

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Thursday, March 25, 2010

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**MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday,
March 25, 2010 at 225 Park Avenue South, City, County and State of New York**

PRESENT:

NEW JERSEY

Hon. Anthony R. Coscia, Chairman
Hon. Virginia S. Bauer
Hon. Raymond M. Pocino
Hon. David S. Steiner

Christopher O. Ward, Executive Director
William Baroni, Jr., Deputy Executive Director
Darrell B. Buchbinder, General Counsel
Karen E. Eastman, Secretary

Susan M. Baer, Director, Aviation
A. Paul Blanco, Chief Financial Officer
Ernesto L. Butcher, Chief Operating Officer
Steven J. Coleman, Assistant Director, Media Relations, Public Affairs
John C. Denise, Audio Visual Supervisor, Public Affairs
Michael P. DePallo, Director, Rail Transit
Francis A. DiMola, Director, Real Estate Services
John J. Drobny, Director, Security Projects
Michael G. Fabiano, Deputy Chief Financial Officer/Comptroller
Michael A. Fedorko, Director, Public Safety/Superintendent of Police
Michael B. Francois, Chief, Real Estate and Development
Jennifer Friedberg, Staff Public Information Officer, Media Relations, Public Affairs
Richard Friedman, Manager, Special Projects, Office of Environmental and Energy Programs
Kevin N. Georges, Leadership Fellow, Human Resources
Richard Gladstone, Director, World Trade Center Redevelopment
Lash L. Green, Director, Office of Business and Job Opportunity
Glenn P. Guzi, Senior External Affairs Representative, Government and Community Affairs
Linda C. Handel, Deputy Secretary
Mary Lee Hannell, Director, Human Resources
Mark D. Hoffer, Senior Counsel, Law
Kara Hughes, Senior External Relations Client Manager, Government and Community Affairs
Howard G. Kadin, Esq., Law
John P. Kelly, Executive Communications Specialist, Media Relations
Kevin J. Kirchman, Director, Marketing and Special Events
Louis J. LaCapra, Chief Administrative Officer
Cristina M. Lado, Director, Government and Community Affairs
Conor Lanz, Special Assistant to the Executive Director
Richard M. Larrabee, Director, Port Commerce
Francis J. Lombardi, Chief Engineer
Stephen Marinko, Esq., Law
Michael G. Massiah, Director, Management and Budget

NEW YORK

Hon. Henry R. Silverman, Vice-Chairman
Hon. Stanley E. Grayson
Hon. H. Sidney Holmes III

James E. McCoy, Manager, Board Management Support, Office of the Secretary
Sanjay S. Mody, Advisor to the Chairman
Anne Marie C. Mulligan, Treasurer
Mark F. Muriello, Assistant Director, Operations Support, Tunnels, Bridges and Terminals
Steven P. Plate, Director, World Trade Center Construction
Alan L. Reiss, Deputy Director, World Trade Center Construction
Stephen H. Sigmund, Chief, Public and Government Affairs
Timothy G. Stickelman, Assistant General Counsel
Gerald B. Stoughton, Director, Financial Analysis
David B. Tweedy, Chief, Capital Programs
Lillian D. Valenti, Director, Procurement
Sheree Van Duynes, Manager, Policies and Protocol, Office of the Secretary
Philippe Visser, Assistant Director, World Trade Center Redevelopment
Andrew S. Warshaw, Chief of Staff to the Executive Director
Michael B. Zapantis, Deputy Director, Procurement
Christopher R. Zeppie, Director, Office of Environmental Policy, Programs and Compliance
Peter J. Zipf, Deputy Chief Engineer/Director of Engineering

Guests:

Susan Bass Levin
Johanna Jones, Authorities Unit, Office of the Governor of New Jersey

Speakers:

Catherine Hughes, NYC Community Board #1
Ed Luster, President, Communications Workers of America, Local 1102
John McAusland, General Counsel, Port Authority Police Benevolent Association
Paul Nunziato, President, Port Authority Police Benevolent Association

The public meeting was called to order by Chairman Coscia at 2:14 p.m. and ended at 2:52 p.m. The Board met in executive session prior to the public session.

Action on Minutes

The Secretary submitted for approval Minutes of the meeting of February 25, 2010. She reported that copies of these Minutes were delivered in electronic form to the Governors of New York and New Jersey on February 26, 2010. She reported further that the time for action by the Governors of New York and New Jersey expired at midnight on March 12, 2010.

Whereupon, the Board of Commissioners unanimously approved the Minutes of the meeting of February 25, 2010.

Report of Nominating Committee

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

Report of Committee on Operations

The Committee on Operations reported, for information, on matters discussed in public and executive sessions at its meeting on March 25, 2010, which included discussion of an item for new leases at Newark Liberty International Airport as part of the fourth phase of the Terminals A and B Concessions program and an item for the re-letting of Cargo Buildings 22 and 22A at John F. Kennedy International Airport, and to discuss and act upon matters related to the purchase, sale, or lease of real property, or securities where public disclosure would affect the value thereof or the public interest, and the report was received.

Report of Committee on Construction

The Committee on Construction reported, for information, on matters discussed in public and executive sessions at its meeting on March 25, 2010, which included discussion of a project for vertical circulation improvements in Terminal A at Newark Liberty International Airport, and to discuss matters involving ongoing negotiations or reviews of contracts or proposals, and the report was received.

ELECTION OF OFFICER

Chairman Coscia announced that, in accordance with the provisions of the By-Laws, an election was in order to fill the vacancy caused by the departure of Deputy Executive Director Susan Bass Levin.

Commissioner Pocino, as Chair of the Nominating Committee, submitted the following report: "On behalf of the Nominating Committee, I desire to report that at its meeting held earlier today, in accordance with the provisions of Article VII of the By-Laws, the Committee, by unanimous action, submits the nomination of William Baroni, Jr. as Deputy Executive Director of The Port Authority of New York and New Jersey. Mr. Baroni began his service on March 1, 2010."

Pursuant to the foregoing report, Commissioners Bauer, Coscia, Grayson, Holmes, Pocino, Silverman and Steiner voting in favor, William Baroni, Jr. was unanimously elected Deputy Executive Director.

**NEWARK LIBERTY INTERNATIONAL AIRPORT – TERMINALS A AND B
CONCESSIONS PROGRAM – PHASE FOUR – NEW LEASE AGREEMENTS
(ANC-140 THROUGH ANC-149)**

It was recommended that the Board authorize the Executive Director to enter into ten new concession leases for 11 locations, constituting Phase Four of the concessions program for Terminals A and B at Newark Liberty International Airport (Airport). Phase Four would cover the leasing of approximately 10,430 square feet of space in Terminals A and B for the operations of various concession establishments.

On July 26, 2007, the Board authorized the Executive Director to enter into a management agreement with Westfield Concessions Management, LLC (Westfield) for the management of the retail and food and beverage concessions at, and loading dock and storage facilities for, Terminals A and B at the Airport. That agreement was entered into for a seven-year term, which expires on August 31, 2014. The implementation of the concessions program is a multi-phase process. Phase One, involving 14 leases, was authorized by the Board on June 30, 2008. Phase Two, involving 12 leases, was authorized by the Board on June 25, 2009. Phase Three, involving five leases, was authorized by the Board on October 22, 2009.

Each concessionaire would be obligated to pay the greater of a minimum annual guaranteed rent (MAG) or percentage rent based on the gross receipts of the concessionaire's operation. In addition, the concessionaires would pay an additional promotion fee over the lease term. The concessionaires would be obligated to make an initial capital investment in connection with their occupancy of the leased premises, as well as a mid-term refurbishment investment. The Port Authority would retain the right to terminate the leases on 30 days' notice, without cause, in which event the Port Authority would be obligated to reimburse the concessionaires for their respective unamortized capital investments.

Specific material terms of the concessions leases are as follows:

AIRPORT RETAIL SOLUTIONS, LLC d/b/a Fire CZ – Lease ANC-140

Airport Retail Solutions, LLC d/b/a Fire CZ would lease approximately 333 rentable square feet (rsf) of space in Terminal A for two specialty retail operations. The term of the letting would be for seven years from the Date of Beneficial Occupancy (DBO), commencing on or about November 1, 2010. The aggregate rental over the term of the lease would be approximately \$322,000 in MAG, in addition to the promotion fee.

EJE RETAIL, LLC d/b/a EJE Duty Free/Duty Paid – Lease ANC-141

EJE Retail, LLC d/b/a EJE Duty Free/Duty Paid would lease approximately 941 rsf of space in Terminal A for a duty free/duty paid concession operation. The lease term would be for seven years from the DBO, commencing on or about May 3, 2011. The aggregate rental over the lease term would be approximately \$673,750 in MAG, in addition to the promotion fee.

SHREE SHEETALNATH, INC. d/b/a Dunkin' Donuts – Lease ANC-142

Shree Sheetalnath, Inc. d/b/a Dunkin' Donuts would lease approximately 862 rsf of space in Terminal A for the operation of a food and beverage concession. The lease term would be for seven years from the DBO, commencing on or about December 1, 2010. The aggregate rental over the lease term would be approximately \$714,000 in MAG, in addition to the promotion fee.

AREAS USA EWR, LLC d/b/a Ruby Tuesday – Lease ANC-143

AREAS USA EWR, LLC d/b/a Ruby Tuesday would lease approximately 1,819 rsf of space for the operation of a food and beverage concession in Terminal A. The term of the letting would be for seven years from the DBO, commencing on or about January 3, 2011. The aggregate rental over the term of the lease would be approximately \$3,395,000 in MAG, in addition to the promotion fee.

AREAS USA EWR, LLC d/b/a Earl of Sandwich – Lease ANC-144

AREAS USA EWR, LLC d/b/a Earl of Sandwich would lease approximately 1,805 rsf of space for the operation of a food and beverage concession in Terminal A. The term of the letting would be for seven years from the DBO, commencing on or about January 3, 2011. The aggregate rental over the term of the lease would be approximately \$5,040,000 in MAG, in addition to the promotion fee.

HOJEIJ BRANDED FOODS, INC. d/b/a Abica Coffee – Lease ANC-145

HOJEIJ BRANDED FOODS, INC. d/b/a Abica Coffee would lease approximately 740 rsf of space for the operation of a food and beverage concession in Terminal A. The term of the letting would be for seven years from the DBO, commencing on or about December 1, 2010. The aggregate rental over the term of the lease would be approximately \$1,855,000 in MAG, in addition to the promotion fee.

HOJEIJ BRANDED FOODS, INC. d/b/a Abica Coffee – Lease ANC-146

HOJEIJ BRANDED FOODS, INC. d/b/a Abica Coffee would lease approximately 346 rsf of space for the operation of a food and beverage concession in Terminal A. The term of the letting would be for seven years from the DBO, commencing on or about December 1, 2010. The aggregate rental over the term of the lease would be approximately \$2,100,000 in MAG, in addition to the promotion fee.

PROJECT HORIZON, INC. d/b/a InMotion Entertainment – Lease ANC-147

PROJECT HORIZON, INC. d/b/a InMotion Entertainment would lease approximately 406 rsf of space for a specialty retail operation in Terminal B. The term of the letting would be for seven years from the DBO, commencing on or about September 1, 2010. The aggregate rental over the term of the lease would be approximately \$245,000 in MAG, in addition to the promotion fee.

AREAS USA EWR, LLC d/b/a Mulligan's Irish Pub – Lease ANC-148

AREAS USA EWR, LLC d/b/a Mulligan's Irish Pub would lease approximately 1,794 rsf of space for the operation of a food and beverage concession in Terminal B. The term of the letting would be for seven years from the DBO, commencing on or about January 3, 2011. The aggregate rental over the term of the lease would be approximately \$1,610,000 in MAG, in addition to the promotion fee.

THE GROVE, INC. d/b/a Wendy's – Lease ANC-149

THE GROVE, INC. d/b/a Wendy's would lease approximately 1,384 rsf of space for the operation of a food and beverage concession in Terminal B. The term of the letting would be for seven years from the DBO, commencing on or about January 3, 2011. The aggregate rental over the term of the lease would be approximately \$1,457,750 in MAG, in addition to the promotion fee.

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

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into the ten concession lease agreements set forth above, for a total of approximately 10,430 square feet of space in Terminals A and B at Newark Liberty International Airport, substantially in accordance with the terms and conditions outlined to the Board; and it is further

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

**NEWARK LIBERTY INTERNATIONAL AIRPORT – BRITISH AIRWAYS PLC –
LEASE AGREEMENT ANC-120**

It was recommended that the Board authorize the Executive Director to enter into a new lease agreement with British Airways Plc (BA) for the letting of approximately 6,300 square feet of space in Terminal B at Newark Liberty International Airport (EWR) for an eleven-year term, with the space to be used as a new first-class lounge.

Under the proposed lease, BA intends to invest \$5 million to build and fit out a new state-of-the-art lounge in the B2 connector of Terminal B, which is space newly created as part of the EWR Terminal B Modernization Program, to better accommodate its first-class, business and frequent-flyer patrons, as well as those of other airlines. The rent commencement date under the new lease would be the earlier of the date of beneficial occupancy of the leased premises or one year from the lease commencement date, which is on or about July 1, 2010. BA would pay a total aggregate rental of approximately \$6 million over the term of the lease.

The lease may also provide for the Port Authority to advance to BA an amount not to exceed \$5 million toward its construction costs, in which event an additional rental would be payable to the Port Authority, in an amount sufficient to repay such construction costs on a financially self-sustaining basis. BA would be responsible for all operational, maintenance and repair costs associated with the space. The Port Authority and BA each would have the right to terminate the lease, without cause, on 30 days' notice. In the event BA terminated the lease and the Port Authority had provided an advance toward BA's construction costs, BA would be required to repay any portion of such advance that had not been repaid as additional rent. In the event the Port Authority terminated the lease and the Port Authority had not advanced any funds to BA, the Port Authority would reimburse BA for the unamortized portion of its investment in the premises, in an amount not to exceed \$5 million.

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

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into an eleven-year lease agreement with British Airways Plc for the letting of approximately 6,300 square feet of space in Terminal B at Newark Liberty International Airport for the construction, operation and maintenance of a first-class lounge for its patrons, substantially in accordance with the terms and conditions outlined to the Board; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into any other contracts and agreements necessary or appropriate in connection with the foregoing; 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.

**JOHN F. KENNEDY INTERNATIONAL AIRPORT – UNITED AIR LINES, INC. –
SURRENDER OF LEASE AGREEMENT AYC-690 – PEGASUS JFK, LLC –
NEW LEASE AGREEMENT AYE-042**

It was recommended that the Board authorize the Executive Director to enter into: (1) a surrender agreement with United Air Lines, Inc. (United) covering its existing lease for Cargo Buildings 22 and 22A and associated outside area at John F. Kennedy International Airport (JFK); and (2) a new lease agreement with Pegasus JFK, LLC (Pegasus) to provide for the re-letting of United's current leasehold for a term of 14 years, commencing on or about July 1, 2010. Pegasus would use the leasehold for the operation of an administrative, maintenance and air cargo complex.

In furtherance of its effort to consolidate its business operations at JFK, United would divest itself of its leasehold interest in Buildings 22 and 22A and the associated outside area, and enter into a surrender agreement with the Port Authority. Under the terms of the proposed surrender agreement, the Port Authority would pay to United an amount not to exceed \$7.5 million for the value of the remaining term of its lease agreement, with such payment to be coordinated with the receipt of payments under the Pegasus lease. In addition, United would be required to pay for the cost of repairs to the leasehold, identified in a recent condition survey, at an estimated total cost of \$2 million, which would be deducted from the Port Authority's payment. As a condition to the surrender of the lease, United would remove and remediate two underground diesel fuel tanks on the leasehold.

Under the proposed lease agreement, Pegasus would complete the repairs to the leasehold associated with United's agreement, with the Port Authority to reimburse Pegasus for the actual cost of such repairs, in an amount of up to \$2 million. Over the term of the lease, Pegasus would pay to the Port Authority approximately \$96.5 million in total aggregate rentals, including building and ground rentals, a percentage rental to the Port Authority based on net revenues, sublease fees from each of its subtenants (except United) and management fees to be collected by Pegasus from its sublessees. Building rent for Building 22 would commence upon completion of facility repairs and improvements, or up to six months from the lease commencement date. Pegasus' subtenants would make all rental and other payments to a lockbox administered by an independent third party who would disburse funds directly to the Port Authority with respect to the rent due from Pegasus to the Port Authority. Pegasus would invest a minimum of \$500,000 for improvements to the leasehold, and also would be required to invest approximately \$1 million to maintain and repair the premises during the term of the letting.

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

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into: (1) a surrender agreement with United Air Lines, Inc. (United) covering its existing lease for Cargo Buildings 22 and 22A and associated outside area at John F. Kennedy International Airport; and (2) a new lease agreement with Pegasus JFK, LLC covering the leasehold to be surrendered by United, for a term of approximately 14 years, commencing on or about July 1, 2010; each substantially in accordance with the terms and conditions outlined to the Board; and it is further

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

**PORT AUTHORITY SUSTAINABILITY PROGRAM – CARBON OFFSET
PROCUREMENT AND RETENTION OF EXPERT PROFESSIONAL SERVICES
– CONTRACT RENEWAL**

It was recommended that the Board authorize the Executive Director to exercise the first of two one-year renewal options with respect to five contracts (the Contracts) with the following entities: (1)(a) CantorCO2e, L.P./Native Energy, Inc./Weston Solutions, Inc., and (b) Blue Source LLC/Henningson, Durham & Richardson Architecture and Engineering, P.C., for the performance of broker and related professional services associated with the procurement and promotion of carbon offsets, on an as-needed basis for a one-year period, at a total estimated cost of \$900,000, including a \$50,000 contingency allowance; and (2)(a) Stockholm Environmental Institute-US, (b) The National Climate Trust, and (c) E.H. Pechan & Associates, for the performance of professional advisory services in connection with the evaluation of carbon offsetting projects, on an as-needed basis for a one-year period, at a total estimated cost of \$100,000. Offsets include equivalent environmental attributes, or “equivalences,” which are financial instruments that represent the avoidance of greenhouse gas (GHG) emissions and may be purchased outside the voluntary carbon offset market. Purchases of carbon offsets would continue to be subject to the approval of the Chairman. In addition, exercise of the remaining one-year renewal options to the Contracts would be subject to further Board approval.

On March 27, 2008, the Board adopted an Environmental Sustainability Policy (Policy), under which: (1) the Port Authority is to continue to use its best efforts to reduce all GHG emissions related to its facilities by five percent annually and by 80 percent from baseline 2006 levels by 2050; and (2) the agency would establish a goal of net-zero GHG emissions from its own operations by 2010. In adopting the Policy, the Board stated that the Port Authority shall encourage its customers, tenants and partners to conduct their businesses in a more sustainable fashion, including reductions in their own GHG emissions, and shall provide support for these efforts where practical to do so, including collaboration with other regional stakeholders in the development of strategies that reduce the risk posed by climate change to Port Authority facilities and operations.

At the same time the Policy was adopted, the Board also authorized a Port Authority Sustainability Program (Program) as a first step in achieving the goals outlined in the Policy. The Program provided authorization to retain professional and advisory services to enable a thorough evaluation of available options for the Port Authority to attain the goal of achieving net-zero GHG emissions. The purchase of carbon offsets finances the development of projects such as energy efficiency, renewable energy, and the capture and destruction of landfill gas.

In support of the Program, on October 23, 2008 the Board authorized the Executive Director to enter into the Contracts. Subsequent to that authorization, several carbon offset projects located in New York and New Jersey underwent rigorous screening and third-party verification to substantiate the quality and integrity of offsets. Two projects that provided high-quality and verified carbon offsets were identified in 2009. As a result of these efforts, the Port Authority has been able to successfully offset 82,500 metric tons of carbon dioxide using a landfill gas-flaring project in New York, representing approximately 30 percent of baseline 2006 emission levels from Port Authority operations. Furthermore, staff initiated development of a calculator program for future use on the agency’s public website that, once implemented, will provide patrons and tenants with the opportunity to purchase carbon offsets from one or more local projects.

The proposed authorization would provide for the procurement of offsets from two additional verified sources: a landfill gas-flaring project in New York from which offsets were purchased in 2009, and a landfill gas-flaring project in New Jersey. The two projects have the potential to offset at least 35 percent (approximately 120,000 metric tons) of GHG, based on the latest Port Authority GHG inventory in 2007.

As additional projects are identified to assist in attaining the goal of achieving net-zero GHG emissions in 2010, staff will seek further Board authorization for additional funding to support such purchases. Individual purchases of carbon offsets would continue to be subject to approval by the Chairman.

The scope of work of the two contracts for broker and related services includes: (1) offering carbon offsets that meet the Port Authority's quality criteria and statutory constraints for purchase, in quantities to offset annually all or part of the GHG emissions related to its facilities; (2) implementing online electronic systems that will enable customers and tenants to estimate their carbon footprint associated with their use of the Port Authority's facilities and services, and to provide them with an option to purchase carbon offsets that meet the agency's quality criteria; and (3) providing expert advice on ways to promote the offsetting of GHG emissions among customers and tenants.

It is also necessary to continue to have technical advisory services with expertise in the carbon offset market, to help the Port Authority make good business decisions, informed by due diligence and careful evaluation of proposed carbon offset transactions. The scope of work of the three contracts for professional advisory services related to carbon offsets includes (1) evaluating proposed carbon offset projects, and (2) assisting with final carbon offset program design and contract negotiations.

The Port Authority's carbon offset procurement initiative will allow the Port Authority to invest in projects that are likely to improve air quality in the region, thereby mitigating its effect on climate change, and to contribute to economic growth, particularly in the region's "green" technology sector. Offsets from projects within the Port District will continue to be considered; the consideration of equivalences would increase the likelihood of identifying and procuring within the Port District, as well as the opportunity to procure from smaller projects that otherwise may not have the ability to enter into the market, and would be held to the same high standards as those from the voluntary carbon offset market. Moreover, by implementing its carbon calculator program, the Port Authority will encourage sustainability among customers and tenants. Finally, carbon offset procurement affords the Port Authority the opportunity to be a leader in sustainable initiatives, pending the adoption of federal regulatory mandates, and provides the agency with valuable experience in anticipation of such mandates.

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

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to exercise the first of two one-year renewal options with respect to a total of five Port Authority contracts with the following: (1)(a) CantorCO2e, L.P./Native Energy, Inc./Weston Solutions, Inc., and (b) Blue Source LLC/Henningson, Durham & Richardson Architecture and Engineering, P.C., for the performance of broker and related professional services associated with the procurement and promotion of carbon offsets, including equivalent environmental attributes, or “equivalences,” on an as-needed basis for a one-year period, at a total estimated cost of \$900,000, inclusive of a contingency, and with the purchase of carbon offsets pursuant to the Port Authority’s Environmental Sustainability Program to be subject to the approval of the Chairman; and (2)(a) Stockholm Environmental Institute-US, (b) The National Climate Trust, and (c) E.H. Pechan & Associates, for the performance of professional advisory services in connection with the evaluation of carbon offset projects, on an as-needed basis for a one-year period, at a total estimated cost of \$100,000; and it is further

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

NEWARK LIBERTY INTERNATIONAL AIRPORT – TERMINAL A VERTICAL CIRCULATION IMPROVEMENTS – PROJECT AUTHORIZATION AND AWARD OF CONTRACT EWR-154.025

It was recommended that the Board authorize: (1) a project for vertical circulation improvements to Terminal A at Newark Liberty International Airport (EWR), at an estimated total project cost of \$10.1 million, including engineering, project and construction management, payments to contractors, allowances for extra work (if necessary) and net cost work, administrative and financial expenses; and (2) the Executive Director to award Contract EWR-154.025 to VRH Construction Corp., the lowest bidder, at an estimated total construction cost of \$5,840,820.

Since Terminal A at EWR opened for operations in 1973, passenger traffic has increased significantly, resulting in congestion inside the terminal. To address this condition, staff conducted an analysis of passenger flow and recommended the installation of additional elevators to improve vertical circulation in the terminal and enhance customer service.

Two passenger elevators currently provide access to the terminal's four levels and are located at the periphery of the terminal, away from the main flow of passenger traffic. However, the elevators do not provide adequate capacity for the existing passenger levels, resulting in excessive passenger congestion.

To reduce congestion and wear on those elevators and improve customer service, two centrally located elevators would be installed in Terminal A and would serve as the primary means of vertical circulation in the terminal. The new elevators would provide adequate capacity to meet current and future passenger demands while staff continues planning efforts to redevelop Terminal A. Costs associated with this project are fully recoverable through Passenger Facility Charge funding.

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

RESOLVED, that a project for vertical circulation improvements to Terminal A at Newark Liberty International Airport (EWR), at an estimated total project cost of \$10.1 million, including engineering, project and construction management, payments to contractors, allowances for extra work (if necessary) and net cost work, administrative and financial expenses, 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 award Contract EWR-154.025, Terminal A Vertical Circulation Improvements, to VRH Construction Corp., the lowest bidder, at an estimated total construction cost of \$5,840,820; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to take action with respect to other contracts for professional and advisory services and such other contracts and agreements as

may be necessary to effectuate the foregoing project, pursuant to authority granted in the By-Laws or other resolution adopted by the Board; 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.

TRIBUTE TO SUSAN BASS LEVIN

The following resolution was unanimously adopted to express the appreciation of the members of the Board of Commissioners of The Port Authority of New York and New Jersey to Susan Bass Levin.

WHEREAS, from the time she joined the Port Authority in July 2007 as Deputy Executive Director, Susan Bass Levin served with great pride and distinction and gave the full measure of her knowledge, skill, ability and talent to further the mission and goals of The Port Authority of New York and New Jersey and the region it serves; and

WHEREAS, Susan Bass Levin has been an outstanding leader and demonstrated exceptional commitment to the agency by ensuring that the Port Authority's mission to improve regional mobility of people and goods as well as foster economic growth and opportunity in the region continues through innovative initiatives that help the Port Authority to more effectively operate our facilities and serve our customers and the general public more responsively; and

WHEREAS, Susan Bass Levin has played a key role in providing direction and critical support in the revitalization of the Port of New York and New Jersey by laying a strong foundation for future port development that will improve the region's cargo facilities and enhance the construction of a comprehensive system of rail and road infrastructure that will connect the major port container terminals in the region with national freight railroad and highway systems; and

WHEREAS, Susan Bass Levin has been a strong advocate and influential force for the agency's PATH Modernization Program, which is providing for a new railcar fleet, improved stations for the traveling public, and a new signal system, as well as enhanced security at all PATH facilities; and

WHEREAS, Susan Bass Levin has been instrumental in leading the agency in the development of major public transportation projects that will serve the region for generations to come, including the Access to the Region's Core Project, the construction of a new commuter rail tunnel under the Hudson River that will provide easy, affordable and environmentally sustainable access to Manhattan for many in the region; and

WHEREAS, Susan Bass Levin has been at the forefront of several other key projects that will serve the region for decades to come, including the rebuilding of the World Trade Center site, the establishment of the agency's Environmental Sustainability Policy and the redevelopment and future growth of the regional airport transportation system; and

WHEREAS, Susan Bass Levin has provided the vision and support to ensure the safety and security of the agency's facilities, so that they are able to provide dependable, trustworthy and safe passage; and

WHEREAS, Susan Bass Levin has provided guidance to staff throughout the agency, encouraging them to work to their full potential and spearheading efforts to provide staff with recognition and development through innovative programs;

NOW, therefore, be it

RESOLVED, that the Commissioners of The Port Authority of New York and New Jersey hereby express to Susan Bass Levin their sincere appreciation for her service to the agency and the region it serves; and it is further

RESOLVED, that the Board of Commissioners hereby directs that this resolution be suitably engraved and presented to Susan Bass Levin as a token of the high esteem in which she is held by the Board and staff alike.

Whereupon, the meeting was adjourned.

Secretary