

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Thursday, April 30, 2009

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| Documents Filed with the Board | 108 |
| Report of Committee on Finance | 108 |
| Report of Committee on Capital Programs/Agency Planning | 108 |
| Report of Committee on Operations | 108 |
| Report of World Trade Center Redevelopment Subcommittee | 108 |
| Elizabeth-Port Authority Marine Terminal – McLester Street Widening – Planning Authorization | 109 |
| Port Newark – FAPS, Inc. – Lease L-PN-266 – Supplement | 111 |
| Confidential Item | 112 |

MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, April 30, 2009 at 225 Park Avenue South, City, County and State of New York

PRESENT:

NEW JERSEY

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

NEW YORK

Hon. Henry R. Silverman, Vice-Chairman
 Hon. Michael J. Chasanoff
 Hon. Stanley E. Grayson
 Hon. Fred P. Hochberg
 Hon. H. Sidney Holmes III
 Hon. David S. Mack

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

Diana E. Beecher, Chief Technology Officer
 Meghan Bitenc, Assistant to the Deputy Executive Director
 Steven A. Borrelli, General Manager, Port Property and Finance, Port Commerce
 John D. Brill, Director, Audit
 Ernesto L. Butcher, Chief Operating Officer
 Rosemary Chiricolo, Assistant Director, Management and Budget
 Arthur J. Cifelli, Director, PABT Air Rights Development
 William R. DeCota, Director, Aviation
 Michael P. DePallo, Director, Rail Transit
 John J. Drobny, Director, Security Projects
 Michael G. Fabiano, Deputy Chief Financial Officer/Comptroller
 Michael B. Francois, Chief, Real Estate and Development
 Jennifer Friedberg, Staff Public Information Officer, Media Relations, Public Affairs
 Richard Friedman, Senior Advisor to the Executive Director
 Lash L. Green, Director, Office of Business and Job Opportunity
 Glenn P. Guzi, Senior External Affairs Representative, Government and Community Affairs
 Linda C. Handel, Assistant Secretary
 Mark D. Hoffer, Special Advisor to the Executive Director
 Howard G. Kadin, Esq., Law
 Victoria C. Kelly, Director, Tunnels, Bridges and Terminals
 Kevin J. Kirchman, Director, Marketing, Public Affairs
 Louis J. LaCapra, Chief Administrative Officer
 Cristina M. Lado, Director, Government and Community Affairs
 Conor Lanz, Special Assistant to the Executive Director
 Richard M. Larrabee, Director, Port Commerce
 Dennis Lombardi, Deputy Director, Port Commerce
 Francis J. Lombardi, Chief Engineer
 Stephen Marinko, Esq., Law
 Ron Marsico, Assistant Director, Media Relations, Public Affairs
 Michael G. Massiah, Director, Management and Budget
 Candace McAdams, Director, Media Relations, Public Affairs

James E. McCoy, Manager, Board Management Support, Office of the Secretary
Sanjay S. Mody, Advisor to the Chairman
Anne Marie C. Mulligan, Treasurer
Diane Paonessa, Associate Board Management Support Specialist, Office of the Secretary
Steven P. Plate, Director, World Trade Center Construction
Alan L. Reiss, Deputy Director, World Trade Center Construction
George Sarrinikolaou, Environmental Policy Manager, Office of Environmental Policy,
Programs and Compliance
Jessica Schultz, Senior Government Community Affairs Manager, Government and
Community Affairs
Stephen H. Sigmund, Chief, Public and Government Affairs
Timothy G. Stickelman, Assistant General Counsel
Gerald B. Stoughton, Director, Office of Financial Analysis
David B. Tweedy, Chief, Capital Programs
Lillian D. Valenti, Director, Procurement
Sheree R. Van Duyne, Manager, Policies and Protocol, Office of the Secretary
Andrew S. Warshaw, Chief of Staff to the Executive Director
Christopher R. Zeppie, Director, Office of Environmental Policy, Programs and Compliance
Peter J. Zipf, Deputy Chief Engineer/Director of Engineering

Guest:

Sonia Frontera, Authorities Unit, Office of the Governor of New Jersey

Speakers:

Richard Rumelt, Unite Here

The public meeting was called to order by Chairman Coscia at 1:35 p.m. and ended at 2:00 p.m. The Board met in executive session prior to the public session.

Documents Filed with the Board

Consistent with Article IX of the By-Laws, modifications to the Port Authority's Rules and Regulations of the Marine Terminal Tariff - Federal Maritime Commission Schedule No. PA-10 were provided to the Board of Commissioners and posted on the Port Authority's website for a 30-day public comment period, which expired on April 25, 2009. The modified Rules and Regulations will become effective May 1, 2009.

Report of Committee on Finance

The Committee on Finance reported, for information, on matters discussed and action taken in public session at its meeting on April 30, 2009, which included discussion of an item that authorizes the negotiated sale of taxable Consolidated Bonds and Notes for capital expenditures in connection with construction of One World Trade Center, the retail development and certain site-wide infrastructure at the World Trade Center site and review of the first quarter 2009 Investment Portfolio results, as well as matters discussed in executive session, which included matters related to the purchase, sale, or lease of real property, or securities where public disclosure would affect the value thereof or the public interest, and the report was received.

Report of Committee on Capital Programs/Agency Planning

The Committee on Capital Programs/Agency Planning reported, for information, on matters discussed in public session at its meeting on April 30, 2009, which included discussion of an item that authorizes planning and preliminary design work for the widening of McLester Street at the Elizabeth-Port Authority Marine Terminal, and the report was received.

Report of Committee on Operations

The Committee on Operations reported, for information, on matters discussed and action taken in public session at its meeting on April 30, 2009, which included discussion of an item that authorizes a Memorandum of Agreement with the City of Jersey City, New Jersey for acquisition of certain property located in Jersey City under the Port Authority's Hudson-Raritan Estuary Resources Program and review of the Port Authority's public health coordination efforts in response to the recent incidence of flu cases in the region, as well as matters discussed in executive session, which included matters related to the purchase, sale, or lease of real property, or securities where public disclosure would affect the value thereof or the public interest, and the report was received.

Report of World Trade Center Redevelopment Subcommittee

The World Trade Center Redevelopment Subcommittee reported, for information, on matters discussed in executive session at its meeting on April 30, 2009, which included discussion of matters involving ongoing negotiations or reviews of contracts or proposals, and the report was received.

ELIZABETH-PORT AUTHORITY MARINE TERMINAL – MCLESTER STREET WIDENING – PLANNING AUTHORIZATION

It was recommended that the Board authorize planning and preliminary design work for the widening of McLester Street at the Elizabeth-Port Authority Marine Terminal (EPAMT), to increase roadway capacity, improve traffic flow and enhance safety, at an estimated total cost of \$2 million.

A series of improvements to McLester Street and North Avenue East at the EPAMT have been authorized by the Board to enhance the flow of traffic and accommodate the expected growth in port activity, based on comprehensive studies of the port roadway system. In January 2009, the Committee on Operations, acting for and on behalf of the Board pursuant to delegated authority, authorized the third and final phase of the North Avenue East Improvement Project, which provides for the design and construction of the North Avenue East/McLester Street curve realignment at the EPAMT, to allow for permanent changes to the curved roadway to improve safety, meet the needs of property owners along the roadway, and accommodate future traffic growth at the EPAMT, at a total estimated project cost of \$31.5 million. That work is the precursor to the proposed widening of McLester Street under the New Jersey Marine Terminal Comprehensive Roadway Improvement Program at Port Newark and the EPAMT.

Consistent with the goals of the North Avenue East/McLester Street curve realignment, the proposed widening of McLester Street would add a traffic lane in both the northbound and southbound directions, replace a temporary signal installed under the North Avenue East/McLester Street curve project with a permanent signal, improve timing on four traffic signals to coordinate the new traffic patterns on the roadway, and add jug-handle turns to control u-turn and left-turn movements. This proposed widening project would complete all currently planned roadwork by the Port Authority on McLester Street.

Planning work under the proposed authorization would include: field inspections; design development, including detailed roadway alignment; storm drainage, water supply and electrical distribution systems; coordination with tenants and utilities; construction staging; and cost estimates.

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

RESOLVED, that planning and preliminary design work, in an estimated total amount of \$2 million, for the widening of McLester Street at the Elizabeth-Port Authority Marine Terminal, to increase roadway capacity, improve traffic flow and enhance safety, be and it hereby is authorized; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to take action with respect to contracts for professional and advisory services, and such other contracts and agreements as may be necessary to effectuate the foregoing planning work, pursuant to authority granted in the By-Laws or other resolution adopted by the Board; and it is further

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

PORT NEWARK – FAPS, INC. – LEASE L-PN-266 – SUPPLEMENT

It was recommended that the Board authorize the Executive Director to enter into a supplemental lease agreement with FAPS, Inc. (FAPS) to effect, with respect to its Lease L-PN-266 at Port Newark: (1) the surrender of approximately 1.8 acres, and (2) the letting of approximately 1.5 acres.

FAPS, formerly known as Foreign Auto Preparation Service, Inc., has been a vehicle-processing tenant at Port Newark since 1956. FAPS currently leases approximately 225 acres in Port Newark under Leases L-PN-265, L-PN-266, L-PN-284 and L-PN-291.

In accordance with United States Coast Guard regulations, the Port Authority maintains a Facility Security Plan (FSP) for the public berths at its marine terminal facilities. Concurrent with a five-year review of the FSP, staff determined that several public berths adjacent to FAPS's leasehold on the south side of the Port Newark Channel (Berths 16, 18, 20) require security enhancements. In order to address this issue, the Port Authority has asked FAPS to surrender approximately 1.8 acres of open area to allow for the installation of a fence to create a secure perimeter and segregate the public berths from the upland storage area. In recognition of its surrender of this needed space, a comparable open area would be leased to FAPS adjacent to its leasehold on the north side of the Port Newark Channel.

The base rental and the minimum throughput and incentive totals would be adjusted to reflect the minor decrease in the acreage of the premises under Lease L-PN-266 that would result from the actions taken pursuant to this authorization.

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

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into a supplemental lease agreement with FAPS, Inc. to effect, with respect to its Lease L-PN-266 at Port Newark: (1) the surrender of approximately 1.8 acres, and (2) the letting of approximately 1.5 acres, substantially in accordance with the terms and conditions outlined to the Board; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into any other contracts and agreements necessary or appropriate in connection with the foregoing; 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.

CONFIDENTIAL ITEM

The Board also acted on a property matter that shall not be made available for public inspection until such time as it becomes a matter of public record.

Whereupon, the meeting was adjourned.

Secretary