

**THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY**

**MINUTES**

**Thursday, June 29, 2000**

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**MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, June 29, 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  
Hon. James Weinstein

Robert E. Boyle, Executive Director  
Jeffrey S. Green, General Counsel

Kayla M. Bergeron, Director, Media Relations  
A. Paul Blanco, Director, Economic Development  
Lillian C. Borrone, Director, Port Commerce  
John D. Brill, Director, Audit  
Gregory G. Burnham, Chief Technology Officer  
Ernesto L. Butcher, Chief Operating Officer  
William J. Cahill, Principal Information Officer, Media Relations  
Wilfred Chabrier, General Manager, Office of Business & Job Opportunity  
William DeCota, Director, Aviation  
Michael P. DePallo, Director/General Manager, PATH  
Karen E. Eastman, Assistant Secretary  
Michael S. Glassner, Executive Assistant to the Chairman  
Edward L. Jackson, Director, Financial Services Department  
Howard G. Kadin, Attorney, Law  
Louis J. LaCapra, Chief of Staff  
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  
James E. McCoy, Senior Administrator, Office of the Secretary  
Catherine F. Pavelec, Executive Assistant to the Secretary  
Kenneth P. Philmus, Director, Tunnels, Bridges & Terminals  
Alan L. Reiss, Director, World Trade  
Ronald H. Shiftan, Deputy Executive Director  
Douglas L. Smith, Director, Office of Forecasting and Capital Planning  
Robert E. Van Etten, Inspector General  
Christopher O. Ward, Chief of Corporate Planning and External Affairs  
Angela F. Wood, Special Assistant to the Executive Director  
Margaret R. Zoch, Comptroller

**NEW YORK**

Hon. Michael J. Chasanoff  
Hon. Peter S. Kalikow  
Hon. David S. Mack  
Hon. Anastasia M. Song

The public meeting was called to order by Chairman Eisenberg at 2:40 p.m. and ended at 2:48 p.m. The Board met in executive session prior to the public meeting.

### **Action on Minutes**

The Assistant Secretary submitted for approval Minutes of action taken at the Board's meetings of May 11, 2000, May 25, 2000 and June 2, 2000. 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.

The Assistant Secretary reported that the Minutes of June 2, 2000 contain an inadvertent omission on page 281, in the last sentence of the second paragraph of the report entitled "Elizabeth-Port Authority Marine Terminal – Maersk, Inc. and Sea-Land Service, Inc. – Lease Agreements." The sentence correctly reads as follows: "The financial terms of and related to the lease, including any Port Authority investment, will be undertaken solely by the Port Authority without benefit of the previously discussed \$120 million New Jersey State contribution to the Port Authority's cost of channel deepening and other expenditures related to the terminal."

Whereupon, the Board of Commissioners unanimously approved the Minutes.

### **Report of Committee on Finance**

The Committee on Finance reported, for information, 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 June 29, 2000, which included a discussion of contract matters, and the report was received.

### **Report of Committee on Construction**

The Committee on Construction reported, for information, on matters discussed at its meeting on June 29, 2000, which included discussion of a project authorization for the construction of a new multi-tenant air cargo facility at Newark International Airport. The Committee met in executive session following the public meeting to discuss contract and lease matters. This report is 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 June 29, 2000, which included a discussion of contract and lease matters, and the report was received.

### **Staff Report**

A presentation was made by staff on 1999 Year-End Minority/Women-Owned/Small Business Enterprise Results.

**JOHN F. KENNEDY INTERNATIONAL AIRPORT - MAINTENANCE APPEARANCE AND IMPROVEMENTS TO TERMINAL 6 - REVISED SPACE PERMIT OR SUPPLEMENT THERETO WITH UNITED AIR LINES, INC.**

It was recommended that the Board authorize the construction of improvements at Terminal 6 at John F. Kennedy International Airport at an estimated cost to the Port Authority of \$5 million, and further authorize the Executive Director to enter into a revised space permit with United Air Lines, Inc. (UAL) for Terminal 6, or a supplement thereto, which would provide for Port Authority reimbursement payments, or credits, to UAL for the portion of the improvements performed by UAL.

The proposed improvements would be made at areas of Terminal 6 and would include refurbishment of restrooms, replacement of signage, replacement of flooring, repairs of lighting and other improvements, including improvements to support the terminal systems and life safety enhancements. Staff anticipates that the majority of the work would be done by UAL. Portions of the work may be performed by the Port Authority itself through its contractors retained under separate authorization.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Donovan, Eisenberg, Kalikow, Mack, Martini, Philibosian, Sartor, Song and Weinstein 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 revised space permit or supplement thereto with United Air Lines, Inc. with respect to Terminal 6 at John F. Kennedy International Airport, substantially in accordance with the terms and conditions outlined to the Board; the form of said agreement shall be subject to the approval of General Counsel or his authorized representative.

## **NEWARK INTERNATIONAL AIRPORT – CONSTRUCTION OF A NEW MULTI-TENANT AIR CARGO FACILITY IN THE NORTH AREA – PROJECT AUTHORIZATION**

It was recommended that the Board authorize a project to construct a new multi-tenant air cargo facility in the North Area at Newark International Airport (EWR) at a total estimated project cost of \$33.4 million, and authorize the Executive Director to award related contracts and enter into related agreements necessary to effectuate the project.

EWR has experienced significant growth in cargo activity, handling 912 percent more cargo in 1999 than in 1980. However, the construction of new air cargo-handling facilities has not kept pace with this growth. Multi-tenant cargo Buildings 155 and 156, constructed by the Port Authority in the South Area in 1993, increased total cargo space at EWR to 1,012,456 square feet, but are now fully occupied. While cargo activity at EWR has increased 55 percent since these buildings were constructed, total cargo space has increased by only 20 percent to the present total of 1,213,754 square feet. Upon completion of this project, and the cargo facilities presently being constructed by United Airlines, Inc. and Continental Airlines, Inc., total cargo space at EWR will increase by an additional 19 percent to 1,448,573 square feet by the second quarter of 2002. The Port Authority has forecasted 3.5 percent annual cargo growth at EWR through 2008.

The Port Authority-owned multi-tenant cargo buildings in the North Area, Buildings 151 and 152, which collectively contain 54,181 square feet of cargo bay space, are over 40 years old and have reached the end of their useful lives. This project would enable the Port Authority to replace these buildings with a larger, more efficient state-of-the-art multi-tenant air cargo facility. The work under this project would include: the partial demolition of Building 151 and the complete demolition of Building 152; the construction of a new multi-tenant air cargo facility consisting of approximately 126,000 square feet of cargo bay space, 26,460 square feet of office space and 353,160 square feet of aircraft apron, truck dock and automobile parking space; the installation of associated landscaping, paving and utilities to the site, and the partial relocation of Taxiway “U” to provide access to the new facility and incidentally to the adjacent United Air Lines, Inc. leasehold. No significant environmental constraints to construction or adverse environmental impacts are anticipated. Prior to the demolition of Buildings 151 and 152, the asbestos within these buildings would be removed in accordance with applicable regulations. Where appropriate, existing tenants of Buildings 151 and 152 would be reimbursed for certain reasonable interim relocation expenses incurred in connection with this project at a total cost not to exceed \$400,000. It is anticipated that preparation of construction documents would commence in the third quarter of 2000 and construction would be completed in the second quarter of 2002. Contracts would contain Minority and Women Business Enterprise goals of twelve percent and five percent participation, respectively, as well as appropriate labor force goals. This project is expected to be financially self-sustaining through future rentals from the new facility.

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

**RESOLVED**, that a project to construct a new multi-tenant air cargo building in the North Area at Newark International Airport, including the partial and complete demolition of existing cargo Buildings 151 and 152, respectively, the installation of associated landscaping, paving and utilities to the site, and the partial relocation of Taxiway “U” to access the site, at a total estimated project cost of \$33.4 million, including payments to contractors, allowances for extra work (if necessary) and net cost work, payments to consultants, planning, engineering, administrative and financial expenses, and a project 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: (a) take action with respect to construction contracts and contracts for professional and advisory services related to the foregoing project as he deems in the best interest of the Port Authority, including, without limitation, award to the lowest bidder(s), qualified by reason of responsibility, experience, and capacity to perform the work and whose bid price he deems reasonable; or to reject all bids, solicit new bids on revised or the same requirements, or negotiate with one or more bidders or other contractors; (b) execute contracts and supplemental agreements with such bidders or contractors as he deems in the best interest of the Port Authority, and to order extra work (if necessary) and net cost work in connection with each contract, including supplemental agreements thereto; and (c) enter into such other agreements as may be necessary to effectuate the project, including agreements to reimburse existing tenants of Buildings 151 and 152 for certain reasonable interim relocation expenses at a total cost not to exceed \$400,000; and it is further

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

**TETERBORO AIRPORT – AWARD OF CONTRACT FOR OPERATION AND MAINTENANCE SERVICES FOR TETERBORO AIRPORT TO AMERICAN PORT SERVICES, INC. AND PURCHASE OF CERTAIN AIRPORT-RELATED ASSETS FROM JOHNSON CONTROLS WORLD SERVICES INC.**

It was recommended that the Board authorize the Executive Director to: enter into a contract with American Port Services, Inc. (Contractor), commencing on or about September 1, 2000, for the operation and maintenance of Teterboro Airport for a five-year term at a total estimated management fee of \$1,689,138; reimburse the Contractor for approved operating expenses for the five-year term at a total estimated cost of \$19,679,624, including services of specialized contractors; extend the agreement for one additional five-year period at the option of the Port Authority, at a total estimated management fee of \$2,031,058; reimburse the Contractor for approved operating expenses for the additional five-year period at a total estimated cost of \$23,092,662, including services of specialized contractors; authorize extra work (if necessary), not to exceed 6 percent of the base contract or of the contract during any option period and; enter into an agreement with Johnson Controls World Services Inc. (Johnson Controls) to purchase certain assets owned and used presently by Johnson Controls in its operation of the airport, including maintenance vehicles and equipment, phone systems, the airport web site, and stock on hand, at a total cost not to exceed \$500,000, to provide the Contractor with the equipment necessary for the daily operation of the airport.

All airport revenue would revert to the Port Authority, and the Port Authority would approve operating and capital budgets, oversee engineering and property development, be responsible for all future capital improvements, establish operating policies, and manage community relations. The Contractor would perform all routine and preventive maintenance on airport equipment and facilities to ensure the safe and efficient operation of the airport, and would perform all tasks required for Federal Aviation Regulation compliance (FAR 139), including an airport self-inspection program, wildlife control, aircraft rescue and fire-fighting response, airport safety and security responsibilities, noise monitoring and control, and environmental regulatory compliance. The contract requires the Contractor to purchase and maintain Public Liability Insurance of not less than \$25 million per occurrence for bodily injury and property damage and Commercial Automobile Liability Insurance of not less than \$10 million per accident, with the Port Authority included as an additional insured. Workers' compensation and Employer's Liability Insurance is also required.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Donovan, Eisenberg, Kalikow, Mack, Martini, Philibosian, Sartor, Song and Weinstein 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 operation and maintenance agreement with American Port Services, Inc. at Teterboro Airport, 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.

## **TETERBORO AIRPORT – JET AVIATION OF AMERICA, INC. – USE AND OCCUPANCY AGREEMENT**

It was recommended that the Board authorize the Executive Director to enter into a use and occupancy agreement with Jet Aviation of America, Inc. (Jet Aviation) at Teterboro Airport, commencing on or about October 1, 2000 and expiring twenty years from the completion of construction of a new Building 112 or December 31, 2022, whichever occurs first, and providing for the use and occupancy of Hangar 120, the addition of approximately 4.5 acres of airside space for aircraft parking and approximately one acre of landside space for automobile parking, the construction of a new five-story terminal/office building on the site of the existing Building 112, which would be demolished and its building fee abated, and the incorporation of existing agreements between Jet Aviation and Johnson Controls World Services Inc. covering the use and occupancy of Hangars 108/109, 111, 113, 114, 118/119, infield apron space, and ramp handling, which currently expire on December 14, 2016, into this one agreement with the Port Authority. Jet Aviation would invest a minimum of \$6.5 million for said demolition and construction and the paving of the added space, with Jet Aviation being required to comply with all federal and state obligations for mitigating the impact of wetlands disturbance.

Effective January 1, 2001, Jet Aviation's monthly building and land fees would be escalated over calendar year 2000 rates by the increase in the Consumer Price Index from December 1998 to December 1999, up to a maximum of six percent per year, and each year thereafter said fees would be similarly escalated, up to a maximum of six percent per year. Building fees for Hangar 108/109 would commence at the then-prevailing Jet Aviation building rate on December 15, 2016. The Port Authority shall have the right to perform an appraisal of the buildings and land in 2009, with rates commencing January 1, 2010 to be the greater of the appraised rates or the December 2009 rates adjusted for increases in the Consumer Price Index. If the December 2009 rates as so adjusted are 15 percent or more higher than the appraised rates, the January 2010 rates would be the greater of the January 2000 rates adjusted annually by one-half of the annual increases in the Consumer Price Index or the 2009 appraised rates.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Donovan, Eisenberg, Kalikow, Mack, Martini, Philibosian, Sartor, Song and Weinstein 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 use and occupancy agreement with Jet Aviation of America, Inc. at Teterboro Airport, 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.

**ALL AIRPORTS – EXTENSION OF COOPERATIVE RESEARCH AND DEVELOPMENT AGREEMENT WITH THE FEDERAL AVIATION ADMINISTRATION**

The Port Authority has been working with the Federal Aviation Administration (FAA) and the aviation industry since 1985 on arrestor bed technology. The information gathered during the design, installation and operation of the arrestor bed at John F. Kennedy International Airport was used in the preparation of an FAA standard for soft ground arresting systems for airports nationwide. The Board authorized the Executive Director at its March 9, 1995 meeting to enter into a Cooperative Research and Development Agreement (Agreement) with the FAA for professional services and technological research for developing practical installation, durability evaluation and maintenance efforts for foam arrestor beds, at no cost to the Port Authority. Without extension of the Agreement and continued support from the FAA Technical Center on arrestor bed technology, progress on unresolved design issues would be seriously impeded. The Agreement provides technological resources to assist in developing practical installation details, curing, jointing and sealing details, identifying maintenance efforts, and monitoring the integrity of the arrestor beds when installed.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Donovan, Eisenberg, Kalikow, Mack, Martini, Philiposian, Sartor, Song and Weinstein 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:

1. extend the existing Cooperative Research and Development Agreement with the Federal Aviation Administration for an additional three years to assist in the development, installation and monitoring of foam arrestor beds installed at Port Authority airports; and
2. further extend this agreement, at no cost, as he deems appropriate, in the future; and it is further

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

**BROOKLYN-PORT AUTHORITY MARINE TERMINAL – FACILITY  
ENHANCEMENTS – PROJECT AUTHORIZATION**

The Port Authority, with funding from both New York and New Jersey, recently expanded the Red Hook Barge system by acquiring two barges and two mobile cranes. In addition, the New York City Economic Development Corporation is in the process of purchasing two new electric cranes for the Red Hook Container Terminal. These upgrades will support the expansion of container volumes handled at this facility. In addition, the handling of bulk cargo, particularly cocoa, has experienced a significant increase. It is anticipated that this growth in traffic will place an additional strain on the flow of vehicles into and out of this terminal and could cause a deterioration of local traffic conditions.

Furthermore, over the past years, the City of New York has made substantial capital investments to improve streets, traffic signals and the flow of traffic in the area of the New York Marine Terminal, while the surrounding neighborhood has seen a resurgence of residential and commercial growth. Currently, the New York City Department of Planning and the New York City Department of Transportation are progressing plans to create a bicycle/pedestrian greenway that runs along the eastern perimeter of the terminal.

Improvements are therefore recommended to the New York Marine Terminal in Brooklyn to increase the functionality and safety of the major vehicular entrances of the facility and to provide a more aesthetic backdrop for a resurgent community development effort. The recommended improvements will focus on expediting vehicular traffic by making the interfaces with local traffic more efficient and safer. In addition, this work will provide a more aesthetic frontage for the facility and adjacent park to complement planned municipal capital improvements in a flourishing community and present a consistent visual presence along the terminal/community interface. The project would include gate entry modifications at the Hamilton Avenue and Atlantic Avenue entrances to the facility, including fence relocations and guardbooth replacement, the installation of ornamental fencing, updated facility signage, lighting, and, if the budget allows, east façade building upgrades for the Administration Building and pier buildings 7, 8 and 9B, including siding and painting.

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

**RESOLVED**, that a project for the design and construction of physical improvements to the New York Marine Terminal in Brooklyn along its eastern perimeter, and certain adjacent park properties, at a total project cost not to exceed \$3 million, including payments to contractors, allowances for extra work (if necessary) and net cost work, engineering, administrative and financial expenses, and a project 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) take action with

respect to construction contracts and contracts for professional and advisory services related to the foregoing project as he deems in the best interest of the Port Authority including, without limitation, award to the lowest bidder(s) qualified by reason of responsibility, experience and capacity to perform the work and whose bid price he deems reasonable; or to reject all bids, solicit new bids on revised or the same requirements, or negotiate with one or more bidders or contractors; (2) execute contracts and supplemental agreements with such bidders or contractors as he deems in the best interest of the Port Authority, and to order extra work (if necessary) and net cost work in connection with each contract, including supplemental agreements thereto; and, (3) enter into such other agreements as may be necessary to effectuate the project; and it is further

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

**BROOKLYN-PORT AUTHORITY MARINE TERMINAL - RED HOOK CONTAINER TERMINAL - AMERICAN STEVEDORING, INC. - NEW LEASE AND AGREEMENT TO FUND TEMPORARY FABRIC BUILDINGS**

It was recommended that the Board authorize the Executive Director to enter into an agreement with American Stevedoring, Inc. (ASI) to: (1) lease space to ASI for its construction of temporary fabric buildings for the storage of cocoa and (2) reimburse ASI for the unamortized cost of the purchase and construction of fabric buildings at the new leasehold and at the Red Hook Container Terminal in a total amount not to exceed \$6 million. It is expected that upon expiration of ASI's present Terminal Agreement on August 31, 2001, either the ASI lease will be extended or an agreement entered into with a new terminal operator after a competitive process which, in either event, will provide for a rental component based upon these buildings. The lease will commence on or about July 19, 2000 and will expire on August 31, 2001. It will cover upland area, including miscellaneous structures, of Pier 6 and upland area of Pier 7 at the Brooklyn-Port Authority Marine Terminal. No rental will be charged for the new premises through August 31, 2001; however, dockage and wharfage charges presently in effect will apply to all cocoa received at the facility. The Port Authority will have the right to terminate, without cause, all or any portion of the additional space at any time on 60 days' prior written notice to ASI.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Donovan, Eisenberg, Kalikow, Mack, Martini, Philibosian, Sartor, Song and Weinstein 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 American Stevedoring, Inc., 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 JERSEY CHANNEL – 41-FOOT DEEPENING PROJECT – PROJECT COOPERATION AGREEMENT – CO-SPONSORSHIP WITH THE STATE OF NEW JERSEY**

In 1996, the State of New Jersey (State) requested the Port Authority to act as its agent to accomplish several dredging projects. Subsequently, in July 1997, the Port Authority and the Office of New Jersey Maritime Resources, on behalf of the State, entered into an agreement which authorized the Port Authority to act as the State's agent for dredging projects at the Port Jersey Channel in the City of Bayonne.

Pursuant to this agreement, the Port Authority has been acting as the State's agent in negotiating a Project Cooperation Agreement (PCA) with the New York District of the U.S. Army Corps of Engineers (Corps), acting on behalf of the Army, for the Port Jersey Channel 41-Foot Deepening Project. The PCA will cover deepening of the Port Jersey Channel to 41 feet from its confluence with the Anchorage Channel to the turning basin at its western end. During the negotiations, a stalemate developed when it became apparent that the State could not enter into the PCA because it did not have the statutory authority to indemnify the Army. After consultation with its headquarters, the Corps suggested that the problem could be resolved by the Port Authority entering into the PCA as a non-federal local co-sponsor (co-sponsor) with the State for the limited purpose of indemnifying the Army. Subsequently, in a letter to the Port Authority dated June 13, 2000, the State requested that the Port Authority act as a co-sponsor for the Port Jersey Channel 41-foot deepening project PCA for such limited purpose.

Construction of the project is expected to begin in the third quarter of 2000 and last approximately two years. The Corps will obtain all the necessary permits required for the performance of the project. While it is not anticipated that there will be any adverse environmental impacts, insurance coverage should protect the Port Authority from reasonably foreseeable financial risks. The State will pay any insurance premiums directly or reimburse the contractor and/or the Port Authority for the cost of insurance coverage to protect the Port Authority from reasonably foreseeable financial risks associated with the deepening project, including exposure under the PCA's Indemnification Clause.

Accordingly, staff recommends that the Board authorize the Executive Director, on behalf of the Port Authority, to execute the PCA for the Port Jersey Channel 41-Foot Deepening Project and assume a limited non-federal local co-sponsor role for the purpose of indemnifying the federal government, since the State's counsel advises that the State is statutorily unable to give such indemnification. Such action by the Port Authority would allow the deepening of the Port Jersey Channel to go forward, which will have a positive impact on the competitive position of the Port of New York and New Jersey *vis-a-vis* other ports.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Donovan, Eisenberg, Kalikow, Mack, Martini, Philibosian, Sartor and Song voting in favor; Commissioner Weinstein 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 Project

Cooperation Agreement (PCA) or Agreements with the Department of the Army (Army or Government) as a co-sponsor with the State of New Jersey (State) for the limited purpose of indemnifying the Army against damages due to the construction, operation or maintenance of the Port Jersey Channel 41-Foot Deepening Project, any betterments and the local service facilities, except for damages due to the fault or negligence of the Government or its contractors; and it is further

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

## PORT READING AND GATX – SITE EVALUATIONS

The recently completed *Port Investment Options Study* has identified the need for expanded container terminal facilities in order to meet the anticipated growth of volume between now and 2040. Among other locations, the Port Authority's Auto Marine Terminal (AMT), with its highway and rail proximity and deep-water channel that serves both the former Military Ocean Terminal in Bayonne and the Global Container Terminal, has been cited as a prime location to meet future container demand. With the possibility of an auto-to-container conversion of this facility, alternative locations for the Northeast Auto Marine Terminal, and possibly the BMW Terminal, need to be identified.

In addition, forecasts for the continued growth of automobile imports and exports passing through the Port of New York and New Jersey project a threefold increase in trade, from approximately 500,000 vehicles in 1999 to 1.5 million vehicles in 2040. The Port Authority's automobile terminals support five tenant operations that are currently experiencing periodic difficulty in handling existing demands.

Preliminary studies have identified possible alternative locations for the AMT and for the expansion of auto handling facilities. Two of these sites are the GATX Corporation (GATX) facility in Staten Island, New York, and Port Reading in Woodbridge, New Jersey. The Port Authority, therefore, needs to determine the viability of relocating existing automobile facilities to sites that can allow for expansion and, if warranted, take the necessary steps to purchase these sites. The implementing documents for the acquisition(s) will provide for appropriate environmental protections and indemnifications for the benefit of the Port Authority.

The Port Reading site, a former coal handling facility, consists of about 178 acres currently owned by Public Service Electric and Gas Company and others. It is adjacent to a 48-acre Conrail marshalling yard and has waterfront access to the Arthur Kill. The GATX site is a 435-acre former tank farm located in Staten Island at the northern end of the Arthur Kill. GATX is currently in the process of removing tanks from a portion of the site.

It is therefore recommended that the Board authorize the Executive Director to hire professional and technical services to undertake site evaluations and appraisals, at an estimated cost of \$200,000, to assess the potential of the GATX facility in Staten Island, New York and the Port Reading site in Woodbridge, New Jersey for development as automobile terminal facilities in preparation of negotiations to acquire one or both properties. Consultant services will be obtained through the Engineering Department's call-in consultant process to perform geotechnical and environmental borings and analysis, traffic studies, hydrographic surveys and other site evaluation tasks, as required. Site appraisals will be obtained through the Real Estate Department's Request For Proposals process.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Donovan, Eisenberg, Kalikow, Mack, Martini, Philibosian, Song and Weinstein 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 hire professional and technical services to undertake site evaluations and appraisals, at an estimated cost of \$200,000, to assess the potential of the GATX facility in Staten Island, New York, and the Port Reading site in Woodbridge, New Jersey, for development as automobile terminal facilities in preparation of negotiations to acquire one or both properties; 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.

**OUTERBRIDGE CROSSING - EASEMENT AGREEMENT WITH THE CITY OF PERTH AMBOY TO LOCATE, OPERATE AND MAINTAIN A NEW SEWER LINE STRUCTURE**

It was recommended that the Board authorize the Executive Director to enter into a permanent, non-exclusive easement agreement with the City of Perth Amboy, New Jersey (City) which would allow the City to locate, operate, repair and maintain a new sewer line structure underneath the Outerbridge Crossing.

The City has operated a combined sewer overflow line at this location since 1902. The City must install the new sewer line structure in order to comply with an Administrative Consent Order from the State of New Jersey to correct violations of the New Jersey Water Pollution Control Act. The new sewer line structure will result in positive environmental and community benefits, including improvement to local water quality and sanitation. Any excavated soil will be tested and properly disposed of by the Port Authority's contractor, at an estimated cost to the Port Authority of \$5,000. The City will not be charged for the easement agreement.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Donovan, Eisenberg, Kalikow, Mack, Martini, Philibosian, Sartor, Song and Weinstein 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 permanent, non-exclusive easement agreement with the City of Perth Amboy, New Jersey (City) to allow the City to locate, operate, repair and maintain a new sewer line structure underneath the Outerbridge Crossing and to enter into any other agreements that may be necessary to effectuate the City's easement rights; 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.

**THE WORLD TRADE CENTER – LEHMAN BROTHERS – LEASE AGREEMENT**

It was recommended that the Board: (1) authorize the Executive Director to enter into a lease agreement with Lehman Brothers Inc. (Lehman) for the letting of approximately 115,300 rentable square feet (rsf) of space in One World Trade Center for a term of approximately 15 years, 6 months, to pay a brokerage commission to Insignia/ESG, Inc. in connection with the lease agreement and to enter into an agreement with RLI Insurance Company (RLI) to relocate its current 40<sup>th</sup> floor offices in One World Trade Center in order to accommodate Lehman and to reimburse RLI for its out-of-pocket relocation expenses; and (2) delegate to the Committee on Operations the authority to approve the final terms of the aforesaid lease agreement in the event the gross effective rent and/or the term of the letting are not substantially in accordance with the terms outlined to the Board and the final terms of the brokerage agreement and the agreement with RLI in the event they are not substantially in accordance with those outlined to the Board.

Lehman is a major global financial services firm seeking to expand its New York City offices primarily located in the World Financial Center. Lehman currently leases approximately 265,000 rsf of subleased space in Two World Trade Center. Total aggregate basic rental during the term of the proposed Lehman lease agreement will be approximately \$90 million. Lehman will have certain assignment, subletting, expansion, extension and termination rights. The Port Authority may perform or reimburse Lehman or its contractor for performing base building work in connection with the lease agreement, up to a specified maximum, and may retain Lehman or its contractor to perform other base building work at the World Trade Center, up to a specified maximum. RLI presently leases approximately 3,800 rsf on the 40<sup>th</sup> floor of One World Trade Center, which space will form a part of Lehman's premises. RLI's out-of-pocket relocation expenses are estimated at \$75,000.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Donovan, Eisenberg, Kalikow, Mack, Martini, Philibosian, Sartor, Song and Weinstein 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 Lehman Brothers Inc. for the letting of space in One World Trade Center, to pay a brokerage commission to Insignia/ESG, Inc. in connection with the lease agreement, and to enter into an agreement with RLI Insurance Company to relocate its current One World Trade Center offices and to reimburse it for its out-of-pocket relocation expenses, all substantially in accordance with the terms and conditions outlined to the Board; and it is further

**RESOLVED**, that the Committee on Operations be and it hereby is authorized to approve the final terms and conditions of: (a) the lease agreement with Lehman Brothers Inc. in the event the gross effective rent and/or the term of the letting are not substantially in accordance with the terms outlined to the Board, and (b) the brokerage agreement and the

agreement with RLI Insurance Company in the event they are not substantially in accordance with the terms and conditions outlined to the Board; and it is further

**RESOLVED**, that the form of the lease and brokerage agreements and the agreement with RLI Insurance Company shall be subject to the approval of General Counsel or his authorized representative.

## **PORT AUTHORITY COMMERCIAL PAPER OBLIGATIONS – REPORT**

Prudent financial planning makes it desirable for the Authority to continue the authorization for commercial paper obligations which is presently scheduled to expire on December 31, 2000. Since its inception in 1982, and through its expansion into two series (Series A and Series B) in 1988, the Authority's commercial paper obligations have been an efficient means of providing for capital expenditures on an interim basis. Generally, as outstanding commercial paper notes approach authorized limits, such notes are refunded with other obligations of the Authority.

Currently, each series of commercial paper obligations includes commercial paper notes and a revolving credit facility to provide support for the payment of commercial paper notes at their maturities. The total aggregate principal amount of each series outstanding at any one time may not exceed \$150 million.

While the Authority's capital program costs and construction costs generally in the Port District have increased over the last decade, the last increase (to \$300 million) in the principal amount of commercial paper obligations which may be outstanding at any one time occurred in 1988. Therefore, staff has recommended that, in connection with the authorization for the continued issuance of commercial paper notes through December 31, 2005, the aggregate principal amount of commercial paper notes which may be outstanding at any one time be increased to \$500 million, on the basis that the aggregate principal amount of Series A outstanding at any one time not exceed \$300 million and the aggregate amount of Series B outstanding at any one time not exceed \$200 million.

The principal of and interest on the commercial paper obligations of each series would continue to be a special obligation of the Authority payable from the proceeds of obligations issued for such purposes, including Consolidated Bonds issued in whole or in part for such purposes, or from certain specified net revenues deposited to the Consolidated Bond Reserve Fund, and in the event such proceeds or net revenues are insufficient therefor, from other moneys of the Authority legally available for such payments when due. The principal of and interest on the commercial paper obligations would not be payable from the General Reserve Fund, and the payment thereof would be subject in all respects to (i) payment of debt service on Consolidated Bonds as required by the applicable provisions of the Consolidated Bond Resolution; and (ii) payment into the General Reserve Fund of the amount necessary to maintain the General Reserve Fund at the amount specified in the General Reserve Fund Statutes.

Commercial paper obligations of each series issued prior to the commencement of the issuance of commercial paper obligations of such series under today's recommended action and outstanding thereafter would continue to be subject to the Port Authority Commercial Paper Resolution, as adopted on November 9, 1995. While such previously issued commercial paper obligations are outstanding, their aggregate principal amount would be taken into account in determining the maximum aggregate principal amount of commercial paper obligations which could be issued under today's recommended action. Upon the commencement of the issuance of commercial paper obligations of each series under today's recommended action, no further

obligations of such series would be issued under the Port Authority Commercial Paper Resolution, as adopted on November 9, 1995.

In order to effectively market tax-exempt commercial paper notes, it continues to be necessary for issuers to have a separate credit facility in support of the payment of such commercial paper notes at maturity. In view of the Authority's continued strong financial rating, a line of credit in the form of a stand-by revolving credit facility continues to be sufficient. The selection of the banking institution or institutions which would provide the stand-by revolving credit facilities for each series of commercial paper obligations would be based on a request for proposals process.

In view of the satisfactory services provided by Goldman, Sachs & Co. (Goldman) and Lehman Brothers Inc. (Lehman), as commercial paper dealers, Goldman would be reappointed as the exclusive dealer for Series A and Lehman would be reappointed as the exclusive dealer for Series B, in each case, on essentially the same terms and conditions currently in effect.

In view of the satisfactory services provided by The Chase Manhattan Bank, N.A. (Chase), as the issuing and paying agent for the commercial paper notes of both series, Chase would be reappointed as such issuing and paying agent, on essentially the same terms and conditions currently in effect.

An authorized officer would also be authorized to take any action which such authorized officer deems appropriate to effectuate the issuance of commercial paper obligations, including the authorization and approval of the appointment of, and agreements with, one or more additional or substitute dealers, issuing and paying agents, or providers of stand-by revolving credit facilities. Any such agreements would contain terms and conditions not inconsistent with the extended authorization. Additionally, General Counsel would be authorized to take all action with respect to the continuation of the law firm of Orrick, Herrington & Sutcliffe LLP, which, together with General Counsel, has acted as bond counsel for commercial paper obligations since January 1988, in such capacity, in connection with the Authority's continuing issuance of commercial paper obligations.

Public hearings, consistent with and to the extent provided by the public approval provisions of the Internal Revenue Code of 1986, were held on October 27, 1999, in connection with the Authority's current plan of financing, pursuant to public notices published on October 12, 1999, in *The New York Times* and in *The Star-Ledger*. In pertinent part, the public notices described various series of short, intermediate and long term obligations to be issued under such plan of financing, including "Commercial Paper Obligations under an amended and supplemented Port Authority Commercial Paper Resolution in a total aggregate principal amount of up to \$500 million". Various actions were previously taken by the Board under such plan of financing in connection with other obligations included therein on November 18, 1999.

## PORT AUTHORITY COMMERCIAL PAPER OBLIGATIONS – RESOLUTION

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

WHEREAS, The Port Authority of New York and New Jersey (hereinafter referred to as the “Authority”) has been authorized and empowered to issue bonds, notes, or other obligations or evidences of indebtedness to provide capital funds for the financing of its facilities; and

WHEREAS, on September 9, 1982, the Authority established and authorized an issue of special obligations known as “Port Authority Commercial Paper”; and

WHEREAS, the authorization for the issuance of commercial paper obligations, which has been amended and supplemented from time to time since 1982, presently provides, as a result of the November 9, 1995 amendment and supplement, for an aggregate principal amount of commercial paper obligations to be outstanding at any one time not in excess of Three Hundred Million Dollars (\$300,000,000), with commercial paper obligations to be issued in two separate series with the aggregate principal amount of each such series outstanding at any one time not to be in excess of One Hundred Fifty Million Dollars (\$150,000,000), and with the final maturity date of any of such obligations to be not later than December 31, 2000; and

WHEREAS, the Authority has determined to authorize a further amendment of and supplement to the authorization for the issuance of commercial paper obligations providing for Port Authority Commercial Paper Obligations (such term and all other terms of special meaning having the meaning ascribed to such terms in or pursuant to Article I of this Resolution) to be issued on and after the Effective Date for a period ending on December 31, 2005, in two separate series including stand-by revolving credit facilities, in unlimited aggregate principal amounts during such period; *provided, however*, that the aggregate principal amount of Port Authority Commercial Paper Obligations, Series A, outstanding at any one time during such period shall not exceed Three Hundred Million Dollars (\$300,000,000), and the aggregate principal amount of Port Authority Commercial Paper Obligations, Series B, outstanding at any one time during such period shall not exceed Two Hundred Million Dollars (\$200,000,000), with the proceeds thereof to be applied in accordance with the provisions of Section 2.04 of this Resolution; and

WHEREAS, Port Authority Commercial Paper Obligations shall be an issue of special obligations of the Authority payable from the sources of payment and to the extent provided in Section 2.03 of this Resolution;

NOW, THEREFORE, be it resolved by the Authority that the resolution of September 9, 1982 (appearing at pages 263 *et seq.* of the Official Minutes of the Authority of that date), as heretofore amended and supplemented by the resolutions of June 9, 1983 (appearing at pages 251 *et seq.* of the Official Minutes of the Authority of that date), of October 13, 1983 (appearing at pages 395 *et seq.* of the Official Minutes of the Authority of that date), of July 11, 1985 (appearing at pages 297 *et seq.* of the Official Minutes of the Authority of that date), of

November 14, 1985 (appearing at pages 411 *et seq.* of the Official Minutes of the Authority of that date), of January 7, 1988 (appearing at pages 6 *et seq.* of the Official Minutes of the Authority of that date), of October 11, 1990 (appearing at pages 450 *et seq.* of the Official Minutes of the Authority of that date), and of November 9, 1995 (appearing at pages 504 *et seq.* of the Official Minutes of the Authority of that date) is hereby further amended and supplemented, with respect to Port Authority Commercial Paper Obligations to be issued on and after the Effective Date, to read as follows:

#### ARTICLE I. DEFINITIONS.

Unless the context shall clearly indicate some other meaning or may otherwise require, the terms defined in this Article I shall, for all purposes of this Resolution and of any resolution amendatory hereof or supplemental hereto and of any opinion, instrument or document herein or therein mentioned (unless otherwise defined therein), have the meanings specified in this Article I, with the following definitions to be equally applicable to both the singular and plural forms of any terms defined in this Article I and *vice versa*. Any words or phrases not otherwise defined in this Article I and specifically defined in the Consolidated Bond Resolution shall be read and construed in accordance with such specific definitions (except as herein otherwise expressly provided or unless the context otherwise requires).

The term “Authorized Officer” shall mean any of the officers or employees of the Authority designated as such from time to time by the Chairman; Vice Chairman; Chairman of the Committee on Finance; Executive Director; Deputy Executive Director; Chief Financial Officer; Treasurer; or Assistant Treasurer of the Authority.

The term “Consolidated Bond Reserve Fund” shall mean the special fund by that name established by Section 7 of the Consolidated Bond Resolution.

The term “Consolidated Bond Resolution” shall mean the resolution of the Authority adopted October 9, 1952, entitled “*Consolidated Bonds-Establishment of Issue*”.

The term “Consolidated Bonds” shall mean the issue of obligations of the Authority known as “Consolidated Bonds” (which also includes short-term bonds known as “Consolidated Notes”).

The term “Effective Date” shall mean, with respect to each series of Port Authority Commercial Paper Obligations, the date on which Notes of such series are initially issued.

The term “Final Maturity Date” shall mean December 31, 2005.

The term “General Reserve Fund” shall mean the special fund by that name established by the General Reserve Fund Statutes.

The term “General Reserve Fund Resolution” shall mean the resolution of the Authority adopted March 9, 1931, entitled “*General Reserve Fund Supporting Bonds Legal for Investment*”, as amended by the resolution of the Authority adopted May 5, 1932, entitled “*Investments: Authority of Finance Committee*”, as further amended by the Consolidated Bond Resolution to conform to the provisions of Section 6 of the Consolidated Bond Resolution.

The term “General Reserve Fund Statutes” shall mean Chapter 5 of the Laws of New Jersey of 1931, as amended, and Chapter 48 of the Laws of New York of 1931, as amended.

The term “Maturity Date” shall mean the date on which the principal of and interest on any of the Port Authority Commercial Paper Obligations is due and owing to the holder thereof.

The term “Net Revenues”, solely for the purpose of this Resolution, shall mean, with respect to any date of calculation, the revenues of the Authority pledged under the Consolidated Bond Resolution and remaining after (i) payment or provision for payment of debt service on Consolidated Bonds as required by the applicable provisions of the Consolidated Bond Resolution; (ii) payment into the General Reserve Fund of the amount necessary to maintain the General Reserve Fund at the amount specified in the General Reserve Fund Statutes; and (iii) applications to purposes authorized in accordance with Section 7 of the Consolidated Bond Resolution.

The term “Notes” shall mean any Series A Notes or Series B Notes.

The term “Port Authority Commercial Paper Obligations” shall mean the issue of special obligations of the Authority known as “Port Authority Commercial Paper Obligations”.

The term “Port Authority Commercial Paper Obligations Resolution” or “this Resolution” shall mean this resolution of the Authority adopted June 29, 2000, entitled “*Port Authority Commercial Paper Obligations Resolution*”, including any amendments, modifications or supplements hereto.

The term “Port Authority Commercial Paper Obligations, Series A” shall mean the series of Port Authority Commercial Paper Obligations known as “Port Authority Commercial Paper Obligations, Series A”, including any Series A Note and Series A Bank Note.

The term “Port Authority Commercial Paper Obligations, Series B” shall mean the series of Port Authority Commercial Paper Obligations known as “Port Authority Commercial Paper Obligations, Series B”, including any Series B Note and Series B Bank Note.

The term “Prior Series A Commercial Paper Obligations” shall mean those commercial paper obligations designated as “Series A”, which were issued by the Authority prior to the Effective Date and which are outstanding on and after the Effective Date.

The term “Prior Series B Commercial Paper Obligations” shall mean those commercial paper obligations designated as “Series B”, which were issued by the Authority prior to the Effective Date and which are outstanding on and after the Effective Date.

The term “Series A Advance” shall mean any borrowing by the Authority under a Series A Revolving Credit Agreement with respect to a Series A Note Settlement Deficiency.

The term “Series A Bank Note” shall mean the promissory note of the Authority, issued on the terms set forth in a Series A Revolving Credit Agreement to evidence the cumulative principal amount of Series A Advances and any repayment of Series A Advances.

The term “Series A Dealer” shall mean any dealer in sales of Series A Notes appointed by the Authority pursuant to Section 2.14 of this Resolution.

The term “Series A Dealer Agreement” shall mean an agreement, including any amendments, modifications or supplements thereto, authorized pursuant to Section 2.14 of this Resolution.

The term “Series A Issuing and Paying Agent” shall mean an issuing and paying agent for Series A Notes appointed by the Authority pursuant to Section 2.06 of this Resolution.

The term “Series A Issuing and Paying Agent Agreement” shall mean an agreement, including any amendments, modifications or supplements thereto, authorized pursuant to Section 2.06 of this Resolution.

The term “Series A Note Settlement Deficiency” shall mean the amount by which the sum of the principal of and interest on any Series A Notes payable on any Maturity Date exceeds the amount of moneys available in a Series A Settlement Account for such payment on such Maturity Date.

The term “Series A Notes” shall mean any commercial paper note or notes constituting all or a portion of Port Authority Commercial Paper Obligations, Series A.

The term “Series A Revolving Credit Agreement” shall mean an agreement, including any amendments, modifications or supplements thereto, authorized pursuant to Section 2.12 of this Resolution.

The term “Series A Settlement Account” shall mean an account, authorized pursuant to Section 3.01 of this Resolution.

The term “Series B Advance” shall mean any borrowing by the Authority under a Series B Revolving Credit Agreement with respect to a Series B Note Settlement Deficiency.

The term “Series B Bank Note” shall mean a promissory note of the Authority, issued on the terms set forth in a Series B Revolving Credit Agreement to evidence the cumulative principal amount of Series B Advances and any repayment of Series B Advances.

The term “Series B Dealer” shall mean any dealer in sales of Series B Notes appointed by the Authority pursuant to Section 2.15 of this Resolution.

The term “Series B Dealer Agreement” shall mean an agreement, including any amendments, modifications or supplements thereto, authorized pursuant to Section 2.15 of this Resolution.

The term “Series B Issuing and Paying Agent” shall mean an issuing and paying agent for Series B Notes appointed by the Authority pursuant to Section 2.07 of this Resolution.

The term “Series B Issuing and Paying Agent Agreement” shall mean an agreement, including any amendments, modifications or supplements thereto, authorized pursuant to Section 2.07 of this Resolution.

The term “Series B Note Settlement Deficiency” shall mean the amount by which the sum of the principal of and interest on any Series B Notes payable on any Maturity Date exceeds the amount of moneys available in a Series B Settlement Account for such payment on such Maturity Date.

The term “Series B Notes” shall mean any commercial paper note or notes constituting all or a portion of Port Authority Commercial Paper Obligations, Series B.

The term “Series B Revolving Credit Agreement” shall mean an agreement, including any amendments, modifications or supplements thereto, authorized pursuant to Section 2.13 of this Resolution.

The term “Series B Settlement Account” shall mean an account, authorized pursuant to Section 3.02 of this Resolution.

## **ARTICLE II. ESTABLISHMENT, AUTHORIZATION, TERMS AND ISSUANCE.**

### **SECTION 2.01. Establishment and Authorization of the Issue of Commercial Paper Obligations.**

An issue of special obligations of the Authority to be known as “Port Authority Commercial Paper Obligations” is established under this Resolution. Port Authority Commercial Paper Obligations shall be payable from the sources of payment and to the extent provided in Section 2.03 of this Resolution.

The issuance of Port Authority Commercial Paper Obligations in two separate series, to be known as “Port Authority Commercial Paper Obligations, Series A”, and “Port Authority Commercial Paper Obligations, Series B”, respectively, in accordance with the provisions of this Resolution, is authorized.

Port Authority Commercial Paper Obligations, Series A, may be issued in an unlimited aggregate principal amount for the purposes set forth in Section 2.04 of this Resolution for such

series; *provided, however,* that the total aggregate principal amount of Port Authority Commercial Paper Obligations, Series A, which may be outstanding at any one time shall not exceed Three Hundred Million Dollars (\$300,000,000), taking into account the principal amount of the Prior Series A Commercial Paper Obligations, until the Prior Series A Commercial Paper Obligations are no longer outstanding in accordance with their terms.

Port Authority Commercial Paper Obligations, Series B, may be issued in an unlimited aggregate principal amount for the purposes set forth in Section 2.04 of this Resolution for such series; *provided, however,* that the total aggregate principal amount of Port Authority Commercial Paper Obligations, Series B, which may be outstanding at any one time shall not exceed Two Hundred Million Dollars (\$200,000,000), taking into account the principal amount of the Prior Series B Commercial Paper Obligations, until the Prior Series B Commercial Paper Obligations are no longer outstanding in accordance with their terms.

In any computation under this Resolution of the total aggregate principal amount of Port Authority Commercial Paper Obligations (or of any series thereof) outstanding at any one time (including the Prior Series A Commercial Paper Obligations and the Prior Series B Commercial Paper Obligations), if an obligation (or portion thereof) issued or incurred by the Authority solely for the purpose of refunding any Port Authority Commercial Paper Obligations, Series A, or Port Authority Commercial Paper Obligations, Series B, or Prior Series A Commercial Paper Obligations, or Prior Series B Commercial Paper Obligations, is outstanding at the same time as such Port Authority Commercial Paper Obligations, Series A, or Port Authority Commercial Paper Obligations, Series B, or Prior Series A Commercial Paper Obligations, or Prior Series B Commercial Paper Obligations, to be refunded, then such Port Authority Commercial Paper Obligations, Series A, or Port Authority Commercial Paper Obligations, Series B, or Prior Series A Commercial Paper Obligations, or Prior Series B Commercial Paper Obligations, to be refunded, shall not be deemed to be outstanding for the purposes of such computation.

## **SECTION 2.02. General Terms of the Notes.**

Unless otherwise determined by an Authorized Officer, the Notes shall be (i) issued on a book-entry basis under a fully registered master certificate, registered as to both principal and interest in the name of a qualified securities depository (or its nominee), as the sole registered holder of the Series A Notes and the Series B Notes, respectively; (ii) evidenced by book entries (without certificates issued by the Authority) made on the books and records of the qualified securities depository (or its nominee), which is the sole registered holder of the Series A Notes and the Series B Notes, respectively, as appropriate, in the denomination of One Hundred Thousand Dollars (\$100,000) or any larger denomination that is an integral multiple of Five Thousand Dollars (\$5,000) in excess thereof; and (iii) dated the date of the book entry evidencing their delivery under this Resolution.

The Notes shall mature on such Maturity Dates as shall be determined by an Authorized Officer; *provided, however,* that the term of any Note shall not exceed two hundred seventy (270) days; and *provided further, however,* that no Note shall be issued or outstanding subsequent to the Final Maturity Date. No Note shall be subject to redemption prior to its Maturity Date.

Each Note shall bear interest at a per annum rate of interest to be determined by an Authorized Officer which shall be equal to the product (converted to a percentage) of (a) a fraction, the numerator of which is the total interest payable on such Note during its term and the denominator of which is the par value or denomination of such Note and (b) a fraction, the numerator of which is the number of days (calculated on an actual calendar day basis) in the calendar year of the issuance of such Note and the denominator of which is the number of days (calculated on an actual calendar day basis) from the date of such Note to its Maturity Date.

Unless otherwise determined by an Authorized Officer, principal of and interest on each of the Notes shall be payable in lawful money of the United States of America on the Maturity Date of such Note, by the issuing and paying agent for the series to which such Note pertains, to the qualified securities depository (or its nominee), as sole registered holder thereof.

### **SECTION 2.03. Sources of Payment.**

The principal of and interest on Port Authority Commercial Paper Obligations of each series shall be a special obligation of the Authority and shall be payable from the proceeds of obligations of the Authority issued for such purposes, including Consolidated Bonds issued in whole or in part for such purposes, or from Net Revenues deposited to the Consolidated Bond Reserve Fund, and in the event such proceeds or Net Revenues are insufficient therefor, from other moneys of the Authority legally available for such payments when due.

The principal of and interest on Port Authority Commercial Paper Obligations shall not be payable from the General Reserve Fund and the payment thereof shall be subject in all respects to (i) payment of debt service on Consolidated Bonds as required by the applicable provisions of the Consolidated Bond Resolution and (ii) payment into the General Reserve Fund of the amount necessary to maintain the General Reserve Fund at the amount specified in the General Reserve Fund Statutes.

### **SECTION 2.04. Application of Proceeds.**

The proceeds of Port Authority Commercial Paper Obligations, Series A, may be allocated to capital projects in connection with facilities of the Authority and/or for purposes of refunding obligations of the Authority, in each case, consistent with the characterization of such obligations as “qualified bonds” (which are “exempt facility bonds”) determined under applicable Federal tax principles.

The proceeds of Port Authority Commercial Paper Obligations, Series B, may be allocated to capital projects in connection with facilities of the Authority and/or for purposes of refunding obligations of the Authority; *provided, however*, that any such allocation shall not result in the characterization of such obligations as “private activity bonds” determined under applicable Federal tax principles.

An Authorized Officer may allocate the proceeds of any of the obligations constituting a portion of a series of Port Authority Commercial Paper Obligations to purposes in connection with some but not all of the purposes authorized for such series, and to the costs of issuance of such series, and may also specifically designate any bonds, notes or other obligations of the Authority to be refunded with any of such proceeds; *provided, however*, that no portion of the proceeds of any Port Authority Commercial Paper Obligations shall be allocated to purposes in connection with an additional facility of the Authority prior to the initial expenditure of proceeds of the first series of Consolidated Bonds issued for purposes of capital expenditures in connection with such additional facility.

#### **SECTION 2.05. Issue and Sale of Notes.**

Notes may be issued, sold and delivered under the terms of this Resolution whenever an Authorized Officer shall prescribe the terms of such Notes (including the principal amount of, the purchase price for, the interest payable on, the issuance date of and the Maturity Date of such Notes) and deliver instructions therefor to the issuing and paying agent for such Notes, in each case, consistent with Section 2.02 of this Resolution and with the issuing and paying agent agreement and the dealer agreement pertaining to such Notes. Such instructions prescribing the terms of the Notes may be given orally, but in such event an Authorized Officer shall deliver to the issuing and paying agent for such Notes written confirmation of such prescribed terms within twenty-four (24) hours of such oral instructions (unless such instructions are transmitted by a time-sharing terminal or telex, in which event such time-sharing terminal message or telex shall be considered to be written instructions).

#### **SECTION 2.06. Appointment of Series A Issuing and Paying Agent.**

An Authorized Officer may appoint issuing and paying agents for and in connection with the Series A Notes and may enter into an issuing and paying agent agreement, which may contain terms and conditions not inconsistent with this Resolution, with each of such issuing and paying agents, providing for such services as an Authorized Officer deems appropriate to effectuate the issuance and payment of Series A Notes. An Authorized Officer may also establish and maintain non-interest bearing bank accounts in the name of and on behalf of the Authority with each of the Series A Issuing and Paying Agents as partial compensation to each of such Series A Issuing and Paying Agents; *provided, however*, that the amounts on deposit in any of such bank accounts shall not be in excess of the amount determined by such Authorized Officer to be appropriate to provide such partial compensation.

#### **SECTION 2.07. Appointment of Series B Issuing and Paying Agent.**

An Authorized Officer may appoint issuing and paying agents for and in connection with the Series B Notes and may enter into an issuing and paying agent agreement, which may contain terms and conditions not inconsistent with this Resolution, with each of such issuing and paying agents, providing for such services as an Authorized Officer deems appropriate to effectuate the

issuance and payment of Series B Notes. An Authorized Officer may also establish and maintain non-interest bearing bank accounts in the name of and on behalf of the Authority with each of the Series B Issuing and Paying Agents as partial compensation to each of such Series B Issuing and Paying Agents; *provided, however*, that the amounts on deposit in any of such bank accounts shall not be in excess of the amount determined by such Authorized Officer to be appropriate to provide such partial compensation.

#### **SECTION 2.08. Authorization of Book-Entry System.**

An Authorized Officer may take all action in connection with (i) the establishment, maintenance, continuation or termination of a book-entry system for recordation and transfer of ownership interests in the Notes; (ii) the effectuation of the issuance of the Notes as registered Notes subject to such book-entry system; (iii) the selection of successor depositories; and (iv) in the event that any such book-entry system is terminated, the effectuation of the issuance of the Notes in registered or bearer form, as appropriate.

#### **SECTION 2.09. Evidence of Ownership of Notes.**

Unless otherwise determined by an Authorized Officer, the Authority and any issuing and paying agent may treat the holder of a Note in whose name such Note is registered as the absolute owner of such Note for the purpose of receiving payment of the principal thereof and interest thereon and for all other purposes, and neither the Authority nor such issuing and paying agent shall be affected by any notice or knowledge to the contrary.

#### **SECTION 2.10. Mutilated, Lost or Destroyed Notes.**

In case any Note shall at any time become mutilated or be lost or destroyed, the Authority, in its discretion, may execute and deliver a new Note of like tenor in exchange or substitution for and upon cancellation of such mutilated Note or in lieu of or in substitution for such destroyed or lost Note; or if such Note shall have matured, instead of issuing a substitute Note the Authority may instruct the appropriate issuing and paying agent to pay the same without surrender thereof. In case of destruction or loss, the applicant for a substitute Note shall furnish to the Authority evidence satisfactory to the Authority of the destruction or loss of such Note and of the ownership thereof and also such security and indemnity as may be required by the Authority. Upon the issuance of any substitute Note, the Authority, at its option, may require the applicant for such substitute Note to pay a sum sufficient to reimburse the Authority for any stamp tax or other governmental charge or other reasonable expense connected therewith and also a further sum not exceeding the cost of preparation of each new Note so issued in substitution. Any Note issued under the provisions of this Section 2.10 in lieu of any Note alleged to have been destroyed or lost shall constitute an original contractual obligation on the part of the Authority, whether or not the Note so alleged to have been destroyed or lost be at any time enforceable by anyone, and shall be equally and proportionately entitled to the security of this Resolution with all other Notes issued under this Resolution.

**SECTION 2.11. Authorization of Distribution of Disclosure Documents.**

An Authorized Officer may arrange (i) for the preparation and distribution of disclosure documents, including offering memoranda or statements and other offering materials pertaining to the sale by the Authority of the Notes and (ii) for the preparation and distribution of such other documents giving pertinent data with respect to the Authority and its finances as such Authorized Officer deems appropriate, in each case, in the name and on behalf of the Authority.

**SECTION 2.12. Authorization of Series A Revolving Credit Agreement and Series A Bank Note.**

An Authorized Officer may enter into stand-by revolving credit, liquidity or other facilities pertaining to the Series A Notes with such entities as such Authorized Officer deems appropriate to effectuate the issuance of Series A Notes, and execute and deliver a bank note or bank notes under such facilities. Any such Series A Revolving Credit Agreements may contain terms and conditions not inconsistent with this Resolution, and may provide for Series A Advances in an unlimited aggregate principal amount, in support of the payment at its Maturity Date of the principal of and interest on any Series A Note; *provided, however*, that the aggregate principal amount of Series A Advances shall not exceed Three Hundred Million Dollars (\$300,000,000) outstanding at any one time, and may also provide for the execution and delivery of one or more Series A Bank Notes thereunder.

**SECTION 2.13. Authorization of Series B Revolving Credit Agreement and Series B Bank Note.**

An Authorized Officer may enter into stand-by revolving credit, liquidity or other facilities pertaining to the Series B Notes with such entities as such Authorized Officer deems appropriate to effectuate the issuance of Series B Notes, and execute and deliver a bank note or bank notes under such facilities. Any such Series B Revolving Credit Agreements may contain terms and conditions not inconsistent with this Resolution, and may provide for Series B Advances in an unlimited aggregate principal amount, in support of the payment at its Maturity Date of the principal of and interest on any Series B Note; *provided, however*, that the aggregate principal amount of Series B Advances shall not exceed Two Hundred Million Dollars (\$200,000,000) outstanding at any one time, and may also provide for the execution and delivery of one or more Series B Bank Notes thereunder.

**SECTION 2.14. Appointment of Series A Dealers.**

An Authorized Officer may appoint dealers for Series A Notes and enter into agreements, which may contain terms and conditions not inconsistent with this Resolution, with each of such dealers.

**SECTION 2.15. Appointment of Series B Dealers.**

An Authorized Officer may appoint dealers for Series B Notes and enter into agreements, which may contain terms and conditions not inconsistent with this Resolution, with each of such dealers.

**ARTICLE III. SETTLEMENT ACCOUNTS.**

**SECTION 3.01. Establishment of Series A Settlement Accounts.**

An Authorized Officer may establish a Series A Settlement Account for the Series A Notes with each Series A Issuing and Paying Agent. Each Series A Settlement Account shall be held and maintained by the Series A Issuing and Paying Agent with which such account has been established, for the account of the Authority, in accordance with the terms of this Resolution and the Series A Issuing and Paying Agent Agreement between the Authority and such Series A Issuing and Paying Agent.

**SECTION 3.02. Establishment of Series B Settlement Accounts.**

An Authorized Officer may establish a Series B Settlement Account for the Series B Notes with each Series B Issuing and Paying Agent. Each Series B Settlement Account shall be held and maintained by the Series B Issuing and Paying Agent with which such account has been established, for the account of the Authority, in accordance with the terms of this Resolution and the Series B Issuing and Paying Agent Agreement between the Authority and such Series B Issuing and Paying Agent.

**SECTION 3.03. Deposits to and Disbursements from Series A Settlement Accounts.**

There shall be deposited into the Series A Settlement Accounts such portion of the proceeds of the sale of Series A Notes as an Authorized Officer shall direct, all Series A Advances and such amounts as the Authority may elect to deposit or cause to be deposited in such Series A Settlement Accounts from moneys available for such deposit. Disbursements from the Series A Settlement Accounts shall be made upon the instructions of an Authorized Officer.

**SECTION 3.04. Deposits to and Disbursements from Series B Settlement Accounts.**

There shall be deposited into the Series B Settlement Accounts such portion of the proceeds of the sale of Series B Notes as an Authorized Officer shall direct, all Series B Advances and such amounts as the Authority may elect to deposit or cause to be deposited in

such Series B Settlement Accounts from moneys available for such deposit. Disbursements from the Series B Settlement Accounts shall be made upon the instructions of an Authorized Officer.

#### **ARTICLE IV. FORM AND EXECUTION OF NOTES.**

##### **SECTION 4.01. Form of Notes.**

The form of certificate for each series of Notes, including provisions with respect to assignment, shall be determined by an Authorized Officer.

##### **SECTION 4.02. Execution of Notes.**

Each of the Notes shall have the official seal of the Authority, or a facsimile thereof, affixed thereto or printed or impressed thereon, and, unless otherwise determined by an Authorized Officer, shall be manually signed by an Authorized Officer.

##### **SECTION 4.03. Validity of Signatures on Notes.**

In case any Authorized Officer whose signature shall appear on any of the Notes shall cease to be an Authorized Officer before such Notes shall have been actually issued, such Notes may nevertheless be issued as though such Authorized Officer whose signature appears on such Notes had not ceased to be such Authorized Officer.

#### **ARTICLE V. COVENANTS.**

The Authority hereby covenants and agrees that:

(a) The Authority shall duly and punctually pay or cause to be paid to the holder of a Note the principal of and interest on such Note, when due, in the manner, to the extent and as specified in such Note.

(b) Upon the date of issuance of any Note, all conditions, acts and things required by the Constitution or statutes of the States of New York and New Jersey or of the United States of America, or this Resolution to exist, to have happened and to have been performed precedent to or in the issuance of such Note shall exist, have happened and have been performed and such Note, together with all other indebtedness of the Authority, shall be within every debt and other limit prescribed thereby.

(c) Upon the date of issuance of any Note, a Series A Revolving Credit Agreement or a Series B Revolving Credit Agreement, as appropriate, applicable to such Note shall be in effect to provide support for the payment of such Note at its Maturity Date.

(d) As soon as practicable after the occurrence of an event which terminates a stand-by revolving credit facility provider's obligation to provide support for the payment of any outstanding Note at its Maturity Date, the Authority shall cause a notice of such event to be published on a financial newswire, or, in the event the Authority does not have access to such a newswire, in a financial newspaper of general circulation.

(e) The Authority shall take all action and shall do all things which it is authorized by law to take and to do in order to fulfill all of its obligations under the provisions of this Resolution, in accordance with the terms of such provisions.

## **ARTICLE VI. MISCELLANEOUS.**

### **SECTION 6.01. Contract.**

The provisions of this Resolution shall constitute a contract with the holders of the Notes issued pursuant to this Resolution, and with each such holder.

### **SECTION 6.02. Amendments.**

The Authority may modify or amend this Resolution or any agreement authorized by this Resolution at any time by a supplemental resolution or agreement, as applicable, without notice to or the consent of any holder of the Notes, but only in regard to such provisions as shall not materially and adversely affect the interests of such holders of the Notes then outstanding.

### **SECTION 6.03. Liability.**

Neither any Commissioner nor any officer, agent, representative or employee of the Authority or Authorized Officer shall be held personally liable to any purchaser or holder of any of the Port Authority Commercial Paper Obligations under such Port Authority Commercial Paper Obligations, or under this Resolution or any resolution hereafter adopted relating to the Port Authority Commercial Paper Obligations, or because of the issuance or attempted issuance of any of the Port Authority Commercial Paper Obligations, or because of any act or omission in connection with the construction, acquisition, effectuation, operation or maintenance of any facility of the Authority, or because of any act or omission in connection with the investment or management of the revenues, funds or moneys of the Authority, or otherwise in connection with the management of its affairs, excepting solely for things wilfully done by such person with an intent to defraud or wilfully omitted to be done by such person with an intent to defraud.

**SECTION 6.04. Certifications.**

An Authorized Officer may take any action which such Authorized Officer deems appropriate to assure that Port Authority Commercial Paper Obligations, Series A, and Port Authority Commercial Paper Obligations, Series B, are issued, and during their terms are outstanding, on the basis that the obligations constituting each of such series are in conformity with, and the interest on such obligations is not includible for Federal income tax purposes in the gross income of the recipients thereof under, Section 103(a) of the Internal Revenue Code of 1986, or successor provisions of law, and the regulations thereunder. An Authorized Officer may certify on behalf of the Authority as to the need for the issuance of the Port Authority Commercial Paper Obligations for the purposes for which such Port Authority Commercial Paper Obligations are issued, as to the status of the projects for which the proceeds of the Port Authority Commercial Paper Obligations would be used, as to the Authority's intentions with respect to the application and investment of such proceeds, and as to such other matters as such Authorized Officer deems appropriate.

**SECTION 6.05. Determinations.**

Whenever in this Resolution it is provided that any selection, designation, determination or estimate shall or may be made in connection with Port Authority Commercial Paper Obligations, or that any action may be taken or withheld in connection with Port Authority Commercial Paper Obligations, or that any action which shall or may be taken or withheld is dependent upon opinion, discretion or judgment, then such selection, designation, determination, estimate or action so made, taken or withheld shall be conclusive for the purposes of this Resolution, whether required to be made, taken or withheld as a condition precedent to the issuance of any of the Port Authority Commercial Paper Obligations or for the purpose of determining if all conditions precedent to the issuance of any such Port Authority Commercial Paper Obligations exist, or otherwise, the Authority adopting such selection, designation, determination, estimate or action so made, taken or withheld as its own.

**SECTION 6.06. Authorized Officers.**

An Authorized Officer may, in connection with Port Authority Commercial Paper Obligations, take any action which such Authorized Officer deems appropriate to effectuate the issuance of Port Authority Commercial Paper Obligations under this Resolution.

**SECTION 6.07. Titles.**

Titles to the Articles and Sections of this Resolution are solely for convenience and are not an aid in the interpretation of this Resolution or any part of this Resolution.

**CONTINUATION OF BOND COUNSEL FOR PORT AUTHORITY COMMERCIAL PAPER OBLIGATIONS**

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

**RESOLVED**, that General Counsel may take all action with respect to the continuation of the law firm of Orrick, Herrington & Sutcliffe LLP as bond counsel, together with General Counsel, in connection with the issuance of the Authority's commercial paper obligations.

**SETTLEMENT OF CLAIM - HOLLAND TUNNEL - CONTRACT HT-224.065 -  
ARCHITECTURAL AND STRUCTURAL REHABILITATION OF NEW YORK  
VENTILATION BUILDINGS**

On November 14, 1996, the Executive Director authorized the Chief Engineer to award Contract HT-224.065 (Contract) to Prismatic Development Corporation (Prismatic) at its bid price of \$8,813,462, to order Extra Work up to \$705,000 and to order Net Cost Work, roughly estimated at \$100,000. The Contract required Prismatic to repair or remove and replace the outer envelope of the New York ventilation buildings at the Holland Tunnel, because over the past three decades, water seepage through the roofs, parapets and walls caused corrosion of the buildings' steel columns. Then, rust build-up on the steel in turn caused cracking and bulging of the masonry brick and limestone coping.

On February 23, 1998, the Chief Engineer authorized an increase in Extra Work from \$705,000 to \$955,000, an increase of \$250,000. Of the \$955,000 Extra Work authorization, \$871,000 has been expended.

Prismatic has submitted a claim against the Port Authority totaling \$1,648,676, including extra work. In the impact portion of the claim, the contractor alleged that damages were incurred in the performance of the Contract resulting primarily from delays due to the difficulty in constructing the active mullions (load transferring frame) of the louver system as specified in the Contract.

Thorough staff review of the claim (including extra work items), and various discussions, reviews and negotiations ensued with Prismatic. Subsequently, the engineer recognized certain claimed extra work items as being valid. In addition, part of the impact portion of the claim was also determined to be valid. Therefore, it was tentatively agreed that Prismatic would be paid the sum of \$965,000, comprised of \$375,000 in settlement of the impact portion of the claim, primarily representing the difficulty in constructing the active mullions of the louver system as specified in the Contract, and \$590,000 for extra work performed by the contractor, of which \$506,000 is extra work funds authorized herein, subject to approval of the Board.

Total payments to Prismatic for all contract work and extra work (excluding the proposed payment of \$965,000) is forecast to be approximately \$9,069,462.

Although the Law Department had advised that there are legal defenses to the impact portion of the claim, the settlement nevertheless appears equitable under the circumstances.

Prismatic will sign a release of all claims under the Contract prior to receiving the \$965,000.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Chasanoff, Donovan, Eisenberg, Kalikow, Mack, Martini, Philibosian, Sartor, Song and Weinstein 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 \$965,000 to Prismatic Development Corporation (Prismatic) in full settlement of all claims Prismatic has against the Port Authority in connection with Contract HT-224.065, including \$375,000 in settlement of the impact portion of the claim, as well as \$590,000 for extra work performed by the contractor, of which \$506,000 is extra work funds authorized herein; the form of the Release to be executed by Prismatic shall be subject to the approval of General Counsel or his authorized representative.

**Final Contracts 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 April 1, 2000 to April 30, 2000.

<b>CONTRACT NUMBER</b>	<b>CONTRACT TITLE FACILITY AND CONTRACTOR</b>	<b>TOTAL AUTHORIZED</b>	<b>TOTAL PAYMENTS</b>
JFK790	HANGAR 4, BUILDINGS 141 & 161 REMOVAL AND REPLACEMENT OF UNDERGROUND FUEL STORAGE SYSTEM JOHN F. KENNEDY INT'L AIRPORT OVAN CONSTRUCTION CO., INC.	773,864 (A) 100,000 (C) 46,400 (D) 11,239 (T) 931,503	773,864 (A) 24,639 (C) 18,589 (D) 11,239 (T) 828,331
JFK795	REHABILITATION OF EROSION PAVING JOHN F. KENNEDY INT'L AIRPORT NEW YORK PAVING INC.	50,000 (A) 3,186,587 (B) 200,000 (C) 194,200 (D) 3,630,787	41,358 (A,J) 1,734,161 (B) 265,986 (C) --0-- (D) 2,041,505
JFK873	BUILDING 254, K-9 COMPOUND MECHANICAL MODIFICATIONS VIA WORK ORDER JOHN F. KENNEDY INT'L AIRPORT TWIN TOWERS ENTERPRISES INC.	70,000 (C)   70,000	103,171 (C)   103,171
JFK897	BUILDING 14-DIRECT FIRED ABSORPTION CHILLERS NO. 2 & 3 REPLACEMENT OF TUBES JOHN F. KENNEDY INT'L AIRPORT THE TRANE COMPANY	178,590 (A) 10,715 (D)  189,305	178,590 (A) --0-- (D)  178,590
EWR100541	IMMEDIATE REPAIRS NEWARK INT'L AIRPORT SLATTERY SKANSKA INC.	1,000,000 (C)  1,000,000	932,711 (C)  932,711

EWR174048	EWR REDEVELOPMENT PROGRAM	44,450,000 (A)	44,450,000 (A)
	INTERNATIONAL TERMINAL BUILDING	4,445,000 (D)	4,445,000 (D)
	SHELL AND FINISHES	1,869,500 (N)	1,869,500 (N)
	NEWARK INT'L AIRPORT	80,000 (O)	44,541 (O)
	VRH CONSTRUCTION CORP.	3,100,000 (P)	3,040,707 (P)
		2,440,000 (Q)	2,524,823 (Q)
		56,384,500	56,374,571
EWR174053A	EWR REDEVELOPMENT PROGRAM	12,454,764 (A)	12,454,764 (A)
	DESIGN & CONSTRUCTION OF EXISTING	250,000 (C)	250,000 (C)
	BUILDING RENOVATIONS- PHASE 2 AND	996,000 (D)	706,781 (D)
	RENOVATIONS OF B-2 & B-3 SATELLITES	250,000 (R)	250,000 (R)
	AND CONNECTORS	397,583 (S)	397,583 (S)
	NEWARK INT'L AIRPORT		
	VRH CONSTRUCTION CORP./SILVESTER		
	TAFURO DESIGN INC./ NICHOLAS M.		
	PACELLA, ARCHITECT, A JOINT VENTURE.	14,348,347	14,059,128
EWR995536	BUILDING 10- HEATING, VENTILATING &	1,997,000 (A)	1,997,000 (A)
	AIR CONDITIONING EQUIPMENT	150,000 (C)	22,509 (C)
	REPLACEMENT AND MODIFICATION.	160,000 (D)	122,137 (D)
	NEWARK INT'L AIRPORT		
	ROY KAY INC.	2,307,000	2,141,646
EWR996304	REPLACEMENT OF BTU METERS-CENTRAL	360,000 (A)	360,000 (A)
	TERMINAL AREA	29,000 (D)	29,000 (D)
	NEWARK INT'L AIRPORT	61,000 (H)	31,986 (H)
	XYAMICA AIR CONDITIONING & PIPING		
	CORP.	450,000	420,986
LT110065	SOUTH TUBE REHABILITATION	16,174,800 (A)	16,174,800 (A)
	LINCOLN TUNNEL	4,545,200 (B)	3,795,850 (B)
	SCHIAVONE CONSTRUCTION CO.	500,000 (C)	441,827 (C)
		2,072,000 (D)	1,417,484 (D)
		720,000 (V)	720,000 (V)
		414,000 (W)	414,000 (W)
		24,426,000	22,963,961

LT397B	BUS RAMP ELECTRICAL CABINET DOORS	58,820 (A)	57,520 (A,U)
	LINCOLN TUNNEL	6,000 (D)	--0-- (D)
	CORREA ELECTRICAL CONTRACTORS INC.	64,820	57,520
BT343	EXTERIOR DOOR REPLACEMENT	208,780 (A)	204,146 (A,G)
	PORT AUTHORITY BUS TERMINAL	17,000 (D)	17,000 (D)
	FUSSELL CONSTRUCTION CORP.	14,220 (E)	8,585 (E)
		--0-- (F)	320 (F)
		240,000	230,051
PN994557	BUILDING 202-RAIL SIDING EXTENSION	117,200 (A)	117,200 (A)
	PORT NEWARK	50,000 (C)	40,356 (C)
	RAILROAD CONSTRUCTION CORP.	7,032 (D)	--0-- (D)
		174,232	157,556
HH105A	MAINTENANCE DREDGING & MATERIAL	17,700,000 (B)	17,700,000 (B)
	DISPOSITION	1,416,000 (D)	255,798 (D)
	HOWLAND HOOK MARINE TERMINAL	250,000 (I)	250,000 (I)
	SK SEVICES (EAST) INC. & SAFETY-KLEEN	1,574,000 (K)	1,574,000 (K)
	SERVICES INC. A JOINT VENTURE	--0-- (L)	795,513 (L)
		20,940,000	20,575,311
MF207A	MAINTENANCE DREGDING & MATERIAL	1,400,000 (A)	1,400,000 (A)
	DISPOSITION PORT FACILITIES	19,554,600 (B)	15,006,008 (B)
	MULTI-FACILITY PORTS	600,000 (C)	681,525 (C)
	SK SEVICES (EAST) L.C.	850,000 (D)	850,000 (D)
		250,000 (M)	223,446 (M)
		22,654,600	18,160,979
MFP354019	DISPOSAL OF CONTAMINATED AND	1,000,000 (C)	999,593 (C)
	HAZARDOUS MATERIALS VIA WORK		
	ORDERS		
	NEW JERSEY MARINE TERMINALS		
	ROSSINI CONTRACTING CORP.	1,000,000	999,593

- (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) Increase in extra work in the amount of \$14,220 authorized on 2/11/98.
- (F) Increase in compensation pursuant to "Emergency Delays" clause, as provided for in the contract.
- (G) The difference between "Total Authorized" and "Total Payments" represents a credit change order in the amount of \$1,718 for changes in the scope of the work and backcharges in the amount of \$2,916 for an overpayment on Contract MFB204013.
- (H) Increase in extra work in the amount of \$61,000 authorized on 6/30/98.
- (I) Per AP 45-1.01.5, classified work may exceed authorization amount limited to 10% or \$250,000 (whichever is less) without further authorization.
- (J) The difference between "Total Authorized" and "Total Payments" represents a credit change order in the amount of \$8,642 for the deletion of part of the work .
- (K) Increase in classified work in the amount of \$1,574,000 authorized on 6/6/96.
- (L) Per AP 45-1.01.5, uncommitted funds in extra work are permitted to be utilized against additional cost in classified work not covered under (I).
- (M) Increase in extra work in the amount of \$250,000 authorized on 9/8/99.
- (N) Supplemental Agreement No.1 which included an increase in the amount of \$1,869,500 for lump sum work on 03/01/95.
- (O) Supplemental Agreement No.1 which included an increase in the amount of \$80,000 for net cost work on 03/01/95.
- (P) Supplemental Agreement No.2 which included an increase in the amount of \$3,100,000 for extra work on 9/27/95.
- (Q) Supplemental Agreement No.2 which included an increase in the amount of \$2,440,000 for net cost work on 9/27/95.
- (R) Increase in net cost work in the amount of \$250,000 authorized on 6/13/99.
- (S) Increase in net cost work in the amount of \$397,583 authorized on 3/23/00.
- (T) Premium for furnishing performance and payment bond as provided for in the contract.

- (U) The difference between "Total Authorized" and "Total Payments" represents a credit change order in the amount of \$1,300 for the deletion of part of the work .
- (V) Supplemental Agreement No.1 which authorized an increase in the amount of \$720,000 for lump sum work on 08/07/95.
- (W) Supplemental Agreement No.2 which authorized an increase in the amount of \$414,000 for lump sum work on 11/08/95.

(Board – 6/29/00)

**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 April 1, 2000 through April 30, 2000.

**Report A:**

Purchase of Port Authority Bonds

(Unless otherwise noted, all Port Authority Bonds are callable at par).

<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 – 6/29/00)

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>
04/05/00	\$50,000,000	US T-BILL	--	05/18/00	99.34	5.550%	5.665%	\$49,668,541.65	Dresdner Kleinwort Benson
04/05/00	50,000,000	US T-BILL	--	05/18/00	99.34	5.550	5.665	49,668,541.65	Dresdner Kleinwort Benson
04/11/00	30,000,000	US T-BILL	--	01/04/01	95.73	5.740	6.022	28,718,066.67	Prudential Securities
04/18/00	25,000,000	US T-BILL	--	07/20/00	98.55	5.625	5.787	24,636,718.75	Paribas Corporation
04/18/00	25,000,000	US T-BILL	--	10/12/00	97.18	5.745	5.994	24,293,843.75	Greenwich Capital Mkts
04/18/00	25,000,000	US T-BILL	--	07/13/00	98.66	5.630	5.786	24,663,763.90	Warburg Dillon Read LLC
04/18/00	25,000,000	US T-NOTE	6.250%	08/31/00	100.08	--	5.983	25,019,531.25	Prudential Securities
04/18/00	25,000,000	US T-NOTE	6.250	08/31/00	100.08	--	5.983	25,019,531.25	Prudential Securities
04/18/00	25,000,000	US T-NOTE	5.625	11/30/00	99.69	--	6.136	24,921,875.00	Paine Webber Inc.
04/18/00	45,000,000	US T-BILL	--	04/27/00	99.86	5.800	5.889	44,934,750.00	Banc One Capital Markets
04/26/00	14,000,000	FHDN	--	04/27/00	99.98	5.630	5.709	13,997,810.55	Prudential Securities

(Board – 6/29/00)

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>
04/26/00	\$50,000,000	FHDN	--	04/27/00	99.98	5.630%	5.709%	\$49,992,180.55	Prudential Securities
04/27/00	7,000,000	FHDN	--	04/28/00	99.98	5.790	5.871	6,998,874.17	Lehman Brothers
04/27/00	25,000,000	US T-NOTE	6.500%	08/31/01	100.00	--	6.491	25,000,000.00	S.G. Cowen Securities Corp
04/27/00	25,000,000	FMCDN	--	04/28/00	99.98	5.780	5.861	24,995,986.10	Prudential Securities
04/27/00	50,000,000	FHDN	--	04/28/00	99.98	5.790	5.871	49,991,958.35	Lehman Brothers
04/28/00	25,000,000	FHDN	--	05/01/00	99.95	5.880	5.965	24,987,750.00	Prudential Securities
04/28/00	<u>46,000,000</u>	FMCDN	--	05/01/00	99.95	5.880	5.965	<u>45,977,460.00</u>	Salomon Smith Barney Inc.
	<u>\$567,000,000</u>							<u>\$563,487,183.59</u>	

BEY - Bond Equivalent Yield

(Board - 6/29/00)

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>
04/05/00	\$50,000,000	US T-BILL	--	04/13/00	99.89	4.800%	\$49,946,666.65	S.G. Cowen Securities Corp
04/05/00	4,700,000	US T-BILL	--	04/13/00	99.89	4.800	4,694,986.67	S.G. Cowen Securities Corp
04/27/00	50,000,000	US T-BILL	--	05/18/00	99.69	5.250	49,846,875.00	Morgan Stanley & Co.
04/27/00	<u>25,000,000</u>	US T-BILL	--	05/04/00	99.90	5.210	<u>24,974,673.60</u>	S.G. Cowen Securities Corp
	<u>\$129,700,000</u>						<u>\$129,463,201.92</u>	

(Board – 6/29/00)

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>
Warburg Dillon Read LLC	04/03/00	04/04/00	\$ 3,940,000	6.130%	\$ 670.89
Warburg Dillon Read LLC	04/03/00	04/04/00	10,806,000	6.130	1,840.02
Warburg Dillon Read LLC	04/03/00	04/04/00	14,635,000	6.130	2,492.02
Lehman Brothers	04/03/00	04/04/00	50,000,000	6.160	8,555.56
Warburg Dillon Read LLC	04/03/00	04/04/00	55,024,000	6.130	9,369.36
Paribas Corporation	04/04/00	04/05/00	3,939,000	5.920	647.75
Paribas Corporation	04/04/00	04/05/00	10,324,000	5.920	1,697.72
Paribas Corporation	04/04/00	04/05/00	20,396,000	5.920	3,354.01
Warburg Dillon Read LLC	04/04/00	04/05/00	48,000,000	5.930	7,906.67
Paribas Corporation	04/04/00	04/05/00	49,275,000	5.920	8,103.00
Warburg Dillon Read LLC	04/05/00	04/06/00	3,856,000	5.910	633.03

(Board – 6/29/00)

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

Repurchase Transactions (Continued)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Warburg Dillon Read LLC	04/05/00	04/06/00	\$10,224,000	5.910%	\$ 1,678.44
Paribas Corporation	04/05/00	04/06/00	27,000,000	5.970	4,477.50
Warburg Dillon Read LLC	04/05/00	04/06/00	48,000,000	5.910	7,880.00
Zions First National Bank	04/06/00	04/07/00	3,857,000	6.000	642.83
Zions First National Bank	04/06/00	04/07/00	6,561,000	6.000	1,093.50
Zions First National Bank	04/06/00	04/07/00	10,225,000	6.000	1,704.17
Banc One Capital Markets	04/06/00	04/07/00	11,984,000	6.030	2,007.32
Banc One Capital Markets	04/06/00	04/07/00	16,332,000	6.030	2,735.61
Banc One Capital Markets	04/06/00	04/07/00	31,684,000	6.030	5,307.07
Zions First National Bank	04/06/00	04/07/00	48,469,000	6.000	8,078.17
Paribas Corporation	04/07/00	04/10/00	3,857,000	5.930	1,906.00

(Board – 6/29/00)

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

Repurchase Transactions (Continued)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Warburg Dillon Read LLC	04/07/00	04/10/00	\$ 7,000,000	5.970%	\$ 3,482.50
Paribas Corporation	04/07/00	04/10/00	7,177,000	5.930	3,546.63
Paribas Corporation	04/07/00	04/10/00	10,225,000	5.930	5,052.85
Paribas Corporation	04/07/00	04/10/00	47,862,000	5.930	23,651.81
Warburg Dillon Read LLC	04/07/00	04/10/00	48,024,000	5.970	23,891.94
Warburg Dillon Read LLC	04/10/00	04/11/00	3,835,000	6.000	639.17
Warburg Dillon Read LLC	04/10/00	04/11/00	5,250,000	6.000	875.00
Lehman Brothers	04/10/00	04/11/00	6,000,000	6.030	1,005.00
Warburg Dillon Read LLC	04/10/00	04/11/00	8,874,000	6.000	1,479.00
Lehman Brothers	04/10/00	04/11/00	48,000,000	6.030	8,040.00
Warburg Dillon Read LLC	04/10/00	04/11/00	49,816,000	6.000	8,302.67

(Board – 6/29/00)

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

Repurchase Transactions (Continued)

<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	04/11/00	04/12/00	\$ 3,836,000	6.000%	\$ 639.33
Paribas Corporation	04/11/00	04/12/00	8,869,000	6.000	1,478.17
Zions First National Bank	04/11/00	04/12/00	15,000,000	5.970	2,487.50
Paribas Corporation	04/11/00	04/12/00	26,357,000	6.000	4,392.83
Paribas Corporation	04/11/00	04/12/00	48,056,000	6.000	8,009.33
Warburg Dillon Read LLC	04/12/00	04/13/00	3,806,000	5.930	626.93
Warburg Dillon Read LLC	04/12/00	04/13/00	8,641,000	5.930	1,423.36
Zions First National Bank	04/12/00	04/13/00	16,000,000	5.920	2,631.11
Lehman Brothers	04/12/00	04/13/00	23,906,250	5.900	3,917.97 *
Warburg Dillon Read LLC	04/12/00	04/13/00	26,361,000	5.930	4,342.24
Warburg Dillon Read LLC	04/12/00	04/13/00	48,064,000	5.930	7,917.21

(Board – 6/29/00)

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

Repurchase Transactions (Continued)

<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	04/13/00	04/14/00	\$ 485,000	5.950%	\$ 80.16 *
Paribas Corporation	04/13/00	04/14/00	3,754,000	5.940	619.41
Paribas Corporation	04/13/00	04/14/00	8,493,000	5.940	1,401.35
Warburg Dillon Read LLC	04/13/00	04/14/00	18,523,000	5.950	3,061.44
Paribas Corporation	04/13/00	04/14/00	26,365,000	5.940	4,350.23
Lehman Brothers	04/13/00	04/14/00	47,365,000	5.950	7,828.38 *
Paribas Corporation	04/13/00	04/14/00	48,072,000	5.940	7,931.88
Warburg Dillon Read LLC	04/14/00	04/17/00	3,755,000	5.960	1,864.98
Warburg Dillon Read LLC	04/14/00	04/17/00	8,495,000	5.960	4,219.18
Zions First National Bank	04/14/00	04/17/00	12,111,000	5.950	6,005.04
Zions First National Bank	04/14/00	04/17/00	26,369,000	5.950	13,074.63

(Board – 6/29/00)

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

Repurchase Transactions (Continued)

<b><u>Dealer</u></b>	<b><u>Purchase Date</u></b>	<b><u>Sale Date</u></b>	<b><u>Par Value</u></b>	<b><u>Interest Rate</u></b>	<b><u>Total Interest Earned</u></b>
Warburg Dillon Read LLC	04/14/00	04/17/00	\$48,080,000	5.960%	\$ 23,879.73
Banc One Capital Markets	04/17/00	04/18/00	2,000,000	6.150	341.67
Warburg Dillon Read LLC	04/17/00	04/18/00	3,643,000	6.150	622.35
Warburg Dillon Read LLC	04/17/00	04/18/00	7,898,000	6.150	1,349.24
Banc One Capital Markets	04/17/00	04/18/00	19,450,000	6.150	3,322.71
Banc One Capital Markets	04/17/00	04/18/00	25,550,000	6.150	4,364.79
Warburg Dillon Read LLC	04/17/00	04/18/00	26,369,000	6.150	4,504.70
Warburg Dillon Read LLC	04/18/00	04/19/00	3,644,000	5.910	598.22
Warburg Dillon Read LLC	04/18/00	04/19/00	12,357,000	5.910	2,028.61
Warburg Dillon Read LLC	04/18/00	04/19/00	26,374,000	5.910	4,329.73
Paribas Corporation	04/18/00	04/19/00	43,000,000	5.930	7,083.06

(Board - 6/29/00)

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

Repurchase Transactions (Continued)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Zions First National Bank	04/19/00	04/20/00	\$ 1,429,000	5.740%	\$ 227.85
Paribas Corporation	04/19/00	04/20/00	3,644,000	5.850	592.15
Paribas Corporation	04/19/00	04/20/00	10,217,000	5.850	1,660.26
Paribas Corporation	04/19/00	04/20/00	26,378,000	5.850	4,286.43
Zions First National Bank	04/19/00	04/20/00	47,791,000	5.740	7,620.01
Paribas Corporation	04/20/00	04/24/00	3,643,000	5.780	2,339.62
Paribas Corporation	04/20/00	04/24/00	9,187,000	5.780	5,900.10
Paribas Corporation	04/20/00	04/24/00	22,528,000	5.780	14,467.98
Paribas Corporation	04/20/00	04/24/00	48,854,000	5.780	31,375.12
Zions First National Bank	04/20/00	04/24/00	50,000,000	5.760	32,000.00
Paribas Corporation	04/24/00	04/25/00	3,629,000	5.870	591.73

(Board – 6/29/00)

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

Repurchase Transactions (Continued)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Banc One Capital Markets	04/24/00	04/25/00	\$ 7,472,000	5.850%	\$ 1,214.20
Paribas Corporation	04/24/00	04/25/00	9,033,000	5.870	1,472.88
Paribas Corporation	04/24/00	04/25/00	22,559,000	5.870	3,678.37
Banc One Capital Markets	04/24/00	04/25/00	38,782,000	5.850	6,302.08
Paribas Corporation	04/24/00	04/25/00	48,869,000	5.870	7,968.36
Warburg Dillon Read LLC	04/25/00	04/26/00	3,625,000	5.750	578.99
Warburg Dillon Read LLC	04/25/00	04/26/00	8,525,000	5.750	1,361.63
Warburg Dillon Read LLC	04/25/00	04/26/00	20,704,000	5.750	3,306.89
Zions First National Bank	04/25/00	04/26/00	48,133,000	5.610	7,500.73
Warburg Dillon Read LLC	04/25/00	04/26/00	50,735,000	5.750	8,103.51
Warburg Dillon Read LLC	04/26/00	04/27/00	3,622,000	5.650	568.45

(Board – 6/29/00)

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

Repurchase Transactions (Continued)

<u>Dealer</u>	<u>Purchase Date</u>	<u>Sale Date</u>	<u>Par Value</u>	<u>Interest Rate</u>	<u>Total Interest Earned</u>
Warburg Dillon Read LLC	04/26/00	04/27/00	\$ 8,432,000	5.650%	\$ 1,323.36
Warburg Dillon Read LLC	04/26/00	04/27/00	21,022,000	5.650	3,299.29
Warburg Dillon Read LLC	04/26/00	04/27/00	50,428,000	5.650	7,914.39
Warburg Dillon Read LLC	04/27/00	04/28/00	2,452,000	5.750	391.64
Greenwich Capital Mkts	04/27/00	04/28/00	3,422,000	5.740	545.62
Greenwich Capital Mkts	04/27/00	04/28/00	3,619,000	5.740	577.03
Greenwich Capital Mkts	04/27/00	04/28/00	21,027,000	5.740	3,352.64
Banc One Capital Markets	04/27/00	04/28/00	48,079,000	5.750	7,679.28
Warburg Dillon Read LLC	04/27/00	04/28/00	48,774,000	5.750	7,790.29
Warburg Dillon Read LLC	04/27/00	04/28/00	48,774,000	5.750	7,790.29
Greenwich Capital Mkts	04/27/00	04/28/00	50,000,000	5.740	7,972.22

(Board – 6/29/00)

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

Repurchase Transactions (Continued)

<b><u>Dealer</u></b>	<b><u>Purchase Date</u></b>	<b><u>Sale Date</u></b>	<b><u>Par Value</u></b>	<b><u>Interest Rate</u></b>	<b><u>Total Interest Earned</u></b>
Banc One Capital Markets	04/27/00	04/28/00	\$51,921,000	5.750%	\$ 8,292.94
Paribas Corporation	04/28/00	05/01/00	1,396,000	5.700	663.10
Zions First National Bank	04/28/00	05/01/00	2,130,000	5.700	1,011.75
Zions First National Bank	04/28/00	05/01/00	3,613,000	5.700	1,716.18
Zions First National Bank	04/28/00	05/01/00	21,046,000	5.700	9,996.85
Lehman Brothers	04/28/00	05/01/00	24,812,500	5.700	11,785.94 *
Warburg Dillon Read LLC	04/28/00	05/01/00	46,630,000	5.700	22,149.25
Paribas Corporation	04/28/00	05/01/00	49,302,000	5.700	23,418.45
Paribas Corporation	04/28/00	05/01/00	49,302,000	5.700	23,418.45
Zions First National Bank	04/28/00	05/01/00	50,000,000	5.700	23,750.00

(Board – 6/29/00)

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

Repurchase Transactions (Continued)

<b><u>Dealer</u></b>	<b><u>Purchase Date</u></b>	<b><u>Sale Date</u></b>	<b><u>Par Value</u></b>	<b><u>Interest Rate</u></b>	<b><u>Total Interest Earned</u></b>
Warburg Dillon Read LLC	04/28/00	05/01/00	\$53,370,000	5.700%	\$ 25,350.75

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

(Board – 6/29/00)

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)

<b><u>Dealer</u></b>	<b><u>Sale Date</u></b>	<b><u>Purchase Date</u></b>	<b><u>Par Value</u></b>	<b><u>Interest Rate</u></b>	<b><u>Total Interest Paid</u></b>
Lehman Brothers	04/12/00	04/13/00	\$23,906,250	4.900%	\$ 3,253.91
Lehman Brothers	04/13/00	04/14/00	47,850,000	5.450	7,243.96
Lehman Brothers	04/28/00	05/01/00	24,812,500	4.950	6,823.44

(Board – 6/29/00)

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 April 1, 2000 through April 30, 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.

Options Transactions - Purchased

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

Options Transactions - Sold

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

(Board – 6/29/00)

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 April 1, 2000 and April 30, 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 December 31, 1999, the Port Authority has interest rate exchange contracts in place on notional amounts totaling \$879 million, including \$484 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 April 1, 2000 and April 30, 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.

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Assistant Secretary