

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Wednesday, April 27, 2005

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MINUTES of the Annual Meeting of The Port Authority of New York and New Jersey held Wednesday, April 27, 2005, at 225 Park Avenue South, City, County and State of New York.

PRESENT:

NEW JERSEY

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

NEW YORK

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

Kenneth J. Ringler Jr., Executive Director
 Darrell B. Buchbinder, General Counsel
 Karen E. Eastman, Secretary

Gwendolyn Archie, Senior Administrator, Office of the Secretary
 Paul H. Bea, Washington Representative, Government and Community Affairs
 Catherine M. Bergamini, Principal Administrator, Port Commerce
 Kayla M. Bergeron, Director, Public Affairs
 A. Paul Blanco, Chief Financial Officer
 John D. Brill, Director, Audit
 Ernesto L. Butcher, Chief Operating Officer
 Timothy Castano, Senior Business Consultant, Office of the Chairman
 Anthony B. Ciavolella, Public Information Officer, Public Affairs
 Anthony G. Cracchiolo, Director, Priority Capital Programs
 William R. DeCota, Director, Aviation
 John C. Denise, Supervisor, Audio Visual/Photography, Public Affairs
 Michael P. DePallo, Director, PATH
 Pasquale DiFulco, Public Information Officer, Public Affairs
 Francis A. DiMola, Director, Real Estate
 John J. Drobny, Director, Project Management
 Nancy Ertag-Brand, Executive Advisor to the Chief Financial Officer
 Michael G. Fabiano, Comptroller
 James P. Fox, Deputy Executive Director
 Michael B. Francois, Chief of Real Estate/Regional and Economic Development
 Lash L. Green, General Manager, Business and Job Opportunity
 Linda C. Handel, Assistant Secretary
 Edward L. Jackson, Director, Financial Services
 Howard G. Kadin, Senior Attorney, Law
 Victoria C. Kelly, Director, Tunnels, Bridges and Terminals
 Louis J. LaCapra, Chief Administrative Officer
 Richard M. Larrabee, Director, Port Commerce
 Shawn K. Laurenti, Director, Government and Community Affairs
 Francis J. Lombardi, Chief Engineer
 Stephen Marinko, Attorney, Law
 James E. McCoy, Manager, Board Management Support, Office of the Secretary
 Anne Marie C. Mulligan, Treasurer
 Lynn A. Nerney, Senior Administrator, Office of the Secretary
 Michael A. Petralia, Chief of Public and Government Affairs

Alan L. Reiss, Deputy Director, Aviation

Edmond F. Schorno, Chief of Staff

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

Tiffany A. Townsend, Public Information Officer, Public Affairs

Sheree R. Van Duyne, Manager of Policies and Protocol, Office of the Secretary

Cheryl A. Yetka, General Manager, Financial Services

Peter J. Zipf, Deputy Chief Engineer

The public session was called to order by Chairman Coscia at 3:00 p.m. and ended at 3:27 p.m. The Board met in executive session prior to the public session. Vice-Chairman Gargano was present for a portion of the executive session.

Action on Minutes

The Secretary submitted for approval Minutes of the meeting of March 31, 2005. She reported that copies of these Minutes were sent to all of the Commissioners and to the Governors of New York and New Jersey. She reported further that the time for action by the Governors of New York and New Jersey has expired.

Whereupon, the Board of Commissioners unanimously approved the Minutes.

The Secretary reported that the Minutes of October 21, 2004 contain a typographical error on page 454, in the second line of the second paragraph of the resolution entitled "Elizabeth-Port Authority Marine Terminal -- Distribution and Auto Service, Inc. -- Lease Extension." The correct expiration date of the lease extension will be August 31, 2020.

Report of Committee on Finance

The Committee on Finance reported, for information, on matters discussed in executive session at its meeting on April 27, 2005, which included discussion of contract matters, 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 April 27, 2005, which included discussion of 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 April 27, 2005, which included discussion of projects to accelerate the construction of additional elements of the Port Intermodal Rail Development Program, and a review of 2005 first quarter construction results, as well as matters discussed in executive session, which included discussion of contract matters, 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 April 27, 2005, which included discussion of property and contract matters, 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 Nominating Committee

During the course of the meeting, the Nominating Committee submitted its report, and the report was received and is included with these minutes.

Staff Reports

Presentations were made by staff on 2004 year-end results of the Minority/Women-Owned/Small Business Enterprise programs and an update on the Port Intermodal Rail Development Program.

ELECTION OF OFFICERS

Chairman Coscia announced that in accordance with the provisions of the By-Laws, the election of officers was in order.

Commissioner Mack, as Chair of the Nominating Committee, submitted the following report:

"On behalf of the Nominating Committee, I desire to report that at its meeting held earlier today, in accordance with the provisions of Article XIa. of the By-Laws, the Committee, by unanimous action, submits the nomination for election to the offices of Chairman and Vice-Chairman of The Port Authority of New York and New Jersey of Commissioners Anthony R. Coscia and Charles A. Gargano, respectively. By unanimous action, the Committee also submits the nomination of Kenneth J. Ringler Jr. as Executive Director of the Port Authority and of Darrell Buchbinder as General Counsel of the Port Authority. By unanimous action, the Committee also submits the nominations of Karen E. Eastman as Secretary, A. Paul Blanco as Director of Finance, Michael G. Fabiano as Comptroller, Anne Marie C. Mulligan as Treasurer and John D. Brill as Director of the Audit Department."

Pursuant to the foregoing report, Commissioners Blakeman, Chasanoff, Coscia, Ferer, Genova, Mack, Sartor, Silverman, and Steiner voting in favor, the following were unanimously elected as officers of the Port Authority: Commissioner Anthony R. Coscia as Chairman, Commissioner Charles A. Gargano as Vice-Chairman, Kenneth J. Ringler Jr. as Executive Director, Darrell Buchbinder as General Counsel, Karen E. Eastman as Secretary, A. Paul Blanco as Director of Finance, Michael G. Fabiano as Comptroller, Anne Marie C. Mulligan as Treasurer and John D. Brill as Director of the Audit Department.

AUDIT COMMITTEE ANNUAL REPORT

Commissioner Steiner submitted the following report:

In accordance with the By-Laws, the Chair of the Audit Committee reports periodically on the activities of the Audit Committee.

Since the last report, the Audit Committee membership has undergone some change, including the Chairmanship of the Committee. We have met six times. Our Committee meetings are regularly attended by senior Port Authority staff including the Chief of Staff, the Chief Financial Officer, General Counsel, the Inspector General, the Chief Technology Officer, the Director of Audit, the Director of the Office of Investigation, the Secretary, the Treasurer, and the Comptroller.

The Committee continued to focus on the adequacy of the Audit Committee Charter that we adopted in 2000, and have revised from time to time. The Charter has served to formalize the guidelines that the Audit Committee follows in connection with the satisfaction of its responsibilities under the Port Authority's By-Laws.

In addition, at the request of the Audit Committee, representatives of Deloitte & Touche LLP, the Authority's independent auditors, also attend all Audit Committee meetings. At certain of these meetings, sessions were held with only the independent auditors and General Counsel present. This is consistent with our policy that the independent auditors and members of the Audit Committee have direct and unrestricted access to each other.

The Audit Committee keeps informed of relevant matters through quarterly reports prepared by the Directors of Audit and the Office of Investigation, both of whom report to Robert E. Van Etten, the Inspector General, and through quarterly reports prepared by the Treasurer.

Each quarter, the Committee discusses the detailed reports of audit results prepared by the Audit Department with John D. Brill, the Director of Audit. The Audit Department conducts audits in accordance with an Annual Plan, which is reviewed with the Audit Committee. The Annual Audit Plan is based on a schedule of specific audits established after performing a risk assessment, which takes into consideration such factors as the potential for financial loss, major changes in systems or operations, and the dates and results of previous audits.

The Committee also discusses with Michael Nestor, the Director of the Office of Investigation, quarterly reports with respect to investigations undertaken by that office. The major function of the Office of Investigation is to investigate situations or allegations of improper, unethical or illegal activities by individuals within the Port Authority or persons with whom the Port Authority has a business relationship

On a quarterly basis, the Audit Committee also reviews the status of the Port Authority's accounts receivable and discusses the accounts receivable reports with the Treasurer, Anne Marie Mulligan. The Committee monitors staff efforts to collect revenues due the Port Authority, discusses problem accounts and reviews trends in receivable collections.

Our Committee continued its practice of reviewing, in detail, the Authority's audited financial statements prior to their release. We are concerned not only with the control systems which assure the accuracy and completeness of the statements, but also with the presentation, the format, and, in the context of full and fair disclosure, the substance and language of the footnotes. The Committee also made such other inquiries in connection with the audited financial statements as it considered appropriate.

In the opinion of the independent auditors, the 2004 consolidated financial statements present fairly, in all material respects, the net assets of the Port Authority (including its wholly owned corporate entities) and the changes in its net assets and cash flows for year-end 2004 in conformity with accounting principles generally accepted in the United States of America. The independent auditors have advised us that they encountered no difficulties during the course of their audit, including restrictions on the scope of work or access to required information, and that there were no disagreements with staff in connection with the preparation of the financial statements. We appreciate the leadership efforts in this context provided by Chief Financial Officer Paul Blanco.

We were pleased to learn that the Government Finance Officers Association awarded the Port Authority the Certificate of Achievement for Excellence in Financial Reporting for its 2003 Comprehensive Annual Financial Report. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and this marks the 20th year in a row that the Port Authority has received the award. This is a noteworthy accomplishment for staff of the Comptroller's Department, which is headed by Michael Fabiano, Comptroller.

The Audit Committee is responsible for the retention of the Authority's independent auditors. In this regard, upon the Committee's recommendation after its review of proposals submitted in response to a request for proposals for the performance of expert professional external auditing services, the Board approved Deloitte & Touche as the Authority's independent auditors for 2004. The Committee is also recommending that Deloitte be retained to conduct the audit of the accounts and financial records of the Port Authority for 2005.

The Audit Committee has also continued its practice of requesting staff presentations on key areas of business risk. In this regard, the Committee received a presentation from the Office of the Inspector General on an integrity awareness program that the Office had developed and is now delivering to various staff throughout the agency.

Throughout the year, the Audit Committee continued its dialogue with staff and the independent auditors with respect to trends and policies on corporate governance and accountability, with particular emphasis on the role of corporate audit committees. To further enhance corporate governance, the Committee approved the creation of the Office of Environmental Policy, Programs and Compliance. The Committee believes that the centralization of leadership and guidance on environmental matters under this Office will provide the agency with more effective oversight and accountability with regard to environmental issues.

The Committee had discussions throughout the year with General Counsel on stand-by independent legal advisory services for the Committee. A selected law firm would assist in the continued implementation of "best practices" pertaining to the function and responsibilities of the Audit Committee and would be available on a stand-by basis to assist in rendering advice on specific matters raised by the Committee. General Counsel is in the process of interviewing outstanding law firms with the necessary capability that do not have conflicts of interest or the appearance of such conflicts, prior to further Audit Committee consideration of the firms.

In addition, as Chair of the Audit Committee, I review the expense reports of the Executive Director and members of the Board.

This annual report to the Board provides the Audit Committee with the opportunity to acknowledge the dedication and professionalism of staff. The Committee recognizes the strengths, talent and commitment of our financial and investigative professionals, all of whom make an important contribution to the Port Authority and also to the region.

The Committee believes that reasonable processes and controls are in place to mitigate business risk, and there is a reasonable basis for the Board to have a high level of confidence in the professional and ethical conduct of Port Authority personnel.

RETENTION OF INDEPENDENT AUDITORS

Under the By-Laws, the Audit Committee has the responsibility to oversee the audit of the accounts and financial statements of the Port Authority and its wholly owned corporate entities. The Audit Committee monitors the independent auditing function. The Committee also acts to retain independent auditors designated by the Board of Commissioners.

After a public solicitation process, the Audit Committee recommended and the Board decided, at its meeting of May 20, 2004, that Deloitte & Touche LLP should continue to be retained as independent auditors to: audit the accounts and financial statements of the Port Authority and its wholly owned subsidiaries for the year ending December 31, 2004; perform a review of the Passenger Facility Charge Program and federal award programs; perform an evaluation of the Port Authority's internal control over financial reporting; provide services as requested in the disclosure process in connection with the issuance of Port Authority obligations; and provide other audit services, including a review of revenue and cost computations relating to and under the terms of the various lease agreements (including base rent and annual gross revenue calculations at the New York City Municipal Air Terminals), financial and statistical data reports submitted to the Federal Transit Administration, field work and financial disclosure requirements of the Single Audit Act of 1984 for recipients of federal financial assistance. The Audit Committee recommends that Deloitte & Touche should continue to provide these services for the year ending December 31, 2005.

Approved.

PORT NEWARK – PORT NEWARK CONTAINER TERMINAL LLC – LEASE NO. L-PN-264, SUPPLEMENTAL AGREEMENT

It was recommended that the Board authorize the Executive Director to enter into an agreement with Port Newark Container Terminal LLC (PNCT) to add approximately 4.3 acres of open area at Port Newark to PNCT's leasehold for the storage of chassis and/or other equipment used in PNCT's container terminal operations.

The letting of the additional premises would commence on June 1, 2005 and expire on August 31, 2015. PNCT would pay basic rental at the annual rate of \$288,671, which would escalate on June 1, 2006 and each year thereafter based on 100 percent of the Consumer Price Index escalation, with a minimum annual increase of 2.5 percent and a maximum annual increase of 4 percent. PNCT would be responsible for obtaining utilities and for maintenance and repair of the additional premises, with the exception of maintenance and repair of the underground sanitary and water distribution systems, which would be the responsibility of the Port Authority.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Genova, Mack, Sartor, Silverman 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 Port Newark Container Terminal LLC (PNCT) to add approximately 4.3 acres of open area at Port Newark to PNCT's leasehold for the storage of chassis and/or other equipment used in PNCT's container terminal operations, 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.

PORT NEWARK AND THE ELIZABETH-PORT AUTHORITY MARINE TERMINAL – PORT INTERMODAL RAIL DEVELOPMENT PROGRAM – SECOND LEAD TRACK AND BAY AVENUE RELOCATION, EXPRESSRAIL ELIZABETH TRACKS 11 THROUGH 18 AND EXPRESSRAIL CORBIN STREET INTERMODAL RAIL SUPPORT FACILITY – PHASE 1B – PROJECT AUTHORIZATIONS AND AWARD OF CONTRACTS

It was recommended that in furtherance of the Port Intermodal Rail Development Program the Board authorize: (1) a project at the Elizabeth-Port Authority Marine Terminal (EPAMT) to provide for the final design and construction of the second lead track to ExpressRail Elizabeth and the partial relocation of Bay Avenue at a total estimated project cost of \$63 million; (2) a project at the EPAMT for the expansion of ExpressRail Elizabeth from ten tracks to eighteen tracks at a total estimated project cost of \$35 million; (3) a project at Port Newark and the EPAMT to provide for the construction of Phase 1B of the ExpressRail Corbin Street Intermodal Rail Support Facility at a total estimated project cost of \$43 million; and (4) the Executive Director to award Contracts EP-384.061, EP-384.063, and PN-354.073, and take such other actions and enter into such other agreements as may be necessary to effectuate the foregoing projects.

Over the past several years, intermodal rail activity at the Port Authority's marine terminals has grown at record rates. In response to this growth, a comprehensive Port Intermodal Rail Development Program is underway to design and construct the ExpressRail System, which will result in dedicated on-dock rail facilities in Port Newark, the EPAMT and the Howland Hook Marine Terminal (ExpressRail Elizabeth, ExpressRail Port Newark and ExpressRail Staten Island) and the necessary support track to integrate the rail traffic coming from these facilities (ExpressRail Corbin Street Intermodal Rail Support Facility). Due to the continuing growth in Asian trade, a significant business opportunity now exists for the Port of New York and New Jersey (Port) to capture rapidly expanding intermodal rail activity and allow greater utilization of rail as a percentage of regional transportation by accelerating the completion of pivotal phases of this critical program.

The first of the new rail facilities – ExpressRail Elizabeth – became operational in October 2004. ExpressRail Staten Island is scheduled to commence operations in 2006 with the re-activation of the Staten Island Railroad. In August 2004, the Board authorized approximately \$5 million for planning and preliminary design work for the expansion of ExpressRail Elizabeth from ten tracks to eighteen tracks, a second lead track to ExpressRail Elizabeth and the partial relocation of Bay Avenue. The completion of the final eight tracks at the ExpressRail Elizabeth facility will improve the flow of cargo on the Elizabeth peninsula between the two adjacent container terminals and ExpressRail Elizabeth, and thereby achieve greater utilization and efficiency of existing marine terminal property. These on-dock rail facilities will be capable of serving the projected cargo activity at the EPAMT over the next twenty years. The construction of the second lead track will provide improved access to ExpressRail Elizabeth from the ExpressRail Corbin Street Intermodal Rail Support Facility and the Conrail mainline tracks, and create the capacity and flexibility to improve and expand railroad service. The construction of the new lead track will also require the partial relocation of Bay Avenue to eliminate road and rail conflict, which will improve traffic flow and increase the safety of Port customers.

In order for the Port's rail facilities to operate as efficiently as possible, support track is necessary to accommodate two-mile long trains and integrate the rail traffic to and from the three on-dock ExpressRail facilities. In recognition of this need, at its meetings of March 20, 2003 and February 24, 2005, the Board authorized a total of approximately \$8 million for the planning and preliminary design of the Corbin Street Intermodal Rail Support Facility. Due to numerous conflicts between the track alignment and major underground utility systems and a Federal Aviation Administration ground radar tower for Newark Liberty International Airport, the project was divided into phases to allow for staged development. In February 2005, the Board authorized the construction of Phase 1A, which is composed of approximately 21,000 linear feet of support track, and the relocation of utilities for Phases 1A and 1B at an estimated cost of \$34 million, as well as the final design of Phase 1B at an estimated cost of \$2 million. The construction of Phase 1A is scheduled to commence in July 2005. The construction of Phase 1B, which will consist of approximately 33,000 linear feet of support track, will ensure the continued development of critical support facilities necessary to keep pace with the increasing demand for intermodal rail cargo shipments. Since a portion of this track will be constructed on Conrail property, the Port Authority will retain ownership of this track, although it will be maintained by Conrail.

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

RESOLVED, that a project at the Elizabeth-Port Authority Marine Terminal (EPAMT) for the final design and construction of the second lead track to ExpressRail Elizabeth and the partial relocation of Bay Avenue, at a total estimated project cost of \$63 million, 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 a project at the EPAMT for the expansion of ExpressRail Elizabeth from ten tracks to eighteen tracks at a total estimated project cost of \$35 million, 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 a project at Port Newark and the EPAMT for the construction of Phase 1B of the ExpressRail Corbin Street Intermodal Rail Support Facility at a total estimated project cost of \$43 million, 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: (1) award Contract EP-384.061, “Elizabeth-Port Authority Marine Terminal - Second ExpressRail Elizabeth Lead Track and Bay Avenue Relocation,” at an estimated total construction cost of \$44 million to the lowest qualified bidder following public advertisement; (2) award Contract EP-384.063, “Elizabeth-Port Authority Marine Terminal – ExpressRail Elizabeth Tracks 11 to 18,” at an estimated total construction cost of \$26 million to the lowest qualified bidder following public advertisement; (3) award Contract PN-354.073, “Port Newark – ExpressRail Corbin Street Intermodal Rail Support Facility – Phase 1B,” at an estimated total construction cost of \$31 million to the lowest qualified bidder following public advertisement; (4) take action with respect to other purchase and construction contracts and contracts for professional and advisory services and such other contracts and agreements as may be necessary or appropriate to effectuate the foregoing projects, subject to advising the Commissioners of individual contracts or agreements to be acted upon pursuant to this authorization prior to taking or authorizing such action; and (5) obtain necessary approvals and permits, enter into right-of-entry agreements, including an agreement with Conrail and agreements with utility companies for utility relocation and protection work, and grant and receive associated easements, as may be necessary or appropriate to effectuate the foregoing projects; and it is further

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

OUTERBRIDGE CROSSING – AGREEMENT WITH THE CITY OF PERTH AMBOY FOR A MUNICIPAL HIGHWAY NON-EXCLUSIVE TEMPORARY EASEMENT AND NON-EXCLUSIVE PERPETUAL EASEMENT ACROSS PORT AUTHORITY PROPERTY

It was recommended that the Board authorize the Executive Director to enter into an agreement with the City of Perth Amboy (the City) for a non-exclusive temporary easement and a non-exclusive perpetual easement across Port Authority property located under the Outerbridge Crossing (OBX) in New Jersey for the construction, maintenance and operation of a municipal roadway. The temporary construction easement would commence upon the execution of the agreement by the Port Authority and expire on the earlier of completion of the City's construction activities at the site or December 31, 2006. The permanent easement would endure perpetually and run with the land unless and until it is revoked or terminated.

The City requires a temporary non-exclusive easement for a construction staging area and a permanent non-exclusive easement for the purpose of constructing, maintaining, operating and inspecting a portion of a municipal highway known as the Route 440/High Street Connector between Piers 21W and 20W of the OBX. The City seeks to extend High Street from a point north of the existing terminus at Long Ferry Road to a jug handle at State Street. The City's project will also modify the Route 440 ramp system at State Street to connect to the High Street extension. The purpose of the High Street roadway extension is to serve the new real estate developments along the City's waterfront. The City would be responsible for all soil testing and any removal and disposal of soils generated from the performance of any construction work within the easement areas. The proposed agreement provides that the City shall indemnify the Port Authority for all claims and demands by reason of the grant of the easements and requires that it provide satisfactory general liability insurance coverage. The Port Authority would grant the easements in consideration of the payment by the City of \$1.00.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Genova, Mack, Sartor, Silverman 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 City of Perth Amboy for a non-exclusive temporary easement and a non-exclusive perpetual easement across Port Authority property located under the Outerbridge Crossing (OBX) in New Jersey, as more particularly depicted on the attachment, for the construction, maintenance and operation of a municipal roadway, 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.

PORT AUTHORITY BUS TERMINAL – JAMBA JUICE COMPANY – NEW LEASE

It was recommended that the Board authorize the Executive Director to enter into: (1) a lease agreement with Jamba Juice Company (Jamba Juice) covering the letting of approximately 600 rentable square feet of space on the main floor at the Port Authority Bus Terminal for the operation of a retail food store, together with approximately 200 rentable square feet of storage space on the second floor, for an approximate five-year, four-month initial term commencing on or about June 1, 2005, at an aggregate basic rental over such term of approximately \$723,400, together with percentage rental based on Jamba Juice's gross sales; and (2) a brokerage agreement with Northwest Atlantic Real Estate Services, LLC, providing for the payment of a brokerage commission of approximately \$26,000 in connection with the initial term of the letting.

Payment of basic rental would begin the earlier of four months after the commencement of the letting or the opening of the store. Jamba Juice would pay additional rental to cover increases in operating and maintenance costs, as set forth in the lease. Subject to certain conditions, Jamba Juice would have the right to extend the term of the letting for an additional five-year period at an aggregate basic rental of approximately \$824,080. If this right is exercised, an additional brokerage commission of approximately \$15,000 would be payable. The Port Authority would have the right to terminate the lease on 30 days' notice without cause, in which case it shall be obligated to reimburse Jamba Juice for its unamortized initial capital investment in the premises up to \$400,000, calculated on a straight-line basis over the initial lease term.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Genova, Mack, Sartor, Silverman 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: (1) an agreement with Jamba Juice Company covering the letting of retail and storage space at the Port Authority Bus Terminal; and (2) a brokerage agreement with Northwest Atlantic Real Estate Services, LLC, in connection with the lease; in each case, substantially in accordance with the terms and conditions outlined to the Board, or on such other terms and conditions as the Executive Director deems appropriate, subject to the conditions set forth in the following delegation; and it is further

RESOLVED, that the Committee on Operations be and it hereby is authorized to approve the final terms and conditions of the foregoing agreements in the event that the rental payment terms and/or the term of the letting are not substantially in accordance with the terms outlined to the Board; and it is further

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

**PORT AUTHORITY INTEREST RATE EXCHANGE CONTRACTS –
REAUTHORIZATION AND REVISION IN MAXIMUM AUTHORIZED
AMOUNT**

It was recommended that the Board: (1) rescind its resolutions adopted on July 14, 1988 and December 10, 1992 pertaining to the Port Authority Interest Rate Exchange Contracts Program (Program); provided, that such resolutions shall continue in force and effect with respect to currently outstanding interest rate exchange contracts that were entered into pursuant to such resolutions; and (2) reauthorize the Program, subject to the following conditions: on the date that an interest rate exchange contract or related financial instrument is executed, the total aggregate notional amount of such interest rate exchange contract or related financial instrument together with all other interest rate exchange contracts or related financial instruments then outstanding (excluding interest rate exchange contracts or related financial instruments which were entered into in connection with refundings of outstanding obligations or which were entered into for the purpose of reversing the financial effects of existing interest rate exchange contracts or related financial instruments) would not exceed 15 percent of the Port Authority's then outstanding Port Authority bonds and notes (excluding Equipment Notes, Commercial Paper Obligations and Special Project Bonds), and the term of any interest rate exchange contract or related financial instrument would not exceed 35 years.

To meet current standards in the financial markets for interest rate exchange contracts and related financial instruments (known as “swaps”), consistent with best corporate practices, interest rate exchange contracts and related financial instruments would be executed in accordance with a formal policy developed and implemented by staff and reviewed from time to time with the Committee on Finance. Additionally, it is presently expected, based on current practice in the financial markets, that interest rate exchange contracts and related financial instruments would be entered into under a “master swap agreement,” consistent with the format issued by the International Swaps and Derivatives Association and accepted by counterparties in the municipal swap market.

Under the proposed reauthorized Program (as is the case with respect to the existing Program), Port Authority operating funds would be used for any payments that are required under interest rate exchange contracts and related financial instruments. Currently, the Port Authority has four swaps outstanding, with total notional amounts of \$373 million.

Under the reauthorized Program, the Executive Director, Chief Financial Officer and Treasurer each would be authorized to enter into interest rate exchange contracts and related financial instruments on behalf of the Port Authority, either under a master swap agreement or under such other documentation as is appropriate under the circumstances, consistent with the Port Authority's then current policy applicable to such transactions. Prior to entering into any such contract or instrument, each proposed transaction would be reviewed with the Chairman of the Committee on Finance and, to the extent practicable, the other members of the Committee.

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

RESOLVED, that the resolutions adopted by the Board at its meetings of July 14, 1988 and December 10, 1992 pertaining to the Port Authority Interest Rate Exchange Contracts Program are rescinded in their entirety; provided, that such resolutions shall continue in force and effect with respect to currently outstanding interest rate exchange contracts entered into pursuant to such resolutions; and it is further

RESOLVED, that the Port Authority Interest Rate Exchange Contracts Program is reauthorized in accordance with the terms and conditions of this resolution for interest rate exchange contracts and related financial instruments executed on and after the date of this resolution; and it is further

RESOLVED, that the Executive Director, Chief Financial Officer, and the Treasurer, each individually, are authorized, for and on behalf of the Port Authority, to enter into interest rate exchange contracts and other related financial instruments from time to time with counterparties providing for the Port Authority and the counterparty to agree to make periodic payments, each to the other, based on predetermined fixed or variable rate indices; provided, that: (1) on the date that an interest rate exchange contract or related financial instrument is executed, the total aggregate notional amount of such interest rate exchange contract or related financial instrument together with all other interest rate exchange contracts or related financial instruments then outstanding (excluding interest rate exchange contracts or related financial instruments which were entered into in connection with refundings of outstanding obligations or which were entered into for the purpose of reversing the financial effects of existing interest rate exchange contracts or related financial instruments) shall not exceed 15 percent of the Port Authority's then outstanding bonds and notes (excluding Equipment Notes, Commercial Paper Obligations and Special Project Bonds), and (2) the term of any interest rate exchange contract shall not exceed 35 years; and it is further

RESOLVED, that the Executive Director, Chief Financial Officer, and Treasurer, each individually, are authorized, for and on behalf of the Port Authority, to determine the appropriate form of documentation to be utilized for each interest rate exchange contract or other related financial instrument; and it is further

RESOLVED, that the Executive Director, Chief Financial Officer, and Treasurer, each individually, are authorized, for and on behalf of the Port Authority, to develop and implement, on an ongoing basis, a policy providing a framework for the Port Authority's use of interest rate exchange contracts and other related financial instruments; and it is further

RESOLVED, that operating funds of the Port Authority may be used for any payments that are required to be made under any such interest rate exchange contracts and related financial instruments, and for any fees, commissions or execution costs pertaining thereto; and it is further

RESOLVED, that all documents necessary to effectuate the foregoing shall be subject to the approval of General Counsel or his authorized representative.

REGIONAL ALLIANCE FOR SMALL CONTRACTORS, INC. – SUPPLEMENT TO EXISTING AGREEMENT

It was recommended that the Board authorize the Executive Director to enter into a supplemental agreement with the Regional Alliance for Small Contractors, Inc. (the Regional Alliance) under which the Port Authority would obtain services from the Regional Alliance to perform minority and women-owned business enterprise (M/WBE) program oversight for aviation tenant construction projects at a compensation not to exceed \$185,000 for an approximate seven-month period from June 1, 2005 through December 31, 2005.

The Regional Alliance is a not-for-profit corporation formed to carry out the cooperative effort initiated by the Port Authority, with participation by other public agencies and private firms, to increase the capacity of minority and women-owned and small businesses (M/W/SBEs) to bid on and perform public contracts. Through its array of training programs and 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. In December 2004, the Board authorized the Port Authority to continue to retain the services of the Regional Alliance to provide classroom training for M/WBE firms in such areas as estimating, project and financial management, business applications and contract law and to provide individualized expert assistance to those firms to mitigate management problems which could negatively impact their performance.

As an outgrowth of staff's recent study of organizational effectiveness and change management, staff reviewed current M/WBE program oversight responsibilities for aviation tenant construction projects. It was determined that an approximate \$60,000 cost savings could be gained by reducing and consolidating current airport consultant staff performing this effort under one agreement with the Regional Alliance during the aforementioned seven-month period. The Port Authority also would provide approximately 500 square feet of office space in Port Authority-occupied areas at John F. Kennedy International (JFK) and Newark Liberty International (EWR) Airports to house the consultant staff performing this work on behalf of the Regional Alliance.

In the past, the Regional Alliance had provided M/WBE program oversight for other airport-related projects, including Continental Airlines Inc.'s Global Gateway and the JFK/EWR Business Resource Centers, and is well qualified to perform the expanded function of airport tenant construction M/WBE program oversight. The organization's prior airport project experience is valuable to ensuring an expedient and effective transition of functions.

Pursuant to the terms of the supplement, consultant staff members performing aviation tenant program oversight would be recused from participation in other contractual work being performed by the Regional Alliance on behalf of the Port Authority.

The proposed agreement provides the most cost-effective method to continue to provide these services for our airport tenants, thereby ensuring the continuation of Port Authority support for programs benefiting minorities and women in communities surrounding our airports.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Ferer, Genova, Mack, Sartor, Silverman 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 the Regional Alliance for Small Contractors, Inc. (the Regional Alliance) under which the Port Authority will: (1) obtain services from the Regional Alliance to perform minority and women-owned business enterprise program oversight for aviation tenant construction projects at a compensation not to exceed \$185,000 for an approximate seven-month period from June 1, 2005 through December 31, 2005; and (2) provide the Regional Alliance with the use of approximately 500 square feet of office space at John F. Kennedy International and Newark Liberty International Airports during the aforementioned seven-month period; and it is further

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

PORT AUTHORITY EMPLOYMENT RELATIONS PANEL – APPOINTMENT OF CHAIRMAN

It was recommended that the Board appoint James W. Mastriani as Chairman of the Port Authority Employment Relations Panel (Panel).

The Port Authority Labor Relations Instruction (Instruction) was adopted by the Board on September 29, 1976, in accordance with the recommendation of a joint gubernatorial study commission, convened to propose provisions to govern the labor relations activities of the Port Authority, its employees and their employee organizations, because the Port Authority is not subject to the public sector collective bargaining statutes of either New York or New Jersey. The Instruction, as amended on December 9, 1983, provides for the Board to appoint a three-member Panel, including a Chairman, to administer the Instruction.

The former Chairman, William M. Weinberg, resigned in September 2004. On April 1, 2005, Michael R. Cuevas, Chairperson of the New York Public Employment Relations Board (PERB), and Lawrence Henderson, Chairman of the New Jersey Public Employment Relations Commission (PERC), after consultation with the representatives of employee organizations, and in accordance with the provisions of the Instruction, recommended that James W. Mastriani be appointed as Chairman of the Panel. All members of the Panel serve until reappointment or appointment of a successor. Mr. Mastriani is the former Chairman of the PERC. He is also a part-time professor at the School of Management and Labor Relations at Rutgers University and a member of the labor-management education committee for the American Arbitration Association (AAA) and is on the national panel of labor arbitrators of the AAA and the Federal Mediation and Conciliation Service. He was President of the Association of Labor Relations Agencies.

The Panel is responsible for: resolving disputes arising from the designation of managerial and confidential and supervisory employees; assisting in resolving negotiating impasses; processing improper labor practice charges; processing petitions for certification or decertification of employee organizations as negotiating representatives of Port Authority employees; and hearing and deciding representation fee disputes. They may also appoint hearing officers, mediators, fact finders, attorneys, or others, to assist them in their functions, and provide for their reimbursement and compensation at rates set pursuant to the Instruction.

Panel members presently are compensated at a rate of \$700 per day for each day spent in attendance at meetings or consultation or in the preparation of reports or determinations, and are reimbursed for expenses actually incurred by them in the performance of their duties.

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

RESOLVED, that James W. Mastriani be and he hereby is appointed Chairman of the Port Authority Employment Relations Panel.

SETTLEMENT OF CLAIM – KIM TRULUCK v. THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY, ET AL.

It was recommended that the Board authorize General Counsel to enter into the settlement of a personal injury claim in the action entitled Kim Truluck v. The Port Authority of New York and New Jersey and The City of New York by paying to plaintiff the sum of \$120,000, inclusive of attorneys' fees, costs and disbursements. In return, plaintiff would provide a General Release and Stipulation of Discontinuance with Prejudice.

Plaintiff, who was 30 years old at the time of the incident, fell at the corner of 178th Street and Broadway, across the street from the George Washington Bridge Bus Station, on June 28, 2000. Plaintiff was walking her daughter to the Bus Station with family friends when she tripped and fell over an expansion joint that was raised above the sidewalk approximately 1½ inches. During discovery, it was determined that the expansion joint was part of the Broadway Bridge (Bridge) that traverses the Trans-Manhattan Expressway. The Port Authority built the Bridge and was responsible for its structural maintenance, including the joints. Although the City of New York maintains the sidewalk, it contended that the defect causing plaintiff's injury was the elevated expansion joint, and that nothing was wrong with the sidewalk. Plaintiff's engineering expert concurred with the City's position.

Emergency Medical Services responded to the scene and took plaintiff to Columbia Presbyterian Hospital, where she underwent surgery for a compound fracture to her left leg, which required the insertion of a rod and multiple pins. She was hospitalized for five days and ambulated with crutches for several months. In April 2001, she underwent a second surgery to remove two pins. Her doctor has stated that eventually plaintiff will need to have the rod and remaining pins removed. As a result of the accident, plaintiff has difficulty standing for long periods of time and walking distances. Plaintiff incurred Medicaid and Public Assistance liens totaling approximately \$22,000.

Plaintiff initially demanded \$800,000 to settle this action, but through aggressive negotiation and with the assistance of the trial court, the parties agreed upon the settlement amount of \$130,000, subject to Board authorization. Pursuant to the proposed settlement, the Port Authority would pay \$120,000 and the City of New York would pay \$10,000. Plaintiff would be required to satisfy her liens from the settlement proceeds.

In view of the unfavorable liability prospects in this case, staff recommended that General Counsel be authorized to settle this action by paying to plaintiff the sum of \$120,000, inclusive of attorneys' fees, costs and disbursements. If this action were to be tried before a jury, the verdict, in all likelihood, would be in excess of this settlement amount.

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

RESOLVED, that General Counsel be and he hereby is authorized, for and on behalf of the Port Authority, to enter into an agreement to settle the action entitled Kim Truluck v. The Port Authority of New York and New Jersey, et al. by paying to plaintiff the sum of \$120,000, inclusive of attorneys' fees, costs and disbursements.

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 reported, for information only, the following contracts were awarded or amended for the period of October 1, 2004 through December 31, 2004.

AWARDEE	DESCRIPTION	AUTHORIZATION	PROCUREMENT METHOD
Empire Equipment	Sweeper parts – PATC	\$268,550	Government Contract
Storagetek Storage Technology Corp.	Hardware Maintenance – TSD	\$186,623	Government Contract
Xerox Corporation	Maintenance for Xerox Copiers – Print Shop	\$270,715	Government Contract
Cofire Paving Corp.	Asphalt Supply – LGA	\$75,700	Publicly Bid/Low Bid
M/A-Com, Inc.	Radio Communication Equipment - Airtrain JFK	\$207,009	Government Contract
Octagon Process, Inc.	Propylene Glycol/ Potassium Acetate mix – Deicer	\$780,000	Publicly Bid/Low Bid
Raimondi Horticultural Group Inc.	Interior Plant Maintenance – Public Areas - EWR	\$297,010	Publicly Bid/Low Bid
17th Street Photo Supply	Photographic Equipment & Related Items	\$268,836	Publicly Bid/Low Bid
Jurek Brothers, Inc.	Ammunition and supplies for Public Safety – Stockroom	\$255,109	Government Contract
Maxwell Turf & Supply Co.	Landscaping Supplies	\$160,710	Publicly Bid/Low Bid
Atlantic Salt, Inc.	Bulk Rock Salt – SIB	\$91,688	Government Contract
Hoboken Lock & Supply	Locksmith and Safe Services - EWR	\$448,883	Publicly Bid/Low Bid
International Salt Company LLC	Bulk Rock Salt – GWB	\$250,000	Government Contract

AWARDEE	DESCRIPTION	AUTHORIZATION	PROCUREMENT METHOD
International Salt Company LLC	Bulk Rock Salt – LT	\$82,560	Government Contract
Atlantic Salt, Inc.	Bulk Rock Salt - LGA, EWR & JFK	\$434,400	Government Contract
Billows Electric Supply Company	Fluorescent Lamps	\$82,250	Publicly Bid/Low Bid
Atlantic Salt, Inc.	Bulk Rock Salt – NJMT	\$82,000	Government Contract
DLT Solutions, Inc.	Maintenance of CADD License Subscriptions – Eng.	\$183,988	Government Contract
Servisair Snowlift	Snow Removal – NJMT	\$109,138	Publicly Bid/Low Bid
National Terminal, Inc.	No. 2 Heating Fuel Oil – EWR Bldg 46 - Primary Supplier	\$470,000	Government Contract
AT&T	Internet services	\$109,360	Government Contract
Door Automation Corp	Maintenance & Repair of Automatic Doors – EWR	\$200,454	Publicly Bid/Low Bid
Traffic Safety Service, LLC.	Aeronautical Taxiway Reflectors & Epoxy	\$191,900	Publicly Bid/Low Bid
Highway Locksmith	Locksmith Services - NY Facilities	\$159,649	Publicly Bid/Low Bid
CLB Check Cashing Inc.	Check Cashing Services – LGA	\$156,000	Publicly Bid/Low Bid
Empire State Fuel Corp.	No. 2 Heating Fuel Oil – JFK	\$500,000	Government Contract
JJV Sales	Traffic Delineators	\$161,288	Publicly Bid/Low Bid
Empire State Fuel Corp.	No. 2 Heating Fuel Oil - EWR Bldg 46 – Secondary Supplier	\$307,200	Publicly Bid/Low Bid
Storagetek Storage Technology Corp.	Tape Cartridges – TSD	\$77,760	Government Contract
Allegro Sanitation Corp.	Refuse Removal – PATC	\$243,160	Publicly Bid/Low Bid

AWARDEE	DESCRIPTION	AUTHORIZATION	PROCUREMENT METHOD
Joseph T Ryerson & Son Inc.	Sheet metal	\$173,300	Publicly Bid/Low Bid
Software House International	Storage Management Software & Support – TSD & Engineering	\$83,020	Government Contract
Unisys	EMC Centera Equipment	\$479,924	Government Contract
Classic Sanitation Company, Inc.	Trash Removal – NJMT	\$313,226	Publicly Bid/Low Bid
Weldon Materials, Inc.	Asphalt Pick-Up – NJMT	\$270,325	Publicly Bid/Low Bid
ASC - A Div. of Ecology & Environment, Inc.	Soil Testing – Engineering	\$128,960	Publicly Bid/Low Bid
ASAP Software	Misc. Non-Microsoft Software	\$300,000	Government Contract
Kova Corporation	Network Digital Logging Recorder System	\$166,437	Government Contract
Powerware	UPS units for PAWANET Power	\$98,800	Government Contract
Mobile Steam Boiler Rental	Boiler rental – JFK Bldg 14	\$196,000	Publicly Bid/Low Bid
Defense Group Inc.	CoBra Software and Maintenance – OEM	\$83,160	Negotiated
Mercury Paint Corp.	Various Paints	\$77,957	Publicly Bid/Low Bid
Oce North America, Inc	Scanner Maintenance for Oce 3000, 400, 600, 610	\$81,840	Government Contract
Raytheon /JPS Communications, Inc.	TRP-1000 Interconnect Radio System – OEM	\$127,249	Negotiated
Z Corporation	3D Printers – Engineering	\$200,000	Government Contract
AMC Computer Corp.	HP Printers – Agency contract	\$500,000	Government Contract
Cingular Wireless	Blackberry Service & Equipment	\$500,000	Government Contract
Herman Miller, Inc.	Herman Miller Office Furniture – Agency Contract	\$92,146	Government Contract

AWARDEE	DESCRIPTION	AUTHORIZATION	PROCUREMENT METHOD
Sungard Availability Services LP	Disaster Recovery Preparation	\$892,613	Government Contract
Enterprise Air, Inc.	Mobile Applications System & Services – OEM	\$156,220	Negotiated
West Court Record Services	Operation of Yonkers Record Center	\$193,012	Publicly Bid/Low Bid
Sun Microsystems, Inc.	Sun Microsystems – 2005 Maintenance	\$418,294	Government Contract
Austin Helle Company, Inc.	Increase in extra work in connection with additional electrical requirements for the central heating and refrigeration plant at Newark Liberty International Airport.	\$250,000	Existing Contract
Conti Enterprises, Inc.	Increase in extra work for additional infrastructure and lighting enhancements for the intermodal transfer facility at the Elizabeth-Port Authority Marine Terminal.	\$250,000	Existing Contract
Columbus Construction Corporation	Increase in extra work in connection with the rehabilitation of the New York exit plaza at the Holland Tunnel.	\$150,000	Existing Contract

Tort Claim Settlements – Quarterly Report

The Executive Director reported, 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 October 1, 2004 to December 31, 2004.

TORT CLAIMS OF THE PORT AUTHORITY, CLOSED

<u>NAME</u>	<u>FACILITY</u>	<u>AMOUNT COLLECTED</u>
ULTRA EXPRESS IND	PN	\$ 8,967.60
BUDGET RYDER	HT	7,866.82
BENSONHURST CAR SERVICE	JFK	4,278.45
COACH LEASING INC.	JFK	3,908.98
GLOBE GROUND	JFK	385.70
COMMUNITY TRANSIT	LT	1,642.49
TRUCKLEASE CORP.	PN	4,696.00
NORTHWEST AIRLINES	JFK	650.50
SCHIFFMAN PHILIP	LGA	1,208.29
MORTON MINNIE	JFK	5,348.06
JRS TRUCKING SERVICE	JFK	5,348.06
TERMINAL ONE GROUP	JFK	1,061.20
TRANS HUDSON EXPR	LT	1,642.49
NJ TRANSIT CORP.	PABT	196.08
JB HUNT TRANSPORT	GWB	4,386.58
EXPRESS ONE INTNATL	JFK	671.27
	TOTAL COLLECTED	\$ 52,258.57

TORT CLAIMS AGAINST THE PORT AUTHORITY, CLOSED

<u>NAME</u>	<u>FACILITY</u>	<u>AMOUNT PAID</u>
AGUILAR LUIS	JFK	\$ 15,000.00
MARZOUK RAMY W	OP	20,500.00
ARJUN HARRINAN-ALLSTA	OP	15,997.22
SYSCO FOOD SERVICES	OP	425.59
STANLEY JASON	JFK	40,353.00
HARTL-O'LEARY I-AMER	JFK	5,274.62
ROLDAN SONIA-AMER	JFK	3,504.99
BURNS RUSSELL	LT	225.00
SOSA RUBEN	OP	1,169.02
MARSHALL ERPHLYN	LGA	494.52
LENNON JACINTA	GWB	856.88
SHAH SUDHABEN	LT	1,124.73
FLETCHER DALTON	GWB	490.31
FLORES ROSA	GWB	372.06
MANGARELLA ANTHONY	EWR	678.41
HOOSAIN DEOMATTY-ALL	OP	18,051.64
TAN PHAIKKEAN/HOR YEW	OP	2,261.60
TUCKER SOLOMON	GWB	500.00
EADDY RHONDA	GWB	1,947.24
TRI-CON CONSTRUCTION	HT	1,740.63
SELCHANKO IRINA	LT	1,583.31
RILEY CLARENCE SCOTT	OBX	280.47
PATEL MUNNESH	EWR	44.00
FLYNN JAMES P	EWR	253.17
MOHAMMED TERRENCE	BPAMT	2,226.27
FONTANA PATRICK	GWB	179.24
FISHER MATTHEW	HT	1,404.20
HAGGERTY JOSEPHINE	OBX	732.07
WASIEWSKI WARREN	EWR	115.00
MC DOWELL JOYCE	JFK	1,163.04
BIONDO SILVIA	LT	504.16
GIANNOTTA JOHN	PN	3,142.44
SCHIMMENTI JOHN	PATC	2,075.37
POLLI CHARLES	LGA	654.36
SCHMIEDHAUSER RICH	OP	1,818.77
STEELE LANOR	OP	5,457.84
SZALAI EDIT SUSAN	EWR	649.41
UTRERAS JUAN	GWB	530.00
DOZIER LOUVINIA	LGA	882.77

TORT CLAIMS AGAINST THE PORT AUTHORITY, CLOSED (continued)

<u>NAME</u>	<u>FACILITY</u>	<u>AMOUNT PAID</u>
MONZON SILVELYN-AMER	JFK	\$ 1,988.19
WILLIAMS VANESSA	GWB	2,351.44
SCHULZ DANIEL	GWB	651.85
PATIL MADHEVI-LIBERTY	LT	3,486.75
FERNANDEZ FRANK	OP	329.20
GORDON RONALD	JFK	305.80
PRANAY NAIDYA-AIG ASO	OP	1,890.00
OMAR AKRAM	GB	1,898.40
VERDI JOHN	HT	1,020.96
KURTZBERG RICHARD	GB	138.90
WITTELS JUDITH	GWB	541.85
RZEZNIK JOHN	LGA	519.04
BOOK AUTOMATION INC	LGA	1,041.03
TULLY CONSTRUCTION CO	LGA	1,727.68
PEREZ GILBERTO	GWB	1,000.82
GOLDBERG ZINA	LT	149.08
SHULLMAN SUSAN	EWR	500.00
	TOTAL	\$ 174,204.34

FACILITY KEY

BPAMT - Brooklyn-Port Authority Marine Terminal

GWB - George Washington Bridge

GB - Goethals Bridge

HT - Holland Tunnel

JFK - John F. Kennedy International Airport

LGA - LaGuardia Airport

LT - Lincoln Tunnel

EWR - Newark Liberty International Airport

OBX - Outerbridge Crossing

PABT - Port Authority Bus Terminal

PATC - Port Authority Technical Center

PN - Port Newark

OP - Off Property

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 January 1, 2005 to January 31, 2005.

CONTRACT NUMBER	CONTRACT TITLE FACILITY AND CONTRACTOR	ORIGINAL AUTHORIZATION	TOTAL AUTHORIZED	TOTAL PAYMENTS
EP384023	EXPRESSRAIL LEAD TRACK RELOCATION OVER MCLESTER STREET DEPRESSED ROADWAY ELIZABETH-PORT AUTHORITY MARINE TERMINAL J.H. REID GENERAL CONTRACTOR	18,297,665 (A) 1,890,000 (B) 2,000,000 (C) 1,211,260 (D) <u>97,069</u> (E) 23,495,994	18,297,665 1,890,000 8,300,000 (G,H) 1,211,260 <u>97,069</u> 29,795,994	18,297,665 2,065,229 (F) 8,245,116 1,116,076 <u>97,069</u> 29,821,155
EP384044	DEMOLITION OF BUILDINGS 4000 AND 4040 ELIZABETH - PORT AUTHORITY MARINE TERMINAL ANSELM I & DeCICCO, INC.	1,385,000 (A) 373,600 (B) 1,800,000 (C) <u>140,688</u> (D) 3,699,288	1,385,000 502,000 (I) 1,800,000 <u>140,688</u> 3,827,688	1,338,643 (J) 485,645 361,529 <u>80,595</u> 2,266,412
GWB466	BARRIER INSTALLATION OF APPROACH ROADWAYS GEORGE WASHINGTON BRIDGE EL SOL CONTRACTING AND CONSTRUCTION	3,851,347 (A) 200,000 (C) 231,081 (D) <u>--0--</u> 4,282,428	3,851,347 200,000 231,081 <u>--0--</u> 4,282,428	3,828,314 (K) 190,711 127,257 <u>8,753</u> (L) 4,155,034

- (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) Increase in net cost work in the amount of \$4,000,000 authorized on 10/31/2001.
- (H) Increase in net cost work in the amount of \$2,300,000 authorized on 9/20/2002.
- (I) Increase in classified work in the amount of \$128,400 authorized on 06/07/002.
- (J) The difference between "Total Authorized" and "Total Payments" represents a credit change order in the amount of \$6,441 for the deletion of part of the work and a deduction from the contractor's compensation of \$39,916 for deficiencies in asphalt pavement density as provided for in the contract.
- (K) The difference between "Total Authorized" and "Total Payments" represents a credit change order in the amount of \$19,670 for the deletion of part of the work and a deduction from the contractor's compensation of \$3,363 for deficiencies in concrete density as provided for in the contract.
- (L) Increase in compensation pursuant to "Concrete Bonus" clause in the amount of \$8,753, 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 during the period February 1, 2005 through February 28, 2005.

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>
02/01/05	\$50,000,000	FHDN	--	02/23/05	99.85	2.430%	2.462%	\$49,925,750.00	Merrill Lynch
02/01/05	50,000,000	GECC CP	--	02/02/05	99.99	2.490	2.521	49,996,541.67	G.E. Capital
02/01/05	40,000,000	GECS CP	--	02/02/05	99.99	2.490	2.521	39,997,233.33	G.E. Capital
02/01/05	16,663,000	UBSFIN CP	--	02/02/05	99.99	2.470	2.501	16,661,856.73	Banc of America
02/02/05	50,000,000	GECC CP	--	02/03/05	99.99	2.470	2.501	49,996,569.44	G.E. Capital
02/02/05	50,000,000	GECC CP	--	02/03/05	99.99	2.470	2.501	49,996,569.44	G.E. Capital
02/02/05	20,500,000	UBSFIN CP	--	02/03/05	99.99	2.460	2.491	20,498,599.17	Lehman Brothers
02/03/05	30,000,000	USTB	--	03/24/05	99.69	2.250	2.279	29,908,125.00	ABN AMRO
02/03/05	50,000,000	USTB	--	03/24/05	99.69	2.250	2.279	49,846,875.00	ABN AMRO
02/03/05	50,000,000	USTB	--	03/24/05	99.69	2.250	2.279	49,846,875.00	ABN AMRO
02/03/05	10,000,000	USTB	--	03/24/05	99.69	2.250	2.279	9,969,375.00	ABN AMRO
02/03/05	50,000,000	USTB	--	03/24/05	99.69	2.250	2.279	49,846,875.00	ABN AMRO

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>
02/03/05	\$25,326,000	USTB	--	03/03/05	99.83	2.180%	2.206%	\$25,283,058.36	Lehman Brothers
02/03/05	50,000,000	USTB	--	03/24/05	99.69	2.250	2.279	49,846,875.00	ABN AMRO
02/03/05	10,000,000	USTB	--	03/24/05	99.69	2.250	2.279	9,969,375.00	ABN AMRO
02/03/05	50,000,000	CITIGROUP	--	02/04/05	99.99	2.460	2.491	49,996,583.33	Citigroup
02/03/05	50,000,000	CITIGROUP	--	02/04/05	99.99	2.460	2.491	49,996,583.33	Citigroup
02/03/05	30,500,000	UBSFIN CP	--	02/04/05	99.99	2.460	2.491	30,497,915.84	JPMorgan
02/03/05	10,000,000	USTN	3.125%	01/31/07	99.70	--	3.280	9,970,312.50	ABN AMRO
02/04/05	50,000,000	FHDN	--	03/02/05	99.82	2.450	2.482	49,911,527.80	Morgan Stanley
02/04/05	50,000,000	FHDN	--	02/25/05	99.86	2.410	2.441	49,929,708.33	Mizuho
02/04/05	50,000,000	UBSFIN CP	--	02/07/05	99.98	2.460	2.491	49,989,750.00	Merrill Lynch
02/04/05	35,000,000	UBSFIN CP	--	02/07/05	99.98	2.460	2.491	34,992,825.00	Merrill Lynch
02/07/05	25,000,000	FHDN	--	03/04/05	99.83	2.450	2.482	24,957,465.28	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>
02/07/05	\$50,000,000	GECC CP	--	02/08/05	99.99	2.480%	2.511%	\$49,996,555.56	G.E. Capital
02/07/05	50,000,000	UBSFIN CP	--	02/08/05	99.99	2.480	2.511	49,996,555.56	Lehman Brothers
02/07/05	10,000,000	UBSFIN CP	--	02/08/05	99.99	2.480	2.511	9,999,311.11	Lehman Brothers
02/07/05	3,260,000	UBSFIN CP	--	02/08/05	99.99	2.480	2.511	3,259,775.42	Lehman Brothers
02/08/05	15,000,000	USTB	--	08/04/05	98.68	2.690	2.745	14,801,612.50	Mizuho
02/08/05	25,000,000	USTB	--	05/12/05	99.36	2.460	2.499	24,841,125.00	JPMorgan
02/08/05	50,000,000	CITIGLOBAL	--	02/09/05	99.99	2.460	2.491	49,996,583.35	Citiglobal
02/08/05	25,000,000	CITIGLOBAL	--	02/09/05	99.99	2.460	2.491	24,998,291.68	Citiglobal
02/08/05	25,950,000	UBSFIN CP	--	02/09/05	99.99	2.460	2.491	25,948,226.76	JPMorgan
02/09/05	50,000,000	GE CORP CP	--	02/14/05	99.97	2.500	2.532	49,982,638.89	G.E. Capital
02/09/05	50,000,000	GE CORP CP	--	02/15/05	99.96	2.500	2.532	49,979,166.67	G.E. Capital
02/09/05	50,000,000	UBSFIN CP	--	02/10/05	99.99	2.450	2.480	49,996,597.20	JPMorgan

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>
02/10/05	\$45,412,000	UBSFIN CP	--	02/11/05	99.99	2.470%	2.501%	\$45,408,884.23	Lehman Brothers
02/11/05	9,761,000	UBSFIN CP	--	02/14/05	99.98	2.490	2.522	9,758,974.59	Lehman Brothers
02/11/05	50,000,000	UBSFIN CP	--	02/14/05	99.98	2.490	2.522	49,989,625.00	Lehman Brothers
02/11/05	30,000,000	UBSFIN CP	--	02/17/05	99.96	2.490	2.522	29,987,550.00	Banc of America
02/14/05	50,000,000	GECS CP	--	02/22/05	99.94	2.480	2.512	49,972,444.44	G.E. Capital
02/14/05	50,000,000	UBSFIN CP	--	02/15/05	99.99	2.520	2.552	49,996,500.00	Lehman Brothers
02/14/05	4,024,000	UBSFIN CP	--	02/15/05	99.99	2.520	2.552	4,023,718.32	Lehman Brothers
02/15/05	50,000,000	FHDN	--	02/28/05	99.91	2.410	2.440	49,956,486.10	Merrill Lynch
02/15/05	20,000,000	FHDN	--	02/28/05	99.91	2.410	2.440	19,982,594.44	Merrill Lynch
02/15/05	50,000,000	CITIGLOBAL	--	02/16/05	99.99	2.540	2.573	49,996,472.20	Citiglobal
02/15/05	13,500,000	CITIGLOBAL	--	02/16/05	99.99	2.540	2.573	13,499,047.49	Citiglobal
02/16/05	11,490,000	UBSFIN CP	--	02/17/05	99.99	2.460	2.491	11,489,214.85	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>
02/16/05	\$50,000,000	CITIGLOBAL	--	02/17/05	99.99	2.460%	2.491%	\$49,996,583.35	Citiglobal
02/16/05	50,000,000	CITIGLOBAL	--	02/17/05	99.99	2.460	2.491	49,996,583.35	Citiglobal
02/17/05	33,800,000	UBSFIN CP	--	02/18/05	99.99	2.480	2.511	33,797,671.55	Merrill Lynch
02/17/05	50,000,000	CITIGLOBAL	--	02/22/05	99.97	2.480	2.511	49,982,777.78	Citiglobal
02/17/05	50,000,000	CITIGLOBAL	--	02/22/05	99.97	2.480	2.511	49,982,777.78	Citiglobal
02/18/05	28,300,000	UBSAM CP	--	02/22/05	99.97	2.460	2.491	28,292,264.68	Merrill Lynch
02/18/05	50,000,000	UBSAM CP	--	02/22/05	99.97	2.460	2.491	49,986,333.35	Merrill Lynch
02/22/05	50,000,000	FHDN	--	03/01/05	99.95	2.410	2.440	49,976,569.45	Lehman Brothers
02/22/05	25,000,000	FHDN	--	03/11/05	99.89	2.420	2.451	24,971,430.55	Lehman Brothers
02/22/05	20,000,000	FCDN	--	02/25/05	99.98	2.410	2.440	19,995,983.33	Mizuho
02/22/05	50,000,000	FHDN	--	03/22/05	99.81	2.440	2.472	49,905,111.11	Mizuho
02/22/05	37,600,000	UBSFIN CP	--	02/23/05	99.99	2.500	2.532	37,597,388.91	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>
02/22/05	\$50,000,000	CITIGLOBAL	--	02/28/05	99.96	2.450%	2.481%	\$49,979,583.33	Citiglobal
02/22/05	10,000,000	USTN	3.125%	01/31/07	99.50	--	3.394	9,949,609.38	Citiglobal
02/23/05	25,000,000	FHDN	--	03/11/05	99.89	2.420	2.451	24,973,111.10	Lehman Brothers
02/23/05	25,000,000	FHDN	--	03/16/05	99.86	2.440	2.472	24,964,416.67	Mizuho
02/23/05	50,000,000	UBSFIN CP	--	02/24/05	99.99	2.500	2.532	49,996,527.78	Lehman Brothers
02/23/05	33,315,000	UBSFIN CP	--	02/24/05	99.99	2.500	2.532	33,312,686.46	Lehman Brothers
02/24/05	15,000,000	USTB	--	08/25/05	98.56	2.845	2.907	14,784,254.17	JPMorgan
02/24/05	50,000,000	UBSFIN CP	--	02/25/05	99.99	2.530	2.562	49,996,486.10	Merrill Lynch
02/24/05	42,600,000	UBSFIN CP	--	02/25/05	99.99	2.530	2.562	42,597,006.16	Merrill Lynch
02/25/05	50,000,000	DBKFIN CP	--	02/28/05	99.98	2.530	2.563	49,989,458.35	Deutsche Bank
02/25/05	50,000,000	DBKFIN CP	--	02/28/05	99.98	2.530	2.563	49,989,458.35	Deutsche Bank
02/25/05	45,000,000	CITIGROUP	--	02/28/05	99.98	2.540	2.573	44,990,475.00	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>
02/28/05	\$25,000,000	FHDN	--	03/16/05	99.89	2.455%	2.487%	\$24,972,722.22	Mizuho
02/28/05	25,000,000	FHDN	--	04/22/05	99.62	2.580	2.619	24,905,041.67	Mizuho
02/28/05	50,000,000	FHDN	--	03/23/05	99.84	2.480	2.513	49,920,777.78	Mizuho
02/28/05	50,000,000	FHDN	--	03/23/05	99.84	2.480	2.513	49,920,777.78	Mizuho
02/28/05	50,000,000	GE CORP CP	--	03/02/05	99.99	2.550	2.583	49,992,916.67	G.E. Capital
02/28/05	50,000,000	GE CORP CP	--	03/02/05	99.99	2.550	2.583	49,992,916.67	G.E. Capital
02/28/05	50,000,000	CITIGLOBAL	--	03/02/05	99.99	2.550	2.583	49,992,916.65	Citiglobal
02/28/05	25,000,000	CITIGLOBAL	--	03/02/05	99.99	2.550	2.583	24,996,458.33	Citiglobal
02/28/05	22,000,000	CITIGLOBAL	--	03/02/05	99.99	2.550	2.583	21,996,883.33	Citiglobal
02/28/05	<u>15,000,000</u>	USTN	3.375%	02/28/07	99.73	--	3.518	<u>14,958,984.38</u>	Citiglobal
	<u>\$2,994,001,000</u>							<u>\$2,991,346,119.43</u>	

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

Sale of Securities

<u>Sale</u>			Coupon	Maturity	Sale	Discount		
<u>Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Rate</u>	<u>Date</u>	<u>Price</u>	<u>Rate</u>	<u>Principal</u>	<u>Dealer</u>

No transactions this month.

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>
Mizuho	02/01/05	02/02/05	\$19,990,000	2.350%	\$ 1,304.90 *
Daiwa	02/01/05	02/02/05	37,481,250	2.400	2,498.75 *
Daiwa	02/01/05	02/02/05	37,481,250	2.400	2,498.75 *
Daiwa	02/01/05	02/02/05	37,481,250	2.400	2,498.75 *
Daiwa	02/01/05	02/02/05	37,481,250	2.400	2,498.75 *
BNP Paribas	02/01/05	02/02/05	39,690,000	2.400	2,646.00
Mizuho	02/02/05	02/03/05	1,112,500	2.350	72.62 *
Lehman Brothers	02/02/05	02/04/05	29,625,000	2.400	3,908.85 *
Nomura	02/02/05	02/03/05	39,693,000	2.400	2,646.20
Mizuho	02/02/05	02/03/05	48,575,000	2.350	3,170.87 *
ABN AMRO	02/03/05	02/10/05	1,300,000	2.350	599.44 *
ABN AMRO	02/03/05	02/10/05	1,300,000	2.350	599.44 *

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>
ABN AMRO	02/03/05	02/10/05	\$ 1,300,000	2.350%	\$ 599.44 *
Morgan Stanley	02/03/05	02/07/05	18,016,000	2.370	4,744.21
Nomura	02/03/05	02/07/05	22,701,000	2.360	5,952.71
Nomura	02/03/05	02/07/05	26,641,000	2.360	6,985.86
Morgan Stanley	02/03/05	02/07/05	26,937,000	2.370	7,093.41
Dresdner	02/03/05	02/04/05	29,733,000	2.350	1,940.90
Morgan Stanley	02/03/05	02/07/05	32,237,000	2.370	8,489.08
Nomura	02/03/05	02/07/05	32,401,000	2.360	8,496.26
Morgan Stanley	02/03/05	02/07/05	34,853,000	2.370	9,177.96
Morgan Stanley	02/03/05	02/07/05	38,053,000	2.370	10,020.62
Daiwa	02/03/05	02/08/05	39,900,000	2.350	13,300.00 *
ABN AMRO	02/03/05	02/10/05	48,550,000	2.350	22,386.94 *

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>
ABN AMRO	02/03/05	02/10/05	\$48,550,000	2.350%	\$22,386.94 *
ABN AMRO	02/03/05	02/10/05	48,550,000	2.350	22,386.94 *
Nomura	02/03/05	02/07/05	50,000,000	2.360	13,111.11
Lehman Brothers	02/04/05	02/08/05	25,156,250	2.400	6,729.30 *
Nomura	02/04/05	02/07/05	29,735,000	2.390	5,922.22
Daiwa	02/04/05	02/16/05	29,910,000	2.350	24,252.04 *
Daiwa	02/04/05	02/16/05	29,910,000	2.350	24,252.03 *
Dresdner	02/07/05	02/09/05	16,337,000	2.380	2,160.11
Greenwich	02/07/05	02/09/05	22,469,000	2.380	2,970.90
Greenwich	02/07/05	02/09/05	25,970,000	2.380	3,433.81
Dresdner	02/07/05	02/09/05	26,626,000	2.380	3,520.55
Dresdner	02/07/05	02/08/05	31,004,000	2.400	2,066.93

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>
Dresdner	02/07/05	02/09/05	\$31,605,000	2.380%	\$ 4,178.88
Greenwich	02/07/05	02/09/05	32,410,000	2.380	4,285.32
Dresdner	02/07/05	02/09/05	34,840,000	2.380	4,606.62
Greenwich	02/07/05	02/09/05	34,862,000	2.380	4,609.53
Dresdner	02/07/05	02/08/05	48,750,000	2.400	3,250.00
Lehman Brothers	02/08/05	02/24/05	29,925,000	2.400	32,377.20 *
Daiwa	02/08/05	02/16/05	39,900,000	2.400	21,823.08 *
Nomura	02/08/05	02/10/05	40,000,000	2.390	5,311.11
Dresdner	02/09/05	02/15/05	15,836,000	2.400	6,334.40
Dresdner	02/09/05	02/15/05	22,736,000	2.400	9,094.40
Dresdner	02/09/05	02/15/05	25,272,000	2.400	10,108.80
Dresdner	02/09/05	02/15/05	25,970,000	2.400	10,388.00

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>
Dresdner	02/09/05	02/15/05	\$31,324,000	2.400%	\$12,529.60
Dresdner	02/09/05	02/15/05	32,414,000	2.400	12,965.60
Dresdner	02/09/05	02/15/05	33,963,000	2.400	13,585.20
Nomura	02/09/05	02/10/05	34,867,000	2.400	2,324.47
ABN AMRO	02/10/05	02/24/05	1,325,000	2.450	1,259.49 *
ABN AMRO	02/10/05	02/24/05	1,325,000	2.450	1,259.49 *
ABN AMRO	02/10/05	02/24/05	1,325,000	2.450	1,259.49 *
BNP Paribas	02/10/05	02/11/05	27,794,000	2.420	1,868.37
BNP Paribas	02/10/05	02/11/05	40,000,000	2.420	2,688.89
ABN AMRO	02/10/05	02/24/05	48,550,000	2.450	46,216.90 *
ABN AMRO	02/10/05	02/24/05	48,550,000	2.450	46,216.90 *
ABN AMRO	02/10/05	02/24/05	48,550,000	2.450	46,216.91 *

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	02/11/05	02/14/05	\$40,000,000	2.480%	\$ 8,266.67
BNP Paribas	02/14/05	02/15/05	40,008,000	2.490	2,767.22
Mizuho	02/15/05	02/23/05	1,350,000	2.550	740.64 *
Dresdner	02/15/05	02/17/05	15,122,000	2.500	2,100.28
Dresdner	02/15/05	02/17/05	19,394,000	2.500	2,693.61
Dresdner	02/15/05	02/17/05	22,378,000	2.500	3,108.06
Dresdner	02/15/05	02/17/05	24,893,000	2.500	3,457.36
Dresdner	02/15/05	02/17/05	31,265,000	2.500	4,342.36
Dresdner	02/15/05	02/17/05	32,427,000	2.500	4,503.75
Dresdner	02/15/05	02/17/05	32,438,000	2.500	4,505.28
ABN AMRO	02/15/05	02/16/05	40,000,000	2.520	2,800.00
Lehman Brothers	02/15/05	02/18/05	42,372,500	2.500	8,709.90 *

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	02/15/05	02/18/05	\$42,372,500	2.500%	\$ 8,709.90 *
Lehman Brothers	02/15/05	02/18/05	42,372,500	2.500	8,709.90 *
Lehman Brothers	02/15/05	02/18/05	42,372,500	2.500	8,709.90 *
Mizuho	02/15/05	02/23/05	48,500,000	2.550	26,607.64 *
Daiwa	02/16/05	02/23/05	19,950,000	2.400	9,476.25 *
Mizuho	02/16/05	02/17/05	24,850,000	2.450	1,691.18 *
Daiwa	02/16/05	02/28/05	39,900,000	2.450	33,028.33 *
Daiwa	02/16/05	02/22/05	40,819,000	2.420	16,463.66
Nomura	02/17/05	02/22/05	14,721,000	2.400	4,907.00
Nomura	02/17/05	02/22/05	19,186,000	2.400	6,395.33
Nomura	02/17/05	02/22/05	21,894,000	2.400	7,298.00
Nomura	02/17/05	02/22/05	24,878,000	2.400	8,292.67

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	02/17/05	02/22/05	\$31,251,000	2.400%	\$10,417.00
Nomura	02/17/05	02/22/05	32,290,000	2.400	10,763.33
Nomura	02/17/05	02/22/05	32,431,000	2.400	10,810.33
Lehman Brothers	02/18/05	02/23/05	42,228,875	2.430	14,275.71 *
Lehman Brothers	02/18/05	02/23/05	42,228,875	2.430	14,275.71 *
Lehman Brothers	02/18/05	02/23/05	42,228,875	2.430	14,275.71 *
Lehman Brothers	02/18/05	02/23/05	42,228,875	2.430	14,275.71 *
Nomura	02/22/05	02/24/05	14,117,000	2.440	1,913.64
Nomura	02/22/05	02/24/05	19,090,000	2.440	2,587.76
Nomura	02/22/05	02/24/05	21,902,000	2.440	2,968.94
Nomura	02/22/05	02/24/05	24,787,000	2.440	3,360.02
Daiwa	02/22/05	02/23/05	30,866,000	2.440	2,092.03

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	02/22/05	02/24/05	\$31,199,000	2.440%	\$ 4,229.20
Nomura	02/22/05	02/24/05	31,629,000	2.440	4,287.49
Nomura	02/22/05	02/24/05	32,442,000	2.440	4,397.69
Lehman Brothers	02/23/05	02/24/05	1,495,000	2.450	101.74 *
Lehman Brothers	02/23/05	02/24/05	1,495,000	2.450	101.74 *
ABN AMRO	02/23/05	Open	9,962,500 *	Variable **	4,164.87 ***
Dresdner	02/23/05	02/24/05	30,868,000	2.450	2,100.74
Lehman Brothers	02/23/05	02/24/05	48,405,000	2.450	3,294.23 *
Lehman Brothers	02/23/05	02/24/05	48,405,000	2.450	3,294.23 *
Mizuho	02/24/05	Open	975,000 *	Variable **	341.25 ***
Mizuho	02/24/05	Open	975,000 *	Variable **	341.25 ***
Nomura	02/24/05	02/28/05	14,119,000	2.500	3,921.94

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	02/24/05	02/28/05	\$16,000,000	2.490%	\$ 4,426.67
Nomura	02/24/05	02/28/05	19,092,000	2.500	5,303.33
ABN AMRO	02/24/05	Open	19,925,000 *	Variable **	6,973.75 ***
Morgan Stanley	02/24/05	02/28/05	21,400,000	2.490	5,920.67
Nomura	02/24/05	02/28/05	21,905,000	2.500	6,084.72
Nomura	02/24/05	02/28/05	24,791,000	2.500	6,886.39
Nomura	02/24/05	02/28/05	31,203,000	2.500	8,667.50
Nomura	02/24/05	02/28/05	31,634,000	2.500	8,787.22
Nomura	02/24/05	02/28/05	32,447,000	2.500	9,013.06
Lehman Brothers	02/24/05	Open	41,895,000 *	Variable **	14,767.99 ***
Lehman Brothers	02/24/05	Open	41,895,000 *	Variable **	14,767.99 ***
Lehman Brothers	02/24/05	Open	43,890,000 *	Variable **	15,471.23 ***

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>
Mizuho	02/24/05	Open	\$48,900,000 *	Variable **	\$17,115.00 ***
Mizuho	02/24/05	Open	48,900,000 *	Variable **	17,115.00 ***
Morgan Stanley	02/24/05	02/28/05	49,300,000	2.490	13,639.67
Morgan Stanley	02/24/05	02/28/05	49,300,000	2.490	13,639.67
Morgan Stanley	02/24/05	02/28/05	49,300,000	2.490	13,639.67
Dresdner	02/28/05	03/02/05	13,874,000	2.550	982.74
ABN AMRO	02/28/05	03/02/05	14,556,000	2.550	1,031.05
Dresdner	02/28/05	03/02/05	19,013,000	2.550	1,346.76
Dresdner	02/28/05	03/02/05	21,911,000	2.550	1,552.03
ABN AMRO	02/28/05	03/02/05	23,908,000	2.550	1,693.48
Dresdner	02/28/05	03/02/05	24,623,000	2.550	1,744.13
Dresdner	02/28/05	03/02/05	29,816,000	2.550	2,111.97

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>
Dresdner	02/28/05	03/02/05	\$31,131,000	2.550%	\$ 2,205.11
Dresdner	02/28/05	03/02/05	32,456,000	2.550	2,298.97
ABN AMRO	02/28/05	03/02/05	50,806,000	2.550	3,598.76
ABN AMRO	02/28/05	03/02/05	50,806,000	2.550	3,598.76

* 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>
Daiwa	02/01/05	02/02/05	\$37,481,250	1.000%	\$1,041.15
Daiwa	02/01/05	02/02/05	37,481,250	1.000	1,041.15
Daiwa	02/01/05	02/02/05	37,481,250	1.000	1,041.15
Daiwa	02/01/05	02/02/05	37,481,250	1.000	1,041.15
Mizuho	02/01/05	02/02/05	19,990,000	0.950	527.51
Mizuho	02/02/05	02/03/05	49,687,500	1.400	1,932.29
Lehman Brothers	02/02/05	02/04/05	29,625,000	2.150	3,620.83
ABN AMRO	02/03/05	02/10/05	49,850,000	2.050	18,693.75
ABN AMRO	02/03/05	02/10/05	49,850,000	2.050	18,693.75
ABN AMRO	02/03/05	02/10/05	49,850,000	2.050	18,693.75
Daiwa	02/03/05	02/08/05	39,900,000	2.000	11,803.75
Daiwa	02/04/05	02/16/05	29,910,000	1.950	20,372.04

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>
Daiwa	02/04/05	02/16/05	\$29,910,000	1.950%	\$20,372.04
Lehman Brothers	02/04/05	02/08/05	25,156,250	1.900	5,541.36
Daiwa	02/08/05	02/16/05	39,900,000	1.800	18,420.50
Lehman Brothers	02/08/05	02/24/05	29,925,000	1.800	28,279.14
ABN AMRO	02/10/05	02/24/05	49,875,000	1.850	42,421.46
ABN AMRO	02/10/05	02/24/05	49,875,000	1.850	42,421.46
ABN AMRO	02/10/05	02/24/05	49,875,000	1.850	42,421.46
Mizuho	02/15/05	02/23/05	49,850,000	2.400	26,143.56
Lehman Brothers	02/15/05	02/18/05	42,372,500	2.350	8,297.95
Lehman Brothers	02/15/05	02/18/05	42,372,500	2.350	8,297.95
Lehman Brothers	02/15/05	02/18/05	42,372,500	2.350	8,297.95
Lehman Brothers	02/15/05	02/18/05	42,372,500	2.350	8,297.95

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>
Daiwa	02/16/05	02/28/05	\$39,900,000	2.000%	\$31,144.17
Mizuho	02/16/05	02/17/05	24,850,000	1.980	1,366.75
Daiwa	02/16/05	02/23/05	19,950,000	1.200	5,126.05
Lehman Brothers	02/18/05	02/23/05	42,228,875	2.000	12,082.15
Lehman Brothers	02/18/05	02/23/05	42,228,875	2.000	12,082.15
Lehman Brothers	02/18/05	02/23/05	42,228,875	2.000	12,082.15
Lehman Brothers	02/18/05	02/23/05	42,228,875	2.000	12,082.15
Lehman Brothers	02/23/05	02/24/05	49,900,000	2.200	3,049.44
Lehman Brothers	02/23/05	02/24/05	49,900,000	2.200	3,049.44
ABN AMRO	02/23/05	Open	9,962,500	Variable *	2,808.87 **
Mizuho	02/24/05	Open	49,875,000	Variable *	14,269.80 **
Mizuho	02/24/05	Open	49,875,000	Variable *	14,269.80 **

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>
Lehman Brothers	02/24/05	Open	\$43,890,000	Variable *	\$13,045.08 **
Lehman Brothers	02/24/05	Open	41,895,000	Variable *	12,452.12 **
Lehman Brothers	02/24/05	Open	41,895,000	Variable *	12,452.12 **
ABN AMRO	02/24/05	Open	19,925,000	Variable *	5,368.68 **

* 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 February 1, 2005 through February 28, 2005, 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 February 1, 2005 through February 28, 2005 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 February 28, 2005, the Port Authority has interest rate exchange contracts in place on notional amounts totaling \$372.6 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 February 1, 2005 through February 28, 2005 under the Variable Rate Master Note Program as amended and supplemented through November 18, 2004.

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