive Advisor to the Chief Financial Officer
 Michael G. Fabiano, Comptroller
 Linda C. Handel, Assistant Secretary
 Alan H. Hicks, Principal Special Events Representative, Public Affairs
 Edward L. Jackson, Director, Financial Services
 Howard G. Kadin, Senior Attorney, Law
 Joshua Klevans, Executive Assistant to the Deputy Executive Director
 Louis J. LaCapra, Chief Administrative Officer
 Richard M. Larrabee, Director, Port Commerce
 Stephen Marinko, Attorney, Law
 Gloria Martinez, Executive Secretary, Office of the Secretary
 Charles F. McClafferty, Chief Financial Officer
 James E. McCoy, Manager, Board Management Support, Office of the Secretary
 Allen M. Morrison, Supervisor, Public Affairs
 Lynn A. Nerney, Staff Administrator, Office of the Secretary
 Catherine F. Pavelec, Executive Assistant to the Secretary, Office of the Secretary
 Michael A. Petralia, Chief of Public and Government Affairs
 Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals
 Myron D. Ronis, Deputy Director, Port Commerce
 Edmond F. Schorno, Chief of Staff
 Douglas L. Smith, Director, Office of Forecasting and Capital Planning
 John F. Spencer, Deputy Chief Engineer

Gregory J. Trevor, Senior Public Information Officer, Public Affairs
Sean P. Walsh, Director, Government and Community Affairs
Richard Wright, State Legislative Representative, Government and Community Affairs

Guest:

Paul Higgins, New York Empire State Development Corporation

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES

Thursday, February 20, 2003

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MINUTES of the Meeting of Port Authority Trans-Hudson Corporation held Thursday, February 20, 2003, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
Hon. Charles Kushner
Hon. Anthony J. Sartor
Hon. David S. Steiner

Joseph J. Seymour, President
Ernesto L. Butcher, Vice-President
Jeffrey S. Green, Counsel

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Joshua Klevans
Louis J. LaCapra
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Catherine F. Pavelec
Michael A. Petralia
Kenneth P. Philmus
Myron D. Ronis
Edmond F. Schorno
Douglas L. Smith
John F. Spencer

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
Hon. Bruce A. Blakeman
Hon. Michael J. Chasanoff
Hon. David S. Mack
Hon. Henry R. Silverman
Hon. Anastasia M. Song

Gregory J. Trevor
Sean P. Walsh
Richard Wright

Guest:
Paul Higgins

NEW YORK AND NEW JERSEY RAILROAD CORPORATION

MINUTES

Thursday, February 20, 2003

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MINUTES of the Meeting of the New York and New Jersey Railroad Corporation held Thursday, February 20, 2003, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
 Hon. Charles Kushner
 Hon. Anthony J. Sartor
 Hon. David S. Steiner

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Henry R. Silverman
 Hon. Anastasia M. Song

Joseph J. Seymour, President
 Jeffrey S. Green, Vice-President and Secretary

Gwendolyn Archie
 Kayla M. Bergeron
 A. Paul Bianco
 Bruce D. Bohlen
 John D. Brill
 Gregory G. Burnham
 Ernesto L. Butcher
 Rosemary Chiricolo
 Arthur J. Cifelli
 Victoria C. Kelly
 William R. DeCota
 Michael R. DeCotiis
 John C. Denise
 Michael P. DePallo
 Charles D. DeRienzo
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 Michael A. Petralia
 Kenneth P. Philmus
 Myron D. Ronis
 Edmond F. Schorno
 Douglas L. Smith
 John F. Spencer

Gregory J. Trevor
Sean P. Walsh
Richard Wright

Guest:
Paul Higgins

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

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**MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, March 20, 2003,
at 225 Park Avenue South, City, County and State of New York.**

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
Hon. Raymond M. Pocino
Hon. Anthony J. Sartor
Hon. David S. Steiner

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
Hon. Bruce A. Blakeman
Hon. Michael J. Chasanoff
Hon. David S. Mack
Hon. Henry R. Silverman

Joseph J. Seymour, Executive Director
Jeffrey S. Green, General Counsel
Karen E. Eastman, Secretary

Gwendolyn Archie, Staff Administrator, Office of the Secretary
Catherine Bergamini, Senior Administrator, Port Commerce
Kayla M. Bergeron, Director, Public Affairs
A. Paul Blanco, Chief of Regional and Economic Development
Bruce D. Bohlen, Treasurer
John D. Brill, Director, Audit
Gregory G. Burnham, Chief Technology Officer
Ernesto L. Butcher, Chief Operating Officer
Janice Chiantese, Special Advisor to the Chairman
Anthony B. Ciavolella, Public Information Officer, Public Affairs
Arthur J. Cifelli, Assistant Director, Government and Community Affairs
Steven J. Coleman, Public Information Officer, Public Affairs
Anthony G. Cracchiolo, Director, Priority Capital Programs
William R. DeCota, Director, Aviation
John C. Denise, Supervisor, Audio Visual/Photography, Operations Services
Michael P. DePallo, Director, PATH
Charles D. DeRienzo, Superintendent of Police/Director, Public Safety
Pasquale DiFulco, Public Information Officer, Public Affairs
Nancy J. Ertag-Brand, Executive Advisor to the Chief Financial Officer
Michael G. Fabiano, Comptroller
Linda C. Handel, Assistant Secretary
Edward L. Jackson, Director, Financial Services
Howard G. Kadin, Senior Attorney, Law
Kevin Kirchman, Assistant Director, Marketing and Communication, Public Affairs
Joshua Klevans, Executive Assistant to the Deputy Executive Director
Louis J. LaCapra, Chief Administrative Officer
Richard M. Larrabee, Director, Port Commerce
Francis J. Lombardi, Chief Engineer
Stephen Marinko, Attorney, Law
Gloria Martinez, Administrator, Office of the Secretary
Charles F. McClafferty, Chief Financial Officer
James E. McCoy, Manager, Board Management Support, Office of the Secretary
Allen M. Morrison, Supervisor, Public Affairs
Lynn A. Nerney, Staff Administrator, Office of the Secretary
Catherine F. Pavelec, Executive Assistant to the Secretary, Office of the Secretary
Michael A. Petralia, Chief of Public and Government Affairs
Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals
Alan L. Reiss, Deputy Director, Aviation

Edmond F. Schorno, Chief of Staff
Harry Spector, Deputy Director, Public Affairs
Gerald B. Stoughton, Assistant Director, Office of Forecasting and Capital Planning
Antoinette Tahan, Executive Secretary, Office of the Secretary
Tiffany A. Townsend, Public Information Officer, Public Affairs
Gregory J. Trevor, Senior Public Information Officer, Public Affairs
Sean P. Walsh, Director, Government and Community Affairs

Guests:

Noreen Giblin, Authorities Unit, Office of the Governor of New Jersey
Jay Hector, New York Empire State Development Corporation

SETTLEMENT OF CLAIM – MANUEL ORTIZ AND UDOSIA ORTIZ V. THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

It was recommended that the Board authorize General Counsel, for and on behalf of the Port Authority, to enter into an agreement with plaintiffs, Manuel Ortiz and Udosia Ortiz, for a settlement of their claims for personal injury and loss of consortium arising out of an accident at The World Trade Center. The settlement in the amount of \$550,000 would avoid the payment of a judgment in the sum of \$876,019, together with interest thereon, which continues to accrue at the statutory rate of 9 percent. In return, plaintiffs would provide general releases, a stipulation of discontinuance with prejudice, and a “hold harmless” letter with respect to an outstanding Workers’ Compensation lien.

On February 3, 1998, Manuel Ortiz, a supervisor for ABM, the cleaning service for The World Trade Center, fell down a staircase in the loading dock area. He slipped on an unknown substance and fell forward down the steps. The handrail for the staircase on which Mr. Ortiz fell was missing. Mr. Ortiz, who was 47 years of age at the time of the incident, suffered a severe fracture of the right knee. He has undergone two surgeries, which were unsuccessful, and he now needs a complete knee replacement. The knee replacement has not been performed, because Mr. Ortiz, who is currently 52 years of age, is not presently a suitable candidate due to his age. The prosthetic has only a 10-year life span and the surgery can only be done once. Mr. Ortiz has not been able to work since the accident, and has been found to be 100 percent disabled by the Workers’ Compensation Board. The liability portion of the case was tried in April 2001, and resulted in a verdict holding the Port Authority 100 percent liable. The damages portion of the trial was not conducted until October 2002, and resulted in a verdict of \$766,119, which, together with the present value of future damages in excess of \$250,000 and interest at the statutory rate of 9 percent from the date of the liability verdict, results in a judgment of approximately \$876,019. This amount includes the award to the wife of \$24,000. Interest continues to accrue until the judgment is paid.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Gargano, Mack, Pocino, Sartor, Silverman, Sinagra and Steiner voting in favor; none against:

RESOLVED, that General Counsel be and hereby is authorized, for and on behalf of the Port Authority, to enter into agreement with plaintiffs Manuel Ortiz and Udosia Ortiz to provide for the settlement of a lawsuit for personal injuries entitled Manuel Ortiz and Udosia Ortiz v. The Port Authority of New York and New Jersey by paying to the plaintiffs and their attorneys the sum of \$550,000.

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES

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MINUTES of the Meeting of Port Authority Trans-Hudson Corporation held Thursday, March 20, 2003, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor
 Hon. David S. Steiner

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Henry R. Silverman

Joseph J. Seymour, President
 Ernesto L. Butcher, Vice-President
 Jeffrey S. Green, Counsel

Gwendolyn Archie
 Catherine M. Bergamini
 Kayla M. Bergeron
 A. Paul Blanco
 Bruce D. Bohlen
 John D. Brill
 Gregory G. Burnham
 Janice Chiantese
 Anthony B. Ciavolella
 Arthur J. Cifelli
 Steven J. Coleman
 Anthony Cracchiolo
 William R. DeCota
 John C. Denise
 Michael P. DePallo
 Charles D. DeRienzo
 Pasquale DiFulco
 Karen E. Eastman
 Nancy J. Ertag-Brand
 Michael G. Fabiano
 Linda C. Handel
 Edward L. Jackson
 Howard G. Kadin
 Kevin J. Kirchman
 Joshua Klevans
 Louis J. LaCapra
 Richard M. Larrabee
 Francis J. Lombardi
 Stephen Marinko
 Gloria Martinez
 Charles F. McClafferty
 James E. McCoy
 Allen M. Morrison
 Lynn A. Nerney
 Catherine F. Pavelec
 Michael A. Petralia
 Kenneth P. Philmus
 Alan L. Reiss

Edmond F. Schorno
Harry Spector
Gerald B. Stoughton
Antoinette Tahan
Tiffany A. Townsend
Gregory J. Trevor
Sean P. Walsh

Guests:

Noreen Giblin
Jay Hector

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES
Thursday, April 10, 2003

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MINUTES of the Annual Meeting of The Port Authority of New York and New Jersey held Thursday, April 10, 2003, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
 Hon. Anthony R. Coscia
 Hon. Anthony J. Sartor
 Hon. David S. Steiner

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Anastasia M. Song

Joseph J. Seymour, Executive Director
 Jeffrey S. Green, General Counsel
 Karen E. Eastman, Secretary

Gwendolyn Archie, Staff Administrator, Office of the Secretary
 Kayla M. Bergeron, Director, Public Affairs
 Bruce D. Bohlen, Treasurer
 John D. Brill, Director, Audit
 Ernesto L. Butcher, Chief Operating Officer
 Janice Chiantese, Special Advisor to the Chairman
 Arthur J. Cifelli, Assistant Director, Government and Community Affairs
 Steven J. Coleman, Public Information Officer, Public Affairs
 William R. DeCota, Director, Aviation
 John C. Denise, Supervisor, Audio Visual/Photography, Operations Services
 Michael P. DePallo, Director, PATH
 Charles D. DeRienzo, Superintendent of Police/Director, Public Safety
 Pasquale DiFulco, Public Information Officer, Public Affairs
 Nancy J. Ertag-Brand, Executive Advisor to the Chief Financial Officer
 Michael G. Fabiano, Comptroller
 Linda C. Handel, Assistant Secretary
 Allen H. Hicks, Principal Special Events Representative, Public Affairs
 Howard G. Kadin, Senior Attorney, Law
 Victoria C. Kelly, Deputy Director, Tunnels, Bridges and Terminals
 Joshua Klevans, Executive Assistant to the Deputy Executive Director
 Louis J. LaCapra, Chief Administrative Officer
 Richard M. Larrabee, Director, Port Commerce
 Francis J. Lombardi, Chief Engineer
 Norma L. Manigan, Program Director, External Affairs, Public Affairs
 Stephen Marinko, Attorney, Law
 Gloria Martinez, Administrator, Office of the Secretary
 Charles F. McClafferty, Chief Financial Officer
 James E. McCoy, Manager, Board Management Support, Office of the Secretary
 Lynn A. Nerney, Staff Administrator, Office of the Secretary
 Catherine F. Pavelec, Executive Assistant to the Secretary, Office of the Secretary
 Michael A. Petralia, Chief of Public and Government Affairs
 Edmond F. Schorno, Chief of Staff

Douglas L. Smith, Director, Office of Forecasting & Capital Planning
Harry Spector, Deputy Director, Public Affairs
Tiffany A. Townsend, Public Information Officer, Public Affairs
Gregory J. Trevor, Senior Public Information Officer, Public Affairs
Robert E. Van Etten, Inspector General
Sean P. Walsh, Director, Government and Community Affairs

Guests:

Timothy Castano, Office of the Governor of New Jersey
Michael R. DeCotiis, Office of the Governor of New Jersey
Noreen Giblin, Authorities Unit, Office of the Governor of New Jersey
Lynn Kessler, New York Empire State Development Corporation
Adam Shanner, New York Empire State Development Corporation
Barry Weisblat, New York Empire State Development Corporation

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES

Thursday, April 10, 2003

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MINUTES of the Annual Meeting of Port Authority Trans-Hudson Corporation held Thursday, April 10, 2003, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
 Hon. Anthony R. Coscia
 Hon. Anthony J. Sartor
 Hon. David S. Steiner

Joseph J. Seymour, President
 Ernesto L. Butcher, Vice-President
 Jeffrey S. Green, Counsel

Gwendolyn Archie
 Kayla M. Bergeron
 Bruce D. Bohlen
 John D. Brill
 Janice Chiantese
 Arthur J. Cifelli
 Steven J. Coleman
 William R. DeCota
 John C. Denise
 Michael P. DePallo
 Charles D. DeRienzo
 Pasquale DiFulco
 Karen E. Eastman
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 Michael G. Fabiano
 Linda C. Handel
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 Howard G. Kadin
 Victoria C. Kelly
 Joshua Klevans
 Louis J. LaCapra
 Richard M. Larrabee
 Francis J. Lombardi
 Norma L. Manigan
 Stephen Marinko
 Gloria Martinez
 Charles F. McClafferty
 James E. McCoy
 Lynn A. Nerney
 Catherine F. Pavelec
 Michael A. Petralia
 Edmond F. Schorno
 Douglas L. Smith
 Harry Spector
 Tiffany A. Townsend
 Gregory J. Trevor
 Robert E. Van Etten
 Sean P. Walsh

Guests:

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Anastasia M. Song

Timothy Castano
Michael R. DeCotiis
Noreen Giblin
Lynn Kessler
Adam Shanner
Barry Weisblat

**NEWARK LEGAL AND COMMUNICATIONS CENTER
URBAN RENEWAL CORPORATION**

**MINUTES
Thursday, April 10, 2003**

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MINUTES of the Annual Meeting of the Newark Legal and Communications Center Urban Renewal Corporation held Thursday, April 10, 2003, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
 Hon. Anthony R. Coscia
 Hon. Anthony J. Sartor
 Hon. David S. Steiner

Joseph J. Seymour, President
 Jeffrey S. Green, Counsel

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 Bruce D. Bohlen
 John D. Brill
 Ernesto L. Butcher
 Janice Chiantese
 Arthur J. Cifelli
 Steven J. Coleman
 William R. DeCota
 John C. Denise
 Michael P. DePallo
 Charles D. DeRienzo
 Pasquale DiFulco
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 Nancy J. Ertag-Brand
 Michael G. Fabiano
 Linda C. Handel
 Allen H. Hicks
 Howard G. Kadin
 Victoria C. Kelly
 Joshua Klevans
 Louis J. LaCapra
 Richard M. Larrabee
 Francis J. Lombardi
 Norma L. Manigan
 Stephen Marinko
 Gloria Martinez
 Charles F. McClafferty
 James E. McCoy
 Lynn A. Nerney
 Catherine F. Pavelec
 Michael A. Petralia
 Edmond F. Schorno
 Douglas L. Smith
 Harry Spector
 Tiffany A. Townsend
 Gregory J. Trevor
 Robert E. Van Etten

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Anastasia M. Song

Sean P. Walsh

Guests:

Timothy Castano

Michael R. DeCotiis

Noreen Giblin

Lynn Kessler

Adam Shanner

Barry Weisblat

NEW YORK AND NEW JERSEY RAILROAD CORPORATION

**MINUTES
Thursday, April 10, 2003**

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MINUTES of the Annual Meeting of the New York and New Jersey Railroad Corporation held Thursday, April 10, 2003, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Jack G. Sinagra, Chairman
 Hon. Anthony R. Coscia
 Hon. Anthony J. Sartor
 Hon. David S. Steiner

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Anastasia M. Song

Joseph J. Seymour, President
 Jeffrey S. Green, Vice-President and Secretary

Gwendolyn Archie
 Kayla M. Bergeron
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 John D. Brill
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 Gloria Martinez
 Charles F. McClafferty
 James E. McCoy
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 Catherine F. Pavelec
 Michael A. Petralia
 Edmond F. Schorno
 Douglas L. Smith
 Harry Spector
 Tiffany A. Townsend
 Gregory J. Trevor
 Robert E. Van Etten
 Sean P. Walsh

Guests:

Timothy Castano

Michael R. DeCotiis

Noreen Giblin

Lynn Kessler

Adam Shanner

Barry Weisblat

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

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MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, May 29, 2003, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor
 Hon. Jack G. Sinagra
 Hon. David S. Steiner

Joseph J. Seymour, Executive Director
 Jeffrey S. Green, General Counsel
 Karen E. Eastman, Secretary

Gwendolyn Archie, Staff Administrator, Office of the Secretary
 Kayla M. Bergeron, Director, Public Affairs
 A. Paul Blanco, Chief of Regional and Economic Development
 Bruce D. Bohlen, Treasurer
 John D. Brill, Director, Audit
 Gregory G. Burnham, Chief Technology Officer
 Ernesto L. Butcher, Chief Operating Officer
 Timothy Castano, Senior Business Consultant, Office of the Chairman
 Wilfred Chabrier, General Manager, Office of Business and Job Opportunity
 Janice Chiantese, Special Advisor to the Chairman
 Anthony B. Ciavolella, Public Information Officer, Public Affairs
 Arthur J. Cifelli, Assistant Director, Government and Community Affairs
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 William R. DeCota, Director, Aviation
 John C. Denise, Supervisor, Audio Visual/Photography, Operations Services
 Michael P. DePallo, Director, PATH
 Charles D. DeRienzo, Superintendent of Police/Director, Public Safety
 Pasquale DiFulco, Public Information Officer, Public Affairs
 Michael G. Fabiano, Comptroller
 Linda C. Handel, Assistant Secretary
 Edward L. Jackson, Director, Financial Services
 Howard G. Kadin, Senior Attorney, Law
 Louis J. LaCapra, Chief Administrative Officer
 Richard M. Larrabee, Director, Port Commerce
 Francis J. Lombardi, Chief Engineer
 Robert Lurie, Senior Policy Advisor, Office of the Chairman
 Stephen Marinko, Attorney, Law
 Gloria Martinez, Administrator, Office of the Secretary
 Charles F. McClafferty, Chief Financial Officer
 James E. McCoy, Manager, Board Management Support, Office of the Secretary
 Catherine F. Pavelec, Executive Assistant to the Secretary, Office of the Secretary
 Michael A. Petralia, Chief of Public and Government Affairs
 Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals
 Edmond F. Schorno, Chief of Staff

Douglas L. Smith, Director, Office of Forecasting and Capital Planning

NEW YORK

Hon. Bruce A. Blakeman
 Hon. Henry R. Silverman
 Hon. Anastasia M. Song

Harry Spector, Deputy Director, Public Affairs
Tiffany A. Townsend, Public Information Officer, Public Affairs
Gregory J. Trevor, Senior Public Information Officer, Public Affairs
Sean P. Walsh, Director, Government and Community Affairs

Guests:

Noreen Giblin, Authorities Unit, Office of the Governor of New Jersey
Miki Krakauer, New Jersey Department of Transportation

DOWNTOWN RESTORATION PROGRAM – MEMORANDUM OF UNDERSTANDING WITH THE LOWER MANHATTAN DEVELOPMENT CORPORATION

It was recommended that the Board authorize the Executive Director to enter into a Memorandum of Understanding (MOU) with the Lower Manhattan Development Corporation (LMDC): 1) committing to implementation of Studio Daniel Libeskind's (SDL) master site plan concept (Master Site Plan) for redevelopment of the World Trade Center (WTC) site; 2) affirming that the provisions of the May 10, 2002, Cooperation Agreement between LMDC and the Port Authority continue to remain in effect and shall apply to the MOU; and 3) providing for LMDC and the Port Authority to enter into one or more contracts with SDL related to the planning and design of the WTC site – specifically, pertaining to the development of the memorial and cultural district, public outreach, Master Site Plan refinement, and commercial design guidelines.

After the destruction of the WTC on September 11, 2001, the Board, at its meeting of December 13, 2001, authorized planning for WTC site remediation and transportation and other improvements in Lower Manhattan, and limited temporary WTC site remediation measures, at a total estimated cost of \$10.5 million. (The amount of this authorization was increased by the Board at its meeting of December 12, 2002, to a total of \$28 million – \$10 million for the planning authorization component and \$18 million for project authorization.) LMDC has overall responsibility for coordinating and planning the restoration and redevelopment of Lower Manhattan, including developing a consensus regarding the establishment of a permanent memorial at the WTC site. As owner of the WTC site, the Port Authority has primary responsibility for a portion of this area, with respect to which it has significant statutory and fiduciary obligations and financial interests.

At its meeting of April 23, 2002, the Board authorized the Executive Director to enter into a Cooperation Agreement with LMDC to develop jointly conceptual plans for WTC site redevelopment and Lower Manhattan transportation improvements. Pursuant to this Agreement, which was executed on May 10, 2002, six preliminary concepts for WTC site redevelopment were produced by a team led by Beyer Blinder Belle, and were released for public comment in June 2002.

Following extensive public comment on the initial WTC site plan concepts, in August 2002 LMDC launched a worldwide search for architects, planners, and artists to propose ideas for the redevelopment of the WTC site. The selection process included a comprehensive outreach campaign, soliciting public comment regarding the designs submitted. On February 27, 2003, LMDC and Port Authority announced the selection of the “Memory Foundations” design concept, developed by SDL, as the concept to be used in the redevelopment of the WTC site.

Refinement of the “Memory Foundations” design concept into a final WTC Master Site Plan will require further analysis and reconciliation. The proposed MOU will enable LMDC and the Port Authority to continue their successful cooperation and collaboration as both parties move forward, with Port Authority WTC lessees and other stakeholders, in implementing the recommended plan.

Pursuant to the MOU, LMDC and the Port Authority will enter into one or more contracts with SDL to serve as the Master Plan Architect Consultant for redevelopment of the WTC site. LMDC is to take the lead and designate a project manager to work directly with SDL in the

specific development of the memorial and cultural district within the WTC site. All such work is to be done in cooperation with the Port Authority. The Port Authority and LMDC will work jointly, and each is to designate a project manager to work directly with SDL with respect to public outreach responsibilities, and work with state and city agencies to further refine the Master Site Plan. Areas of refinement are to include, but not be limited to, streets and open spaces, location and configuration of development parcels, pedestrian and vehicular street patterns, transportation infrastructure, sub-grade access, grades, massing and site service. Such refinement is to be completed by August 2003. LMDC and the Port Authority are to work jointly with SDL and other design firms designated by Port Authority WTC lessees to develop commercial design guidelines governing future development of the WTC site, which are to be completed on or before October 2003. The costs incurred in connection with the development of the memorial and cultural district shall be the sole responsibility of LMDC, while the costs related to public outreach, refinement of the Master Site Plan and the development of commercial site guidelines shall be the joint responsibility of LMDC and the Port Authority.

Staff is seeking authorization concurrently for an increase in the planning authorization for WTC site planning and Lower Manhattan transportation improvements, from \$10 million to \$14 million, as well as authorization to enter into a contract with SDL for Master Site Plan refinement, commercial development design guidelines and associated public outreach, at an estimated cost to the Port Authority not to exceed \$2 million. Although the Port Authority intends to seek recovery of any eligible costs in connection with this MOU that are specifically related to transportation planning provided by the Federal Transit Administration, costs related to planning for commercial, memorial, or other development would not be eligible for such recovery.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Coscia, Pocino, Sartor, Silverman, Sinagra, Song 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 Memorandum of Understanding (MOU) with the Lower Manhattan Development Corporation (LMDC): 1) committing to implementation of Studio Daniel Libeskind's (SDL) master site plan concept (Master Site Plan) for redevelopment of the World Trade Center (WTC) site; 2) affirming that the provisions of the May 10, 2002, Cooperation Agreement between LMDC and the Port Authority continue to remain in effect and shall apply to the MOU; and 3) providing for LMDC and the Port Authority to enter into one or more contracts with SDL related to the planning and design of the WTC site – pertaining to the development of the memorial and cultural district, public outreach, Master Site Plan refinement, and commercial design guidelines; and it is further

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

DOWNTOWN RESTORATION PROGRAM – WORLD TRADE CENTER SITE REDEVELOPMENT AND LOWER MANHATTAN TRANSPORTATION IMPROVEMENTS – INCREASE IN PLANNING AUTHORIZATION AND AWARD OF CONTRACT WITH STUDIO DANIEL LIBESKIND, LLC

It was recommended that the Board authorize: 1) an increase in the planning authorization for World Trade Center (WTC) site planning and Lower Manhattan transportation planning in the amount of \$4 million, resulting in a total authorization of \$14 million; and 2) the Executive Director to enter into, in conjunction with the Lower Manhattan Development Corporation (LMDC), a contract with Studio Daniel Libeskind, LLC (SDL) for WTC master site plan refinement, drafting of commercial development design guidelines and other architectural, engineering and planning services related to the redevelopment of the WTC site, with emphasis on transportation infrastructure and commercial development, at an estimated total cost of \$3.3 million, including contingency, with a cost to the Port Authority estimated not to exceed \$2 million.

At its meeting of December 13, 2001, the Board authorized, as part of the overall Downtown Restoration Program: 1) planning for WTC site redevelopment and comprehensive Lower Manhattan transportation improvements; 2) limited temporary WTC site remediation measures (the authorization for the planning and site remediation components being set at an estimated total cost of \$10.5 million); and 3) the Executive Director to: a) take action with respect to contracts for professional services and construction contracts related to WTC site planning and site remediation, and b) enter into such other agreements as may be necessary to effectuate the Downtown Restoration Program. At its meeting of December 10, 2002, the Board authorized an increase in planning authorization for continued planning for WTC site redevelopment and Lower Manhattan transportation improvements, resulting in a total planning authorization of \$10 million.

In August 2002, LMDC launched an Innovative Design Study for architects, planners and artists to propose ideas for the WTC site, under contract to LMDC, utilizing a publicly advertised competitive process, which resulted in the selection on February 27, 2003 by LMDC and the Port Authority of the conceptual design submitted by SDL.

Refinement of SDL's "Memory Foundations" design concept into a final WTC Master Site Plan will require further analysis and reconciliation, including, but not limited to, further refinement of the memorial and cultural district, streets and open spaces, configuration of development parcels, pedestrian and vehicular traffic patterns, transportation infrastructure, subgrade access, site service and overall grades and massing. The proposed contract will enable LMDC and the Port Authority to continue their successful cooperation and collaboration as both parties move forward, with the Port Authority WTC lessees and other key stakeholders, in implementing the recommended plan.

The Port Authority and LMDC will administer the contract jointly, and each will designate a project manager to work directly with SDL as well as work with state and city agencies to further refine the WTC Master Site Plan. Such refinement and reconciliation is to be completed by August 2003, to allow preliminary engineering to begin on various components,

including the WTC Port Authority Trans-Hudson system (PATH) Terminal. This work will be performed with the guidance of an Interagency Steering Committee. LMDC and the Port Authority will also work with SDL and other design firms designated by Port Authority WTC lessees (including Silverstein Properties and Westfield America) to develop commercial development design guidelines governing future development of office and retail space at the WTC site, which are to be completed on or before October 2003. This work will be performed with the guidance of a Design Guidelines Panel, including Port Authority WTC lessees.

The costs related to refinement of the WTC Master Site Plan, the development of commercial design guidelines, and public outreach shall be the joint responsibility of LMDC and the Port Authority. Costs related to planning the transportation facilities may be eligible for recovery from Federal Transit Administration (FTA) grants. Staff will seek recovery of any eligible costs in connection with this contract that are specifically related to transportation planning from the FTA. Port Authority costs related to planning for commercial, memorial, or other development would not be eligible for such recovery.

Failure to promptly enter into this contract would delay the implementation of SDL's WTC Master Site Plan concept and hinder the progress of the overall efforts to redevelop the WTC site. For example, reconciliation and finalization of perimeters for the WTC PATH Terminal is required before commencement of any detailed design. Redevelopment of the WTC site and the revitalization of Lower Manhattan in the wake of the events of September 11, 2001 are of critical importance to the economy and overall quality of life of the New York/New Jersey region. The proposed contract will facilitate the achievement of these critical tasks.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Coscia, Pocino, Sartor, Silverman, Sinagra, Song and Steiner voting in favor; none against:

RESOLVED, that an increase in the planning authorization for World Trade Center (WTC) site planning and Lower Manhattan transportation planning in the amount of \$4 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, in conjunction with the Lower Manhattan Development Corporation, a contract with Studio Daniel Libeskind, LLC for master site plan refinement, drafting of commercial development guidelines and other architectural, engineering and planning services related to the redevelopment of the WTC site, with emphasis on transportation infrastructure and commercial development, at an estimated total cost of \$3.3 million including contingency, with a cost to the Port Authority estimated not to exceed \$2 million; the form of the agreement shall be subject to the approval of General Counsel or his authorized representative.

DOWNTOWN RESTORATION PROGRAM – MEMORANDUM OF UNDERSTANDING WITH THE LOWER MANHATTAN DEVELOPMENT CORPORATION, THE METROPOLITAN TRANSPORTATION AUTHORITY, AND THE NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION – DIRECT RAIL TRANSIT ACCESS CONNECTIONS BETWEEN DOWNTOWN MANHATTAN AND JOHN F. KENNEDY INTERNATIONAL AIRPORT AND LONG ISLAND

It was recommended that the Board authorize the Executive Director to enter into a Memorandum of Understanding (MOU) among the Port Authority and the Lower Manhattan Development Corporation (LMDC), the Metropolitan Transportation Authority, and the New York City Economic Development Corporation for the management of a preliminary planning study of alternatives to provide rail transit access connections between Lower Manhattan and John F. Kennedy International Airport (JFK) and Long Island. The LMDC will fund the study; Port Authority participation will be accomplished through existing staff.

Improved rail transit access to the region's airports and direct Long Island Rail Road (LIRR) connections from Lower Manhattan have been identified by New York Governor George E. Pataki and New York City Mayor Michael Bloomberg as priority objectives for the Lower Manhattan recovery effort. Both objectives have been strongly urged by the New York business community directly and through planning and outreach conducted by the LMDC. Advocates for these enhanced connections have indicated their potential importance to maintaining the competitiveness of Lower Manhattan as a global business center, given other regional airport-access improvements and the availability of direct airport transit connections for many major cities elsewhere in the United States and abroad.

In addition, business organizations and planners working on Lower Manhattan recovery have noted that, although the existing transportation network provides excellent subway access and trans-Hudson transit access, the lack of direct service from Long Island and other New York suburbs hinders Lower Manhattan's access to the regional labor market. Advocates have emphasized the potential to coordinate implementation of more direct JFK service with a connection to the LIRR system. Interest in advancing these improvements has been characterized as an effort to enhance for Lower Manhattan the improvements represented by the Port Authority's AirTrain services. AirTrain JFK, to open by year-end 2003, will provide a Lower Manhattan connection via the New York City Transit (NYCT) subway system. The existing AirTrain Newark service will become accessible to Lower Manhattan when Port Authority Trans-Hudson system (PATH)-World Trade Center (WTC) service is restored by late 2003.

Port Authority participation in discussions regarding further enhancements in Lower Manhattan access has urged a phased approach, including promotion of the AirTrain connections, and development of near-term improvements, including ferry services and scheduled helicopter service from the Downtown Manhattan Heliport to JFK. Fast ferry service also has been identified as the most effective enhancement for LaGuardia Airport (LGA) access from Lower Manhattan and other water-accessible locations. Looking to longer-term investments to improve airport access, the Port Authority has undertaken a review of previous

analyses of plans to extend the PATH system from its present terminus at Newark Penn Station to the AirTrain transfer station on the Northeast Corridor. The Port Authority has taken the lead in evaluating this proposal as the most promising approach for enhanced access to Newark Liberty International Airport (EWR), as well as Jersey City, the Hudson County waterfront, Hoboken and downtown Newark.

With respect to JFK, several proposals have been offered that represent a wide range of concepts for creating more direct connections between the airport and Lower Manhattan, with or without new LIRR connections. These range from proposals to create a JFK service through modifications to existing NYCT subway service via an existing East River tunnel, to subway-based options using a new tunnel, and a proposal to extend the AirTrain JFK system through the LIRR Atlantic Branch and connect to Lower Manhattan through a new tunnel.

The Port Authority and the other partners in the proposed MOU have recognized that the complexity, cost, and transportation network impacts of these proposals require additional evaluation and comparison. The proposed MOU has been negotiated to provide a framework under which the key partner agencies can conduct preliminary planning work that will provide comparable assessments of these and other potential project concepts. This would provide a basis for informed deliberation among the partners in identifying the most promising alternatives.

Recognizing the level of urgency that the region's elected leadership has accorded to the Lower Manhattan recovery effort, representatives of the MOU partners have agreed that an LMDC-funded study, guided by a management committee representing all four agencies, could complete this work within a year. The proposed MOU commits the partners to recommend long-term and near-term alternatives, as well as specific implementation steps and project funding options. Port Authority participation in this effort would be managed by the appropriate staff to ensure coordination of this effort with the AirTrain and WTC recovery programs and with the agency's ongoing planning partnerships with regional transportation agencies in New York and New Jersey. The study would begin promptly upon MOU execution and be completed by mid-2004. The MOU parties have agreed that available analyses do not provide the basis needed to identify a recommended approach, nor do they provide a basis at this time for entering into the formal environmental impact review process anticipated for an investment of this magnitude.

More direct JFK and Long Island access for Lower Manhattan would enhance airport operations and the accessibility of the WTC site and Lower Manhattan as a whole. The proposed improvement, in conjunction with anticipated enhancements in access to EWR and LGA, would further the regional goal of providing attractive transit linkages to all three airports from major business centers throughout the bistate region. The proposed preliminary planning study will define and compare impacts for the range of proposed concepts to create these connections. The study also will identify characteristics of each concept that would guide decisions about the respective roles of the partner agencies in implementing the recommended alternative.

The proposed MOU will not commit the Port Authority beyond participation in the LMDC-funded study. The direction of the planning work is to achieve agreement on recommended alternatives, with the expectation that one or more transportation agencies would be identified to carry the proposal to the next stage of project development and environmental

review. Any projects undertaken as a result of this study would be subject to agreement and approval by the respective boards of each agency participating in the project, including the identification of funding issues.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Coscia, Pocino, Sartor, Silverman, Sinagra, Song 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 Memorandum of Understanding with the Lower Manhattan Development Corporation, the Metropolitan Transportation Authority, and the New York City Economic Development Corporation for: 1) committing the signatories to participate in a preliminary planning study of alternatives to provide rail transit access connections between Lower Manhattan and John F. Kennedy International Airport and Long Island; 2) setting forth provisions for management of the planning effort; 3) providing for consensus decision-making to identify recommended near- and long-term project alternatives; and 4) committing to recommend appropriate project development and funding initiatives to the respective governing boards of the participating agencies; the form of the Memorandum of Understanding shall be subject to the approval of General Counsel or his authorized representative.

PORT AUTHORITY TRANS-HUDSON CORPORATION

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**MINUTES of the Meeting of the Port Authority Trans-Hudson Corporation held Thursday, May 29, 2003,
at 225 Park Avenue South, City, County and State of New York.**

PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
Hon. Raymond M. Pocino
Hon. Anthony J. Sartor
Hon. Jack G. Sinagra
Hon. David S. Steiner

Joseph J. Seymour, President
Ernesto L. Butcher, Vice-President
Jeffrey S. Green, Counsel

Gwendolyn Archie
Kayla M. Bergeron
A. Paul Blanco
Bruce D. Bohlen
John D. Brill
Gregory G. Burnham
Timothy Castano
Wilfred Chabrier
Janice Chiantese
Anthony B. Ciavolella
Arthur J. Cifelli
Anthony G. Cracchiolo
William R. DeCota
John C. Denise
Michael P. DePallo
Charles D. DeRienzo
Pasquale DiFulco
Karen E. Eastman
Michael G. Fabiano
Linda C. Handel
Edward L. Jackson
Howard G. Kadin
Louis J. LaCapra
Richard M. Larrabee
Francis J. Lombardi
Robert Lurie
Stephen Marinko
Gloria Martinez
Charles F. McClafferty
James E. McCoy
Catherine F. Pavelec
Michael A. Petralia
Kenneth P. Philmus
Edmond F. Schorno

NEW YORK

Hon. Bruce A. Blakeman
Hon. Henry R. Silverman
Hon. Anastasia M. Song

Douglas L. Smith
Harry Spector
Tiffany A. Townsend
Gregory J. Trevor
Sean P. Walsh

Guests:

Noreen Giblin
Miki Krakauer

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Thursday, June 26, 2003

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MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, June 26, 2003, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor
 Hon. Jack G. Sinagra
 Hon. David S. Steiner

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Henry R. Silverman
 Hon. Anastasia M. Song

Joseph J. Seymour, Executive Director
 Jeffrey S. Green, General Counsel
 Karen E. Eastman, Secretary

Gwendolyn Archie, Staff Administrator, Office of the Secretary
 Kayla M. Bergeron, Director, Public Affairs
 A. Paul Blanco, Chief of Regional and Economic Development
 Bruce D. Bohlen, Treasurer
 John D. Brill, Director, Audit
 Gregory G. Burnham, Chief Technology Officer
 Ernesto L. Butcher, Chief Operating Officer
 Timothy Castano, Senior Business Consultant, Office of the Chairman
 Arthur J. Cifelli, Assistant Director, Government and Community Affairs
 Steven J. Coleman, Public Information Officer, Public Affairs
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 William R. DeCota, Director, Aviation
 John C. Denise, Supervisor, Audio Visual/Photography, Operations Services
 Michael P. DePallo, Director, PATH
 Charles D. DeRienzo, Superintendent of Police/Director, Public Safety
 Pasquale DiFulco, Public Information Officer, Public Affairs
 Michael G. Fabiano, Comptroller
 Michael B. Francois, Director, Real Estate
 Linda C. Handel, Assistant Secretary
 Edward L. Jackson, Director, Financial Services
 Howard G. Kadin, Senior Attorney, Law
 Richard M. Larrabee, Director, Port Commerce
 Francis J. Lombardi, Chief Engineer
 Robert Lurie, Senior Policy Advisor, Office of the Chairman
 Gloria Martinez, Administrator, Office of the Secretary
 Daniel S. Maynard, Client Manager, Public Affairs
 Charles F. McClafferty, Chief Financial Officer
 James E. McCoy, Manager, Board Management Support, Office of the Secretary
 Lynn A. Nerney, Senior Administrator, Office of the Secretary
 Catherine F. Pavelec, Manager, Administration, Protocol and Executive Correspondence,
 Office of the Secretary
 Michael A. Petralia, Chief of Public and Government Affairs
 Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals
 Edmond F. Schorno, Chief of Staff
 Douglas L. Smith, Director, Office of Forecasting and Capital Planning
 Harry Spector, Deputy Director, Public Affairs

John F. Spencer, Deputy Chief Engineer

Tiffany A. Townsend, Public Information Officer, Public Affairs
Gregory J. Trevor, Senior Public Information Officer, Public Affairs
Sean P. Walsh, Director, Government and Community Affairs
Jason Yan, Summer Law Intern, Law

**DOWNTOWN RESTORATION PROGRAM – WORLD TRADE CENTER SITE
PLANNING – LOWER MANHATTAN DEVELOPMENT CORPORATION
ENVIRONMENTAL ANALYSIS AND REVIEW**

On February 27, 2003, New York Governor George E. Pataki and New York City Mayor Michael R. Bloomberg announced the selection of the Memory Foundations Concept Plan proposed by Studio Daniel Libeskind (SDL) for redevelopment of the World Trade Center (WTC) site. Port Authority staff are currently working with the Lower Manhattan Development Corporation (LMDC), SDL, the net lessees of various components of the WTC and other public and private sector entities to finalize a WTC Site Master Plan, incorporating transportation facilities, a memorial and memorial-related improvements, up to 10 million square feet of office space, up to 1 million square feet of retail space, conference center and hotel facilities, new open space areas, museum and cultural facilities, and certain infrastructure improvements, including new street configurations at the WTC site. LMDC has launched the WTC Site Memorial Competition, and is undertaking a program to develop the memorial and memorial-related improvements, as well as potential museum and cultural facilities for the WTC site.

LMDC will be conducting a coordinated review of its WTC Memorial and Redevelopment Plan, as a state recipient of a Community Development Block Grant from the United States Department of Housing and Urban Development (HUD), and as a lead agency under both the National Environmental Policy Act (NEPA) and the New York State Environmental Quality Review Act (SEQRA). A Memorandum of Understanding (MOU) between the Port Authority and LMDC would formalize the understanding between the agencies to cooperate in the environmental analysis required to implement the redevelopment of the WTC site. LMDC has agreed that it shall be solely responsible for costs incurred in connection with this coordinated environmental review.

The Port Authority, together with various agencies, including LMDC, the New York State Urban Development Corporation d/b/a Empire State Development Corporation (ESDC), HUD, the Federal Emergency Management Agency (FEMA), the Federal Transportation Administration (FTA), the Federal Highway Administration (FHWA), the United States Coast Guard (USCG), the United States Army Corps of Engineers (USACE), the United States Fish and Wildlife Service (USFWS), National Marine Fisheries Service (NMFS), National Park Service (NPS), New York State's Metropolitan Transportation Authority (MTA), New York State Department of Transportation (NYSDOT), New York State Office of Parks, Recreation and Historic Preservation (OPRHP), and the City of New York Department of City Planning (DCP), will be cooperating, involved or interested agencies for purposes of the LMDC environmental review. An additional MOU among these governmental agencies would formalize the commitment among the agencies to coordinate the review of the proposed WTC Memorial and Redevelopment Plan under NEPA and SEQRA. This MOU would remain in effect until the last project funded as a result of the September 11, 2001 terrorist attacks at The World Trade Center is fully constructed.

The proposed WTC Memorial and Redevelopment Plan shall remain subject to approval by the Port Authority and LMDC after completion of the environmental review. To enable the construction of, and institutional arrangements associated with, the Memorial, future Board authorization will be sought at the appropriate time. Upon completion of the environmental reviews, LMDC will take the lead on the implementation of the Memorial Plan, and the Port Authority will take the lead on the implementation of the WTC Redevelopment Plan.

Apart from the foregoing, the permanent Port Authority Trans-Hudson (PATH) system WTC Terminal transportation component of the WTC Site Master Plan is an independent project, and will undergo a separate NEPA environmental analysis and review. The FTA will be the lead agency for environmental reviews to be undertaken in cooperation with the Port Authority for PATH's permanent WTC Terminal.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Sinagra, Song 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: (1) enter into one or more Memorandum(s) of Understanding (MOU) with the Lower Manhattan Development Corporation (LMDC), among other matters, concurring with LMDC's proposal to serve as lead agency for the environmental analysis of the World Trade Center Memorial and Redevelopment Plan, and committing the Port Authority to cooperate with LMDC regarding preparation, management and public outreach related to the environmental analysis and review; (2) enter into a joint MOU with cooperating and interested New York City, New York State, and Federal agencies providing for coordinated and expedited review of the environmental analysis; and (3) take such other actions as may be appropriate from time to time to effectuate the environmental reviews and analyses pertaining to the redevelopment of the World Trade Center site; and it is further

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

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES

Thursday, June 26, 2003

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MINUTES of the Meeting of Port Authority Trans-Hudson Corporation held Thursday, June 26, 2003, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor
 Hon. Jack G. Sinagra
 Hon. David S. Steiner

Joseph J. Seymour, President
 Ernesto L. Butcher, Vice-President
 Jeffrey S. Green, Counsel

Gwendolyn Archie
 Kayla M. Bergeron
 A. Paul Blanco
 Bruce D. Bohlen
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 Gregory G. Burnham
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 Arthur J. Cifelli
 Steven J. Coleman
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 Kenneth P. Philmus
 Edmond F. Schorno
 Douglas L. Smith
 Harry Spector
 John F. Spencer
 Tiffany A. Townsend
 Gregory J. Trevor
 Sean P. Walsh
 Jason Yan

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Henry R. Silverman
 Hon. Anastasia M. Song

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES Thursday, July 31, 2003

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MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, July 31, 2003, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

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

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 Arthur J. Cifelli, Assistant Director, Government and Community Affairs
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 William R. DeCota, Director, Aviation
 John C. Denise, Supervisor, Audio Visual/Photography, Operations Services
 Michael P. DePallo, Director, PATH
 Charles D. DeRienzo, Superintendent of Police/Director, Public Safety
 Pasquale DiFulco, Public Information Officer, Public Affairs
 John J. Drobny, Assistant Director, Tunnels, Bridges and Terminals
 Nancy J. Ertag-Brand, Executive Advisor to the Chief Financial Officer
 Michael B. Francois, Director, Real Estate
 Linda C. Handel, Assistant Secretary
 Edward L. Jackson, Director, Financial Services
 Louis J. LaCapra, Chief Administrative Officer
 Richard M. Larrabee, Director, Port Commerce
 Francis J. Lombardi, Chief Engineer
 Robert R. Lurie, Senior Policy Advisor, Office of the Chairman
 Stephen Marinko, Attorney, Law
 Calixto Martin, Senior Engineer, Tunnels, Bridges and Terminals
 Daniel S. Maynard, Client Manager, Public Affairs
 Charles F. McClafferty, Chief Financial Officer
 James E. McCoy, Manager, Board Management Support, Office of the Secretary
 Catherine F. Pavelec, Manager, Administration, Protocol and Executive Correspondence,
 Office of the Secretary
 Michael A. Petralia, Chief of Public and Government Affairs
 Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals
 Alan L. Reiss, Deputy Director, Aviation

Edmond F. Schorno, Chief of Staff
Douglas L. Smith, Director, Office of Forecasting and Capital Planning
Harry Spector, Deputy Director, Public Affairs
Joseph A. Tobia, Assistant Comptroller
Tiffany A. Townsend, Public Information Officer, Public Affairs
Ralph Tragale, Client Manager, Government and Community Affairs
Gregory J. Trevor, Senior Public Information Officer, Public Affairs
Emery J. Ungrady, Deputy Chief of Staff

**DOWNTOWN RESTORATION PROGRAM - WORLD TRADE CENTER SITE
INFRASTRUCTURE – INCREASE IN PROJECT AUTHORIZATION AND
AUTHORIZATION TO ENTER INTO AGREEMENTS AND CONTRACTS FOR
PERIMETER WALKWAY IMPROVEMENTS**

It was recommended that the Board authorize: 1) an increase in the project authorization for World Trade Center (WTC) site infrastructure of \$28 million, resulting in a total authorization of \$46 million for WTC site perimeter access improvements and structural improvements; 2) the Executive Director to enter into: a) an agreement with the Lower Manhattan Development Corporation (LMDC) providing for reimbursement to the Port Authority of up to \$10 million for Vesey Street and Liberty Street walkway construction; and b) agreements with other interested entities to provide for Port Authority participation in operations and maintenance responsibilities and expenditures associated with the perimeter walkways; and 3) the Chief Engineer to award Contract WTC-404.161 to the lowest qualified bidder for construction of the Vesey Street and Liberty Street walkway improvements.

At its meeting of December 13, 2001, the Board authorized: 1) continued planning for WTC site redevelopment and comprehensive Lower Manhattan transportation improvements; 2) limited temporary WTC site remediation measures at an estimated total cost of \$10.5 million; and 3) the Executive Director to: a) take action with respect to contracts for professional services and construction contracts related to WTC site planning and site remediation, and b) enter into such other agreements as may be necessary to effectuate the Downtown Restoration Program.

At its meeting of December 12, 2002, the Board authorized continued planning for the WTC site redevelopment and comprehensive Lower Manhattan transportation improvements, and a project for ongoing WTC site infrastructure restoration and planning work, in the total amount of \$17.5 million, resulting in a total authorization of \$28 million, including \$10 million for the WTC site planning and \$18 million for WTC site infrastructure. At that time, the Board was advised that for administrative purposes, the planning and project work associated with the authorization would be handled as two separate, distinct endeavors from that point forward.

On April 24, 2003, New York Governor George E. Pataki announced both short and longer-term initiatives to improve the quality of life in Lower Manhattan. Among these short-term initiatives was improved access across West Street and the WTC site, to better link the World Financial Center (WFC) and Battery Park City with the rest of Lower Manhattan. Pedestrian access across West Street is currently available via a temporary pedestrian bridge connection and a pedestrian path on Liberty Street. In early 2003, a narrow pedestrian path was also configured on Vesey Street between Church Street and West Street.

The temporary WTC Port Authority Trans-Hudson system (PATH) Station, which is currently under construction, is anticipated to open in November 2003. At that time, the number of pedestrians requiring access to the WFC, particularly at Vesey Street, is expected to more than double. The existing temporary Liberty Street pedestrian bridge would be inadequate to handle the increased traffic, and its location would also be inconvenient for a large number of WFC workers.

The New York State Department of Transportation (NYSDOT) is to install a second temporary pedestrian bridge connection over West Street at Vesey Street. In conjunction with that project, the Port Authority would enhance the Vesey Street walkway at grade, and provide an escalator from the NYSDOT bridge to street level. The Vesey Street walkway must also incorporate flexibility to adapt to the major construction ongoing on either side of (7 World Trade Center/Con Ed/Verizon and the WTC site), and beneath (slurry wall, utilities) Vesey Street. Both the Vesey Street pedestrian bridge and walkway are targeted to be completed in November 2003, in connection with restoration of PATH service to Lower Manhattan.

At Liberty Street, a new escalator (on the east side of West Street) would be installed from street level to connect with the existing temporary bridge connection. Other potential pedestrian walkway improvements are also being explored for Liberty Street. The Liberty Street improvements would be completed in early 2004. LMDC has agreed to provide funding to NYSDOT and the Port Authority for the construction costs of the Vesey Street and Liberty Street improvements.

Under a proposed agreement with LMDC, up to \$10 million in costs associated with the Vesey Street and Liberty Street walkways would be reimbursed to the Port Authority, as a subrecipient (to LMDC) of U.S. Department of Housing and Urban Development funds. Staff is also seeking recovery of certain costs related to the WTC site that may be eligible for recovery through Federal Emergency Management Agency and/or insurance reimbursements.

In addition, an agreement between the Port Authority, Battery Park City Authority, Brookfield Properties, and other public and private entities is being negotiated to share in the operating and maintenance responsibilities of the Vesey Street and Liberty Street perimeter walkways and pedestrian bridges. Under the agreement, the Port Authority is expected to contribute \$160,000 to the estimated \$600,000 total annual maintenance cost for security, cleaning, and lighting of the walkways.

Another \$18 million in increased project funding is also required to complete ongoing structural stabilization work at the WTC site under existing Contract WTC-404.160, including slurry wall repairs and structural rehabilitation work to be completed prior to restoration of PATH service.

All work is expected to be completed in early 2004.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Song and Steiner voting in favor; none against:

RESOLVED, that an increase in the project authorization for World Trade Center site infrastructure of \$28 million, resulting in a total authorization of \$46 million for World Trade Center site perimeter access improvements and World Trade Center site structural improvements, 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) an agreement with the Lower

Manhattan Development Corporation providing for reimbursement to the Port Authority of up to \$10 million for Vesey Street and Liberty Street walkway construction; and b) agreements with other interested entities to provide for Port Authority participation in operations and maintenance responsibilities and expenditures associated with the perimeter walkways; and it is further

RESOLVED, that the Chief Engineer be and he hereby is authorized, for and on behalf of the Port Authority, to award Contract WTC-404.161 to the lowest qualified bidder, following a competitive/low bid process for construction of the Vesey Street and Liberty Street walkway improvements at a total estimated construction cost of \$10 million; 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 PLANNING – AWARD OF CONTRACT TO STUDIO DANIEL LIBESKIND FOR WTC SITE MASTER PLAN DESIGN REVIEWS AND DEVELOPMENT OF ARCHITECTURAL DESIGN GUIDELINES FOR THE PERMANENT WTC PATH TERMINAL

It was recommended that the Board authorize the Executive Director to enter into a contract with Studio Daniel Libeskind (SDL) to provide ongoing design review and professional advisory services to the Port Authority associated with the World Trade Center (WTC) site redevelopment, at the estimated cost of \$3.0 million for an initial term of two years, with the Port Authority having two options to extend the agreement for an additional two years each.

On February 27, 2003, the “Memory Foundations” site plan concept by SDL was selected by the Lower Manhattan Development Corporation (LMDC) and the Port Authority as the basis for redevelopment of the WTC site. In May 2003, the LMDC and the Port Authority jointly retained SDL to finalize the WTC Site Master Plan and draft commercial development design guidelines, as well as assist in associated public outreach. The total estimated amount of the joint Port Authority-LMDC contract with SDL for WTC Site Master Plan development is \$3.3 million including contingencies, with a cost to the Port Authority not to exceed \$2.0 million. The contract work is expected to be substantially completed by the end of 2003.

Each of the public and private entities responsible for individual site redevelopment components (transportation facilities, commercial development, memorial and cultural facilities, streets and public spaces) will be expected to implement their projects in a manner consistent with the overall WTC Site Master Plan framework. As the owner of the WTC site, the Port Authority has significant financial and legal interests that would benefit from planned redevelopment of the WTC site and adherence to a Site Master Plan and specific guidelines. SDL, as the Site Master Plan Architect, would provide essential design input and advice, particularly as the schematic designs of each of the immediate site redevelopment projects (Freedom Tower, WTC Port Authority Trans-Hudson (PATH) system Terminal, and WTC memorial) are developed.

Under this contract, SDL would review and evaluate plans and designs for various WTC site development components prepared by other architecture and engineering firms pursuant to the WTC Site Master Plan and any specific architectural guidelines. Subsequent to completion of the WTC Site Master Plan in 2003, SDL would also prepare and incorporate any appropriate and necessary revisions to the Site Master Plan. SDL would also provide Architectural Design Guidelines for the WTC PATH Terminal. These guidelines will provide a framework for other architectural and engineering consultants (to be retained separately) and in-house design staff to perform a complete schematic design for the WTC PATH Terminal. These WTC PATH Terminal Architectural Design Guidelines are expected to be completed by October 2003.

The proposed agreement would have an initial term of two years, with the Port Authority having two options to extend for an additional two years each. Failure to enter into this contract would jeopardize the design consistency and implementation of the WTC Site Master Plan as developed by SDL, and would also delay the completion of preliminary engineering for the permanent WTC PATH Terminal.

A further increase in the planning authorization for WTC site planning will be necessary to cover the future costs of this contract beyond 2003. Staff anticipates seeking such additional authorization in late 2003, in conjunction with other WTC site planning, design, and other redevelopment activities, as they become more defined.

Pursuant to the foregoing report, the following resolution was adopted, with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Song 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 contract with Studio Daniel Libeskind (SDL) for SDL to provide ongoing design, review and professional advisory services to the Port Authority associated with the World Trade Center site redevelopment, at the estimated cost of \$3.0 million for an initial term of two years, with the contract to include two options for the Port Authority to extend the contract for an additional two years each; the form of the contract shall be subject to the approval of General Counsel or his authorized representative.

DOWNTOWN RESTORATION PROGRAM – PERMANENT WORLD TRADE CENTER PATH TERMINAL – INCREASE IN PLANNING AUTHORIZATION – PROJECT DEVELOPMENT AND GRANT AGREEMENTS WITH THE FEDERAL TRANSIT ADMINISTRATION

It was recommended that the Board authorize: 1) an increase of \$50 million in the planning authorization for a project to rebuild the World Trade Center (WTC) Port Authority Trans-Hudson system (PATH) Terminal, resulting in a total authorization of \$60 million, to provide for design development work (Stage II) and a public environmental review of the proposed project consistent with the National Environmental Policy Act (NEPA); and 2) the Executive Director to: a) enter into agreements with the Federal Transit Administration (FTA) for a permanent WTC PATH Terminal project (Terminal Project) to establish the overall project scope, schedule, budget, and grant management and oversight responsibilities; and b) take such action with respect to contracts for professional and advisory services related to the proposed Terminal Project as he deems in the best interest of the Port Authority.

At its meeting of December 13, 2001, the Board authorized conceptual design and engineering analysis work for the Terminal Project to fully restore and enhance the transportation functions at the WTC site that existed prior to September 11, 2001, at a total estimated cost of \$10 million. To facilitate the immediate recovery of Lower Manhattan, a temporary WTC PATH Station has been designed and is now being constructed. The temporary WTC PATH Station is a stand-alone transit facility that was designed only to provide the most basic services. The permanent WTC PATH Terminal is proposed to be a fully developed regional transportation hub that will be coordinated with existing and future transportation infrastructure, WTC site redevelopment, and the development of the surrounding area.

The permanent WTC PATH Terminal's tracks, platforms, and mezzanine levels would all be located in the WTC "bathtub," as they were prior to September 11, 2001. The terminal would include subgrade pedestrian connections to connect the PATH lines with the New York City Transit (NYCT) subway system and with Hudson River ferry services. Pedestrian connections would extend in all directions to connect the WTC site and PATH Terminal with surrounding neighborhoods, including the World Financial Center on the west and the planned NYCT Fulton Street Transit Center on the east.

The functional plans developed to date for the permanent WTC PATH Terminal have been well received publicly, and the project has the support of key constituents, including Lower Manhattan commuters, office workers, and businesses, as well as the local community and elected officials, including New York Governor George E. Pataki and New York City Mayor Michael R. Bloomberg.

In August 2002, the federal government announced the availability of up to \$4.55 billion in federal aid for Lower Manhattan transportation improvements, including combined Federal Emergency Management Agency and FTA funds, to be administered by the FTA. In February 2003, Governor Pataki identified priority projects for this funding, including the permanent WTC PATH Terminal. Staff has been working to establish a project partnership with the FTA, and to facilitate and adopt necessary organizational and administrative changes within the Port Authority to manage, monitor, and report on the project and expenditures, in accordance with federal requirements. In addition, the FTA is to be the lead agency for the environmental review process that will be performed, consistent with NEPA, for the Terminal Project.

Preliminary Engineering (equivalent to Port Authority Stage II Design Development) for the Terminal Project would be performed under an overall WTC Site Master Plan framework and specific Architectural Design Guidelines for the permanent WTC PATH Terminal (currently being established by Studio Daniel Libeskind). In order to advance this design work as expeditiously as possible for completion by mid-2004, internal Port Authority staff, as well as external architectural and engineering consultants, will perform the design work for different components of the overall project. The proposed Terminal Project also will advance through a public NEPA environmental review process, and will require significant coordination with other public agencies and the WTC net lessees to resolve numerous design, development, and property issues needed to finalize the project scope, schedule, and cost prior to the start of Final Design.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Song and Steiner voting in favor; none against:

RESOLVED, that an increase in the planning authorization for the permanent World Trade Center (WTC) Port Authority Trans-Hudson system (PATH) Terminal of \$50 million, resulting in a total authorization of \$60 million, to provide for design development work (Stage II) and a public environmental review of the proposed project consistent with the National Environmental Policy Act, 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: a) enter into agreements with the Federal Transit Administration for a permanent WTC PATH Terminal project (Terminal Project) to establish the overall project scope, schedule, budget, and grant management and oversight responsibilities; and b) take such action with respect to contracts for professional and advisory services related to the proposed Terminal Project as he deems in the best interest of the Port Authority; and it is further

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

WORLD TRADE CENTER SITE – AGREEMENT WITH THE U.S. GENERAL SERVICES ADMINISTRATION – CUSTOMS HOUSE

It was recommended that the Board authorize the Executive Director to enter into an agreement with the U.S. General Services Administration (GSA) whereby the GSA would agree to waive any right it may have under its lease of the space comprising the entire building known as 6 World Trade Center (the Lease) for use by the U.S. Customs Service to have the building rebuilt at the specific location where it formerly stood prior to the events of September 11, 2001, and all rights, licenses, privileges and options of the lessee granted by the Lease with respect to the specific location of that building.

The GSA would retain all its other rights, rights of renewal, licenses, privileges and options under the Lease, including but not limited to, the right to have the building rebuilt on the World Trade Center (WTC) site and the right to occupy the building at the rental rates established in the Lease, as amended. In lieu of having the building rebuilt at its exact former location, the proposed agreement gives the GSA the option to occupy an equivalent amount of space in another building within the WTC site at the rental rates established in the Lease.

This agreement allows for the continued planning and redevelopment of not only the 1776-foot-high tower which has been planned for the location of the former Customs House building, but for the entire WTC site, including the memorial, Port Authority Trans-Hudson system Terminal and associated transit connections, and the commercial elements of the redevelopment, and provides the Port Authority and the WTC net lessees the ability to plan for the demands of the expedited reconstruction schedule that has been called for, without compromising the Port Authority's responsibility to the GSA.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Song 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 Memorandum of Agreement with the U.S. General Services Administration (GSA) to relinquish the GSA's rights to redevelop their former building known as 6 World Trade Center in the location where it formerly stood, substantially in accordance with the terms and conditions outlined to the Board; the form of the agreement shall be subject to the approval of General Counsel or his authorized representative.

SETTLEMENT OF CLAIM – LORRAINE LORENZO v. THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY, et al.

It was recommended that the Board authorize General Counsel, for and on behalf of the Port Authority, to enter into a settlement of a personal injury claim in the action entitled Lorraine Lorenzo v. The Port Authority of New York and New Jersey, et al. by payment of \$150,000, inclusive of attorneys' fees. In return, plaintiff will provide the Port Authority with a General Release and Stipulation of Discontinuance, with prejudice.

Plaintiff Lorraine Lorenzo (Plaintiff) was an underwriting employee of AIG Insurance Companies, with more than twenty-two years of service, assigned to an office in Lower Manhattan. On November 11, 1999, at about 1 p.m., she was crossing Liberty Street, at Church Street, in order to enter the World Trade Center (WTC) Concourse to shop. Plaintiff claims that in doing so she stepped onto a raised concrete island, which was wholly within the Port Authority's property line. (The island helped to form the parking area which ran on the east side of the WTC.) As she was crossing the concrete island, Plaintiff stepped into a depression in the concrete, adjacent to the curved metal curb of the island. The defect appeared to have been of longstanding duration and to have been the result of erosion over a long period of time. The existence of the defect was confirmed by photographs and by deposition of Port Authority maintenance personnel.

Plaintiff sustained a comminuted fracture of her patella. It has required three surgical procedures, and some hardware remains at the site of her injuries. Plaintiff has lost nine months from work and incurred medical expenses in excess of \$13,000.

In view of the potential of a substantially higher jury verdict should this matter proceed to trial, staff recommended that it would be in the best interest of the Port Authority for the proposed settlement to be authorized.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Song and Steiner voting in favor; none against:

RESOLVED, that General Counsel be and he hereby is authorized, for and on behalf of the Port Authority, to enter into an agreement with plaintiff Lorraine Lorenzo and her attorneys to provide for the settlement of a lawsuit for personal injuries entitled Lorraine Lorenzo v. The Port Authority of New York and New Jersey, et al., by paying plaintiff and her attorneys the sum of \$150,000, inclusive of attorneys' fees, costs and disbursements.

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES

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PRESENT:

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THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Wednesday, September 10, 2003

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 Jeffrey S. Green, General Counsel
 Karen E. Eastman, Secretary

Gwendolyn Archie, Staff Administrator, Office of the Secretary
 Paul Bea, Washington Representative, Government and Community Affairs
 Catherine M. Bergamini, Senior Administrator, Port Commerce
 A. Paul Blanco, Chief of Regional and Economic Development
 Bruce D. Bohlen, Treasurer
 John D. Brill, Director, Audit
 Ernesto L. Butcher, Chief Operating Officer
 Timothy Castano, Senior Business Consultant, Office of the Chairman
 Arthur J. Cifelli, Assistant Director, Government and Community Affairs
 Steven J. Coleman, Public Information Officer, Public Affairs
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 William R. DeCota, Director, Aviation
 John C. Denise, Supervisor, Audio Visual/Photography, Operations Services
 Michael P. DePallo, Director, PATH
 Charles D. DeRienzo, Superintendent of Police/Director, Public Safety
 Michael G. Fabiano, Comptroller
 Linda C. Handel, Assistant Secretary
 Jay Hector, Senior Policy Advisor to the Vice-Chairman
 Paul Higgins, Policy Advisor to the Vice-Chairman
 Edward L. Jackson, Director, Financial Services
 Howard G. Kadin, Senior Attorney, Law
 Louis J. LaCapra, Chief Administrative Officer
 Richard M. Larrabee, Director, Port Commerce
 Francis J. Lombardi, Chief Engineer
 Robert R. Lurie, Senior Policy Advisor, Office of the Chairman
 Charles F. McClafferty, Chief Financial Officer
 James E. McCoy, Manager, Board Management Support, Office of the Secretary
 Lynn A. Nerney, Senior Administrator, Office of the Secretary
 Michael A. Petralia, Chief of Public and Government Affairs
 Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals
 Alan L. Reiss, Deputy Director, Aviation
 Edmond F. Schorno, Chief of Staff
 Douglas L. Smith, Director, Office of Forecasting and Capital Planning
 Harry Spector, Deputy Director, Public Affairs
 Gregory J. Trevor, Senior Public Information Officer, Public Affairs
 Emery J. Ungrady, Deputy Chief of Staff
 Sheree Van Duyne, Manager, Executive Policy and Analysis, Aviation
 Sean P. Walsh, Director, Government and Community Affairs

Guest:

Noreen Giblin, Authorities Unit, Office of the Governor of New Jersey

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES

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 John C. Denise
 Michael P. DePallo
 Charles D. DeRienzo
 Karen E. Eastman
 Michael G. Fabiano
 Linda C. Handel
 Jay Hector
 Paul Higgins
 Edward L. Jackson
 Howard G. Kadin
 Louis J. LaCapra
 Richard M. Larrabee
 Francis J. Lombardi
 Robert R. Lurie
 Charles F. McClafferty
 James E. McCoy
 Lynn A. Nerney
 Michael A. Petralia
 Kenneth P. Philmus
 Alan L. Reiss
 Edmond F. Schorno
 Douglas L. Smith
 Harry Spector
 Gregory J. Trevor
 Emery J. Ungrady
 Sheree Van Duynne
 Sean P. Walsh

Guest:

Noreen Giblin

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. David S. Mack
 Hon. Henry R. Silverman
 Hon. Anastasia M. Song

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

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MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, October 23, 2003, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
 Hon. Anthony J. Sartor
 Hon. Jack G. Sinagra
 Hon. David S. Steiner

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Henry R. Silverman

Joseph J. Seymour, Executive Director
 Jeffrey S. Green, General Counsel
 Karen E. Eastman, Secretary

Gwendolyn Archie, Staff Administrator, Office of the Secretary
 Paul Bea, Washington Representative, Government and Community Affairs
 Catherine M. Bergamini, Senior Administrator, Port Commerce
 A. Paul Blanco, Chief of Regional and Economic Development
 Bruce D. Bohlen, Treasurer
 John D. Brill, Director, Audit
 Ernesto L. Butcher, Chief Operating Officer
 Anthony B Ciavolella, Public Information Officer, Public Affairs
 Steven J. Coleman, Public Information Officer, Public Affairs
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 William R. DeCota, Director, Aviation
 Pasquale DiFulco, Public Information Officer, Public Affairs
 Michael P. Dombrowski, Cinematographer, Operations Services
 Michael G. Fabiano, Comptroller
 Linda C. Handel, Assistant Secretary
 Paul Higgins, Policy Advisor to the Vice-Chairman
 Edward L. Jackson, Director, Financial Services
 George Johansen, Deputy Superintendent, Public Safety
 Howard G. Kadin, Senior Attorney, Law
 Kirby King, Deputy Director, PATH
 Louis J. LaCapra, Chief Administrative Officer
 Richard M. Larrabee, Director, Port Commerce
 Robert R. Lurie, Senior Policy Advisor, Office of the Chairman
 Stephen Marinko, Attorney, Law
 Charles F. McClafferty, Chief Financial Officer
 James E. McCoy, Manager, Board Management Support, Office of the Secretary
 Mark F. Muriello, Assistant Director, Tunnels, Bridges and Terminals
 Lynn A. Nerney, Senior Administrator, Office of the Secretary
 Achille A. Niro, Assistant Chief Engineer, Engineering
 Joann S. Papageorgis, Manager, Transportation Planning and Analysis, Tunnels, Bridges and Terminals
 Catherine F. Pavelec, Manager, Administration, Protocol and Executive Correspondence,
 Office of the Secretary
 Michael A. Petralia, Chief of Public and Government Affairs
 Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals
 Edmond F. Schorno, Chief of Staff
 Douglas L. Smith, Director, Office of Forecasting and Capital Planning
 Tiffany A. Townsend, Public Information Officer, Public Affairs
 Ralph Tragale, Client Manager, Government and Community Affairs
 Gregory J. Trevor, Senior Public Information Officer, Public Affairs
 Emery J. Ungrady, Deputy Chief of Staff
 Sean P. Walsh, Director, Government and Community Affairs

WORLD TRADE CENTER SITE – AGREEMENT WITH HOST MARRIOTT CORPORATION TO SURRENDER LEASEHOLD INTEREST

It was recommended that the Board authorize the Executive Director to enter into an agreement with Host Marriott Corporation (Host Marriott) whereby Host Marriott would agree to surrender the premises and all rights, licenses, privileges and options granted to Host Marriott under its net lease of the space comprising the entire building known as 3 World Trade Center, which was used by Host Marriott for the operation of the World Trade Center Marriott Hotel.

Host Marriott would retain any property insurance proceeds from insurance policies that were procured and maintained by Host Marriott to cover its property interest in the building. Host Marriott's obligation to pay the Port Authority the balance of \$65 million owed on account of the original purchase by Host Marriott of the net lease interest in the operating assets of the hotel would be unaffected by the agreement, although Host Marriott has agreed to accelerate this payment if the surrender agreement is executed prior to the due date of the \$65 million payment. Host Marriott has also agreed to pay the Port Authority \$1 million for grant of a right of first offer with regard to any future hotel development opportunity on the World Trade Center (WTC) site.

Given the land constraints of the entire WTC site, including the memorial, the Port Authority Trans-Hudson System Terminal and the associated transit connections and the commercial elements of the redevelopment, the former location occupied by the hotel will not be available for commercial redevelopment. This proposed agreement returns the hotel development rights for the entire site to the Port Authority for future lease or sale, relieves the Port Authority or the WTC net lessees from the obligation to provide a subgrade structure to support a replacement hotel, and facilitates the continued planning and redevelopment of the site by allowing for the development of a replacement hotel whose design would be appropriately adapted to the constraints of the site.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Mack, Sartor, Silverman, Sinagra 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 Host Marriott Corporation (Host Marriott) whereby Host Marriott would surrender its leasehold interest at the World Trade Center site, substantially in accordance with the terms outlined to the Board; the form of the agreement shall be subject to the approval of General Counsel or his authorized representative.

PORT AUTHORITY TRANS-HUDSON CORPORATION

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PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
 Hon. Anthony J. Sartor
 Hon. Jack G. Sinagra
 Hon. David S. Steiner

Joseph J. Seymour, President
 Ernesto L. Butcher, Vice-President
 Jeffrey S. Green, Counsel

Gwendolyn Archie
 Paul Bea
 Catherine M. Bergamini
 A. Paul Blanco
 Bruce D. Bohlen
 John D. Brill
 Anthony B. Ciavolella
 Steven J. Coleman
 Anthony G. Cracchiolo
 William R. DeCota
 Pasquale DiFulco
 Michael P. Dombrowski
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 Richard M. Larrabee
 Robert R. Lurie
 Stephen Marinko
 Charles F. McClafferty
 James E. McCoy
 Mark F. Muriello
 Lynn A. Nerney
 Achille A. Niro
 Joann S. Papageorgis
 Catherine F. Pavelec
 Michael A. Petralia
 Kenneth P. Philmus
 Edmond F. Schorno
 Douglas L. Smith
 Tiffany A. Townsend
 Ralph Tragale
 Gregory J. Trevor
 Emery J. Ungrady
 Sean P. Walsh

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Henry R. Silverman

**NEWARK LEGAL AND COMMUNICATIONS CENTER
URBAN RENEWAL CORPORATION**

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Thursday, October 23, 2003**

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held Thursday, October 23, 2003, at 225 Park Avenue South, City, County and State of New York.**

PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
 Hon. Anthony J. Sartor
 Hon. Jack G. Sinagra
 Hon. David S. Steiner

Joseph J. Seymour, President
 Jeffrey S. Green, Counsel

Gwendolyn Archie
 Paul Bea
 Catherine M. Bergamini
 A. Paul Blanco
 Bruce D. Bohlen
 John D. Brill
 Ernesto L. Butcher
 Anthony B. Ciavolella
 Steven J. Coleman
 Anthony G. Cracchiolo
 William R. DeCota
 Pasquale DiFulco
 Michael P. Dombrowski
 Karen E. Eastman
 Michael G. Fabiano
 Linda C. Handel
 Paul Higgins
 Edward L. Jackson
 George Johansen
 Howard G. Kadin
 Kirby King
 Louis J. LaCapra
 Richard M. Larrabee
 Robert R. Lurie
 Stephen Marinko
 Charles F. McClafferty
 James E. McCoy
 Mark F. Muriello
 Lynn A. Nerney
 Achille A. Niro
 Joann S. Papageorgis
 Catherine F. Pavelec
 Michael A. Petralia
 Kenneth P. Philmus
 Edmond F. Schorno
 Douglas L. Smith
 Tiffany A. Townsend
 Ralph Tragale
 Gregory J. Trevor
 Emery J. Ungrady
 Sean P. Walsh

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Henry R. Silverman

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

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November 20, 2003, at 225 Park Avenue South, City, County and State of New York.**

PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor
 Hon. Jack G. Sinagra
 Hon. David S. Steiner

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Henry R. Silverman
 Hon. Anastasia M. Song

Joseph J. Seymour, Executive Director
 Jeffrey S. Green, General Counsel

Gwendolyn Archie, Staff Administrator, Office of the Secretary
 Kayla M. Bergeron, Director, Public Affairs
 A. Paul Blanco, Chief of Regional and Economic Development
 Bruce D. Bohlen, Treasurer
 Darrell B. Buchbinder, First Deputy General Counsel
 Gregory G. Burnham, Chief Technology Officer
 Ernesto L. Butcher, Chief Operating Officer
 Anthony B. Ciavolella, Public Information Officer, Public Affairs
 Steven J. Coleman, Public Information Officer, Public Affairs
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 William R. DeCota, Director, Aviation
 John C. Denise, Supervisor, Audio Visual/Photography, Operations Services
 Michael P. DePallo, Director, PATH
 Charles D. DeRienzo, Superintendent of Police/Director, Public Safety
 Michael G. Fabiano, Comptroller
 Linda C. Handel, Assistant Secretary
 Jay Hector, Senior Policy Advisor to the Vice-Chairman
 Edward L. Jackson, Director, Financial Services
 Howard G. Kadin, Senior Attorney, Law
 Louis J. LaCapra, Chief Administrative Officer
 Richard M. Larrabee, Director, Port Commerce
 Francis J. Lombardi, Chief Engineer
 Robert R. Lurie, Senior Policy Advisor, Office of the Chairman
 Daniel S. Maynard, Client Manager, Public Affairs
 Stephen Marinko, Attorney, Law
 Charles F. McClafferty, Chief Financial Officer
 James E. McCoy, Manager, Board Management Support, Office of the Secretary
 Lynn A. Nerney, Senior Administrator, Office of the Secretary
 Catherine F. Pavelec, Manager, Administration, Protocol and Executive Correspondence,
 Office of the Secretary
 Michael A. Petralia, Chief of Public and Government Affairs
 Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals
 Edmond F. Schorno, Chief of Staff
 Ralph Tragale, Client Manager, Government and Community Affairs
 Emery J. Ungrady, Deputy Chief of Staff
 Sean P. Walsh, Director, Government and Community Affairs

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

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**MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday,
December 11, 2003, at 225 Park Avenue South, City, County and State of New York.**

PRESENT:

NEW JERSEY

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

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
Hon. Bruce A. Blakeman
Hon. Michael J. Chasanoff
Hon. David S. Mack
Hon. Henry R. Silverman
Hon. Anastasia M. Song

Joseph J. Seymour, Executive Director
Jeffrey S. Green, General Counsel
Karen E. Eastman, Secretary

Gwendolyn Archie, Staff Administrator, Office of the Secretary
Catherine M. Bergamini, Senior Administrator, Port Commerce
A. Paul Blanco, Chief of Regional and Economic Development
Bruce D. Bohlen, Treasurer
John D. Brill, Director, Audit
Ernesto L. Butcher, Chief Operating Officer
Rosemary Chiricolo, Assistant Director, Financial Services
Steven J. Coleman, Public Information Officer, Public Affairs
Anthony G. Cracchiolo, Director, Priority Capital Programs
William R. DeCota, Director, Aviation
John C. Denise, Supervisor, Audio Visual/Photography, Operations Services
Charles D. DeRienzo, Superintendent of Police/Director, Public Safety
Pasquale DiFulco, Public Information Officer, Public Affairs
Nancy J. Ertag-Brand, Executive Advisor to the Chief Financial Officer
Michael G. Fabiano, Comptroller
Michael B. Francois, Director, Real Estate
Linda C. Handel, Assistant Secretary
Jay Hector, Senior Policy Advisor to the Vice-Chairman
Edward L. Jackson, Director, Financial Services
Howard G. Kadin, Senior Attorney, Law
Kirby King, Deputy Director, PATH
Louis J. LaCapra, Chief Administrative Officer
Richard M. Larrabee, Director, Port Commerce
Francis J. Lombardi, Chief Engineer
Robert R. Lurie, Senior Policy Advisor, Office of the Chairman
Daniel S. Maynard, Information Officer, Public Affairs
Stephen Marinko, Attorney, Law
Charles F. McClafferty, Chief Financial Officer
James E. McCoy, Manager, Board Management Support, Office of the Secretary
Lynn A. Nerney, Senior Administrator, Office of the Secretary
Michael A. Petralia, Chief of Public and Government Affairs
Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals
Alan L. Reiss, Deputy Director, Aviation
Edmond F. Schorno, Chief of Staff
Douglas L. Smith, Director, Office of Forecasting and Capital Planning
Ralph Tragale, Client Manager, Government and Community Affairs
Gregory J. Trevor, Senior Public Information Officer, Public Affairs
Emery J. Ungrady, Deputy Chief of Staff
Sean P. Walsh, Director, Government and Community Affairs

**DOWNTOWN RESTORATION PROGRAM – WORLD TRADE CENTER SITE
PLANNING AND REDEVELOPMENT – INCREASE IN PLANNING
AUTHORIZATION**

It was recommended that the Board authorize an increase of \$8 million in the planning authorization for World Trade Center (WTC) site planning and redevelopment, resulting in a total authorization of \$22 million, for ongoing planning and preliminary design coordination work in connection with the first phase of WTC site redevelopment, expected to occur through early 2005.

Various components of the WTC site redevelopment will now be advancing beyond the conceptual planning stages into preliminary design. In September 2003, the Lower Manhattan Development Corporation (LMDC) and Port Authority announced the refined WTC Site Master Plan based on the “Memory Foundations” concept developed by Studio Daniel Libeskind (SDL). In November 2003, the LMDC announced the eight finalists for the WTC Memorial, with a final selection expected by early 2004. In December 2003, the design concept for the Freedom Tower will be finalized, and preliminary design will commence.

The Port Authority is directly responsible for implementation of the Permanent WTC Port Authority Trans-Hudson system (PATH) Terminal and the WTC site infrastructure components of the restoration. However, as the owner of the WTC site, the Port Authority has significant financial, legal, and other interests in projects to be implemented by others at the WTC site, such as the Freedom Tower and the WTC Memorial. Active Port Authority involvement and support of these projects is necessary to ensure implementation of the WTC Site Master Plan and successful redevelopment of the WTC site.

WTC site planning work to date by the Port Authority has included analysis of Lower Manhattan transportation needs, preparation of planning studies and initial site plans, development of the WTC Site Master Plan, and formulation of commercial development and other related design guidelines.

At its meetings of December 13, 2001, December 10, 2002 and May 29, 2003, the Board authorized a total amount of \$14 million for WTC site planning and redevelopment.

In 2004, it is anticipated that ongoing planning efforts would include design reviews and development coordination activities related to the Freedom Tower, the WTC Memorial, and common subgrade infrastructure and systems. There is also potentially significant planning and engineering work related to WTC retail redevelopment, buildout of the site owned by Deutsche Bank / Milstein Properties, and planning coordination with other commercial and cultural facilities.

Specific work is expected to include formulation and analysis of site development scenarios and phasing options, technical analysis, and engineering feasibility studies. There will also be continued development and review of overall security, sustainability (“green design”), and architectural design standards for the WTC site. Finally, the WTC Site Master Plan may also need to be updated by SDL during 2004.

There is also expected to be technical and engineering support and analysis required for upcoming real estate negotiations related to the various components of the WTC site. The technical work would also support various property modifications anticipated to implement the WTC site redevelopment, including potential discussions with Deutsche Bank, LMDC, the City of New York, and other parties.

Redevelopment of the WTC site and the revitalization of Lower Manhattan in the wake of the events of September 11, 2001 are of critical importance to the economy and overall quality of life of the New York / New Jersey region. The proposed project will facilitate the achievement of these critical tasks.

Staff will seek recovery of any eligible costs in connection with this project that are available under transportation project grants for the Permanent WTC PATH Terminal and WTC Site Public Infrastructure, to be provided by the Federal Transit Administration (FTA). However, most such costs are being charged directly or allocated to those projects; therefore FTA recoveries for WTC site planning are expected to be less than 10 percent of the requested future planning expenditures. Port Authority costs related to planning for commercial office, retail, memorial, and cultural, or other development would not be eligible for reimbursement from the FTA.

Staff expects to seek additional Board authorization as appropriate for ongoing work beyond 2004.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Song and Steiner voting in favor; none against:

RESOLVED, that an increase of \$8 million in the planning authorization for World Trade Center (WTC) site planning and redevelopment, resulting in a total authorization of \$22 million, for ongoing planning and preliminary design coordination work in connection with the first phase of WTC site redevelopment, expected to occur through early 2005, be and it hereby is approved.

**AGREEMENT WITH THE ALLIANCE FOR DOWNTOWN NEW YORK, INC. -
RENEWAL**

It was recommended that the Board authorize the Executive Director to enter into an agreement with the Alliance for Downtown New York, Inc. (the Alliance) pursuant to which the Port Authority would provide a total amount not to exceed \$3.36 million for continuing financial support of the Alliance's programs for a three-year period. Although the Port Authority would commit to funding for the first year of the agreement, commitments for each of the following two years would be contingent on the availability of budgetary resources and the continuation of partial reimbursement from the World Trade Center (WTC) net lessee.

The Port Authority has been supporting the Alliance for the last eight years. During this period, the Alliance has been a strong supporter of commercial development in Lower Manhattan by promoting economic development, enhancing security and sanitation, working to strengthen streetscape appearances, and marketing the area south of Chambers Street. The Alliance is responsible for many significant accomplishments, including implementation of environmental enhancements such as improved sidewalk lighting and seasonal plantings, and notably passage of the Lower Manhattan Revitalization Plan (LMRP). The LMRP, implemented in 1995 and still in place, provides tax incentives to attract tenants to Lower Manhattan, upgrade existing buildings, and convert obsolete office buildings to residential use. The program has been widely cited as a major success.

The Alliance continues to advocate the commercial and retail redevelopment of the WTC site as well as the development of a WTC transportation hub. The Alliance also has worked with the Port Authority in the past on many other matters, including the provision of visitor services, the improvement of transportation services, and the arranging of first-class entertainment.

The Alliance has been instrumental in the post-9/11 recovery effort by creating a world-class wireless communications network, coordinating the Downtown NYC River-to-River Festival in 2002 and 2003, and developing marketing and advertising campaigns to help support downtown businesses and maintain the area's viability. During the fall of 2003, the Alliance began a free circulator bus service around Lower Manhattan for the benefit of workers, residents and visitors.

Based on the current reimbursement schedule, the WTC net lessee would reimburse the Port Authority for approximately 72 percent of these costs. Funding for each of the last two years of the agreement would be subject to the continuation of this reimbursement.

A three-year agreement would be entered into to ensure greater influence over Alliance policies, and to strengthen the partnership to improve the Lower Manhattan economy.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Song 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 Alliance for Downtown New York, Inc. (the Alliance) pursuant to which the Port Authority will provide a total amount not to exceed \$3.36 million for continuing financial support of the Alliance's programs for a three-year period; provided, however, that while the Port Authority will commit to funding \$1.12 million for the first year of the agreement, commitments for each of the following two years will be contingent on the availability of budgetary resources and the continuation of partial reimbursement from the World Trade Center net lessee, and that the agreement may be cancelled by the Port Authority on six months' notice after the first year, based on funding availability and continuing net lessee reimbursement; and it is further

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

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES

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MINUTES of the Meeting of Port Authority Trans-Hudson Corporation held Thursday, December 11, 2003, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

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

Joseph J. Seymour, President
 Ernesto L. Butcher, Vice-President
 Jeffrey S. Green, Counsel

Gwendolyn Archie
 Catherine M. Bergamini
 A. Paul Blanco
 Bruce D. Bohlen
 John D. Brill
 Rosemary Chiricolo
 Steven J. Coleman
 Anthony G. Cracchiolo
 William R. DeCota
 John C. Denise
 Charles D. DeRienzo
 Pasquale DiFulco
 Karen E. Eastman
 Nancy J. Ertag-Brand
 Michael G. Fabiano
 Michael B. Francois
 Linda C. Handel
 Jay Hector
 Edward L. Jackson
 Howard G. Kadin
 Kirby King
 Louis J. LaCapra
 Richard M. Larrabee
 Francis J. Lombardi
 Robert R. Lurie
 Daniel S. Maynard
 Stephen Marinko
 Charles F. McClafferty
 James E. McCoy
 Lynn A. Nerney
 Michael A. Petralia
 Kenneth P. Philmus
 Alan L. Reiss
 Edmond F. Schorno
 Douglas L. Smith
 Ralph Tragale
 Gregory J. Trevor
 Emery J. Ungrady
 Sean P. Walsh

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Henry R. Silverman
 Hon. Anastasia M. Song

**PATH – TEMPORARY WORLD TRADE CENTER STATION – AIRPORT
MANAGEMENT SERVICES LLC d/b/a/ HUDSON NEWS COMPANY – LEASE
AGREEMENT**

It was recommended that the Board authorize the President of Port Authority Trans-Hudson Corporation (PATH) to enter into a lease agreement with Airport Management Services LLC d/b/a Hudson News Company (Hudson News) to operate a retail newspaper store on the mezzanine level of the Temporary World Trade Center PATH Station for a term of three years.

Under the proposed lease, Hudson News will be permitted to sell newspapers, magazines and books, packaged food items, tobacco products, convenience items, New York State Lottery tickets and mass transit tickets, such as PATH QuickCards. Sales inconsistent with the nature and significance of the World Trade Center site as the location of the events of September 11, 2001 will not be among those permitted by the lease, including, but not limited to, sales of souvenirs, toys and other materials the sale of which would be inconsistent with the unique nature and significance of the site.

Hudson News will pay a rental of \$70,000 per annum for the three-year term. PATH will grant Hudson News a rent credit not exceeding \$30,000 to reimburse it for the costs of installing communications conduit for telephone and data lines and electric conduit and wiring from the nearest electric closet to the perimeter of the premises. Hudson News will be required to relocate its premises not more than twice during the lease term in order to accommodate construction of the Permanent World Trade Center PATH Terminal, for which it will receive rent credits, not exceeding \$25,000 in each instance, for costs incurred to relocate and install utilities and sprinklers in the relocated areas.

Pursuant to the foregoing report, the following resolution was adopted with Directors Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Song and Steiner voting in favor; none against:

RESOLVED, that the President be and he hereby is authorized, for and on behalf of Port Authority Trans-Hudson Corporation (PATH), to enter into a lease agreement with Airport Management Services LLC covering the letting of retail space at the Temporary World Trade Center PATH Station, substantially in accordance with the terms and conditions outlined to the Board, or on such other terms and conditions as the President deems appropriate, subject to the conditions set forth in the following delegation; and it is further

RESOLVED, that the Committee on Operations be and it hereby is authorized to approve the final terms and conditions of the foregoing agreement in the event the rental payment terms and/or the term of the letting are not 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 Counsel or his authorized representative.

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Wednesday, February 25, 2004

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PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
 Hon. Anthony J. Sartor
 Hon. David S. Steiner

NEW YORK

Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Henry R. Silverman

Joseph J. Seymour, Executive Director
 Jeffrey S. Green, General Counsel
 Karen E. Eastman, Secretary

Gwendolyn Archie, Senior Administrator, Office of the Secretary
 Paul H. Bea, Jr., Washington Representative, Government and Community Affairs
 Catherine M. Bergamini, Senior Administrator, Port Commerce
 Bruce D. Bohlen, Treasurer
 John D. Brill, Director, Audit
 Gregory G. Burnham, Chief Technology Officer
 Ernesto L. Butcher, Chief Operating Officer
 Timothy Castano, Senior Business Consultant, Office of the Chairman
 Anthony B. Ciavolella, Public Information Officer, Public Affairs
 Arthur J. Cifelli, Acting Deputy Executive Director/Director, Government and Community Affairs
 Steven J. Coleman, Public Information Officer, Public Affairs
 William R. DeCota, Director, Aviation
 John C. Denise, Supervisor, Audio Visual/Photography, Operations Services
 Pasquale DiFulco, Public Information Officer, Public Affairs
 Michael G. Fabiano, Comptroller
 Linda C. Handel, Assistant Secretary
 L. Jay Hector, Senior Policy Advisor to the Vice-Chairman
 Edward L. Jackson, Director, Financial Services
 George Johansen, Deputy Superintendent of Police, Public Safety
 Howard G. Kadin, Senior Attorney, Law
 Kirby King, Deputy Director, PATH
 Richard M. Larrabee, Director, Port Commerce
 Francis J. Lombardi, Chief Engineer
 Robert R. Lurie, Senior Policy Advisor, Office of the Chairman
 Daniel S. Maynard, Information Officer, Public Affairs
 Stephen Marinko, Attorney, Law
 Charles F. McClafferty, Chief Financial Officer
 James E. McCoy, Manager, Board Management Support, Office of the Secretary
 Lynn A. Nerney, Senior Administrator, Office of the Secretary
 Catherine F. Pavelec, Manager, Administration, Protocol and Executive Correspondence,
 Office of the Secretary
 Michael A. Petralia, Chief of Public and Government Affairs
 Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals
 John A. Riccardi, Manager, E-ZPass Customer Service, Tunnels, Bridges and Terminals
 Myron D. Ronis, Deputy Director, Port Commerce
 Edmond F. Schorno, Chief of Staff
 Gerald B. Stoughton, Assistant Director, Office of Forecasting and Capital Planning
 Tiffany A. Townsend, Public Information Officer, Public Affairs
 Ralph Tragale, Client Manager, Government and Community Affairs
 Gregory J. Trevor, Senior Public Information Officer, Public Affairs
 Emery J. Ungrady, Deputy Chief of Staff
 Thomas H. Wakeman III, General Manager, Waterways Development, Port Commerce

PORT AUTHORITY TRANS-HUDSON CORPORATION

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PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
 Hon. Anthony J. Sartor
 Hon. David S. Steiner

Joseph J. Seymour, President
 Ernesto L. Butcher, Vice-President
 Jeffrey S. Green, Counsel

Gwendolyn Archie
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 Tiffany A. Townsend

NEW YORK

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 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Henry R. Silverman

Ralph Tragale
Gregory J. Trevor
Emery J. Ungrady
Thomas H. Wakeman III

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PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
 Hon. Anthony J. Sartor
 Hon. David S. Steiner
 Hon. Jack G. Sinagra
 Hon. Raymond M. Pocino

Joseph J. Seymour, Executive Director
 Jeffrey S. Green, General Counsel
 Karen E. Eastman, Secretary

Gwendolyn Archie, Senior Administrator, Office of the Secretary
 Catherine M. Bergamini, Senior Administrator, Port Commerce
 Kayla M. Bergeron, Director Public Affairs
 A. Paul Blanco, Chief of Regional and Economic Development
 Bruce D. Bohlen, Treasurer
 John D. Brill, Director, Audit
 Gregory G. Burnham, Chief Technology Officer
 Ernesto L. Butcher, Chief Operating Officer
 Patrick G. Caggiano, Director, Economic Development
 Timothy Castano, Senior Business Consultant, Office of the Chairman
 Anthony B. Ciavolella, Public Information Officer, Public Affairs
 Arthur J. Cifelli, Acting Deputy Executive Director/Director, Government and Community Affairs
 Steven J. Coleman, Public Information Officer, Public Affairs
 Janet D. C6x, Manager Program Development, Economic Development
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 William R. DeCota, Director, Aviation
 John C. Denise, Supervisor, Audio Visual/Photography, Operations Services
 Michael P. DePallo, Director, PATH
 Pasquale DiFulco, Public Information Officer, Public Affairs
 Michael G. Fabiano, Comptroller
 Patrick Flinn, Manager, Ferry Programs, Economic Development
 Michael B. Francois, Director, Real Estate
 Lash L. Green, Manager, Program Development, Economic Development
 Linda C. Handel, Assistant Secretary
 L. Jay Hector, Senior Policy Advisor to the Vice-Chairman
 Alan H. Hicks, Principal Special Events Representative, Public Affairs
 Paul Higgins, Policy Advisor to the Vice-Chairman
 Edward L. Jackson, Director, Financial Services
 Howard G. Kadin, Senior Attorney, Law
 Victoria C. Kelly, Deputy Director, Tunnels, Bridges and Terminals
 Louis J. LaCapra, Chief Administrative Officer
 Richard M. Larrabee, Director, Port Commerce
 Francis J. Lombardi, Chief Engineer
 Richard J. Louis, Acting Assistant Director, Capital Programs, Aviation
 Robert R. Lurie, Senior Policy Advisor, Office of the Chairman
 Charles F. McClafferty, Chief Financial Officer
 James E. McCoy, Manager, Board Management Support, Office of the Secretary
 Lynn A. Nerney, Senior Administrator, Office of the Secretary
 Catherine F. Pavelec, Manager, Administration, Protocol and Executive Correspondence,

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon Anastasia M. Song

Office of the Secretary

Ida I. Perich, Business Development Specialist, Economic Development

Alan L. Reiss, Deputy Director, Aviation

Edmond F. Schorno, Chief of Staff

Jeffrey I. Siegel, Program Management Analyst, Aviation

Gerald B. Stoughton, Assistant Director, Office of Forecasting and Capital Planning

Ralph Tragale, Client Manager, Government and Community Affairs

Emery J. Ungrady, Deputy Chief of Staff

Peter J. Zipf, Deputy Chief Engineer

PORT AUTHORITY TRANS-HUDSON CORPORATION

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PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
 Hon. Anthony J. Sartor
 Hon. Jack G. Sinagra
 Hon. Raymond M. Pocino
 Hon. David S. Steiner

Joseph J. Seymour, President
 Ernesto L. Butcher, Vice-President
 Jeffrey S. Green, Counsel

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 Patrick G. Caggiano
 Timothy Castano
 Anthony B. Ciavolella
 Arthur J. Cifelli
 Steven J. Coleman
 Janet D. Cox
 Anthony G. Cracchiolo
 William R. DeCota
 John C. Denise
 Michael P. DePallo
 Charles D. DeRienzo
 Pasquale DiFulco
 Karen E. Eastman
 Michael G. Fabiano
 Patrick Flinn
 Michael B. Francois
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 James E. McCoy

NEW YORK

Hon. Charles A. Gargano, Vice Chairman
 Hon. Bruce A. Blakeman
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Alan L. Reiss
Edmond F. Schorno
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Peter J. Zipf

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

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PRESENT:

NEW JERSEY

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

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Henry R. Silverman
 Hon. Anastasia M. Song

Joseph J. Seymour, Executive Director
 Jeffrey S. Green, General Counsel
 Karen E. Eastman, Secretary

Gwendolyn Archie, Senior Administrator, Office of the Secretary
 Kayla M. Bergeron, Director, Public Affairs
 A. Paul Blanco, Chief of Regional and Economic Development
 Bruce D. Bohlen, Treasurer
 John D. Brill, Director, Audit
 Darrell B. Buchbinder, First Deputy General Counsel
 Ernesto L. Butcher, Chief Operating Officer
 Timothy Castano, Senior Business Consultant, Office of the Chairman
 Anthony B. Ciavolella, Public Information Officer, Public Affairs
 Arthur J. Cifelli, Acting Deputy Executive Director/Director, Government and Community Affairs
 Steven J. Coleman, Public Information Officer, Public Affairs
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 William R. DeCota, Director, Aviation
 John C. Denise, Supervisor, Audio Visual/Photography, Operations Services
 Michael P. DePallo, Director, PATH
 Pasquale DiFulco, Public Information Officer, Public Affairs
 Nancy J. Ertag-Brand, Executive Advisor to the Chief Financial Officer
 Michael G. Fabiano, Comptroller
 Michael B. Francois, Director, Real Estate
 Linda C. Handel, Assistant Secretary
 Edward L. Jackson, Director, Financial Services
 George L. Johansen, Deputy Superintendent of Police, Public Safety
 Howard G. Kadin, Senior Attorney, Law
 Louis J. LaCapra, Chief Administrative Officer
 Richard M. Larrabee, Director, Port Commerce
 Francis J. Lombardi, Chief Engineer
 Robert R. Lurie, Senior Policy Advisor, Office of the Chairman
 Stephen Marinko, Attorney, Law
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 Michael A. Petralia, Chief of Public and Government Affairs
 Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals
 Alan L. Reiss, Deputy Director, Aviation
 Edmond F. Schorno, Chief of Staff

Gerald B. Stoughton, Assistant Director, Office of Forecasting and Capital Planning
Lynda C. Tollner, Executive Assistant to the Chief Engineer
Tiffany A. Townsend, Public Information Officer, Public Affairs
Ralph Tragale, Client Manager, Government and Community Affairs
Christopher Trucillo, Chief of Department, Public Safety
Emery J. Ungrady, Deputy Chief of Staff
Robert E. Van Etten, Inspector General
Peter J. Zipf, Deputy Chief Engineer

DOWNTOWN RESTORATION PROGRAM – AUTHORIZATION OF PORT AUTHORITY FUNDING FOR THE DESIGN AND CONSTRUCTION OF THE PERMANENT WORLD TRADE CENTER PORT AUTHORITY TRANS-HUDSON SYSTEM TERMINAL

It was recommended that the Board, pending formal authorization of the project for the Permanent World Trade Center (WTC) Port Authority Trans-Hudson system (PATH) Terminal (the Project), authorize the expenditure of up to \$300 million for the Project, to be attributed to insurance proceeds already received and consistent with the terms of project development, grant and other agreements executed or to be executed with the Federal Transit Administration (FTA). The total estimated cost of the Project is \$2 billion.

In the wake of the destruction of the WTC and pursuant to Board authorization in December 2001, in 2002 the Port Authority began conceptual design and engineering analysis for a temporary PATH facility at the WTC site. A temporary WTC PATH Station (Temporary Station), designed as a stand-alone facility providing basic service for PATH passengers, opened in November 2003. Concurrent with the design and construction of the Temporary Station, the Board authorized staff to begin work on a permanent terminal that will serve as a regional transportation hub.

In August 2002, the federal government announced the availability of up to \$4.55 billion in combined Federal Emergency Management Agency and FTA funds for Lower Manhattan transportation improvements (in addition to funds received for the Temporary Station). In February 2003, New York Governor George E. Pataki identified the Permanent WTC PATH Terminal as a priority in the redevelopment of Lower Manhattan, and requested that up to \$1.7 billion in FTA funds be allocated to the Project.

On December 16, 2003, the FTA approved total federal funding of \$1.7 billion towards the total estimated Project cost of \$2 billion, with a Port Authority (local) share of \$300 million. The FTA's continued approval of and provision of funds for this Project is contingent upon the Port Authority's \$300 million commitment, to be attributed to insurance proceeds already received, in consideration for the \$1.7 billion granted by the FTA. At its meetings of December 13, 2001, and July 31, 2003, the Board authorized a total amount of \$60 million for conceptual design and preliminary engineering for the Permanent WTC PATH Terminal.

Redevelopment of the WTC site and the revitalization of Lower Manhattan in the wake of the events of September 11, 2001 are of critical importance to the economy and overall quality of life of the New York/New Jersey region. The Permanent WTC PATH Terminal will serve as a regional transportation hub linked to the existing and future transportation infrastructure of Lower Manhattan. Current estimates indicate that approximately 30,000 weekday riders use the Temporary Station. Upon construction of the Permanent WTC PATH Terminal and pedestrian connection in conjunction with the full redevelopment of the WTC site, it has been estimated that up to 250,000 daily commuters and visitors may use the facility.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Song and Steiner voting in favor; none against:

RESOLVED, that, pending formal project authorization for the design and construction of the Permanent World Trade Center Port Authority Trans-Hudson system Terminal (Project), the Executive Director be and he hereby is authorized and directed, for and on behalf of the Port Authority, to provide Port Authority funds in the amount of \$300 million, to be attributed to insurance proceeds already received, for the Project (out of a total estimated Project cost of \$2 billion), consistent with the terms of project development, grant and other agreements executed or to be executed with the Federal Transit Administration (FTA); the form of any agreements with the FTA (or others) shall be subject to the approval of General Counsel or his authorized representative.

**DOWNTOWN RESTORATION PROGRAM – WORLD TRADE CENTER SITE
PREPARATION – DEMOLITION OF REMNANT SUBGRADE STRUCTURES**

It was recommended that the Board authorize the Executive Director to enter into an agreement with Silverstein Properties, Inc. (SPI), to perform the demolition of the remaining subgrade slabs and other structures in the northwest portion of the World Trade Center (WTC) site, and to provide for cost reimbursement to SPI for certain work related to such demolition and temporary support of the "bathtub" slurry walls. The construction cost to complete this work is currently estimated at \$8.5 million, for which the Port Authority would reimburse SPI for 47 percent of such construction costs, except installation of certain new slurry wall tie-backs estimated at \$700,000 (for which the Port Authority will fully reimburse SPI). The Port Authority also would incur additional costs of approximately \$500,000 associated with design services and construction oversight, in addition to staff and administrative costs in connection with the project. SPI would incur additional costs for construction management and project management.

In order to progress with redevelopment of the WTC site, the remaining slabs in the northwest corner of the WTC site need to be removed. These slabs, support columns, and other structures are remnants of the WTC's subgrade parking areas, and were left in place following the WTC site recovery operations completed by the New York City Department of Design and Construction in June 2002. The slabs are providing interim lateral bracing support for the slurry walls at the north end of the WTC "bathtub"; however they are not expected to be structurally or functionally adequate for the future site redevelopment. Port Authority staff has prepared the construction drawings and specifications for the demolition work. It is anticipated that SPI will retain Tishman Construction Co. (TCC) as the general contractor and construction manager for this slab demolition project. Under contract with SPI, TCC is already at the WTC site performing the construction of the new 7 WTC, and it is anticipated that SPI will also retain it for the Freedom Tower construction. As the demolition and related work will overlap the Freedom Tower foundation work in both time and location, it was deemed advantageous that SPI, through TCC, also undertake this work to minimize risks to the Port Authority Trans-Hudson system (PATH) Terminal and Freedom Tower construction schedules. Actual demolition work is expected to begin in June and will be completed by December 2004. Demolition work will be staged and phased to take account of current PATH operations at the WTC site, and to facilitate the start of the Freedom Tower construction.

This demolition work is subject to completion of the environmental process being conducted by the Lower Manhattan Development Corporation. These remnant slabs and support columns also have been identified as a potential historical resource by federal agencies funding WTC site transportation and redevelopment projects. Discussions with these and other agencies and other interested consulting parties are ongoing regarding potential mitigating actions that can be incorporated with the removal of the slabs and support columns.

This work will allow major components of the initial phase of WTC site redevelopment to advance, including the Freedom Tower, WTC PATH Terminal, as well as the planned Performing Arts Center.

Environmental impacts and mitigating measures with respect to the removal of the remnant slabs and support columns are being considered with reference to Section 106 of the National Historic Preservation Act. In addition, the agreement with SPI will provide for SPI and TCC to implement minimum Environmental Performance Commitments regarding dust control and diesel vehicle emissions.

The total project includes demolition and removal of approximately 190,000 square feet of slabs and other structural elements in the northwest corner of the WTC site, including remaining portions of the Concourse, B1, B2, B3, and sections of the B4 and B5 level slabs. Most of the existing B4 level slab will remain in place above the PATH tracks, and a new functional slab (as part of the Freedom Tower design) will ultimately be built above the B4 level slab. A portion of the total slab demolition area is located in the former U.S. Customhouse leasehold area on the Concourse and B1 levels.

Work associated with the removal of the slabs includes modification to the existing structural framing, which supports Vesey Street, and the installation of tieback anchors to support the portion of the existing slurry wall at Vesey Street that is affected by the slab demolition.

Funds for SPI's portions of work would be made available from insurance proceeds under the net lessees WTC property damage and business interruption insurance program currently on deposit in the insurance escrow account. The Port Authority's share of this work will be paid for with insurance proceeds.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Silverman, Song and Steiner voting in favor; Commissioner Sartor abstaining; 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 Silverstein Properties, Inc. (SPI), to perform the demolition of the remaining subgrade slabs and other structures in the northwest portion of the World Trade Center site, and to provide for reimbursement to SPI of 47 percent of construction costs, which are currently estimated at approximately \$8.5 million, with the exception of certain new slurry wall tie-backs, which are included in the estimated construction cost (for which the Port Authority will fully reimburse SPI); and it is further

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

DOWNTOWN RESTORATION PROGRAM – RETENTION OF FORMER PORT AUTHORITY EMPLOYEES

It was recommended that the Board authorize the retention of present and former senior management staff to provide consultation services in connection with the restoration of Downtown Manhattan and the World Trade Center (WTC) site. Subsequent to the effective date of their retirement or resignation from Port Authority service, such individuals would be retained by agreement; in each case, the terms and conditions, the duration of the retainer, and the scope of services to be provided would be subject to authorization or approval by the Executive Director.

In a series of actions taken by the Board on December 13, 2001, and since that date, the Port Authority has formally committed to an extensive and multi-faceted Downtown Restoration Program of unprecedented complexity and magnitude. The completion of WTC site recovery efforts in the spring of 2002, the restoration of Port Authority Trans-Hudson system (PATH) service to lower Manhattan in November 2003, and the public outreach leading to the selection of the master plan for the redevelopment of the WTC site, are some of the milestones already achieved. Nevertheless, in light of the scope of the recovery efforts and the continuing pace of activities in connection with the reconstruction of the Permanent World Trade Center PATH Terminal, the rebuilding of 7 World Trade Center by Silverstein Properties Inc., efforts to rebuild or replace the office and commercial space at the WTC site, the potential construction of a memorial, and the need for inter-agency cooperation and negotiations with private sector entities in all of these activities, it is necessary that there be continuity in approach and coordination of all of the interests involved. Senior management staff members of the Port Authority have been spending a large portion of their time and effort in connection with these activities and have developed sound working relationships with their counterparts in the public and private sectors. It is, therefore, appropriate to ensure that they will continue to be available for these activities even if they leave full-time Port Authority service and retire.

By resolution entitled “Post-Retirement Restrictions” adopted on September 12, 1991, the Board provided that contracts with active employees to arrange for their post-employment consulting work for the Port Authority (or its subsidiaries) would require the prior approval of the Board, and that contracts with certain former employees (those required to file financial disclosure statements under the Code of Ethics and Financial Disclosure) would also require such prior approval. Pursuant to this requirement, for example, the Board acted on May 25, 2000, to authorize General Counsel to retain the services of a former Senior Advisor and Comptroller of the Port Authority in connection with the New York City Airport Lease Arbitration. It is now proposed that, consistent with the 1991 resolution and for the limited purposes of providing continuing advice, counsel, and assistance in connection with the Downtown Restoration Program over the anticipated term of this extraordinary Port Authority effort being undertaken with other agencies and interests, special arrangements should be authorized for the retention of senior management staff members after they leave full-time Port Authority service.

In considering which employees or former employees would be offered such post-employment consulting contracts, consideration would be given to the current expertise,

knowledge, experience, and responsibilities of the individuals, the body of work activities which would be required of them subsequent to their retirement, the time commitments which they would be expected to make, and the value to the Port Authority of limitations on their services if sought by others. Consistent with these considerations, and in view of the fact that General Counsel Jeffrey S. Green, who has been heavily involved in virtually all aspects of the WTC recovery efforts noted above, has indicated his intention to leave Port Authority service this year after more than 39 years of Port Authority service, the Board directed the Executive Director to enter into a consulting agreement with Mr. Green effective upon his retirement from Port Authority service. The scope of duties, conditions and term of service, and compensation arrangements would be set forth in this, and each individual contract, as authorized or approved by the Executive Director (or Chairman of the Port Authority or Chairman of the Committee on Operations, as may be appropriate).

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Mack, Pocino, Sartor, Silverman, Song and Steiner voting in favor; none against:

RESOLVED, that retention of senior staff members of the Port Authority, upon or subsequent to their retirement from Port Authority service, to provide consultation services in connection with the various aspects of the Downtown Restoration Program as that Program and projects and activities undertaken in connection with it develop over time, all as outlined to the Commissioners, be and the same hereby is authorized, for and on behalf of the Port Authority; the form of contracts or agreements in connection with such retention shall be subject to approval by General Counsel or his authorized representative (as appropriate).

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES

Thursday, April 22, 2004

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**MINUTES of the Annual Meeting of Port Authority Trans-Hudson Corporation held Thursday,
April 22, 2004, at 225 Park Avenue South, City, County and State of New York.**

PRESENT:

NEW JERSEY

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 Hon. David S. Steiner

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 Ernesto L. Butcher, Vice-President
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 Pasquale DiFulco
 Karen E. Eastman
 Nancy J. Ertag-Brand
 Michael G. Fabiano
 Michael B. Francois
 Linda C. Handel
 Edward L. Jackson
 George L. Johansen
 Howard G. Kadin
 Louis J. LaCapra
 Richard M. Larrabee
 Francis J. Lombardi
 Robert R. Lurie
 Stephen Marinko
 Charles F. McClafferty
 James E. McCoy
 Lynn A. Nerney
 Catherine F. Pavelec
 Michael A. Petralia
 Kennerth P. Philmus
 Alan L. Reiss

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Henry R. Silverman
 Hon. Anastasia M. Song

Edmond F. Schorno
Gerald B. Stoughton
Lynda C. Tollner
Tiffany A. Townsend
Ralph Tragale
Christopher Trucillo
Emery J. Ungrady
Robert E. Van Etten
Peter J. Zipf

**NEWARK LEGAL AND COMMUNICATIONS CENTER
URBAN RENEWAL CORPORATION**

**MINUTES
Thursday, April 22, 2004**

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MINUTES of the Annual Meeting of the Newark Legal and Communications Center Urban Renewal Corporation held Thursday, April 22, 2004, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

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

Joseph J. Seymour, President
 Jeffrey S. Green, Counsel

Gwendolyn Archie
 Kayla M. Bergeron
 A. Paul Blanco
 Bruce D. Bohlen
 John D. Brill
 Ernesto L. Butcher
 Darrell B. Buchbinder
 Timothy Castano
 Anthony B. Ciavoella
 Arthur J. Cifelli
 Steven J. Coleman
 Anthony G. Cracchiolo
 William R. DeCota
 John C. Denise
 Michael P. DePallo
 Pasquale DiFulco
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 Michael G. Fabiano
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 Charles F. McClafferty
 James E. McCoy
 Lynn A. Nerney
 Catherine F. Pavelec
 Michael A. Petralia
 Kenneth P. Philmus
 Alan L. Reiss

NEW YORK

Hon. Charles A. Gargano, Vice Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
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NEW YORK AND NEW JERSEY RAILROAD CORPORATION

MINUTES

Thursday, April 22, 2004

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MINUTES of the Annual Meeting of the New York and New Jersey Railroad Corporation held Thursday, April 22, 2004, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

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

Joseph J. Seymour, President
 Jeffrey S. Green, Vice-President and Secretary

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Henry R. Silverman
 Hon. Anastasia M. Song

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Christopher Trucillo
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Robert E. Van Etten
Peter J. Zipf

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Thursday, May 20, 2004

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PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor
 Hon. Jack G. Sinagra
 Hon. David S. Steiner

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Henry R. Silverman

Joseph J. Seymour, Executive Director
 Jeffrey S. Green, General Counsel
 Karen E. Eastman, Secretary

Gwendolyn Archie, Senior Administrator, Office of the Secretary
 Kayla M. Bergeron, Director, Public Affairs
 Kathleen P. Bincoletto, Senior Administrator, Office of the Secretary
 Bruce D. Bohlen, Treasurer
 Darrell B. Buchbinder, General Counsel-Elect
 Gregory G. Burnham, Chief Technology Officer
 Ernesto L. Butcher, Chief Operating Officer
 Timothy Castano, Senior Business Consultant, Office of the Chairman
 Anthony B. Ciavolella, Public Information Officer, Public Affairs
 Arthur J. Cifelli, Acting Deputy Executive Director/Director, Government and Community Affairs
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 William R. DeCota, Director, Aviation
 John C. Denise, Supervisor, Audio Visual/Photography, Operations Services
 Michael P. DePallo, Director, PATH
 Pasquale DiFulco, Public Information Officer, Public Affairs
 Michael G. Fabiano, Comptroller
 Linda C. Handel, Assistant Secretary
 Edward L. Jackson, Director, Financial Services
 Howard G. Kadin, Senior Attorney, Law
 Joseph Kucich, Professional Assistant, Office of the Secretary
 Louis J. LaCapra, Chief Administrative Officer
 Richard M. Larrabee, Director, Port Commerce
 Francis J. Lombardi, Chief Engineer
 Robert R. Lurie, Chief of Strategic Planning
 Stephen Marinko, Attorney, Law
 Charles F. McClafferty, Chief Financial Officer
 James E. McCoy, Manager, Board Management Support, Office of the Secretary
 Michael F. O'Connor, Chief of Public Safety and Emergency Management
 Catherine F. Pavelec, Manager, Administration, Protocol and Executive Correspondence,
 Office of the Secretary
 Michael A. Petralia, Chief of Public and Government Affairs
 Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals
 Samuel J. Plumeri, Jr., Superintendent of Police/Director, Public Safety
 Alan L. Reiss, Deputy Director, Aviation
 Edmond F. Schorno, Chief of Staff
 Gerald B. Stoughton, Assistant Director, Office of Forecasting and Capital Planning

Tiffany A. Townsend, Public Information Officer, Public Affairs

Ralph Tragale, Client Manager, Government and Community Affairs
Emery J. Ungrady, Deputy Chief of Staff

Guest:

Noreen Giblin, Authorities Unit, Office of the Governor of New Jersey

PORT AUTHORITY TRANS-HUDSON CORPORATION

**MINUTES
Thursday, May 20, 2004**

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PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor
 Hon. Jack G. Sinagra
 Hon. David S. Steiner

Joseph J. Seymour, President
 Ernesto L. Butcher, Vice-President
 Jeffrey S. Green, Counsel

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
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 Hon. Henry R. Silverman

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 James E. McCoy
 Michael F. O'Conner
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 Michael A. Petralia
 Kennerth P. Philmus
 Samuel J. Plumeri, Jr.
 Alan L. Reiss
 Edmond F. Schorno
 Gerald B. Stoughton
 Tiffany A. Townsend

Ralph Tragale
Emery J. Ungrady

Guest:
Noreen Giblin

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

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PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor
 Hon. Jack G. Sinagra
 Hon. David S. Steiner

NEW YORK

Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. Christine A. Ferer
 Hon. David S. Mack
 Hon. Henry R. Silverman

Joseph J. Seymour, Executive Director
 Darrell B. Buchbinder, General Counsel-Elect
 Karen E. Eastman, Secretary

Gwendolyn Archie, Senior Administrator, Office of the Secretary
 Kayla M. Bergeron, Director, Public Affairs
 A. Paul Blanco, Chief of Regional and Economic Development
 Bruce D. Bohlen, Treasurer
 John D. Brill, Director, Audit
 Gregory G. Burnham, Chief Technology Officer
 Ernesto L. Butcher, Chief Operating Officer
 Patrick G. Caggiano, Director, Economic Development
 Timothy Castano, Senior Business Consultant, Office of the Chairman
 Wilfred A. Chabrier, General Manager, Office of Business and Job Opportunity
 Anthony B. Ciavolella, Public Information Officer, Public Affairs
 Arthur J. Cifelli, Acting Deputy Executive Director/Director, Government and Community Affairs
 Steven J. Coleman, Public Information Officer, Public Affairs
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 William R. DeCota, Director, Aviation
 John C. Denise, Supervisor, Audio Visual/Photography, Operations Services
 Michael P. DePallo, Director, PATH
 Pasquale DiFulco, Public Information Officer, Public Affairs
 Nancy J. Ertag-Brand, Executive Advisor to the Chief Financial Officer
 Michael B. Francois, Director, Real Estate
 Lash L. Green, Manager, Program Development and Administration, Office of Business and Job Opportunity
 Linda C. Handel, Assistant Secretary
 L. Jay Hector, Senior Policy Advisor to the Vice-Chairman
 Paul Higgins, Policy Advisor to the Vice-Chairman
 Edward L. Jackson, Director, Financial Services
 Howard G. Kadin, Senior Attorney, Law
 Louis J. LaCapra, Chief Administrative Officer
 Richard M. Larrabee, Director, Port Commerce
 Francis J. Lombardi, Chief Engineer
 Robert R. Lurie, Chief of Strategic Planning
 Stephen Marinko, Attorney, Law
 Michael G. Massiah, Director, Human Resources
 Charles F. McClafferty, Chief Financial Officer
 James E. McCoy, Manager, Board Management Support, Office of the Secretary
 Concetta M. Mincieli, Senior Executive Secretary, Office of the Secretary
 Anne Marie C. Mulligan, Deputy Treasurer

Lynn A. Nerney, Senior Administrator, Office of the Secretary

Michael F. O'Connor, Chief of Public Safety and Emergency Management
Catherine F. Pavelec, Manager, Administration, Protocol and Executive Correspondence,
Office of the Secretary
Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals
Alan L. Reiss, Deputy Director, Aviation
Edmond F. Schorno, Chief of Staff
Deborah J. Shapiro, Senior Executive Secretary, Office of the Chief Financial Officer
Douglas L. Smith, Director, Office of Forecasting and Capital Planning
Gerald B. Stoughton, Assistant Director, Office of Forecasting and Capital Planning
Robert A. Sudman, Assistant Comptroller
Ralph Tragale, Client Manager, Government and Community Affairs
Emery J. Ungrady, Deputy Chief of Staff
Peter J. Zipf, Deputy Chief Engineer

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES

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PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor
 Hon. Jack G. Sinagra
 Hon. David S. Steiner

NEW YORK

Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. Christine A. Ferer
 Hon. David S. Mack
 Hon. Henry R. Silverman

Joseph J. Seymour, President
 Ernesto L. Butcher, Vice-President

Gwendolyn Archie
 Kayla M. Bergeron
 A. Paul Blanco
 Bruce D. Bohlen
 John D. Brill
 Darrell B. Buchbinder
 Gregory G. Burnham
 Patrick G. Caggiano
 Timothy Castano
 Wilfred A. Chabrier
 Anthony B. Ciavolella
 Arthur J. Cifelli
 Steven J. Coleman
 Anthony G. Cracchiolo
 William R. DeCota
 John C. Denise
 Michael P. DePallo
 Pasquale DiFulco
 Karen E. Eastman
 Nancy J. Ertag-Brand
 Michael B. Francois
 Lash L. Green
 Linda C. Handel
 L. Jay Hector
 Paul Higgins
 Edward L. Jackson
 Howard G. Kadin
 Louis J. LaCapra
 Richard M. Larrabee
 Francis J. Lombardi
 Robert R. Lurie
 Stephen Marinko
 Michael G. Massiah
 Charles F. McClafferty
 James E. McCoy
 Concetta M. Mincieli
 Anne Marie C. Mulligan

Lynn A. Nerney

Michael F. O'Connor
Catherine F. Pavelec
Kenneth P. Philmus
Alan L. Reiss
Edmond F. Schorno
Deborah J. Shapiro
Douglas L. Smith
Gerald B. Stoughton
Robert A. Sudman
Ralph Tragale
Emery J. Ungrady
Peter J. Zipf

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

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MINUTES of the Meeting of The Port Authority of New York and New Jersey held Wednesday, August 4, 2004, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
 Hon. Angelo J. Genova
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor
 Hon. Jack G. Sinagra
 Hon. David S. Steiner

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. Henry R. Silverman

Joseph J. Seymour, Executive Director
 Jeffrey S. Green, General Counsel

Gwendolyn Archie, Senior Administrator, Office of the Secretary
 Kayla M. Bergeron, Director, Public Affairs
 A. Paul Blanco, Acting Chief Financial Officer
 Bruce D. Bohlen, Treasurer
 John D. Brill, Director, Audit
 Darrell B. Buchbinder, General Counsel-Elect
 Gregory G. Burnham, Chief Technology Officer
 Ernesto L. Butcher, Chief Operating Officer
 Timothy Castano, Senior Business Consultant, Office of the Chairman
 Anthony B. Ciavolella, Public Information Officer, Public Affairs
 Arthur J. Cifelli, Acting Deputy Executive Director/Director, Government and Community Affairs
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 William R. DeCota, Director, Aviation
 John C. Denise, Supervisor, Audio Visual/Photography, Operations Services
 Michael P. DePallo, Director, PATH
 Pasquale DiFulco, Public Information Officer, Public Affairs
 Nancy J. Ertag-Brand, Executive Advisor to the Chief Financial Officer
 Michael G. Fabiano, Comptroller
 Andrew H. Fogel, Assistant Director E-ZPass Program, Tunnels, Bridges and Terminals
 Michael B. Francois, Acting Chief of Real Estate/Regional and Economic Development
 Linda C. Handel, Assistant Secretary
 L. Jay Hector, Senior Policy Advisor to the Vice-Chairman
 Edward L. Jackson, Director, Financial Services
 Howard G. Kadin, Senior Attorney, Law
 Louis J. LaCapra, Chief Administrative Officer
 Richard M. Larrabee, Director, Port Commerce
 Robert R. Lurie, Chief of Strategic Planning
 Stephen Marinko, Attorney, Law
 Calixto Martin, Supervising Engineer, Tunnels, Bridges and Terminals
 Michael G. Massiah, Director, Human Resources
 James E. McCoy, Manager, Board Management Support, Office of the Secretary
 Anne Marie C. Mulligan, Deputy Treasurer
 Sean Murray-Nolan, Senior Policy Manager, Office of Policy and Planning
 Lynn A. Nerney, Senior Administrator, Office of the Secretary
 Michael F. O'Connor, Chief of Public Safety and Emergency Management
 Catherine F. Pavelec, Manager, Administration, Protocol and Executive Correspondence,
 Office of the Secretary
 Michael A. Petralia, Chief of Public and Government Affairs

Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals
Alan L. Reiss, Deputy Director, Aviation
Edmond F. Schorno, Chief of Staff
Gerald B. Stoughton, Assistant Director, Office of Forecasting and Capital Planning
Tiffany A. Townsend, Public Information Officer, Public Affairs
Emery J. Ungrady, Deputy Chief of Staff
Peter J. Zipf, Deputy Chief Engineer

Guest:

Kevin Corbett, New York Empire State Development Corporation

DOWNTOWN RESTORATION PROGRAM – WORLD TRADE CENTER SITE PREPARATION AND CONSTRUCTION COORDINATION – DECONSTRUCTION OF 130 LIBERTY STREET (AKA DEUTSCHE BANK BUILDING) – AGREEMENT WITH LOWER MANHATTAN DEVELOPMENT CORPORATION

It was recommended that the Board authorize the Executive Director to enter into an agreement with the Lower Manhattan Development Corporation (LMDC) for the Port Authority to provide engineering services for the deconstruction of the Deutsche Bank Building, with the agreement to provide for full reimbursement by LMDC of all costs expended by the Port Authority, estimated at \$2 million, as a sub-recipient of U.S. Department of Housing and Urban Development (HUD) funds.

The September 11, 2001 terrorist attacks caused tremendous damage to the buildings surrounding the World Trade Center (WTC) site, including the Deutsche Bank Building. The building suffered a 15-story gash after the South Tower collapsed, and has not been occupied or materially repaired pending resolution of disposition options.

On January 17, 2004, LMDC released a Draft Generic Environmental Impact Statement (DGEIS) that identified a “Southern Site” for inclusion in the final WTC Site Master Plan and General Project Plan (GPP). The Southern Site, located immediately south of the WTC site and including the Deutsche Bank Building site, was proposed as the location of a new office tower above grade, as well as a vehicular entrance facility below grade.

On February 27, 2004, New York State Governor George E. Pataki and New York City Mayor Michael Bloomberg announced an accord between Deutsche Bank Trust Company Americas (Deutsche Bank) and its insurers (principally AXA and Allianz) to remove the Deutsche Bank Building, which would provide increased open space on the current WTC site for the future WTC Memorial. LMDC would acquire the Deutsche Bank property for \$90 million and perform deconstruction work up to a cost of \$45 million. The insurers would be responsible for certain costs beyond the \$45 million cap. In April 2004, in furtherance of the accord, the LMDC's Board authorized a contract with Gilbane Construction Company to perform the cleaning and deconstruction work for the Deutsche Bank Building.

LMDC has also started condemnation proceedings for the acquisition of the Deutsche Bank Building, including a public hearing held on May 18, 2004. This condemnation process is expected to be finalized by September 2004 and the property acquired by agreement with Deutsche Bank. On June 2, 2004, LMDC issued its Record of Decision (ROD) on the WTC Memorial and Redevelopment Plan Final Generic Environmental Impact Statement (FGEIS). The GPP and the ROD indicate that the Deutsche Bank property will be incorporated into an expanded WTC site. It is anticipated that the Port Authority ultimately would acquire the entire Southern Site, including the Deutsche Bank Building site, from LMDC, in connection with a WTC site property disposition for the WTC Memorial.

A formal Environmental Characterization regarding the condition of the Deutsche Bank Building will be required, and is expected to be issued prior to the start of construction. The deconstruction work is expected to begin in September 2004 and be completed by the end of 2005. This work will enable full redevelopment of the WTC site to proceed, including creating space for off-site bus parking and a vehicular entrance and security processing facility for cars, trucks and buses, reducing construction density on the current WTC site, and accommodating the WTC Memorial in the existing WTC "bathtub." In July 2004, LMDC issued a Request for Proposals for a construction manager for the deconstruction work.

The Port Authority would furnish engineering services for the work. The construction management contract and deconstruction contract would be entered into by LMDC. The scope of engineering services to be provided by the Port Authority includes preparation of a scope-of-work document to expedite building and site acquisition, contract negotiations, and development of specifications and drawings for the deconstruction and site work, as well as reviews of contractor submittals. The Port Authority would provide these services through existing staff and call-in consultant contracts.

The Port Authority would be indemnified by appropriate parties with regard to any pre-existing conditions at the Deutsche Bank Building, as well as with regard to construction operations by LMDC's construction manager(s) and contractor(s).

The Port Authority's costs for engineering services, including internal Port Authority administrative costs, would be fully reimbursed by LMDC under the proposed agreement through a HUD sub-recipient agreement to be incorporated therein.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Gargano, Genova, Pocino, Sartor, Silverman, Sinagra 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 Lower Manhattan Development Corporation (LMDC) for the Port Authority to provide engineering services for the deconstruction of the Deutsche Bank Building, with the agreement to provide for full reimbursement by LMDC of all costs expended by the Port Authority, estimated at \$2 million, as a sub-recipient of U.S. Department of Housing and Urban Development funds; 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.

PORT AUTHORITY TRANS-HUDSON CORPORATION

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225 Park Avenue South, City, County and State of New York.**

PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
 Hon. Angelo J. Genova
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor
 Hon. Jack G. Sinagra
 Hon. David S. Steiner

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 Ernesto L. Butcher, Vice-President
 Jeffrey S. Green, Counsel

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 Anthony B. Ciavolella
 Arthur J. Cifelli
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 Pasquale DiFulco
 Nancy J. Ertag-Brand
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 Linda C. Handel
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 Richard M. Larrabee
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 Stephen Marinko
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 Michael A. Petralia
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 Hon. Henry R. Silverman

Alan L. Reiss
Edmond F. Schorno
Gerald B. Stoughton
Tiffany A. Townsend
Emery J. Ungrady
Peter J. Zipf

Guest:
Kevin Corbett

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

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PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
 Hon. Angelo J. Genova
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor
 Hon. Jack G. Sinagra
 Hon. David S. Steiner

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 Hon. Michael J. Chasanoff
 Hon. Christine A. Ferer
 Hon. David S. Mack
 Hon. Henry R. Silverman

Joseph J. Seymour, Executive Director
 Jeffrey S. Green, General Counsel
 Karen E. Eastman, Secretary

Gwendolyn Archie, Senior Administrator, Office of the Secretary
 Kayla M. Bergeron, Director, Public Affairs
 Catherine M. Bergamini, Senior Administrator, Port Commerce
 A. Paul Blanco, Acting Chief Financial Officer
 John D. Brill, Director, Audit
 Darrell B. Buchbinder, General Counsel-Elect
 Gregory G. Burnham, Chief Technology Officer
 Ernesto L. Butcher, Chief Operating Officer
 Timothy Castano, Senior Business Consultant, Office of the Chairman
 Anthony B. Ciavolella, Public Information Officer, Public Affairs
 Arthur J. Cifelli, Acting Deputy Executive Director/Director, Government and Community Affairs
 Steven J. Coleman, Public Information Officer, Public Affairs
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 William R. DeCota, Director, Aviation
 John C. Denise, Supervisor, Audio Visual/Photography, Operations Services
 Michael P. DePallo, Director, PATH
 Pasquale DiFulco, Public Information Officer, Public Affairs
 Iran H. Engel, Assistant Treasurer
 Michael G. Fabiano, Comptroller
 Michael B. Francois, Acting Chief of Real Estate/Regional and Economic Development
 Gertrude Gilligan, Employee Communications Representative, Public Affairs
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 L. Jay Hector, Senior Policy Advisor to the Vice-Chairman
 Lawrence S. Hofrichter, Deputy General Counsel
 Edward L. Jackson, Director, Financial Services
 Howard G. Kadin, Senior Attorney, Law
 Joshua Klevans, Executive Assistant to the Deputy Executive Director
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 Richard M. Larrabee, Director, Port Commerce
 Francis J. Lombardi, Chief Engineer
 Robert F. Lurie, Chief of Strategic Planning
 Stephen Marinko, Attorney, Law
 Michael G. Massiah, Director, Human Resources
 James E. McCoy, Manager, Board Management Support, Office of the Secretary

Lynn A. Nerney, Senior Administrator, Office of the Secretary

Michael F. O'Connor, Chief of Public Safety and Emergency Management
Cecile O. Pace, Director, Procurement
Catherine F. Pavelec, Manager, Administration, Protocol and Executive Correspondence,
Office of the Secretary
Michael A. Petralia, Chief of Public and Government Affairs
Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals
Samuel J. Plumeri, Jr., Superintendent of Police/Director, Public Safety
Alan L. Reiss, Deputy Director, Aviation
Cruz C. Russell, Director, Office of Policy and Planning
Edmond F. Schorno, Chief of Staff
Douglas L. Smith, Director, Office of Forecasting and Capital Planning
Harry Spector, Deputy Director, Public Affairs
Gerald B. Stoughton, Assistant Director, Office of Forecasting and Capital Planning
Tiffany A. Townsend, Public Information Officer, Public Affairs
Emery J. Ungrady, Deputy Chief of Staff
Robert E. Van Etten, Inspector General
Louis P. Venech, Senior Manager, Transportation Policy Development, Office of Policy and Planning
Thomas H. Wakeman III, General Manager, Waterways Development, Port Commerce
Peter J. Zipf, Deputy Chief Engineer

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES

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PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
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THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

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PRESENT:

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 Anthony G. Cracchiolo, Director, Priority Capital Programs
 William R. DeCota, Director, Aviation
 Michael P. DePallo, Director, PATH
 Pasquale DiFulco, Public Information Officer, Public Affairs
 Michael Dombrowski, Cinematographer, Operations Services
 Iran H. Engel, Assistant Treasurer
 Michael G. Fabiano, Comptroller
 Michael B. Francois, Acting Chief of Real Estate/Regional and Economic Development
 Gertrude Gilligan, Employee Communications Representative, Public Affairs
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 Cruz C. Russell, Deputy Chief, Strategic Planning

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Douglas L. Smith, Director, Office of Forecasting and Capital Planning
Gerald B. Stoughton, Assistant Director, Office of Forecasting and Capital Planning
Emery J. Ungrady, Deputy Chief of Staff
Christopher R. Zeppie, Chief Environmental Policy Officer, Office of Policy and Planning
Peter J. Zipf, Deputy Chief Engineer

Guest

Kenneth J. Ringler, Jr.

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES

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PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
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Guest

Kenneth J. Ringler, Jr.

**NEWARK LEGAL AND COMMUNICATIONS CENTER
URBAN RENEWAL CORPORATION**

**MINUTES
Thursday, October 21, 2004**

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PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
 Hon. Angelo J. Genova
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 Alan L. Reiss
 Cruz C. Russell

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Gerald B. Stoughton
Emery J. Ungrady
Christopher R. Zeppie
Peter J. Zipf

Guest

Kenneth J. Ringler, Jr.

NEW YORK AND NEW JERSEY RAILROAD CORPORATION

MINUTES

Thursday, October 21, 2004

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MINUTES of the Meeting of the New York and New Jersey Railroad Corporation held Thursday, October 21, 2004, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
 Hon. Angelo J. Genova
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NEW YORK

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 Hon. David S. Mack
 Hon. Henry R. Silverman

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Douglas L. Smith
Gerald B. Stoughton
Emery J. Ungrady
Christopher R. Zeppie
Peter J. Zipf

Guest

Kenneth J. Ringler, Jr.

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

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PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
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 Hon. Jack G. Sinagra
 Hon. David S. Steiner

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 Hon. Henry R. Silverman

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 Karen E. Eastman, Secretary

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 Anthony G. Cracchiolo, Director, Priority Capital Programs
 William R. DeCota, Director, Aviation
 John C. Denise, Supervisor, Audio Visual/Photography, Operations Services
 Michael P. DePallo, Director, PATH
 Pasquale DiFulco, Public Information Officer, Public Affairs
 Michael G. Fabiano, Comptroller
 James P. Fox, Deputy Executive Director
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 L. Jay Hector, Senior Policy Advisor to the Vice-Chairman
 Edward L. Jackson, Director, Financial Services
 Howard G. Kadin, Senior Attorney, Law
 Victoria C. Kelly, Deputy Director, Tunnels, Bridges and Terminals
 Joshua Klevans, Executive Assistant to the Deputy Executive Director
 Louis J. LaCapra, Chief Administrative Officer
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 Andrew Levine, Assistant Director, Audit
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 Stephen Marinko, Attorney, Law
 Michael G. Massiah, Director, Human Resources
 James E. McCoy, Manager, Board Management Support, Office of the Secretary
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 Michael F. O'Connor, Chief of Public Safety and Emergency Management

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Michael A. Petralia, Chief of Public and Government Affairs
Kenneth P. Philmus, Director, Tunnels, Bridges and Terminals
Alan L. Reiss, Deputy Director, Aviation
Cruz C. Russell, Deputy Chief, Strategic Planning
Edmond F. Schorno, Chief of Staff
Joseph J. Seymour, Special Advisor for the World Trade Center Site
Gerald B. Stoughton, Assistant Director, Office of Forecasting and Capital Planning
Tiffany A. Townsend, Public Information Officer, Public Affairs
Emery J. Ungrady, Deputy Chief of Staff
David Widawsky, Senior Project Manager, Office of Policy and Planning
Peter J. Zipf, Deputy Chief Engineer

Guest:

Sam Stauton, Authorities Unit, Officer of the Governor of New Jersey

**DOWNTOWN RESTORATION PROGRAM – WORLD TRADE CENTER SITE
PLANNING AND REDEVELOPMENT – INCREASE IN PLANNING
AUTHORIZATION**

It was recommended that the Board authorize an increase of \$10 million in the planning authorization for World Trade Center (WTC) site planning and redevelopment, resulting in a total authorization of \$32 million, to continue design and redevelopment coordination efforts at the WTC site.

At its meeting of December 13, 2001, the Board authorized, as part of the overall Downtown Restoration Program: (1) planning for WTC site redevelopment and comprehensive Lower Manhattan transportation improvements; and (2) limited temporary WTC site remediation measures, at a combined estimated total cost of \$10.5 million (with an allocation of \$5 million for WTC site planning). At its meeting of December 10, 2002, the Board authorized a \$5 million increase in planning authorization for continued planning for WTC site redevelopment and Lower Manhattan transportation improvements, resulting in a total authorization of \$10 million. At its meeting of May 29, 2003, the Board authorized another \$4 million increase in WTC site planning authorization, resulting in a total authorization of \$14 million. The Board also authorized the award of a contract with Studio Daniel Libeskind (SDL) for WTC Site Master Plan refinements. At its meeting of December 11, 2003, the Board authorized another increase of \$8 million in planning authorization for ongoing planning and preliminary design coordination in connection with the first phase of WTC site redevelopment, for a current total authorization of \$22 million.

Various components of the WTC site redevelopment will now be advancing beyond the conceptual planning stages into final design and construction. In September 2003, the Lower Manhattan Development Corporation (LMDC) and the Port Authority announced the refined WTC Site Master Plan based on the “Memory Foundations” concept developed by SDL. In December 2003, the final design concept for the Freedom Tower was finalized. In January 2004, the LMDC announced selection of the memorial design, “Reflecting Absence.” Planning work to date has included analysis of Lower Manhattan transportation needs, development of initial site plans, development of the WTC Site Master Plan and General Project Plans, negotiation of a Redevelopment Agreement with the City of New York, and formulation and adoption of commercial, sustainable and security design guidelines, cost estimates and funding strategies.

Implementation of the WTC Site Master Plan and WTC site redevelopment components will require further architectural and engineering work, including, but not limited to, advancing development of the WTC Memorial, museum, and cultural facilities, commercial office building parcels, common subgrade infrastructure and systems, as well as phasing, scheduling, funding and cost allocation analyses. Other WTC planning and engineering efforts, for the WTC transportation hub and retail development, as well as WTC site construction support and coordination, are proceeding under separate programs and Board authorizations.

In 2005, it is anticipated that ongoing planning efforts would include development coordination activities with other entities performing work on the WTC site, notably those entities working on the Freedom Tower and Tower 2, WTC Memorial and Memorial Center (museum), Performing Arts Center, and cultural buildings. Ongoing refinements of the Site Master Plan and further planning studies, as well as technical and engineering feasibility studies, are anticipated.

In addition, design guidelines, security planning development, site utility planning, sustainable development, cost estimating and allocation methodologies, property and interagency project development agreements, and Lower Manhattan transportation planning coordination are to be further studied and formalized. Both Port Authority staff and external consultant firms will perform this work.

Redevelopment of the WTC site and the revitalization of Lower Manhattan in the wake of the events of September 11, 2001 are of critical importance to the economy and overall quality of life of the New York / New Jersey region. Further Port Authority involvement in the WTC site redevelopment is expected for the foreseeable future. Staff will seek additional Board authorization and funding increases for 2006 and beyond, or as appropriate. Staff anticipates that total expenditures for WTC site planning efforts will amount to approximately \$30 million from 2005 to 2009, for a total estimated program cost of approximately \$52 million.

Although eligible Port Authority costs for work related to the Permanent WTC Port Authority Trans-Hudson Terminal and retail development are being recovered, respectively, through grants administered by the Federal Transit Administration (FTA) and redevelopment insurance (escrow), costs related to planning for office, memorial, cultural, or other development for the Port Authority as the WTC site owner would not be eligible for FTA or redevelopment insurance escrow recovery.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Genova, Mack, Pocino, Sartor, Silverman, Sinagra and Steiner voting in favor; none against:

RESOLVED, that an increase of \$10 million in the planning authorization for World Trade Center (WTC) site planning and development, resulting in a total authorization of \$32 million, to continue design and redevelopment coordination efforts at the WTC site under the Downtown Restoration Program, be and it hereby is authorized.

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES December 9, 2004

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MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, December 9, 2004, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

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Hon. Anthony R. Coscia, Chairman
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 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor

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 Darrell B. Buchbinder, General Counsel
 Karen E. Eastman, Secretary

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 Kayla M. Bergeron, Director, Public Affairs
 Kathleen P. Bincoletto, Senior Administrator, Office of the Secretary
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 John D. Brill, Director, Audit
 Gregory G. Burnham, Chief Technology Officer
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 Steven J. Coleman, Public Information Officer, Public Affairs
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 William R. DeCota, Director, Aviation
 John C. Denise, Supervisor, Audio Visual/Photography, Operations Services
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 Claudia C. Dickey, General Manager, Financial Services
 Pasquale DiFulco, Public Information Officer, Public Affairs
 Iran H. Engel, Assistant Treasurer
 Nancy Ertag-Brand, Executive Advisor to the Chief Financial Officer
 Michael G. Fabiano, Comptroller
 James P. Fox, Deputy Executive Director
 Michael B. Francois, Acting Chief of Real Estate/Regional and Economic Development
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 Gertrude Gilligan, Employee Communications Representative, Public Affairs
 Linda C. Handel, Assistant Secretary
 L. Jay Hector, Senior Policy Advisor to the Executive Director/Vice-Chairman
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 Howard G. Kadin, Senior Attorney, Law
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 Richard M. Larrabee, Director, Port Commerce
 Trevor V. Liddle, Program Director, Newark Liberty International Airport, Aviation
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Sheree R. Van Duyne, Executive Policy Analyst, Aviation
Peter J. Zipf, Deputy Chief Engineer

Guests:

Verice Mason, Director, Authorities Unit, Office of the Governor of New Jersey
Sam Stanton, Authorities Unit, Office of the Governor of New Jersey

DOWNTOWN RESTORATION PROGRAM – PERMANENT WORLD TRADE CENTER PATH TERMINAL – INCREASE IN PLANNING AUTHORIZATION

It was recommended that the Board authorize an increase in the planning authorization for the Permanent World Trade Center (WTC) Port Authority Trans-Hudson (PATH) system Terminal project (Project) estimated at \$25 million, resulting in a total planning authorization of \$85 million, for continued project design development, advanced engineering work, and completion of environmental review, to enable Port Authority and Federal Transit Administration (FTA) project approvals expected by May 2005, subject to FTA approval of these engineering design activities and costs.

In December 2001, the Board authorized \$10 million to begin the conceptual design and engineering analysis work for the Project to fully restore and enhance the transportation functions at the WTC site that existed prior to September 11, 2001. (A PATH Restoration Program was authorized separately, including construction of a temporary WTC PATH Station that opened for service in November 2003).

The Permanent WTC PATH Terminal tracks, platforms, and mezzanine levels will be located in the WTC “bathtub,” as they were prior to September 11, 2001. The Terminal will include subgrade pedestrian connections to connect the PATH lines with the New York City Transit (NYCT) subway lines. The pedestrian connections will extend in all directions to connect the WTC site and PATH Terminal with surrounding neighborhoods, including the World Financial Center, and the proposed NYCT Fulton Street Transit Center. The estimated \$2 billion project also will facilitate development of and interconnect commercial office towers and retail, as well as WTC memorial and cultural facilities planned for the WTC site redevelopment.

In August 2002, the federal government announced the availability of up to \$4.55 billion in federal aid for Lower Manhattan transportation improvements, including combined Federal Emergency Management Agency (FEMA) and FTA funds, to be administered by the FTA. In January 2003, New York Governor George E. Pataki identified priority projects for this funding, including the Project.

In July 2003, the Board authorized an additional \$50 million to begin preliminary engineering and environmental analysis for the Project. The FTA and Port Authority executed a grant for preliminary engineering and environmental review, and agreed to terms of a Project Development Agreement in December 2003. In April 2004, the Board approved the expenditure of up to \$300 million of Port Authority funds for the Project, pending formal Project authorization of the Permanent WTC PATH Terminal.

In August 2003, the Port Authority selected the Downtown Design Partnership (principally consisting of STV Group, Inc. and DMJM+Harris, in association with Santiago Calatrava) to provide architectural and engineering services for the Project. Certain portions of the design work are also being performed by the Port Authority. In January 2004, the conceptual design for the Project was publicly unveiled.

The environmental review of the Project pursuant to the National Environmental Policy Act (NEPA) was initiated in July 2003, with a Draft Environmental Impact Statement issued in March 2004. Concurrently with the NEPA review, there has been a comprehensive analysis of historic resources that may be impacted by the Project, pursuant to Section 106 of the National Historic Preservation Act. Although the environmental review and approval processes for this Project have been greatly accelerated from typical durations for such reviews, the necessary FTA Record of Decision for the Project to formally proceed to final design and construction is not expected until April 2005.

The Project has been well received publicly, and has the support of key constituents, including Lower Manhattan commuters, office workers, and businesses, as well as local community and elected officials.

The configuration of the Permanent WTC PATH Terminal has been subject to various options and alternative analyses, in consideration of the concurrent development of the WTC Site Master Plan, as well as the environmental and historic resources analysis. Preliminary engineering for the project is currently nearing completion, and will undergo further technical reviews, including value engineering and risk assessment, leading up to a final project configuration, as well as determination of cost and schedule parameters that are mutually acceptable to the Port Authority and the FTA. The additional funds will be required through May 2005 to perform preliminary engineering design review, resultant design modifications, and other advanced design work in conjunction with certain project elements, such as PATH infrastructure relocations, or structural work that should be advanced in conjunction with the Freedom Tower. Other significant work to be performed includes overall project reviews and detailed project management and quality management plans, procurement of construction management services and development of necessary interagency project development agreements.

Approximately 85 percent (\$1.7 billion) of expenditures associated with the contemplated Project are eligible for recovery from the FTA grant for the Permanent WTC PATH Terminal, consistent with the terms of the grant, the project development agreement, and other applicable agreements with the FTA. The Port Authority commitment of up to \$300 million is attributable to insurance proceeds already received:

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Coscia, Ferer, Gargano, Genova, Mack, Pocino, Sartor and Silverman voting in favor; none against:

RESOLVED, that an increase in planning authorization for the Permanent World Trade Center Port Authority Trans-Hudson system Terminal project estimated at \$25 million, resulting in a total authorization of \$85 million, for continued project design development, advanced engineering work, and completion of environmental review, be and it hereby is authorized.

PORT AUTHORITY TRANS-HUDSON CORPORATION

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at 225 Park Avenue South, City, County and State of New York.**

PRESENT:

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 Hon. Anthony J. Sartor

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Jeffrey I. Siegel
Gerald Simpkins
Douglas L. Smith
Gerald B. Stoughton
Joseph A. Tobia
Emery J. Ungrady
Sheree R. Van Duyne
Peter J. Zipf

Guests:

Verice Mason
Sam Stanton

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

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PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
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 Hon. Jack G. Sinagra
 Hon. David S. Steiner

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 Victoria C. Kelly, Director, Tunnels, Bridges and Terminals
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 Jeanne M. Olivier, Senior Manager, Security and Technology, Aviation
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 Alan L. Reiss, Deputy Director, Aviation
 Myron D. Ronis, Deputy Director, Port Commerce
 Edmond F. Schorno, Chief of Staff

Gerald Simpkins, Principal Management Analyst, Aviation
Kenneth W. Snapp, Senior Policy Advisor, Office of the Deputy Executive Director
Kenneth J. Spahn, Manager, Business Analysis and Departmental Performance, Port Commerce
Gerald B. Stoughton, Assistant Director, Office of Forecasting and Capital Planning
Ralph Tragale, Client Manager, Government and Community Affairs
Emery J. Ungrady, Deputy Chief of Staff
Sheree R. Van Duyne, Manager of Policy and Protocol, Office of the Secretary

Guest

Sam Stanton, Authorities Unit, Officer of the Governor of New Jersey

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES

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at 225 Park Avenue South, City, County and State of New York.**

PRESENT:

NEW JERSEY

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 Hon. David S. Steiner

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Sam Stanton

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PRESENT:

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 Gwendolyn Archie, Senior Administrator, Office of the Secretary
 Paul H. Bea, Washington Representative, Government and Community Affairs
 Kayla M. Bergeron, Director, Public Affairs
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Sheree R. Van Duynes, Manager of Policies and Protocol, Office of the Secretary
Chester Yee, Assistant Director, Capital Programs, Office of the Chief Operating Officer
Peter J. Zipf, Deputy Chief Engineer

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THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

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Tiffany A. Townsend, Public Information Officer, Public Affairs
Sheree R. Van Duynes, Manager of Policies and Protocol, Office of the Secretary
Cheryl A. Yetka, General Manager, Financial Services
Peter J. Zipf, Deputy Chief Engineer

PORT AUTHORITY TRANS-HUDSON CORPORATION

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**NEWARK LEGAL AND COMMUNICATIONS CENTER
URBAN RENEWAL CORPORATION**

**MINUTES
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MINUTES of the Annual Meeting of the Newark Legal and Communications Center Urban Renewal Corporation held Wednesday, April 27, 2005, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

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 Hon. David S. Steiner

NEW YORK

Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. Christine A. Ferer
 Hon. David S. Mack
 Hon. Henry R. Silverman

Kenneth J. Ringler Jr., President
 Michael B. Francois, Vice-President and Secretary
 Darrell B. Buchbinder, Counsel

Gwendolyn Archie
 Paul H. Bea
 Catherine M. Bergamini
 Kayla M. Bergeron
 A. Paul Blanco
 John D. Brill
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 Anthony G. Cracchiolo
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 Nancy Ertag-Brand
 Michael G. Fabiano
 James P. Fox
 Lash Green
 Linda C. Handel
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 Louis J. LaCapra
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 Francis J. Lombardi
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 Anne Marie C. Mulligan
 Lynn A. Nerney
 Michael A. Petralia

Alan L. Reiss
Edmond F. Schorno
Gerald B. Stoughton
Tiffany A. Townsend
Sheree R. Van Duyne
Cheryl A. Yetka
Peter J. Zipf

NEW YORK AND NEW JERSEY RAILROAD CORPORATION

MINUTES

Wednesday, April 27, 2005

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MINUTES of the Annual Meeting of the New York and New Jersey Railroad Corporation held Wednesday, April 27, 2005, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
 Hon. Angelo J. Genova
 Hon. Anthony J. Sartor
 Hon. David S. Steiner

NEW YORK

Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. Christine A. Ferer
 Hon. David S. Mack
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THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

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MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, May 26, 2005, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
 Hon. Angelo J. Genova
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor
 Hon. Jack G. Sinagra
 Hon. David S. Steiner

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Henry R. Silverman

Kenneth J. Ringler Jr., Executive Director
 Darrell B. Buchbinder, General Counsel
 Karen E. Eastman, Secretary

Gwendolyn Archie, Senior Administrator, Office of the Secretary
 A. Paul Blanco, Chief Financial Officer
 Gregory G. Burnham, Chief Technology Officer
 Ernesto L. Butcher, Chief Operating Officer
 Timothy Castano, Senior Business Consultant, Office of the Chairman
 Anthony B. Ciavolella, Public Information Officer, Public Affairs
 Arthur J. Cifelli, Deputy Chief of Staff
 Steven J. Coleman, Public Information Officer, Public Affairs
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 William R. DeCota, Director, Aviation
 John C. Denise, Supervisor, Audio Visual/Photography, Public Affairs
 Michael P. DePallo, Director, PATH
 Pasquale DiFulco, Public Information Officer, Public Affairs
 Francis A. DiMola, Director, Real Estate
 John J. Drobny, Director, Project Management
 Michael G. Fabiano, Comptroller
 James P. Fox, Deputy Executive Director
 Michael B. Francois, Chief of Real Estate/Regional and Economic Development
 Linda C. Handel, Assistant Secretary
 L. Jay Hector, Senior Policy Advisor to the Executive Director/Vice-Chairman
 Edward L. Jackson, Director, Financial Services
 Howard G. Kadin, Senior Attorney, Law
 Victoria C. Kelly, Director, Tunnels, Bridges and Terminals
 Kevin J. Kirchman, Deputy Director, Public Affairs
 Louis J. LaCapra, Chief Administrative Officer
 Richard M. Larrabee, Director, Port Commerce
 Shawn K. Laurenti, Director, Government and Community Affairs
 Francis J. Lombardi, Chief Engineer
 Robert F. Lurie, Chief of Strategic Planning
 Stephen Marinko, Attorney, Law
 James E. McCoy, Manager, Board Management Support, Office of the Secretary
 Anne Marie C. Mulligan, Treasurer
 Lynn A. Nerney, Senior Administrator, Office of the Secretary
 Michael A. Petralia, Chief of Public and Government Affairs

Samuel J. Plumeri, Jr., Superintendent of Police/Director, Public Safety
Alan L. Reiss, Deputy Director, Aviation
Edmond F. Schorno, Chief of Staff
Lysa C. Scully, Assistant Director, Customer, Cargo, Concessions and Airport Services, Aviation
Kenneth W. Snapp, Senior Policy Advisor, Office of the Deputy Executive Director
Gerald B. Stoughton, General Manager, Forecasting and Capital Planning, Financial Services
Ralph Tragale, Client Manager, Government and Community Affairs
Sheree R. Van Duyne, Manager of Policies and Protocol, Office of the Secretary
Peter J. Zipf, Deputy Chief Engineer

JOHN F. KENNEDY INTERNATIONAL AIRPORT – INCREASE IN PROGRAM AUTHORIZATION FOR WORLD TRADE CENTER ARTIFACTS PRESERVATION AND OPERATION AND MAINTENANCE SERVICES FOR HANGAR 17 – AWARD OF SUPPLEMENTAL AGREEMENT

It was recommended that the Board authorize an increase estimated at \$4.9 million in the authorization for the World Trade Center (WTC) Artifacts Program (Program), resulting in a total authorization of \$10.65 million, for: (1) continued storage, inventory and preservation of the artifacts; (2) award of a supplemental operation and maintenance services contract for Hangar 17 at John F. Kennedy International Airport (JFK), where the artifacts are stored, to Meridian Management Corporation (Meridian) at an estimated cost of \$525,000; and (3) provision of necessary capital improvements (for structural building maintenance) to address deficiencies at Hangar 17.

On October 24, 2002, the Board authorized the Program to protect, catalog, decontaminate and store artifacts from the WTC site that have been collected by the Port Authority since September 11, 2001, at an estimated cost of \$5.75 million, for an estimated four-year period, and authorized the Executive Director to ratify or enter into contracts for professional services and such other agreements as may be necessary to effectuate the Program. Hangar 17 (formerly a Tower Air hangar) at JFK was made available to accommodate all the artifacts in an organized fashion, in addition to a decontamination chamber. In April 2004, and again in April 2005, the Port Authority publicly reaffirmed this commitment as part of the historic resources evaluation process set forth in Section 106 of the National Historic Preservation Act of 1966.

Pursuant to the current authorization, a Port Authority call-in consultant, Voorsanger and Associates (Voorsanger), and its sub-consultant, Art Preservation Services (APS), were retained to provide architectural, technical and conservation services related to the artifacts archive. Through these consultants, the archive has been able to have access to and draw upon the resources of a range of curators and conservators who have provided specialized knowledge and input, ensuring the integrity of the objects and collections is appropriately maintained.

At the same time, Hangar 17 was prepared to receive more than 800 objects, including tremendous weights and lengths of steel, and to provide an adequate working environment for the overall upkeep, visitation and conservation efforts. This included the installation of a new metal-halide lighting system, ongoing oversight and maintenance of the boiler system, a thorough and hygienic initial cleaning and ongoing cleaning and routine maintenance efforts. In addition, the roof was patched.

Through 2003, a “cleaning” program was developed for the artifacts. Subsequently, the cleaning area and enclosure have been used as a sealed, dehumidified storage area for more than 20 vehicles that are part of the collection.

Voorsanger also developed a cataloging system to number and photograph all objects. A two-volume inventory entitled *WTC Archive: Artifacts Inventory Report* was prepared and completed in October 2004. The volume catalogues the 800-plus objects that are stored in Hangar 17. Additional artifacts identified for the archive also will be catalogued, and the inventory will be updated periodically.

Through 2004, specialized maintenance services were provided at Hangar 17 through existing agreements. In late 2004 these agreements expired. Since that time, no specialized maintenance services have been available. In addition, in December 2004, emergency repairs to the Hangar 17 roof were required to repair leaks that were threatening the artifacts.

Through early 2005, approximately \$4.1 million has been expended for the transport, storage, decontamination, cleaning (stabilization) and inventory of the artifacts. It is expected that the Port Authority will maintain custody of these artifacts for five to seven years, and more permanent storage and maintenance arrangements therefore are necessary.

Staff advised that, in order for the Port Authority to continue its commitments made in agreements with federal and state agencies concerning the preservation of these important artifacts, the preservation activities need to be continued, and an additional scope of work in terms of construction and operations and maintenance of the hangar needs to be advanced. The bidding of a construction contract is anticipated in the near future for hangar repairs and artifact enclosure construction and modifications.

The general Program scope includes staff management, consulting services and use of contractors to continue to provide architectural, technical, conservation, and general maintenance services with respect to the WTC artifacts. Staff would perform general oversight of archive consultants and Hangar 17 operations and maintenance. Staff also would coordinate with the Lower Manhattan Development Corporation (LMDC) and related parties to develop and track the long-term future of the artifact archive. The archive consultants (Voorsanger, APS and Severud Associates) would perform general hangar oversight via inspections of the hangar and its contents (tarp protective coverings of artifacts, dehumidifier and hygromograph monitoring), and artifact storage design. Consultant tasks may also include, but not be limited to, archive research (steel from both WTC towers, the antennae, vehicles, column signatures and dedications, etc.) through interface with cultural and educational institutions and obtaining expertise on the long-term future of the archive (in relation to the WTC Memorial Center, as well as other installations).

The construction contract is anticipated to provide for: Hangar 17 roof rehabilitation, beyond immediate repairs recently completed, to extend the useful life of the roof for five to seven years, bird-proofing, sliding hangar door repair, modification of designated hangar man-doors, construction of a fence around a portion of the hangar, and miscellaneous repairs on an as-needed basis. In terms of the artifacts themselves, additional protective enclosures for recently removed (from the WTC site) parking columns and slabs and the last column delivered and modifications to existing enclosures housing the vehicles and antennae are expected to be included.

An existing contract with Meridian for operation and maintenance services for buildings at JFK would be supplemented to include the provision of mechanical equipment for and maintenance of artifact protective structures, removal and replacement of tarpaulins for the protection of steel items and other artifacts, and the movement and relocations of the artifacts themselves within Hangar 17. This contract also includes specialized maintenance services, including bird-proofing system maintenance, rodent/pigeon dropping removal, general cleaning services, painting, light carpentry, roof repairs for unexpected leaks as needed, re-lamping of metal-halide lights, dehumidifier maintenance and the opening/closing of hangar doors. Meridian was solicited to perform this work as a result of currently being mobilized at the JFK facility, where they perform basic operations and maintenance services at Hangar 17 as specified in their existing contract at JFK.

Although a substantial portion of the existing inventory will be utilized at the WTC Memorial Center, final disposition of the remaining artifacts is to be determined. This may include permanent loan to other museum facilities and/or public organizations. Failure to authorize additional funds for this project could result in damage to the artifacts and would severely jeopardize the progress and overall efforts of this important preservation and conservation program. The Program is an important endeavor to memorialize the tragic events of September 11th and honor those who were lost in the attacks for generations to come.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Coscia, Gargano, Genova, Pocino, Sartor, Silverman, Sinagra and Steiner voting in favor; none against:

RESOLVED, that an increase estimated at \$4.9 million in the authorization for the World Trade Center Artifacts Program (Program), resulting in a total authorization of \$10.65 million, for: (1) continued storage, inventory and preservation of the artifacts; (2) award of a supplemental operation and maintenance services contract for Hangar 17 at John F. Kennedy International Airport, where the artifacts are stored, to Meridian Management Corporation at an estimated cost of \$525,000; and (3) provision of necessary capital improvements (for structural building maintenance) to address deficiencies at Hangar 17, 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 contracts for professional and advisory services and construction services related to the foregoing Program as he deems in the best interest of the Port Authority, and to enter into such other agreements as may be necessary to effectuate the Program, subject to advising the Commissioners of individual contracts or agreements to be acted upon pursuant to this authorization prior to taking or authorizing such action; 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 supplemental agreement to an existing contract with Meridian Management Corporation to perform operation and maintenance services for Hangar 17 in connection with the Program, as outlined to the Board, at an estimated amount of \$525,000 for a 4-½ year term; and it is further

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

DOWNTOWN RESTORATION PROGRAM – PERMANENT WORLD TRADE CENTER PATH TERMINAL – INCREASE IN PLANNING AUTHORIZATION

It was recommended that the Board authorize an increase estimated at \$10 million in the planning authorization for the Permanent World Trade Center (WTC) Port Authority Trans-Hudson (PATH) system Terminal Project, resulting in a total planning authorization of \$95 million, to continue project design work, including the beginning of final design (Stage 3) and the preparation of plans to minimize impacts on the local community and the environment during construction and the development of necessary interagency project development agreements.

In December 2001, the Board authorized the expenditure of \$10 million to begin the conceptual design and engineering analysis work for a Permanent WTC PATH Terminal Project to fully restore and enhance the transportation functions at the WTC site that existed prior to September 11, 2001. (A PATH Restoration Program was separately authorized, including construction of a temporary WTC PATH Station that opened for service in November 2003).

In August 2002, the federal government announced the availability of up to \$4.55 billion in federal aid for Lower Manhattan transportation improvements, including combined Federal Emergency Management Agency (FEMA) and Federal Transit Administration (FTA) funds, to be administered by the FTA. In January 2003, New York Governor George E. Pataki identified priority projects for this funding, including the Permanent WTC PATH Terminal.

In July 2003, the Board authorized an additional \$50 million in expenditures for preliminary engineering and environmental analysis for the project. The FTA and the Port Authority executed a grant for preliminary engineering and environmental review, and agreed to the terms of a Project Development Agreement in December 2003.

In August 2003, the Port Authority selected the Downtown Design Partnership (principally consisting of STV and DMJM+Harris, in association with Santiago Calatrava) to provide architectural and engineering services for the project. Certain portions of the design work are also being performed by the Port Authority. In January 2004, the conceptual design for the project was publicly unveiled.

The environmental review of the Permanent WTC PATH Terminal Project pursuant to the National Environmental Policy Act (NEPA) was initiated in July 2003, with a draft Environmental Impact Statement (EIS) issued in March 2004. The final EIS was released in May 2005.

Concurrently with the NEPA review, a comprehensive analysis of historic resources that may be impacted by the project was undertaken pursuant to Section 106 of the National Historic Preservation Act. A Memorandum of Agreement signed by the Port Authority, FTA, American Council for Historic Preservation, and the New York State Historic Preservation Office was executed on April 19, 2005. Although the environmental review and approval processes for this project have been greatly accelerated from typical durations for such reviews, the necessary FTA Record of Decision for the project to formally proceed to final design and construction is not anticipated until June 2005.

The Permanent WTC PATH Terminal Project has been well received publicly and has the support of key constituents, including Lower Manhattan commuters, office workers, and businesses, as well as the local community and elected officials.

Preliminary engineering for the Permanent WTC PATH Terminal Project is essentially complete. The additional funds included under this authorization would accommodate the commencement of final design, advanced design work in conjunction with certain project elements, such as PATH infrastructure relocations and site preparation for the WTC PATH Terminal construction, as well as other construction planning efforts, including the preparation of contract documents and specifications, and the development of necessary interagency project development agreements.

Approximately 85 percent (\$1.7 billion) of expenditures associated with the contemplated project are eligible for recovery from the FTA grant for the Permanent WTC PATH Terminal, consistent with the terms of the grant, the project development agreement, and other applicable agreements with the FTA. The Port Authority commitment of up to \$300 million is attributable to insurance proceeds already received.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Coscia, Gargano, Genova, Pocino, Sartor, Silverman, Sinagra and Steiner voting in favor; none against:

RESOLVED, that an increase estimated at \$10 million in the planning authorization for the Permanent World Trade Center Port Authority Trans-Hudson system Terminal Project, resulting in a total authorization of \$95 million, to continue project design work, including the beginning of final design (Stage 3) and the preparation of plans to minimize impacts on the local community and the environment during construction and the development of necessary interagency project development agreements, be and it hereby is authorized.

**SETTLEMENT OF CLAIM – JOHN AND DOLORES FERRISO v. THE PORT
AUTHORITY OF NEW YORK AND NEW JERSEY**

It was recommended that the Board authorize General Counsel, for and on behalf of the Port Authority, to enter into a settlement of a personal injury claim in the action entitled John and Dolores Ferriso v. The Port Authority of New York and New Jersey by paying to plaintiffs the sum of \$150,000, inclusive of attorneys' fees, costs and disbursements. In return, plaintiffs would provide a General Release and Stipulation of Discontinuance with Prejudice.

On February 26, 1993, the date of the terrorist bombing of The World Trade Center (WTC), plaintiff, John Ferriso, a 67-year-old independent broker for the Commodities Exchange, was about to park his vehicle on the B-2 Level of the WTC when the terrorists' bomb exploded. As a result, the glass on plaintiff's vehicle blew out, causing severe lacerations to plaintiff's face and torso. He was taken by ambulance to Downtown Beekman Hospital, where he remained for five days. His injuries included five fractured ribs, surgery to remove glass from his eyes, and partial loss of hearing in both ears. He also claims loss of earnings of \$50,000 for the period he was unable to work, and damage to his vehicle. His wife claims loss of services.

Plaintiffs initially demanded \$250,000 to settle this action, but through aggressive negotiation and with the assistance of the trial court, the parties agreed upon the proposed settlement amount, subject to Board approval, of \$150,000. The Port Authority would be fully reimbursed for the settlement amount by its excess insurance carriers, because the Port Authority's self-insured retention has already been exhausted.

It was hereby recommended that General Counsel be authorized to finalize the settlement of this action by paying to plaintiffs the sum of \$150,000, inclusive of attorneys' fees, costs and disbursements.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Blakeman, Coscia, Gargano, Genova, Pocino, Sartor, Silverman, Sinagra and Steiner voting in favor; none against:

RESOLVED, that General Counsel be and he hereby is authorized, for and on behalf of the Port Authority, to enter into an agreement to settle the action entitled John and Dolores Ferriso v. The Port Authority of New York and New Jersey by paying to plaintiffs the sum of \$150,000, inclusive of attorneys' fees, costs and disbursements.

PORT AUTHORITY TRANS-HUDSON CORPORATION

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MINUTES of the Meeting of Port Authority Trans-Hudson Corporation held Thursday, May 26, 2005, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

Hon. Anthony R. Coscia, Chairman
 Hon. Angelo J. Genova
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor
 Hon. Jack G. Sinagra
 Hon. David S. Steiner

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Henry R. Silverman

Kenneth J. Ringler Jr., President
 Ernesto L. Butcher, Vice-President and General Manager
 Darrell B. Buchbinder, Counsel

Gwendolyn Archie
 A. Paul Blanco
 Gregory G. Burnham
 Timothy Castano
 Anthony B. Ciavolella
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 James P. Fox
 Michael B. Francois
 Linda C. Handel
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 Edward L. Jackson
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 Victoria C. Kelly
 Kevin J. Kirchman
 Louis J. LaCapra
 Richard M. Larrabee
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 Francis J. Lombardi
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 Stephen Marinko
 James E. McCoy
 Anne Marie C. Mulligan
 Lynn A. Nerney
 Michael A. Petralia

Samuel J. Plumeri, Jr.
Alan L. Reiss
Edmond F. Schorno
Lysa C. Scully
Kenneth W. Snapp
Gerald B. Stoughton
Ralph Tragale
Sheree R. Van Duyne
Peter J. Zipf

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

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MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, June 30, 2005, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
 Hon. Angelo J. Genova
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor
 Hon. Jack G. Sinagra
 Hon. David S. Steiner

NEW YORK

Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. David S. Mack
 Hon. Henry R. Silverman

Kenneth J. Ringler Jr., Executive Director
 Darrell B. Buchbinder, General Counsel
 Karen E. Eastman, Secretary

Gwendolyn Archie, Senior Administrator, Office of the Secretary
 Kayla M. Bergeron, Director, Chief of Public and Government Affairs
 A. Paul Blanco, Chief Financial Officer
 Gregory G. Burnham, Chief Technology Officer
 Ernesto L. Butcher, Chief Operating Officer
 Rosemary Chiricolo, Assistant Director, Financial Services
 Timothy Castano, Senior Business Consultant, Office of the Chairman
 Anthony B. Ciavolella, Public Information Officer, Public Affairs
 Arthur J. Cifelli, Deputy Chief of Staff
 Steven J. Coleman, Public Information Officer, Public Affairs
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 William R. DeCota, Director, Aviation
 John C. Denise, Supervisor, Audio Visual/Photography, Public Affairs
 Michael P. DePallo, Director, PATH
 Pasquale DiFulco, Public Information Officer, Public Affairs
 Francis A. DiMola, Director, Real Estate
 John J. Drobny, Director, Project Management
 Michael G. Fabiano, Comptroller
 James P. Fox, Deputy Executive Director
 Michael B. Francois, Chief of Real Estate/Regional and Economic Development
 Gertrude Gilligan, Employee Communications Representative, Public Affairs
 Linda C. Handel, Assistant Secretary
 L. Jay Hector, Senior Policy Advisor to the Executive Director/Vice-Chairman
 Lawrence S. Hofrichter, Deputy General Counsel
 Howard G. Kadin, Senior Attorney, Law
 Victoria C. Kelly, Director, Tunnels, Bridges and Terminals
 Kevin J. Kirchman, Deputy Director, Public Affairs
 Louis J. LaCapra, Chief Administrative Officer
 Richard M. Larrabee, Director, Port Commerce
 Shawn K. Laurenti, Director, Government and Community Affairs
 Francis J. Lombardi, Chief Engineer
 Robert F. Lurie, Chief of Strategic Planning
 Stephen Marinko, Attorney, Law
 James E. McCoy, Manager, Board Management Support, Office of the Secretary
 Anne Marie C. Mulligan, Treasurer
 Lynn A. Nerney, Senior Administrator, Office of the Secretary

Milton H. Pachter, General Attorney and Senior Litigation Counsel, Law
Samuel J. Plumeri, Jr., Superintendent of Police/Director, Public Safety
Edmond F. Schorno, Chief of Staff
Kenneth W. Snapp, Senior Policy Advisor, Office of the Deputy Executive Director
Gerald B. Stoughton, General Manager, Forecasting and Capital Planning, Financial Services
Ralph Tragale, Client Manager, Government and Community Affairs
Sheree R. Van Duyne, Manager of Policies and Protocol, Office of the Secretary
Peter J. Zipf, Deputy Chief Engineer

Guests

Michael A. Petralia, Jacob Javits Center Redevelopment Corporation
Sam Stanton, Authorities Unit, Office of the Governor of New Jersey

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES
Thursday, June 30, 2005

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MINUTES of the Meeting of Port Authority Trans-Hudson Corporation held Thursday, June 30, 2005, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

Hon. Anthony R. Coscia, Chairman
 Hon. Angelo J. Genova
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor
 Hon. Jack G. Sinagra
 Hon. David S. Steiner

Hon. Bruce A. Blakeman
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 Lynn A. Nerney

Milton H. Pachter
Samuel J. Plumeri, Jr.
Edmond F. Schorno
Kenneth W. Snapp
Gerald B. Stoughton
Ralph Tragale
Sheree R. Van Duyne
Peter J. Zipf

Guests

Michael A. Petralia
Sam Stanton

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

**MINUTES
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MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, July 28, 2005, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
 Hon. Angelo J. Genova
 Hon. Anthony J. Sartor
 Hon. Jack G. Sinagra

Kenneth J. Ringler Jr., Executive Director
 Darrell B. Buchbinder, General Counsel
 Karen E. Eastman, Secretary

Gwendolyn Archie, Senior Administrator, Office of the Secretary
 Kayla M. Bergeron, Chief of Public and Government Affairs
 A. Paul Blanco, Chief Financial Officer
 Carla J. Bonacci, Program Director, Lower Manhattan Redevelopment, Priority Capital Programs
 John D. Brill, Director, Audit
 Gregory G. Burnham, Chief Technology Officer
 Ernesto L. Butcher, Chief Operating Officer
 Wilfred Chabrier, Director, Office of Regional and Economic Development
 Anthony B. Ciavolella, Public Information Officer, Public Affairs
 Kim Cifarelli, Senior Project Coordinator, Priority Capital Programs
 Arthur J. Cifelli, Deputy Chief of Staff
 James N. Colangelo, Supervising Financial Analyst, Financial Services
 Steven J. Coleman, Public Information Officer, Public Affairs
 Caroline Conejero, Staff Marketing Analyst, Public Affairs
 James T. Connors, Director, World Trade Center Redevelopment
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 John C. Denise, Supervisor, Audio Visual/Photography, Public Affairs
 Michael P. DePallo, Director, PATH
 Pasquale DiFulco, Public Information Officer, Public Affairs
 Francis A. DiMola, Director, Real Estate
 Jerrold M. Dinkels, Engineering Program Manager, Engineering
 Michael Dombrowski, Cinematographer, Public Affairs
 John J. Drobny, Director, Project Management
 Nancy J. Ertag-Brand, Executive Advisor to the Chief Financial Officer
 Michael G. Fabiano, Comptroller
 James P. Fox, Deputy Executive Director
 Michael B. Francois, Chief of Real Estate/Regional and Economic Development
 Gertrude Gilligan, Employee Communications Representative, Public Affairs
 Linda C. Handel, Assistant Secretary
 Alan H. Hicks, Senior Public Information Officer, Public Affairs
 Edward L. Jackson, Director, Financial Services
 Howard G. Kadin, Senior Attorney, Law
 Victoria C. Kelly, Director, Tunnels, Bridges and Terminals
 Kevin J. Kirchman, Deputy Director, Public Affairs
 Louis J. LaCapra, Chief Administrative Officer
 Richard M. Larrabee, Director, Port Commerce
 Shawn K. Laurenti, Director, Government and Community Affairs

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. Christine A. Ferer

Francis J. Lombardi, Chief Engineer
Robert F. Lurie, Chief of Strategic Planning
Stephen Marinko, Attorney, Law
James E. McCoy, Manager, Board Management Support, Office of the Secretary
Anne Marie C. Mulligan, Treasurer
Sean Murray-Nolan, Senior Policy Manager, Office of the Chief Financial Officer
Lynn A. Nerney, Senior Administrator, Office of the Secretary
Tony F. Oliver, Senior Management Analyst, Public Affairs
Steven P. Plate, Program Director AirTrain JFK, Aviation
Alan L. Reiss, Deputy Director, Aviation
Edmond F. Schorno, Chief of Staff
Kenneth W. Snapp, Senior Policy Advisor, Office of the Deputy Executive Director
Timothy G. Stickelman, Chief, Public Securities, Law
Gerald B. Stoughton, General Manager, Forecasting and Capital Planning, Financial Services
Ralph Tragale, Client Manager, Government and Community Affairs
Sheree R. Van Duyne, Manager of Policies and Protocol, Office of the Secretary
William S. Wong, Manager, Capital Projects, Priority Capital Programs
Peter J. Zipf, Deputy Chief Engineer

Guest

Santiago Calatrava, Principal, Santiago Calatrava, Inc.

DOWNTOWN RESTORATION PROGRAM – PERMANENT WORLD TRADE CENTER PATH TERMINAL – PROJECT AUTHORIZATION

It was recommended that the Board authorize a \$2.221 billion project to design and construct the Permanent World Trade Center (WTC) Port Authority Trans-Hudson system (PATH) Terminal and authorize the Executive Director to: (1) move forward on the procurement processes in connection with Contract WTC-284.458 for Construction Manager/General Contractor services and Contract WTC-284.459 for Construction Management Consultant Services; and (2) consult with and review the results of the processes with the World Trade Center Site Planning Subcommittee (WTC Subcommittee), after which the Executive Director and the WTC Subcommittee would provide recommendations regarding the award of both contracts to the Board for its approval.

Pursuant to planning authorizations from December 2001 through May 2005, the Board authorized up to \$95 million to prepare conceptual design, preliminary engineering and environmental documentation and to begin final design for the Permanent WTC PATH Terminal project.

The Port Authority will be receiving \$1.921 billion in federal funding through the Federal Transit Administration (FTA) towards the \$2.221 billion cost of this project. Environmental analysis for this project commenced in July 2003, culminating in a Final Environmental Impact Statement (FEIS) Record of Decision (ROD), which was issued on June 29, 2005. As part of the analysis, a Section 106 evaluation of historic resources was undertaken, which culminated with a Memorandum of Agreement (MOA) signed by the Port Authority, the FTA, the New York State Historic Preservation Office, and the American Council for Historic Preservation on April 19, 2005.

The Port Authority, in conjunction with the FTA, has determined that the best construction implementation alternative for this project is a Construction Manager/General Contractor (CM/GC) approach. This determination was reached, in part, due to the recognition that it would be advantageous to have construction manager services during the final design phase provided by the entity that will be responsible for the ultimate construction of the project.

In November 2004, a Request for Information was issued to solicit industry input on the CM/GC approach. The Port Authority received comments from five firms. To allow the industry to get a head start on the procurement process, in March 2005, a Request for Qualification Information (RFQI) was issued, which became the initial part of the Request for Proposals (RFP) process.

On May 23, 2005, the RFP for CM/GC services was issued to 63 interested proposers. On July 20, 2005, proposals submitted by two joint venture teams composed of eight firms were received, and these two proposals are being evaluated by a selection committee.

In addition, in order to provide for Construction Management Consultant support services and to supplement Port Authority staff to support the Port Authority's Priority Capital Programs and Construction Management Division staff for work on the Permanent WTC PATH Terminal, as well as other major projects at the WTC site, a separate RFP was issued on June 3, 2005. On July 6, 2005, proposals submitted by two joint venture teams composed of four firms were received, and these two proposals are being evaluated by a selection committee.

In order to effectuate the work, the Port Authority would enter into a two-phase CM/GC agreement (Contract WTC-284.458). The first phase, presently estimated at approximately \$200 million, would consist of construction manager services and early action construction items. The second phase, presently estimated at approximately \$900 million, would consist of the construction of the remainder of the project, at a negotiated Guaranteed Maximum Price (GMP). The second phase work would be predicated on the successful conclusion of negotiation of the GMP. The CM/GC would be selected early in the project to provide the Port Authority with the CM/GC's expertise and experience, which would assist the Port Authority in decision-making, constructability review, contract packaging, budget and schedule control. The Port Authority also would obtain assistance in ensuring that the design allows for economical and efficient methods of construction with minimal disruption to PATH operations and to the Lower Manhattan community.

Contract WTC-284.458 also would contain an option, exercisable by the Port Authority within two years of award of the contract, to have the CM/GC perform the scope of work required for the installation of the slurry walls and other related work, including construction of elements of the retail development within the East Bathtub at the eastern portion of the WTC site. This work is presently estimated at approximately \$350 million.

Contract WTC-284.458 also would provide that the Port Authority may request that the CM/GC perform work in connection with the Museum Complex, Memorial and Performing Arts Center at the WTC site. This additional work, which would be paid for by others, is presently estimated at approximately \$225 million, and would require an amendment to Contract WTC-284.458.

In addition, the Port Authority would enter into a separate agreement for Construction Management Consultant services, Contract WTC-284.459, to provide staff support to the Port Authority for the coordination and oversight of all construction activities at the WTC site, including the construction of the Permanent WTC PATH Terminal and other WTC site public infrastructure (WTC Security Center, Tour Bus Parking Facility) to be funded by the FTA, as well as commercial office and retail development to be funded by others. This agreement would require the performance of construction inspections, contract administration, construction coordination with other entities implementing projects at the WTC site, preparation of construction cost estimates, and development and monitoring of construction schedules. It is presently estimated that 70 percent of the work of Contract WTC-284.459 will be related to the WTC PATH Terminal project.

Staff will provide the WTC Subcommittee with advance budgets for all project expenditures on a quarterly basis for its approval.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Gargano, Genova, Sartor and Sinagra voting in favor; none against:

RESOLVED, that a project for the design and construction of the Permanent World Trade Center (WTC) Port Authority Trans-Hudson system (PATH) Terminal, at a total cost of \$2.221 billion, including payments to contractors, allowances for extra work and net cost work, property acquisition, insurance and construction bonding, financing costs, payments to consultants and third parties, program and engineering staff, general administrative costs and a project contingency, be and it hereby is authorized, with the World Trade Center Site Planning Subcommittee (WTC Subcommittee) authorized to approve quarterly budgets for all project expenditures, such project authorization to be subject to any necessary or appropriate certifications or approvals from the Federal Transit Administration; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to move forward on the procurement processes in connection with Contract WTC-284.458 for Construction Manager/General Contractor services and Contract WTC-284.459 for Construction Management Consultant services, and to consult with and review the results of the processes with the WTC Subcommittee, after which the Executive Director and the WTC Subcommittee would provide recommendations regarding the award of both contracts to the Board of Commissioners for its approval.

SETTLEMENT OF CLAIM – GLORIA VELEZ v. THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

It was recommended that the Board authorize General Counsel to finalize the settlement of a personal injury claim in the action entitled Gloria Velez v. The Port Authority of New York and New Jersey by paying to plaintiff the sum of \$175,000, inclusive of attorneys' fees, costs and disbursements. In exchange, plaintiff would provide the Port Authority with a General Release and Stipulation of Discontinuance with Prejudice. The excess insurance carriers have approved the settlement amount, and the Port Authority would be fully reimbursed for the settlement amount by the carriers.

On February 26, 1993, the date of the terrorist bombing of The World Trade Center, plaintiff, Gloria Velez, who was 28 years old at the time and employed by National Engineering Maintenance Company as an office clerk, was walking from the B2 level parking lot to her office located on the B2 level of One World Trade Center when the bomb exploded. As a result of the explosion, she allegedly sustained an open left leg fracture, a severe left knee sprain requiring realignment and physical therapy, incapacitating anxiety and post-traumatic stress disorder (PTSD). The plaintiff was hospitalized at New York Downtown Hospital for one week following the incident. The plaintiff, although able to return to work in October 1993, testified that she experienced an explosion or fire while at a train station platform a few weeks later and thereafter was unable to return to work until March 11, 1994. On May 4, 1995, plaintiff underwent arthroscopic surgery to her left knee. In June 2001, the Port Authority's medical expert opined that the 1993 bombing may have contributed to an alteration of the plaintiff's vulnerability to future traumatic life events, such as the October 1993 train station experience, possibly leading to plaintiff's severe depression and PTSD. Plaintiff has claimed lost wages of \$23,500.

Plaintiff initially demanded \$250,000 to settle this action, but through aggressive negotiation and with the approval of the excess insurers, the parties agreed, with the assistance of the court, upon settlement in the amount of \$175,000, subject to Board authorization.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Chasanoff, Coscia, Ferer, Genova, Sartor, Silverman and Sinagra voting in favor; none against:

RESOLVED, that General Counsel be and he hereby is authorized, for and on behalf of the Port Authority, to enter into an agreement to settle the action entitled Gloria Velez v. The Port Authority of New York and New Jersey by paying to plaintiff the sum of \$175,000, inclusive of attorneys' fees, costs and disbursements.

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

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MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, September 22, 2005, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor
 Hon. Jack G. Sinagra
 Hon. David S. Steiner

NEW YORK

Hon. Michael J. Chasanoff
 Hon. Christine A. Ferer
 Hon. David S. Mack
 Hon. Henry R. Silverman

Kenneth J. Ringler Jr., Executive Director
 Darrell B. Buchbinder, General Counsel
 Karen E. Eastman, Secretary

Gwendolyn Archie, Senior Administrator, Office of the Secretary
 Catherine M. Bergamini, Principal Administrator, Port Commerce
 Kayla M. Bergeron, Chief of Public and Government Affairs
 A. Paul Blanco, Chief Financial Officer
 John D. Brill, Director, Audit
 Gregory G. Burnham, Chief Technology Officer
 Ernesto L. Butcher, Chief Operating Officer
 Timothy Castano, Senior Business Consultant, Office of the Chairman
 Arthur J. Cifelli, Deputy Chief of Staff
 Steven J. Coleman, Public Information Officer, Public Affairs
 James T. Connors, Director, World Trade Center Redevelopment
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 Audrey E. Dagnachew, Executive Policy Analyst, Aviation
 William R. DeCota, Director, Aviation
 Michael P. DePallo, Director, PATH
 Pasquale DiFulco, Public Information Officer, Public Affairs
 Francis A. DiMola, Director, Real Estate
 Michael Dombrowski, Cinematographer, Public Affairs
 John J. Drobny, Director, Project Management
 Marie M. Edwards, Property Representative, Aviation
 Nancy J. Ertag-Brand, General Manager, Regional Funding Office, Office of the Chief Financial Officer
 Michael G. Fabiano, Comptroller
 James P. Fox, Deputy Executive Director
 Michael B. Francois, Chief of Real Estate/Regional and Economic Development
 Linda C. Handel, Assistant Secretary
 Mary Lee Hannell, Executive Advisor to The Chief Administrative Officer
 Tina P. Hansen, Supervising Marketing Analyst, Public Affairs
 L. Jay Hector, Senior Policy Advisor to the Executive Director/Vice-Chairman
 Alan H. Hicks, Senior Public Information Officer, Public Affairs
 Edward L. Jackson, Director, Financial Services
 Howard G. Kadin, Senior Attorney, Law
 Victoria C. Kelly, Director, Tunnels, Bridges and Terminals
 Kevin J. Kirchman, Deputy Director, Public Affairs
 Louis J. LaCapra, Chief Administrative Officer

Richard M. Larrabee, Director, Port Commerce
Shawn K. Laurenti, Director, Government and Community Affairs
Francis J. Lombardi, Chief Engineer
Robert F. Lurie, Chief of Strategic Planning
Norma Manigan, Program Director, External Affairs, Public Affairs
Stephen Marinko, Attorney, Law
James E. McCoy, Manager, Board Management Support, Office of the Secretary
Anne Marie C. Mulligan, Treasurer
Lynn A. Nerney, Senior Administrator, Office of the Secretary
Steven P. Plate, Deputy Director, Priority Capital Programs
Alan L. Reiss, Deputy Director, Aviation
Edmond F. Schorno, Chief of Staff
Kenneth W. Snapp, Senior Policy Advisor, Office of the Deputy Executive Director
Gerald B. Stoughton, General Manager, Forecasting and Capital Planning, Financial Services
Ralph Tragale, Client Manager, Government and Community Affairs
Sheree R. Van Duyne, Manager of Policies and Protocol, Office of the Secretary
Peter J. Zipf, Deputy Chief Engineer

Guests

Jennifer Adams, Chief Executive Officer, Tribute Center
Lee Ielpi, Vice President, September 11th Families' Association
Joan Krevlin, Partner, BKSK Architects
Sally Yerkovich, President, Tribute Center

**DOWNTOWN RESTORATION PROGRAM – WORLD TRADE CENTER SITE
PLANNING AND REDEVELOPMENT – INCREASE IN PLANNING
AUTHORIZATION**

It was recommended that the Board authorize an increase of \$7 million in the planning authorization for World Trade Center (WTC) Site Planning and Redevelopment, resulting in a total authorization of \$39 million, to continue design and redevelopment coordination efforts at the WTC site through March 2006.

Under previous authorizations from December 2001 through November 2004, the Board has authorized funding for WTC site planning work in an amount not to exceed \$32 million. Various components of the WTC Site Redevelopment will now be advancing beyond the conceptual planning stages into final design and construction. In September 2003, the Lower Manhattan Development Corporation (LMDC) and Port Authority announced the refined WTC Site Master Plan based on the “Memory Foundations” concept developed by Studio Daniel Libeskind. In December 2003, the design concept for the Freedom Tower was finalized. In January 2004, the LMDC announced selection of the WTC Memorial design, “Reflecting Absence.” Planning work to date has included analysis of Lower Manhattan transportation needs, development of initial site plans, development of the WTC Site Master Plan and General Project Plan, negotiation of a Redevelopment Agreement with the City of New York, formulation/adoption of Commercial, Sustainable and Security Design Guidelines, and cost estimates and funding strategies.

Implementation of the WTC Site Master Plan and WTC Site Redevelopment components will require further architectural and engineering work, including, but not limited to, advancing development of the WTC Memorial, museum, and cultural facilities, commercial office building parcels, common subgrade infrastructure and systems, construction phasing, scheduling, funding and cost allocation analyses, as well as supporting the Downtown Security Task Force. Other WTC planning and engineering efforts for the WTC Transportation Hub and retail development, as well as WTC site construction support and coordination, are proceeding under separate programs and Board authorizations.

Failure to continue this planning work would delay the implementation of the WTC Site Master Plan and hinder the progress of the overall efforts to redevelop the WTC site. Redevelopment of the WTC site and the revitalization of Lower Manhattan in the wake of the events of September 11, 2001 are of critical importance to the economy and overall quality of life of the New York/New Jersey region. The proposed continuation of this planning effort would facilitate the achievement of these critical tasks.

Further Port Authority involvement in the WTC Site Redevelopment is expected for the foreseeable future. Staff anticipates that total expenditures for WTC planning efforts will amount to approximately \$13 million from April 2006 to 2010, for a total estimated program of approximately \$52 million. Staff will seek additional Board authorization and funding increases for the remainder of 2006 and beyond, as appropriate.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Coscia, Ferer, Mack, Pocino, Sartor, Silverman, Sinagra and Steiner voting in favor; none against:

RESOLVED, that an increase of \$7 million in the planning authorization for World Trade Center (WTC) Site Planning and Redevelopment, resulting in a total authorization of \$39 million, to continue design and redevelopment coordination efforts at the WTC site through March 2006, be and it hereby is authorized.

DOWNTOWN RESTORATION PROGRAM – PERMANENT WORLD TRADE CENTER PATH TERMINAL AND WORLD TRADE CENTER SITE DEVELOPMENT – CONTRACT WTC-284.459 FOR CONSTRUCTION MANAGEMENT CONSULTANT SERVICES

It was recommended that the Board authorize the World Trade Center Site Planning Subcommittee (WTC Subcommittee) to authorize the award of Contract WTC-284.459 for Construction Management Consultant Services, which would support Port Authority staff in the supervision of the construction of the Permanent World Trade Center Port Authority Trans-Hudson Terminal (WTC PATH Terminal), as well as the other major development projects to be constructed by the Port Authority and other entities at the World Trade Center (WTC) site.

On July 28, 2005, the Board authorized the WTC PATH Terminal project at an estimated total project cost of \$2.221 billion. As part of that authorization, the WTC Subcommittee was designated to consult with staff and review the results of the procurement process for Contract WTC-284.459 (as well as for Contract WTC-284.458, for the retention of a Construction Manager/General Contractor entity) and to consult with the Executive Director and provide recommendations regarding the award of both contracts.

The Construction Management Consultant will supplement construction inspection staff to support the Port Authority's work on the WTC PATH Terminal project, as well as other major projects at the WTC site.

Initial site preparation work for the WTC PATH Terminal project has commenced, including a project groundbreaking ceremony held on September 6, 2005. Nearly all of the major construction activity for the WTC PATH Terminal is to be performed by a Construction Manager/General Contractor entity, under Contract WTC-284.458, at an estimated cost of over \$1 billion, with work under that contract scheduled to commence in the fourth quarter of 2005. Additional construction management inspection and supervision services are needed to support the Port Authority's management and administration of that large-scale construction contract.

Construction work for other WTC site projects, estimated at approximately \$2 billion, is expected to begin by mid-2006, including work on the Freedom Tower and WTC Memorial/Memorial Center, and related subgrade infrastructure. The Port Authority will also be performing general construction monitoring and coordination with the other entities and contractors implementing these projects, which will require the retention of additional personnel through this contract for Construction Management Consultant Services.

It is anticipated that a significant share of the costs of Contract WTC-284.459 (currently estimated at 70 percent) will be reimbursable from the Federal Transit Administration grants for the WTC PATH Terminal project.

The WTC Subcommittee was established to monitor the Port Authority's progress with respect to the Downtown Restoration Program. In view of the progress in the analysis of proposals received to provide Construction Management Consulting Services for the work being performed at the WTC site, the Board would now delegate to the WTC Subcommittee the responsibility for reviewing the recommendations of staff concerning those proposals and authorizing the award of Contract WTC-284.459.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Coscia, Ferer, Mack, Pocino, Sartor, Silverman, Sinagra and Steiner voting in favor; none against:

RESOLVED, that the World Trade Center Site Planning Subcommittee be and it hereby is authorized, to authorize the award of Contract WTC-284.459 for Construction Management Consultant Services to support Port Authority staff in the supervision of construction of the Permanent World Trade Center Port Authority Trans-Hudson Terminal, as well as the other major development projects to be constructed by the Port Authority and other entities at the World Trade Center site.

AUTHORIZATION TO PROVIDE FUNDING FOR THE SEPTEMBER 11TH WIDOWS AND VICTIMS FAMILIES' ASSOCIATION, INC. TRIBUTE CENTER

It was recommended that the Board authorize the Executive Director to enter into an agreement with The September 11th Widows and Victims Families' Association, Inc. (Association), under which the Port Authority would provide funding in the amount of \$3 million for the Association's Tribute Center.

The Association was created by family members of the victims of the terrorist attacks on The World Trade Center (WTC), and its mission is to unite the September 11th community, composed of widows, parents and children of those lost on February 26, 1993 and September 11, 2001, survivors of the attacks, rescue workers, and people who live and work in Lower Manhattan, and to support victims of terrorism by providing resources and information for those directly affected by the attacks. The Association has begun to renovate a 6,000-square-foot storefront at 120 Liberty Street in Manhattan, which will house a temporary memorial called the "Tribute Center." The Tribute Center's plans include a gallery, exhibits, educational programs and walking tours of the WTC site. The Tribute Center also will provide information to visitors regarding other cultural institutions, museums and memorials in Lower Manhattan. Exhibits at the Tribute Center will include the history and future of the WTC, and it will serve as a hub for WTC site guided tours. The Tribute Center is scheduled to open in Spring 2006, and it is intended to operate until the permanent WTC Memorial is completed. Daily guided tours will begin in November 2005.

The Tribute Center is seeking \$15 million to design, renovate and operate its space. Port Authority funding of \$3 million would help to partially offset the cost of the Tribute Center and provide an opportunity for the Port Authority to participate in a positive venture that memorializes those who made the ultimate sacrifice on February 26, 1993 and September 11, 2001. Port Authority support of this project would be in keeping with the agency's efforts to sustain suitable WTC memorials and revitalize Lower Manhattan.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Coscia, Ferer, Mack, Pocino, Sartor, Silverman, Sinagra 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 September 11th Widows and Victims Families' Association, Inc. (Association), pursuant to which the Port Authority would provide \$3 million towards the cost of the Association's Tribute Center in Lower Manhattan; 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.

SETTLEMENT OF CLAIM – CLINT COLLINS and BENITO ECHEVARRIA v. THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY, ET AL.

It was recommended that the Board authorize General Counsel, for and on behalf of the Port Authority, to finalize the settlement of a civil rights action entitled Clint Collins and Benito Echevarria v. The Port Authority of New York and New Jersey, Stephano Divino and Raymond DeVito, et al. by paying plaintiffs and their attorneys the sum of \$186,500. Plaintiffs would provide the Port Authority with General Releases and Stipulations of Dismissal with Prejudice.

On April 13, 2002, Clint Collins and Benito Echevarria were laborers at the World Trade Center site involved in traffic control and safety at the site. Port Authority Police Officer Stephano Divino approached Mr. Collins and asked him to identify himself. An altercation among the three occurred, and Port Authority Police Officer Raymond DeVito also became involved. Both Mr. Collins and Mr. Echevarria were arrested. Mr. Echevarria was held in custody for seventeen hours but was not charged. Mr. Collins was charged by the New York County District Attorney with harassment, obstruction of governmental administration, disorderly conduct and resisting arrest. The charges were later dismissed due to failure to prosecute.

Mr. Collins and Mr. Echevarria commenced this action, which was consolidated for trial with an action entitled Michael Kenny v. The Port Authority of New York and New Jersey, et al. (the settlement of which is also proposed to the Board today). Mr. Collins claimed that he suffered head, neck and back injuries as a result of the incident, and claimed to have incurred legal fees of \$10,000 in defense of the criminal action. These civil rights actions were tried, and the jury returned a verdict in favor of the plaintiffs totaling \$61,500. After the jury returned this verdict, the parties agreed to settle the claims for \$186,500, which amount includes attorneys' fees of \$125,000, to avoid the potential of significantly higher attorneys' fees and the costs of an appeal.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Chasanoff, Coscia, Ferer, Mack, Pocino, Sartor, Silverman, Sinagra and Steiner voting in favor; none against:

RESOLVED, that General Counsel be and he hereby is authorized, for and on behalf of the Port Authority, to finalize the settlement of a lawsuit entitled Clint Collins and Benito Echevarria v. The Port Authority of New York and New Jersey, Steven Divino and Raymond DeVito, et al., in the amount of \$186,500.

SETTLEMENT OF CLAIM – MICHAEL KENNY v. THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY, ET AL.

It was recommended that the Board authorize General Counsel, for and on behalf of the Port Authority, to finalize the settlement of a civil rights action entitled Michael Kenny v. The Port Authority of New York and New Jersey, Stephano Divino and Raymond DeVito, et al. in the amount of \$295,000. Plaintiff would provide the Port Authority with a General Release and a Stipulation of Dismissal with Prejudice.

On April 13, 2002, Michael Kenny, a supervisor employed by the New York City Department of Design and Construction at the World Trade Center site, became involved in an altercation at the site among Port Authority Police Officers Stephano Divino and Raymond DeVito and two laborers, Clint Collins and Benito Echevarria, which resulted in his arrest for harassment, obstruction of governmental administration, disorderly conduct and resisting arrest. Mr. Kenny was prosecuted for these offenses, but was acquitted after a jury trial in September 2003.

Mr. Kenny commenced this action, which was consolidated for trial with an action entitled Clint Collins and Benito Echevarria v. The Port Authority of New York and New Jersey, et al. (the settlement of which is also proposed to the Board today). He claimed lost time from work, a fractured clavicle and aggravation of a pre-existing ankle injury, and claimed to have incurred legal fees of \$36,000 in defense of the criminal action. These civil rights actions were tried, and the jury returned a verdict in favor of the plaintiff totaling \$266,000. After the jury returned this verdict, the parties agreed to settle the claims for \$295,000, which settlement amount is inclusive of plaintiff's attorneys' fees of \$29,000, thus avoiding the potential of significantly higher attorneys' fees and the costs of an appeal.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Chasanoff, Coscia, Ferer, Mack, Pocino, Sartor, Silverman, Sinagra and Steiner voting in favor; none against:

RESOLVED, that General Counsel be and he hereby is authorized, for and on behalf of the Port Authority, to finalize the settlement of a lawsuit entitled Michael Kenny v. The Port Authority of New York and New Jersey, Stephano Divino and Raymond DeVito, et al., in the amount of \$295,000.

SETTLEMENT OF CLAIM – GERARD AND ROSEANN HINES v. THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

It was recommended that the Board authorize General Counsel, for and on behalf of the Port Authority, to finalize the settlement of a personal injury claim in the action entitled Gerard and Roseann Hines v. The Port Authority of New York and New Jersey in the amount of \$150,000, inclusive of attorneys' fees, costs and disbursements. Plaintiffs would provide the Port Authority with a General Release and Stipulation of Discontinuance with Prejudice. The Port Authority's excess insurance carriers have approved the proposed settlement amount, and the Port Authority would be fully reimbursed for the settlement amount by the carriers.

On February 26, 1993, the date of the terrorist bombing of The World Trade Center (WTC), plaintiff, Gerard Hines, who was 41 years old at the time and employed by Ogden Allied Services as an engineer's helper, was in the lunchroom on the B2 level of the WTC when the bomb exploded in the underground parking garage. As a result of the force of the explosion, Mr. Hines was thrown to the floor and allegedly sustained the following injuries: torn meniscus, traumatic synovitis and internal derangement of the left knee, multiple lacerations of the arms, chest, left knee and leg, post-traumatic stress disorder and smoke inhalation. Mr. Hines was taken to the emergency room at Beekman Downtown Hospital, where he was admitted and remained for three days. After his discharge, he wore a leg brace and used crutches for approximately four weeks. He underwent arthroscopic surgery of the left knee in March 1994 for a tear of the medial meniscus. Mr. Hines claims that he still experiences knee problems. His wife asserted a claim for loss of services. There is an outstanding lien of \$20,365 for medical expenses, which would be paid by plaintiffs from this settlement.

Plaintiffs initially demanded \$200,000 to settle this action, but through aggressive negotiation and with the approval of the excess insurers, the parties agreed, with the assistance of the Court, upon the proposed settlement of \$150,000, subject to Board approval.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Chasanoff, Coscia, Ferer, Mack, Pocino, Sartor, Silverman, Sinagra and Steiner voting in favor; none against:

RESOLVED, that General Counsel be and he hereby is authorized, for and on behalf of the Port Authority, to finalize the settlement of the action entitled Gerard and Roseann Hines v. The Port Authority of New York and New Jersey in the amount of \$150,000, inclusive of attorneys' fees, costs and disbursements.

PORT AUTHORITY TRANS-HUDSON CORPORATION

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Thursday, September 22, 2005

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at 225 Park Avenue South, City, County and State of New York.**

PRESENT:

Hon. Anthony R. Coscia, Chairman
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor
 Hon. Jack G. Sinagra
 Hon. David S. Steiner

Hon. Michael J. Chasanoff
 Hon. Christine A. Ferer
 Hon. David S. Mack
 Hon. Henry R. Silverman

Kenneth J. Ringler Jr., President
 Ernesto L. Butcher, Vice-President and General Manager
 Darrell B. Buchbinder, Counsel

Gwendolyn Archie
 Catherine M. Bergamini
 Kayla M. Bergeron
 A. Paul Blanco
 John D. Brill
 Gregory G. Burnham
 Timothy Castano
 Arthur J. Cifelli
 Steven J. Coleman
 James T. Connors
 Anthony G. Cracchiolo
 Audrey E. Dagnachew
 William R. DeCota
 Michael P. DePallo
 Pasquale DiFulco
 Francis A. DiMola
 Michael Dombrowski
 John J. Drobny
 Karen E. Eastman
 Marie M. Edwards
 Nancy J. Ertag-Brand
 Michael G. Fabiano
 James P. Fox
 Michael B. Francois
 Linda C. Handel
 Mary Lee Hannell
 Tina P. Hansen
 L. Jay Hector
 Alan H. Hicks
 Edward L. Jackson
 Howard G. Kadin
 Victoria C. Kelly
 Kevin J. Kirchman
 Louis J. LaCapra
 Richard M. Larrabee
 Shawn K. Laurenti
 Francis J. Lombardi

Robert F. Lurie
Norma Manigan
Stephen Marinko
James E. McCoy
Anne Marie C. Mulligan
Lynn A. Nerney
Steven P. Plate
Alan L. Reiss
Edmond F. Schorno
Kenneth W. Snapp
Gerald B. Stoughton
Ralph Tragale
Sheree R. Van Duyne
Peter J. Zipf

Guests

Jennifer Adams
Lee Ielpi
Joan Krevlin
Sally Yerkovich

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

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MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, October 20, 2005, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
 Hon. Angelo J. Genova
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor
 Hon. Jack G. Sinagra
 Hon. David S. Steiner

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. Christine A. Ferer
 Hon. David S. Mack
 Hon. Henry R. Silverman

Kenneth J. Ringler Jr., Executive Director
 Darrell B. Buchbinder, General Counsel
 Karen E. Eastman, Secretary

Gwendolyn Archie, Senior Administrator, Office of the Secretary
 A. Paul Blanco, Chief Financial Officer
 Gregory G. Burnham, Chief Technology Officer
 Ernesto L. Butcher, Chief Operating Officer
 Anthony B. Ciavolella, Public Information Officer, Public Affairs
 Arthur J. Cifelli, Deputy Chief of Staff
 Steven J. Coleman, Public Information Officer, Public Affairs
 James T. Connors, Director, World Trade Center Redevelopment
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 William R. DeCota, Director, Aviation
 Michael P. DePallo, Director, PATH
 Pasquale DiFulco, Public Information Officer, Public Affairs
 Francis A. DiMola, Director, Real Estate
 Michael Dombrowski, Cinematographer, Public Affairs
 John J. Drobny, Director, Project Management
 Iran H. Engel, Assistant Treasurer
 Michael G. Fabiano, Comptroller
 James P. Fox, Deputy Executive Director
 Michael B. Francois, Chief of Real Estate/Regional and Economic Development
 L. Jay Hector, Senior Policy Advisor to the Executive Director/Vice-Chairman
 Edward L. Jackson, Director, Financial Services
 Howard G. Kadin, Senior Attorney, Law
 James A. Keane, Manager, Inspection, Safety and Risk, Operations Services
 Victoria C. Kelly, Director, Tunnels, Bridges and Terminals
 Joseph Kucich, Professional Assistant, Office of the Secretary
 Louis J. LaCapra, Chief Administrative Officer
 Richard M. Larrabee, Director, Port Commerce
 Shawn K. Laurenti, Director, Government and Community Affairs
 Francis J. Lombardi, Chief Engineer
 Stephen Marinko, Attorney, Law
 John P. McCarthy, Director, Public Affairs
 James E. McCoy, Manager, Board Management Support, Office of the Secretary
 Lynn A. Nerney, Senior Administrator, Office of the Secretary
 John P. Paczkowski, Director, Office of Emergency Management, Public Safety
 Samuel J. Plumeri, Jr., Superintendent of Police/Director, Public Safety

Alan L. Reiss, Deputy Director, Aviation
Edmond F. Schorno, Chief of Staff
Kenneth W. Snapp, Senior Policy Advisor, Office of the Deputy Executive Director
Gerald B. Stoughton, General Manager, Forecasting and Capital Planning, Financial Services
Sheree R. Van Duyne, Manager of Policies and Protocol, Office of the Secretary
Peter J. Zipf, Deputy Chief Engineer

Guest

Keith D. Barrack, Authorities Unit, Office of the Governor of New Jersey

**DOWNTOWN RESTORATION PROGRAM – WORLD TRADE CENTER SITE
PHASE I RETAIL REDEVELOPMENT – PLANNING AUTHORIZATION AND
INCREASED AUTHORIZATION FOR JONES LANG LASALLE ADVISORY
SERVICES**

It was recommended that the Board authorize: (1) planning and preliminary design work for the first phase (Phase I) of retail redevelopment at the World Trade Center (WTC) site, in the estimated amount of \$1.95 million; (2) the Executive Director 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 Phase I planning and preliminary design work, subject to advising the Commissioners of individual contracts or agreements to be acted on pursuant to this authorization prior to taking or authorizing such action; and (3) an increase of \$500,000 in the authorization under an existing agreement with Jones Lang LaSalle (JLL) for real estate advisory services associated with the WTC site.

On December 1, 2003, the Port Authority acquired Westfield WTC LLC (now WTC Retail LLC) and its right, title and interest in 427,000 gross leaseable square feet of WTC retail and retail expansion space. As part of the acquisition, the seller, Westfield WTC Holding LLC, was granted a right of first offer (ROFO) for the future development through lease, sale or other transfer and/or management of the retail space. However, the Port Authority may elect to develop and/or manage the retail space itself without triggering the ROFO. Based on discussions with the WTC Site Planning Subcommittee, staff intends to develop Phase I of the retail project, consisting of approximately 200,000 square feet of gross buildable area, without triggering the ROFO.

Work under this authorization would include preliminary design of the core and shell of the Phase I retail space, including structural slabs and column framing, coordination of shared egress with the WTC Transportation Hub, connections to common utilities, and mechanical and electrical layout. The planning also would include compliance with commercially sustainable design guidelines, preparation of staging analyses and development of cost estimates.

The work would be performed by Port Authority staff, supplemented by the Port Authority's WTC real estate advisor, JLL, and its project team. The retention of JLL as WTC real estate advisor, for a three-year term in an amount not to exceed \$7.5 million and one two-year extension option in an amount not to exceed \$5.6 million, was authorized by the Executive Director in December 2003. An increase of \$500,000 in the authorization under the JLL agreement is being requested so that JLL may provide additional services, including Phase I planning services. Approximately 30 percent of this increase would be for work included in the requested \$1.95 million Phase I planning authorization. It is expected that all of these costs will be recoverable from WTC Retail LLC's share of casualty insurance proceeds.

This work, which is the first step in the redevelopment of approximately 500,000 to 550,000 square feet of gross buildable retail space at the WTC site, would also advance the overall WTC site redevelopment, which will ultimately revitalize Lower Manhattan and provide an important source of revenue to the Port Authority. In order to have the first phase of retail operational concurrent with the opening of the WTC Transportation Hub, it is critical to commence the proposed planning effort at this time.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Mack, Pocino, Sartor, Silverman, Sinagra, and Steiner voting in favor; none against; Commissioner Genova recused:

RESOLVED, that planning and preliminary design work for the first phase (Phase I) of retail redevelopment at the World Trade Center (WTC) site, in the estimated amount of \$1.95 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 Phase I planning and preliminary design work, subject to advising the Commissioners of individual contracts or agreements to be acted on pursuant to this authorization prior to taking or authorizing such action; and it is further

RESOLVED, that the authorization under an existing agreement with Jones Lang LaSalle for WTC real estate advisory services be increased by \$500,000; 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.

SETTLEMENT OF CLAIM – SUMITOMO MARINE AND FIRE INSURANCE CO., LTD., ET AL. v. THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

It was recommended that the Board authorize General Counsel, for and on behalf of the Port Authority, to finalize the settlement of a property damage claim in the action entitled Sumitomo Marine and Fire Insurance Co., Ltd., et al. v. The Port Authority of New York and New Jersey in the amount of \$130,000, inclusive of attorneys' fees, costs and disbursements. Plaintiffs would provide the Port Authority with a General Release and Stipulation of Discontinuance with Prejudice. The Port Authority's excess insurance carriers have approved the proposed settlement amount, and the Port Authority would be fully reimbursed for the settlement amount by the carriers.

Following the terrorist bombing of The World Trade Center on February 26, 1993, plaintiff, Sumitomo Marine and Fire Insurance Company, Limited, acting through its U.S. Manager, Sumitomo Marine Management (U.S.A.) Inc. (Sumitomo), commenced this subrogation action seeking money for damages allegedly sustained by six of its subrogors — Sumitomo Bank Ltd., Sumitomo Bank Capital Markets, Inc., Sumitomo Bank Financial Services, Sumitomo Bank Leasing and Finance, Inc., Sumitomo Bank Services, and Sumitomo Bank New York Trust. The total amount of damages claimed was \$328,000 for damage to the premises occupied by the subrogors and to the subrogors' property located at the premises, and for the subrogors' relocation expenses. Sumitomo issued three separate insurance policies to its subrogors that were in effect on February 26, 1993, which provided coverage to the subrogors for the alleged losses for damages to the premises and extra expenses claimed by Sumitomo.

Plaintiffs initially demanded \$262,000 to settle this action, but through aggressive negotiation, the parties agreed upon the proposed settlement of \$130,000, subject to Board approval.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Gargano, Genova, Mack, Pocino, Sartor, Silverman, Sinagra, and Steiner voting in favor; none against:

RESOLVED, that General Counsel be and he hereby is authorized, for and on behalf of the Port Authority, to finalize the settlement of the action entitled Sumitomo Marine and Fire Insurance Co., Ltd., et al. v. The Port Authority of New York and New Jersey in the amount of \$130,000, inclusive of attorneys' fees, costs and disbursements.

SETTLEMENT OF CLAIM – KEITH AND BARBARA MILLS v. THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

It was recommended that the Board authorize General Counsel, for and on behalf of the Port Authority, to finalize the settlement of a personal injury claim in the action entitled Keith and Barbara Mills v. The Port Authority of New York and New Jersey in the amount of \$125,000, inclusive of attorneys' fees, costs and disbursements. Plaintiffs would provide the Port Authority with a General Release and Stipulation of Discontinuance with Prejudice. The Port Authority's excess insurance carriers have approved the proposed settlement amount, and the Port Authority would be fully reimbursed for the settlement amount by the carriers.

On February 26, 1993, the date of the terrorist bombing of The World Trade Center (WTC), plaintiff, Keith Mills, who was 58 years old at the time of the incident and employed as a welder by Ogden Allied Services, was in the lunchroom on the B-2 level of the WTC when the bombing occurred. As a result of the force of the explosion, the lunchroom floor partially collapsed, and plaintiff fell into an elevator shaft, where he remained trapped for approximately an hour. Plaintiff was transported to New York Downtown Hospital, where he was treated for pneumonia and carbon monoxide poisoning from smoke inhalation and remained hospitalized for four days. Plaintiff claims bilateral hearing loss requiring the use of hearing aids, injury to his lungs, and Post-Traumatic Stress Disorder. He is now 70 years old and is wearing hearing aids in both ears. His wife, Barbara Mills, claims loss of services.

Plaintiffs initially demanded \$400,000 to settle this action, but through aggressive negotiation, the parties agreed upon the proposed settlement amount of \$125,000, subject to Board approval.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Gargano, Genova, Mack, Pocino, Sartor, Silverman, Sinagra, and Steiner voting in favor; none against:

RESOLVED, that General Counsel be and he hereby is authorized, for and on behalf of the Port Authority, to finalize the settlement of the action entitled Keith and Barbara Mills v. The Port Authority of New York and New Jersey in the amount of \$125,000, inclusive of attorneys' fees, costs and disbursements.

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

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MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, November 17, 2005, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
 Hon. Angelo J. Genova
 Hon. Anthony J. Sartor
 Hon. Jack G. Sinagra
 Hon. David S. Steiner

NEW YORK

Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. Christine A. Ferer
 Hon. David S. Mack
 Hon. Henry R. Silverman

Darrell B. Buchbinder, General Counsel
 Karen E. Eastman, Secretary

Gwendolyn Archie, Senior Administrator, Office of the Secretary
 Kayla M. Bergeron, Chief, Public and Government Affairs
 A. Paul Blanco, Chief Financial Officer
 John D. Brill, Director, Audit
 Ernesto L. Butcher, Chief Operating Officer
 Arthur J. Cifelli, Deputy Chief of Staff
 Patricia A. Clark, Senior Advisor, External Affairs, Aviation
 Steven J. Coleman, Public Information Officer, Public Affairs
 James T. Connors, Director, World Trade Center Redevelopment
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 William R. DeCota, Director, Aviation
 John C. Denise, Supervisor, Audio Visual/Photography, Public Affairs
 Pasquale DiFulco, Public Information Officer, Public Affairs
 John J. Drobny, Director, Project Management
 Iran H. Engel, Assistant Treasurer
 Michael G. Fabiano, Comptroller
 James P. Fox, Deputy Executive Director
 Michael B. Francois, Chief of Real Estate/Regional and Economic Development
 Linda C. Handel, Assistant Secretary
 L. Jay Hector, Senior Policy Advisor to the Executive Director/Vice-Chairman
 Edward L. Jackson, Director, Financial Services
 Howard G. Kadin, Senior Attorney, Law
 Victoria C. Kelly, Director, Tunnels, Bridges and Terminals
 Kirby King, Deputy Director, PATH
 Louis J. LaCapra, Chief Administrative Officer
 Richard M. Larrabee, Director, Port Commerce
 Shawn K. Laurenti, Director, Government and Community Affairs
 Francis J. Lombardi, Chief Engineer
 Robert F. Lurie, Chief of Strategic Planning
 Stephen Marinko, Attorney, Law
 Michael G. Massiah, Director, Human Resources
 John P. McCarthy, Director, Public Affairs
 James E. McCoy, Manager, Board Management Support, Office of the Secretary
 Anne Marie C. Mulligan, Treasurer
 Lynn A. Nerney, Senior Administrator, Office of the Secretary
 Frederika E. Patterson, Staff Property Representative, Aviation

Annie O. Persaud, Senior Project Manager, Human Resources
Samuel J. Plumeri, Jr., Superintendent of Police/Director, Public Safety
Alan L. Reiss, Deputy Director, Aviation
Edmond F. Schorno, Chief of Staff
Douglas Smith, Deputy Director, Organizational Effectiveness and Change Management
Gerald B. Stoughton, General Manager, Forecasting and Capital Planning, Financial Services
Ralph Tragale, Client Manager, Government and Community Affairs
Sheree R. Van Duyne, Manager of Policies and Protocol, Office of the Secretary
Peter J. Zipf, Deputy Chief Engineer

Guest

Keith D. Barrack, Authorities Unit, Office of the Governor of New Jersey

DOWNTOWN RESTORATION PROGRAM – WORLD TRADE CENTER COMMON-SITE INFRASTRUCTURE – CENTRAL CHILLER PLANT AND RIVER WATER SYSTEM – PLANNING AUTHORIZATION

It was recommended that the Board authorize: (1) planning in an estimated amount of \$6 million for engineering and design of a World Trade Center (WTC) Central Chiller Plant and River Water System Project; and (2) the Executive Director to: (a) take such action with respect to contracts for professional services and other contracts related to the project as he deems in the best interest of the Port Authority; and (b) enter into any other agreements necessary to effectuate the planning and design effort.

The primary and secondary chiller plants on the WTC site were destroyed by the terrorist attacks of September 11, 2001. The combined capacity of both plants was approximately 59,000 tons, and the plants supplied chilled water for the base-building and tenant air conditioning requirements at the WTC. The chiller plant system also included river water lines that connected the chiller plants to the river water pump house located in Battery Park City. The river water lines and the pump house remain intact and can be rehabilitated. Prior to September 11, 2001, these facilities served the WTC commercial office space, as well as retail, hotel and the U.S. Custom House space. Under the WTC net leases, Silverstein Properties, Inc. (SPI) has the obligation to restore this cooling water capacity at the WTC site.

Through mid-2005, the post-9/11 WTC Site Master Plan has been based on a 40,000-ton-capacity Central Chiller Plant that would utilize Hudson River water and serve all the planned facilities on the entire WTC site, and that SPI would install a system similar to the pre-9/11 central chiller plants. However, as a part of the regulatory process, a State Pollutant Discharge Elimination System (SPDES) permit is required to be obtained from the New York State Department of Environmental Conservation (NYSDEC) for the usage of the Hudson River water serving the WTC site. In March 2005, the Port Authority submitted its SPDES permit renewal application, along with a comprehensive Best Technologies Available and Alternative Cooling Systems Study, that requested approval to maintain a maximum river water flow rate of 120,000 gallons per minute (gpm). Following numerous discussions, meetings and correspondence among NYSDEC, Lower Manhattan Development Corporation, SPI and the Port Authority, NYSDEC has agreed to allow the Port Authority to apply for a maximum river water flow rate usage of 30,000 gpm for the WTC site, in response to environmental concerns raised by external advocacy groups.

The proposed Central Chiller Plant, with an installed capacity of 12,500 tons, would meet cooling load demand of 10,000 tons, and is based on the current maximum allowable usage of river water flow rate of 30,000 gpm. The primary regulatory issue is the percentage reduction of entrainment and impingement of fish eggs and larvae. Pursuant to recent NYSDEC regulations for cooling water intake structures, all feasible intake technologies and operational measures must be implemented to reduce impingement by no less than 80 percent, and entrainment by no less than 60 percent, from pre-9/11 levels. With the new NYSDEC requirements, SPI determined that it would be more cost-effective for it to use an alternative water source for cooling, and decided not to pursue a Central Chiller Plant system for cooling the WTC site commercial office buildings. However, a Central Chiller Plant/river water

system remains the most feasible and cost-effective solution to provide air conditioning for the remaining (non-office) facilities, including the WTC Transportation Hub, retail development, and Memorial/Museum. The Port Authority can advance the design of this facility in conjunction with its projects at the WTC site.

The Port Authority has reserved its legal rights with respect to SPI's net lease obligation to provide base-building utility services (including cooling) to non-office facilities.

This project will be closely coordinated with ongoing planning and engineering efforts for the WTC Transportation Hub, retail development, and Memorial/Museum. Project implementation and construction coordination also remain to be developed.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Genova, Mack, Sartor, Silverman, Sinagra, and Steiner voting in favor; none against:

RESOLVED, that planning, in an estimated amount of \$6 million, for engineering and design of a World Trade Center Chiller Plant and River Water System Project, be and it hereby is authorized; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to: (1) take action with respect to contracts for professional services and other contracts related to the foregoing project as he deems in the best interest of the Port Authority; and (2) enter into any other agreements necessary to effectuate the foregoing planning and design effort, subject to advising the Commissioners of individual contracts or agreements to be acted on pursuant to this authorization prior to taking or authorizing such action; and it is further

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

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

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MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, December 8, 2005, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
 Hon. Angelo J. Genova
 Hon. Raymond M. Pocino
 Hon. Anthony J. Sartor
 Hon. David S. Steiner

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
 Hon. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. Christine A. Ferer
 Hon. David S. Mack

Kenneth J. Ringler, Executive Director
 Darrell B. Buchbinder, General Counsel
 Karen E. Eastman, Secretary

Gwendolyn Archie, Senior Administrator, Office of the Secretary
 Matthew A. Baratz, Assistant Director, Office of Business Development
 Linda K. Bentz, Assistant Director, Office of Policy and Planning
 Kayla M. Bergeron, Chief, Public and Government Affairs
 A. Paul Blanco, Chief Financial Officer
 John D. Brill, Director, Audit
 Steven A. Brown, Supervising Marketing Analyst, Office of Policy and Planning
 Gregory G. Burnham, Chief Technology Officer
 Ernesto L. Butcher, Chief Operating Officer
 Rosemary Chiricolo, Assistant Director, Financial Services
 Arthur J. Cifelli, Deputy Chief of Staff
 Steven J. Coleman, Public Information Officer, Public Affairs
 James T. Connors, Director, World Trade Center Redevelopment
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 William R. DeCota, Director, Aviation
 John C. Denise, Supervisor, Audio Visual/Photography, Public Affairs
 Francis A. DiMola, Director, Real Estate
 John J. Drobny, Director, Project Management
 Iran H. Engel, Assistant Treasurer
 Michael G. Fabiano, Comptroller
 James P. Fox, Deputy Executive Director
 Michael B. Francois, Chief of Real Estate/Regional and Economic Development
 Linda C. Handel, Assistant Secretary
 L. Jay Hector, Senior Policy Advisor to the Executive Director/Vice-Chairman
 Edward L. Jackson, Director, Financial Services
 Howard G. Kadin, Senior Attorney, Law
 Victoria C. Kelly, Director, Tunnels, Bridges and Terminals
 Kirby King, Deputy Director, PATH
 Louis J. LaCapra, Chief Administrative Officer
 Richard M. Larrabee, Director, Port Commerce
 Shawn K. Laurenti, Director, Government and Community Affairs
 Francis J. Lombardi, Chief Engineer
 Robert F. Lurie, Chief of Strategic Planning
 Stephen Marinko, Attorney, Law
 Michael G. Massiah, Director, Human Resources
 John P. McCarthy, Director, Public Affairs

James E. McCoy, Manager, Board Management Support, Office of the Secretary
Anne Marie C. Mulligan, Treasurer
Lynn A. Nerney, Senior Administrator, Office of the Secretary
Steven P. Plate, Deputy Director, Priority Capital Programs
William Radinson, Assistant Director, Aviation
Alan L. Reiss, Deputy Director, Aviation
Cruz C. Russell, Director, Office of Policy and Planning
Edmond F. Schorno, Chief of Staff
Kenneth W. Snapp, Senior Policy Advisor, Office of the Deputy Executive Director
Gerald B. Stoughton, General Manager, Forecasting and Capital Planning, Financial Services
Sheree R. Van Duynes, Manager of Policies and Protocol, Office of the Secretary
Louis P. Venech, Client Manager, Office of Policy and Planning
Peter J. Zipf, Deputy Chief Engineer

DOWNTOWN RESTORATION PROGRAM – WORLD TRADE CENTER VEHICULAR SECURITY CENTER AND TOUR BUS PARKING FACILITY PROJECT – DELEGATION OF AUTHORITY FOR EXPERT PROFESSIONAL ARCHITECTURAL AND ENGINEERING SERVICES AGREEMENT

It was recommended that the Board authorize the World Trade Center (WTC) Site Planning Subcommittee (WTC Subcommittee) to authorize the award of the agreement entitled, “Performance of Expert Professional Architectural and Engineering Services for the World Trade Center Vehicular Security Center and Tour Bus Parking Facility” (WTC VSC Project).

In December 2003, the Board authorized planning for a WTC Site Public Infrastructure Project, and expenditure of up to \$15 million for initial work. This program included project components for a Tour Bus Parking Facility, as well as streets and related infrastructure. Through 2004, various configurations for these projects were explored during development of the WTC Site Master Plan. In August 2005, the Federal Transit Administration (FTA) announced a \$478 million grant for the first phase of a WTC Vehicular Security Center and Tour Bus Parking Facility Project that would be located south of Liberty Street. The project would provide vehicular access and security screening facilities that are essential to support the long-term operation of the commercial office, retail, Memorial and other development at the WTC site.

Since 2004, the initial planning and conceptual design work (through Stage I) has been performed primarily by Port Authority staff, supported by consultants. However, future design and engineering work would be performed primarily by a full design consultant team, in particular to provide additional vehicular and security systems expertise for the planned facility. The initial portion of this agreement would provide for Preliminary Engineering services (through Stage II). The agreement also would cover future portions of work, including Final Design and Contract Documents (Stage III), and Construction (Stage IV) services, which would be subject to future authorizations. Costs for this contract work for the WTC VSC Project would be fully eligible for reimbursement through the FTA grant for the project.

Competitive proposals for the WTC Vehicular Security Center Expert Professional Architectural and Engineering Services contract were received through a publicly advertised Request for Proposals (RFP) process. A staff evaluation committee has been evaluating the proposals received, and would continue to brief the WTC Subcommittee on the status of its review.

In view of the progress in the review of the proposals for the WTC VSC Project, it was recommended that the Board authorize the WTC Subcommittee to authorize the award of the agreement upon the conclusion of the review process.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Gargano, Genova, Mack, Pocino, Sartor and Steiner voting in favor; none against:

RESOLVED, that the World Trade Center Site Planning Subcommittee be and it hereby is authorized to authorize the award, for and on behalf of the Port Authority, of the agreement entitled, "Performance of Expert Professional Architectural and Engineering Services for the World Trade Center Vehicular Security Center and Tour Bus Parking Facility"; the form of the agreement shall be subject to the approval of General Counsel or his authorized representative.

**SETTLEMENT OF CLAIM – ROSALIE ANN WHITEHEAD A/A/O THE ESTATE OF
GEORGE NELSON WHITEHEAD v. THE PORT AUTHORITY OF NEW
YORK AND NEW JERSEY**

It was recommended that the Board authorize General Counsel to finalize the settlement of a personal injury and wrongful death claim in the action entitled Rosalie Ann Whitehead a/a/o the Estate of George Nelson Whitehead v. The Port Authority of New York and New Jersey in the amount of \$1 million, inclusive of attorneys' fees, costs and disbursements. Plaintiff would provide the Port Authority with a General Release and Stipulation of Discontinuance with Prejudice.

On February 26, 1993, the date of the terrorist bombing of The World Trade Center (WTC), plaintiff's decedent, George Nelson Whitehead, who was 52 years old and employed as a Vice President at Fiduciary Trust International, was on the 94th floor of Two WTC when the bombing occurred. It is alleged that as a result of exiting the building by walking down from the 94th floor, Mr. Whitehead, who suffered from arteriosclerotic heart disease, aggravated his preexisting condition and died 11 days later from heart failure. His widow, Rosalie Whitehead, as administratrix of the estate, claims wrongful death and loss of support and services.

Plaintiff initially demanded \$1,500,000 to settle this action, but through aggressive negotiation, and with the assistance of the Court, the parties agreed upon the settlement as described above, subject to Board approval. The Port Authority's excess insurance carriers have approved the proposed settlement amount, and the Port Authority would be fully reimbursed for the settlement amount by the carriers.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Gargano, Genova, Mack, Pocino, Sartor and Steiner voting in favor; none against:

RESOLVED, that General Counsel be and he hereby is authorized, for and on behalf of the Port Authority, to finalize the settlement of the action entitled Rosalie Ann Whitehead a/a/o the Estate of George Nelson Whitehead v. The Port Authority of New York and New Jersey in the amount of \$1 million, inclusive of attorneys' fees, costs and disbursements.

SETTLEMENT OF CLAIM – MICHAEL AND HELENE RAPP v. THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

It was recommended that the Board authorize General Counsel to finalize the settlement of a personal injury claim in the action entitled Michael and Helene Rapp v. The Port Authority of New York and New Jersey in the amount of \$950,000, inclusive of attorneys' fees, costs and disbursements. Plaintiffs would provide the Port Authority with a General Release and Stipulation of Discontinuance with Prejudice.

On February 26, 1993, the date of the terrorist bombing of The World Trade Center (WTC), plaintiff Michael Rapp, who was 34 years old and employed as a senior job captain for SCR Design, was conducting a survey in the sub-grade of the WTC when the bombing occurred. As a result of the explosion, he was thrown several feet into the air and landed on the floor, which collapsed beneath him, causing him to fall several levels into the basement. As a result, plaintiff sustained multiple injuries, including a perforated eardrum, fractures to the left knee and pelvis, multiple fractures to the right leg and ankle and smoke inhalation. Plaintiff underwent several surgeries to repair the fractures and subsequently developed osteomyelitis that required bone replacement surgery. He was totally disabled until January 1994. He is seeking damages for past and future pain and suffering and lost wages. There is a Workers' Compensation lien of \$204,000 for lost wages and medical expenses, which plaintiff must repay. His wife's claim is for loss of services.

Plaintiffs initially demanded \$1,950,000 to settle this action, but through aggressive negotiation, and with the assistance of the Court, the parties agreed upon the settlement as described above, subject to Board approval. The Port Authority's excess insurance carriers have approved the proposed settlement amount, and the Port Authority would be fully reimbursed for the settlement amount by the carriers.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Gargano, Genova, Mack, Pocino, Sartor and Steiner voting in favor; none against:

RESOLVED, that General Counsel be and he hereby is authorized, for and on behalf of the Port Authority, to finalize the settlement of the action entitled Michael and Helene Rapp v. The Port Authority of New York and New Jersey in the amount of \$950,000, inclusive of attorneys' fees, costs and disbursements.

SETTLEMENT OF CLAIM – KEVIN AND ESTHER SHEA v. THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

It was recommended that the Board authorize General Counsel to finalize the settlement of a personal injury claim in the action entitled Kevin and Esther Shea v. The Port Authority of New York and New Jersey in the amount of \$800,000, inclusive of attorneys' fees, costs and disbursements. Plaintiffs would provide the Port Authority with a General Release and Stipulation of Discontinuance with Prejudice.

On February 26, 1993, the date of the terrorist bombing of The World Trade Center (WTC), plaintiff Kevin Shea, who was 33 years old and employed as a lieutenant by the New York City Fire Department, was an emergency responder. While plaintiff was attempting to rescue a victim in the WTC sub-grade level, the floor collapsed, causing plaintiff to fall five floors. As a result of the fall, plaintiff sustained fractures to his nose, left knee and right foot.

Plaintiff underwent several surgeries to repair his knee, which will eventually require knee replacement surgery. Plaintiff was confined to home for seven months and to bed for three months. He was placed on modified duty until 1998, when he was retired on a disability pension. Plaintiff claims past and future pain and suffering and lost wages. His wife's claim is for loss of services.

Plaintiffs initially demanded \$1,600,000 to settle this action, but through aggressive negotiation, and with the assistance of the Court, the parties agreed upon the settlement as described above, subject to Board approval. The Port Authority's excess insurance carriers have approved the proposed settlement amount, and the Port Authority would be fully reimbursed for the settlement amount by the carriers.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Gargano, Genova, Mack, Pocino, Sartor and Steiner voting in favor; none against:

RESOLVED, that General Counsel be and he hereby is authorized, for and on behalf of the Port Authority, to finalize the settlement of the action entitled Kevin and Esther Shea v. The Port Authority of New York and New Jersey in the amount of \$800,000, inclusive of attorneys' fees, costs and disbursements.

SETTLEMENT OF CLAIM – JAMES CAVOLO v. THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

It was recommended that the Board authorize General Counsel to finalize the settlement of a personal injury claim in the action entitled James Cavolo v. The Port Authority of New York and New Jersey in the amount of \$775,000, inclusive of attorneys' fees, costs and disbursements. Plaintiff would provide the Port Authority with a General Release and Stipulation of Discontinuance with Prejudice.

On February 26, 1993, the date of the terrorist bombing of The World Trade Center, plaintiff, who was 33 years old and employed as a firefighter by the New York City Fire Department, was an emergency responder immediately following the bombing. As a result of sharing his oxygen mask with rescue victims, plaintiff sustained oxygen deprivation, which caused him to lose consciousness and fall down several flights of stairs. Plaintiff sustained the following injuries: herniated disks, a torn right rotator cuff, carpal tunnel syndrome, and smoke inhalation. Plaintiff underwent six surgeries to his right shoulder and hand, and required extensive physical therapy. He was placed on modified duty until September 30, 1997, when he was retired on a disability pension. Plaintiff claims past and future pain and suffering and lost wages.

Plaintiff initially demanded \$1,800,000 to settle this action, but through aggressive negotiation, and with the assistance of the Court, the parties agreed upon the settlement as described above, subject to Board approval. The Port Authority's excess insurance carriers have approved the proposed settlement amount, and the Port Authority would be fully reimbursed for the settlement amount by the carriers.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Gargano, Genova, Mack, Pocino, Sartor and Steiner voting in favor; none against:

RESOLVED, that General Counsel be and he hereby is authorized, for and on behalf of the Port Authority, to finalize the settlement of the action entitled James Cavolo v. The Port Authority of New York and New Jersey in the amount of \$775,000, inclusive of attorneys' fees, costs and disbursements.

SETTLEMENT OF CLAIM – MARY O’CONNOR A/A/O THE ESTATE OF RICHARD O’CONNOR v. THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

It was recommended that the Board authorize General Counsel to finalize the settlement of a personal injury and wrongful death claim in the action entitled Mary O’Connor a/a/o the Estate of Richard O’Connor v. The Port Authority of New York and New Jersey in the amount of \$450,000, inclusive of attorneys’ fees, costs and disbursements. Plaintiff would provide the Port Authority with a General Release and Stipulation of Discontinuance with Prejudice.

On February 26, 1993, the date of the terrorist bombing of The World Trade Center (WTC), plaintiff’s decedent, Richard O’Connor, who was 60 years old and employed as an insurance salesman at Chubb & Son earning approximately \$91,000 per annum, was on the 107th floor of One WTC when the bombing occurred. It is alleged that as a result of exiting the building by walking down the stairs from the 107th floor, Mr. O’Connor aggravated a pre-existing heart condition that resulted in his death from heart failure on September 25, 1993. He left five children, the youngest being 20 years old at the time of his death. His widow, Mary O’Connor, as administratrix of the estate, claims wrongful death and loss of support and services.

Plaintiff initially demanded \$1,800,000 to settle this action, but through aggressive negotiation, and with the assistance of the Court, the parties agreed upon the settlement as described above, subject to Board approval. The Port Authority’s excess insurance carriers have approved the proposed settlement amount, and the Port Authority would be fully reimbursed for the settlement amount by the carriers.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Gargano, Genova, Mack, Pocino, Sartor and Steiner voting in favor; none against:

RESOLVED, that General Counsel be and he hereby is authorized, for and on behalf of the Port Authority, to finalize the settlement of the action entitled Mary O’Connor a/a/o the Estate of Richard O’Connor v. The Port Authority of New York and New Jersey in the amount of \$450,000, inclusive of attorneys’ fees, costs and disbursements.

SETTLEMENT OF CLAIM – JOHN TERRACIANO v. THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

It was recommended that the Board authorize General Counsel to finalize the settlement of a personal injury claim in the action entitled John Terraciano v. The Port Authority of New York and New Jersey in the amount of \$125,000, inclusive of attorneys' fees, costs and disbursements. Plaintiff would provide the Port Authority with a General Release and Stipulation of Discontinuance with Prejudice.

On February 26, 1993, the date of the terrorist bombing of The World Trade Center (WTC), plaintiff, who was 35 years old at the time of the incident and employed as a senior field engineer by SMS System, was in the Vista Hotel lobby at the WTC when the bombing occurred. Plaintiff alleges that as a result of the explosion, he was thrown 30 feet into the air, knocked against a wall and hit by flying debris. Plaintiff sustained multiple injuries, including lower back derangement, bilateral carpal tunnel syndrome, smoke inhalation and post-traumatic stress disorder. In 1995, plaintiff underwent surgeries on both wrists. In addition, his orthopedist noted a 50-60 percent decrease of normal range of motion to his lumbar spine, and from 1996 through 1999 plaintiff received chiropractic treatments one to three times per week. There is a Workers' Compensation lien of \$33,482 for lost wages and medical expenses that plaintiff must repay.

Plaintiff initially demanded \$350,000 to settle this action, but through aggressive negotiation the parties agreed upon the settlement as described above, subject to Board approval. The Port Authority's excess insurance carriers have approved the proposed settlement amount, and the Port Authority would be fully reimbursed for the settlement amount by the carriers.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Gargano, Genova, Mack, Pocino, Sartor and Steiner voting in favor; none against:

RESOLVED, that General Counsel be and he hereby is authorized, for and on behalf of the Port Authority, to finalize the settlement of the action entitled John Terraciano v. The Port Authority of New York and New Jersey in the amount of \$125,000, inclusive of attorneys' fees, costs and disbursements.

PORT AUTHORITY TRANS-HUDSON CORPORATION

MINUTES

Thursday, December 8, 2005

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**MINUTES of the Meeting of Port Authority Trans-Hudson Corporation held Thursday, December 8, 2005,
at 225 Park Avenue South, City, County and State of New York.**

PRESENT:

Hon. Anthony R. Coscia, Chairman	Hon. Charles A. Gargano, Vice-Chairman
Hon. Angelo J. Genova	Hon. Bruce A. Blakeman
Hon. Raymond M. Pocino	Hon. Michael J. Chasanoff
Hon. Anthony J. Sartor	Hon. Christine A. Ferer
Hon. David S. Steiner	Hon. David S. Mack

Kenneth J. Ringler Jr., President
Ernesto L. Butcher, Vice-President and General Manager
Darrell B. Buchbinder, Counsel

Gwendolyn Archie
Matthew A. Baratz
Linda K. Bentz
Kayla M. Bergeron
A. Paul Blanco
John D. Brill
Steven A. Brown
Gregory G. Burnham
Ernesto L. Butcher
Rosemary Chiricolo
Arthur J. Cifelli
Steven J. Coleman
James T. Connors
Anthony G. Cracchiolo
William R. DeCota
John C. Denise
Francis A. DiMola
John J. Drobny
Karen E. Eastman
Iran H. Engel
Michael G. Fabiano
James P. Fox
Michael B. Francois
Linda C. Handel
L. Jay Hector
Edward L. Jackson
Howard G. Kadin
Victoria C. Kelly
Kirby King
Louis J. LaCapra
Richard M. Larrabee
Shawn K. Laurenti
Francis J. Lombardi
Robert F. Lurie
Stephen Marinko
Michael G. Massiah
John P. McCarthy

James E. McCoy
Anne Marie C. Mulligan
Lynn A. Nerney
Steven P. Plate
William Radinson
Alan L. Reiss
Cruz C. Russell
Edmond F. Schorno
Kenneth W. Snapp
Gerald B. Stoughton
Sheree R. Van Duyne
Louis P. Venech
Peter J. Zipf

DOWNTOWN RESTORATION PROGRAM – PERMANENT WORLD TRADE CENTER PATH TERMINAL – AWARD OF CONTRACT WTC-284.458 FOR CONSTRUCTION MANAGER AND GENERAL CONTRACTOR SERVICES

It was recommended that the Board authorize: (1) the Executive Director to award Contract WTC-284.458 to Phoenix Constructors for Construction Manager/General Contractor (CM/GC) services for the Permanent World Trade Center (WTC) Port Authority Trans-Hudson system (PATH) Terminal Project, at an aggregate cost of approximately \$1.1 billion; and (2) the Executive Director, the Chief Financial Officer or the Treasurer to enter into one or more agreements providing for brokerage, administrative and loss control/safety services and/or the purchase of insurance for the project.

On July 28, 2005, the Board authorized the WTC PATH Terminal Project, at a total project cost of \$2.221 billion. The Permanent WTC PATH Terminal tracks, platforms and mezzanine levels will be located in the WTC "bathtub," essentially as they were prior to September 11, 2001. The Terminal will include subgrade pedestrian connections to connect PATH with New York City Transit (NYCT) subway lines. The pedestrian connections will connect the WTC site and PATH Terminal with surrounding neighborhoods, including the World Financial Center, and the proposed new NYCT Fulton Street Transit Center. The project will also facilitate development of and interconnect commercial office towers and retail, as well as the WTC Memorial and cultural facilities planned for the WTC site. The Port Authority is to receive \$1.921 billion in federal funding towards the \$2.221 billion cost of this project.

The Executive Director was authorized to move forward on the procurement process in connection with Contract WTC-284.458, for the retention of a CM/GC, and to consult with and review the results of the process with the WTC Site Planning Subcommittee, after which the Executive Director and the WTC Site Planning Subcommittee were to provide recommendations regarding the award of the contract to the Board.

Following the project groundbreaking ceremony held on September 6, 2005, initial WTC site preparation work for the project was commenced through other contracts. However, all major construction activity for the WTC PATH Terminal Project, commencing in 2006, is scheduled to be performed by the CM/GC under Contract WTC-284.458.

The contract procurement process included a Request for Information, which was issued in November 2004 to solicit industry input on the CM/GC approach to construction of the WTC PATH Terminal. The Port Authority received comments from five firms. To allow the industry to get a head start on the procurement process, in March 2005 a Request for Qualification Information (RFQI) was issued, which became the initial part of the Request for Proposals (RFP) process.

On May 23, 2005, the RFP for CM/GC services was issued to 63 interested proposers, as developed from the publicly advertised RFQI and RFP. On July 20, 2005, proposals were received from the following two teams: BKTT (composed of Bechtel Infrastructure Corporation, Kiewit Constructors Inc., Turner Construction Company and Tully Construction Co. Inc.), and Phoenix Constructors (composed of Slattery Skanska Inc., Fluor Enterprises, Inc., Granite Halmar Construction Company, Inc. and Bovis Lend Lease, LMB, Inc.). A staff evaluation committee evaluated the proposals received and invited both proposers to make oral presentations.

Commencing in September 2005, there were various clarifications, discussions, and negotiations with both proposers. In November 2005, the Port Authority requested Best and Final Offers (BAFOs) from the proposers. Based on all the information received from the proposers, including the BAFOs, the evaluation committee identified Phoenix Constructors as the highest technically qualified firm that provides the best value to the Port Authority to perform CM/GC services.

There would be two phases of work under the CM/GC contract. The first phase, presently estimated at approximately \$200 million, would consist of construction management services and early action construction work. The CM/GC would provide input and assistance to the Port Authority in decision-making, constructability reviews, contract packaging, and budget and schedule control, as well as general contracting services to begin the construction of the WTC PATH Terminal critical early construction packages. The second phase, presently estimated at approximately \$900 million, would consist of the construction of the remainder of the project, at a negotiated Guaranteed Maximum Price (GMP). The CM/GC would perform construction in discrete work packages to be issued by the Port Authority, utilizing the CM/GC's own construction labor or through subcontractors, following competitive bidding.

Contract WTC-284.458 also contains a contract option, exercisable by the Port Authority within two years of award of the contract, to have the CM/GC perform installation of new slurry walls, excavation, and other related work, including construction of elements of the retail development, within the East Bathtub at the eastern portion of the WTC site. This work is presently estimated at approximately \$350 million.

A provision in Contract WTC-284.458 also provides that the Port Authority may request that the CM/GC perform work in connection with the Cultural Center, Memorial and Performing Arts Center. The CM/GC's performance of this scope of work would require an amendment to Contract WTC-284.458. This additional work is currently estimated at approximately \$225 million.

Costs for work for the Permanent WTC PATH Terminal Project would be fully eligible for reimbursement through the Federal Transit Administration (FTA) grant for the project. FTA reimbursement would be sought, consistent with the terms of the grant and other applicable agreements with the FTA, based on the overall allocation of \$1.921 billion of FTA funds, and \$300 million of Port Authority funds committed to the WTC PATH Terminal Project cost of \$2.221 billion. Costs for contract work performed for other projects or entities will be reimbursed through Port Authority agreements for such other projects or with such other entities.

The performance of the second phase of the work under the CM/GC Contract, as well as any exercise of the provisions described above pertaining to the East Bathtub and/or the Cultural Center, Memorial and Performing Arts Center, would be subject to the prior review and approval by the Board.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Gargano, Mack, Pocino, and Steiner voting in favor; none against; Commissioners Genova and Sartor recused:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to award Contract WTC-284.458 for Construction Manager/General Contractor (CM/GC) services for the Permanent World Trade Center Port Authority Trans-Hudson System Terminal Project to Phoenix Constructors at an aggregate cost of approximately \$1.1 billion; and it is further

RESOLVED, that the Executive Director, the Chief Financial Officer and the Treasurer be and each hereby is authorized, for and on behalf of the Port Authority, to enter into one or more agreements providing for brokerage, administrative and loss control/safety services and/or the purchase of insurance for the foregoing project; and it is further

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