

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

**COMMITTEE ON OPERATIONS  
MINUTES OF SPECIAL, INTERIM MEETING  
Thursday, October 21, 2010**

John F. Kennedy International Airport – Verizon New York, Inc. – New Lease Agreement AYE-067	3
World Trade Center Transportation Hub Project – Authorization to Award a Construction Trade Contract for Transit Hall Miscellaneous Metals and Increases in Expert Professional Architectural and Engineering Services and Construction Management Services	4
World Trade Center Transportation Hub Project – Authorization to Award a Construction Trade Contract for Transit Hall Hoist and Scaffolding and Increases in Expert Professional Architectural and Engineering Services and Construction Management Services	6

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

**COMMITTEE ON OPERATIONS  
MINUTES OF SPECIAL, INTERIM MEETING**

**225 Park Avenue South**

**New York, NY**

**Thursday, October 21, 2010**

**PRESENT:**

Hon. Anthony R. Coscia, Chair  
 Hon. Henry R. Silverman, Vice-Chair  
 Hon. Virginia S. Bauer  
 Hon. H. Sidney Holmes III  
 Hon. Jeffrey A. Moerdler  
 Hon. David S. Steiner  
 Committee Members

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

Susan M. Baer, Director, Aviation  
 A. Paul Blanco, Chief Financial Officer  
 John D. Brill, Director, Audit  
 Ernesto L. Butcher, Chief Operating Officer  
 Steven J. Coleman, Assistant Director, Media Relations  
 Michael P. DePallo, Director, Rail Transit  
 Gretchen P. DiMarco, Special Assistant to the Deputy Executive Director  
 John J. Drobny, Director, Security Projects  
 Michael G. Fabiano, Acting Chief Technology Officer  
 Michael A. Fedorko, Director, Public Safety/Superintendent of Police  
 Michael B. Francois, Chief, Real Estate and Development  
 Jennifer Friedberg, Public Information Officer, Media Relations  
 Richard Friedman, Manager, Special Projects, Office of Environmental and Energy Programs  
 Cedrick T. Fulton, Deputy Director, Tunnels, Bridges and Terminals  
 Glenn P. Guzi, Senior External Affairs Representative, Government and Community Affairs  
 Linda C. Handel, Deputy Secretary  
 Mark D. Hoffer, Director, New Port Initiatives, Port Commerce  
 Lawrence S. Hofrichter, Deputy General Counsel  
 Kara E. Hughes, Senior External Relations Client Manager, Government and Community Affairs  
 Howard G. Kadin, Esq., Law  
 John P. Kelly, Director, Media Relations  
 Victoria C. Kelly, Director, Tunnels, Bridges and Terminals  
 Kevin J. Kirchman, Director, Marketing and Special Events  
 Sheila L. Koehler, Manager, General Services, Operations Services  
 Louis J. LaCapra, Chief Administrative Officer

Cristina M. Lado, Director, Government and Community Affairs  
Conor Lanz, Special Assistant to the Executive Director  
Richard M. Larrabee, Director, Port Commerce  
Thomas C. Lubas, Deputy Director, Operations Services  
Norma L. Manigan, Program Director, External Affairs, Marketing and Special Events  
Stephen Marinko, Esq., Law  
Ronald Marsico, Assistant Director, Media Relations, Public Affairs  
Michael G. Massiah, Director, Management and Budget  
James E. McCoy, Manager, Board Management Support, Office of the Secretary  
Michael J. McDonough, Manager, Central Auto Division, Operations Services  
Sanjay S. Mody, Advisor to the Chairman  
Anne Marie C. Mulligan, Treasurer  
Mark F. Muriello, Assistant Director, Tunnels, Bridges and Terminals  
Steven P. Plate, Director, World Trade Center Construction  
Monika A. Radkowska, Board Management Support Specialist, Office of the Secretary  
Alan L. Reiss, Deputy Director, World Trade Center Construction  
Alan I. Rhome, Director, Operations Services  
Stephen H. Sigmund, Chief, Public and Government Affairs  
Timothy G. Stickelman, Assistant General Counsel  
Gerald B. Stoughton, Director, Financial Analysis  
Robert A. Sudman, Acting Comptroller  
Ralph Tragale, Assistant Director, Public Affairs, Aviation  
Lillian D. Valenti, Director, Procurement  
Sheree Van Duyne, Manager, Policies and Protocol, Office of the Secretary  
Andrew S. Warshaw, Chief of Staff to the Executive Director  
David M. Wildstein, Director, Interagency Capital Projects, Office of the Deputy Executive Director  
Peter J. Zipf, Deputy Chief Engineer/Director of Engineering

Guest:

Deborah Gramiccioni, Director, Authorities Unit, Office of the Governor of New Jersey

Speakers:

Margaret Donovan, Twin Towers Alliance  
Richard Hughes, Member of the Public

In view of the fact that there would be an insufficient number of affirmative votes cast to constitute a quorum with respect to certain matters to be considered at today's Board meeting, the Secretary reported that, pursuant to the Board's resolution of December 15, 1994, a special, interim meeting of the Committee on Operations was called to permit the Committee to act on these items for and on behalf of the Board.

The meeting was called to order in public session by Chairman Coscia at 1:12 p.m. and ended at 1:35 p.m.

**JOHN F. KENNEDY INTERNATIONAL AIRPORT – VERIZON NEW YORK, INC. –  
NEW LEASE AGREEMENT AYE-067**

It was recommended that the Board authorize the Executive Director to enter into a new lease agreement with Verizon New York, Inc. (Verizon) for the continued letting of Building 147 at John F. Kennedy International Airport (JFK), consisting of approximately 61,523 square feet on a 2.87-acre site, for the operation of a central switch center to serve certain telecommunications needs of on-airport facilities at JFK.

Verizon is the primary provider of phone, data and Internet services throughout JFK. The term of its current lease at JFK runs through December 2011. Consistent with Verizon's corporate policy for leased space in the New York metropolitan area, the company has requested a new lease well in advance of the current expiration date, to allow for appropriate budgetary planning.

The proposed new lease agreement would commence on or about January 1, 2012 and run for a term of ten years. The total aggregate rental over the term of the lease would be approximately \$17.3 million. The Port Authority and Verizon each would have the right to terminate the lease agreement on three years' prior written notice. In addition, given the building's age at the expiration of the lease, the Port Authority may determine that it is in the agency's best interest to remove the building structure. As such, if directed by the Port Authority, Verizon would be responsible for demolishing Building 147, at its sole expense, within one year of vacating the premises.

Pursuant to the foregoing report, the Committee on Operations, acting for and on behalf of the Board pursuant to delegated authority, adopted the following resolution with Commissioners Bauer, Coscia, Holmes, Moerdler and Silverman voting in favor; none against; Commissioner Steiner recused:

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into a ten-year lease agreement with Verizon New York, Inc. for the letting of Building 147 at John F. Kennedy International Airport, substantially in accordance with the terms outlined to the Board; and it is further

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

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

**WORLD TRADE CENTER TRANSPORTATION HUB PROJECT – AUTHORIZATION TO AWARD A CONSTRUCTION TRADE CONTRACT FOR TRANSIT HALL MISCELLANEOUS METALS AND INCREASES IN EXPERT PROFESSIONAL ARCHITECTURAL AND ENGINEERING SERVICES AND CONSTRUCTION MANAGEMENT SERVICES**

It was recommended that the Board authorize the Executive Director to: (1) enter into a construction trade contract, through construction manager Tishman Construction Corporation and Turner Construction Company, a Joint Venture (Tishman/Turner), with Capco Steel, LLC for Transit Hall miscellaneous metals work associated with the construction of the World Trade Center Transportation Hub (WTC Hub) Project, at an estimated total cost of \$5,156,525, inclusive of an eight-percent allowance for extra work; (2) increase, by an estimated amount of \$300,000, the compensation under the Port Authority's existing agreement with Tishman/Turner for construction management services; and (3) increase, by an estimated amount of \$200,000, the compensation under the Port Authority's existing agreement with Downtown Design Partnership (DDP), a joint venture of AECOM and STV, Inc., for construction-related architectural and engineering services to support the continued construction of the WTC Hub Project.

The WTC Hub Project is necessary to re-establish and enhance transportation facilities and infrastructure that existed at the World Trade Center complex prior to September 11, 2001, and to ensure the long-term accessibility and economic vitality of Lower Manhattan. The scope of work under the proposed contract includes the furnishing and installation of metal stairs, handrails, guardrails, bumper rails, embedded items, hatches, grating and platforms, ladders, nosing angles, intermediate supports for walls and doors, wire mesh partitions and other miscellaneous furnishings throughout the Transit Hall.

The recommended award is to the lowest-price proposer, Capco Steel, LLC, which was selected by Tishman/Turner from a pre-qualified list of proposers. The proposed WTC Hub Project trade contract was procured pursuant to the procedures established in the Tishman/Turner Construction Management Agreement, dated August 10, 2009, and the Federal Transit Administration Lower Manhattan Recovery Office Third Party Contracting Requirements, dated August 21, 2003.

In July 2009, the Board authorized the retention of Tishman/Turner to provide construction management services to support the implementation of the WTC Hub Project. At the time of award, it was anticipated that the project would be implemented through the issuance of two major contracts to procure all trades needed to construct the Transit Hall in the East Bath tub. Through subsequent discussions with Tishman/Turner, the procurement strategy was modified to procure the construction trade packages individually, in order to best position the agency in attaining competition, flexibility and overall savings in contract value. The proposed increase in compensation to Tishman/Turner would provide for the development, management and supervision of this construction trade package. Including the requested increase of \$300,000 and an increase pursuant to one companion item being advanced at this meeting, a total of \$99.6 million will have been authorized. Approximately \$13.9 million of that amount has been expended to date.

In September 2003, the Executive Director authorized an agreement with DDP to provide professional architectural and engineering services for the development of the WTC Hub Project for a five-year term, at an estimated amount of \$60 million. Through September 2010, the Board authorized increases to the existing DDP contract for additional architectural and engineering and construction support services through Stage IV of the WTC Hub Project, to implement various components of the project. To continue the implementation of the project, it is necessary to increase compensation to DDP at this time. Including the requested increase of \$200,000 and an increase pursuant to one companion item being advanced at this meeting, a total of \$371.65 million will have been authorized. Approximately \$292.5 million of that amount has been expended to date.

Pursuant to the foregoing report, the Committee on Operations, acting for and on behalf of the Board pursuant to delegated authority, adopted the following resolution with Commissioners Bauer, Coscia, Holmes, Silverman and Steiner voting in favor; none against; Commissioner Moerdler recused:

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into a construction trade contract, through construction manager Tishman Construction Corporation and Turner Construction Company, a Joint Venture (Tishman/Turner), with Capco Steel, LLC for Transit Hall miscellaneous metals work associated with the construction of the World Trade Center Transportation Hub (WTC Hub) Project, at an estimated total cost of \$5,156,525, inclusive of an eight-percent allowance for extra work; 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, by an estimated amount of \$300,000, the compensation under the existing agreement with Tishman/Turner for construction management services to support the continued construction of the WTC Hub Project; 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, by an estimated amount of \$200,000, the compensation under the existing agreement with Downtown Design Partnership, a joint venture of AECOM and STV, Inc., for professional architectural and engineering services to support the continued construction of the WTC Hub Project; 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.

**WORLD TRADE CENTER TRANSPORTATION HUB PROJECT – AUTHORIZATION TO AWARD A CONSTRUCTION TRADE CONTRACT FOR TRANSIT HALL HOIST AND SCAFFOLDING AND INCREASES IN EXPERT PROFESSIONAL ARCHITECTURAL AND ENGINEERING SERVICES AND CONSTRUCTION MANAGEMENT SERVICES**

It was recommended that the Board authorize the Executive Director to: (1) enter into a construction trade contract, through construction manager Tishman Construction Corporation and Turner Construction Company, a Joint Venture (Tishman/Turner), with Atlantic Hoisting & Scaffolding, LLC for Transit Hall hoist and scaffolding work associated with the construction of the World Trade Center Transportation Hub (WTC Hub) Project, at an estimated total cost of \$3,240,853, inclusive of an eight-percent allowance for extra work; (2) increase, by an estimated amount of \$200,000, the compensation under the Port Authority's existing agreement with Tishman/Turner for construction management services; and (3) increase, by an estimated amount of \$200,000, the compensation under the Port Authority's existing agreement with Downtown Design Partnership (DDP), a joint venture of AECOM and STV, Inc., for construction-related architectural and engineering services to support the continued construction of the WTC Hub Project.

The WTC Hub Project is necessary to re-establish and enhance transportation facilities and infrastructure that existed at the World Trade Center complex prior to September 11, 2001, and to ensure the long-term accessibility and economic vitality of Lower Manhattan. The scope of work under the proposed hoist and scaffolding contract includes, but is not limited to, the design, furnishing, installation, maintenance and dismantling of two dual-hoist complexes and three stair towers, and the provision of horizontal protection and common scaffolding to facilitate the vertical movement of personnel, material and equipment during the build-out of the Transit Hall. The scope of work also would provide temporary access to link the street level with several elevation levels within the WTC Hub.

The recommended award is to the lowest-price proposer, Atlantic Hoisting & Scaffolding, LLC, which was selected by Tishman/Turner from a pre-qualified list of proposers. The proposed WTC Hub Project trade contract was procured pursuant to the procedures established in the Tishman/Turner Construction Management Agreement, dated August 10, 2009, and the Federal Transit Administration Lower Manhattan Recovery Office Third Party Contracting Requirements, dated August 21, 2003.

In July 2009, the Board authorized the retention of Tishman/Turner to provide construction management services to support the implementation of the WTC Hub Project. At the time of award, it was anticipated that the project would be implemented through the issuance of two major contracts to procure all trades needed to construct the Transit Hall in the East Bathub. Through subsequent discussions with Tishman/Turner, the procurement strategy was modified to procure the construction trade packages individually, in order to best position the agency in attaining competition, flexibility and overall savings in contract value. The proposed increase in compensation to Tishman/Turner would provide for the development, management and supervision of this construction trade package. Including the requested increase of \$200,000 and an increase pursuant to one companion item being advanced at this meeting, a total of \$99.6 million will have been authorized. Approximately \$13.9 million of that amount has been expended to date.

In September 2003, the Executive Director authorized an agreement with DDP to provide professional architectural and engineering services for the development of the WTC Hub Project for a five-year term, at an estimated amount of \$60 million. Through September 2010, the Board authorized increases to the existing DDP contract for additional architectural and engineering and construction support services through Stage IV of the WTC Hub Project, to implement various components of the project. To continue the implementation of the project, it is necessary to increase compensation to DDP at this time. Including the requested increase of \$200,000 and an increase pursuant to one companion item being advanced at this meeting, a total of \$371.65 million will have been authorized. Approximately \$292.5 million of that amount has been expended to date.

Pursuant to the foregoing report, the Committee on Operations, acting for and on behalf of the Board pursuant to delegated authority, adopted the following resolution with Commissioners Bauer, Coscia, Holmes, Silverman and Steiner voting in favor; none against; Commissioner Moerdler recused:

**RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to enter into a construction trade contract, through construction manager Tishman Construction Corporation and Turner Construction Company, a Joint Venture (Tishman/Turner), with Atlantic Hoisting & Scaffolding, LLC for Transit Hall hoist and scaffolding work associated with the construction of the World Trade Center Transportation Hub (WTC Hub) Project, at an estimated total cost of \$3,240,853, inclusive of an eight-percent allowance for extra work; 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, by an estimated amount of \$200,000, the compensation under the existing agreement with Tishman/Turner for construction management services to support the continued construction of the WTC Hub Project; 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, by an estimated amount of \$200,000, the compensation under the existing agreement with Downtown Design Partnership, a joint venture of AECOM and STV, Inc., for professional architectural and engineering services to support the continued construction of the WTC Hub Project; 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.

Whereupon, the meeting was adjourned.

---

Secretary