Honorabale Chris Christie  
Governor, State of New Jersey  
225 West State Street  
5th Floor  
Trenton, NJ 08618 

Dear Governor Christie: 

Please accept this letter as notice of my resignation as Chairman and Commissioner of the Port Authority of New York and New Jersey, effective on August 3, 2017, following the meeting of the Port Authority Board of Commissioners.

The July meeting of the Port Authority board represented the third anniversary of my service to the Agency. As you know from our first conversation about the Port Authority in April 2014 when you nominated me, I did not intend to serve on its Board longer than the end of your term as Governor. I now believe this is the appropriate time for me to depart and for new leadership to guide the Port Authority through the many challenges it faces over the next several years.

I am proud of what we accomplished during my tenure at the Port Authority, principally through the hard work and dedication of an enormously talented and professional staff at the Agency whose work deserves respect and gratitude from the public they serve.

The December 2014 report on the future of the Port Authority commissioned by you and Governor Cuomo recommended increased efforts to enhance transparency at the Agency, a recommitment to its core mission of transportation infrastructure and changes to its governance structure through an elected CEO accountable to the board and a rotating chairmanship between the two states. While I am disappointed that the last recommendation has not yet been implemented, we made substantial progress in other areas: board meeting agendas are now posted well in advance of meetings and supporting documentation is available for each agenda item; the public is now permitted and encouraged to speak before the board votes; we adopted a policy of broader disclosure of public documents; and we strengthened ethical guidelines in areas such as recusal and board oversight. It is critically important to the public and the Port Authority as an institution that its board model the ethical behavior and fiduciary duty it expects of its staff and I believe this Board has done so.

Recognizing the critical role that employees can play in promoting good governance, the Board adopted a Whistleblower Protection Policy, administered by the Inspector General, to permit Port Authority employees to step forward without fear of retaliation and report misconduct. Also, the Board established an additional mechanism, the “Voice of the Employee”, to allow people to report discrimination, lack of compliance, or wrongdoing of any kind that conflicts with the standards of the agency.
Understandably, the Port Authority’s dedication to the rebuilding of the World Trade Center following the attack of September 11, 2001 had been the primary focus of its time and treasure since that moment. With the completion of that project imminent by late 2015, it was important for the agency to re-engage in transportation infrastructure as the regional leader it had always been. The Trans-Hudson Symposium I convened with the Regional Planning Association in May 2015 heralded that return and ignited a critical public dialogue and, eventually, a commitment to design and build the Gateway Tunnel projects. You and Governor Cuomo then vested in the Port Authority significant responsibility for moving the project forward and the Port Authority’s 2017 Capital Plan commits $2.7 billion to this project.

In addition, the agency embarked on a long and very public effort to adopt a new ten-year capital plan, adopted in March this year, which sets in place an ambitious but achievable spending plan of $32 billion over the next ten years. Its single largest financial commitment is $3.5 billion for a new bus terminal on the west side of Manhattan but it also includes funding for the long delayed PATH extension to Newark Liberty International Airport, a new Terminal A at that airport, and a host of other projects important to the region. As this plan was being adopted with substantial public input, the agency also moved to accelerate the Bayonne Bridge project, a critical contribution to the economic potential of the ports of Newark and Elizabeth. Through your administration’s determined advocacy the ports are now accessible to new generations of larger cargo ships. The George Washington Bridge Bus Terminal was also finally completed and the Goethals Bridge rebuild is well on its way to completion.

In short, both in vision and in accomplishment the Port Authority has regained its leadership role.

From the first day I arrived at the Port Authority offices by bus through our aging and functionally obsolete terminal, I was concerned that the replacement of the facility was not even included in the agency’s then current capital plan. We immediately launched a $90 million interim improvement program, enabled a talented and driven staff to make changes to improve on-time service standards and, in essence, made a down payment on what needs to be done – the total replacement or rebuild of an embarrassing, outdated structure. It took political support in New Jersey – yours and the Legislature’s stubborn insistence on the elevation of this project in the capital plan, and strong staff support – to get this project to where it is today and I will always be proud of my role in that effort.

In closing, this remarkable agency deserves leadership whose fiduciary obligation to the people it serves and its role in the region is paramount and transcends obligations to a single state. That kind of leadership requires unstinting faithfulness to honesty, integrity, transparency and accountability. While I leave to others judgment about my own stewardship, I have attempted always to follow those precepts.

I am grateful to you for this singular opportunity to be in public service again and I wish you the best in all your future endeavors.

Very truly yours,

[Signature]

John J. Degnan
Chairman