

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Thursday, December 14, 2000

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MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, December 14, 2000, at One World Trade Center, City, County and State of New York.

PRESENT:

NEW JERSEY

Hon. Lewis M. Eisenberg, Chairman
Hon. Kathleen A. Donovan
Hon. William J. Martini
Hon. Alan G. Philibosian
Hon. Anthony J. Sartor

Robert E. Boyle, Executive Director
Jeffrey S. Green, General Counsel
Daniel D. Bergstein, Secretary

Kayla M. Bergeron, Director, Media Relations
Bruce D. Bohlen, Treasurer
Lillian C. Borrone, Assistant Executive Director
John D. Brill, Director, Audit
Gregory G. Burnham, Chief Technology Officer
Ernesto L. Butcher, Chief Operating Officer
Anthony G. Cracchiolo, Director, Priority Capital Programs
William R. DeCota, Director, Aviation
Michael P. DePallo, Director/General Manager, PATH
Karen E. Eastman, Assistant Secretary
Michael G. Fabiano, Assistant Comptroller
Michael S. Glassner, Executive Assistant to the Chairman
Edward J. Jackson, Director, Financial Services Department
Howard G. Kadin, Attorney, Law
Louis J. LaCapra, Chief of Staff
Richard M. Larrabee, Director, Port Commerce
Francis J. Lombardi, Chief Engineer
Maria Luongo, Executive Advisor to Chief of Corporate Planning and External Affairs
Stephen Marinko, Attorney, Law
Charles F. McClafferty, Chief Financial Officer
Allen M. Morrison, Supervisor, Media Relations
Fred V. Morrone, Director, Public Safety
Catherine F. Pavelec, Executive Assistant to the Secretary
Kenneth P. Philmus, Director, Tunnels, Bridges & Terminals
Alan L. Reiss, Director, World Trade
Cruz C. Russell, Director, Office of Policy & Planning
Ronald H. Shiftan, Deputy Executive Director
Douglas L. Smith, Director, Office of Forecasting and Capital Planning
Gregory J. Trevor, Senior Public Information Officer, Media Relations
Robert E. Van Etten, Inspector General
Christopher O. Ward, Chief of Corporate Planning and External Affairs
Peter Yerkes, Press Secretary
Margaret R. Zoch, Comptroller

Guest

Carolyn Laney, Program Manager, Public Authorities, New York State

NEW YORK

Hon. Charles A. Gargano, Vice-Chairman
Hon. Michael J. Chasanoff
Hon. Peter S. Kalikow
Hon. David S. Mack
Hon. Bradford J. Race, Jr.
Hon. Anastasia M. Song

The public meeting was called to order by Chairman Eisenberg at 2:30 p.m. and ended at 2:52 p.m. The Board met in executive session prior to the public meeting.

Report of Audit Committee

The Audit Committee reported in executive session, for information, on matters discussed in executive session at its meeting on December 14, 2000, which included discussion of internal audit matters, and the report was received.

Report of Committee on Finance

The Committee on Finance reported in executive session, for information, on matters discussed in executive session at its meeting on December 14, 2000, which included discussion of matters related to, or which could impact upon, the issuance, sale, resale, or redemption of Port Authority bonds, notes or other obligations, 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 in executive session, for information, on matters discussed at its meeting on December 14, 2000, which included discussion of a planning authorization for a comprehensive waterway development program and the retention of a consultant for the development of a Comprehensive Port Improvement Plan, and the report was received.

Report of Committee on Construction

The Committee on Construction reported in executive session, for information, on matters discussed in executive session at its meeting on December 14, 2000, 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 in executive session, for information, on matters discussed in executive session at its meeting on December 14, 2000, which included discussion of contract matters, matters related to the purchase, sale or lease of real property, and matters which could affect the competitive economic position of the Port Authority, the Port District and the businesses with which we deal, and the report was received.

Chairman Eisenberg recognized the dedicated service of the Executive Director, Robert E. Boyle, and Assistant Executive Director, Lillian C. Borrone, both of whom are retiring from the Port Authority shortly. On behalf of the Board of Commissioners, the Chairman expressed heartfelt thanks for their service and best wishes on their retirement.

PROPOSED CHANGE IN TOLL SCHEDULE FOR VEHICULAR INTERSTATE CROSSINGS - PUBLIC HEARINGS

It was recommended that the Board direct the Executive Director to arrange for public hearings on a proposed change in toll schedule for the Port Authority's vehicular crossings and to report to the Board on the results of the hearings.

It was reported that despite substantial efforts both to reduce expenditures at Port Authority facilities and to maximize revenues from non-bridge and tunnel operations, an upward adjustment of tolls is needed to maintain the Interstate Transportation Network (Network) and limit the financial support to the Network from other revenue sources. It has become increasingly clear that the Port Authority's continued capacity to carry out major capital programs has, in recent years, been shrinking, primarily because of sharply increased operating and maintenance costs on the Network. At the present time, the Network is not financially self-sustaining and continues to be subsidized by other Port Authority activities. The net annual deficit for the Network is projected to be about \$88 million in 2000, \$102 million in 2001 and \$137 million by 2002. By 2005, without revenue enhancements for the Network, the net deficit would grow to nearly \$275 million, which represents a 26 percent growth over the five years. Moreover, the Network is an aging system with many facilities now being pressed to their capacity during peak commuting hours, and faces dual pressures of maintenance and the essential need for major rehabilitation and improvements to continue safe, reliable operations.

Accordingly, with the goal of financial self-sufficiency for the Network, the Port Authority will seek public input on a proposed toll adjustment for vehicular crossings. The proposal is to raise the cash rate for automobiles to \$7.00, while for trucks, the proposed cash toll is \$7.00 per axle. Discounts on the cash rate for autos would be available to E-ZPass users. The auto toll rates being proposed for E-ZPass users in the off-peak periods would be \$4.00 at the Hudson River crossings and \$3.00 at the three Staten Island Bridges (Bayonne Bridge, Goethals Bridge and Outerbridge Corssing). At the Holland and Lincoln Tunnels, the peak period E-ZPass auto toll rate would be \$6.00 and the George Washington Bridge toll rate would be \$5.50, with the Staten Island Bridges toll rate being \$4.50 during the peak period. During off-peak hours, the truck toll for E-ZPass users would be \$4.00 per axle.

In accordance with policy established by the Board in 1977, public hearings must be held on ten days' notice with respect to the above-described changes in the toll structure. The notice of hearings will set forth the charges proposed to be instituted or changed, shall set forth a comparison of existing charges with the proposed charges and shall state the purposes for which such tolls are to be instituted or changed.

Pursuant to the foregoing report presented by staff, the following resolution was adopted with Commissioners Chasanoff, Donovan, Eisenberg, Gargano, Kalikow, Mack, Martini, Philibosian, Race, Sartor and Song voting in favor; none against:

RESOLVED, that the Executive Director be and he hereby is authorized and directed, for and on behalf of the Port Authority, to arrange for

public hearings on a proposed change in toll schedule for tolls charged on the vehicular interstate crossings as described above; and it is further

RESOLVED, that the Executive Director shall report the results of the public hearing to the Board prior to further action.

JOHN F. KENNEDY INTERNATIONAL AIRPORT - CONSULTANT SERVICES FOR WILDLIFE MANAGEMENT PROGRAM - COOPERATIVE SERVICE AGREEMENT WITH UNITED STATES DEPARTMENT OF AGRICULTURE WILDLIFE SERVICES

Federal Aviation Administration (FAA) regulations require an Airport Certificate holder to develop and implement a Wildlife Hazard Management Plan (WHMP) when necessary for controlling bird and other wildlife hazards at an airport.

Since 1990, the Port Authority has entered into separate Cooperative Service Agreements with the United States Department of Agriculture Animal and Plant Health Inspection Service (APHIS) Wildlife Services (USDA) for consultation on the WHMP at John F. Kennedy International Airport (JFK) in order to address wildlife hazard management at JFK, as required, and to conduct a bird shooting program. These efforts have successfully reduced the number of gulls and other birds flying over JFK, significantly decreasing the risk of bird strikes to aircraft. The USDA has also provided technical, research, and operational assistance at Bird Hazard Task Force (Task Force) meetings and other meetings as required. The function of the Task Force is to serve as an advisory body to the Port Authority and contribute to the ongoing development, evaluation and refinement of JFK's bird hazard reduction program. Members include the Federal Aviation Administration (FAA), the National Park Service, the New York State Department of Environmental Conservation, the USDA, the United States Fish & Wildlife Service and the New York City Department of Environmental Protection.

The agreements expire December 31, 2000 and must be replaced. Under the proposed agreement, the USDA would consolidate the consulting services and shooting program into a single contract for a five-year period and would also provide additional consulting services, including but not limited to: joint participation with the Port Authority on a one-year airport-wide wildlife hazard assessment, additional vegetation management research to reduce erosion and deter wildlife grazing by increasing ground cover, studies of the effects of shooting on the behavior of gulls, research on the impact of relocating birds on the bird-strike risk, assistance with rewriting JFK's WHMP, statistical analysis and evaluation of the falconry program, assistance at meetings of the Task Force and other meetings and evaluation of current operations at JFK.

The cost of the Cooperative Service Agreement with the USDA is expected to be recovered through the JFK Flight Fee Formula. The WHMP is expected to minimize the threat posed by birds and other wildlife to aircraft operations and to passenger safety.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Donovan, Eisenberg, Gargano, Kalikow, Mack, Martini, Philibosian, Race, Sartor and Song 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 Cooperative Service Agreement with the United States Department of

Agriculture Wildlife Services to provide technical, research, and operational assistance for the Wildlife Management Program at John F. Kennedy International Airport for five years at an estimated cost of \$895,000; and it is further

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

ALL AIRPORTS – FUNDING FOR NEW YORK AND NEW JERSEY AIR SERVICES DEVELOPMENT OFFICES – AGREEMENT WITH THE AVIATION DEVELOPMENT COUNCIL

It was recommended that the Board authorize funding for the New York and New Jersey Air Services Development Office (ASDO) programs which serve John F. Kennedy International Airport (JFK), LaGuardia Airport (LGA), Newark International Airport (EWR) and Teterboro Airport (TEB), for the period January 1, 2001 through December 31, 2002, at a total cost not to exceed \$708,340, and authorize the Executive Director to enter into an agreement with the Aviation Development Council (ADC) to manage, procure and administer contract services and to provide advisory and consultation services for these programs at no additional cost to the Port Authority.

ASDO began as a pilot program in 1983 for JFK and LGA, was expanded to include EWR in 1987, and would now be further expanded to include TEB. ASDO's mission is to make the aviation industry more aware of the broad range of goods and services available from local businesses and to familiarize local businesses with opportunities and methods for selling their goods and services to the aviation industry. Information has been exchanged among airport tenants and local businesses through a variety of techniques, including semi-annual networking events, quarterly newsletters and technical assistance programs. ASDO also offers research and business counseling and guidance to the more than 3,000 registered local businesses. Special efforts have been made to involve local minority and women-owned businesses by conducting outreach programs to various local economic development corporations and communities to encourage minority and women-owned businesses to be certified by the Port Authority. The ASDO programs have been directly responsible for more than 3,142 contract awards totaling approximately \$335 million in New York and for 990 contract awards totaling approximately \$136 million in New Jersey.

In addition to projected budgets of \$357,400 for the New York ASDO program and \$350,940 for the New Jersey ASDO program for the two-year funding period, the Port Authority would provide airport space for both programs at an approximate total value of \$80,000 per year. Total costs for the New York and New Jersey ASDO programs are approximately 21 percent recoverable through the flight fee formula.

The ADC administers the New York and New Jersey ASDO programs at no additional cost to the Port Authority. Since the ADC's membership includes representatives of the aviation industry, it is an appropriate and effective entity to procure and administer contract services and to provide advisory and consultation services to achieve the programs' goals. Both the ADC and ASDO are periodically audited by the Port Authority.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Donovan, Eisenberg, Gargano, Kalikow, Mack, Martini, Philibosian, Race, Sartor and Song voting in favor; none against:

RESOLVED, that funding for the New York and New Jersey Air Services Development Office (ASDO) programs serving John F. Kennedy

International, LaGuardia, Newark International and Teterboro Airports for the period January 1, 2001 through December 31, 2002, at a total cost not to exceed \$708,340, 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 enter into an agreement with the Aviation Development Council to manage, procure and administer contract services and to provide advisory and consultation services for the ASDO programs at no additional cost to the Port Authority; the form of the agreement shall be subject to the approval of General Counsel or his authorized representative.

CITY OF ELIZABETH - ELIZABETH PORT AUTHORITY MARINE TERMINAL/NEWARK INTERNATIONAL AIRPORT - AMENDMENT AND SUPPLEMENT TO EXISTING SERVICE/OPERATING AGREEMENTS

It was recommended that the Board authorize the Executive Director to enter into an amended service/operating agreement with the City of Elizabeth (City) to provide for an increase in authorized annual payments, beginning in 2001, to the City Community Development Fund. It is proposed to increase the maximum payments to be made in each year to a total of \$3 million, for an annual increase of \$2 million. In addition, this amendment will provide for certain guarantees regarding parking tax revenues to be received from property to be leased by the Port Authority assuring that the City will receive at least \$800,000 per year for ten years.

This action will provide an increased payment to the City for services provided to Newark International Airport (Airport) and the Elizabeth-Port Authority Marine Terminal (EPAMT) and to enable the City to construct needed improvements to municipal facilities which could provide improved services to the Airport, EPAMT and the City.

Pursuant to a November 8, 1984 Board authorization, the Executive Director entered into an agreement with the City providing payments to be used by the City for specific projects which would be of benefit to the Port Authority as well as the City. That authorization limited the payments to be made under such agreement to \$500,000 in the years 1985 - 1987 and \$1 million per year in the years 1988 - 2031. Since 1984, the cost to the City of providing support services to the Airport has increased. In addition, with the further development of the EPAMT, the City may be called upon to provide additional support services in the form of backup police, fire protection and emergency response services to that facility. At the present time, the City provides the backup fire protection for the Airport and the primary fire response for the EPAMT. Among the significant capital needs facing the City is that of planning and developing a new fire/emergency services complex to serve the City, the Airport and the EPAMT. The need for increased infrastructure improvements that could provide service to Port Authority facilities and the City was not contemplated at the time that the existing community development agreement was drafted.

Complementary to the amendment to the Service/Operating Agreement, the City and the Port Authority have also tentatively agreed to the general terms of other agreements. Among the contemplated agreements, the City will implement the existing agreement to vacate McLester Street and Bay Avenue located within the confines of the EPAMT. Upon the vacating of those two streets, the Port Authority will be in a position to complete the express rail construction and realign the existing curve at North Avenue East and McLester Street without having to consult with and obtain the approval of the City. Although the City will be relieved of the maintenance obligations for McLester Street, the benefit to the Port Authority in having complete control of the roadway will be of much greater value.

The City and the Port Authority have also tentatively agreed to some revisions in the terms of a proposed lease agreement between the City and the Port Authority, previously authorized by the Board, for 10.1 acres of City-owned property in the vicinity of New Jersey

Turnpike Interchange 13A. In addition, the Port Authority will include within the Airport Layout Plan a provision for the possibility of a Newark/Elizabeth Rail Link on the Airport. Finally, complementary to the amendment of the Service/Operating Agreement, will be agreements relating to payments in lieu of taxes on certain property to be acquired for Marine Terminal purposes and the construction of a freight rail extension to Staten Island.

Pursuant to the foregoing report, the following resolution was adopted in executive session with Commissioners Chasanoff, Donovan, Eisenberg, Gargano, Kalikow, Mack, Martini, Philibosian, Race, Sartor and Song 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 amended service/operating agreement with the City of Elizabeth (City) to provide for an increase in authorized annual payments to the City Community Development Fund to a total of \$3 million, for an annual increase of \$2 million. In addition, this amendment will provide for certain guarantees regarding parking tax revenues to be received from property to be leased by the Port Authority, assuring that the City will receive at least \$800,000 per year for ten years; and it is further

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

COMPREHENSIVE WATERWAY DEVELOPMENT PROGRAM - PLANNING AUTHORIZATION

Constructing and maintaining deep-draft navigation channels is the key to the future of the Port of New York and New Jersey (Port). The Port's goal of being the hub port for the Northeast will be achieved only if 50-foot channels can be provided to service the new 6000 TEU (Twenty-Foot Equivalent Unit), and larger, post-Panamax vessels. However, the Port is naturally shallow (18 feet deep) and its channels and berths must be dredged to serve deep-draft vessels. Annual maintenance dredging requirements are approximately 2 million cubic yards (1.2 million contaminated and 800,000 uncontaminated). During the next 12 years, new construction for the 41, 45, and 50-foot channel deepening projects will require the additional excavation of 10 million cubic yards of contaminated sediment and clay, 41 million of clean sediment, and 8.5 million of rock.

The dredging technology currently used in the Port, generally open-bucket dredges with oceangoing scows, has remained unchanged for many decades and is no longer effective. Resource agencies and environmental groups are concerned with the impacts of dredging operations on fish resources and with the dispersion of re-suspended contaminated sediments during dredging operations. Regulatory agencies are imposing more stringent restrictions. In addition, since the early 1990s, it has become more difficult to dispose of the Port's dredged sediments. In 1997, the Mud Dump Site, the Port's federally designated ocean disposal site, was closed and re-designated as the Historic Area Remediation Site (HARS). At present, only clean dredged material can be taken to the HARS. As a result, the Port Authority and other marine facility operators have had to rely increasingly on privately owned and operated upland sites that are expensive and unreliable for the processing and disposal of dredged material. Contaminated sediments are currently being placed at upland sites in New Jersey and Pennsylvania or in the Newark Bay Confined Disposal Facility. The State of New York is developing an upland demonstration project at the Pennsylvania Avenue landfill in Brooklyn, New York. Clean dredged materials, including rock, sand, clay and silts/clays mixtures, are currently used beneficially at the HARS and at offshore fishing-reef locations.

Dredging and disposal processes are changing in character since material has been diverted from the ocean and directed to upland locations for beneficial use. A number of difficulties have arisen during dredging operations and dredged material processing, including: public opposition, regulatory uncertainty, employment of shallow cuts, debris, a need for water management, low production rates, a need to work around vessel traffic, limited berth availability, and discontinuous operational requirements. These problems are causing dredging costs to rise and project schedules to be delayed.

The combination of these factors has jeopardized our ability to deepen and maintain the Port's channels and berths. Resolving these and other issues is critical to our ability to deliver the promised deepened channels and to maintain these channels in the future. It was therefore recommended that the Port Authority conduct a program to seek ways to address and resolve these concerns and gain greater cost and scheduling control over harbor navigation improvement and maintenance projects.

The objective of the program is to enhance the performance of dredging and disposal activities. The goal of the first phase, to be accomplished in approximately two years at an estimated

cost of \$2 million, is to determine if there are actions the Port Authority could undertake to help private industry improve current processing rates of dredged material placement or, if private industry is unable to meet the demand for disposal, to investigate the development of new technologies for dredged material processing. This activity would focus on ensuring the timely delivery of the 41, 45, and 50-foot channel deepening projects, which need to be performed concurrently with maintenance dredging activities. Specific program objectives include achieving the capability of processing a minimum of 10,000 cubic yards per day, per project and controlling dredged material disposal/placement costs.

The objective of the second phase, to be accomplished over a period of approximately ten years at an estimated cost of \$25 million, is to re-engineer and develop dredging and dredged material disposal systems to provide innovative, long-term solutions to dredging and disposal activities that are environmentally acceptable and economically feasible. During this second phase, a series of comprehensive research and technical development studies will be performed to enhance current dredging and disposal practices. The successful implementation of the following main activities will support the realization of the proposed program goal:

- Perform dredging systems analyses, including consideration of equipment design, contractual procedures and dredging logistics;
- Optimize the beneficial use of all dredged material through the implementation of dredged material processing and manufacturing facilities for various end-products;
- Obtain from the construction industry acceptance for the use of blended/stabilized dredged material as fill and/or aggregates;
- Require that certain uses of stabilized dredged material fill become mandatory by regulation or permit condition;
- Work with federal, state and local agencies and communities to identify areas suitable for the placement of stabilized dredged material;
- Assess and evaluate the marketability of processed dredged material or its end-products to other parts of the United States and abroad; and,
- Develop an outreach program to inform and update the public of these developments.

It is anticipated that some part of the Port Authority's planning and development costs can be recovered by providing dredged material disposal services to other entities.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Donovan, Eisenberg, Gargano, Kalikow, Mack, Martini, Philibosian, Race, Sartor and Song voting in favor; none against:

RESOLVED, that the expenditure of approximately \$4 million for the Port Authority to take the initiative and begin a comprehensive planning and design program (Program) aimed at reengineering the entire process of dredging and the disposal of dredged materials, including developing innovative technology and determining marketability for dredged material end-products, and conducting parallel outreach efforts to inform and update the public of these developments, with emphasis on the application of new and innovative processes and technology to dredging and disposal of dredged material in the Port of New York and New Jersey, be and it hereby is authorized; and it is further

RESOLVED, that further expenditures for the Program shall be subject to the prior approval of the Board; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to take such action with respect to contracts for professional and advisory services related to the foregoing Program as he deems is in the best interest of the Port Authority and to enter into such other agreements as may be necessary to effectuate the Program; the form of all such agreements shall be subject to the approval of General Counsel or his authorized representative.

**KILL VAN KULL/NEWARK BAY 45-FOOT DEEPENING PROJECT BETTERMENT
- PLANNING AUTHORIZATION AND AGREEMENT WITH THE U.S. ARMY
CORPS OF ENGINEERS**

The Port Authority's lease obligations with Maersk Sealand, Maher Terminals, Inc., and Port Newark Container Terminal LLC contemplate 50-foot channels in Kill Van Kull/Newark Bay (KVK/NB) by 2009. The current U.S. Army Corps of Engineers (Corps) schedule forecasts work on the KVK/NB channels will begin in 2003 at the earliest and be completed by 2013.

Staff recommends that the Board authorize the Port Authority to enter into an agreement with the Corps for channel improvement design studies related to a Betterment to 50 feet of the authorized federal KVK/NB 45-Foot-Deepening Project. This effort would involve the identification of navigational and environmental requirements, project costs and a construction contracting mechanism to improve the scheduled completion date of 50-foot channels to Port Newark and the Elizabeth-Port Authority Marine Terminal by several years and secure construction savings. The Betterment will affect the last three scheduled contracts of the current 45-foot KVK/NB Channels Deepening Project - Areas 8, 4B and 6.

The Water Resources Development Act (WRDA) of 1986 authorized the deepening of the KVK/NB Federal Channels to 45 feet at a total cost of \$325 million for Phase I (40-foot) work. The WRDA of 1996 increased the authorization to \$630 million for the 45-foot channels for Phase II (45-foot) construction. The Port Authority is the required Project Sponsor for the project and is responsible for paying the non-federal local sponsor share of 35 percent of the project costs.

The New York District of the Corps was authorized under the WRDA of 1996 to conduct a Harbor Navigation Feasibility Study (HNFS) to evaluate federal participation in further navigation improvements in the Port of New York and New Jersey. The HNFS recommended deepening of certain channels, including the KVK/NB Channels, to 50 feet.

Congress, in the WRDA of 2000, authorized the deepening of the KVK/NB Channels to 50 feet. By combining the 45-foot construction in Newark Bay with a 50-foot Betterment, there is an opportunity to accelerate the 50-foot deepening project schedule by two years and reduce the construction cost of the future 50-foot project. By advancing the design work under the Preconstruction Engineering and Design (PED) agreement, which was authorized by the Board at its February 24, 2000 meeting and reauthorized at its May 25, 2000 meeting, or possibly through entering into a new agreement, the Port Authority will determine the total amount of funding needed for construction of a 50-foot Betterment. Under the standard form of the Department of the Army agreement, among other provisions, the non-federal sponsor would be legally responsible to pay a prescribed percentage of the total project costs, no matter what the amount might be, which may ultimately be higher than the Corps' current cost estimates.

The Port Authority and the Corps will analyze regulations and policies to determine the best mechanism for contracting the construction, since the two deepening

projects will be occurring in parallel. Once the cost and contracting mechanism is known, authorization will be requested from the Board to proceed with the construction of the Betterment from 45 to 50 feet. The Port Authority will be responsible for 100 percent of the Betterment cost, which is currently estimated at \$100 million. If the Port Authority were to wait the approximate three years for the accomplishment of the PED phase and the negotiation of a Project Cooperation Agreement (PCA) with the Corps, the Port Authority would be responsible for 60 percent of the construction costs. However, once the PCA is completed, the Port Authority would seek a credit from the Corps for 40 percent of the Betterment cost to be applied against future portions of the 50-foot deepening project.

The Corps will provide navigation simulations, plans, specifications, cost estimates, environmental assessments, and design analyses for deepening Areas 8, 4B and 6 of the KVK/NB Channels to a depth of 50 feet.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Donovan, Eisenberg, Gargano, Kalikow, Mack, Martini, Philibosian, Race, Sartor and Song voting in favor; none against:

RESOLVED, that planning and engineering design work be and it hereby is authorized for channel improvements in Newark Bay to be performed by the U.S. Army Corps of Engineers (Corps) and the Port Authority at an estimated cost of \$3 million, of which \$1 million are Port Authority costs; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to make a payment of approximately \$2 million to the Corps for the preparation of planning and design documents including, but not limited to, navigation simulations, environmental assessments, engineering designs, plans, specifications, and cost estimates; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to negotiate and enter into an agreement with the United States Department of the Army (Army) in the form required by federal law or Corps' policy for channel improvement design studies related to a Betterment to 50 feet of the authorized federal Kill Van Kull/Newark Bay 45-Foot Deepening Project, providing that the Port Authority agree to pay the non-federal sponsor's local share of design and study costs, that is, a prescribed percentage (100 percent for the Betterment) of the total design and study costs no matter what the total amount might be, which ultimately may be higher than the Army's current cost estimates; and it is further

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

GATX AND PORT READING - AUTHORIZATION TO PURSUE SITE ACQUISITIONS

It was recommended that the Board: (1) authorize the Executive Director to: (a) pursue the acquisitions of a 435-acre site on Staten Island, New York, from GATX SI, Inc., a 290-acre site (Port Reading) in Woodbridge, New Jersey, from Public Service Electric and Gas Company or its successor, and adjacent site(s); and (b) enter into any agreements regarding these acquisitions, including the acceptance of a deed for each site, the substantive terms of any such agreements to be subject to the review and approval of the Committee on Operations; and (2) delegate to the Committee on Operations the authority to review and approve the substantive terms of any agreements regarding these acquisitions. The implementing documents for the acquisitions will provide for the appropriate environmental protections and indemnifications for the benefit of the Port Authority.

Automobile imports and exports in the Port of New York and New Jersey have grown steadily, resulting in the need for increased terminal capacity to handle future volumes. Furthermore, the Port Investment Options Study has indicated that the Port Authority's Auto Marine Terminal, located on the Jersey City/Bayonne border in New Jersey, is a prime location for expanded container terminal operations. This conversion would require alternate locations for the Northeast Auto Marine Terminal and possibly the BMW Terminal. Therefore, this action will provide for the expansion and relocation of the automobile terminal facilities.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Donovan, Eisenberg, Gargano, Kalikow, Mack, Martini, Philibosian, Race and Song voting in favor; Commissioner Sartor abstaining; none against:

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to: (a) pursue the acquisitions of a 435-acre site on Staten Island, New York, from GATX SI, Inc., a 290-acre site (Port Reading) in Woodbridge, New Jersey, from Public Service Electric and Gas Company or its successor, and adjacent site(s); and (b) enter into any agreements regarding these acquisitions, including the acceptance of a deed for each site, 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, for and on behalf of the Port Authority, to review and approve the substantive terms of any agreements regarding these acquisitions; and it is further

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

RED HOOK CONTAINER TERMINAL - AUTHORIZATION TO CONTINUE THE BARGE PROGRAM

The Red Hook Barge Program (Program) has been supported in part by the Port Authority since the Gowanus Expressway Reconstruction Program began in 1991. It was designed to maintain the then-current levels of service and to mitigate adverse impacts of the Gowanus Expressway reconstruction on roadside access to Red Hook by transporting containers between the Red Hook Container Terminal and the New Jersey Marine Terminals via barge. The Barge Program was supported in 1991 by the Board's authorization to expend \$3.1 million in Port Authority funds for operation of the Program. In September 1993, the Board authorized the Port Authority's continued participation in the Program and has periodically authorized additional expenditures to support the ongoing operations of the Program.

At its March 1997 meeting, the Board authorized \$18.5 million in operating funds through the year 2001, with the understanding that a separate Board authorization would be required for each year's expenditure. Together with an earlier authorization of \$1.5 million, a total of \$20 million in operating funds was made available for the five-year period 1997-2001. Five and one-half million dollars was expended in 1997, \$5.2 million in 1998, and \$3.1 million in both 1999 and 2000. Actual operating expenses from 1997-2000 exceeded Port Authority funding by approximately \$10 million. In 2001, the Port Authority would expend \$3.1 million toward operating expenses, which are anticipated to be approximately \$7.8 million.

To date, the Port Authority has authorized \$30.4 million in operating assistance, including New York State Bank I funds of \$2.1 million. In addition, the Port Authority has received New York State Congestion Mitigation and Air Quality (CMAQ) funds in the amount of \$2.3 million and New Jersey CMAQ funds in the amount of \$849,000 for operating expenses.

The barge is operated by American Import-Export Trucking Company, a subsidiary of American Stevedoring, Inc. (ASI), the lessee of the Red Hook Container Terminal, under agreement with the Port Authority. While ASI's leases at the Red Hook Container Terminal and Port Newark both expire in August 2001, continued participation in and funding for the Program will support the ongoing tenancy of ASI and assist New York State in realizing its economic development and air quality goals.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Donovan, Eisenberg, Gargano, Kalikow, Mack, Martini, Philibosian, Race, Sartor and Song 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 expend \$3.1 million for the operation of the Red Hook Barge Program in 2001 and to enter into an agreement with American Import-Export Trucking Company to effectuate this authorization; and it is further

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

RETENTION OF CONSULTANT FOR DEVELOPMENT OF A COMPREHENSIVE PORT IMPROVEMENT PLAN

The Port of New York and New Jersey (Port) plays a vital role in the economy of the New York/New Jersey region, providing over 166,000 jobs and serving more than 18 million consumers in the metropolitan area and another 80 million consumers in the midwestern United States and eastern Canada. Recent studies conducted by the Port Authority (*Port Development & Investment Options Analysis*), New York City Economic Development Corporation (NYCEDC) (*Strategic Plan for the Redevelopment of the Port of New York*), and the U.S. Army Corps of Engineers (Corps) (*NY-NJ Harbor Navigation Study*), conclude that future port expansion will be needed to accommodate projected increases in oceanborne cargo.

Rather than evaluating individual terminal expansion projects in isolation, the Comprehensive Port Improvement Plan (CPIP) Consortium composed of the Port Authority, New York's Empire State Development Corporation (ESDC), New Jersey Maritime Resources/New Jersey Department of Transportation (NJMAR/NJDOT) and the NYCEDC, along with the U.S. Environmental Protection Agency (EPA) and the Corps (federal co-lead agencies), have indicated that a comprehensive improvement plan should be developed that considers the Port as a system and defines the water and landside infrastructure developments necessary to accommodate projected increases in cargo demand. The CPIP and its accompanying Environmental Impact Statement (EIS), which will be prepared pursuant to a subsequent contract, will provide for the development of the Port in a manner that is both economically efficient and environmentally protective.

On November 18, 1999, the Board authorized the Executive Director to enter into agreements with entities including, but not limited to, the State of New Jersey, the ESDC, the NYCEDC and the Corps to arrange for the preparation of a CPIP for the Port of New York and New Jersey, at an estimated cost of \$5 million. Agreements to arrange for preparation of a related EIS, with preparation estimated at \$10 million, were authorized by the Board at the same time. The Port Authority's share of the costs was to be negotiated and while the Board resolution could be read to limit said share to an amount not to exceed \$5 million for both studies without additional Board authorization, the true intent of the Board was to authorize the Port Authority's share at an amount not to exceed \$5 million for each study.

The objective of the CPIP and the EIS is to create a comprehensive plan reflective of the need for an economically viable and environmentally protective improvement of the Port. In particular, the CPIP will define water and landside infrastructure improvement initiatives to accommodate the region's projected growth in cargo demand by the Year 2060. The plan will also consider environmental and public access issues.

The CPIP Consortium and the federal co-lead agencies have separate responsibilities as defined in the CPIP Memorandum of Understanding (MOU). The Consortium is tasked to direct, manage and fund preparation of the CPIP, and provide funding and data to support the preparation of the CPIP-EIS. The federal co-lead agencies are tasked to select the consultant for the preparation of the CPIP-EIS as well as to independently evaluate and review all National Environmental Policy Act (NEPA) documents, conduct appropriate

public participation activities required under NEPA and other statutes and regulations, and to exercise authority consistent with applicable law. To date, the CPIP Consortium and co-lead agencies have: developed the CPIP MOU, which became effective in January 2000; prepared a CPIP vision and mission statement, and drafted goals and objectives; established Steering and Management Committees; prepared an Interagency Funding Agreement to divide costs into thirds among the Port Authority, the State of New York (ESDC and NYCEDC), and the State of New Jersey (NJMR/NJDOT); contacted Port stakeholders; issued a Request for Qualifications (RFQ) for consultant firms interested in proposing on the preparation of the CPIP; and developed a Scope of Work for use in a Request for Proposals (RFP) that will be issued imminently to firms that are qualified. (In September 2000, an RFQ was publicly advertised and sent to 56 respondents. Seven responses were received. Of these, three firms were determined to be qualified and will receive an RFP.) Proposals are due to be received four weeks after the RFP is issued.

The CPIP Consortium will review the CPIP proposals based on the following criteria:

- assigned personnel qualifications, firm experience and performance;
- analysis of staffing assignments, assessment of staff availability and demonstrated ability of the consultant to complete the services in accordance with the project schedule;
- appropriateness and responsiveness of the consultant's proposed technical approach to performance of services;
- cost of consultant services; and,
- consultant's Minority/Women Business Enterprise participation plan.

The CPIP Scope of Work will provide the selected consultant detailed direction in order to develop a unified, regionally supported, environmentally protective and economically viable sequence of port improvement initiatives, accompanied by a detailed financing plan and certain public outreach activities. The tasks to be performed include, but are not limited to, the following: forecast market demand and aggregate Port capacity needs for containers, vehicles, breakbulk, and bulk cargo; identify, modify and evaluate site-specific Port improvement options; develop and evaluate in-depth Port improvement proposals; develop a draft CPIP Report and contribute to the draft EIS; perform a financial analysis of the draft CPIP proposals; prepare a final CPIP Report; conduct public outreach activities; and perform additional studies or related services, which may be required in support of the specific tasks outlined in the scope. It is anticipated that work will begin in January 2001 and will be completed in April 2004. The Port Authority will enter into the agreement with the chosen consultant on behalf of the CPIP Consortium.

In accordance with an Interagency Funding Agreement, costs will be shared by the Port Authority, New York State (ESDC and NYCEDC) and the State of New Jersey (NJMR/NJDOT). The State of New Jersey has indicated a desire to use funds from the "Joint Dredging Plan" Fund to cover a portion of their share of the CPIP costs. The State of New York has not yet indicated the source of funding it will use to cover its share of the CPIP costs.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Donovan, Eisenberg, Kalikow, Mack, Martini, Philiposian, Race, Sartor and Song voting in favor; Commissioner Gargano abstaining; 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 three-year contract on behalf of a consortium composed of the Port Authority, Empire State Development Corporation, New Jersey Maritime Resources/New Jersey Department of Transportation, and the New York City Economic Development Corporation, with the highest-rated proposer chosen pursuant to a publicly advertised Request for Proposal process, for the development of a Comprehensive Port Improvement Plan at a total estimated cost of \$5,000,000, with the Port Authority share of the costs under this contract not to exceed \$5 million without further Board authorization; and it is further

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

SETTLEMENT OF CLAIM – THE WORLD TRADE CENTER – REHABILITATION OF B-1 LEVEL (TRUCK DOCK) FLOOR SLAB – CONTRACT WTC 881.072 – T. MORIARTY & SON, INC.

In August 1997, the Board authorized an expenditure of \$30.75 million for Phase I of a program to rehabilitate The World Trade Center's subgrade slabs, which included the rehabilitation of the B-1 Truck Dock Slabs and approximately 33,000 square feet in the B-3 parking area.

On November 18, 1999, the Board increased the total estimated project cost to rehabilitate The World Trade Center's subgrade slabs by an estimated \$6 million, up to a total of \$36.75 million, and also authorized the Executive Director to award Contract WTC-881.072 to the lowest qualified bidder.

On December 3, 1999, the Executive Director authorized the award of publicly advertised Contract WTC 881.072 to T. Moriarty & Son, Inc. (Moriarty), the low bidder, at its bid price in the estimated total amount of \$9,445,207, extra work in the amount of \$1,500,000 and an allowance for net cost work roughly estimated at \$1,500,000.

The present total authorized contract amount is therefore \$12,445,207.

In July 2000, Moriarty submitted a claim against the Port Authority in the amount of \$709,424. This claim is for additional costs incurred primarily because of Port Authority delays in granting site access to Moriarty to perform the work as contemplated in the contract documents.

Thorough staff review of the claim followed, and Moriarty's claim was found to have some merit. Various discussions, reviews and negotiations ensued with Moriarty. In October 2000, it was tentatively agreed that Moriarty would be paid the sum of \$270,000 in settlement of the claim, subject to approval of the Board.

Total payments to Moriarty for all contract work, extra work and net cost work (excluding the proposed claim settlement of \$270,000) are forecasted to be approximately \$12,445,000.

Moriarty will sign a release of all claims under the contract prior to receiving the \$270,000 payment.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Donovan, Eisenberg, Gargano, Kalikow, Mack, Martini, Philibosian, Race, Sartor and Song 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 make a payment of \$270,000 to T. Moriarty & Son, Inc. (Moriarty) in full settlement of all claims Moriarty has against the Port Authority in connection with Contract WTC-881.072; the form of the General Release of all claims to be executed by Moriarty prior to payment shall be subject to the approval of General Counsel or his authorized representative.

FINAL CONTRACTS PAYMENTS

The Comptroller's Department reports, 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 October 1, 2000 to October 31, 2000.

CONTRACT NUMBER	CONTRACT TITLE FACILITY AND CONTRACTOR	TOTAL AUTHORIZED		TOTAL PAYMENTS	
JFK134193	FACILITY PRIORITY IMPROVEMENTS II	1,000,000	(C)	1,000,000	(C)
	JOHN F. KENNEDY INT'L AIRPORT	323,555	(P)	323,555	(P)
	TWIN TOWERS ENTERPRISES, INC	19,413	(Q)	3,000	(Q)
		35,000	(R)	26,512	(R)
		1,377,968		1,353,067	
JFK494	LOADING BRIDGE SKIN REPAIR/ REPLACEMENT	280,100	(A)	280,100	(A)
	JOHN F. KENNEDY INT'L AIRPORT	603,600	(B)	603,600	(B)
	RAINBOW CONSTRUCTION CO. INC	60,000	(C)	24,006	(C)
		90,000	(D)	9,987	(D)
		22,093	(E)	22,093	(E)
		60,360	(J)	27,312	(J)
	1,116,153		967,098		
JFK584004	REDEVELOPED ROADWAY NETWORK	19,049,620	(A)	18,526,220	(A,AG)
	ROADWAY CONTRACT PACKAGE #6	448,180	(B)	448,180	(B)
	JOHN F. KENNEDY INT'L AIRPORT	750,000	(C)	1,503,462	(C)
	SLATTERY SKANSKA, INC	1,560,000	(D)	1,560,000	(D)
		1,105,000	(Y)	1,105,000	(Y)
		50,000	(Z)	50,000	(Z)
		383,374	(AA)	383,374	(AA)
		1,883,638	(AB)	1,883,638	(AB)
		4,277,575	(AC)	3,903,097	(AC)
		443,718	(AD)	635,464	(AD)
		380,000	(AE)	380,000	(AE)
	110,000	(AF)	95,505	(AF)	
	30,441,105		30,473,940		

JFK850	INTERNATIONAL AIR TERMINAL	128,000	(A)	128,000	(A)
	REPAIR OF SWITCHBOARD	55,000	(C)	649	(C)
	JOHN F. KENNEDY INTL AIRPORT	10,240	(D)	--0--	(D)
	WINDSOR ELECTRICAL CONTRACTING, INC	193,240		128,649	
LGA607	POLICE DESK RENOVATION	1,160,555	(A)	1,160,555	(A)
	LAGUARDIA AIRPORT	90,000	(C)	11,200	(C)
	TWIN TOWERS ENTERPRISES, INC	93,000	(D)	56,072	(D)
		34,817	(E)	34,817	(E)
		99,000	(I)	99,000	(I)
		1,477,372		1,361,644	
LGA631	REHABILITATION OF RUNWAY DRIVE	379,000	(A)	351,665	(A,X)
	LAGUARDIA AIRPORT	405,000	(B)	405,000	(B)
	RAEBECK CONSTRUCTION CORP	200,000	(C)	22,100	(C)
		47,040	(D)	20,725	(D)
		8,386	(E)	8,386	(E)
		40,500	(J)	40,500	(J)
		--0--	(S)	7,542	(S)
		1,079,926		855,918	
AKO154	ABUTMENT BUILDING ELECTRICAL	573,700	(A)	573,700	(A)
	REHABILITATION	20,000	(C)	13,509	(C)
	OUTERBRIDGE CROSSING	35,000	(D)	35,000	(D)
	J.G. SALAS & SONS, INC	8,606	(E)	8,606	(E)
		85,000	(F)	85,000	(F)
		55,000	(G)	46,570	(G)
		777,306		762,385	
BT180067	VIDEO TELECONFERENCING UNIT	1,164,129	(A)	1,067,434	(A,W)
	PORT AUTHORITY BUS TERMINAL	8,800	(B)	--0--	(B)
	ALLWORKS INTERNATIONAL	280,000	(C)	43,223	(C)
	CONSTRUCTION COMPANY, LTD	118,000	(D)	55,460	(D)
		24,400	(E)	24,400	(E)
		1,595,329		1,190,517	

BT326A	OVERHEAD GATES LOWER LEVEL	992,370	(A)	992,370	(A)
	PORT AUTHORITY BUS TERMINAL	79,400	(D)	79,400	(D)
	UNITED STEEL PRODUCTS, INC	25,000	(H)	22,400	(H)
		1,096,770		1,094,170	
GWB348A	SECURITY FENCING AT HR RAMPS	335,500	(A)	330,000	(A,T)
	GEORGE WASHINGTON BRIDGE	63,500	(B)	63,500	(B)
	S&A CONTRACTING, INC	20,000	(C)	2,686	(C)
		40,000	(D)	9,000	(D)
		6,350	(J)	6,350	(J)
		--0--	(S)	150	(S)
		465,350		411,686	
GWB361	REPLACEMENT OF HYDRANTS-PHASE II	139,200	(A)	134,200	(A,U)
	NY&NJ APPROACHES	15,000	(C)	5,728	(C)
	GEORGE WASHINGTON BRIDGE	14,000	(D)	8,925	(D)
	S&A CONTRACTING, INC	4,187	(V)	4,187	(V)
		750	(L)	750	(L)
		173,137		153,790	
GWB371	REHABILITATION OF IMPACT ATTENUATOR	592,000	(A)	564,227	(A,N)
	GEORGE WASHINGTON BRIDGE	47,000	(D)	8,000	(D)
	HOLLAND TUNNEL	40,813		40,813	(M)
	S&A CONTRACTING, INC	--0--		2,064	(O)
		679,813		615,104	
BIP982501	BUILDING 2930A ROOF REPLACEMENT	56,000	(A)	56,000	(A)
	BATHGATE INDUSTRIAL PARK	20,000	(C)	20,000	(C)
	GT & JT CONSTRUCTION CORP	4,500	(D)	4,400	(D)
		15,600	(K)	15,600	(K)
		96,100		96,000	
MFP971130	RED HOOK CONTAINER TERMINAL AND	530,350	(B)	530,350	(B)
	HOWLAND HOOK MARINE TERMINAL	70,000	(C)	61,557	(C)
	PAVEMENT AND UTILITY REHABILITATION	31,821	(D)	25,084	(D)
	VIA WORK ORDER	53,035	(J)	13,905	(J)
	BROOKLYN PA MARINE TERMINAL	685,206		630,896	
	JAB CONSTRUCTION INC				

- (A) Lump Sum
- (B) Classified Work
- (C) Net Cost - amount in the "Total Authorized" column represents the estimated net cost amount. However, the amount in the "Total Payments" column is the authorized net cost amount.
- (D) Extra Work.
- (E) Premium for furnishing performance and payment bond as provided for in the contract.
- (F) Increase in extra work in the amount of \$85,000 authorized on 8/18/98.
- (G) Increase in extra work in the amount of \$55,000 authorized on 6/14/99.
- (H) Increase in extra work in the amount of \$25,000 authorized on 4/11/97.
- (I) Claim settlement in the amount of \$99,000 authorized 9/13/99.
- (J) Classified work may exceed authorization amount limited to 10% or \$250,000 (whichever is less) without further authorization as per the "Management of Engineering Design and Construction Service Manual".
- (K) Increase in net cost work in the amount of \$15,600 authorized on 2/17/2000.
- (L) Claim settlement in the amount of \$750 payable to Exeter Supply Co., a subcontractor to S&A Contracting Inc., authorized 8/9/2000 using unspent funds to compensate subcontractors.
- (M) Claim settlement in the amount of \$40,813 payable to Peter Young D/B/A American Removal, a subcontractor to S&A Contracting Inc., authorized 8/1/2000 using unspent funds to compensate subcontractors.
- (N) The difference between "Total Authorized" and Total Payments" represents a credit in the amount of \$27,773 for work deleted from this contract and completed by another contractor.
- (O) Increase in compensation pursuant to "Emergency Delays" clause, in the amount of \$2,064 as provided for in the contract.
- (P) Supplemental Agreement No.1 which included an increase in the amount of \$323,555 for lump sum work authorized on 12/15/98.
- (Q) Supplemental Agreement No.1 which included an increase in the amount of \$19,413 for extra work authorized on 12/15/98.
- (R) Increase in net cost work in the amount of \$35,000 authorized on 9/6/00.

- (S) Uncommitted funds in extra work are permitted to be utilized against additional cost in classified work not covered under (J) as per the "Management of Engineering Design and Construction Service Manual".
- (T) The difference between "Total Authorized" and "Total Payments" represents a credit change order in the amount of \$5,500 for the deletion of part of the work .
- (U) The difference between "Total Authorized" and "Total Payments" represents a credit change order in the amount of \$5,000 for the deletion of part of the work.
- (V) Claim settlement in the amount of \$4,187 payable to Peter Young D/B/A American Removal, a subcontractor to S&A Contracting Inc., authorized 8/1/00 using unspent funds to compensate subcontractors.
- (W) The difference between "Total Authorized" and "Total Payments" represents backcharges in the amount of \$96,695 due to an overpayment to the same contractor in contract BT180071.
- (X) The difference between "Total Authorized" and "Total Payments" represents a deduction from compensation in the amount of \$27,335 for deficiencies in asphalt pavement density as provided for in the contract.
- (Y) Increase in classified work in the amount of \$1,105,000 authorized on 7/31/96.
- (Z) Supplemental Agreement No.2 which provided for an increase in the amount of \$50,000 for net cost work, authorized on 1/31/97.
- (AA) Supplemental Agreement No.3 which provided for an increase in the amount of \$383,374 for lump sum work, authorized on 2/21/97.
- (AB) Supplemental Agreement No.4 which included an increase in the amount of \$1,883,638 for lump sum work on 2/21/97.
- (AC) Supplemental Agreement No.4 which included an increase in the amount of \$4,277,575 for classified work on 2/21/97.
- (AD) Supplemental Agreement No.4 which included an increase in the amount of \$443,718 for net cost work on 2/21/97.
- (AE) Supplemental Agreement No.4 which included an increase in the amount of \$380,000 for extra work, on 2/21/97.
- (AF) Increase in extra work in the amount of \$110,000 authorized on 11/18/98.
- (AG) The difference between "Total Authorized" and "Total Payments" represents credit change orders in the total amount of \$523,400 for changes in the scope of the work.

Investments & Deposits

The Committee on Finance reported, for information only, that in accordance with authority granted by the Committee, the Executive Director had authorized the following security transactions, time accounts, interest rate exchange contracts and variable rate master note agreements during the period October 1, 2000 through October 31, 2000.

REPORT A:

Purchase of Port Authority Bonds

<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.

(Board - 12/14/00)

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

RECOMMENDATION: NONE

REPORT A: Pursuant to investment policies adopted by the Committee, the Executive Director reports that he has authorized the following security transactions during the period October 1, 2000 through October 31, 2000.

Purchase of Port Authority Bonds

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

(Board - 12/14/00)

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

Purchase of Securities

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
10/02/00	\$ 25,000,000	USTB	--	11/09/00	99.39	5.754%	5.870%	\$ 24,848,145.83	UBS Warburg
10/03/00	10,000,000	FCDN	--	10/04/00	99.98	6.290	6.378	9,998,252.78	Prudential Securities
10/03/00	25,000,000	FHDN	--	12/01/00	98.95	6.390	6.547	24,738,187.50	Morgan Stanley & Co
10/03/00	25,000,000	FMCDN	--	12/21/00	98.60	6.390	6.571	24,649,437.50	Banc One Capital Markets
10/03/00	25,000,000	FMCDN	--	12/28/00	98.47	6.390	6.579	24,618,375.00	Banc One Capital Markets
10/03/00	50,000,000	USTB	--	11/16/00	99.28	5.910	6.036	49,638,833.35	Lehman Brothers
10/03/00	50,000,000	GECC CP	--	10/04/00	99.98	6.380	6.470	49,991,138.90	General Electric Capital
10/04/00	13,000,000	GECC CP	--	10/05/00	99.98	6.350	6.439	12,997,706.94	General Electric Capital
10/04/00	25,000,000	USTB	--	11/09/00	99.41	5.890	6.007	24,852,750.00	Fuji Securities *
10/04/00	25,000,000	FCDN	--	10/16/00	99.79	6.380	6.482	24,946,833.33	Fuji Securities
10/04/00	44,000,000	USTB	--	01/18/01	98.22	6.030	6.224	43,218,780.00	Prudential Securities

(Board - 12/14/00)

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

Purchase of Securities (Cont.)

<u>Purchase Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Purchase Price</u>	<u>Discount Rate</u>	<u>BEY @Cost</u>	<u>Principal</u>	<u>Dealer</u>
10/04/00	\$ 50,000,000	GECC CP	--	10/05/00	99.98	6.350%	6.439%	\$ 49,991,180.55	General Electric Capital
10/05/00	25,000,000	GECC CP	--	10/20/00	99.73	6.460	6.567	24,932,708.33	General Electric Capital
10/05/00	48,000,000	GECC CP	--	10/06/00	99.98	6.380	6.470	47,991,493.34	General Electric Capital
10/10/00	25,000,000	GECC CP	--	10/18/00	99.86	6.470	6.569	24,964,055.55	General Electric Capital
10/13/00	15,000,000	USTN	6.000%	09/30/02	100.05	--	5.968	15,008,203.13	S.G. Cowen
10/16/00	25,000,000	FMCDN	--	01/04/01	98.57	6.435	6.619	24,642,500.00	Prudential Securities
10/18/00	25,000,000	GECC CP	--	11/01/00	99.75	6.440	6.546	24,937,388.90	General Electric Capital
10/26/00	20,000,000	USTN	6.000	09/30/02	100.15	--	5.914	20,029,687.50	Nesbitt Burns Securities
10/27/00	15,000,000	USTN	6.000	09/30/02	100.15	--	5.914	15,022,265.63	S.G. Cowen

(Board - 12/14/00)

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

Purchase of Securities (Cont.)

Purchase Date	Par Value	Description	Coupon Rate	Maturity Date	Purchase Price	Discount Rate	BEY @Cost	Principal	Dealer
10/31/00	<u>\$ 25,400,000</u>	GECC CP	--	11/01/00	99.98	6.500%	6.591%	<u>\$ 25,395,413.88</u>	General Electric Capital
	<u>\$ 590,400,000</u>							<u>\$ 587,413,337.94</u>	

* This transaction was part of a swap in which there was a related sale of securities.

BEY - Bond Equivalent Yield

(Board - 12/14/00)

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

Sale of Securities

<u>Sale Date</u>	<u>Par Value</u>	<u>Description</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Sale Price</u>	<u>Discount Rate</u>	<u>Principal</u>	<u>Dealer</u>
10/04/00	\$ 25,000,000	USTB	--	11/02/00	99.53	5.790%	\$ 24,883,395.83	Fuji Securities *
10/13/00	<u>15,000,000</u>	USTN	6.000%	09/30/02	100.16	--	<u>15,023,437.50</u>	S.G. Cowen
	<u>\$ 40,000,000</u>						<u>\$ 39,906,833.33</u>	

* This transaction was part of a swap in which there was a related purchase of securities.

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>
Greenwich Capital Mkts	10/02/00	10/03/00	\$ 1,001,000	6.480%	\$ 180.18
Nomura Securities	10/02/00	10/03/00	10,858,000	6.480	1,954.44
Nomura Securities	10/02/00	10/03/00	16,933,000	6.480	3,047.94
Paribas Corporation	10/02/00	10/03/00	34,352,000	6.470	6,173.82
Greenwich Capital Mkts	10/02/00	10/03/00	48,999,000	6.480	8,819.82
Paribas Corporation	10/02/00	10/03/00	49,648,000	6.470	8,922.85
Nomura Securities	10/02/00	10/03/00	50,715,000	6.480	9,128.70
Lehman Brothers	10/03/00	10/04/00	1,642,500	6.400	292.00 *
Fuji Securities	10/03/00	10/04/00	10,748,000	6.370	1,901.80
Fuji Securities	10/03/00	10/04/00	19,966,000	6.370	3,532.87
Fuji Securities	10/03/00	10/04/00	23,196,000	6.370	4,104.40

(Boal - 12/14/00)

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>
Lehman Brothers	10/03/00	10/04/00	\$ 47,545,000	6.400%	\$ 8,452.44 *
Paribas Corporation	10/04/00	10/05/00	10,749,000	6.330	1,890.03
Fuji Securities	10/05/00	10/06/00	9,916,000	6.370	1,754.58
Zions First National Bank	10/06/00	10/10/00	9,897,000	6.370	7,004.88
Zions First National Bank	10/06/00	10/10/00	30,000,000	6.370	21,233.33
UBS Warburg	10/06/00	10/10/00	44,000,000	6.400	31,288.89
Daiwa Securities America	10/10/00	10/11/00	9,788,000	6.450	1,753.68
Daiwa Securities America	10/10/00	10/11/00	50,000,000	6.450	8,958.33
UBS Warburg	10/11/00	10/16/00	9,693,000	6.380	8,589.08
UBS Warburg	10/11/00	10/16/00	25,000,000	6.380	22,152.78
S.G. Cowen	10/11/00	10/12/00	42,000,000	6.360	7,420.00

(Board - 12/14/00)

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>
Paribas Corporation	10/12/00	10/13/00	\$ 372,000	6.380%	\$ 65.93
Paribas Corporation	10/12/00	10/13/00	29,981,000	6.380	5,313.30
Fuji Securities	10/12/00	10/13/00	47,000,000	6.380	8,329.44
Paribas Corporation	10/12/00	10/13/00	49,942,000	6.380	8,850.83
Fuji Securities	10/13/00	10/16/00	2,093,000	6.350	1,107.55
Paribas Corporation	10/13/00	10/16/00	24,277,000	6.350	12,846.58
Fuji Securities	10/13/00	10/16/00	29,986,000	6.350	15,867.59
Fuji Securities	10/13/00	10/16/00	48,230,000	6.350	25,521.71
Paribas Corporation	10/13/00	10/16/00	52,723,000	6.350	27,899.25
Lehman Brothers	10/16/00	10/17/00	3,170,000	6.490	571.48
UBS Warburg	10/16/00	10/17/00	8,875,000	6.480	1,597.50

(Board - 12/14/00)

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>
UBS Warburg	10/16/00	10/17/00	\$ 29,991,000	6.480%	\$ 5,398.38
UBS Warburg	10/16/00	10/17/00	50,331,000	6.480	9,059.58
Lehman Brothers	10/16/00	10/17/00	59,830,000	6.490	10,786.02
Paribas Corporation	10/17/00	10/18/00	6,772,000	6.410	1,205.79
Paribas Corporation	10/17/00	10/18/00	30,007,000	6.410	5,342.91
Fuji Securities	10/17/00	10/18/00	34,456,000	6.410	6,135.08
Fuji Securities	10/17/00	10/18/00	47,544,000	6.410	8,465.47
Paribas Corporation	10/17/00	10/18/00	50,359,000	6.410	8,966.70
UBS Warburg	10/18/00	10/23/00	735,000	6.380	651.29
Nomura Securities	10/18/00	10/19/00	25,734,000	6.380	4,560.64
Nomura Securities	10/18/00	10/19/00	29,951,000	6.380	5,307.98

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>
UBS Warburg	10/18/00	10/23/00	\$ 30,102,000	6.380%	\$26,673.72
Nomura Securities	10/18/00	10/19/00	43,315,000	6.380	7,676.38
UBS Warburg	10/18/00	10/23/00	49,632,000	6.380	43,979.47
Nomura Securities	10/19/00	10/20/00	17,550,000	6.450	3,144.38
Nomura Securities	10/19/00	10/20/00	24,857,000	6.450	4,453.55
Nomura Securities	10/19/00	10/20/00	25,143,000	6.450	4,504.79
Nomura Securities	10/19/00	10/20/00	28,450,000	6.450	5,097.29
Paribas Corporation	10/20/00	10/23/00	10,000,000	6.420	5,350.00
Nomura Securities	10/20/00	10/23/00	11,580,000	6.410	6,185.65
Paribas Corporation	10/20/00	10/23/00	25,679,000	6.420	13,738.27
Nomura Securities	10/20/00	10/23/00	28,420,000	6.410	15,181.02

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>
Paribas Corporation	10/20/00	10/23/00	\$ 49,321,000	6.420%	\$26,386.74
UBS Warburg	10/23/00	10/24/00	920,000	6.450	164.83
Daiwa Securities America	10/23/00	10/24/00	5,495,000	6.450	984.52
Daiwa Securities America	10/23/00	10/24/00	6,231,000	6.450	1,116.39
Lehman Brothers	10/23/00	10/24/00	8,845,000	6.450	1,584.73
Daiwa Securities America	10/23/00	10/24/00	10,349,000	6.450	1,854.20
Daiwa Securities America	10/23/00	10/24/00	13,738,000	6.450	2,461.39
Daiwa Securities America	10/23/00	10/24/00	14,908,000	6.450	2,671.02
Daiwa Securities America	10/23/00	10/24/00	16,270,000	6.450	2,915.04
Daiwa Securities America	10/23/00	10/24/00	23,897,000	6.450	4,281.55
UBS Warburg	10/23/00	10/24/00	49,080,000	6.450	8,793.50

(Board - 12/14/00)

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>
Lehman Brothers	10/23/00	10/24/00	\$ 60,155,000	6.450%	\$10,777.77
Nomura Securities	10/24/00	10/25/00	1,451,000	6.450	259.97
Nomura Securities	10/24/00	10/25/00	10,350,000	6.450	1,854.38
Paribas Corporation	10/24/00	10/25/00	10,416,000	6.460	1,869.09
Nomura Securities	10/24/00	10/25/00	21,970,000	6.450	3,936.29
Nomura Securities	10/24/00	10/25/00	28,450,000	6.450	5,097.29
Nomura Securities	10/24/00	10/25/00	28,682,000	6.450	5,138.86
Fuji Securities	10/24/00	10/25/00	42,235,000	6.450	7,567.10
Fuji Securities	10/24/00	10/25/00	47,765,000	6.450	8,557.90
Paribas Corporation	10/24/00	10/25/00	49,584,000	6.460	8,897.57
UBS Warburg	10/25/00	10/26/00	123,000	6.440	22.00

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>
UBS Warburg	10/25/00	10/26/00	\$ 10,352,000	6.440%	\$ 1,851.86
Lehman Brothers	10/25/00	10/26/00	15,470,000	6.480	2,784.60
S.G. Cowen	10/25/00	10/26/00	17,679,000	6.440	3,162.58
UBS Warburg	10/25/00	10/26/00	30,138,000	6.440	5,391.35
S.G. Cowen	10/25/00	10/26/00	34,181,000	6.440	6,114.60
S.G. Cowen	10/25/00	10/26/00	38,140,000	6.440	6,822.82
UBS Warburg	10/25/00	10/26/00	50,306,000	6.440	8,999.18
Lehman Brothers	10/25/00	10/26/00	54,530,000	6.480	9,815.40
Paribas Corporation	10/26/00	10/27/00	1,337,000	6.490	241.03
Paribas Corporation	10/26/00	10/27/00	10,354,000	6.490	1,866.60
Paribas Corporation	10/26/00	10/27/00	30,145,000	6.490	5,434.47

(Board - 12/14/00)

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>
UBS Warburg	10/26/00	10/27/00	\$ 37,243,000	6.500%	\$ 6,724.43
Greenwich Capital Mkts	10/26/00	10/27/00	47,000,000	6.520	8,512.22
Paribas Corporation	10/26/00	10/27/00	49,101,000	6.490	8,851.82
UBS Warburg	10/26/00	10/27/00	52,757,000	6.500	9,525.57
Fuji Securities	10/27/00	10/30/00	2,854,000	6.480	1,541.16
Fuji Securities	10/27/00	10/30/00	10,356,000	6.480	5,592.24
Fuji Securities	10/27/00	10/30/00	30,150,000	6.480	16,281.00
Nomura Securities	10/27/00	10/30/00	32,666,000	6.450	17,557.98
Lehman Brothers	10/27/00	10/30/00	40,000,000	6.440	21,466.67
Nomura Securities	10/27/00	10/30/00	47,334,000	6.450	25,442.03
Fuji Securities	10/27/00	10/30/00	47,593,000	6.480	25,700.22

(Board - 12/14/00)

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>
Paribas Corporation	10/30/00	10/31/00	\$ 10,362,000	6.540%	\$ 1,882.43
UBS Warburg	10/30/00	10/31/00	24,074,000	6.500	4,346.69
Paribas Corporation	10/30/00	10/31/00	30,166,000	6.540	5,480.16
Paribas Corporation	10/30/00	10/31/00	50,474,000	6.540	9,169.44
UBS Warburg	10/30/00	10/31/00	59,926,000	6.500	10,819.97
Nomura Securities	10/31/00	11/02/00	2,666,000	6.450	477.66
UBS Warburg	10/31/00	11/02/00	7,191,000	6.520	1,302.37
UBS Warburg	10/31/00	11/02/00	13,199,000	6.520	2,390.49
UBS Warburg	10/31/00	11/02/00	16,887,000	6.520	3,058.42
Fuji Securities	10/31/00	11/02/00	34,009,000	6.550	6,187.75
Nomura Securities	10/31/00	11/02/00	47,334,000	6.450	8,480.68

(Board - 12/14/00)

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>
UBS Warburg	10/31/00	11/02/00	\$ 56,801,000	6.520%	\$10,287.29
Fuji Securities	10/31/00	11/02/00	59,645,000	6.550	10,852.08

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

(Boa. 12/14/00)

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	10/03/00	10/04/00	\$49,187,500	5.900%	\$8,061.28

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 October 1, 2000 through October 31, 2000, 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.

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

Options Transactions - Sold

Transaction Date	Par Value	Description	Price	Exercise Price	Expirations/ Settlement	Dealer	Option Premium
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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 October 1, 2000 and October 31, 2000, 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>
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No new transactions this period.

As of October 31, 2000, the Port Authority has interest rate exchange contracts in place on notional amounts totaling \$777 million, including \$382 million pertaining to refundings and \$110 million of reversals.

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 October 1, 2000 and October 31, 2000 under the Variable Rate Master Note Program as amended and supplemented through October 13, 1994.

Variable Rate Master Note Placements

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

Whereupon, the meeting was adjourned.

Secretary