

# THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

## MINUTES

Thursday, March 5, 2009

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**MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, March 5, 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. 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

A. Paul Blanco, Chief Financial Officer  
 Steven J. Coleman, Assistant Director, Media Relations, Public Affairs  
 Michael B. Francois, Chief, Real Estate & Development  
 Richard Friedman, Senior Advisor to the Executive Director  
 Richard Gladstone, Director, World Trade Center Redevelopment  
 Glenn P. Guzi, Senior External Affairs Representative, Government & Community Affairs  
 Linda C. Handel, Assistant Secretary  
 Alan H. Hicks, Senior Public Information Officer, Public Affairs  
 Mark D. Hoffer, Special Advisor to the Executive Director  
 Cristina M. Lado, Director, Government and Community Affairs  
 Conor Lanz, Leadership Fellow, Human Resources  
 Francis J. Lombardi, Chief Engineer  
 Candace McAdams, Director, Media Relations, Public Affairs  
 James E. McCoy, Manager, Board Management Support, Office of the Secretary  
 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  
 Stephen H. Sigmund, Chief, Public and Government Affairs  
 Timothy G. Stickelman, Assistant General Counsel  
 David B. Tweedy, Chief, Capital Programs  
 Lillian D. Valenti, Director, Procurement  
 Sheree R. Van Duyn, Manager, Policies and Protocol, Office of the Secretary  
 Robert E. Van Etten, Inspector General  
 Andrew S. Warshaw, Chief of Staff to the Executive Director  
 Peter J. Zipf, Deputy Chief Engineer/Director of Engineering

Guest:

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

The public meeting was called to order by Chairman Coscia at 11:33 a.m. and ended at 11:39 a.m.

### **Report of World Trade Center Redevelopment Subcommittee**

The World Trade Center Redevelopment Subcommittee reported, for information, on matters discussed in executive and public sessions at its meeting on March 5, 2009, 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 matters involving ongoing negotiations or reviews of contracts or proposals, discussion of various actions, including the award of construction trade contracts and the retention of professional advisory service in connection with the redevelopment of the World Trade Center site, and an agreement(s) with the New York State Metropolitan Transportation Authority regarding funding of the design and construction of the Cortlandt 1-Line Subway Station, and the report was received.

**DOWNTOWN RESTORATION PROGRAM – WORLD TRADE CENTER SITE –  
AUTHORIZATION OF AGREEMENTS FOR STRUCTURAL  
REHABILITATION OF THE PATH SOUTH PROJECTION**

It was recommended that the Board authorize the Executive Director take several actions necessary to provide for the structural rehabilitation of the Port Authority Trans-Hudson system (PATH) South Projection (South Projection Project) at the World Trade Center (WTC) site, at a total estimated cost of \$42.46 million, including authorization to: (1) enter into an agreement with Bovis Lend Lease, Inc. (BLL) to provide construction management services for the South Projection Project, with BLL's fee to perform such services to be a lump-sum amount of \$0.78 million, and with general conditions work, at an estimated cost of \$3 million, to be managed by BLL; (2) enter into a construction trade contract, through the Construction Manager, BLL, with E.E. Cruz & Company for the performance of work such as tie-backs, concrete, structural removals, instrumentation, maintenance and protection of traffic, etc., at an estimated total cost of \$25.52 million, including an eight-percent contingency; (3) enter into a construction trade contract, through the Construction Manager, BLL, with Owen Steel Company for the performance of structural steel work, at an estimated total cost of \$12.83 million, including an eight-percent contingency; and (4) enter into a construction trade contract, through the Construction Manager, BLL, with Hugh O'Kane Electric Company, Inc. for the performance of electrical removals and relocations, at an estimated total cost of \$0.33 million, including an eight-percent contingency.

The rehabilitation of the South Projection is part of the scope of work for the WTC Transportation Hub Project. The South Projection is an existing WTC structure, portions of which are located below Route 9A and within the WTC Memorial work zone. The South Projection encloses the southern portal entry point (Tunnel F) of the PATH trains into the WTC site, and houses mechanical and electrical equipment critical to the operation of the PATH system.

BLL, the construction manager for the WTC Memorial and Memorial Museum Projects, and their trade contractors, are proposed for sole-source procurement for the South Projection Project work, because the South Projection is situated within the WTC Memorial construction site. The location of the South Projection within the WTC Memorial site, and the complex staging and logistical planning required for the South Projection Project and the WTC Memorial and Memorial Museum Projects to meet a schedule that supports the Memorial's scheduled September 11, 2011 opening, requires that the same contractors that are building the WTC Memorial be retained for the South Projection Project work.

The proposed work is part of the WTC Transportation Hub Project, and staff expects to seek recovery of costs as part of the Federal Transit Administration (FTA) grant for the project, consistent with the terms of the FTA grant and other applicable agreements with the FTA.

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

**RESOLVED**, that the Executive Director be and is hereby authorized, for and on behalf of the Port Authority, to enter into: (1) an agreement with Bovis Lend Lease, Inc. (BLL) to provide construction management services for the structural rehabilitation of the Port Authority Trans-Hudson system South Projection (South Projection Project) at the World Trade Center site, with BLL's fee to perform such services to be a lump-sum amount of \$0.78 million, and with general conditions work, at an estimated cost of \$3 million, to be managed by BLL; (2) a construction trade contract, through the Construction Manager, BLL, with E.E. Cruz & Company for the performance of work such as tie-backs, concrete, structural removals, instrumentation, maintenance and protection of traffic, etc., at an estimated total cost of \$25.52 million, including an eight-percent contingency; (3) enter into a construction trade contract, through the Construction Manager, BLL, with Owen Steel Company for the performance of structural steel work, at an estimated total cost of \$12.83 million, including an eight-percent contingency; and (4) enter into a construction trade contract, through the Construction Manager, BLL, with Hugh O'Kane Electric Company, Inc. for the performance of electrical removals and relocations, at an estimated total cost of \$0.33 million, including an eight-percent contingency; and it is further

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

**ONE WORLD TRADE CENTER, THE FREEDOM TOWER PROJECT –  
AUTHORIZATION TO AWARD TWO CONSTRUCTION TRADE CONTRACTS  
– ARCHITECTURAL METAL**

It was recommended that the Board authorize 1 World Trade Center LLC (1 WTC LLC), through its construction manager, Tishman Construction Corporation (Tishman), to enter into two construction trade contracts, one with Airflex Industrial, Inc. (Airflex) and another with American Architectural Inc. (American Architectural), for architectural metal work associated with the construction of One World Trade Center, the Freedom Tower, at an estimated total amount of \$11,226,598, including an eight-percent allowance for extra work.

The scope of the work for Architectural Metals Packages I and III, which would be awarded to Airflex, at an estimated total amount of \$7,014,598 (including the allowance for extra work), includes the furnishing and installation of ornamental metal work in the Main Lobby, the Ornamental Stair, the Skylobby, and bathrooms for a full and complete job, as indicated on the contract drawings. Additional work related to the Architectural Metals Packages I and III includes, but is not limited to, all finish metals designated as receiving a mechanically fine-brushed long-grain finish, including metal panels, metal plates, metal and glass handrails and guardrails, stainless steel hollow metal doors and all hardware, floor and wall grates and grilles, related engineering and additional details, as shown in the drawings and specifications.

The scope of the work for Architectural Metals Package II, which would be awarded to American Architectural, at an estimated total amount of \$4,212,000 (including the allowance for extra work), includes the furnishing and installation of ornamental metal work in the B2 Level Observation Deck Lobby and General Services Administration Lobby, B2 Storefronts, and the B1 Office Mezzanine Lobby for a full and complete job, as indicated on the contract drawings. Additional work related to the Architectural Metals Package II includes, but is not limited to, all finish metals designated as receiving a mechanically fine-brushed long-grain finish, including metal panels, metal plates, metal and glass handrails and guardrails, stainless steel hollow metal doors and all hardware, floor and wall grates and grilles, related engineering and additional details, as shown in the drawings and specifications.

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

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

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

**RESOLVED**, that 1 World Trade Center LLC be and it hereby is authorized, through its construction manager, Tishman Construction Corporation, to enter into two construction trade contracts, one with Airflex Industrial, Inc. for Architectural Metals Packages I and III, and another with American Architectural Inc. for Architectural Metals Package II, both pertaining to architectural metal work associated with the construction of One World Trade Center, the Freedom Tower, at an estimated total amount of \$11,226,598, including an eight-percent allowance for extra work; and it is further

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

**ONE WORLD TRADE CENTER, THE FREEDOM TOWER PROJECT –  
AUTHORIZATION TO AWARD CONSTRUCTION TRADE CONTRACT FOR  
STONEWORK AND CERAMIC TILE**

It was recommended that the Board authorize 1 World Trade Center LLC (1 WTC LLC), through its construction manager, Tishman Construction Corporation (Tishman), to enter into a construction trade contract with Port Morris Tile and Marble Corporation for stonework and ceramic tile work associated with the construction of One World Trade Center, the Freedom Tower, at an estimated total amount of \$21,793,104, including an eight-percent allowance for extra work.

The scope of work for the stonework contract includes the design, engineering, furnishing, delivery and installation of the stone flooring and wall panels at the Ground Floor Lobby, B1 Level Office Lobby, B2 Level Observation Deck Lobby, and 64<sup>th</sup> Floor Sky Lobby. The scope of work for the ceramic tile contract includes the installation of tile on the flooring and walls of the bathrooms, and the installation of stone vanity tops in the bathrooms.

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

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

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

**RESOLVED**, that 1 World Trade Center LLC be and it hereby is authorized to enter into a construction trade contract, through its construction manager, Tishman Construction Corporation, with Port Morris Tile and Marble Corporation for stonework and ceramic tile work associated with the construction of One World Trade Center, the Freedom Tower, in an estimated total amount of \$21,793,104, including an eight-percent allowance for extra work; and it is further

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

## **ONE WORLD TRADE CENTER, THE FREEDOM TOWER PROJECT – INCREASE IN PRIOR AUTHORIZATION AMOUNTS FOR PROFESSIONAL SERVICE AGREEMENTS**

It was recommended that the Board authorize, for the One World Trade Center, Freedom Tower (One World Trade Center) project: (1) \$17.825 million for continued expert professional architectural and engineering services related to additional quality assurance/quality control for fabrication and site monitoring, additional controlled inspections, redesign requests from Port Authority staff and additional construction support services; (2) 1 World Trade Center LLC (1 WTC LLC) to allocate the \$17.825 million as required among the various professional firms listed below and other project consultants, on an “as needed” basis; and (3) 1 WTC LLC to reallocate authorized uncommitted consultant funds upon completion of a consultant’s services.

In September 2006, the Board authorized 1 WTC LLC to assume Skidmore, Owings & Merrill LLP’s (SOM) agreement with Silverstein Properties Inc., in order to continue architectural design services in connection with the construction of One World Trade Center, at an estimated cost of \$10 million, until a negotiated agreement between 1 WTC LLC and SOM could be executed. Additional Board authorizations for SOM’s services were obtained in December 2006 (\$4 million), February 2007 (\$2.25 million), and April 2007 (\$5 million), and were intended as interim measures to provide sufficient funding to progress the work while negotiations with SOM were completed. In July 2008, upon conclusion of contract negotiations, the Board authorized an additional \$10.2 million, resulting in a total authorized amount of \$31.45 million for SOM’s services.

At its February 22, 2007 meeting, the Board authorized 1 WTC LLC to enter into a number of professional services agreements to provide design, planning, technical, peer review, testing, inspection and specialty advisory services, in an amount of \$25.143 million, exclusive of architectural services. In July 2007, an additional \$750,000 was authorized for Weidlinger Associates, Inc., the blast wall engineering and testing consultant, for amended blast analysis services, and in March 2008 an additional \$5.925 million was authorized for professional service agreements for pending and anticipated future task orders. This brought the total authorized amount to \$31.818 million for professional design services, exclusive of architectural services. Thus, the total amount authorized by the Board, prior to this request, is \$63.268 million, inclusive of all architectural and professional design services.

A detailed review of committed, pending and anticipated future task orders for each One World Trade Center design consultant identified an estimated shortfall of \$17.825 million in allocated design funds. Examples of such anticipated, but unfunded, additional work include: (1) extension of construction administration services, due to the new project completion milestone of December 2013; (2) Quality Assurance/Quality Control, testing and inspection for elevator and escalators; (3) stone consultant quality assurance; (4) ice mitigation study; (5) podium wall monitoring; and (6) changes in scope requested by Port Authority staff and other stakeholders.

Funds would be allocated to the individual design consultant accounts from a central account, as deemed necessary by 1 WTC LLC, and the respective design consultants’ master agreements would be modified accordingly, per Port Authority procedures. This approach minimizes the amount of new funds requested, by pooling resources and maximizing the ability

to respond to unforeseen changes and allocate additional funding, as needed, to individual design consultants.

The table below lists the architectural and engineering consultants currently under contract in connection with the design and construction of One World Trade Center.

<b>NAME</b>	<b>SERVICE</b>
<b>BOOZ ALLEN HAMILTON, Inc.</b>	<b>Circulation Studies</b>
<b>CERAMI &amp; ASSOCIATES, Inc.</b>	<b>Acoustic Design</b>
<b>CLAUDE R. ENGLE LIGHTING CONSULTANTS Inc.</b>	<b>Lighting</b>
<b>CODE CONSULTANTS PROFESSIONAL ENGINEERS, PC</b>	<b>CFD Fire Modeling</b>
<b>DAN EUSER WATERARCHITECTURE, Inc.</b>	<b>Plaza Water Features</b>
<b>DUCIBELLA VENTER &amp; SANTORE</b>	<b>Security Consultant</b>
<b>ISRAEL BERGER &amp; ASSOCIATES, LLC</b>	<b>Exterior Wall Monitoring</b>
<b>JAROS, BAUM AND BOLLES CONSULTANT ENGINEERS</b>	<b>Mechanical/Electrical/Plumbing/Fire Protection/Vertical Transportation</b>
<b>LERCH BATES, Inc. ata. CITADEL CONSULTING</b>	<b>Exterior Maintenance</b>
<b>LESLIE E. ROBERTSON ASSOCIATES, RLLP</b>	<b>Structural Peer Review</b>
<b>MUESER RUTLEDGE CONSULTING ENGINEERS</b>	<b>Foundation Design</b>
<b>PENTAGRAM DESIGN, INC.</b>	<b>Graphics &amp; Signage</b>
<b>PETER WALKER &amp; PARTNERS LANDSCAPE ARCHITECTURE Inc.</b>	<b>Landscape Architect</b>
<b>PHILIP HABIB &amp; ASSOCIATES</b>	<b>Civil &amp; Traffic Engineering</b>
<b>ROWAN WILLIAMS DAVIES &amp; IRWIN, Inc.</b>	<b>Wind Tunnel Tests</b>
<b>SCHLAICH BERGERMANN AND PARTNERS, LP</b>	<b>Specialty Structural</b>
<b>SKIDMORE OWINGS &amp; MERRILL LLP</b>	<b>Architecture</b>
<b>THACHER ASSOCIATES LLC</b>	<b>Integrity Monitor</b>
<b>WEIDLINGER ASSOCIATES INC.</b>	<b>Blast Engineering</b>
<b>WSP CANTOR SEINUK</b>	<b>Structural Engineering</b>
<b>TO BE DETERMINED</b>	<b>Elevator &amp; Escalator Monitoring and Testing</b>

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

**RESOLVED**, that the expenditure of \$17.825 million for continued expert professional architectural and engineering services for the One World Trade Center, the Freedom Tower (One World Trade Center) Project, related to additional quality assurance/quality control for fabrication and site monitoring, additional controlled inspections, redesign requests from Port Authority staff, and additional construction support, be and it hereby is authorized, and it is further

**RESOLVED**, that 1 World Trade Center LLC be and it hereby is authorized to allocate the above amount of \$17.825 million, as required, among the various professional firms listed in the foregoing report, and to other project consultants, on an “as needed” basis; and it is further

**RESOLVED**, that 1 World Trade Center LLC be and it hereby is authorized to reallocate authorized, uncommitted One World Trade Center project consultant funds upon completion of a consultant’s services; and it is further

**RESOLVED**, that the form of all agreements in connection with the foregoing shall be subject to the approval of the 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 \$4 million in the planning authorization for the World Trade Center (WTC) site planning and redevelopment, resulting in a total authorization of \$60.7 million, to continue design and redevelopment coordination efforts at the WTC site through March 2010.

In September 2003, the Lower Manhattan Development Corporation (LMDC) and the Port Authority announced the refined WTC Site Master Plan, based on the “Memory Foundations” concept developed by Studio Daniel Libeskind (SDL). In January 2004, the LMDC announced selection of the WTC Memorial design, “Reflecting Absence.” In June 2005, a revised final design concept for One World Trade Center was finalized. Planning work to date has included analysis of Lower Manhattan transportation needs, development of initial site plans, development of the WTC Site Master Plan and General Project Plan, negotiation of a redevelopment agreement with the City of New York, formulation/adoption of Commercial, Sustainable and Security Design Guidelines, and cost estimates and funding strategies.

Implementation of the WTC Site Master Plan and WTC site redevelopment components will require further architectural and engineering work, including, but not limited to, the ongoing project development efforts, which include design reviews and development coordination activities with other entities performing work on the WTC site, planning for future WTC operations, site utility planning, cost and funding analysis, site development coordination with the eastern and southern site work, and WTC site master planning coordination for the WTC site redevelopment components.

In addition, as a result of the issuance of the *World Trade Center Report: A Roadmap Forward*, dated October 2, 2008, to the Governor of the State of New York, there is a need to continue planning and coordination efforts to support the program goals and objectives set forth in that report.

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

**RESOLVED**, that an increase of \$4 million in the planning authorization for World Trade Center (WTC) site planning and redevelopment, resulting in a total authorization of \$60.7 million, to continue design and redevelopment coordination efforts at the WTC site through March 2010, be and it hereby is authorized; and it is further

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

**DOWNTOWN RESTORATION PROGRAM – AUTHORIZATION TO ACCEPT ASSIGNMENT OF A TRADE CONTRACT FOR ARCHITECTURAL METALS AND STAIRS FOR THE WORLD TRADE CENTER (WTC) MEMORIAL, MEMORIAL MUSEUM AND WTC INFRASTRUCTURE PROJECTS, INCLUDING ASSOCIATED PAYMENTS INTO AN ESCROW ACCOUNT**

It was recommended that the Board authorize the Executive Director to: (1) accept assignment of a construction trade contract awarded by the National September 11 Memorial and Museum at the World Trade Center Foundation, Inc. (NS11MM) to Post Road Iron Works for the furnishing and installation of architectural metals and stairs for the World Trade Center (WTC) Memorial, Memorial Museum and WTC Infrastructure Projects in the WTC site West Bathtub, in an estimated amount of \$7,352,538, including an eight-percent contingency; (2) accept a partial assignment of the contract with Bovis Lend Lease LMB, Inc. (Bovis) for performance of construction management (CM) services associated with the architectural metals and stairs trade contract, at an estimated cost of \$1,009,858; and (3) on behalf of the Port Authority and its wholly owned entities, WTC Retail LLC and 1 World Trade Center LLC, make payments into an escrow account, in an amount of \$3,313,039, for the Port Authority's portion of the costs associated with the architectural metals and stairs trade contract and the Bovis CM contract.

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

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

The NS11MM will award the architectural metals and stairs trade contract to Post Road Iron Works, the lowest qualified bidder, selected from among multiple competitive bids based on a list of select bidders established in the Bovis CM contract. The scope of work for the architectural metals and stairs trade contract includes all work required to furnish and install all metal angles, gratings, decks, catwalks, railings, partitions, ladders, metal pan stairs, and all related scope items. The architectural metals and stairs trade contract meets all New York City building code requirements.

None of the proposed Port Authority payments are included in the \$150 million commitment authorized by the Board in July 2006 for common and exclusive site infrastructure work associated with the WTC Memorial and Memorial Museum Projects. To date, the amount of the total authorized payments under this commitment is \$112.5 million.

An escrow account was jointly established and initially funded by the NS11MM to provide for payments to contractors and Bovis. The Port Authority previously has authorized payments into the escrow account of approximately \$200 million, and the proposed authorization would bring the total authorized Port Authority payments to approximately \$203.3 million, of which approximately \$112.5 million has been allocated against the Port Authority's commitment to the WTC Memorial and Memorial Museum Projects. The balance of \$90.8 million is the responsibility of the Port Authority.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Hochberg, Holmes, Mack, Pocino 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: (1) accept assignment of a construction trade contract awarded by the National September 11 Memorial and Museum at the World Trade Center Foundation, Inc. to Post Road Iron Works for the furnishing and installation of architectural metals and stairs for the World Trade Center Memorial, Memorial Museum and World Trade Center Infrastructure Projects in the World Trade Center site West Bathtub, in an estimated amount of \$7,352,538, including an eight-percent contingency; and (2) accept a partial assignment of the contract with Bovis Lend Lease LMB, Inc. for performance of construction management services, at an estimated cost of \$1,009,858; and it is further

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority and its wholly owned corporate entities, World Trade Center Retail LLC and 1 World Trade Center LLC, to make payments into an escrow account, in an amount of \$3,313,039, for the Port Authority's portion of the costs associated with the architectural metals and stairs trade contract and the Bovis construction management contract for the aforementioned projects; and it is further

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

## **DOWNTOWN RESTORATION PROGRAM – WORLD TRADE CENTER SITE – POST-ASSESSMENT ARCHITECTURAL AND ENGINEERING DESIGN SERVICES**

It was recommended that the Board authorize the Executive Director to: (1) extend the existing agreement with Downtown Design Partnership (DDP), a joint venture of AECOM (formerly known as DMJM+Harris, Inc.) and STV, Inc., from December 2011 to December 2013, and increase the compensation of the existing agreement with DDP, to assist the Port Authority in addressing post-assessment changes for the redevelopment of the World Trade Center (WTC) site and delivering on dates committed to in the October 2008 *WTC Report: A Roadmap Forward* (Report), at an estimated amount of \$50 million; and (2) reimburse Silverstein Properties, Inc. (SPI) for additional architectural and engineering design services associated with the re-coordination of the WTC site redevelopment due to post-assessment changes, in accordance with the WTC Master Development Agreement, at an estimated amount of \$1.8 million.

The additional services to be provided by DDP and SPI would support the implementation of certain commitments included in the Report, including: a simplified design of the WTC Transportation Hub (WTC Hub) Oculus that results in schedule and cost savings; ensuring a September 11, 2011 WTC Memorial plaza opening; and construction of Greenwich Street (the “front door” for Towers 2, 3 and 4 and the key access point to the WTC Memorial) by changing the design of the permanent support of the #1 subway line. Those services also would allow for ongoing coordination of the WTC Hub design with design and construction activities of adjacent stakeholders at the WTC site.

The design changes will require revision to 60 percent of the 3,800 drawings for the WTC Hub and include: incorporation of the WTC Site Assessment Studies; restaging of the WTC Hub Project to complete the PATH Hall Roof, which also serves as the plaza for the WTC Memorial, to enable the WTC Memorial to open on September 11, 2011; adding columns for a more conventional construction; utilizing a deck-over approach to build the roof first; modifications to the Oculus for constructability and a simplified design for the Oculus to eliminate the movable wings; a redesign that would eliminate an overhang over the west entrance to the Oculus from Greenwich Street; and redesign of the permanent underpinning of the #1 subway line for the Greenwich Street Corridor.

Based on DDP and SPI’s in-depth knowledge of the WTC site redevelopment, including their role in assisting with the assessment of the redevelopment project, their continued assistance is crucial to ensure that the goals and objectives included in the Report come to fruition, while also providing for continued support for the implementation of ongoing construction at the WTC site.

DDP initially was retained to provide architectural and engineering services for the WTC Hub through August 2008. Subsequent authorizations have extended the term of the DDP agreement through December 2011, added expanded responsibilities and additional tasks, including additional services in connection with the implementation of the WTC Site Master Plan, East Bathtub and West Bathtub design and construction activities, planning for the WTC retail development and tenant parking and continued design development for the WTC Hub. Through July 2008, a total of \$244.5 million has been authorized for DDP’s services.

Additional authorization will be sought in the future for the remaining support work needed for services during construction, as each package is awarded for construction. The total percentage of design fee to total construction cost is projected to be within industry standards.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Coscia, Grayson, Hochberg, Holmes, Mack, Pocino, 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 extend the existing agreement with Downtown Design Partnership (DDP), a joint venture of AECOM (formerly known as DMJM+Harris, Inc.) and STV, Inc., from December 2011 to December 2013, and increase the compensation of the existing agreement with DDP for continued design services and construction support services in connection with the redevelopment of the World Trade Center (WTC) site, for previously authorized work packages that are already under construction, at an estimated amount of \$50 million; and it is further

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to reimburse Silverstein Properties, Inc. for additional architectural and engineering design services associated with the re-coordination of the WTC site redevelopment, due to post-assessment changes, in accordance with the WTC Master Development Agreement, at an estimated amount of \$1.8 million; and it is further

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

**DOWNTOWN RESTORATION PROGRAM – WORLD TRADE CENTER TRANSPORTATION HUB – AUTHORIZATION TO ENTER INTO AGREEMENT(S) WITH METROPOLITAN TRANSPORTATION AUTHORITY CAPITAL CONSTRUCTION COMPANY AND DOWNTOWN DESIGN PARTNERSHIP – FUNDING OF DESIGN AND CONSTRUCTION OF CORTLANDT STREET 1-LINE STATION**

It was recommended that the Board authorize the Executive Director to: (1) provide Port Authority funding of up to \$150 million for the design and construction/reconstruction of the New York State Metropolitan Transportation Authority (MTA) Cortlandt Street “1-Line” subway station (1-Line Station), which is within the World Trade Center (WTC) site (once federal funding is included, the Port Authority’s net contribution would be \$80 million); (2) enter into agreements, as may be necessary, with the MTA Capital Construction Company and/or its affiliate, New York City Transit (NYCT), for the Port Authority to perform the work; and (3) enter into agreement(s) with Downtown Design Partnership (DDP) for planning, design and construction support services for the foregoing work, at an estimated cost of \$10 million, the cost of which is included within the proposed \$150 million funding amount. The Port Authority funding would be contingent on an agreement(s) with the Federal Transit Administration (FTA) to transfer existing federal funding of \$70 million that is currently assigned to the 1-Line Station construction from the MTA to the Port Authority, the reallocation of federal grant funds currently allocated to the Port Authority for the WTC Vehicular Security Center (WTC VSC) to the WTC Transportation Hub (WTC Hub) project; and an agreement with the MTA to provide the construction access rights that are required by the Port Authority to meet certain conditions of the WTC Master Development Agreement (MDA).

The Port Authority funding of this work is necessary to maintain the critical paths of construction, including, but not limited to, the WTC Hub, Greenwich Street, the WTC VSC, One World Trade Center, Two World Trade Center and the WTC Memorial and Museum, as the MTA lacks the financial capacity to fund its prior commitments for the redevelopment of its infrastructure at the WTC site. There is \$70 million in FTA funding available for the 1-Line Station project, which would be reallocated to the WTC Hub. As a result, the Port Authority’s net contribution for this work would be \$80 million. The agreement(s) with the FTA also would reallocate certain grant funds from the WTC VSC to the WTC Hub. In addition, the MTA would provide certain construction access rights that must be obtained by the Port Authority to meet our site turnover requirements under the WTC Master Development Agreement. The work would be performed by Port Authority contractors, including planning and design services and construction support services to be provided by DDP.

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

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to: (1) provide Port Authority funding of up to \$150 million for certain work related to the design and construction/reconstruction of the New York State Metropolitan Transportation Authority (MTA) New York City Transit (NYCT) Cortlandt Street “1-Line” subway station (1-Line Station), which is within the World Trade Center (WTC) site, the funding of which is contingent on agreement(s) with the Federal Transit Administration to transfer existing federal

funding of \$70 million that is currently assigned to the 1-Line Station construction from the MTA to the Port Authority, the reallocation of federal grant funds currently allocated to the Port Authority for the WTC Vehicular Security Center to the WTC Transportation Hub project, and an agreement with the MTA to provide the construction access rights that are required by the Port Authority to meet certain conditions of the WTC Master Development Agreement; (2) enter into agreements, as may be necessary, with the MTA Capital Construction Company and/or its affiliate, NYCT, for the design and construction/reconstruction of the NYCT 1-Line Station; and (3) enter into agreement(s) with Downtown Design Partnership for planning, design and construction support services for the work authorized herein, at an estimated cost of \$10 million (which is included in the foregoing \$150 million funding amount); and it is further

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

Whereupon, the meeting was adjourned.

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Secretary