

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Thursday, November 19, 2009

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MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday, November 19, 2009 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. Anthony J. Sartor
 Hon. David S. Steiner

NEW YORK

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

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

Susan M. Baer, Director, Aviation
 Catherine M. Bergamini, Principal Business Manager, Port Commerce
 A. Paul Blanco, Chief Financial Officer
 Ernesto L. Butcher, Chief Operating Officer
 Steven J. Coleman, Assistant Director, Media Relations, Public Affairs
 Arpan Dasgupta, Executive Assistant to the Deputy Executive Director
 John C. Denise, Audio Visual Supervisor, Public Affairs
 Michael P. DePallo, Director, Rail Transit
 Sandra E. Dixon, State Legislative Representative, Government and Community Affairs
 Michael P. Dombrowski, Cinematographer, Public Affairs
 John J. Drobny, Director, Security Projects
 Michael G. Fabiano, Deputy Chief Financial Officer/Comptroller
 Michael B. Francois, Chief, Real Estate and Development
 Jennifer Friedberg, Staff Public Information Officer, Media Relations, Public Affairs
 Richard Friedman, Senior Advisor to the Executive Director
 Glenn P. Guzi, Senior External Affairs Representative, Government and Community Affairs
 Linda C. Handel, Deputy Secretary
 Mark D. Hoffer, Senior Counsel, Law
 Howard G. Kadin, Esq., Law
 Victoria C. Kelly, Director, Tunnels, Bridges and Terminals
 Kevin J. Kirchman, Director, Marketing and Special Events
 Louis J. LaCapra, Chief Administrative Officer
 Conor Lanz, Special Assistant to the Executive Director
 Richard M. Larrabee, Director, Port Commerce
 Francis J. Lombardi, Chief Engineer
 Stephen Marinko, Esq., Law
 Ronald Marsico, Assistant Director, Media Relations, Public Affairs
 Candace McAdams, Director, Media Relations
 James E. McCoy, Manager, Board Management Support, Office of the Secretary
 Sanjay S. Mody, Advisor to the Chairman

Christopher J. Mohr, Senior Board Management Support Specialist, World Trade Center
Construction

Anne Marie C. Mulligan, Treasurer

Lynn A. Nerney, Senior Business Manager, Office of the Secretary

Steven P. Plate, Director, World Trade Center Construction

Ileana Rivera, Staff Business Manager, Port Commerce

Stephen H. Sigmund, Chief, Public and Government Affairs

Timothy G. Stickelman, Assistant General Counsel

Gerald B. Stoughton, Director, Office of Financial Analysis

Ralph Tragale, Assistant Director, Public Affairs, Aviation

David B. Tweedy, Chief, Capital Programs

I. Midori Valdivia, Leadership Fellow, Human Resources

Lillian D. Valenti, Director, Procurement

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

Andrew S. Warshaw, Chief of Staff to the Executive Director

Peter J. Zipf, Deputy Chief Engineer/Director of Engineering

Guest:

Sonia Frontera, Authorities Unit, Office of the Governor of New Jersey

Speaker:

Kenneth P. Philmus, Senior VP & Managing Director, Transportation Systems and Services,
ACS Transportation Solutions Group

The public meeting was called to order by Chairman Coscia at 1:39 p.m. and ended at 1:51 p.m. The Board met in executive session prior to the public session and on November 10, 2009.

Action on Minutes

The Secretary submitted for approval Minutes of the meeting of October 22, 2009. She reported that copies of these Minutes were delivered in electronic form to the Governors of New York and New Jersey on October 23, 2009. She reported further that the time for action by the Governors of New York and New Jersey expired at midnight on November 9, 2009.

Whereupon, the Board of Commissioners unanimously approved the Minutes of the meeting of October 22, 2009.

Report of Committee on Finance

The Committee on Finance reported, for information, on matters discussed and action taken in public session at its meeting on November 19, 2009, which included review of a Port Authority Plan of Financing, and discussion of an item that authorizes the negotiated sale of taxable Consolidated Bonds and Notes for capital expenditures in connection with construction of One World Trade Center (WTC), the WTC retail development and certain other WTC site-wide infrastructure, and the report was received.

Report of Committee on Capital Programs/Agency Planning

The Committee on Capital Programs/Agency Planning reported, for information, on matters discussed in public session at its meeting on November 19, 2009, which included discussion of an item for planning in connection with the replacement of two vehicular bridges at John F. Kennedy International Airport, and the report was received.

Report of Committee on Construction

The Committee on Construction reported, for information, on matters discussed in executive and public sessions at its meeting on November 19, 2009, which included discussion of matters involving ongoing negotiations or reviews of contracts or proposals, and discussion of a consolidated Police Crisis Command Center and Aircraft Rescue Firefighting Facility at LaGuardia Airport and the rehabilitation of the 14th Street Holland Tunnel exit roadway in Jersey City, New Jersey, and the report was received.

Report of World Trade Center Redevelopment Subcommittee

The World Trade Center (WTC) Redevelopment Subcommittee reported, for information, on matters discussed in public and executive sessions at its meeting on November 19, 2009, which included discussion of the continued retention of professional real estate and financial advisory services in connection with the development of commercial office space at the WTC site, trade contracts for continued construction in connection with the development of the WTC Memorial, Memorial Museum and WTC Infrastructure Projects, and discussion of matters involving ongoing negotiations or reviews of contracts or proposals, and the report was received.

JOHN F. KENNEDY INTERNATIONAL AIRPORT – REPLACEMENT OF RESTRICTED SERVICE ROAD BRIDGES – PLANNING AUTHORIZATION

It was recommended that the Board authorize preliminary design work, in an estimated amount of \$2.5 million, for the demolition and relocation of Restricted Service Road Vehicular Bridges J2 and J8 in the aeronautical area at John F. Kennedy International Airport (JFK).

The bridges carry parts of the airport roads that run parallel to Taxiway A and allow vehicular traffic to serve airside operations. Bridges J2 and J8, which span the JFK and Van Wyck Expressways, were constructed in 1955 and 1962, respectively, and are now nearing the end of their useful life.

The bridges cannot handle large or heavy modern vehicles and allow for only low clearance below. As a result, some aircraft support and emergency response vehicles must be diverted to alternate airside routes. In addition, their current location does not provide adequate distance from Taxiway A for New Large Aircraft (Group VI aircraft), such as the Airbus 380 and Boeing 747-800 cargo aircraft, so that vehicles and aircraft must operate under Federal Aviation Administration (FAA) restrictions.

Demolition and relocation of these bridges would improve airside safety and operations by providing structures that: (1) maintain a state of good repair; (2) support existing airside vehicles; and (3) eliminate the FAA operating restrictions. The proposed planning work would consist of preliminary designs for the relocation of the bridges.

All planning costs are expected to be fully recoverable through Passenger Facility Charges.

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

RESOLVED, that planning work, in an estimated amount of \$2.5 million, for the demolition and relocation of Vehicular Bridges J2 and J8 in the aeronautical area at John F. Kennedy International Airport 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 take action with respect to contracts for professional and advisory services and such other contracts and agreements as may be necessary to effectuate the foregoing planning work, 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 planning work shall be subject to the approval of General Counsel or his authorized representative.

LAGUARDIA AIRPORT – POLICE CRISIS COMMAND CENTER AND AIRCRAFT RESCUE AND FIREFIGHTING FACILITY – PROJECT RE-AUTHORIZATION

It was recommended that the Board re-authorize a project for the development of a consolidated Police Crisis Command Center and Aircraft Rescue and Firefighting Facility (ARFF) at LaGuardia Airport (LGA), at an estimated total project cost of \$74.3 million, inclusive of project costs previously authorized, and including engineering services, payments to contractors, allowances for extra work (if necessary) and net cost work, and administrative and financial expense.

At its meeting of September 22, 2005, the Board authorized a project for the design and construction of the ARFF at LGA, at a total estimated project cost of \$62.6 million. The new facility will provide for critical on-airport emergency, safety and security functions, and will help reduce emergency response times. The new facility will serve as headquarters for the police force needed at LGA and will consolidate police and ARFF functions at a single location. The facility will include emergency response and security systems and will house all emergency vehicles and equipment.

During project implementation, the general increase in construction costs, combined with complexities in the coordination of the communication, security and technology systems with the building design, presented unique challenges, which resulted in additional planning and engineering costs beyond the original project budget. Significant staff time was required to configure and coordinate a complex network of security, technology and communication systems, including those used to interact with operations staff and external federal, state and local agencies.

The construction is approximately 75-percent completed, and the facility is expected to be operational by mid-year 2010.

The Federal Aviation Administration (FAA) approved \$40 million in Passenger Facility Charge (PFC) funding for the development of the facility as a part of the Port Authority's 2006 application. Eighty percent of the total costs associated with the Police Crisis Command Center and Aircraft Rescue and Firefighting Facility project are recoverable through PFCs, with the remaining twenty percent partially recoverable through flight fees. An application for the fully eligible costs of the project will be included in an amendment to the Port Authority's PFC application to the FAA.

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

RESOLVED, that a project for the development of a consolidated Police Crisis Command Center and Aircraft Rescue and Firefighting Facility at LaGuardia Airport, at an estimated total project cost of \$74.3 million, inclusive of project costs previously authorized, and including engineering services, payments to contractors, allowances for extra work (if necessary) and net cost work, and administrative and financial expense, be and it hereby is re-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 take action with respect to purchase and construction contracts, 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 project shall be subject to the approval of General Counsel or his authorized representative.

HOLLAND TUNNEL – REHABILITATION OF THE 14TH STREET EXIT ROADWAY AND JERSEY AVENUE – PROJECT RE-AUTHORIZATION AND SETTLEMENT OF CLAIM FOR CONTRACT HT-224.001

It was recommended that the Board: (1) re-authorize the project for the rehabilitation of the 14th Street Exit Roadway and Jersey Avenue at the Holland Tunnel, at a total estimated cost of \$26 million, including engineering, payments to contractors, allowances for extra work (if necessary) and net cost work, and administrative and financial expense; and (2) authorize the Executive Director to make a payment, in an estimated amount of up to \$1.9 million, to Gardner M. Bishop, Inc. and Joseph M. Sanzari, Inc., A Joint Venture (Bishop/Sanzari), in full settlement of all claims against the Port Authority in connection with Contract HT-224.001 pertaining to work on this project.

At its meeting of October 29, 1998, the Board authorized a project for the rehabilitation of the roadway, drainage, lighting, traffic signs and signals on 14th Street in Jersey City, from the New Jersey exit portal of the Holland Tunnel to Jersey Avenue and on a portion of Jersey Avenue, at an estimated total project cost of \$21.8 million. After a delay caused by the loss of contract documents on September 11, 2001, the construction contract was awarded in October 2003 to Bishop/Sanzari, the lowest bidder, at a total estimated cost of \$10.4 million.

Subsequently, the contract with Bishop/Sanzari was increased by an aggregate amount of approximately \$1.1 million to address various site conditions that were unknown at the time of contract award, including repairs to an existing utility.

The proposed settlement of claim is in consideration of the extensive contract duration, which resulted from: restaging of work to accommodate utility work performed by Public Service Electric & Gas Company; unanticipated repairs to an existing sewer owned by the City of Jersey City; and extensive redesign of duct banks to avoid interference with existing water mains. The additional compensation to Bishop/Sanzari of \$1.9 million represents a fair and equitable settlement. As a result of the proposed claim settlement, the total compensation to Bishop/Sanzari under Contract HT-224.001 is estimated at \$12.9 million.

The proposed re-authorization of the project is required to accommodate additional engineering design, construction management costs and redesign work related to the relocation of utilities and private property issues.

This project is over 98-percent complete and is expected to be closed out in the fourth quarter of 2009.

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

RESOLVED, that a project for the rehabilitation of the 14th Street Exit Roadway and Jersey Avenue at the Holland Tunnel, at an estimated total project cost of \$26 million, inclusive of project costs previously authorized, and including additional engineering design and construction management costs, allowances for extra work (if necessary) and net cost work, and administrative and financial expense,

be and it hereby is re-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 take action with respect to purchase and construction contracts, 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 Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to: (1) make a payment, in an estimated amount of up to \$1.9 million, to Gardner M. Bishop, Inc. and Joseph M. Sanzari, Inc., A Joint Venture, in full settlement of all claims against the Port Authority in connection with Contract HT-224.001 pertaining to the foregoing project; and (2) enter into an appropriate agreement to effectuate such settlement; 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.

RESCISSION AND CANCELLATION OF RESOLUTIONS AUTHORIZING CONSOLIDATED BONDS, ONE HUNDRED SIXTY-SECOND SERIES THROUGH CONSOLIDATED BONDS, ONE HUNDRED SIXTY-FOURTH SERIES AND CONSOLIDATED NOTES, SERIES ZZ, SERIES AAA, SERIES BBB, SERIES CCC AND SERIES DDD

The Board at its meeting on November 15, 2007, among other matters, established and authorized the issuance of, and authorized the sale of, Consolidated Bonds, One Hundred Fiftieth Series through Consolidated Bonds, One Hundred Sixty-fourth Series and Consolidated Notes, Series ZZ, Series AAA, Series BBB, Series CCC and Series DDD. In place of these series, action with respect to the Authority's continuing plan of financing, consisting in part of Consolidated Bonds and Consolidated Notes, is to be considered today by the Board in connection with the anticipated requirements associated with the Authority's capital program projections.

Therefore, it was recommended that prior to the actions to be taken at today's meeting in connection with the Authority's plan of financing, that the Board rescind and cancel certain resolutions solely with respect to the establishment and authorization of the issuance of, and the authorization of the sale of, Consolidated Bonds, One Hundred Sixty-second Series through Consolidated Bonds, One Hundred Sixty-fourth Series and Consolidated Notes Series ZZ, Series AAA, Series BBB, Series CCC and Series DDD, since these previously authorized series have not as yet been issued.

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

RESOLVED, that the resolutions of the Authority adopted November 15, 2007, entitled "*Consolidated Bonds, One Hundred Fiftieth Series through Consolidated Bonds, One Hundred Sixty-fourth Series–Establishment and Issuance*" and "*Consolidated Bonds, One Hundred Fiftieth Series through Consolidated Bonds, One Hundred Sixty-fourth Series–Sale,*" solely with respect to Consolidated Bonds, One Hundred Sixty-second Series through Consolidated Bonds, One Hundred Sixty-fourth Series, are rescinded and cancelled in their entirety; and it is further

RESOLVED, that the resolutions of the Authority adopted November 15, 2007, entitled "*Consolidated Notes, Series ZZ, Series AAA, Series BBB, Series CCC and Series DDD–Establishment and Issuance*" and "*Consolidated Notes, Series ZZ, Series AAA, Series BBB, Series CCC and Series DDD–Sale,*" are rescinded and cancelled in their entirety.

PORT AUTHORITY PLAN OF FINANCING – REPORT

It was recommended that the Board of Commissioners take the actions summarized below in connection with the Port Authority's bonds and notes. As in the past, the recommended actions, which would continue to provide the Port Authority with flexible access to the financial markets, are part of an approval process required by Federal tax law for certain municipal obligations. The plan of financing adopted by the Board as part of this process generally has a three year life; the last such plan was adopted in November 2007.

The public approval process was added by Congress in 1982 to the Federal tax law to ensure that affected members of the general public would be notified of a pending "private activity" bond issue and made aware of the intended use of proceeds in order to elicit comments that would ensure a substantial public benefit from the issuance of the bonds. The process includes the issuance of a notice for a public hearing, holding the hearing (at which members of the general public may comment, but at which the issuer is not required to engage in dialogue) and approval of the bonds by an applicable elected representative. As these requirements pertain to the Port Authority, they generally apply only to bonds and notes issued for airport and marine terminal purposes, with the requisite approval accomplished through the gubernatorial review process for Board minutes.

Today's actions would add fifteen series of Consolidated Bonds and five series of Consolidated Notes, to the existing Versatile Structure Obligations, Variable Rate Master Notes, Equipment Notes and Commercial Paper Obligations, which may be issued to effectuate this plan of financing. However, the total aggregate principal amount of these obligations to be issued for authorized purposes in connection with the Authority's facilities in any year under this plan of financing would not exceed the amount required to effectuate the applicable budget.

Public Hearings

On November 18, 2009, public hearings in connection with this plan of financing, consistent with, and to the extent provided under, the public approval provisions of Section 147(f) of the Internal Revenue Code of 1986, were conducted by staff of the Authority's Treasury Department at the offices of the Authority located at 225 Park Avenue South, New York, New York and at the Journal Square Transportation Center, Jersey City, New Jersey, pursuant to notices published on November 3, 2009, in *The New York Times*, a newspaper of general circulation in the New York portion of the Port District, and in *The Star-Ledger*, a newspaper of general circulation in the New Jersey portion of the Port District.

In pertinent part, the notices contained the following description of the Authority's proposed plan of financing: "Consolidated Bonds to be denominated as the One Hundred Sixty-second Series through the One Hundred Seventy-sixth Series, inclusive; Consolidated Notes to be denominated as Series ZZ, Series AAA, Series BBB, Series CCC, and Series DDD; Versatile Structure Obligations to be issued in various series under the resolution of the Authority adopted November 18, 1999, entitled "*Port Authority Versatile Structure Obligations Resolution-Modification*"; Variable Rate Master Notes to be issued in various series under the resolution of the Authority adopted November 18, 1999, entitled "*Port Authority Variable Rate Master Notes Resolution-Modification*"; Equipment Notes to be issued in various series under the resolution of the Authority adopted November 18, 1999, entitled "*Port Authority Equipment Notes Resolution-Modification*"; and Commercial Paper Obligations to be issued in various series under the

resolution of the Authority adopted May 26, 2005, entitled “*Port Authority Commercial Paper Obligations-Resolution*” and, after December 31, 2010, Commercial Paper Obligations under an amended and supplemented resolution of the Authority to be adopted prior thereto, all to be issued and sold in connection with this plan of financing for authorized purposes, including in connection with certain of the facilities of the Port Authority, to wit: the Holland Tunnel; Lincoln Tunnel; George Washington Bridge; Bayonne Bridge; Goethals Bridge; Outerbridge Crossing; Port Authority Bus Terminal; Hudson Tubes (PATH); Access to the Region’s Core Project, a passenger rail improvement project for the Northeast Corridor between Secaucus, N.J. and New York City, N.Y.; Meadowlands Passenger Rail Facility, a two-track rail spur linking New Jersey Transit Corporation’s Pascack Valley Rail Line to the Meadowlands Sports Complex located in East Rutherford, N.J.; Trans-Hudson Ferry Service, a facility for the provision of commuter ferry transportation services between terminal facilities in the Port District; LaGuardia Airport; John F. Kennedy International Airport; Newark Liberty International Airport; Teterboro Airport; Stewart International Airport; Port Newark; Brooklyn-Port Authority Marine Terminal; Elizabeth-Port Authority Marine Terminal; Greenville Yard-Port Authority Marine Terminal; Howland Hook Marine Terminal; Port Authority Auto Marine Terminal, a marine terminal facility for imported automobiles located in Bayonne and Jersey City, N.J.; Hoboken South Waterfront Development Facility located in Hoboken, N.J.; Queens West Waterfront Development Facility located in Hunters Point, Queens, N.Y.; Oak Point Rail Freight Link, a rail freight improvement project in The Bronx, N.Y.; World Trade Center, a facility of commerce in Manhattan, N.Y. (which was destroyed in the September 11, 2001 terrorist attacks and is currently under redevelopment); Newark Legal and Communications Center, a legal and communications center in Newark, N.J.; Teleport, a satellite communications center at the Staten Island Industrial Park, Staten Island, N.Y.; Bathgate Industrial Park, an industrial park in The Bronx, N.Y.; Port Authority Industrial Park at Elizabeth, an industrial park in Elizabeth, N.J.; Newark South Ward Industrial Park, an industrial park in Newark, N.J.; Essex County Resource Recovery Facility, a mass-burn resource recovery facility in Newark, N.J.; Pre-development Site Acquisition Program, a facility for acquisition of real property; Regional Development Facility, a facility for certain of the economic development and infrastructure renewal projects to be undertaken at the request of the States of New Jersey and New York; New Jersey Marine Development Program, a facility for certain fishery, marine or port development projects to be undertaken at the request of the State of New Jersey; Regional Economic Development Program, a facility for certain of the transportation and economic development and infrastructure renewal projects to be undertaken at the request of the States of New Jersey and New York; Regional Transportation Program, a facility for certain regional transportation projects in the States of New York and New Jersey; New York Transportation, Economic Development and Infrastructure Renewal Program, a facility for certain transportation, economic development and infrastructure renewal projects to be undertaken at the request of the State of New York; Hudson-Raritan Estuary Resources Program, a facility for the acquisition of certain real property in the Hudson-Raritan Estuary; and the Regional Rail Freight Program, a facility for the development of certain regional freight projects to provide for increased rail freight capacity, in each case (other than Stewart International Airport), located in the Port of New York District. The initial owner, operator or manager of these facilities is or will be the Port Authority or one of its wholly owned entities (presently, Port Authority Trans-Hudson Corporation, Newark Legal and Communications Center Urban Renewal Corporation, New York and New Jersey Railroad Corporation, New York New Jersey Rail, LLC, WTC Retail LLC, 1 World Trade Center LLC, and Port District Capital Projects LLC). The major projects presently authorized or which may be authorized by the Port Authority while this plan of financing remains in effect include: LaGuardia Airport, security upgrades, central terminal building improvements, general runway,

taxiway and roadway modification, paving and utility improvements; John F. Kennedy International Airport, general runway, taxiway and roadway modification and paving, ancillary airport buildings, central terminal area roadway construction, and related infrastructure and utility improvements, security enhancements and fire system upgrades; Newark Liberty International Airport, general runway, taxiway and roadway modification and paving, construction of terminal improvements, mid-life overhaul of monorail system, expansion of monorail trains to seven cars, and security enhancements; Teterboro Airport, general runway and taxiway modifications and security enhancements; Stewart International Airport, general runway, taxiway and roadway modification, paving and utility improvements, construction of additional parking facilities and security enhancements; Howland Hook Marine Terminal, improvements to existing intermodal rail freight terminals, expansion and rehabilitation of existing rail freight support yards and security enhancements; Port Newark, various rail freight projects to improve rail freight services among facilities and the national rail system, berth replacement, building construction, roadway improvements and security enhancements; Elizabeth-Port Authority Marine Terminal, various rail freight projects to improve rail freight services among facilities and the national rail system, berth deepening, building construction, roadway improvements and security enhancements; Brooklyn-Port Authority Marine Terminal, wharf and pier rehabilitation; Port Authority Auto Marine Terminal, berth deepening, building construction, roadway and terminal development and security enhancements; Greenville Yard-Port Authority Marine Terminal, various rail freight projects to expand and improve rail freight services among facilities and the national rail system; World Trade Center site restoration activities, including the design and construction of various office and retail components of the World Trade Center site, a World Trade Center Transportation Hub, which includes the permanent PATH World Trade Center terminal, a memorial and memorial-related improvements and cultural uses, vehicle security facilities and site-wide infrastructure; capital improvements related to safety, security, maintenance, rehabilitation and expansion of service at the Port Authority Bus Terminal, George Washington Bridge, Lincoln Tunnel, Holland Tunnel, Goethals Bridge, Bayonne Bridge, Outerbridge Crossing, and PATH; Access to the Region's Core Project, construction of two passenger rail tunnels under the Hudson River, with a new underground passenger terminal adjacent to Pennsylvania Station in Manhattan, and associated rail improvements to the Northeast Corridor between New Jersey and New York; Trans-Hudson Ferry service, construction of a permanent ferry terminal to be located in the vicinity of New Jersey Transit Corporation's rail and bus terminals and PATH's Hoboken station in Hoboken, N.J.; Queens West Waterfront Development Facility, participation in mixed use waterfront development project; Hoboken South Waterfront Development Facility, participation in mixed use waterfront development project; and the acquisition of certain related real property or property rights; other miscellaneous capital improvements and replacements and acquisitions of equipment in connection with the facilities of the Port Authority; and a comprehensive general port improvement project in the Port of New York and New Jersey, including channel deepening, dredging and disposal of dredged materials, which is also expected to be of benefit to the Port Authority's marine terminal facilities. The obligations of the Port Authority to be issued in connection with this plan of financing and to which the provisions of Section 147(f) of the Internal Revenue Code of 1986 would be applicable, would be in the maximum aggregate principal amounts noted below: each of Consolidated Bonds, One Hundred Sixty-second Series through One Hundred Seventy-sixth Series, inclusive, would be in the principal amount of up to \$500,000,000; each of Consolidated Notes, Series ZZ, Series AAA, Series BBB, Series CCC, and Series DDD, would be in the principal amount of up to \$300,000,000; Versatile Structure Obligations would be issued in one or more series but not in excess of a total aggregate principal amount of \$3,000,000,000; Variable Rate Master Notes would be issued in one or more series

but not in excess of a total aggregate principal amount of \$400,000,000; Equipment Notes would be issued in one or more series but not in excess of a total aggregate principal amount of \$250,000,000; and Commercial Paper Obligations would be issued in one or more series but not in excess of a total aggregate principal amount of \$500,000,000 outstanding at any one time.”

Today’s Actions Pertaining to this Plan of Financing

The Board would establish Consolidated Bonds, One Hundred Sixty-second Series through Consolidated Bonds, One Hundred Seventy-sixth Series, and would authorize the issuance and sale of each series in aggregate principal amount of up to \$500 million at a true interest cost to the Authority not in excess of 12 percent for a term not in excess of 35 years. The Board would also establish Consolidated Notes, Series ZZ, Series AAA, Series BBB, Series CCC and Series DDD, and would authorize the issuance and sale of each series in aggregate principal amount of up to \$300 million at a true interest cost to the Authority not in excess of 12 percent for a term not in excess of 3 years. The Committee on Finance would be authorized to sell and to deliver all or any part of each of such series with such terms and at such time or times as it deems appropriate, at public or private sale, and would also be authorized to take, and to delegate authority for, certain actions with respect to each of such series. An Authorized Officer of the Authority would be authorized to take any and all action that could be taken by the Committee on Finance in connection with each of such series, but only if such series is issued and sold on a competitive basis. The issuance and sale on a competitive basis would include submission by underwriters of sealed bids to be opened publicly; submission by underwriters of bids or other offers to purchase by electronic means through generally accepted procedures in the financial markets; and submission by underwriters of bids or other offers to purchase in response to written or telephonic requests for proposals directed to a select list of underwriters. Prior to the scheduling by an Authorized Officer of any competitive sale of Consolidated Bonds or Notes, such Authorized Officer would review the proposed issuance with the Chairman of the Committee on Finance and, to the extent practicable, the other members of the Committee.

**CONSOLIDATED BONDS, ONE HUNDRED SIXTY-SECOND SERIES THROUGH
CONSOLIDATED BONDS, ONE HUNDRED SEVENTY-SIXTH SERIES –
ESTABLISHMENT AND ISSUANCE**

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

WHEREAS, heretofore and on the 9th day of October, 1952, The Port Authority of New York and New Jersey (formerly known as The Port of New York Authority and hereinafter called the “Authority”) adopted a resolution (hereinafter called the “Consolidated Bond Resolution”), constituting a contract with the holders of the obligations issued thereunder, providing for the issuance of certain direct and general obligations of the Authority (hereinafter called “Consolidated Bonds”), from time to time, in conformity with the Consolidated Bond Resolution for the purposes therein set forth; and

WHEREAS, the Consolidated Bond Resolution provides that Consolidated Bonds shall be issued in such series as the Authority may determine, and that the characteristics of each such series shall be determined by the Authority by and in the resolution establishing such series, and that the resolution establishing such series may contain other terms and provisions not inconsistent with the Consolidated Bond Resolution; and

WHEREAS, the Authority has heretofore established various series of Consolidated Bonds and has now determined that it is appropriate to establish certain additional series of Consolidated Bonds, without prejudice to its right hereafter to establish further series of Consolidated Bonds;

NOW, THEREFORE, be it resolved by the Authority:

SECTION 1. As used in this resolution, any words or phrases specifically defined in the Consolidated Bond Resolution shall be read and construed in accordance with such specific definitions. As used in this resolution, 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; or Treasurer of the Authority.

SECTION 2. Each of Consolidated Bonds, One Hundred Sixty-second Series through Consolidated Bonds, One Hundred Seventy-sixth Series, inclusive, is established as a separate series of Consolidated Bonds and the issuance of up to Five Hundred Million Dollars (\$500,000,000) of each such series with a term to maturity not in excess of thirty-five (35) years is authorized. Each of such series shall be issued in conformity with the Consolidated Bond Resolution for the purposes specified in this resolution. This resolution shall apply with equal force and effect to each of such series on an individual basis (each of such series hereinafter called the “Bonds”). This resolution shall constitute a contract with the registered holders of the Bonds and with each such registered holder.

SECTION 3. The Committee on Finance of the Authority (hereinafter called the “Committee on Finance”) is authorized to establish, fix and determine the terms of the Bonds and, in connection therewith, to make such changes and adjustments to the provisions set forth in

the third paragraph of this Section 3 and in Sections 4, 5, 6, 9 and 10 of this resolution as in the opinion of the Committee on Finance will effectuate the issuance of the Bonds, and to take such other action as in the opinion of the Committee on Finance will best serve the public interest.

The proceeds of the Bonds may be used for any purpose for which at the time of issuance of the Bonds the Authority is authorized by law to issue its obligations. The Committee on Finance may allocate the proceeds of the Bonds, from time to time, to certain of the authorized purposes, including the specific designation of any obligations to be refunded with the proceeds of the Bonds.

Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America; principal of the Bonds shall be payable upon presentation and surrender thereof by the registered holders, at the office or offices, designated by the Authority, of the Paying Agent (or Paying Agents) appointed for the purpose by the Authority, in a county which is in whole or in part in the Port of New York District; and interest on the Bonds shall be payable when due to the registered holders thereof by check or draft drawn on the Paying Agent (or Paying Agents) appointed for the purpose by the Authority and mailed to said registered holders at their last known addresses as appearing upon the Authority's Registry Books for the Bonds.

SECTION 4. The Bonds shall be issued only in registered form, registered as to both principal and interest and not as to either alone, in authorized denominations.

The Authority will keep or cause to be kept at the offices, designated by the Authority, of a Registrar appointed for that purpose, in a county which is in whole or in part in the Port of New York District, proper and sufficient Registry Books for the registration of the Bonds. The Bonds shall be transferable only upon such Registry Books by the registered holder thereof or by such registered holder's attorney duly authorized in accordance with the provisions of this resolution. Upon the written request of the registered holder or registered holders thereof and upon surrender thereof, a bond or bonds may be exchanged for a bond or bonds of like tenor, registered as designated in such request, of any other authorized denominations. All requests for registration, transfer, exchange and delivery pertaining to the Bonds as above provided shall be filed with the Registrar of the Authority; all bonds to be surrendered pursuant to such requests shall be surrendered to the Registrar; and all bonds delivered in exchange as aforesaid shall be delivered by the Registrar. All bonds surrendered to the Registrar in exchange for other bonds or for transfer as above provided shall be cancelled by the Registrar upon such surrender. The Authority shall bear the cost incurred by the Authority in connection with the registration, authentication (if any), transfer, cancellation, exchange and delivery of bonds, including such fees as may be imposed by the Registrar for such services performed by the Registrar as provided in this resolution.

SECTION 5. The Bonds shall be redeemable at the option of the Authority, on prior notice, in whole, or, from time to time, in part, at such redemption price and on such date set forth in the applicable notice of intention to redeem the Bonds.

If less than all of the Bonds then outstanding are to be called for redemption at the option of the Authority, and if the Bonds then outstanding include bonds of any serial maturities, the bonds so to be called shall be in inverse order of maturity, and if bonds constituting a particular

maturity are to be called for redemption, but not all bonds constituting such maturity are to be called for redemption, the bonds so to be called shall be determined by lot by the Registrar.

If bonds are to be called for redemption to meet the schedule of mandatory periodic retirement for the Bonds, the bonds so to be called shall be determined by lot by the Registrar.

Notice of intention to redeem any of the Bonds shall be given by the Registrar not less than thirty (30) nor more than forty-five (45) days prior to the date fixed for redemption, to the registered holders of the bonds to be called for redemption, by deposit of a copy of such notice, postage prepaid by certified or registered mail, in a United States Post Office, addressed to such registered holders at their last known addresses as appearing upon the Authority's Registry Books for the Bonds. Notice of the mailing of such notice of intention to redeem bonds shall also be published by the Authority in a daily newspaper of general circulation in the Port of New York District not less than thirty (30) nor more than forty-five (45) days prior to the date fixed for redemption; *provided, however*, that failure to give such notice by publication, or any defect therein, shall not affect the validity of any action with respect to the redemption of such bonds.

On or before the date fixed for redemption specified in the notice of intention to redeem any of the Bonds, the Authority will pay or cause to be paid to the Paying Agent (or Paying Agents) an amount in cash in the aggregate sufficient to redeem all of the bonds which are to be redeemed, at the respective redemption price thereof, which, in each case, shall include the accrued interest until the date fixed for redemption and the premium (if any), such principal amount and premium (if any), to be held by the Paying Agent (or Paying Agents) in trust for the account of the registered holders of the bonds so called for redemption and to be paid to them respectively upon presentation and surrender of such bonds with accrued interest included in such redemption price to be paid to the registered holders in accordance with the provisions of this resolution. On and after the date fixed for redemption, the notice of intention to redeem having been completed as above provided, the bonds so called shall become due and payable at the office of the Paying Agent (or Paying Agents) designated by the Authority, and if funds sufficient for payment of the redemption price shall have been deposited with the Paying Agent (or Paying Agents) in trust as aforesaid and if such funds shall be available for redemption of such bonds on the date fixed for redemption, then and in any such event, interest shall cease to accrue on the bonds so called on and after the date fixed for their redemption, and such bonds shall not be entitled to the benefit or security of this resolution or the Consolidated Bond Resolution, but shall rely solely upon the funds so deposited.

In the case of bonds of denominations greater than the minimum authorized denomination, for all purposes in connection with redemption, each unit of face value representing the minimum authorized denomination shall be treated as though it were a separate bond of the minimum authorized denomination, and the word "bond" as used in the foregoing provisions of this Section 5 shall be deemed to refer to such unit of face value representing the minimum authorized denomination. If it is determined as above provided that one or more but not all of the units of face value representing the minimum authorized denomination of any bond are to be called for redemption, then upon notice of intention to redeem such unit or units, the registered holder of such bond shall forthwith present such bond to the Registrar who shall issue a new bond or bonds of like tenor of smaller authorized denominations but of the same aggregate principal amount in exchange therefor, pursuant to Section 4 of this resolution, including a new bond or bonds with the aggregate principal amount of the unit or units of face value called for redemption; and such new bond or bonds shall be deemed to be duly called for redemption

without further notice to the registered holder thereof. If the registered holder of such bond of a denomination greater than the minimum authorized denomination shall fail to present such bond to the Registrar for the issuance of new bonds of smaller denominations in exchange therefor, as aforesaid, such bond shall nevertheless become due and payable on the date fixed for redemption to the extent of the unit or units of face value called for redemption (and to that extent only); and (funds sufficient for the payment of the redemption price having been deposited with the Paying Agent (or Paying Agents), as aforesaid, and being available as aforesaid on the date fixed for redemption) interest shall cease to accrue on the portion of the principal amount of such bond represented by such unit or units of face value on and after the date fixed for redemption, and such bond shall not be entitled to the benefit or security of this resolution or the Consolidated Bond Resolution to the extent of the portion of its principal amount (and accrued interest thereon until the date fixed for redemption and premium, if any) represented by such unit or units of face value, but to that extent shall rely solely upon the funds so deposited.

SECTION 6. The Bonds shall be retired at or prior to maturity, by purchase, call or payment, by the dates and in at least the cumulative principal amounts set forth on the schedule of mandatory periodic retirement for the Bonds.

If, at least forty-five (45) days prior to the mandatory periodic retirement date in each year (except the year of maturity) set forth in the schedule of mandatory periodic retirement for the Bonds, the Authority shall not have purchased or redeemed (at any prior time or times during such year or at any time or times during any prior years) a principal amount of the Bonds at least equal to the principal amount of the Bonds to be retired on such mandatory periodic retirement date, then the Authority shall call a principal amount of the Bonds equal to such deficiency, at the respective redemption price thereof, in the manner and upon the notice set forth in Section 5 of this resolution. Any of the Bonds purchased by the Authority as aforesaid may be purchased at such prices as the Authority may deem reasonable and proper and, in the discretion of the Authority, at public or private sale, with or without advertisement and with or without notice to any person other than the seller, and such of the Bonds as are theretofore issued and negotiated and then held by the Authority may be purchased for such purpose as well as bonds held by others.

Nothing herein contained shall be construed in any way to prevent the Authority from retiring the Bonds more rapidly than is set forth in the schedule of mandatory periodic retirement for the Bonds.

SECTION 7. The Authority shall not apply any moneys in the Consolidated Bond Reserve Fund except for the payment of bonds secured by a pledge of the General Reserve Fund in whole or in part, the payment of debt service upon bonds so secured, the purchase for retirement of bonds so secured or the redemption of bonds so secured, or for the payment of expenses incurred for the establishment, acquisition, construction or effectuation, or for the operation, maintenance, repair or administration of any facility financed or refinanced in whole or in part by bonds secured by a pledge of the General Reserve Fund in whole or in part, or otherwise for the fulfillment of any undertakings which the Authority has assumed or may or shall hereafter assume to or for the benefit of the holders of bonds secured by a pledge of the General Reserve Fund in whole or in part; *provided, however*, that nothing herein contained shall be construed to permit the application by the Authority of moneys in the Consolidated Bond Reserve Fund except for purposes and upon conditions which are authorized by the Consolidated Bond Resolution.

Consolidated Bonds proposed to be issued for purposes in connection with an additional facility or a group of additional facilities in connection with which the Authority has not theretofore issued bonds which have been secured by a pledge of the General Reserve Fund in whole or in part, may be issued, and bonds other than Consolidated Bonds proposed to be issued for purposes in connection with such an additional facility or group of additional facilities may be secured by a pledge of the General Reserve Fund in whole or in part, in each case if and only if the Authority shall certify at the time of issuance (as defined in Section 3 of the Consolidated Bond Resolution) its opinion that the issuance of such Consolidated Bonds or that such pledge of the General Reserve Fund as security for such bonds other than Consolidated Bonds will not, during the ensuing ten (10) years or during the longest term of any of such bonds proposed to be issued (whether or not Consolidated Bonds), whichever shall be longer, in the light of its estimated expenditures in connection with such additional facility or such group of additional facilities, materially impair the sound credit standing of the Authority or the investment status of Consolidated Bonds or the ability of the Authority to fulfill its commitments, whether statutory or contractual or reasonably incidental thereto, including its undertakings to the holders of Consolidated Bonds; and the Authority may apply moneys in the General Reserve Fund for purposes in connection with those of its bonds and only those of its bonds which it has theretofore secured by a pledge of the General Reserve Fund in whole or in part. Expenditures in connection with an additional facility or group of additional facilities shall mean the amount of the excess, if any, of the sum of all items of expense to be considered in determining the net revenues of the additional facility or group of additional facilities plus the debt service upon the bonds proposed to be issued and upon any additional bonds which in the Authority's opinion would be required to be issued to place and maintain such facility or group of facilities upon a sound operating basis, over and above the sum of all items of revenue and income to be considered in determining such net revenues.

SECTION 8. The Authority shall appoint a bank or trust company as trustee for and in connection with the Bonds (hereinafter called the "Trustee"). The Trustee is authorized to (i) institute any action or proceeding on behalf of the registered holders of the Bonds against the Authority or others, or (ii) intervene in any pending action or proceeding, or (iii) take any other action which it shall in its sole discretion determine to be necessary or advisable in order to protect the rights of the registered holders of the Bonds. The rights of the Trustee in this respect and in all other respects shall be in addition to and not in substitution of any and all rights which would otherwise inure to the registered holder or registered holders of the Bonds. It is understood that the Trustee in its sole discretion may, but shall be under no obligation to, review the activities or operations of the Authority or any of the contracts or agreements of the Authority or exercise any of the rights or powers vested in it by this Section 8 whether on the Trustee's initiative or at the request or direction of any of the registered holders of the Bonds.

The Trustee (which shall include any successor Trustee) appointed under the provisions of this Section 8 shall be a bank or trust company organized under the laws of the State of New York or the State of New Jersey or a national banking association doing business and having its principal office in the Port of New York District and having a total capital (including capital stock, surplus, undivided profits and capital notes, if any) aggregating at least \$25,000,000, which is willing and able to accept the office on reasonable and customary terms and is authorized by law to perform all the duties imposed upon it by this resolution.

The Trustee shall not be liable for any action taken or suffered upon any notice, resolution, request, consent, order, certificate, report, opinion, bond or other paper or document believed by it to be genuine, and to have been signed or presented by the proper party or parties. The Trustee may consult with counsel, who may or may not be counsel to the Authority, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under this resolution in good faith and in accordance therewith. The Trustee shall not be liable in connection with the performance or nonperformance of its duties except for its own wilful misconduct, negligence or bad faith.

If the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this resolution, such matter (unless other evidence in respect thereof be specifically prescribed) may be deemed to be conclusively proved and established by a certificate of an Authorized Officer, and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of this resolution upon the faith thereof; but in its discretion the Trustee may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as to it may seem reasonable.

The Authority shall annually, within one hundred twenty (120) days after the close of each calendar year, file with the Trustee a statement of an Authorized Officer showing for the preceding calendar year (i) net revenues, (ii) the aggregate interest paid on bonds of the Authority, and (iii) the payments of principal on bonds of the Authority.

The Authority shall annually, within one hundred twenty (120) days after the close of each calendar year, file with the Trustee a copy of its annual report for such year and its financial statement for such year accompanied by an opinion signed by an independent public accountant or firm of public accountants of recognized standing selected by the Authority and satisfactory to the Trustee.

The Authority shall file with the Trustee a copy of any Official Statement hereafter issued by the Authority in connection with the issuance of bonds by the Authority.

The Authority shall file with the Trustee a copy of the minutes of every meeting of the Authority and of its subsidiary corporations at the time said minutes are transmitted to the Governor of New York and the Governor of New Jersey.

The Authority shall not be required to file with the Trustee (except when requested to do so by the Trustee) and the Trustee shall not be required to review any document, instrument, report or paper other than those which the Authority is expressly required hereunder to file with the Trustee. The Trustee shall not be bound to make any investigation into the facts or matters stated in any document, instrument, report or paper supplied to it, but the Trustee in its sole discretion may make such further inquiry or investigation into such facts or matters as the Trustee may deem advisable, and, if the Trustee shall determine to make such further inquiry or investigation, the Trustee is authorized to examine such books and records of and properties owned or operated by the Authority as the Trustee may deem advisable, personally or by agent or attorney.

The Authority agrees (i) to pay to the Trustee from time to time reasonable compensation for all services rendered by it hereunder, (ii) to reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in connection

with the exercise or performance of any of its powers or duties hereunder (including the reasonable compensation and the expenses and disbursements of its agents and counsel), and (iii) to indemnify the Trustee for, and hold it harmless against, any loss, liability or expense incurred without wilful misconduct, negligence or bad faith on its part, arising out of or in connection with the exercise or performance of the Trustee's powers and duties hereunder, including the costs and expenses of defending itself against any claim or liability in connection with such exercise or performance.

The Trustee may become the owner or holder of any bonds of the Authority with the same rights as it would have were it not a Trustee. To the extent permitted by law, the Trustee may act as depositary for the Authority, act as Paying Agent and Registrar of bonds of the Authority and act itself and permit any of its officers or directors to act in any other capacity with respect to the Authority, the bonds of the Authority and the holders of bonds of the Authority as it or its officers or directors would be able to act were it not a Trustee.

The Trustee may at any time resign and be discharged of the duties and obligations created by this resolution by giving not less than sixty (60) days' written notice to the Authority and publishing notice thereof, specifying the date when such resignation shall take effect, once in each week for two (2) successive calendar weeks in a newspaper of general circulation in the City of New York, State of New York, and such resignation shall take effect upon the date specified in such notice unless previously a successor shall have been appointed by the Authority in which event such resignation shall take effect immediately on the appointment of such successor.

The Trustee may be removed at any time by an instrument or concurrent instruments in writing, filed with the Trustee, and signed and acknowledged by the registered holders of a majority in principal amount of the Bonds then outstanding or by their attorneys duly authorized, excluding the principal amount of any of the Bonds held by or for the account of the Authority. In case at any time the Trustee shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee, or of its property, shall be appointed, or if any public officer shall take charge or control of the Trustee, or of its property or affairs, a successor may be appointed by the holders of a majority in principal amount of the Bonds then outstanding, excluding the principal amount of any of the Bonds held by or for the account of the Authority, by an instrument or concurrent instruments in writing signed and acknowledged by such registered holders of the Bonds or by their attorneys duly authorized and delivered to such successor Trustee, notification thereof being given to the Authority and the predecessor Trustee; *provided, however*, nevertheless, the Authority shall forthwith appoint a Trustee to fill such vacancy until a successor Trustee shall be appointed by the registered holders of the Bonds as authorized in this Section 8. The Authority shall publish notice of any such appointment made by it once in each week for two (2) consecutive calendar weeks, in a newspaper of general circulation in the City of New York, State of New York, the first publication to be made within twenty (20) days after such appointment. Any successor Trustee appointed by the Authority shall, immediately and without further act, be superseded by a Trustee appointed by the registered holders of the Bonds.

Any company into which any Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which any Trustee may sell or transfer all or substantially all of its corporate trust business (*provided, however*, such company shall be a bank or trust

company located in the Port of New York District and shall be authorized by law to perform all the duties imposed upon it by this resolution), shall be the successor to such Trustee without the execution or filing of any paper or the performance of any further act.

The failure of the Authority to take any action required by this Section 8 shall not invalidate any bond or bonds issued pursuant to this resolution or hereafter issued by the Authority, or affect any other actions of the Authority. The Authority shall in no way be restricted by this Section 8 from entering any defense to an action or proceeding instituted by the Trustee or by the registered holder or registered holders of the Bonds.

SECTION 9. The form of the bond, including provisions with respect to assignment, for the Bonds shall be determined by the Committee on Finance or by an Authorized Officer. The bonds shall have the official seal of the Authority, or a facsimile thereof, affixed thereto or printed or impressed thereon, and shall be manually signed by an Authorized Officer. In case any Authorized Officer who shall have signed any of the bonds shall cease to be an Authorized Officer before such bonds shall have been actually issued, such bonds may nevertheless be issued as though such Authorized Officer who signed such bonds had not ceased to be an Authorized Officer.

SECTION 10. In case any bond shall at any time become mutilated or be lost or destroyed, the Authority, in its discretion, may execute and deliver a new bond of like tenor in exchange or substitution for and upon cancellation of such mutilated bond or in lieu of or in substitution for such destroyed or lost bond; or if such bond shall have matured, instead of issuing a substitute bond the Authority may pay the same without surrender thereof. In case of destruction or loss, the applicant for a substitute bond shall furnish to the Authority evidence satisfactory to the Authority of the destruction or loss of such bond and of the ownership thereof and also such security and indemnity as may be required by the Authority. The Authority may execute and deliver any such substitute bond or make any such payment; or any Paying Agent may make any such payment upon the written request or authorization of the Authority. Upon the issuance of any substitute bond, the Authority, at its option, may require the payment of a sum sufficient to reimburse it 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 bond so issued in substitution. Any bond issued under the provisions of this Section 10 in lieu of any bond alleged to have been destroyed or lost shall constitute an original contractual obligation on the part of the Authority, whether or not the bond 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 and of the Consolidated Bond Resolution with all other bonds, notes and coupons (if any) issued hereunder or thereunder.

SECTION 11. An Authorized Officer is authorized to take any and all action that the Committee on Finance is authorized to take under this resolution (without further action by the Committee on Finance); *provided, however*, that any such action may only be taken by an Authorized Officer if the Bonds are issued and sold on a competitive basis.

**CONSOLIDATED BONDS, ONE HUNDRED SIXTY-SECOND SERIES THROUGH
CONSOLIDATED BONDS, ONE HUNDRED SEVENTY-SIXTH SERIES – SALE**

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

SECTION 1. This resolution shall apply with equal force and effect to each of Consolidated Bonds, One Hundred Sixty-second Series through Consolidated Bonds, One Hundred Seventy-sixth Series, inclusive, on an individual basis (each such series hereinafter called the “Bonds”).

SECTION 2. The Committee on Finance of the Authority (hereinafter called the “Committee on Finance”) is authorized in the name of and on behalf of the Authority to sell all or any part of Five Hundred Million Dollars (\$500,000,000) in principal amount of the Bonds at a true interest cost to the Authority not in excess of twelve percent (12%) with a term to maturity not in excess of thirty-five (35) years, at public or private sale, with or without advertisement, at one or more times, and to apply the proceeds of such sale or sales as provided in the resolution authorizing the establishment and issuance of the Bonds.

SECTION 3. The Committee on Finance is authorized in the name of and on behalf of the Authority, in connection with the Bonds, to fix the time or times of sale of the Bonds, to determine the terms and conditions upon which such sales shall be made and to accept or reject offers in connection with such sales.

SECTION 4. The Committee on Finance is authorized in the name of and on behalf of the Authority, in connection with the Bonds, to enter into any contracts or agreements pertaining to the Bonds; to fix the time or times and determine the terms and conditions of delivery of the Bonds; to appoint one or more Paying Agents and a Registrar and a Trustee, and to designate the office or offices of any such Paying Agent (or Paying Agents) at which payments shall be made and the office or offices of any such Registrar at which the Authority’s Registry Books for the Bonds shall be kept; to make any selection, designation, determination or estimate and to take or withhold any action and to formulate and express any opinions and to exercise any discretion or judgment which may be or is required to be made, taken, withheld, formulated, expressed or exercised in connection with the Bonds, the Authority adopting all such selections, designations, determinations, estimates, actions, withholdings of action, formulations and expressions of opinions and exercises of discretion or judgment, including those pursuant to Section 3 of the Consolidated Bond Resolution, or otherwise, as its own; and to authorize any of the foregoing and generally to take such other action as in the opinion of the Committee on Finance will best serve the public interest.

SECTION 5. The Committee on Finance is authorized to arrange, from time to time (i) for the preparation and distribution of disclosure documents, including official statements, offering statements or other offering materials in connection with the Bonds and (ii) for the preparation and distribution of such other documents giving pertinent data with respect to the Authority and its finances as it deems appropriate, in each case, in the name of and on behalf of the Authority.

SECTION 6. An Authorized Officer is authorized to take any and all action that the Committee on Finance is authorized to take under this resolution (without further action by the Committee on Finance); *provided, however*, that any such action may only be taken by an Authorized Officer if the Bonds are issued and sold on a competitive basis.

SECTION 7. The Committee on Finance or any Authorized Officer is authorized, in connection with the issuance of the Bonds on the basis that the Bonds are to be in conformity with, and that the interest on the Bonds is not to be 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, to take any action which may be appropriate to assure that the Bonds are issued, and during their term are outstanding, on such basis, and any such actions taken in connection therewith are ratified. Any Authorized Officer is authorized to certify on behalf of the Authority as to the need for the issuance of the Bonds, as to the status of the projects for which the proceeds of the Bonds are to be used, as to the Authority's intentions with respect to the application and investment of the proceeds of the Bonds, and as to such other matters as such Authorized Officer deems appropriate.

SECTION 8. As used in this resolution, 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; or Treasurer of the Authority.

CONSOLIDATED NOTES, SERIES ZZ, SERIES AAA, SERIES BBB, SERIES CCC AND SERIES DDD – ESTABLISHMENT AND ISSUANCE

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

WHEREAS, heretofore and on the 9th day of October, 1952, The Port Authority of New York and New Jersey (formerly known as The Port of New York Authority and hereinafter called the “Authority”) adopted a resolution (hereinafter called the “Consolidated Bond Resolution”), constituting a contract with the holders of the obligations issued thereunder, providing for the issuance of certain direct and general obligations of the Authority (hereinafter called “Consolidated Bonds”), from time to time, in conformity with the Consolidated Bond Resolution for the purposes therein set forth; and

WHEREAS, the Consolidated Bond Resolution provides that Consolidated Bonds shall be issued in such series as the Authority may determine, and that the characteristics of each such series shall be determined by the Authority by and in the resolution establishing such series, and that the resolution establishing such series may contain other terms and provisions not inconsistent with the Consolidated Bond Resolution; and

WHEREAS, the Authority has heretofore established various series of short-term bonds (hereinafter called “Consolidated Notes”), from time to time, in conformity with the Consolidated Bond Resolution and has now determined that it is appropriate to establish certain additional series of Consolidated Notes, without prejudice to its right hereafter to establish further series of Consolidated Bonds or Consolidated Notes;

NOW, THEREFORE, be it resolved by the Authority:

SECTION 1. As used in this resolution, any words or phrases specifically defined in the Consolidated Bond Resolution shall be read and construed in accordance with such specific definitions. As used in this resolution, 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; or Treasurer of the Authority.

SECTION 2. Each of Consolidated Notes, Series ZZ, Consolidated Notes, Series AAA, Consolidated Notes, Series BBB, Consolidated Notes, Series CCC, and Consolidated Notes, Series DDD is established as a separate series of Consolidated Notes and the issuance of up to Three Hundred Million Dollars (\$300,000,000) of each such series with a term to maturity not in excess of three (3) years is authorized. Each of such series shall be issued in conformity with the Consolidated Bond Resolution for the purposes specified in this resolution. This resolution shall apply with equal force and effect to each of such series on an individual basis (each of such series hereinafter called the “Notes”). This resolution shall constitute a contract with the registered holders of the Notes and with each such registered holder.

SECTION 3. The Committee on Finance of the Authority (hereinafter called the “Committee on Finance”) is authorized to establish, fix and determine the terms of the Notes and, in connection therewith, to make such changes and adjustments to the provisions set forth in

the third paragraph of this Section 3 and in Sections 4, 5, 6, 8 and 9 of this resolution as in the opinion of the Committee on Finance will effectuate the issuance of the Notes, and to take such other action as in the opinion of the Committee on Finance will best serve the public interest.

The proceeds of the Notes may be used for any purpose for which at the time of issuance of the Notes the Authority is authorized by law to issue its obligations. The Committee on Finance may allocate the proceeds of the Notes, from time to time, to certain of the authorized purposes, including the specific designation of any obligations to be refunded with the proceeds of the Notes.

Both principal of and interest on the Notes shall be payable in lawful money of the United States of America; principal of the Notes shall be payable upon presentation and surrender thereof by the registered holders, at the office or offices, designated by the Authority, of the Paying Agent (or Paying Agents) appointed for the purpose by the Authority, in a county which is in whole or in part in the Port of New York District; and interest on the Notes shall be payable when due to the registered holders thereof by check or draft drawn on the Paying Agent (or Paying Agents) appointed for the purpose by the Authority and mailed to said registered holders at their last known addresses as appearing upon the Authority's Registry Books for the Notes.

SECTION 4. The Notes shall be issued only in registered form, registered as to both principal and interest and not as to either alone, in authorized denominations.

SECTION 5. The Authority will keep or cause to be kept at the offices, designated by the Authority, of a Registrar appointed for that purpose, in a county which is in whole or in part in the Port of New York District, proper and sufficient Registry Books for the registration of the Notes. The Notes shall be transferable only upon such Registry Books by the registered holder thereof or by such registered holder's attorney duly authorized in accordance with the provisions of this resolution. Upon the written request of the registered holder or registered holders thereof and upon surrender thereof, a note or notes may be exchanged for a note or notes of like tenor, registered as designated in such request, of any other authorized denominations. All requests for registration, transfer, exchange and delivery pertaining to the Notes as above provided shall be filed with the Registrar of the Authority; all notes to be surrendered pursuant to such requests shall be surrendered to the Registrar; and all notes delivered in exchange as aforesaid shall be delivered by the Registrar. All notes surrendered to the Registrar in exchange for other notes or for transfer as above provided shall be cancelled by the Registrar upon such surrender. The Authority shall bear the cost incurred by the Authority in connection with the registration, authentication (if any), transfer, cancellation, exchange and delivery of notes, including such fees as may be imposed by the Registrar for such services performed by the Registrar as provided in this resolution.

SECTION 6. The Notes shall be redeemable at the option of the Authority, on prior notice, in whole, or, from time to time, in part, at such redemption price and on such date set forth in the applicable notice of intention to redeem the Notes.

If less than all of the Notes then outstanding are to be called for redemption at the option of the Authority, and if the Notes then outstanding include notes of any serial maturities, the notes so to be called shall be in inverse order of maturity, and if notes constituting a particular

maturity are to be called for redemption, but not all notes constituting such maturity are to be called for redemption, the notes so to be called shall be determined by lot by the Registrar.

Notice of intention to redeem any of the Notes shall be given by the Registrar not less than thirty (30) nor more than forty-five (45) days prior to the date fixed for redemption, to the registered holders of the notes to be called for redemption, by deposit of a copy of such notice, postage prepaid by certified or registered mail, in a United States Post Office, addressed to such registered holders at their last known addresses as appearing upon the Authority's Registry Books for the Notes. Notice of the mailing of such notice of intention to redeem notes shall also be published by the Authority in a daily newspaper of general circulation in the Port of New York District not less than thirty (30) nor more than forty-five (45) days prior to the date fixed for redemption; *provided, however*, that failure to give such notice by publication, or any defect therein, shall not affect the validity of any action with respect to the redemption of such notes.

On or before the date fixed for redemption specified in the notice of intention to redeem any of the Notes, the Authority will pay or cause to be paid to the Paying Agent (or Paying Agents) an amount in cash in the aggregate sufficient to redeem all of the notes which are to be redeemed, at the respective redemption price thereof, which, in each case, shall include the accrued interest until the date fixed for redemption and the premium (if any), such principal amount and premium (if any) to be held by the Paying Agent (or Paying Agents) in trust for the account of the registered holders of the notes so called for redemption and to be paid to them respectively upon presentation and surrender of such notes with accrued interest included in such redemption price to be paid to the registered holders in accordance with the provisions of this resolution. On and after the date fixed for redemption, the notice of intention to redeem having been completed as above provided, the notes so called shall become due and payable at the office of the Paying Agent (or Paying Agents) designated by the Authority, and if funds sufficient for payment of the redemption price shall have been deposited with the Paying Agent (or Paying Agents) in trust as aforesaid and if such funds shall be available for redemption of such notes on the date fixed for redemption, then and in any such event, interest shall cease to accrue on the notes so called on and after the date fixed for their redemption, and such notes shall not be entitled to the benefit or security of this resolution or the Consolidated Bond Resolution, but shall rely solely upon the funds so deposited.

In the case of notes of denominations greater than the minimum authorized denomination, for all purposes in connection with redemption, each unit of face value representing the minimum authorized denomination shall be treated as though it were a separate note of the minimum authorized denomination, and the word "note" as used in the foregoing provisions of this Section 6 shall be deemed to refer to such unit of face value representing the minimum authorized denomination. If it is determined as above provided that one or more but not all of the units of face value representing the minimum authorized denomination of any note are to be called for redemption, then upon notice of intention to redeem such unit or units, the registered holder of such note shall forthwith present such note to the Registrar who shall issue a new note or notes of like tenor of smaller authorized denominations but of the same aggregate principal amount in exchange therefor, pursuant to Section 5 of this resolution, including a new note or notes with the aggregate principal amount of the unit or units of face value called for redemption; and such new note or notes shall be deemed to be duly called for redemption without further notice to the registered holder thereof. If the registered holder of such note of a denomination greater than the minimum authorized denomination shall fail to present such note to the Registrar for the issuance of new notes of smaller denominations in exchange therefor, as

aforesaid, such note shall nevertheless become due and payable on the date fixed for redemption to the extent of the unit or units of face value called for redemption (and to that extent only); and (funds sufficient for the payment of the redemption price having been deposited with the Paying Agent (or Paying Agents), as aforesaid, and being available as aforesaid on the date fixed for redemption) interest shall cease to accrue on the portion of the principal amount of such note represented by such unit or units of face value on and after the date fixed for redemption, and such note shall not be entitled to the benefit or security of this resolution or the Consolidated Bond Resolution to the extent of the portion of its principal amount (and accrued interest thereon until the date fixed for redemption) represented by such unit or units of face value, but to that extent shall rely solely upon the funds so deposited.

SECTION 7. The Authority shall not apply any moneys in the Consolidated Bond Reserve Fund except for the payment of bonds secured by a pledge of the General Reserve Fund in whole or in part, the payment of debt service upon bonds so secured, the purchase for retirement of bonds so secured or the redemption of bonds so secured, or for the payment of expenses incurred for the establishment, acquisition, construction or effectuation, or for the operation, maintenance, repair or administration of any facility financed or refinanced in whole or in part by bonds secured by a pledge of the General Reserve Fund in whole or in part, or otherwise for the fulfillment of any undertakings which the Authority has assumed or may or shall hereafter assume to or for the benefit of the holders of bonds secured by a pledge of the General Reserve Fund in whole or in part; *provided, however*, that nothing herein contained shall be construed to permit the application by the Authority of moneys in the Consolidated Bond Reserve Fund except for purposes and upon conditions which are authorized by the Consolidated Bond Resolution.

Consolidated Bonds proposed to be issued for purposes in connection with an additional facility or a group of additional facilities in connection with which the Authority has not theretofore issued bonds which have been secured by a pledge of the General Reserve Fund in whole or in part, may be issued, and bonds other than Consolidated Bonds proposed to be issued for purposes in connection with such an additional facility or group of additional facilities may be secured by a pledge of the General Reserve Fund in whole or in part, in each case if and only if the Authority shall certify at the time of issuance (as defined in Section 3 of the Consolidated Bond Resolution) its opinion that the issuance of such Consolidated Bonds or that such pledge of the General Reserve Fund as security for such bonds other than Consolidated Bonds will not, during the ensuing ten (10) years or during the longest term of any of such bonds proposed to be issued (whether or not Consolidated Bonds), whichever shall be longer, in the light of its estimated expenditures in connection with such additional facility or such group of additional facilities, materially impair the sound credit standing of the Authority or the investment status of Consolidated Bonds or the ability of the Authority to fulfill its commitments, whether statutory or contractual or reasonably incidental thereto, including its undertakings to the holders of Consolidated Bonds; and the Authority may apply moneys in the General Reserve Fund for purposes in connection with those of its bonds and only those of its bonds which it has theretofore secured by a pledge of the General Reserve Fund in whole or in part. Expenditures in connection with an additional facility or group of additional facilities shall mean the amount of the excess, if any, of the sum of all items of expense to be considered in determining the net revenues of the additional facility or group of additional facilities plus the debt service upon the bonds proposed to be issued and upon any additional bonds which in the Authority's opinion would be required to be issued to place and maintain such facility or group of facilities upon a

sound operating basis, over and above the sum of all items of revenue and income to be considered in determining such net revenues.

SECTION 8. The form of the note, including provisions with respect to assignment, for the Notes shall be determined by the Committee on Finance or by an Authorized Officer. The notes shall have the official seal of the Authority, or a facsimile thereof, affixed thereto or printed or impressed thereon, and shall be signed manually by an Authorized Officer. In case any Authorized Officer who shall have signed 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 who signed such notes had not ceased to be an Authorized Officer.

SECTION 9. 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 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. The Authority may execute and deliver any such substitute note or make any such payment; or any Paying Agent may make any such payment upon the written request or authorization of the Authority. Upon the issuance of any substitute note, the Authority, at its option, may require the payment of a sum sufficient to reimburse it 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 9 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 and of the Consolidated Bond Resolution with all other bonds, notes and coupons (if any) issued hereunder or thereunder.

SECTION 10. An Authorized Officer is authorized to take any and all action that the Committee on Finance is authorized to take under this resolution (without further action by the Committee on Finance); *provided, however*, that any such action may only be taken by an Authorized Officer if the Notes are issued and sold on a competitive basis.

CONSOLIDATED NOTES, SERIES ZZ, SERIES AAA, SERIES BBB, SERIES CCC AND SERIES DDD – SALE

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

SECTION 1. This resolution shall apply with equal force and effect to each of, Consolidated Notes, Series ZZ, Consolidated Notes, Series AAA, Consolidated Notes, Series BBB, Consolidated Notes, Series CCC and Consolidated Notes, Series DDD, on an individual basis (each such series hereinafter called the “Notes”).

SECTION 2. The Committee on Finance of the Authority (hereinafter called the “Committee on Finance”) is authorized in the name of and on behalf of the Authority, to sell all or any part of Three Hundred Million Dollars (\$300,000,000) in principal amount of the Notes at a true interest cost to the Authority not in excess of twelve percent (12%) with a term to maturity not in excess of three (3) years, at public or private sale, with or without advertisement, in one or more installments, at one or more times, and to apply the proceeds of such sale or sales as provided in the resolution authorizing the establishment and issuance of the Notes.

SECTION 3. The Committee on Finance is authorized in the name of and on behalf of the Authority, in connection with the Notes, to fix the time or times of sale of the Notes, to determine the terms and conditions upon which such sales shall be made and to accept or reject offers in connection with such sales.

SECTION 4. The Committee on Finance is authorized in the name of and on behalf of the Authority, in connection with the Notes, to enter into any contracts or agreements pertaining to the Notes; to fix the time or times and determine the terms and conditions of delivery of the Notes; to appoint one or more Paying Agents and a Registrar, and to designate the office or offices of any such Paying Agent (or Paying Agents) at which payments shall be made and the office or offices of any such Registrar at which the Authority’s Registry Books for the Notes shall be kept; to make any selection, designation, determination or estimate and to take or withhold any action and to formulate and express any opinions and to exercise any discretion or judgment which may be or is required to be made, taken, withheld, formulated, expressed or exercised in connection with the Notes, the Authority adopting all such selections, designations, determinations, estimates, actions, withholdings of action, formulations and expressions of opinions and exercises of discretion or judgment, including those pursuant to Section 3 of the Consolidated Bond Resolution, or otherwise, as its own; and to authorize any of the foregoing and generally to take such other action as in the opinion of the Committee on Finance will best serve the public interest.

SECTION 5. The Committee on Finance is authorized to arrange, from time to time (i) for the preparation and distribution of disclosure documents, including official statements, offering statements or other offering materials in connection with 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 it deems appropriate, in each case, in the name of and on behalf of the Authority.

SECTION 6. An Authorized Officer is authorized to take any and all action that the Committee on Finance is authorized to take under this resolution (without further action by the Committee on Finance); *provided, however*, that any such action may only be taken by an Authorized Officer if the Notes are issued and sold on a competitive basis.

SECTION 7. The Committee on Finance or any Authorized Officer is authorized, in connection with the issuance of the Notes on the basis that the Notes are to be in conformity with, and that the interest on the Notes is not to be 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, to take any action which may be appropriate to assure that the Notes are issued, and during their term are outstanding, on such basis, and any such actions taken in connection therewith are ratified. Any Authorized Officer is authorized to certify on behalf of the Authority as to the need for the issuance of the Notes, as to the status of the projects for which the proceeds of the Notes are to be used, as to the Authority's intentions with respect to the application and investment of the proceeds of the Notes, and as to such other matters as such Authorized Officer deems appropriate.

SECTION 8. As used in this resolution, 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; or Treasurer of the Authority.

**VERSATILE STRUCTURE OBLIGATIONS, VARIABLE RATE MASTER NOTES,
EQUIPMENT NOTES AND COMMERCIAL PAPER OBLIGATIONS –
CONTINUED ISSUANCE TO EFFECTUATE PLAN OF FINANCING**

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

RESOLVED, that, the following obligations of the Authority may continue to be issued, within the scope of existing authorizations to effectuate the plan of financing in effect on the date of issuance of such obligations: Versatile Structure Obligations under the resolution of the Authority adopted November 18, 1999, entitled “*Port Authority Versatile Structure Obligations Resolution-Modification*”; Variable Rate Master Notes under the resolution of the Authority adopted November 18, 1999, entitled “*Port Authority Variable Rate Master Notes Resolution-Modification*”; Equipment Notes under the resolution of the Authority adopted November 18, 1999, entitled “*Port Authority Equipment Notes Resolution-Modification*”; and Commercial Paper Obligations under the resolution of the Authority adopted May 26, 2005, entitled “*Port Authority Commercial Paper Obligations-Resolution*”.

DOWNTOWN RESTORATION PROGRAM – AUTHORIZATION TO ACCEPT ASSIGNMENT OF A TRADE CONTRACT FOR ELECTRICAL SERVICES FOR THE WORLD TRADE CENTER (WTC) MUSEUM PAVILION SERVICING THE WTC MEMORIAL, MEMORIAL MUSEUM AND WTC INFRASTRUCTURE PROJECTS, INCLUDING ASSOCIATED PAYMENTS INTO AN ESCROW ACCOUNT

It was recommended that the Board authorize the Executive Director to: (1) accept assignment of a construction trade contract awarded by the National September 11 Memorial and Museum at the World Trade Center Foundation, Inc. (NS11MM) to Forest Electric Corporation for the installation of all electrical equipment and power for the World Trade Center (WTC) Museum Pavilion servicing the WTC Memorial, Memorial Museum and WTC Infrastructure Projects, at an estimated amount of \$7,202,520, including an eight-percent contingency; (2) accept a partial assignment of the contract with Bovis Lend Lease LMB, Inc. (Bovis) for performance of construction management (CM) services associated with the Pavilion electrical trade contract, at an estimated cost of \$663,165; and (3) on behalf of the Port Authority and its wholly owned entities, make payments into an escrow account, in an amount of \$353,832, for the Port Authority's portion of the costs associated with the Pavilion electrical trade contract and the Bovis CM contract.

Pursuant to a July 2006 Project Agreement with the Lower Manhattan Development Corporation, the NS11MM, the City of New York and the State of New York, the Port Authority is to assume responsibility for construction of the WTC Memorial and the Memorial Museum Projects.

In December 2006, the Board authorized the Executive Director to finalize agreements with the NS11MM providing for the Port Authority to accept an assignment of the Bovis CM contract and manage all construction work for the WTC Memorial and Memorial Museum Projects. In anticipation of the full assignment of the Bovis CM contract, the NS11MM has proceeded with procurement of the Pavilion electrical trade contract, as an essential component of the critical path schedule for the WTC Memorial, Memorial Museum and WTC Infrastructure Projects.

The NS11MM will award the Pavilion electrical trade contract to Forest Electric Corporation, the lowest qualified bidder, selected from among multiple competitive bids based on a list of select bidders established in the Bovis CM contract. The scope of work for the trade contract includes the furnishing and installation of all electrical systems, including temporary power and light, permanent electrical, telecommunications, security, fire alarm and distributed antennae systems, for the WTC Museum Pavilion. The Pavilion electrical contract meets all New York City building code requirements.

None of the proposed Port Authority payment is included in the \$150 million commitment authorized by the Board in July 2006 for common and exclusive site infrastructure work associated with the WTC Memorial and Memorial Museum Projects.

An escrow account was jointly established and initially funded by the NS11MM to provide for payments to contractors and Bovis. The Port Authority previously has agreed to make payments into the escrow account of \$218.5 million, and the proposed authorization would bring total anticipated Port Authority payments to approximately \$222.8 million (including payments pursuant to two companion items), of which approximately \$115 million has been allocated against the Port Authority's commitment to the WTC Memorial and Memorial Museum Projects.

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

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to: (1) accept assignment of a construction trade contract awarded by the National September 11 Memorial and Museum at the World Trade Center Foundation, Inc. to Forest Electric Corporation for the installation of all electrical equipment and power for the World Trade Center (WTC) Museum Pavilion servicing the WTC Memorial, Memorial Museum and WTC Infrastructure Projects, in an estimated amount of \$7,202,520, including an eight-percent contingency; and (2) accept a partial assignment of the contract with Bovis Lend Lease LMB, Inc. (Bovis) for performance of construction management services associated with the Pavilion electrical trade contract, at an estimated cost of \$663,165; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority and its wholly owned entities, to pay \$353,832 into an escrow account for the Port Authority's portion of the costs associated with the Pavilion electrical trade contract and the Bovis construction management contract for the aforementioned projects; and it is further

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

DOWNTOWN RESTORATION PROGRAM – AUTHORIZATION TO ACCEPT ASSIGNMENT OF A TRADE CONTRACT FOR STRUCTURAL CONCRETE FOR THE WORLD TRADE CENTER (WTC) MUSEUM PAVILION SERVICING THE WTC MEMORIAL, MEMORIAL MUSEUM AND WTC INFRASTRUCTURE PROJECTS, INCLUDING ASSOCIATED PAYMENTS INTO AN ESCROW ACCOUNT

It was recommended that the Board authorize the Executive Director to: (1) accept assignment of a construction trade contract awarded by the National September 11 Memorial and Museum at the World Trade Center Foundation, Inc. (NS11MM) to Sorbara Construction Corporation for the placement of all structural concrete for the World Trade Center (WTC) Museum Pavilion servicing the WTC Memorial, Memorial Museum and WTC Infrastructure Projects, at an estimated amount of \$8,721,000, including an eight-percent contingency; (2) accept a partial assignment of the contract with Bovis Lend Lease LMB, Inc. (Bovis) for performance of construction management (CM) services associated with the Pavilion structural concrete trade contract, at an estimated cost of \$802,978; and (3) on behalf of the Port Authority and its wholly owned entities, make payments into an escrow account, in an amount of \$1,415,328, for the Port Authority's portion of the costs associated with the Pavilion structural concrete trade contract and the Bovis CM contract.

Pursuant to a July 2006 Project Agreement with the Lower Manhattan Development Corporation, the NS11MM, the City of New York and the State of New York, the Port Authority is to assume responsibility for construction of the WTC Memorial and the Memorial Museum Projects.

In December 2006, the Board authorized the Executive Director to finalize agreements with the NS11MM providing for the Port Authority to accept an assignment of the Bovis CM contract and manage all construction work for the WTC Memorial and Memorial Museum Projects. In anticipation of the full assignment of the Bovis CM contract, the NS11MM has proceeded with procurement of the Pavilion structural concrete trade contract, as an essential component of the critical path schedule for the WTC Memorial, Memorial Museum and WTC Infrastructure Projects.

The NS11MM will award the Pavilion structural concrete trade contract to Sorbara Construction Corporation, the lowest qualified bidder, selected from among multiple competitive bids based on a list of select bidders established in the Bovis CM contract. The scope of work for the trade contract includes the furnishing and installation of all structural concrete, including steel reinforcement, cast-in-place concrete, column and beam encasements, and the placement of all structural slabs for the WTC Museum Pavilion. The Pavilion structural concrete contract meets all New York City building code requirements.

None of the proposed Port Authority payment is included in the \$150 million commitment authorized by the Board in July 2006 for common and exclusive site infrastructure work associated with the WTC Memorial and Memorial Museum Projects.

An escrow account was jointly established and initially funded by the NS11MM to provide for payments to contractors and Bovis. The Port Authority previously has agreed to make payments into the escrow account of \$218.5 million, and the proposed authorization would bring total anticipated Port Authority payments to approximately \$222.8 million (including payments pursuant to two companion items), of which approximately \$115 million has been allocated against the Port Authority's commitment to the WTC Memorial and Memorial Museum Projects.

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

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to: (1) accept assignment of a construction trade contract awarded by the National September 11 Memorial and Museum at the World Trade Center Foundation, Inc. to Sorbara Construction Corporation for the placement of structural concrete for the World Trade Center (WTC) Museum Pavilion servicing the WTC Memorial, Memorial Museum and WTC Infrastructure Projects, in an estimated amount of \$8,721,000, including an eight-percent contingency; and (2) accept a partial assignment of the contract with Bovis Lend Lease LMB, Inc. (Bovis) for performance of construction management services associated with the Pavilion structural concrete trade contract, at an estimated cost of \$802,978; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority and its wholly owned entities, to pay \$1,415,328 into an escrow account for the Port Authority's portion of the costs associated with the Pavilion structural concrete trade contract and the Bovis construction management contract for the aforementioned projects; and it is further

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

DOWNTOWN RESTORATION PROGRAM – AUTHORIZATION TO ACCEPT ASSIGNMENT OF A TRADE CONTRACT FOR PLAZA PAVERS FOR THE WORLD TRADE CENTER (WTC) MEMORIAL, MEMORIAL MUSEUM AND WTC INFRASTRUCTURE PROJECTS, INCLUDING ASSOCIATED PAYMENTS INTO AN ESCROW ACCOUNT

It was recommended that the Board authorize the Executive Director to: (1) accept assignment of a construction trade contract awarded by the National September 11 Memorial and Museum at the World Trade Center Foundation, Inc. (NS11MM) to Port Morris Tile and Marble Corp. for all plaza pavers work for the World Trade Center (WTC) Memorial, Memorial Museum and WTC Infrastructure Projects, at an estimated amount of \$13,479,480, including an eight-percent contingency; (2) accept a partial assignment of the contract with Bovis Lend Lease LMB, Inc. (Bovis) for performance of construction management (CM) services associated with the plaza pavers trade contract, at an estimated cost of \$1,241,111; and (3) on behalf of the Port Authority and its wholly owned entities, make payments into an escrow account, in an amount of \$2,534,885, for the Port Authority's portion of the costs associated with the plaza pavers trade contract and the Bovis CM contract.

Pursuant to a July 2006 Project Agreement with the Lower Manhattan Development Corporation, the NS11MM, the City of New York and the State of New York, the Port Authority is to assume responsibility for construction of the WTC Memorial and the Memorial Museum Projects.

In December 2006, the Board authorized the Executive Director to finalize agreements with the NS11MM providing for the Port Authority to accept a full assignment of the Bovis CM contract and manage all construction work for the WTC Memorial and Memorial Museum Projects. In anticipation of the full assignment of the Bovis CM contract, the NS11MM has proceeded with procurement of the plaza pavers trade contract, as an essential component of the critical path schedule for the WTC Memorial, Memorial Museum and WTC Infrastructure Projects.

The NS11MM will award the plaza pavers contract to Port Morris Tile and Marble Corp., the lowest qualified bidder, selected from among multiple competitive bids based on a list of select bidders established in the Bovis CM contract. The scope of work for the trade contract includes the furnishing and installation of all plaza pavers for the WTC Memorial, as well as within certain areas immediately adjacent to the Memorial Plaza, which are the responsibility of the Port Authority, and is necessary to advance construction of the Memorial Museum and WTC Infrastructure Projects and meet the scheduled opening of the WTC Memorial Plaza on September 11, 2011. The plaza pavers contract meets all New York City building code requirements.

The proposed Port Authority payment for this work will be included against the \$150 million commitment authorized by the Board in July 2006 for common and exclusive site infrastructure work associated with the WTC Memorial and Memorial Museum Projects.

An escrow account was jointly established and initially funded by the NS11MM to provide for payments to contractors and Bovis. The Port Authority previously has agreed to make payments into the escrow account of \$218.5 million, and the proposed authorization would bring total anticipated Port Authority payments to approximately \$222.8 million (including payments pursuant to two companion items), of which approximately \$115 million has been allocated against the Port Authority's commitment to the WTC Memorial and Memorial Museum Projects.

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

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to: (1) accept assignment of a construction trade contract awarded by the National September 11 Memorial and Museum at the World Trade Center Foundation, Inc. to Port Morris Tile and Marble Corp. for all plaza pavers work for the World Trade Center (WTC) Memorial, Memorial Museum and WTC Infrastructure Projects, in an estimated amount of \$13,479,480, including an eight-percent contingency; and (2) accept a partial assignment of the contract with Bovis Lend Lease LMB, Inc. (Bovis) for performance of construction management services associated with the plaza pavers trade contract, at an estimated cost of \$1,241,111; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority and its wholly owned entities, to pay \$2,534,885 into an escrow account for the Port Authority's portion of the costs associated with the plaza pavers trade contract and the Bovis construction management contract for the aforementioned projects; and it is further

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

WORLD TRADE CENTER – CONTINUED RETENTION OF CUSHMAN & WAKEFIELD FOR PROFESSIONAL REAL ESTATE AND FINANCIAL ADVISORY SERVICES

It was recommended that the Board authorize the Executive Director to increase by up to \$2 million the authorized amount under an existing agreement with Cushman & Wakefield, Inc. (C&W) to provide real estate and financial advisory services related to the World Trade Center (WTC) agreements with the Silverstein Properties, Inc. (SPI) interests for up to one year, bringing the total amount authorized for these services to \$4.5 million.

In August 2008, following termination of negotiations with Merrill Lynch & Co., Inc. regarding a long-term lease of WTC Tower 3, and in recognition of the challenges SPI would face in developing three WTC towers absent a sole occupant tenant for one of the towers, the Port Authority engaged C&W to provide financial and real estate consulting services related to a potential restructuring of the agreements with SPI. At its meeting of November 6, 2008, the Board authorized the continued retention of C&W to provide ongoing consulting services, which include financial analysis and negotiations support in connection with a restructuring of the terms of the SPI net leases and the November 2006 Master Development Agreement with SPI. The continued retention of C&W would permit a seamless continuation of the negotiation process with respect to these matters, in addition to a continuation of C&W's advice to, and representation of, the Port Authority in the current WTC site arbitration proceedings involving SPI.

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

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to increase by up to \$2 million the authorized amount under an existing agreement with Cushman & Wakefield, Inc. for consulting services related to certain agreements with the Silverstein Properties, Inc. interests involving the World Trade Center site; and it is further

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

**OFFICE OF INSPECTOR GENERAL – FORMAL RECOGNITION OF STATUS
UNDER NEW YORK AND NEW JERSEY LEGISLATION**

By resolution adopted June 16, 1992, the Office of Inspector General was established as an independent office charged with the responsibility of receiving – and investigating, where appropriate – all complaints regarding wrongdoing, fraud, waste and abuse by employees or third parties doing business with the Port Authority. Such responsibility was intended to promote integrity, economy, and efficiency, and to complement the functions of other Port Authority staff, including the Public Safety Department and the Port Authority Police Department.

The role and activities of the Inspector General have developed over time, to the point that they have been incorporated into the current By-Laws. Today, the Audit Department and the Office of Investigations each report to the Inspector General, and these units are staffed by appropriate professionals with the expertise and authority to perform the functions required by the Port Authority and its wholly owned entities in connection with integrity, economy, and efficiency. The Audit Department, with a staff of qualified internal auditors, maintains its certification by peer review from time to time, and is supplemented by auditors supplied by an independent accounting firm. Similarly, the Office of Investigations is composed of experienced professional investigators, auditors, and assigned Police Detectives with broad backgrounds and expertise.

Discussions with the New York State Division of Criminal Justice Services and the New Jersey Department of Law and Public Safety have suggested that investigators assigned to the Office of Investigations be formally recognized under the respective state laws as members of the Port Authority's police force. This recognition would not change their work or the manner in which they perform their work, or the work or manner of performance of the work of other employees of the Port Authority. To do this, the Board would amend existing resolutions dealing with the composition of the Port Authority's police force. Since its inception in 1928, the roles and titles of the employees assigned to the Port Authority's police force have changed to reflect the composition of the force. In addition, some of the titles are represented for purposes of collective negotiations, consistent with the Port Authority Labor Relations Instruction adopted by the Board in 1976 (as subsequently amended).

On such basis, it is appropriate for investigators assigned to the Office of Investigations to be provided with the authority under the laws of the two States, consistent with Section 1.20(34)(k) of New York's Criminal Procedure Law and N.J.S.A. 32:2-25. As indicated, this action shall not change the duties and responsibilities of any Port Authority title or position or the employees assigned thereto; the positions shall continue to be managerial and confidential and supervisory under the Port Authority Labor Relations Instruction; and the individuals shall continue to be members of the New York State and Local Employees Retirement System (and shall not be eligible to become members of the New York State Police and Fire Retirement System). As with all Port Authority employees, they will be continue to be provided with appropriate training commensurate with their responsibilities. And, investigators assigned to the Office of Inspector General will continue to work with Port Authority Police Department employees, so that each organization unit and the employees assigned thereto complement and enhance the work of the other.

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

RESOLVED, that, in addition to sworn officers of the Port Authority Police Department, the police force appointed by The Port Authority of New York and New Jersey shall consist of all permanent and temporary employees now or hereafter holding office or position (as evidenced by payroll titles) as

Inspector General
Deputy Inspector General/Director of Investigations
Assistant Inspector General/Assistant Director of Investigations
Investigation Manager
Supervising Confidential Investigator
Principal Confidential Investigator
Confidential Investigator

; and it is further

RESOLVED, that all members of the Port Authority's police force shall have all powers, duties, rights, and immunities conferred by the laws of the States of New York and New Jersey, respectively; and it is further

RESOLVED, that members of the Port Authority's police force serving in the Office of Inspector General (other than members serving in the Port Authority Police Department assigned, pursuant to memorandum of agreement or otherwise, to the Major Case Unit/Office of Inspector General) shall not be subject to restrictive requirements for appointment to the police force heretofore or hereafter established; shall not be members of the New York State Police and Fire Retirement System; and shall be managerial and confidential and supervisory employees for purposes of the Port Authority Labor Relations Instruction; and it is further

RESOLVED, that prior resolutions of the Board of Commissioners relating to the composition of the Port Authority's police force be and they hereby are amended, after the effective date of this resolution, to conform hereto; 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 all actions he deems necessary or appropriate to effectuate the purposes and intent of this resolution.

Whereupon, the meeting was adjourned.

Secretary