

THE PORT AUTHORITY OF NEW YORK AND NEW JERSEY

MINUTES

Thursday, November 20, 2008

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**MINUTES of the Meeting of The Port Authority of New York and New Jersey held Thursday,
November 20, 2008 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. Bruce A. Blakeman
 Hon. Michael J. Chasanoff
 Hon. Fred P. Hochberg
 Hon. H. Sidney Holmes III
 Hon. David S. Mack

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

Arthur J. Cifelli, Director, PABT Air Rights Development
 Steven J. Coleman, Assistant Director, Media Relations, Public Affairs
 William R. DeCota, Director, Aviation
 John C. Denise, Audio Visual Supervisor, Public Affairs
 Claudia Dickey, Assistant Director, Management and Budget
 Pasquale DiFulco, Executive Communications Specialist, Media Relations, Public Affairs
 Michael P. Dombrowski, Cinematographer, Public Affairs
 John J. Drobny, Director, Security Projects
 Michael B. Francois, Chief, Real Estate & Development
 Jennifer Friedberg, Staff Public Information Officer, Media Relations, Public Affairs
 Richard Friedman, Senior Advisor to the Executive Director
 Cedrick T. Fulton, Deputy Director, Tunnels, Bridges and Terminals
 Linda C. Handel, Assistant Secretary
 Alan H. Hicks, Senior Public Information Officer, Public Affairs
 Mark D. Hoffer, Special Advisor to the Executive Director
 Howard G. Kadin, Esq., Law
 Kirby King, Deputy Director, Rail Transit
 Kevin J. Kirchman, Director, Marketing
 Louis J. LaCapra, Chief Administrative Officer
 Christina M. Lado, Director, Government and Community Affairs
 Conor Lanz, Leadership Fellow, Human Resources
 Richard M. Larrabee, Director, Port Commerce
 Susan Bass Levin, Deputy Executive Director
 Francis J. Lombardi, Chief Engineer
 Stephen Marinko, Esq., Law
 Ronald Marsico, Assistant Director, Media Relations, Public Affairs
 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, Office of the Secretary
 Anne Marie C. Mulligan, Treasurer
 Summer Oesch, Special Assistant, Deputy Executive Director
 Tony F. Oliver, Senior Marketing Analyst, Public Affairs

Richard R. Roper, Director, Planning

Jessica Schultz, Senior Government Community Affairs Manager, Government and
Community Affairs

Stephen H. Sigmund, Chief, Public and Government Affairs

Gerald B. Stoughton, Director, Office of Financial Analysis

Ralph Tragale, Assistant Director, Government and Community Affairs

Lillian D. Valenti, Director, Procurement

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

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

Public Speaker:

Steve Pappageorge, Unite Here

The public meeting was called to order by Chairman Coscia at 1:35 p.m. and ended at 1:53 p.m. The Board met in executive session prior to the public session.

Action on Minutes

The Secretary submitted for approval Minutes of the meeting of October 23, 2008. She reported that copies of these Minutes were sent to all of the Commissioners and to the Governors of New York and New Jersey on October 24, 2008. She reported further that the time for action by the Governors of New York and New Jersey has expired at Midnight on November 10, 2008.

Whereupon, the Board of Commissioners unanimously approved the Minutes.

Report of Security Committee

The Security Committee reported, for information, on matters discussed in public session at its meeting on November 20, 2008, which included discussion of an item that authorizes the award of sub-grant agreements on behalf of the U.S. Department of Homeland Security in connection with the Port Security Grant Program, and discussion of the retention of architectural and engineering services in support of the Port Authority's Security Capital Program, 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 20, 2008, which included discussion of an item that authorizes planning in connection with the redevelopment of the Central Terminal Building at LaGuardia Airport, and the report was received.

Report of Committee on Construction

The Committee on Construction reported, for information, on matters discussed in public session at its meeting on November 20, 2008, which included discussion of a project to upgrade navigation aid equipment and approach lighting systems at Newark Liberty International Airport, discussion of a project for Phase I of the North Cargo Area and Port Street Improvement Program at Newark Liberty International Airport, and discussion of an increase to a project to complete construction of Phase 1B of the ExpressRail Corbin Street Intermodal Rail Support Facility at Port Newark and the Elizabeth-Port Authority Marine Terminal, and the report was received.

NEWARK LIBERTY INTERNATIONAL AIRPORT – NAVIGATION AIDS IMPROVEMENTS TO RUNWAYS 4L, 22L AND 22R – PROJECT AUTHORIZATION

It was recommended that the Board authorize a project (Project) for Navigation Aids (NAVAIDS) Improvements to Runways 4L, 22L and 22R at Newark Liberty International Airport (EWR), at an estimated total project cost of \$19.75 million, which cost is eligible for reimbursement through Passenger Facility Charges.

EWR has experienced substantial domestic and international passenger growth since 2001, with a corresponding increase in air traffic operations. The proposed improvements are necessary to enhance the operational capacity of the airport by providing additional navigation support during reduced visibility conditions.

Work under this Project would include upgrading NAVAIDS to the latest generation equipment, including the new Category II/III equipment that would allow precision instrument approaches and landings during severe weather conditions, where visibility is below 2,400 feet. In addition, the Project would upgrade existing approach lighting systems, from the existing Medium Intensity Approach Lighting System to a High Intensity Approach Lighting System. The difference between these two systems is in the number and brightness of lights and sequenced flashing capability.

An obstruction analysis, which determines if there are objects in the area that would interfere with an aircraft landing or takeoff, would be conducted to determine if the Runway 4L threshold, the beginning portion of the runway usable for landings, can be relocated. This analysis would be completed concurrently with the NAVAIDS design, and, if recommended following the analysis, the threshold would be moved at the same time as the NAVAIDS upgrade, to minimize disruption to airport operations. Modifying the Runway 4L threshold also would increase operational capacity, by allowing staggered arrivals, better queuing of aircraft and increased arrivals and departures.

Normally, the Federal Aviation Administration (FAA) would purchase and install this navigation equipment, but to expedite this work, the Port Authority would implement the Project in accordance with FAA standards and then turn the equipment over to the FAA to operate and maintain. Construction of the project is expected to commence by the fourth quarter of 2009 and be completed in the second quarter of 2011.

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

RESOLVED, that a project (Project) for Navigation Aids Improvements to Runways 4L, 22L and 22R at Newark Liberty International Airport, at an estimated total project cost of \$19.75 million, including engineering, project and construction management costs, payments to contractors, allowances for extra work (if necessary) and net cost work, administrative and financial expenses and a contingency (if necessary), be and it hereby is authorized; and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to 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 Project shall be subject to the approval of General Counsel or his authorized representative.

NEWARK LIBERTY INTERNATIONAL AIRPORT - NORTH CARGO AREA AND PORT STREET IMPROVEMENT PROGRAM – RECONFIGURATION AND REHABILITATION OF PARKING LOT P6 – PHASE I – PROJECT AUTHORIZATION

It was recommended that the Board authorize Phase I of the North Cargo Area and Port Street Improvement Program (Program) to provide for the reconfiguration and rehabilitation of Parking Lot P6 and the demolition and remediation of the gas station property at Building 75 at Newark Liberty International Airport (EWR), at a total estimated project cost of \$32 million.

In April 2008, the Board authorized \$2.5 million in planning for roadway improvements in the affected areas serving the North Cargo Area at EWR. These improvements include: (1) the widening and realignment of Port Street from Routes 1 and 9 and the Interstate 78 ramps to the New Jersey Turnpike overpass, and the realignment of Brewster Road; (2) the relocation of the EWR Parking Lot P6 entrance/exit plaza to a location between the runway protection zone; and (3) the demolition and remediation of the vacated gas station property at Building 75.

The proposed Phase I of the Program would provide for the reconfiguration and rehabilitation of Parking Lot P6, including milling and repaving, construction of a new entrance/exit toll plaza, installation of new bus stops, utility improvements, re-striping, relocation of lighting and provision of new electrical service to accommodate the reconfigured parking lot, as well as the demolition and remediation of the Building 75 gas station site. This work would allow for certain future roadway improvements to be implemented under Phase II of the Program.

International trade through Port Newark (PN) and the Elizabeth-Port Authority Marine Terminal (EPAMT) has doubled in the past 10 years. This has led to a significant increase in traffic on Port Street (which is one of the two main access points to PN and the EPAMT) and Brewster Road (which, with Port Street, provides the only access to the North Cargo Area of EWR). Parking Lot P6 (adjacent to Port Street and Brewster Road) is also located in the North Cargo Area. Truck traffic to and from PN/EPAMT is expected to further increase by more than 50 percent in the next eight years. Accordingly, the proposed work is necessary to advance the initiatives as part of the Program. Parking Lot P6 work would be staged to minimize impact to patrons from increased traffic while under construction. Construction of Phase I of the Program is expected to commence in the third quarter of 2009 and be completed in the fourth quarter of 2010.

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

RESOLVED, that a project for Phase I of the North Cargo Area and Port Street Improvement Program, including the reconfiguration and rehabilitation of Parking Lot P6 and the demolition and remediation of the vacated gas station property at Building 75 at Newark Liberty International Airport, at a total estimated project cost of \$32 million, 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 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.

LAGUARDIA AIRPORT – CENTRAL TERMINAL BUILDING MODERNIZATION PROGRAM – PHASE II - PLANNING AUTHORIZATION

It was recommended that the Board authorize Phase II planning work for the modernization and redevelopment of the Central Terminal Building (CTB) at LaGuardia Airport (LGA) and related facilities, at an estimated cost of \$40 million, bringing the total authorized planning costs for the project to \$55 million, all of which costs are eligible for reimbursement via Passenger Facility Charges (PFC).

The existing CTB at LGA opened for air passenger traffic in 1964. Today, nearly 45 years later, the CTB complex does not meet the standards of a modern airport terminal in terms of aircraft spacing, hold rooms, concessions and other aspects, including building condition and systems.

Phase II planning work would advance the next phase in the project development, design development and cost evaluation. Phase II would include significant activities needed to progress the design concept, identify any design issues, confirm the project scope and budget, and continue negotiations with the airlines on space utilization, fees and charges and economic feasibility, as well as the development of a financing plan necessary to fund the project. Included in this effort would be value engineering and environmental assessments.

In May 2004, the Board authorized Phase I of the CTB Modernization Program, at a total estimated cost of \$15 million, including \$2.7 million of previously authorized planning. Phase I focused on updating the “needs analysis” required to meet future airport traffic demand, and developing a business plan for moving forward with the program of improvements. As part of this program, efforts were completed that developed the project scope and assessed various alternative concepts, including (1) no-build, (2) renovating four concourses, and (3) a new terminal building. These efforts included: (1) evaluating the best scheme and concept for a terminal, in light of the constrained site; (2) discussions with select stakeholders, including the airlines; (3) development of conceptual designs of preferred alternatives; (4) review of required tasks, deliverables, schedules and cost estimates; and (5) financial analyses of the costs and benefits of each alternative.

While the aviation industry experiences the current economic downturn, further planning using PFC-eligible funding would position LGA ideally for the eventual economic recovery. This advanced planning also would be mutually compatible with mandated objectives promoted by the Federal Aviation Administration, the agency charged with administering the PFC program – specifically, facilitating capacity growth and introducing more airline competition through the implementation of common-use technology, such as passenger check-in facilities and baggage screening.

The selection of consultants with respect to significant contracts necessary to implement this planning work would be subject to prior review with the Committee on Capital Programs/Agency Planning.

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

RESOLVED, that Phase II planning work for the modernization and redevelopment of the Central Terminal Building at LaGuardia Airport and related facilities, at an estimated cost of \$40 million, 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.

PORT NEWARK AND THE ELIZABETH-PORT AUTHORITY MARINE TERMINAL – EXPRESSRAIL CORBIN STREET INTERMODAL RAIL SUPPORT FACILITY – PHASE 1B – INCREASE IN PROJECT AUTHORIZATION – INCREASE IN AUTHORIZATION FOR CONTRACT PN-354.073 – SUPPLEMENTAL CONSTRUCTION AGREEMENT WITH CONSOLIDATED RAIL CORPORATION

It was recommended that the Board authorize: (1) an increase in the project authorization for the construction of Phase 1B of the ExpressRail Corbin Street Intermodal Rail Support Facility (Support Facility) at Port Newark (PN) and the Elizabeth-Port Authority Marine Terminal (EPAMT), by an estimated amount of \$7 million, from a total authorized amount of \$43 million to \$50 million, to complete the construction of Phase 1B of the Support Facility; and (2) the Executive Director to: (a) increase Contract PN-354.073 by \$6.8 million, from \$30.7 million to \$37.5 million, to provide for increases in the Net Cost allowance of \$5.6 million (from \$2.9 million to \$8.5 million) and in the Extra Work allowance of \$1.2 million (from \$2.7 million to \$3.9 million); and (b) enter into a supplement to the construction agreement with Consolidated Rail Corporation (Conrail) to increase the maximum reimbursement to Conrail for work associated with the Phase 1B project by \$700,000, from \$750,000 to \$1,450,000.

In order for the rail facilities in the Port of New York and New Jersey to operate as efficiently as possible, support track is necessary to accommodate two-mile-long trains and integrate the rail traffic to and from the Port Authority's three ExpressRail facilities: ExpressRail Newark, ExpressRail Elizabeth and ExpressRail Staten Island. In recognition of this need, in February 2005 the Board authorized the construction of Phase 1A of the Support Facility and the relocation of utilities for Phases 1A and 1B of the Support Facility, at an estimated total project cost of \$34 million, and the final design of Phase 1B of the Support Facility, at an estimated cost of \$2 million. Subsequently, to accelerate the implementation of this critical project, construction of Phase 1B of the Support Facility was authorized in April 2005, prior to the completion of the final design, at an estimated total project cost of \$43 million. Construction of Phase 1A was completed in December 2006, and provided over 17,000 linear feet of support track.

Pursuant to the April 2005 Board authorization, Contract PN-354.073 was awarded in July 2007 to Union Paving & Construction Co., Inc., the lowest qualified bidder following public advertisement, at a total estimated cost of \$28.2 million, inclusive of net cost work and extra work, for the construction of approximately 30,000 linear feet of support track, two new rail bridges, storm drainage, site grading, and the consolidation and protection of numerous utilities located throughout the site. Also included in the authorization were provisions for anticipated but unquantifiable items, such as impact costs for operational (rail) interruptions and staging modifications to the contract, over-excavation, replacement of unsuitable and contaminated subgrade material and other field conditions.

Subsequent to contract award, delays caused by utility companies in completing their relocation work, changes to intermodal rail operations due to container traffic growth and rail infrastructure improvement projects undertaken by Conrail, and significantly greater than expected quantities and disposal costs for unsuitable and contaminated subsurface soils, have impacted the completion date and costs associated with the Phase 1B project. In order to allow for construction to continue while revised cost estimates for the project were better defined, the Chief Engineer, pursuant to authority delegated through the By-Laws, authorized increases in

extra work and net cost work totaling \$2.5 million, for a revised total contract cost of \$30.7 million. Under this recommended authorization, Contract PN-354.073 would be increased by an additional \$6.8 million, for a revised total contract cost of \$37.5 million, to provide for (1) the removal and disposal of greater than anticipated subsurface contaminated and unsuitable material, construction debris and refuse encountered during excavation, (2) contract delays due to utility company relocation work, and (3) additional track design and construction work required to make the project compatible with railroad operations and related Conrail construction projects that were implemented after the award of the contract.

Additionally, because portions of Phases 1A and 1B of the Support Facility are being constructed on Conrail property, the Board was notified in 2005 that the Port Authority was entering into a construction agreement with Conrail to reimburse Conrail for costs associated with providing flagmen to ensure the safety of workers in areas where construction is being performed adjacent to active train tracks, performing excavation work to identify the exact location of existing utilities, reviewing contract documents and providing related engineering services, at a cost estimated at that time to be \$750,000. In order for the work being performed by Conrail to continue until construction of Phase 1B is completed, the construction agreement would be supplemented to increase the maximum reimbursable amount to be paid by the Port Authority to Conrail by \$700,000, for a total reimbursement amount of \$1,450,000. The Port Authority will retain ownership of all improvements constructed on Conrail property, as personal property, and Conrail will maintain the tracks constructed on its property, at its sole cost and expense.

This recommended action would allow the project to continue toward completion, which is currently forecast to occur in the third quarter of 2009, so as to increase rail mobility and capacity, and allow for greater ease and efficiency in the movement of containerized cargo while increasing regional employment opportunities.

Moving cargo by rail also will reduce environmental impacts caused by roadway congestion, including air pollution, and allow more containerized cargo to reach its destination with fewer truck trips.

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

RESOLVED, that an increase in the project authorization for the construction of Phase 1B of the ExpressRail Corbin Street Intermodal Rail Support Facility (Support Facility) at Port Newark and the Elizabeth-Port Authority Marine Terminal, by an estimated amount of \$7 million, from a total authorized amount of \$43 million to \$50 million, to complete the construction of Phase 1B of the Support Facility, 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 increase the amount of Contract PN-354.073 by \$6.8 million, from \$30.7 million to \$37.5 million, to provide for increases in the Net Cost allowance of \$5.6 million (from \$2.9 million to \$8.5 million) and the Extra Work allowance of \$1.2 million (from \$2.7 million to \$3.9 million); and it is further

RESOLVED, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into a supplement to the construction agreement with Consolidated Rail Corporation (Conrail) to increase the maximum reimbursement to Conrail for work associated with the Phase 1B project by \$700,000, from \$750,000 to \$1,450,000; and it is further

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

NEWARK LIBERTY INTERNATIONAL AIRPORT – VIRGIN ATLANTIC AIRWAYS LTD. – LEASE ANB-886 – NEW LEASE

It was recommended that the Board authorize the Executive Director to enter into a new lease agreement with Virgin Atlantic Airways Ltd. (Virgin) for the letting of approximately 6,300 square feet of space in the B2 corridor of Terminal B at Newark Liberty International Airport (EWR) for a five-year, six-month term, providing for new first-class lounge space for Virgin patrons and those of other airlines.

Virgin would be responsible for the fit-out of the space and intends to invest \$5 million for the construction. Currently, Virgin occupies lounge space at EWR on the Concourse Level of Terminal B under a lease that expires in September 2009, but would be terminated at the time of completion of construction of the new lounge. The rent commencement date under the new lease would be the earlier of the date of beneficial occupancy of the leased premises or 180 days from the lease commencement date. Virgin would pay a total aggregate rental of approximately \$3,465,000 over the term of the lease.

The Port Authority would retain the right to terminate the lease without cause on 30 days' prior written notice. If so terminated, the Port Authority would be obligated to reimburse Virgin its unamortized capital investment in the leased premises, calculated on a straight-line basis over the stated term of the lease, commencing with the lease commencement date, up to the amount of \$5 million. Virgin also would retain the right to terminate the lease without cause on 30 days' prior written notice, in which case it would not be entitled to receive its unamortized capital investment.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Blakeman, Chasanoff, Coscia, Hochberg, Holmes, Mack, 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 enter into a lease (the Lease) with Virgin Atlantic Airways Ltd. for the letting of 6,300 square feet of space in the B2 corridor of Terminal B at Newark Liberty International Airport, substantially in accordance with the terms outlined to the Board; and it is further

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

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY EMISSIONS
REDUCTION PROGRAM – PORT AUTHORITY PARTICIPATION**

It was recommended that the Board authorize agreements with the United States Environmental Protection Agency (EPA) and ACCION New York, Inc. (ACCION) to establish and implement a \$2 million Emissions Reduction Program (Program). Under the Program, the Port Authority and the EPA each would provide up to \$750,000 and ACCION would provide \$500,000 for financial incentives to truck owners operating within the Port District in connection with the purchase of used trucks that have been retrofitted with EPA or California Air Resources Board (CARB)-verified emission control technologies. ACCION would manage the Program and directly disburse funds or loans.

The EPA has been working with the Port Authority to develop strategies and programs to reduce air emissions associated with port-related activities. In September 2007, at the EPA's request, the Port Authority convened an informational briefing for financial institutions and New York and New Jersey economic development agencies to discuss the EPA's SmartWay Transport Partnership, a program to promote greater energy efficiency, improved air quality, and the reduction of greenhouse gases within the freight transport sector. In June 2008, the Port Authority submitted the Program to the EPA in response to a Request for Proposals for the EPA's SmartWay Transport Partnership projects. The EPA selected the proposed Program for funding under an EPA Northeast Diesel Collaborative Grant, with the understanding that the Port Authority would commit to provide up to \$750,000 in matching funds, subject to approval of the Port Authority's Board of Commissioners.

The Program, to be managed by ACCION, will provide 90-percent financing for the purchase of used trucks that have been retrofitted with EPA or CARB-verified emission control technologies, and for the repowering of diesel trucks with new engines that provide lower emissions and greater fuel efficiency. During the grant period (December 2008 through December 2010), the Port Authority and ACCION expect to serve 37 drayage truck owners/operators. As initial advances are repaid, during and after the grant period, the Program is expected to enable the purchase of 33 additional vehicles through the redeployment of the initial funds, for a total of 70 drivers expected to be served by this Program.

The Program would assist in reducing pollution from trucking activities that are a necessary and critical part of port operations and of the regional economy.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Blakeman, Chasanoff, Coscia, Hochberg, Holmes, Mack, 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 enter into agreements with the United States Environmental Protection Agency and ACCION New York, Inc., as may be necessary to accomplish the purposes detailed in the Emissions Reduction Program; and it is further

RESOLVED, that, in addition to those instruments in which Port Authority operating funds may now be invested, subsequent to the execution and delivery of the above-described agreements with the United States Environmental Protection Agency and ACCION New York, Inc, the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to invest up to \$750,000 of Port Authority operating funds in the Emissions Reduction Program; 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.

**AUTHORIZATION TO AWARD SECURITY GRANTS AS FIDUCIARY AGENT FOR
THE U.S. DEPARTMENT OF HOMELAND SECURITY**

It was recommended that the Board authorize the Executive Director to enter into agreements as may be necessary to award sub-grants under Port Security Grants totaling \$14.9 million for Fiscal Year 2007, and \$47.5 million for Fiscal Year 2008 (collectively, the Grants), as approved by the United States Department of Homeland Security (DHS), and the Area Maritime Security Committee (AMSC).

In 2007, federal legislation authorized supplemental funding for port security. The Port of New York and New Jersey's (Port of NY/NJ) share of such funding is approximately \$14.9 million. In 2008, DHS allocated \$43.39 million to the Port of NY/NJ, and \$1.95 million to the Port of Albany, under the Fiscal Year 2008 Port Security Grant Program. Thereafter, the Federal Emergency Management Agency increased the Port of NY/NJ's grant to \$45.5 million and the Port of Albany's grant to \$2 million.

To provide for efficient and centralized administration, DHS awarded the grants to the Port Authority to manage and administer as DHS's fiduciary agent. The Board authorized this fiduciary agency relationship in September 2007, with respect to the Fiscal Year 2007 Supplemental Port Security Grant, and in March 2008, with respect to DHS Port Security Grant Programs for the Port of NY/NJ and the Port of Albany.

The projects have been approved by the DHS and the AMSC, which the Port Authority chairs.

All sub-grantees would be required to comply with federal requirements and to fund 25 percent of the allowable costs of their respective projects. It is expected that all costs incurred by the Port Authority, as fiduciary agent, to manage and administer these sub-grant awards will be reimbursed from Grants funds, three percent of which are allowed to be used for management and administration. Further, expenditures under the Grants would not be charged to the Port Authority's capital budget.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Blakeman, Chasanoff, Coscia, Hochberg, Holmes, Mack, 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 enter into agreements as may be necessary to award sub-grants under the United States Department of Homeland Security's Port Security Grants totaling \$14.9 million for Fiscal Year 2007, and \$47.5 million for Fiscal Year 2008, substantially in accordance with the terms outlined to the Board; and it is further

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

EXPANSION OF FOREIGN-TRADE ZONE NO. 49 GENERAL PURPOSE ZONE TO INCLUDE 402 ACRES AT HELLER INDUSTRIAL PARKS, INC., IN EDISON, NEW JERSEY

It was recommended that the Board authorize the Executive Director to: (1) file an application, on behalf of the Port Authority, as Grantee of Foreign-Trade Zone No. 49 (FTZ No. 49), with the Foreign-Trade Zones (FTZ) Board of the United States Department of Commerce for the expansion of FTZ No. 49 General Purpose Zone to include 402 acres at the Heller Industrial Parks, Inc. (Heller) site in Edison, New Jersey; and (2) execute an appropriate property owner agreement(s) with Heller, and, pending activation approval from United States Customs and Border Protection, execute operating agreements with any companies on the Heller site interested in doing business as a foreign-trade zone operator.

Heller is one of the largest industrial park developers in the country, specializing in the building, leasing and managing of rail-served, close-to-market distribution centers in seven states. The proposed FTZ No. 49 expansion site consists of 33 buildings that comprise approximately 7.8 million square feet of space at the Heller site in Edison, as well as undeveloped land that is available to attract new business to the community. The 69 businesses currently operating at the site employ 7.5 percent of the total employment of Edison, and ship approximately 222,300 Twenty-Foot Equivalent Units through the Port of New York and New Jersey annually. Foreign-trade zone designation of this site would contribute to the overall economic development plans and objectives of the Township of Edison and the State of New Jersey, through increased employment, industrial and commercial development and international trade, as well as increase the tax base for the federal, state and local governments.

Heller would pay to the Port Authority, as Grantee, a one-time fee of \$3,000 to cover administrative expenses associated with this action. Additional expenses incurred to administer the foreign-trade zone site would be defrayed by fees set forth in the FTZ No. 49 Zone Schedule that would be paid to the Port Authority by any company at the Heller site that activates as a foreign-trade zone operator. The owner of the property would accomplish any required alterations to the facilities, in compliance with all appropriate city and county laws and regulations.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Bauer, Blakeman, Chasanoff, Coscia, Hochberg, Holmes, Mack, 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, as Grantee of Foreign-Trade Zone No. 49 (FTZ No. 49) to: (1) file an application with the Foreign-Trade Zones Board of the United States Department of Commerce for the expansion of FTZ No. 49 General Purpose Zone to include 402 acres at the Heller Industrial Parks, Inc. (Heller) site in Edison, New Jersey; and (2) execute an appropriate property owner agreement(s) with Heller, and, pending activation approval from United States Customs and Border Protection, execute operating agreements with any companies on the Heller site interested in doing business as a foreign-trade zone operator, substantially in accordance with the terms outlined to the Board; and it is further

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

STATEMENT OF PRINCIPLES FOR IMPROVING AIR QUALITY AT THE PORT OF NEW YORK AND NEW JERSEY

In June 1993, the Port Authority formally issued an environmental policy statement recognizing its longstanding commitment to provide transportation, terminal and other facilities of commerce within the Port District, to the greatest extent practicable, in an environmentally sound manner. Additionally, in March 2008, the Board of Commissioners approved an expansion of the Port Authority's environmental policy to include a sustainability component that explicitly addresses climate change and ensures that the agency maintains an aggressive posture in its efforts to reduce the emission of greenhouse gases (GHG) within the New York/New Jersey region.

The Port of New York and New Jersey (Port) is a vibrant economic engine for the region, driving job creation, improving quality of life and providing substantial state and local tax revenues. The Port connects the region to both the international marketplace and the nation's leading consumer markets. It provides business with access to millions of customers and provides consumers with competitively priced international goods.

Despite these economic benefits, many Port-related activities contribute to air pollution and GHG emissions in the region. The operation of diesel engines associated with Port operations produces emissions that contain particulate matter (PM), nitrogen oxides (NO_x), and sulfur dioxides (SO_x), which negatively affect human health and the environment, as well as carbon dioxide (CO₂), which contributes to climate change. Serious health effects are associated with long-term exposure to the pollutant compounds contained in diesel exhaust emissions. Given these implications for public health and the environment, the reduction of these Port-related emissions is a top priority.

Consistent with its environmental policy and its responsibility to promote and protect the commerce of the Port District, it is appropriate for the Port Authority to lead efforts within the region to reduce Port-related emissions. In 1994, the Port Authority began the expansion of its ExpressRail on-dock rail network. When completed, the ExpressRail network will be able to handle 1.5 million containers per year, eliminating close to 2.5 million truck trips from state and local roadways. This will reduce the amount of Port-related emissions from truck traffic. The Port Authority also has undertaken the Staten Island Ferry Engine Retrofit and Marine Vessel Engine Replacement Programs that have reduced several hundred tons of NO_x emissions per year and exceeded the emissions reductions required to offset NO_x emitted as part of the Harbor Deepening Program. With the emergence of new technologies, the Port Authority has the opportunity to implement initiatives that would result in additional diesel emission reductions. Since 2000, the Port Authority has taken the lead to quantify the sources of Port-related emissions and their contribution to the overall emissions in the region, from each source through several emission inventories. Most recently, the Port Authority has completed baseline year 2006 inventories of GHG emissions from all Port Authority facilities and pollutant emissions from all Port-related sources. Additionally, in July 2008 the Chairman announced that the Port Authority would be taking the lead in developing a regional Clean Air Strategy to reduce air emissions at the Port.

Today, the Board of Commissioners is reaffirming its support of the Port Authority's continuing sustainability initiatives by adopting a statement of principles that demonstrates its commitment to reducing Port-related emissions that affect air quality in the region and contribute to climate change.

The Port Authority's commitment to improving air quality at the Port shall be based on the following principles:

- The Port Authority will continue to use its best efforts to reduce annual Port-related emissions of PM, NO_x, and SO_x by 3 percent and GHG emissions by 5 percent, with the goal of achieving 80 percent reduction in GHG from 2006 levels by 2050.
- The Port Authority will lead the development of a Clean Air Strategy for the Port, with an anticipated completion date of June 2009. The purpose of this Strategy will be to reduce Port-related diesel and GHG emissions by achieving reductions in advance of potential or future applicable regulations. The Strategy will set targets that build on the success and momentum of current emissions reduction initiatives, and will identify a range of practical actions that the Port and industry stakeholders can take to achieve those targets. The Port Authority will work with several partners to create this Strategy, including the New Jersey Department of Environmental Protection, the New York Shipping Association, the United States Environmental Protection Agency, the New York State Department of Environmental Conservation, the New York City Mayor's Office and the New York City Economic Development Corporation. The Strategy will incorporate feedback from Port stakeholders, including those representing the sources of Port-related diesel and GHG emissions.
- The emission reduction actions identified in the Clean Air Strategy will be organized by the sources of maritime emissions, including oceangoing vessels, cargo-handling equipment, rail, trucks and harbor craft. For each source, potential emissions reduction activities will be identified for implementation. Examples of potential activities that could be considered include, but are not limited to:
 - ◆ Encouraging the use of cleaner, low-sulfur fuels by oceangoing vessels at berth and harbor craft
 - ◆ Examining the feasibility of installing shore-power capability for vessels dwelling at berth
 - ◆ Encouraging the modernization of cargo-handling equipment fleet and use of ultra-low-sulfur fuel in all cargo-handling equipment
 - ◆ Accelerating the completion of the hybrid yard hostler pilot projects at the Port Authority's New York and New Jersey marine terminals and their implementation, where feasible
 - ◆ Encouraging the retrofit of Switcher locomotives serving the Port with GenSet technology
 - ◆ Completing the Port Authority's ExpressRail system as an alternative to reduce dependency on trucks
 - ◆ Evaluating the retrofit for drayage trucks

- ◆ Promoting drayage truck retrofit or replacement via the SmartWay Transportation Partnership Program and the SmartWay Plus low-interest loan program, as well as the investment of operating funds in the Port Authority-ACCION New York, Inc. United States Environmental Protection Agency Emissions Reduction Program
- ◆ Continuing the retrofit of the Staten Island Ferry fleet engines and the replacement of engines in various marine vessels that operate in the New York/New Jersey region
- ◆ The Port Authority will track progress annually by reporting the implementation of planned activities, with detailed estimates of actual emissions reduced, calculated and reported by using emissions inventory updates.

Upon completion of the Clean Air Strategy, anticipated in June 2009, Board authorization will be sought for funding related to implementation of the various activities identified in the Strategy.

Pursuant to the foregoing report, the following Statement of Principles for Improving Air Quality at the Port was adopted with Commissioners Bauer, Blakeman, Chasanoff, Coscia, Hochberg, Holmes, Mack, Pocino, Sartor, Silverman and Steiner voting in favor; none against:

RESOLVED, that the Port Authority will continue to use its best efforts to reduce port-related emissions of particulate matter, nitrogen oxides, and sulfur dioxides by 3 percent and greenhouse gases (GHG) by 5 percent on an annual basis, with the goal of achieving 80 percent reduction in GHG emissions from 2006 levels by 2050; and it is further

RESOLVED, that the Port Authority will take the lead to develop a Clean Air Strategy for the Port of New York and New Jersey (Port), the purpose of which will be to reduce Port-related diesel and GHG emissions by achieving reductions in advance of potential or future applicable regulations; and it is further

RESOLVED, that the Port Authority will work with several partners to create the Clean Air Strategy for the Port, including the New Jersey Department of Environmental Protection, the New York Shipping Association, the United States Environmental Protection Agency, the New York State Department of Environmental Conservation, the New York City Mayor's Office, and New York City Economic Development Corporation, and will incorporate into the Clean Air Strategy feedback from Port stakeholders, including those representing the sources of Port-related diesel and GHG emissions; and it is further

RESOLVED, that the Clean Air Strategy for the Port will identify a range of emission reduction actions organized by the sources of maritime emissions, including, but not limited to, oceangoing vessels, cargo-handling equipment, rail, trucks, and harbor vessels; and it is further

RESOLVED, that the Port Authority will track the progress of its Clean Air Strategy annually, by reporting the implementation of planned activities, with detailed estimates of actual emissions reduced that are calculated and reported by using emissions inventory updates.

FREEDOM OF INFORMATION – POLICY AND PROCEDURE

The Port Authority of New York and New Jersey recently has undertaken a number of actions to promote greater transparency and accountability in its dealings and communications with the public, recognizing that an informed citizenry enriches the function of government. Over the last two years, the Board has acted to increase openness and transparency by implementing a number of governance reforms, including revising the agency's Open Meetings Policy (in December 2006) and by amending and restating the By-Laws (in July 2007). At the request of the Commissioners, staff has continued to review agency practices and procedures.

The amended and restated By-Laws, as most recently amended in May 2008, provide that the Port Authority shall follow a Freedom of Information Policy that is consistent with the freedom of information laws of the States of New York and New Jersey. To that end, staff has undertaken and recently completed a review of the Port Authority's Policy and Procedure relating to Freedom of Information, first adopted by the Committee on Operations in 1977 and last amended in 1992, with particular emphasis on procedures and exemptions from disclosure. Staff recommended a number of procedural changes, which are designed to provide open, timely and uninhibited access to the Port Authority's (and its subsidiary corporations') public records and to reflect the New York Freedom of Information Law and New Jersey's Open Public Records Act.

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

RESOLVED, that, as the governing body of The Port Authority of New York and New Jersey, the Commissioners express our continuing commitment to transparency in the conduct of the public's business, so that the Port Authority and its employees may hold the respect and confidence of the people of the States of New York and New Jersey; and it is further

RESOLVED, that the activities and decisions of the Port Authority (and its subsidiary corporations) are the public's business, and, therefore, the public should have access to the records of the Port Authority (and its subsidiary corporations); and it is further

RESOLVED, that the resolution of the Committee on Operations adopted on August 13, 1992, relating to Freedom of Information (appearing at pages 19, *et seq.* of the Committee minutes of that date), shall be, and it hereby is, rescinded; and it is further

RESOLVED, that all records of the Port Authority (and its subsidiary corporations), including records stored electronically, such as on computer tapes or disks, shall be made available for public inspection and/or copying, except that such access may be denied as to records or portions thereof which:

1. are rendered confidential or privileged, or are exempted from disclosure by federal or state law or regulations or rules or decisions of court;
2. if disclosed, would constitute an unwarranted invasion of personal privacy of an individual or individuals (including personnel, medical or disciplinary records and any lists of names and addresses to be used for profit or financial gain);
3. if disclosed, would impair present or future awards or negotiations, including collective bargaining or negotiations of leases, permits, contracts or other agreements;
4. are trade secrets or are maintained for the regulation or supervision of commercial enterprise which, if disclosed, would cause injury to the competitive position of the enterprise;
5. are compiled for public safety, law enforcement or official investigatory (internal or external) purposes, when their disclosure may affect public safety, interfere with investigations, audits, law enforcement investigations, or judicial or disciplinary proceedings, or deny or prejudice a right to a fair trial or impartial adjudication, or identify a confidential source or disclose confidential information relating to an audit or a civil, criminal, or internal or external disciplinary investigation;
6. if disclosed, could endanger the life or safety of any person or jeopardize the safety and/or security of any facility or information technology system;
7. are inter-agency or intra-agency records other than statistical or factual tabulations of data, provided that instructions to staff that affect the public or final agency policy or determinations may not be exempted;
or
8. are examination questions or answers which are requested prior to final administration of such questions;

and it is further

RESOLVED, that the Secretary of the Port Authority shall maintain a reasonably detailed current list, by subject matter, of all records in the possession of the Port Authority (and its subsidiary corporations), whether or not available hereunder; and shall, under the direction of the Executive Director, administer this policy pursuant to the following procedures:

Procedures

A. Requests

Requests for inspection or copying of public records of the Port Authority may be made to the Secretary of the Port Authority (or the Secretary's designee), and must contain sufficient information to identify the particular record sought. Such requests may be made:

1. in person, during regular business hours at the Port Authority's main office;
2. by postal or private delivery, addressed to the Secretary, The Port Authority of New York and New Jersey, at the Port Authority's main office, Attention: FOI Administrator;
3. by facsimile, addressed to the Secretary, The Port Authority of New York and New Jersey, at the Port Authority's main office, Attention: FOI Administrator, at the telephone extension designated for this purpose; or
4. by electronic means, such as e-mail addressed to the Secretary, The Port Authority of New York and New Jersey, at the Port Authority's main office, Attention: FOI Administrator, at the e-mail address designated for this purpose, or through the Port Authority's Internet site.

B. Determination of Availability

The Secretary of the Port Authority, or the Secretary's designee, shall respond to each request within five (5) business days of the receipt thereof by:

1. granting access to records requested in whole or in part,
2. denying access to records requested in whole or in part and providing reason(s) for denial, or
3. acknowledging the receipt of the request and providing a statement of the approximate date, within twenty (20) business days from the initial response, when the request will be granted or denied.

If the request is granted, the person making the request shall also be notified of the time and place when the records requested are to be made available for

inspection and copying. Records may be inspected only under the supervision of such officers or employees of the Port Authority as may be designated by the Secretary, at the Port Authority's main office, during regular business hours, or at such other times or places as are deemed convenient by the Secretary.

If the request is denied, the person making the request shall be provided with the reason(s) for denial.

C. Appeals

Any person who is denied access to a record of the Port Authority (or its subsidiary corporations) or who is denied copies of such a record may, within thirty (30) business days from such denial, file an appeal, in writing with the Port Authority's General Counsel. Such written appeal shall be accompanied by a memorandum in support thereof, setting forth the reasons why the requester is entitled, under the Freedom of Information – Policy and Procedures, to access to or copies of the record requested.

General Counsel (or General Counsel's designee) shall decide such appeals in writing, within seven (7) business days of the receipt of such an appeal by General Counsel.

D. Fees

When a requester seeks copies of records rather than access to them, such records will be copied by the Port Authority, if practical, for a fee of no less than twenty-five cents (25¢) for each page, and no less than five dollars (\$5.00) for records provided in compact disk (or other comparable) format. Where practical, and upon request, the Port Authority may provide responses in electronic format. The Secretary of the Port Authority may, from time to time, establish appropriate fees for copies provided in other formats.

If it is not practical for the Port Authority to copy requested records, they will be reproduced commercially, and the person requesting the copy will be charged for the full cost of such commercial reproduction.

A fee of no less than two dollars (\$2.00) will be charged for certification by the Secretary of the Port Authority as to the authenticity of any document, or that a record of which the Port Authority would be the custodian cannot be found.

In the event a search for records requested will require more than one "person hour," or in the event a search of computer records will require programming that would take more than one "person hour," the person requesting the records will be advised of the anticipated cost in advance, which cost will be charged based on the labor cost of personnel assigned to such search or programming, as determined for such search by the Secretary of the Port Authority.

E. Payment of Fees

All fees and costs shall be paid in cash, or by certified check, money order or cashier's check, or by any other means deemed reasonable by the Secretary of the Port Authority. Checks or money orders are to be made payable to "The Port Authority of New York and New Jersey." Payment must be received in advance of the search or at the time of the delivery for inspection or copying of any records or the Secretary's certification;

and it is further

RESOLVED, that the Executive Director, the Secretary of the Port Authority, and General Counsel be and each hereby is authorized, for and on behalf of the Port Authority, to take such actions with respect to the public inspection and copying of available records of the Port Authority (and its subsidiary corporations), consistent with this policy, as may be necessary or appropriate in the best interest of the Port Authority or of the public.

PORT AUTHORITY INFORMATION SECURITY POLICY

The Port Authority has long recognized the importance of public transparency with respect to the conduct of its operations. To that end, guidelines have been established for public access to records of the Port Authority under the Port Authority's policy on Freedom of Information (the FOI Policy), as well as in the Port Authority's By-Laws (as most recently amended on May 22, 2008).

By necessity, the FOI Policy recognizes that public access to agency records and information must be subject to some limited exceptions, and, as such, enumerates categories of information to which public access may be denied. These exceptions apply to certain discrete types of sensitive information, such as personal information, proprietary information, public safety and security information, among others, that are not appropriate for public release. When properly identified, such sensitive exempt information must be handled with due care and must be appropriately and fully protected from unauthorized disclosure or release.

Accordingly, it was recommended that a uniform information security policy make clear this Board's recognition of the importance of protecting such sensitive exempt information in all respects relating to its creation, identification, handling, accessing, storage, protection, transmittal and destruction. This policy will ensure that staff and third parties with access privileges to such sensitive exempt information fully appreciate the importance of properly protecting such sensitive exempt information.

Information security is essential in maintaining the trust of the public, in complying with applicable state and federal laws and regulations, and in avoiding adverse effects, which are likely to occur when such information is improperly disclosed, misused, altered, lost, or otherwise compromised. Recognizing the serious ramifications that may impact the public and Port Authority facility operations by the unauthorized release of sensitive exempt information, this Board also recognizes that effective and appropriate consequences addressing the failure of staff or third parties to appropriately protect sensitive exempt information from disclosure are an integral component of the process for information security.

The Board has been advised that a Port Authority Information Security Handbook has been developed to provide guidelines for staff and third parties in the areas of Port Authority information security organizational structure; categorization of information; information access; marking, handling, transmittal, storage and destruction; auditing and monitoring; policy violations and consequences; and information security education and awareness. The Information Security Handbook will be reviewed from time to time, and revised as appropriate, to ensure that it provides guidance and advice for staff and third parties to meet then current security needs.

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

RESOLVED, that the creation, identification, handling, accessing, storage, protection, transmittal and destruction of sensitive information of The Port Authority of New York and New Jersey and its wholly owned entities shall be accomplished with due care, in accordance with business and operational requirements, procedures, processes and protocols, in order to maintain the public trust, comply with applicable laws and regulations, and avoid adverse effects resulting from the unauthorized disclosure or availability of such information to unauthorized parties, or the alteration or loss of such information; and it is further

RESOLVED, that, for the purpose of implementing the policy established under this resolution (the “Port Authority Information Security Policy” or “Information Security Policy”), sensitive information shall include all information exempt from public inspection and copying under the Port Authority’s policy on Freedom of Information (as the same may be amended from time to time); 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 any and all actions to effectuate the Information Security Policy, including the establishment of appropriate penalties/consequences for breaches of the Information Security Policy; and it is further

RESOLVED, that the actions and initiatives that have been undertaken by staff to date with respect to the protection of sensitive information and the requirements, practices, processes and procedures that are presently in place and that will be put in place through the Information Security Handbook are hereby expressly ratified and approved; and it is further

RESOLVED, that the form of any agreements or other documents necessary for such action shall be subject to the approval of General Counsel or his authorized representative.

Whereupon, the meeting was adjourned.

Secretary