

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Thursday, December 11, 2003

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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

The public session was called to order by Chairman Coscia at 2:30 p.m. and ended at 2:50 p.m. The Board met in executive session prior to the public session.

Report of Committee on Finance

The Committee on Finance reported, for information, on matters discussed in executive session at its meeting on December 11, 2003, which included discussion of matters related to, or which could impact upon, the issuance, sale, resale, or redemption of Port Authority bonds, notes or other obligations and matters which could affect the competitive economic position of the Port Authority, the Port District or businesses with which we deal, in addition to matters filed with the Committee pursuant to Board action or separately reported to the Board of Commissioners at this meeting of the Board, and the report was received and is included with these minutes.

Report of Committee on Capital Programs/Port Planning

The Committee on Capital Programs/Port Planning reported, for information, on matters discussed in executive session at its meeting on December 11, 2003, which included discussion on lease matters, contract matters and matters which could affect the competitive economic position of the Port Authority, the Port District or businesses with which we deal, and the report was received.

Report of Committee on Construction

The Committee on Construction reported, for information, on matters discussed at its meeting on December 11, 2003, which included discussion of a project for the rehabilitation of Runway 4R- 22L at Newark Liberty International Airport, in addition to matters filed with the Committee pursuant to Board action or separately reported to the Board of Commissioners at this meeting of the Board, and the report was received and is included with these minutes.

Report of Committee on Operations

The Committee on Operations reported, for information, on matters discussed in executive session at its meeting on December 11, 2003, which included discussion of contract matters, and matters which could affect the competitive economic position of the Port Authority, the Port District or businesses with which we deal, in addition to matters filed with the Committee pursuant to Board action or separately reported to the Board of Commissioners at this meeting of the Board, and the report was received and is included with these minutes.

Staff Report

A presentation was made by staff on the anticipated commencement of AirTrain JFK service on December 17, 2003.

2004 BUDGET

The 2004 Budget for The Port Authority of New York and New Jersey, including the anticipated expenditures of subsidiary corporations, provides for capital and operating expenditures during calendar year 2004 necessary to achieve the Port Authority's goals and objectives.

The Commissioners have established that the Port Authority's mission is to identify and meet the critical transportation infrastructure needs of the bi-state region's businesses, residents and visitors by providing the highest quality, most efficient transportation and port commerce facilities and services that move people and goods within the region, provide access to the rest of the nation and to the world, and strengthen the economic competitiveness of the New York-New Jersey metropolitan region.

This mission is supported by goals and objectives that include: enhancing safety and security, implementing new technologies, maintaining and enhancing infrastructure, advancing the delivery of capital programs, increasing agency cost effectiveness, pursuing improvements in regional mobility, and advancing regional economic competitiveness.

The Budget serves as a financial planning tool which outlines estimated expenditures for fulfilling these objectives through programs already authorized or to be considered.

The 2004 Budget totals \$4,529 million. It consists of \$2,103 million for operating expenses, \$1,799 million for gross capital expenditures, \$568 million for debt service charged to operations, and \$59 million for other expenditures.

The proposed 2004 Budget provides for, among other things, higher annual costs in connection with the extension of the lease with the City of New York for Port Authority operation of John F. Kennedy International and LaGuardia Airports; assumes continued Port Authority management of the World Trade Center site to provide a safe, secure and clean environment to facilitate construction and for visitors; maintains security measures consistent with a heightened security threat level at all Port Authority facilities; and incorporates higher pension costs in accordance with legislative changes governing employer contributions to the New York State Retirement Systems. The 2004 Budget also continues to assume uninterrupted payments from the net lessees of The World Trade Center as specified in their lease agreements; and continued revenue erosion at our tunnels, bridges, and Port Authority Trans-Hudson system facilities as the region's economic recovery lags behind the nationwide trends. Furthermore, in order to accommodate these higher costs and lower revenues, the 2004 Budget provides for certain reductions in service levels at our facilities.

Despite lower projected net operating revenues for 2004, we have strived to sustain the 2004 capital plan at current spending levels of more than \$1.8 billion. Our most critical capital project continues to be the restoration of Downtown Manhattan, and we will continue to work closely with the Lower Manhattan Development Corporation, the Metropolitan Transportation Authority, and the New York State Department of Transportation. The 2004 Budget also provides for direct assistance to the two States for transportation and economic development projects; spending to maintain existing Port Authority's facilities in a state of good repair; and study and development of projects ready to be advanced if additional funding resources become

available, another project is deferred or halted, or required by an operational or critical business need.

The Executive Director would be authorized to take action in accordance with appropriate procedures with respect to professional, technical, or advisory services as appropriate; contracts for maintenance and services, construction, and commodity purchases; the purchase of insurance; settlement of employee and patron claims; and other actions, including personnel benefit, classification, range and procedural adjustments, as provided in the 2003 Budget.

A provision of \$550,000 is also included to reimburse the States of New York and New Jersey for expenses incurred by the two States, including staff costs, in reviewing the Port Authority's annual Budget and any amendments thereto.

Circumstances arose during the year 2003 that were not foreseeable or determinable when the 2003 Budget was prepared, which are estimated to cause total expenditures to amount to \$93 million more than the amounts set forth in the 2003 Budget.

The Executive Director would be authorized to permit applications from the Consolidated Bond Reserve Fund during 2004. In connection with the effectuation of the Port Authority's capital program from time to time and consistent with the 2004 Budget and capital program projections, it is desirable to establish a maximum amount for 2004 in connection with the Executive Director's authority to apply moneys in the Consolidated Bond Reserve Fund to the Capital Fund, subject to statutory, contractual, and other commitments and financial policies of the Port Authority, not to exceed \$700 million (after reimbursement for temporary applications), in addition to other capital funds carried into 2004 and the proceeds of Port Authority obligations to be issued.

The Executive Director's authority, pending final adoption and approval of the annual Budget, to make operating expenditures and undertake contractual commitments for continuing operations and professional services as contained in the financial plan presented to the Commissioners, would also be confirmed.

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 2004 Budget of The Port Authority of New York and New Jersey as set forth below, be and the same hereby is approved and adopted, including authority for the Executive Director to: (a) take action in accordance with appropriate procedures with respect to professional, technical, or advisory services as appropriate; contracts for maintenance and services, construction, and commodity purchases; purchase of insurance; settlement of claims; and other actions, including personnel benefit, classification, range, and procedural adjustments; and (b) pending final adoption of the annual Budget, make operating expenditures and undertake contractual commitments for continuing operations and services:

; and it is further

RESOLVED, that the revisions to the Budget for the year 2003 be and the same hereby are approved:

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
Including Subsidiary Corporations
2003 ESTIMATE VS 2003 BUDGET
(In Thousands)

	<u>2003</u> <u>ESTIMATE</u>	<u>2003</u> <u>BUDGET</u>	<u>CHANGE</u>
Operating Expenses	\$1,972,268	\$1,996,042	(\$23,774)
Debt Service Charged to Operations	1,189,620	1,107,800	81,820
Deferred Expenses, Expenses Related to 9/11/01 and Other	<u>90,776</u>	<u>66,344</u>	<u>24,432</u>
Total Operating	3,252,664	3,170,186	82,478
Capital Expenditures	<u>1,848,908</u>	<u>1,838,464</u>	<u>10,444</u>
Total Port Authority Expenditure	<u>\$5,101,572</u>	<u>\$5,008,650</u>	<u>\$ 92,922</u>

; and it is further

RESOLVED, that, based upon a requisition of the Governor of the State of New York or the Governor of the State of New Jersey, or the duly authorized designee of each, the Port Authority shall pay to the State of New York or the State of New Jersey, or both, upon receipt of an appropriate expenditure plan from said State, an amount not in excess of \$275,000 to each said State to reimburse said State or States for expenses incurred by said State or States, including staff costs, in reviewing the annual Budget of the Port Authority and any amendments thereto; and it is further

RESOLVED, that the provision by the Executive Director of portions of the Port Authority's capital program from time to time, consistent with the 2004 Budget and capital program projections (including the continuing application of the Capital Fund on a temporary basis, subject to reimbursement), by application of moneys in the Consolidated Bond Reserve Fund to the Capital Fund for capital expenditures for the year 2004 in connection with the Port Authority's facilities, shall not, subject to statutory, contractual, and other commitments and financial policies of the Port Authority, exceed \$700 million (after any such reimbursements and in addition to other capital funds carried into 2004 and the proceeds of obligations to be issued).

(Board – 12/11/03)

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY
Including Subsidiary Corporations
2004 BUDGET
(In Thousands)

<u>Item</u>	<u>Total Expenditures</u>	<u>Personal Services</u>	<u>Materials & Services</u>
Audit Department	\$10,785	\$8,653	\$2,132
Aviation Department	575,256	132,723	442,533
Business and Job Opportunity	3,279	1,988	1,291
Chief Administrative Officer	2,237	1,786	451
Chief Financial Officer	2,532	650	1,882
Chief Operating Officer	8,372	1,649	6,723
Office of Operations & Emergency Management	6,649	2,944	3,705
Priority Capital	27,960	5,566	22,394
Chief of Regional and Economic Development	442	278	164
Waterfront Development	38,900	621	38,279
Chief of Public and Government Affairs	590	472	118
Chief of Public Safety & Emergency Management	697	497	200
Chief Technology Officer	976	688	288
Comptroller's Department	20,001	11,629	8,372
Corporate Policy and Planning	5,711	3,680	2,031
Engineering Department	293,034	92,234	200,800
Construction Contracts	737,191		737,191
Executive Offices	2,684	2,045	639
Ferry Transportation Services	16,649	755	15,894
Financial Services Department	12,173	8,245	3,928
Government and Community Relations	5,670	2,955	2,715
Human Resources Department	16,560	8,102	8,458
Medical Services	4,817	2,481	2,336
Inspector General	5,096	3,695	1,401
Labor Relations Department	3,037	1,926	1,111
Law Department	23,947	18,649	5,298 ⁽¹⁾
Office of Economic Development	70,515	2,493	68,022
Office of Forecasting and Capital Planning	1,987	1,397	590
Office of the Secretary	4,211	2,269	1,942
Operations Services Department	43,673	36,108	7,565
Facility Construction Support	30,861	25,009	5,852 ⁽¹⁾
Port Commerce Department	197,418	23,400	174,018
Procurement Department	17,305	10,451	6,854 ⁽¹⁾
Public Affairs Department	12,945	4,676	8,269 ⁽¹⁾
Public Safety Department	299,970	247,031	52,939
Rail Transportation Department	206,233	122,859	83,374
Real Estate Department	15,901	5,217	10,684
Technology Services Department	17,465	20,417	(2,952) ⁽¹⁾
Treasury Department	23,444	5,794	17,650
Tunnels, Bridges and Terminals Department	211,316	111,821	99,495
World Trade Department (includes expenses related to 9-11)	3,528	288	3,240
Other:			
Airport Access Program	93,776	7,076	86,700 ⁽²⁾
Amounts in Connection with Operating Asset Obligations	39,070		39,070
Bi-state Dredging Program	6,000		6,000
Debt Service - Operating	567,500		567,500
Debt Service - Capital	100,878		100,878
Insurance	133,541		133,541
Municipal Rents and Amounts in Lieu of Taxes	209,192		209,192
Provision for Study and Development	25,000		25,000
Regional - Capital	235,881		235,881
Regional - Operating	42,600		42,600
Special Project Bond Debt Service	93,326		93,326
Total Port Authority Budget	\$4,528,781	\$941,217	\$3,587,564

(1) Net after charges to other departments.

(2) Does not include overhead allocations.

**NEWARK LIBERTY INTERNATIONAL AIRPORT – REHABILITATION OF
RUNWAY 4R-22L – PROJECT AUTHORIZATION AND AUTHORITY TO
AWARD CONTRACT EWR-154.337**

It was recommended that the Board authorize: a) a project to rehabilitate Runway (R/W) 4R-22L at Newark Liberty International Airport (EWR) at an estimated total project cost of \$24.4 million; and b) the Executive Director to award Contract EWR-154.337 in furtherance of the project.

Runway 4R-22L was last paved in 1997. Over the past few years, significant repairs to the runway pavement have been required and relatively large areas have to be removed and replaced. Pavement distress has been increasingly noticeable, as evidenced by more areas of cracking and shoving and longitudinal movement of the runway grooves. There are also several areas where water ponds after rain events at the edge of the runway due to poor grades. It was recommended that this project be accomplished in 2004 in order to maintain the runway in a state of good repair.

As part of the rehabilitation, the runway edge, centerline, and lead-off lighting systems must be supplemented to meet Federal Aviation Administration (FAA)-mandated spacing requirements which decrease the light spacing. Those existing runway lighting systems that remain must be adjusted to the new pavement elevations.

Contract EWR-154.337 is for the rehabilitation of R/W 4R-22L, which includes milling and repaving of the runway, replacement of aeronautical lighting, and installation of associated electrical ducts and cables. The work would be staged to facilitate construction and minimize the impact on airport operations. A portion of the work would be performed during nighttime hours and on weekends in order to minimize inconvenience to the public and interference with essential facility operations. A portion of the work would also be performed during several extended weekend runway closures, eight days of shortened runway operation, and one 19-day extended runway closure in the fall of 2004. This staging has been coordinated with the FAA and the airlines.

Customers and airport neighbors also will be impacted by this project, which is expected to generate both delays to the air traffic system and aircraft overflights in communities that are not traditionally exposed to such activity. Appropriate outreach will be conducted to local community groups, elected officials and the media.

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 a project for the rehabilitation of Runway (R/W) 4R - 22L at Newark Liberty International Airport (EWR) at an estimated total project cost of \$24.4 million (the Project), including payments to contractors, allowances for extra work (if necessary) and net cost work, 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 and such other agreements as may be necessary to effectuate the Project, 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 Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to award Contract EWR-154.337 for the rehabilitation of R/W 4R-22L at an estimated total construction cost of \$18.9 million to the lowest qualified bidder following the solicitation of bids from a select list of contractors known to have the necessary qualifications to perform the work; 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.

NEWARK LIBERTY INTERNATIONAL AIRPORT — TWA AIRLINES, LLC – LEASE AN-538 — SURRENDER OF SPACE

It was recommended that the Board authorize the Executive Director to enter into a supplemental agreement to Lease No. AN-538 with TWA Airlines, LLC (the Airline, and successor to Trans World Airlines, Inc.) pursuant to which Terminal A, Gate 23 and associated space including office, operations, and ticket counters (collectively, the Space) at Newark Liberty International Airport (the Airport) would be surrendered by the Airline. Such space would thus be converted from exclusive leasehold space under Lease No. AN-538 to space which is available on a common-use basis.

The supplemental agreement with the Airline would provide for the surrender of the Space under Lease No. AN-538 effective on or about January 1, 2004, with a concomitant reduction in the Airline's basic annual rental in the amount of \$973,320 as of the effective date of the surrender. After the surrender, a common-gate charge would be assessed per use (aircraft turn), which is expected to generate increased rental revenue to the Port Authority. In addition, after conversion to common use, the Port Authority would have to pay the operation and maintenance costs associated with Gate 23 to the custodial airline in Terminal A, United Air Lines, Inc. These costs are estimated to be approximately \$557,000 annually, but would be offset by any increase in rentals resulting from use of Gate 23 on a common-use basis.

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 supplemental agreement with TWA Airlines, LLC providing for the surrender of the Terminal A, Gate 23 and associated space at Newark Liberty International Airport under Port Authority Lease No. AN-538, substantially in accordance with the terms and conditions outlined to the Board; and it is further

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

**BROOKLYN-PORT AUTHORITY MARINE TERMINAL – PIERS 1 THROUGH 5 –
BROOKLYN BRIDGE PARK DEVELOPMENT CORPORATION –
MEMORANDUM OF UNDERSTANDING AND FUNDING FOR
DEVELOPMENT OF A PARK**

It was recommended that the Board authorize the Executive Director to enter into a Memorandum of Understanding with the Brooklyn Bridge Park Development Corporation (BBPDC) to transfer title of Piers 1 through 5 at the Brooklyn-Port Authority Marine Terminal to the BBPDC and to allocate a sum not to exceed \$85 million for the planning, design, development and construction costs of a Brooklyn Bridge Park on the property.

In the early 1980s, the Port Authority determined that Piers 1 through 5 were no longer needed for maritime purposes. During the past ten years, the Port Authority has worked with the State of New York (State) and City of New York (City) and the Brooklyn Borough President's Office to bring a proposed plan for the development of a park at this property, to be known as Brooklyn Bridge Park (Park), to fruition and remove Piers 1 through 5 from Port Authority responsibility. In 1994, the Port Authority and the State reached agreement to transfer Piers 1 through 5 to the New York State Urban Development Corporation, now known as the Empire State Development Corporation (ESDC). The Board declared the piers surplus and authorized disposition of the property at its meeting of September 8, 1994. The Port Authority undertook a program of capital investments to halt the deterioration of the piers and maintain their structural integrity. Between 1995 and June 2003 the Port Authority invested nearly \$34 million in piling, bulkhead and pier rehabilitation at the site. An additional \$8 million is included in the 2003-2007 Capital Plan and will be spent to complete this work. In addition, the Port Authority has carried \$85 million in the Capital Plan and Long Range Forecast since 1998 in anticipation that funding would be necessary for the creation of the Park.

The State and City have signed a memorandum of understanding to cooperate in the creation, development and operation of the Park at the site. The City has committed \$65 million to its construction, and the ESDC has created a subsidiary, BBPDC, to take title to the property, develop plans and manage construction. After all reviews and determinations required under the New York State Environmental Quality Review Act and its implementing regulations (SEQRA) have been made, and SEQRA findings that allow for the use or uses contemplated for the property as part of the Park and/or dedicated public parkland have been adopted by the ESDC, the BBPDC will take title to Piers 1 through 5. The Port Authority will maintain the property in accordance with its normal operating procedures until the date of conveyance to BBPDC.

The property will be conveyed in "as is, where is" condition, and the Port Authority will have no liability, either express or implied, as to the condition, title, design, operation, or fitness of the property. In the event that the Port Authority has not completed the capital projects that are budgeted for the property prior to transfer of title, said capital project work shall continue to completion after the transfer of the property to BBPDC. In the event that the Port Authority is required to pay for additional repairs or demolitions at the site beyond the \$8 million included in the Capital Plan or any environmental remediation work performed by BBPDC, the amounts paid by the Port Authority will be deducted from the \$85 million being provided by the Port Authority. Upon execution of the Memorandum of Understanding, the Port Authority will

provide \$2 million to the BBPDC to complete the planning for the Park. An additional \$4 million will be transferred to the BBPDC after the property transfer. The balance of the \$85 million will be paid to the BBPDC in quarterly payments not to exceed \$10 million aggregate in any calendar year, as long as the BBPDC can demonstrate that spending for Park construction is progressing. It is estimated that the total \$85 million will be expended over a period of 8 to 10 years, depending upon how quickly the Park is built. The City will also provide \$65 million, either in direct funding by quarterly payments or by equivalent investments in Park construction. No quarterly payments will be made by the Port Authority unless the City has also demonstrated ongoing funding, either through direct payments to the BBPDC or equivalent investment in Park construction.

In addition to the \$8 million in capital projects yet to be completed, the piers, as of June 30, 2003, have a value on the Port Authority accounting records of over \$47 million (\$8 million in land and \$39 million in depreciable assets).

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; a) enter into a Memorandum of Understanding with the Brooklyn Bridge Park Development Corporation (BBPDC) to transfer title of Piers 1 through 5 at the Brooklyn-Port Authority Marine Terminal to the BBPDC; and b) allocate a sum not to exceed \$85 million for the planning, design, development and construction costs of a Brooklyn Bridge Park on the property, 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.

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.

CONFIDENTIAL ITEM (pages 601-602)

This item shall not be available for public inspection until otherwise agreed to by the parties involved.

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.

REGIONAL ALLIANCE FOR SMALL CONTRACTORS, INC. – RENEWAL OF PARTICIPATION

It was recommended that the Board authorize the Executive Director to enter into an agreement with the Regional Alliance for Small Contractors, Inc. (Regional Alliance) to renew Port Authority participation in the Regional Alliance for a period of one year at a cost not to exceed \$185,000. The Port Authority would also provide a rental credit of \$20,000 to offset the cost of office space rental by the Regional Alliance at the Port Authority Bus Terminal.

The Regional Alliance is a not-for-profit corporation formed to carry out a cooperative effort initiated by the Port Authority, with participation by other public agencies and private firms, to increase the capacity of minority, women-owned and small businesses (M/W/SBES) to bid and perform on public contracts. Through its array of training programs and other financial, management and marketing services, the Regional Alliance has been effective in increasing the growth and capacity of M/W/SBES to compete for larger contracts in both the public and private sectors of New York and New Jersey. The 28-member Board of Directors includes representation from the Port Authority as well as from major regional public and private organizations.

Port Authority participation in the Regional Alliance was initially authorized by the Board in 1990 and has been renewed continually thereafter. The Port Authority's 2001-2003 contract provided the Regional Alliance with \$275,000 annually plus an annual rental credit of \$20,000. Funds provided by the proposed agreement will be used for specific Regional Alliance services, such as classroom training and professional management assistance, on a pay-per-performance basis, rather than the monthly lump-sum payments provided in prior years. In addition, as a result of departmental re-engineering and ongoing efforts to reduce costs, existing Port Authority staff will now perform certain work specified under the previous contract, resulting in savings of \$90,000 per year. This one-year contract also will allow staff to revise or refine the scope of work even further in order to respond to changing needs.

Staff utilizes the Regional Alliance to provide firms certified by the Port Authority with classroom training in such areas as estimating, project and financial management, business applications and contract law and to provide individualized expert assistance to mitigate management problems that could hurt the firms' performance. The Regional Alliance also publicizes upcoming contract opportunities through announcements in its newsletter and through organized events held in conjunction with other regional public and private sector entities.

In addition to the Port Authority, the following organizations have entered into service contracts totaling an estimated \$1.3 million with the Regional Alliance over the past year: Capital City Economic Development Department (Connecticut), Continental Airlines, Inc., New York State Department of Transportation, New York City School Construction Authority, Columbia University, New Jersey Transit Corporation and the Metropolitan Transportation Authority.

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 Regional Alliance for Small Contractors, Inc. for a one-year period, under which the Port Authority may:

(1) obtain professional services at a cost not to exceed \$185,000 for a 12-month period from January 2004 through December 2004; and

(2) provide in-kind services of a value not to exceed \$20,000 in the form of office space at the Port Authority Bus Terminal; 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.

MEMORANDUM OF UNDERSTANDING WITH NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

It was recommended that the Board authorize the Executive Director to enter into a Memorandum of Understanding (MOU) with the New Jersey Economic Development Authority (NJEDA) for a three-year period, pursuant to which each party would contribute \$300,000 during 2004 to fund development feasibility and planning studies for projects that will benefit Port Authority facilities in New Jersey and continue such funding levels for each of the two following years, subject to the availability of budgetary funds.

It is anticipated that, in connection with the MOU, the Port Authority would retain the services of real estate development and environmental/planning consultants to evaluate the redevelopment potential for high-value distribution facilities at a number of industrial sites in close proximity to Port Authority port facilities in New Jersey. Areas to be addressed in the feasibility analyses would include: market analysis, infrastructure capacity and requirements, environmental assessment, conceptual development plans and costs, and potential real estate financing structures. The cost of this development feasibility work would not exceed \$500,000 in the first year, with 50 percent of the cost to be funded by the NJEDA.

The NJEDA is a self-supporting independent state agency whose mission is to stimulate business development and job creation throughout New Jersey. It offers a wide array of financing programs, real estate development assistance and technical support to help strengthen New Jersey's economy, especially in targeted urban municipalities. The execution of an MOU between the Port Authority and the NJEDA would formalize a cooperative approach in developing a comprehensive strategy to promote the construction of high-value distribution centers near Port Authority port facilities.

While the Port Authority was completing its Regional Port Warehousing Functions and Business Plan (Plan), various New Jersey state agencies and the New Jersey Institute of Technology were considering strategies for the redevelopment of underutilized and contaminated sites near the Port Newark/Elizabeth Port Authority Marine Terminal complex (the Ports) for productive industrial uses. In addition, the New Jersey Department of Transportation was pursuing the design and development of critical transportation and infrastructure improvements near the Ports to create a dedicated truck route to service distribution and port-related industrial businesses in Middlesex, Union, Essex and Hudson Counties. Combining the information and resources of these various groups through a Portfields Task Force (Task Force), which would be formed in connection with the MOU, is necessary to ensure proper coordination and communication. This approach also mirrors the process and strategy suggested by the federal government in its Portfields Program, to which the Port Authority applied earlier this year.

In addition to sharing information and communicating activities between the agencies, it is anticipated that the Plan will be expanded upon and additional actions be pursued, such as: a) in-depth analysis of potential development sites and costs; b) more extensive market research; c) an outreach program to investigate and create public/private partners; and d) detailed analysis of planning options and alternative development strategies. The activities of the Task Force, as outlined in the MOU, and the consulting services, which the Port Authority will contract for, will address these areas.

The process of sharing expertise and funding resources to address regional development issues as reflected in the federal Portfields Program initiative has been expanded within the MOU to address other Port Authority facilities. A portion of the funds to be provided by the Port Authority and matched by the NJEDA pursuant to the MOU up to the total of \$300,000 per year from each agency, would be available to continue this cooperative initiative and fund activities and plans that will benefit Port Authority facilities in New Jersey. The Port Authority and the NJEDA will mutually agree upon these projects and/or activities.

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: 1) enter into a Memorandum of Understanding (MOU) for a three-year term with the New Jersey Economic Development Authority (NJEDA) concerning development feasibility and planning studies for projects that will benefit Port Authority facilities in New Jersey; and 2) contribute \$300,000 toward the funding of this initiative during 2004, with this contribution to be matched by the NJEDA, and contribute \$300,000 for each of the following two years, contingent on the availability of budgetary resources; and it is further

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

AUTHORIZATION FOR THE PORT AUTHORITY TO PARTICIPATE IN TRANSCOM INC. FOR A FIVE-YEAR PERIOD

It was recommended that the Board authorize: (1) the Port Authority to remain a member of TRANSCOM Inc. (TRANSCOM), a non-profit membership corporation organized to undertake regional transportation programs, for a five-year period beginning on January 1, 2004; and (2) the Director, Tunnels, Bridges and Terminals, to: a) serve on the Board of TRANSCOM, and b) enter into an agreement with TRANSCOM's other member agencies for said five-year period to provide for the Port Authority's total financial contribution to TRANSCOM, estimated at \$2.6 million for the five-year period, with member contributions to be established each year in accordance with the agreement and the By-Laws of TRANSCOM by unanimous vote of the TRANSCOM Board of Trustees.

TRANSCOM originally was created in 1986 as a three-year demonstration program of regional transportation agencies focused on enhancing the region's transportation management capabilities. By 1989, TRANSCOM had become a permanent regional institution and was able to attract increased support from all its members for the continued expansion of its operating programs. In addition to being a signatory to the TRANSCOM Multi-Year Agreement and a contributing member agency, the Port Authority was the administrative host for TRANSCOM since its creation in 1986.

In 1998, at its Executive Committee's direction, TRANSCOM filed for incorporation as a non-profit membership corporation to which the TRANSCOM member agencies belong, and whose Board consists of the current TRANSCOM Executive Committee members. TRANSCOM's present membership consists of the Connecticut Department of Transportation, New York State's Metropolitan Transportation Authority (MTA), MTA Bridges and Tunnels, MTA New York City Transit, New Jersey Department of Transportation (NJDOT), New Jersey State Police, New Jersey Transit Corporation (NJ Transit), New Jersey Turnpike Authority, New York City Department of Transportation (NYCDOT), New York City Police Department (NYPD), New York State Bridge Authority, New York State Department of Transportation (NYSDOT), New York State Police, New York State Thruway Authority, Palisades Interstate Park Commission, the Port Authority, and Port Authority Trans-Hudson Corporation (PATH). A companion item has been submitted to the PATH Board of Directors to provide for PATH's continued participation in TRANSCOM.

Together, the Port Authority and PATH provide for 19.54 percent (15.63 percent for the Port Authority, 3.91 percent for PATH) of TRANSCOM's membership contributions. Because TRANSCOM's operating budget is partially funded by other revenue sources, such as revenues from sale-of-service projects, total member contributions are less than the total operating budget. For example, the Port Authority's 15.63 percent share of member contributions is 11.5 percent of the total operating budget.

The current list of contributing agencies and their percentage shares is as follows:

- 15.63 percent: Port Authority, NJDOT, NYSDOT
- 7.81 percent: MTA Bridges and Tunnels, MTA, NYCDOT, New Jersey Turnpike Authority
- 3.91 percent: NJ Transit, PATH, MTA New York City Transit, Connecticut DOT, New York State Thruway Authority
- 1.95 percent: New York State Bridge Authority
- 0.4 percent: Palisades Interstate Park Commission

The three police member agencies (New Jersey State Police, New York State Police, and NYPD) do not contribute.

TRANSCOM'S operating budget for 2004 is to be submitted to the TRANSCOM Board of Trustees for approval on December 15, 2003. The proposed operating budget for 2004 is \$3,681,080. After other revenues are applied, the proposed total member contributions figure for 2004 is slightly less than the total for 2003: \$2,704,026.

Authorization for the Port Authority's participation in TRANSCOM would enable TRANSCOM to continue its regional transportation coordination and technology development programs.

TRANSCOM's activities: (1) promote the mobility and safety of the traveling public by mitigating congestion; (2) maximize the member agencies' resources by taking advantage of economies of scale for transportation projects; and (3) provide a forum for drawing additional federal funding to the region for transportation management programs. TRANSCOM's services to its member agencies include:

- Regional Interagency Incident Notification through TRANSCOM's Operations Information Center, which collects and disseminates real-time regional incident and construction information, 24 hours a day.
- Regional Interagency Construction Coordination to avoid restricting capacity on parallel or intersecting roadways or transit lines.
- Intelligent Transportation Systems Program that enables the member agencies, including the Port Authority and PATH, to benefit from Federal Highway Administration funding to implement transportation management technologies, including traveler information.

TRANSCOM's other benefits to the Port Authority and the region include:

- TRANSMIT system to report real-time travel times and average speeds for over 200 miles of roadway to detect incidents and provide customer information.
- TRANSCOM Regional Architecture to integrate the member agencies' intelligent transportation systems to enable electronic sharing of information among agency operations centers.

- Trips 123 to provide real-time information and transit trip planning services to the public via an interactive web site and by phone.
- Interagency Remote Video Network to enable the member agencies to share over 400 closed-circuit television feeds.
- Service Area Travelers Interactive Network (SATIN): SATIN provides traveler information via interactive kiosks at transit and roadway hubs.

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

RESOLVED, that the Port Authority's membership in TRANSCOM Inc. (TRANSCOM), a non-profit membership corporation organized to undertake regional transportation programs, for a five-year period beginning on January 1, 2004, be and it hereby is authorized; and it is further

RESOLVED, that the Director, Tunnels, Bridges and Terminals, be and he hereby is authorized, for and on behalf of the Port Authority, to: a) serve on the Board of Trustees of TRANSCOM; and b) enter into an agreement with TRANSCOM's other member agencies for said five-year period to provide for the Port Authority's total financial contribution estimated at \$2.6 million for the five-year period, with member contributions to be established each year in accordance with the agreement and the By-Laws of TRANSCOM by unanimous vote of the TRANSCOM Board of Trustees; the form of the agreement shall be subject to the approval of General Counsel or his authorized representative.

CONTRACT AND PURCHASE ORDER AUTHORIZATIONS AND AMENDMENTS – QUARTERLY REPORT

REPORT: In accordance with Article XII, sections (g)(1) and (g) (2) of the By-Laws, the Executive Director reports, for information only, the following contracts were awarded or amended for the period of April 1, 2003 through June 30, 2003.

AWARDEE	DESCRIPTION	AUTHORIZATION AMOUNT	AUTHORIZATION METHOD
AramSCO –A. Herbert Abrams Co, Inc	Respirators	\$182,868	Government Contract
York International	HVAC, EWR	\$771, 474	Publicly Bid
Urban Office Products, Inc.	Computer Supplies	\$798,303	Publicly Bid
Winner Ford	Automobiles, Ford CNG Club Wagons	\$419,917	Publicly Bid
Muratec America, Inc.	Fax Machines	\$149,250	Government Contract
Bruel & Kjaer North America, Inc.	Noise Monitoring Equipment / Maintenance	\$211,379	Negotiated/Sole Source
Work Area Protection Corporation	Traffic Cones	\$288,390	Government Contract
Ozzie's Ford	Autos, Police	\$499,756	Publicly Bid
Nadler Mobile, LLC	Police Trailers	\$211,700	Publicly Bid
Boundary Fence & Railing Systems	Fencing, Component Parts	\$312,238	Government Contract
Warnock Fleet	Automobiles, Chevy Impalas	\$184,713	Government Contract
Winner Ford	Automobiles, Police	\$373,875	Government Contract
Facet International	Filter / Separator Vessels – EWR	\$280,550	Publicly Bid
M/A – Com Private Radio Systems, Inc.	M/A Com Portable Radios	\$389,676	Government Contract
M/A – Com Private Radio Systems, Inc.	M/A Com Orion Radios	\$401,944	Government Contract
Motorola Communications	Motorola Portable MT-2000 Radios & Equipment	\$286,463	Government Contract
Motorola Communications	Motorola Mobile MCS-2000 Tranceivers & Equipment	\$493,135	Government Contract

CONTRACT AND PURCHASE ORDER AUTHORIZATIONS AND AMENDMENTS – QUARTERLY REPORT

AWARDEE	DESCRIPTION	AUTHORIZATION AMOUNT	AUTHORIZATION METHOD
Martin's Uniforms – A Division of Superior Uniform Group, Inc.	Aviation Dress Uniform	\$112,181	Publicly Bid
Dell	Microsoft Software	\$500,000	Government Contract
Motorola Communications	Radio Equipment	\$92,342	Government Contract
Herman Miller, Inc.	Chairs	\$100,344	Government Contract
Spectra Contract Flooring	Carpet	\$91,852	Government Contract
Tri State Employment Service, Inc.	Clerical / Messenger Service	\$498,285	Publicly Bid
Xerox Corporation	Printer	\$191,750	Government Contract
Genserve, Inc.	Maintenance, Generators	\$112,000	Publicly Bid
Hi-Way Safety Systems, Inc.	Thermoplastic ReflectORIZED Pavement Markings – Sign Shop	\$302,000	Publicly Bid
Sherwin Williams Company	Traffic Paint	\$378,400	Government Contract
Xerox Corporation	Copier Maintenance	\$90,160	Government Contract
Lockheed Martin Mission Systems	Lenel Badging Workstation System	\$498,459	Government Contract
Shoham Consulting	Software Maintenance	\$86,820	Publicly Bid
Alliance General Mechanical	General Construction –Non Structural / OSSD	\$889,750	Publicly Bid
Robert's and Son, Inc.	Parts, Alternators	\$130,000	Government Contract
Flag Container Services, Inc.	Refuse Removal – SIB	\$230,713	Publicly Bid
P.C. Richard Builders Division	Air Conditioners	\$113,060	Publicly Bid
ICOM America, Inc.	Mobile ICOM Radios	\$94,988	Government Contract
Storagetek Storage Technology Corp.	Computer Hardware	\$461,677	Government Contract
Panasonic Document Imaging Co.	Fax Machines	\$237,800	Government Contract

CONTRACT AND PURCHASE ORDER AUTHORIZATIONS AND AMENDMENTS – QUARTERLY REPORT

AWARDEE	DESCRIPTION	AUTHORIZATION AMOUNT	AUTHORIZATION METHOD
Weldon Materials, Inc.	Asphalt Pick-up – NJMT	\$75,400	Publicly Bid
Canal Carting, Inc.	Refuse Removal – Multi NY – BP/HEL/BIP	\$91,066	Publicly Bid
Big Apple Copy & Printing Center	Copy Services, Excess Color	\$136,942	Publicly Bid
ICOM America, Inc.	Mobile ICOM Radios & Equipment	\$136,586	Government Contract
PMC	Radio Equipment	\$83,346	Government Contract
Joseph Smentkowki, Inc.	Refuse Removal – EWR	\$498,611	Publicly Bid
Ray’s Sport Shop, Inc.	Level II Body Armor	\$200,008	Government Contract
Summit Plants & Flowers, Inc.	Interior Plant Maintenance	\$226,338	Publicly Bid
Accelerated Waste Systems, Inc.	Refuse Removal-GWBBS	\$331,528	Publicly Bid
Weldon Materials, Inc.	Hot Asphalt – EWR	\$163,050	Publicly Bid
Aramco –A. Herbert Abrams Co, Inc.	Self Contained Breathing Apparatus	\$475,395	Government Contract
Traffic Moving Systems	Trucking Services	\$210,730	Publicly Bid
3E Company	Web-Based Material Safety Data Sheet System	\$166,950	Publicly Advertised/ RFP
Alan Party Rental	Equipment Rental	\$167,684	Publicly Bid

Tort Claim Settlements – Quarterly Report

The Executive Director reports, for information only, that in accordance with the authority granted under Article XII, section (g)(4) of the By-Laws, the following claims were previously settled, and reported closed during the period April 1, 2003 to June 30, 2003.

TORT CLAIMS OF THE PORT AUTHORITY, CLOSED

NAME	AMOUNT COLLECTED
GOLDEN MEMORIES	\$ 1,642.49
SPAN TRANS SER CORP	1,642.49
COACH LEASING INC	1,642.49
ALPHA CARTING CORP	1,642.49
FINANCE CORP	4,900.00
WASTE SERV OF NY INC	675.00
SINGH HARDEV	1,861.00
US BANCORP LSG	2,053.11
GRAY BOYSIE	2,160.00
UBLV AUTO LT	777.25
COACH LEASING INC	3,823.00
WERNER BUS LINES INC	2,053.11
HALL CARTER L	7,000.00
HUDSON GENERAL	3,584.34
UPKAR ANAND	1,200.00
FJC SECURITY SERV INC	1,734.20
YOUNG CHAN KIM	6,291.44
CEVALLOS RAMON	272.18
GREEN BUS LINES	4,043.61
PETER PAN BUS LINES	238.85
HPR PARTNER LLC	5,348.06
CONTINENTAL AIRLINES	3,311.94
HOLLAND DELORES	2,062.83
REYES OSCAR	3,454.52
TRANUMN BRENDA	540.00
COAST TO COAST CATERING	1,000.00
POLANSKY BEATRICE	533.45
FJC SECURITY SERV INC	2,779.61
TRABAKA TRUCKING	2,106.21
WASTER SERVICES OF NY INC	675.00
TOTAL	\$ 71,048.67

TORT CLAIMS AGAINST THE PORT AUTHORITY, CLOSED

NAME	FACILITY	AMOUNT PAID
WISE GARY/STATE FARM	John F. Kennedy International Airport	\$ 775.00
JEAN ALEXANDER	John F. Kennedy International Airport	22,500.00
COMMERCIAL TOWER	George Washington Bridge	241.22
MAHGOUB SHERIF	Newark Liberty International Airport	12,500.00
MCCORMICK P/GEICO ASO	Lincoln Tunnel	600.00
FISCHMAN YEHUDA	George Washington Bridge	5,389.24
NODINE JEFFREY	John F. Kennedy International Airport	259.24
HAPPY KITCHEN INC	Newark Liberty International Airport	948.00
DERMODY JAIME CUEVAS	Newark Liberty International Airport	893.00
PITTMAN JAMES J	George Washington Bridge	295.13
PROULX ROLAND L	George Washington Bridge	743.24
SANDERSON GAIL	Outerbridge Crossing	500.00
YEAMAN RICHARD	Lincoln Tunnel	376.16
WALLACE WILLIAM J	LaGuardia Airport	1,538.22
SALAS WALTER	Outerbridge Crossing	1,315.88
FEINBERG BARBARA L	Newark Liberty International Airport	340.00
SEXTON KAREN	Port Authority Technical Center	800.00
HAMILTON JESSE JR	Holland Tunnel	1,200.00
FURGABACK TRACI	George Washington Bridge	570.39
STASKO BRIAN K	George Washington Bridge	721.96
GUERRERO SABRINA	Port Authority Bus Terminal	102.00
SAVARESE VINNIE	LaGuardia Airport	1,619.94
GURIAN RANDY	George Washington Bridge	248.98
ALEXANDER BRIAN	John F. Kennedy International Airport	1,500.53
EAI INC/ZURICH ASO	Holland Tunnel	3,774.40
PRINCE ROGER E	Port Authority Bus Terminal	201.94
MERCADO PETER M	George Washington Bridge	725.00
HMS SERVICES INC	John F. Kennedy International Airport	1,103.02
PRULELLO MARIA	George Washington Bridge	473.90
PRESTIA DEAN/PONZO M	LaGuardia Airport	1,479.96
ACHEE DAVID	George Washington Bridge	1,175.00
BEL AIR ELECTRIC/STATE	John F. Kennedy International Airport	4,470.20
ARIAS JOSEPH	George Washington Bridge	586.63
BOYD CHARLES	Off Property	657.52
ROBERTS NANCY A	Goethals Bridge	178.59
KANUCH CYNTHIA	Lincoln Tunnel	760.23
ZAINO THOMAS	Outerbridge Crossing	447.32
HAZELWOOD ROSALIND	Holland Tunnel	500.00
LANDAU BRIAN	George Washington Bridge	561.24
PERUYERO LUIS	George Washington Bridge	1,782.61
US CUSTOMS SERV	Newark Liberty International Airport	6,201.77
EVANS PAUL	Port Newark	1,065.61

TORT CLAIMS AGAINST THE PORT AUTHORITY, CLOSED

NAME	FACILITY	AMOUNT PAID
THEURER HELENA	Newark Liberty International Airport	742.55
TEJPAUL BANARSI/PRU	John F. Kennedy International Airport	2,102.50
ROBINSON NANCY	Newark Liberty International Airport	275.00
THORNE LATRON	Newark Liberty International Airport	50.00
GARZONE DANNY	John F. Kennedy International Airport	182.45
TYLER DISTRIBUTION	Port Newark	1,867.00
KEANE AIDAN	Newark Liberty International Airport	1,585.32
POGGIE MARIO	Off Property	2,125.46
DUFFALO MARGARET	Newark Liberty International Airport	1,129.96
ISMAILI VERA	Newark Liberty International Airport	169.84
NESHEIWAT ELLEN	225 Park Avenue South	25.00
CALI WILLIAM V	George Washington Bridge	112.66
CULHANE DREW	George Washington Bridge	6,333.61
KOHLBRENNER ANDY	George Washington Bridge	178.68
MCKENNA CHRISTINE	Holland Tunnel	900.25
PIERATOS VASILI	George Washington Bridge	469.58
BRAND DENISE L	George Washington Bridge	1,001.17
WINTERGERST WALTER	George Washington Bridge	180.00
CASCETTA JOSEPH	George Washington Bridge	1,703.09
SUGAR BEATS ENTERTAIN	LaGuardia Airport	837.39
KANE JUDITH	John F. Kennedy International Airport	57.00
GRECO LOREN A	Newark Liberty International Airport	212.00
PENA MANUEL	LaGuardia Airport	1,226.60
KOGUT LARISA	John F. Kennedy International Airport	129.08
SCHUSTER JAY	LaGuardia Airport	1,077.52
JEDLICKA JDUITH A	LaGuardia Airport	295.70
ALVAREZ MARCO	Lincoln Tunnel	110.00
MOLINA EDUARDO	George Washington Bridge	250.00
TEREBECKI DEB/NJ MANU	Off Property	2,260.67
MASIN KEVIN	John F. Kennedy International Airport	107.71
PATEL DINA	Off Property	625.00
MOLLETTE SHAROD R	George Washington Bridge	1,600.00
DONOHUE JANE M	Holland Tunnel	460.00
PERSICO MICHAEL	LaGuardia Airport	373.79
MILKYWAY CAB CORP	LaGuardia Airport	2,500.00
ATS TRANSP SERV	John F. Kennedy International Airport	4,728.65
VESELY KEVIN	George Washington Bridge	415.00
LEVENTIS STEVE	George Washington Bridge	1,958.75
CUNNINGHAM SYNTHIA	LaGuardia Airport	705.09
IPPOLITO MICHAEL	Newark Liberty International Airport	180.20
MOSSA VICTOR	George Washington Bridge	280.75

TORT CLAIMS AGAINST THE PORT AUTHORITY, CLOSED

NAME	FACILITY	AMOUNT PAID
SLAGER TODD	Newark Liberty International Airport	105.02
URBAN CASIMIR S	Outerbridge Crossing	1,763.35
MORRISON GARY	George Washington Bridge	617.45
HERT MICHAEL	George Washington Bridge	484.18
WWOR-TV INC	Lincoln Tunnel	3,457.25
ACKERMAN RICK	LaGuardia Airport	3,137.94
CARRINO ANTHONY G	George Washington Bridge	532.37
CALIXTE JEAN VANO	George Washington Bridge	1,414.41
NUNEZ MARIANA	George Washington Bridge	125.37
KRAMER ALVIN	George Washington Bridge	2,910.28
COLEMAN BARBARA	Port Authority Bus Terminal	957.77
REED SHARON	John F. Kennedy International Airport	2,813.89
NUWARAPAKAGE BARATH	Off Property	5,200.00
STRACK THOMAS	Holland Tunnel	532.67
GOTTLIEB DANIEL	LaGuardia Airport	1,816.84
GANZER FREDERICK C	George Washington Bridge	2,300.00
PEREZ DORIS	George Washington Bridge	415.49
REGAN MICHAEL J	George Washington Bridge	399.77
LEIZER JOEL E	Lincoln Tunnel	168.43
WHEELER WILLIAM A	George Washington Bridge	349.91
O'NEILL WAYNE	Teterboro Airport	135.00
SCHICKLER CARL	Newark Liberty International Airport	340.33
PAPAPIETRO DENISE	Goethals Bridge	271.97
MAC KNIGHT BRETT	Lincoln Tunnel	206.70
ENTERPRISE RENT A CAR	Off Property	730.60
JUDGE STEPHEN F	Newark Liberty International Airport	785.07
DEVOY CHRISTOPHER	Newark Liberty International Airport	1,015.50
CACCAMO JOSEPH	Lincoln Tunnel	206.70
DILLON KEVIN	LaGuardia Airport	3,500.00
KAYL ROBERT J	Holland Tunnel	2,500.00
GULA MICHAEL	World Trade Center	15,000.00
MERRYMAN GAYLA V	World Trade Center	5,000.00
FERRARA JOHN	John F. Kennedy International Airport	10,000.00
WHITE MAXINE	Port Authority Bus Terminal	1,500.00
	TOTAL	\$ 194,342.35

FINAL CONTRACT PAYMENTS

The Comptroller's Department reported, for information only, that the contracts set forth hereafter have been completed satisfactorily by the contractors. Final payments have been made in the period of September 1, 2003 to September 30, 2003.

CONTRACT NUMBER	CONTRACT TITLE FACILITY AND CONTRACTOR	TOTAL AUTHORIZED	TOTAL PAYMENTS
EWR154252	FIS GENERATOR REPLACEMENT AND TERMINAL-B INTERLINE BAGGAGE CONVEYOR SYSTEM NEWARK LIBERTY INTERNATIONAL AIRPORT TWIN TOWERS ENTERPRISES, INC.	637,555 (A) 50,000 (C) 51,000 (D) 6,463 (E) 745,018	637,555 (A) 1,651 (C) 37,318 (D) 6,463 (E) 682,987
MF415840	ASBESTOS REMOVAL TUNNELS, BRIDGES & TERMINALS DEPARTMENT NEW YORK FACILITIES COMPREHENSIVE ENVIRONMENTAL SERVICES	900,000 (C) 900,000	125,118 (C) 125,118
JFK991914	REVISION TO AIRPORT SIGN SYSTEM JOHN F. KENNEDY INTERNATIONAL AIRPORT SERVICE SIGN ERECTORS CO, INC.	547,000 (A) 50,000 (C) 33,000 (D) 13,440 (E) 643,440	547,000 (A) --0-- (C) 32,986 (D) 13,440 (E) 593,426
PN234870	REMOVAL AND INSTALLATION OF CERAMIC WALL TILES HOLLAND TUNNEL ATTRI ENTERPRISES, INC.	120,103 (A) 1,828,845 (B) 50,000 (C) 116,937 (D) 182,884 (F) --0-- (G) 2,298,769	68,619 (A,H) 1,828,845 (B) --0-- (C) 15,891 (D) 182,884 (F) 36,681 (G) 2,132,920

- (A) Lump Sum.
- (B) Classified Work.
- (C) Net Cost - amount in the "Total Authorized" column represents the authorized estimated net cost amount. However, the amount in the "Total Payments" column is the actual net cost amount paid.
- (D) Extra Work.
- (E) Premium for furnishing performance and payment bond as provided for in the contract.
- (F) Increase in classified work.
- (G) Uncommitted funds in extra work utilized against additional cost in classified work.
- (H) The difference between "Total Authorized" and "Total Payments" represents deficiencies in asphalt pavement density totaling \$51,484 which is deducted from the contractor's compensation as provided for in the contract.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

The Committee on Finance reported, for information only, that in accordance with authority granted by the Committee, the Executive Director had authorized the following security transactions, time accounts, interest rate exchange contracts and variable rate master note agreements during the period October 1, 2003 through October 31, 2003.

REPORT A:

Purchase of Port Authority Bonds

(Unless otherwise noted, all Port Authority Bonds are callable at par).

<u>Purchase</u> <u>Date</u>	<u>Par</u> <u>Value</u>	<u>Description</u>	<u>Coupon</u> <u>Rate</u>	<u>Maturity</u> <u>Date</u>	<u>Purchase</u> <u>Price</u>	<u>Call</u> <u>Year</u>	<u>YTC</u> <u>@ Cost</u>	<u>BEY</u> <u>@ Cost</u>	<u>Total</u> <u>Principal</u>	<u>Dealer</u>
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No new transactions this period.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
10/01/03	\$50,000,000	FHDN	--	10/29/03	99.92	1.000%	1.005%	\$49,961,111.11	Banc of America
10/01/03	50,000,000	GE CORP CP	--	10/02/03	99.99	1.060	1.066	49,998,527.78	G.E. Capital
10/01/03	50,000,000	UBSFIN CP	--	10/02/03	99.99	1.060	1.066	49,998,527.78	Lehman Brothers
10/01/03	12,826,000	UBSFIN CP	--	10/02/03	99.99	1.060	1.066	12,825,622.35	Lehman Brothers
10/01/03	600,000	JFK-APO	6.375%	12/01/15	99.90	--	6.387	599,400.00	JFKIAT-APO
10/02/03	50,000,000	USTB	--	10/30/03	99.93	0.850	0.854	49,966,944.45	Greenwich Capital
10/02/03	50,000,000	USTB	--	10/30/03	99.93	0.850	0.854	49,966,944.45	Lehman Brothers
10/02/03	50,000,000	USTB	--	10/30/03	99.93	0.855	0.859	49,966,750.00	Deutsche Bank
10/02/03	50,000,000	USTB	--	12/11/03	99.83	0.860	0.864	49,916,388.89	Morgan Stanley
10/02/03	50,000,000	GE CORP CP	--	10/03/03	99.99	1.030	1.035	49,998,569.44	G.E. Capital
10/02/03	50,000,000	GE CORP CP	--	10/03/03	99.99	1.030	1.035	49,998,569.44	G.E. Capital
10/02/03	38,433,000	UBSFIN CP	--	10/03/03	99.99	1.040	1.045	38,431,889.71	Banc of America

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
10/03/03	\$50,000,000	USTB	--	10/15/03	99.97	0.915%	0.919%	\$49,984,750.00	Merrill Lynch
10/03/03	50,000,000	USTB	--	10/15/03	99.97	0.912	0.916	49,984,800.00	Merrill Lynch
10/03/03	50,000,000	UBSFIN CP	--	10/06/03	99.99	0.980	0.985	49,995,916.65	Lehman Brothers
10/03/03	31,857,000	UBSFIN CP	--	10/06/03	99.99	0.980	0.985	31,854,398.33	Banc of America
10/06/03	50,000,000	UBSFIN CP	--	10/07/03	99.99	1.000	1.005	49,998,611.10	Lehman Brothers
10/06/03	43,235,000	UBSFIN CP	--	10/07/03	99.99	1.000	1.005	43,233,799.02	Lehman Brothers
10/06/03	8,340,000	CITIGLOBAL CP	--	10/07/03	99.99	0.980	0.985	8,339,772.97	Citiglobal
10/07/03	7,000,000	GECC CP	--	10/08/03	99.99	0.940	0.944	6,999,817.22	G.E. Capital
10/07/03	50,000,000	UBSFIN CP	--	10/08/03	99.99	0.970	0.975	49,998,652.80	Lehman Brothers
10/07/03	50,000,000	UBSFIN CP	--	10/08/03	99.99	0.970	0.975	49,998,652.80	Banc of America
10/08/03	15,000,000	FHDN	--	11/05/03	99.92	1.000	1.005	14,988,333.33	BANC ONE
10/08/03	34,710,000	FHDN	--	10/15/03	99.98	0.950	0.955	34,703,588.29	Merrill Lynch

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
10/08/03	\$50,000,000	FHDN	--	10/31/03	99.94	1.000%	1.005%	\$49,968,055.56	Banc of America
10/08/03	25,000,000	GECC CP	--	10/09/03	99.99	0.960	0.965	24,999,333.33	G.E. Capital
10/08/03	50,000,000	UBSFIN CP	--	10/09/03	99.99	0.970	0.975	49,998,652.78	Banc of America
10/08/03	33,000,000	UBSFIN CP	--	10/09/03	99.99	0.970	0.975	32,999,110.83	Banc of America
10/09/03	50,000,000	USTB	--	10/15/03	99.98	0.915	0.919	49,992,375.00	Deutsche Bank
10/09/03	50,000,000	USTB	--	10/15/03	99.98	0.915	0.919	49,992,375.00	Morgan Stanley
10/09/03	50,000,000	USTB	--	11/06/03	99.93	0.855	0.859	49,966,750.00	Deutsche Bank
10/09/03	50,000,000	USTB	--	10/15/03	99.98	0.920	0.924	49,992,333.34	Deutsche Bank
10/09/03	50,000,000	USTB	--	10/15/03	99.98	0.920	0.924	49,992,333.34	Deutsche Bank
10/09/03	29,112,000	UBSFIN CP	--	10/10/03	99.99	0.990	0.995	29,111,199.42	Lehman Brothers
10/09/03	25,000,000	UBSFIN CP	--	10/10/03	99.99	0.990	0.995	24,999,312.50	Lehman Brothers
10/10/03	40,000,000	FHDN	--	11/05/03	99.93	1.000	1.005	39,971,111.11	Banc of America

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
10/10/03	\$50,000,000	FHDN	--	12/03/03	99.85	1.010%	1.016%	\$49,924,250.00	Banc of America
10/10/03	30,000,000	GECC CP	--	10/14/03	99.99	0.960	0.965	29,996,800.00	G.E. Capital
10/10/03	31,490,000	UBSFIN CP	--	10/14/03	99.99	0.970	0.975	31,486,606.07	Banc of America
10/14/03	50,000,000	USTB	--	11/06/03	99.94	0.865	0.869	49,972,368.06	Merrill Lynch
10/14/03	50,000,000	USTB	--	11/06/03	99.94	0.865	0.869	49,972,368.06	Merrill Lynch
10/14/03	50,000,000	USTB	--	11/06/03	99.94	0.865	0.869	49,972,368.06	Merrill Lynch
10/14/03	50,000,000	UBSFIN CP	--	10/15/03	99.99	1.060	1.066	49,998,527.80	Banc of America
10/14/03	7,700,000	UBSFIN CP	--	10/15/03	99.99	1.060	1.066	7,699,773.28	Banc of America
10/15/03	50,000,000	FHDN	--	10/31/03	99.96	1.000	1.005	49,977,777.78	BANC ONE
10/15/03	50,000,000	FHDN	--	12/05/03	99.86	1.020	1.026	49,927,750.00	Mizuho
10/15/03	50,000,000	UBSFIN CP	--	10/16/03	99.99	1.100	1.106	49,998,472.22	Banc of America
10/15/03	44,000,000	UBSFIN CP	--	10/16/03	99.99	1.100	1.106	43,998,655.56	Banc of America

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
10/16/03	\$50,000,000	FHDN	--	12/12/03	99.84	1.020%	1.026%	\$49,919,250.00	Merrill Lynch
10/16/03	50,000,000	FHDN	--	12/10/03	99.84	1.020	1.026	49,922,083.33	Mizuho
10/16/03	50,000,000	UBSFIN CP	--	10/17/03	99.99	1.030	1.035	49,998,569.45	Lehman Brothers
10/16/03	10,000,000	USTN	1.625%	09/30/05	99.73	--	1.768	9,972,656.25	Merrill Lynch
10/16/03	15,000,000	USTN	1.625	09/30/05	99.84	--	1.706	14,976,562.50	Banc of America
10/17/03	50,000,000	FHDN	--	11/14/03	99.92	1.000	1.005	49,961,111.11	Mizuho
10/17/03	50,000,000	UBSFIN CP	--	10/20/03	99.99	0.970	0.975	49,995,958.35	Banc of America
10/17/03	31,450,000	UBSFIN CP	--	10/20/03	99.99	0.970	0.975	31,447,457.80	Banc of America
10/17/03	15,000,000	USTN	1.625	09/30/05	99.52	--	1.878	14,927,343.75	Morgan Stanley
10/20/03	50,000,000	USTB	--	11/13/03	99.94	0.875	0.879	49,970,833.34	Deutsche Bank
10/20/03	50,000,000	GE CORP CP	--	10/21/03	99.99	1.000	1.005	49,998,611.11	G.E. Capital
10/20/03	30,000,000	GE CORP CP	--	10/21/03	99.99	1.000	1.005	29,999,166.67	G.E. Capital

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
10/20/03	\$19,925,000	UBSFIN CP	--	10/21/03	99.99	1.000%	1.005%	\$19,924,446.52	Lehman Brothers
10/20/03	15,000,000	USTN	1.625%	09/30/05	99.45	--	1.912	14,917,968.75	Merrill Lynch
10/21/03	27,000,000	FHDN	--	12/10/03	99.86	1.020	1.026	26,961,750.00	Mizuho
10/21/03	50,000,000	UBSFIN CP	--	10/22/03	99.99	0.990	0.995	49,998,625.00	Lehman Brothers
10/21/03	40,000,000	UBSFIN CP	--	10/22/03	99.99	0.990	0.995	39,998,900.00	Lehman Brothers
10/22/03	25,000,000	FHDN	--	11/19/03	99.92	0.995	1.000	24,980,652.78	Mizuho
10/22/03	25,000,000	FCDN	--	11/04/03	99.96	0.990	0.995	24,991,062.50	Banc of America
10/22/03	50,000,000	GECC CP	--	10/23/03	99.99	0.980	0.985	49,998,638.89	G.E. Capital
10/22/03	50,000,000	GECC CP	--	10/23/03	99.99	0.980	0.985	49,998,638.89	G.E. Capital
10/22/03	22,256,000	UBSFIN CP	--	10/23/03	99.99	0.980	0.985	22,255,394.15	Banc of America
10/23/03	50,000,000	USTB	--	11/13/03	99.95	0.895	0.899	49,973,895.83	Deutsche Bank
10/23/03	50,000,000	USTB	--	11/13/03	99.95	0.895	0.899	49,973,895.83	Deutsche Bank

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
10/23/03	\$50,000,000	USTB	--	11/20/03	99.93	0.900%	0.904%	\$49,965,000.00	Merrill Lynch
10/23/03	50,000,000	USTB	--	11/20/03	99.93	0.900	0.904	49,965,000.00	Merrill Lynch
10/23/03	5,140,000	USTB	--	11/20/03	99.93	0.898	0.902	5,136,411.99	Merrill Lynch
10/23/03	50,000,000	USTB	--	11/06/03	99.97	0.900	0.904	49,982,500.00	Merrill Lynch
10/23/03	39,350,000	USTB	--	11/13/03	99.95	0.900	0.904	39,329,341.25	Morgan Stanley
10/23/03	50,000,000	USTB	--	11/06/03	99.96	0.905	0.909	49,982,402.78	Morgan Stanley
10/23/03	20,525,000	USTB	--	11/06/03	99.97	0.900	0.904	20,517,816.25	Banc of America
10/23/03	50,000,000	USTB	--	12/26/03	99.84	0.900	0.905	49,920,000.00	Lehman Brothers
10/23/03	25,000,000	USTB	--	12/26/03	99.84	0.903	0.907	24,959,888.89	Lehman Brothers
10/23/03	50,000,000	GE CORP CP	--	10/28/03	99.99	1.000	1.005	49,993,055.56	G.E. Capital
10/23/03	50,000,000	GE CORP CP	--	10/28/03	99.99	1.000	1.005	49,993,055.56	G.E. Capital
10/23/03	37,491,000	UBSFIN CP	--	10/24/03	99.99	0.990	0.995	37,489,969.00	Lehman Brothers

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
10/23/03	\$50,000,000	UBSFIN CP	--	10/24/03	99.99	0.990%	0.995%	\$49,998,625.00	JP Morgan
10/24/03	50,000,000	FHDN	--	11/03/03	99.97	0.930	0.934	49,987,083.35	Lehman Brothers
10/24/03	35,700,000	UBSFIN CP	--	10/27/03	99.99	1.000	1.005	35,697,025.00	Lehman Brothers
10/24/03	50,000,000	UBSFIN CP	--	10/27/03	99.99	1.000	1.005	49,995,833.35	Banc of America
10/27/03	40,000,000	UBSFIN CP	--	10/28/03	99.99	1.000	1.005	39,998,888.88	Lehman Brothers
10/27/03	25,000,000	CITIGLOBAL CP	--	10/30/03	99.99	1.010	1.015	24,997,895.83	Citiglobal
10/27/03	20,790,000	UBSFIN CP	--	10/28/03	99.99	1.000	1.005	20,789,422.50	Banc of America
10/28/03	50,000,000	GECC CP	--	10/29/03	99.99	1.020	1.025	49,998,583.33	G.E. Capital
10/28/03	50,000,000	GECC CP	--	10/29/03	99.99	1.020	1.025	49,998,583.33	G.E. Capital
10/28/03	31,000,000	UBSFIN CP	--	10/29/03	99.99	1.010	1.015	30,999,130.28	Banc of America
10/28/03	31,000,000	UBSFIN CP	--	10/29/03	99.99	1.010	1.015	30,999,130.28	Banc of America
10/29/03	50,000,000	FHDN	--	12/19/03	99.86	1.010	1.016	49,928,458.33	Mizuho

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
10/29/03	\$25,000,000	FHDN	--	12/19/03	99.86	1.010%	1.016%	\$24,964,229.17	Mizuho
10/29/03	50,000,000	GECC CP	--	10/30/03	99.99	0.980	0.985	49,998,638.89	G.E. Capital
10/29/03	50,000,000	GECC CP	--	10/30/03	99.99	0.980	0.985	49,998,638.89	G.E. Capital
10/29/03	50,000,000	UBSFIN CP	--	10/30/03	99.99	0.980	0.985	49,998,638.90	Lehman Brothers
10/29/03	31,665,000	UBSFIN CP	--	10/30/03	99.99	0.980	0.985	31,664,138.02	Lehman Brothers
10/29/03	10,000,000	USTN	1.625%	09/30/05	99.61	--	1.832	9,960,937.50	Banc of America
10/30/03	50,000,000	USTB	--	12/04/03	99.91	0.925	0.930	49,955,034.72	Deutsche Bank
10/30/03	50,000,000	USTB	--	12/04/03	99.91	0.925	0.930	49,955,034.72	Deutsche Bank
10/30/03	50,000,000	USTB	--	01/29/04	99.76	0.935	0.941	49,881,826.39	Deutsche Bank
10/30/03	50,000,000	GECS CP	--	10/31/03	99.99	1.020	1.025	49,998,583.33	G.E. Capital
10/30/03	50,000,000	GECS CP	--	10/31/03	99.99	1.020	1.025	49,998,583.33	G.E. Capital
10/30/03	50,000,000	CITIGROUP CP	--	10/31/03	99.99	1.000	1.005	49,998,611.11	Citigroup

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
10/30/03	\$50,000,000	CITIGROUP CP	--	10/31/03	99.99	1.000%	1.005%	\$49,998,611.11	Citigroup
10/30/03	27,945,000	UBSFIN CP	--	10/31/03	99.99	1.020	1.025	27,944,208.23	Banc of America
10/30/03	15,000,000	USTN	1.625%	09/30/05	99.80	--	1.736	14,970,703.13	Legg Mason
10/31/03	15,000,000	FHDN	--	11/21/03	99.94	0.990	0.995	14,991,337.50	BANC ONE
10/31/03	25,000,000	FHDN	--	11/26/03	99.93	1.000	1.005	24,981,944.44	BANC ONE
10/31/03	25,000,000	FHDN	--	12/24/03	99.85	1.000	1.006	24,962,500.00	BANC ONE
10/31/03	8,000,000	FHDN	--	11/03/03	99.99	0.940	0.944	7,999,373.34	Lehman Brothers
10/31/03	50,000,000	GECS CP	--	11/03/03	99.99	1.040	1.045	49,995,666.67	G.E. Capital
10/31/03	50,000,000	GECS CP	--	11/03/03	99.99	1.040	1.045	49,995,666.67	G.E. Capital
10/31/03	50,000,000	UBSFIN CP	--	11/03/03	99.99	1.040	1.045	49,995,666.67	Lehman Brothers
10/31/03	50,000,000	CITIGROUP CP	--	11/05/03	99.99	1.030	1.035	49,992,847.22	Citigroup
10/31/03	5,000,000	CITIGROUP CP	--	11/05/03	99.99	1.030	1.035	4,999,284.72	Citigroup

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
10/31/03	\$ 50,000,000	UBSFIN CP	--	11/03/03	99.99	1.040%	1.045%	\$ 49,995,666.67	Banc of America
	<u>\$ 4,731,540,000</u>							<u>\$ 4,729,501,941.89</u>	

BEY - Bond Equivalent Yield

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Sale of Securities

<u>Sale Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Sale Price</u>	<u>Discount Rate</u>	<u>Principal</u>	<u>Dealer</u>
10/29/03	\$ 10,000,000	USTN	1.625%	09/30/05	99.84	--	\$ 9,984,375.00	Banc of America
10/30/03	<u>15,000,000</u>	USTN	1.625	09/30/05	99.89	--	<u>14,984,179.69</u>	Legg Mason
	<u>\$ 25,000,000</u>						<u>\$ 24,968,554.69</u>	

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
BNP Paribas	10/01/03	10/09/03	\$ 1,190,000	0.980%	\$ 250.89 *
BNP Paribas	10/01/03	10/09/03	1,190,000	0.980	250.89 *
BNP Paribas	10/01/03	10/09/03	1,190,000	0.980	250.89 *
BNP Paribas	10/01/03	10/09/03	1,190,000	0.980	250.89 *
Nomura	10/01/03	10/02/03	6,814,000	1.000	189.28
Nomura	10/01/03	10/02/03	31,718,000	1.000	881.06
Nomura	10/01/03	10/02/03	39,378,000	1.000	1,093.83
Nomura	10/01/03	10/02/03	40,380,000	1.000	1,121.67
Nomura	10/01/03	10/03/03	44,152,000	0.980	2,403.83
BNP Paribas	10/01/03	10/09/03	48,785,000	0.980	10,285.51 *
BNP Paribas	10/01/03	10/09/03	48,785,000	0.980	10,285.51 *
BNP Paribas	10/01/03	10/09/03	48,785,000	0.980	10,285.51 *

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
BNP Paribas	10/01/03	10/09/03	\$ 48,785,000	0.980%	\$ 10,285.51 *
Lehman Brothers	10/01/03	10/02/03	49,937,500	1.020	1,414.90 *
Lehman Brothers	10/02/03	10/06/03	367,500	1.000	39.30 *
Citiglobal	10/02/03	10/06/03	1,158,000	1.000	123.85 *
Citiglobal	10/02/03	10/06/03	1,158,000	1.000	123.85 *
Citiglobal	10/02/03	10/03/03	1,197,000	1.000	33.25 *
Citiglobal	10/02/03	10/03/03	1,197,000	1.000	33.25 *
Daiwa	10/02/03	10/06/03	6,172,000	0.980	672.06
Daiwa	10/02/03	10/06/03	10,067,000	0.980	1,096.18
Daiwa	10/02/03	10/06/03	10,762,000	0.980	1,171.86
Daiwa	10/02/03	10/06/03	20,695,000	0.980	2,253.46
Daiwa	10/02/03	10/06/03	28,875,000	0.980	3,144.17

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Daiwa	10/02/03	10/06/03	\$ 40,177,000	0.980%	\$ 4,374.83
Nomura	10/02/03	10/06/03	47,520,000	0.950	5,016.00
Citiglobal	10/02/03	10/03/03	48,778,000	1.000	1,354.94 *
Citiglobal	10/02/03	10/03/03	48,778,000	1.000	1,354.94 *
Citiglobal	10/02/03	10/06/03	48,779,500	1.000	5,216.70 *
Citiglobal	10/02/03	10/06/03	48,779,500	1.000	5,216.70 *
Lehman Brothers	10/02/03	10/06/03	49,570,000	1.000	5,301.23 *
Nomura	10/02/03	10/06/03	50,000,000	0.950	5,277.78
Mizuho	10/03/03	10/15/03	937,500	0.950	292.97 *
Mizuho	10/03/03	10/15/03	937,500	0.950	292.97 *
UBS Warburg	10/03/03	10/06/03	44,152,000	0.960	3,532.16
Citiglobal	10/03/03	10/06/03	44,887,500	0.950	3,553.59 *

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Citiglobal	10/03/03	10/06/03	\$ 44,887,500	0.950%	\$ 3,553.59 *
Mizuho	10/03/03	10/15/03	49,000,000	0.950	15,312.50 *
Mizuho	10/03/03	10/15/03	49,000,000	0.950	15,312.50 *
Lehman Brothers	10/06/03	10/09/03	1,080,000	0.950	84.30 *
Lehman Brothers	10/06/03	10/09/03	1,080,000	0.950	84.30 *
Daiwa	10/06/03	10/07/03	5,830,000	0.950	153.85
Daiwa	10/06/03	10/07/03	28,140,000	0.950	742.58
Daiwa	10/06/03	10/07/03	29,937,000	0.950	790.00
Daiwa	10/06/03	10/07/03	36,002,000	0.950	950.05
Nomura	10/06/03	10/08/03	36,218,500	0.950	1,911.53
Daiwa	10/06/03	10/07/03	40,106,000	0.950	1,058.35
Lehman Brothers	10/06/03	10/09/03	48,895,000	0.950	3,816.52 *

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Lehman Brothers	10/06/03	10/09/03	\$ 48,895,000	0.950%	\$ 3,816.52 *
Nomura	10/06/03	10/08/03	57,942,500	0.950	3,058.08
BANC ONE	10/07/03	10/08/03	5,811,000	0.920	148.50
BANC ONE	10/07/03	10/08/03	25,541,000	0.920	652.71
BANC ONE	10/07/03	10/08/03	29,489,000	0.920	753.61
BANC ONE	10/07/03	10/08/03	35,970,000	0.920	919.23
BANC ONE	10/07/03	10/08/03	40,097,000	0.920	1,024.70
Citiglobal	10/07/03	10/15/03	47,381,250	0.950	9,963.23 *
Citiglobal	10/07/03	10/15/03	47,381,250	0.950	9,963.23 *
Citiglobal	10/07/03	10/15/03	47,381,250	0.950	9,963.23 *
Citiglobal	10/07/03	10/14/03	47,381,250	0.950	8,647.08 *
Nomura	10/08/03	10/09/03	1,123,000	0.930	29.01

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Nomura	10/08/03	10/09/03	\$ 5,811,000	0.930%	\$ 150.12
Nomura	10/08/03	10/09/03	10,142,000	0.930	262.00
Nomura	10/08/03	10/09/03	29,489,000	0.930	761.80
Nomura	10/08/03	10/09/03	35,971,000	0.930	929.25
Nomura	10/08/03	10/09/03	40,098,000	0.930	1,035.87
Morgan Stanley	10/08/03	10/14/03	44,166,000	0.920	6,772.12
Nomura	10/08/03	10/09/03	48,877,000	0.930	1,262.66
Daiwa	10/09/03	10/14/03	5,790,000	0.930	747.88
Daiwa	10/09/03	10/14/03	10,766,000	0.930	1,390.61
Daiwa	10/09/03	10/14/03	17,165,000	0.930	2,217.15
Daiwa	10/09/03	10/14/03	28,970,000	0.930	3,741.96
Lehman Brothers	10/09/03	10/10/03	30,142,000	0.940	787.04

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Daiwa	10/09/03	10/14/03	\$ 37,767,000	0.930%	\$ 4,878.24
Lehman Brothers	10/09/03	10/14/03	39,553,000	0.920	5,053.99
Daiwa	10/09/03	10/14/03	40,947,000	0.930	5,288.99
Lehman Brothers	10/09/03	10/14/03	50,245,000	0.920	6,420.19
Lehman Brothers	10/09/03	10/14/03	50,245,000	0.920	6,420.19
Nomura	10/14/03	10/15/03	5,772,000	1.020	163.54
Nomura	10/14/03	10/15/03	8,726,000	1.020	247.24
Nomura	10/14/03	10/15/03	26,792,000	1.020	759.11
Nomura	10/14/03	10/15/03	40,097,000	1.020	1,136.08
Nomura	10/14/03	10/15/03	44,173,000	1.020	1,251.57
Citiglobal	10/14/03	10/23/03	47,381,250	1.000	11,371.51 *
Nomura	10/14/03	10/15/03	48,877,000	1.020	1,384.85

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Nomura	10/15/03	10/17/03	\$ 2,246,000	1.000%	\$ 124.78
BNP Paribas	10/15/03	10/16/03	5,755,000	1.050	167.85
BNP Paribas	10/15/03	10/16/03	6,749,000	1.050	196.85
BNP Paribas	10/15/03	10/16/03	25,258,000	1.050	736.69
BNP Paribas	10/15/03	10/16/03	39,985,000	1.050	1,166.23
BNP Paribas	10/15/03	10/16/03	44,174,000	1.050	1,288.41
Citiglobal	10/15/03	10/23/03	47,452,500	1.050	10,070.48 *
Citiglobal	10/15/03	10/23/03	47,452,500	1.050	10,070.48 *
Citiglobal	10/15/03	10/23/03	47,452,500	1.050	10,070.48 *
Nomura	10/15/03	10/17/03	48,877,000	1.000	2,715.39
Nomura	10/15/03	10/17/03	48,877,000	1.000	2,715.39
BNP Paribas	10/15/03	10/16/03	49,696,000	1.050	1,449.47

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Mizuho	10/16/03	10/22/03	\$ 1,090,000	1.000%	\$ 174.10 *
Mizuho	10/16/03	10/22/03	1,090,000	1.000	181.67 *
Mizuho	10/16/03	10/22/03	1,090,000	1.000	174.10 *
Mizuho	10/16/03	10/22/03	1,090,000	1.000	174.10 *
BNP Paribas	10/16/03	10/20/03	5,751,000	0.970	619.83
BNP Paribas	10/16/03	10/20/03	7,569,000	0.970	815.77
BNP Paribas	10/16/03	10/20/03	20,392,000	0.970	2,197.80
BNP Paribas	10/16/03	10/20/03	24,083,000	0.970	2,595.61
BNP Paribas	10/16/03	10/20/03	39,932,000	0.970	4,303.78
BNP Paribas	10/16/03	10/20/03	48,795,000	0.970	5,259.02
BNP Paribas	10/16/03	10/20/03	48,808,000	0.970	5,260.42
Mizuho	10/16/03	10/22/03	48,900,000	1.000	7,810.41 *

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Mizuho	10/16/03	10/22/03	\$ 48,900,000	1.000%	\$ 7,810.41 *
Mizuho	10/16/03	10/22/03	48,900,000	1.000	7,810.41 *
Mizuho	10/16/03	10/22/03	48,900,000	1.000	7,810.41 *
Lehman Brothers	10/16/03	10/22/03	49,990,000	1.000	7,901.20 *
Lehman Brothers	10/16/03	10/22/03	49,990,000	1.000	7,901.20 *
Lehman Brothers	10/16/03	10/22/03	49,990,000	1.000	7,901.20 *
Lehman Brothers	10/16/03	10/22/03	49,990,000	1.000	7,901.20 *
Daiwa	10/17/03	10/23/03	24,875,000	0.940	3,917.80 *
Daiwa	10/17/03	10/20/03	35,429,000	0.940	2,775.27
Daiwa	10/17/03	10/20/03	49,571,000	0.940	3,883.06
Nomura	10/20/03	10/21/03	5,604,000	0.950	147.88
Nomura	10/20/03	10/21/03	5,693,000	0.950	150.23

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Daiwa	10/20/03	10/21/03	\$ 10,703,000	0.950%	\$ 282.44
Daiwa	10/20/03	10/23/03	14,925,000	0.950	1,181.56 *
Nomura	10/20/03	10/21/03	18,913,000	0.950	499.09
Daiwa	10/20/03	10/21/03	37,767,000	0.950	996.63
Nomura	10/20/03	10/21/03	39,402,000	0.950	1,039.78
Daiwa	10/20/03	10/21/03	40,846,000	0.950	1,077.88
Nomura	10/20/03	10/21/03	49,673,000	0.950	1,310.82
Nomura	10/21/03	10/22/03	5,049,000	0.950	133.24
Nomura	10/21/03	10/22/03	5,245,000	0.950	138.41
Daiwa	10/21/03	10/23/03	14,943,750	0.960	788.70 *
Nomura	10/21/03	10/22/03	18,180,000	0.950	479.75
Nomura	10/21/03	10/22/03	34,214,000	0.950	902.87

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Nomura	10/21/03	10/23/03	\$ 39,643,000	0.950%	\$ 2,092.27
Banc of America	10/21/03	Open	45,225,000 *	Variable **	13,303.70 ***
Banc of America	10/21/03	Open	45,225,000 *	Variable **	13,303.70 ***
Nomura	10/21/03	10/22/03	47,446,000	0.950	1,252.05
Nomura	10/21/03	10/23/03	49,673,000	0.950	2,621.63
Daiwa	10/22/03	10/23/03	1,043,000	0.940	27.23
Daiwa	10/22/03	10/23/03	4,624,000	0.940	120.74
Daiwa	10/22/03	10/23/03	5,245,000	0.940	136.95
Daiwa	10/22/03	10/23/03	17,137,000	0.940	447.47
Daiwa	10/22/03	10/23/03	22,823,000	0.940	595.93
Daiwa	10/22/03	10/23/03	39,264,000	0.940	1,025.23
Banc of America	10/23/03	10/27/03	5,245,000	0.940	547.81

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Banc of America	10/23/03	10/27/03	\$ 18,181,000	0.940%	\$ 1,898.90
Daiwa	10/23/03	Open	24,968,750 *	Variable **	6,075.72 ***
Banc of America	10/23/03	10/27/03	27,448,000	0.940	2,866.79
Daiwa	10/23/03	Open	29,962,500 *	Variable **	7,290.87 ***
Banc of America	10/23/03	10/27/03	39,388,000	0.940	4,113.86
Lehman Brothers	10/23/03	10/27/03	40,000,000	0.950	4,222.23 *
Lehman Brothers	10/23/03	10/27/03	45,000,000	0.950	4,750.00 *
Lehman Brothers	10/27/03	10/28/03	5,007,000	0.970	134.91
Lehman Brothers	10/27/03	10/28/03	16,426,000	0.970	442.59
Lehman Brothers	10/27/03	10/28/03	24,939,000	0.970	671.97
Lehman Brothers	10/27/03	10/28/03	35,618,000	0.970	959.71
Morgan Stanley	10/28/03	10/29/03	5,007,000	0.990	137.69

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Morgan Stanley	10/28/03	10/29/03	\$ 16,426,000	0.990%	\$ 451.72
Morgan Stanley	10/28/03	10/29/03	24,940,000	0.990	685.85
Morgan Stanley	10/28/03	10/29/03	35,619,000	0.990	979.52
Banc of America	10/29/03	11/03/03	14,440,000	1.000	1,203.34
Banc of America	10/29/03	11/03/03	21,387,000	1.000	1,782.25
Banc of America	10/29/03	11/03/03	30,562,000	1.000	2,546.83
Lehman Brothers	10/30/03	Open	1,042,500	Variable **	57.34 ***
Lehman Brothers	10/30/03	Open	1,042,500	Variable **	57.63 ***
Lehman Brothers	10/30/03	Open	1,042,500	Variable **	57.63 ***
Lehman Brothers	10/30/03	Open	1,042,500	Variable **	57.63 ***
Banc of America	10/30/03	Open	42,946,250 *	Variable **	2,362.04 ***
Lehman Brothers	10/30/03	Open	48,895,000 *	Variable **	2,702.80 ***

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Repurchase Transactions (Cont.)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Lehman Brothers	10/30/03	Open	\$ 48,895,000 *	Variable **	\$ 2,702.80 ***
Lehman Brothers	10/30/03	Open	48,895,000 *	Variable **	2,702.80 ***
Lehman Brothers	10/30/03	Open	48,895,000 *	Variable **	2,702.80 ***
Citiglobal	10/31/03	Open	1,020,800 *	Variable **	28.36 ***
Citiglobal	10/31/03	Open	1,020,800 *	Variable **	28.36 ***
Daiwa	10/31/03	Open	14,266,000 *	Variable **	396.28 ***
Daiwa	10/31/03	Open	30,734,000 *	Variable **	853.72 ***
Daiwa	10/31/03	Open	40,000,000 *	Variable **	1,111.11 ***
Citiglobal	10/31/03	Open	48,916,700 *	Variable **	1,358.80 ***
Citiglobal	10/31/03	Open	48,916,700 *	Variable **	1,358.80 ***

* This transaction was executed simultaneously with a like reverse/repurchase agreement.

** This rate subject to change daily.

*** Total interest earned is to the last day of the month.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Reverse Repurchase Transactions (All transactions are executed simultaneously with a like repurchase agreement)

<u>Dealer</u>	<u>Sale Date</u>	<u>Purchase Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Paid</u>
BNP Paribas	10/01/03	10/09/03	\$49,975,000	0.800%	\$9,023.29
BNP Paribas	10/01/03	10/09/03	49,975,000	0.900	9,023.28
BNP Paribas	10/01/03	10/09/03	49,975,000	0.500	8,953.88
BNP Paribas	10/01/03	10/09/03	49,975,000	0.500	8,953.87
Lehman Brothers	10/01/03	10/02/03	49,937,500	0.800	1,109.72
Citiglobal	10/02/03	10/03/03	49,975,000	0.850	1,179.97
Citiglobal	10/02/03	10/03/03	49,975,000	0.850	1,179.97
Lehman Brothers	10/02/03	10/06/03	49,937,500	0.850	4,841.16
Citiglobal	10/02/03	10/06/03	49,937,500	0.850	4,508.25
Citiglobal	10/02/03	10/06/03	49,937,500	0.850	4,508.25
Mizuho	10/03/03	10/15/03	49,937,500	0.800	11,929.52
Mizuho	10/03/03	10/15/03	49,937,500	0.800	11,929.51

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Reverse Repurchase Transactions (All transactions are executed simultaneously with a like repurchase agreement) (Cont.)

<u>Dealer</u>	<u>Sale Date</u>	<u>Purchase Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Paid</u>
Citiglobal	10/03/03	10/06/03	\$44,887,500	0.800%	\$2,992.50
Citiglobal	10/03/03	10/06/03	44,887,500	0.800	2,992.50
Lehman Brothers	10/06/03	10/09/03	49,975,000	0.800	3,276.14
Lehman Brothers	10/06/03	10/09/03	49,975,000	0.800	3,276.14
Citiglobal	10/07/03	10/15/03	47,381,250	0.800	7,923.20
Citiglobal	10/07/03	10/15/03	47,381,250	0.800	7,923.20
Citiglobal	10/07/03	10/15/03	47,381,250	0.800	7,923.20
Citiglobal	10/07/03	10/14/03	47,381,250	0.800	6,738.67
Citiglobal	10/14/03	10/23/03	47,381,250	0.900	10,186.96
Citiglobal	10/15/03	10/23/03	47,452,500	0.950	9,015.98
Citiglobal	10/15/03	10/23/03	47,452,500	0.950	9,015.98
Citiglobal	10/15/03	10/23/03	47,452,500	0.950	9,015.98

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Reverse Repurchase Transactions (All transactions are executed simultaneously with a like repurchase agreement) (Cont.)

<u>Dealer</u>	<u>Sale Date</u>	<u>Purchase Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Paid</u>
Lehman Brothers	10/16/03	10/22/03	\$49,990,000	0.850%	\$5,054.54
Lehman Brothers	10/16/03	10/22/03	49,990,000	0.850	5,054.54
Lehman Brothers	10/16/03	10/22/03	49,990,000	0.850	5,054.54
Lehman Brothers	10/16/03	10/22/03	49,990,000	0.850	5,054.54
Mizuho	10/16/03	10/22/03	49,990,000	0.800	5,901.60
Mizuho	10/16/03	10/22/03	49,990,000	0.800	5,901.60
Mizuho	10/16/03	10/22/03	49,990,000	0.800	5,901.60
Mizuho	10/16/03	10/22/03	49,990,000	0.800	5,901.60
Daiwa	10/17/03	10/23/03	24,875,000	0.200	967.35
Daiwa	10/20/03	10/23/03	14,925,000	0.350	331.67
Banc of America	10/21/03	Open	45,225,000	Variable *	9,371.63 **
Banc of America	10/21/03	Open	45,225,000	Variable *	9,371.63 **

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Reverse Repurchase Transactions (All transactions are executed simultaneously with a like repurchase agreement) (Cont.)

<u>Dealer</u>	<u>Sale Date</u>	<u>Purchase Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Paid</u>
Daiwa	10/21/03	10/23/03	\$14,943,750	0.250%	\$186.80
Lehman Brothers	10/23/03	10/27/03	45,000,000	0.750	4,312.50
Lehman Brothers	10/23/03	10/27/03	40,000,000	0.750	3,833.33
Daiwa	10/23/03	Open	29,962,500	Variable *	3,391.59 **
Daiwa	10/23/03	Open	24,968,750	Variable *	2,826.31 **
Lehman Brothers	10/30/03	Open	49,937,500	Variable *	2,455.26 **
Lehman Brothers	10/30/03	Open	49,937,500	Variable *	2,455.26 **
Lehman Brothers	10/30/03	Open	49,937,500	Variable *	2,455.26 **
Lehman Brothers	10/30/03	Open	49,937,500	Variable *	2,455.26 **
Banc of America	10/30/03	Open	42,946,250	Variable *	1,849.08 **
Citiglobal	10/31/03	Open	49,937,500	Variable *	971.01 **
Citiglobal	10/31/03	Open	49,937,500	Variable *	971.01 **

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

Reverse Repurchase Transactions (All transactions are executed simultaneously with a like repurchase agreement) (Cont.)

<u>Dealer</u>	<u>Sale Date</u>	<u>Purchase Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Paid</u>
Daiwa	10/31/03	Open	\$45,000,000	Variable *	\$1,150.00 **
Daiwa	10/31/03	Open	40,000,000	Variable *	1,022.22 **

* This rate subject to change daily.

** Total interest paid is to the last day of the month.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

REPORT B: In addition to the transactions described in Report A of this report, the Executive Director also reports the following transactions during the period of October 1, 2003 through October 31, 2003, pertaining to investments in United States Treasury securities and interest rate options contracts with respect to United States Treasury securities pursuant to the guidelines established by the Board of Commissioners on August 25, 1988.

Options Transactions - Purchased

<u>Transaction Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Price</u>	<u>Exercise Price</u>	<u>Expirations/ Settlement</u>	<u>Dealer</u>	<u>Option Premium</u>
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No new transactions this period.

Options Transactions - Sold

<u>Transaction Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Price</u>	<u>Exercise Price</u>	<u>Expirations/ Settlement</u>	<u>Dealer</u>	<u>Option Premium</u>
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No new transactions this period.

INVESTMENTS, DEPOSITS, INTEREST RATE EXCHANGE CONTRACTS AND VARIABLE RATE MASTER NOTE PLACEMENTS

REPORT C: In addition to the transactions described in Report A and B, the Executive Director also reports the following transactions during the period of October 1, 2003 through October 31, 2003 pertaining to the execution or cancellation of Interest Rate Exchange Contracts pursuant to the guidelines established by the Board of Commissioners on December 10, 1992.

Interest Rate Exchange Contracts

<u>Date</u>	<u>Counterparty</u>	<u>Notional Amount</u>	<u>Start Date</u>	<u>Termination Date</u>	<u>Fixed Interest Rate Paid</u>	<u>Variable Interest Rate Received</u>
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No new transactions this period.

As of October 31, 2003, the Port Authority has interest rate exchange contracts in place on notional amounts totaling \$379 million, all of which pertain to refundings.

REPORT D: In addition to the transactions described in Report A, B and C, the Executive Director also reports the following transactions during the period of October 1, 2003 through October 31, 2003 under the Variable Rate Master Note Program as amended and supplemented through October 13, 1994.

Variable Rate Master Note Placements

<u>Date of Issuance</u>	<u>Amount</u>	<u>Purchaser</u>	<u>Term</u>	<u>Variable Rate Index</u>
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No new transactions this period.

Whereupon, the meeting was adjourned.

Secretary